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building a more renewable world



ANNUAL REPORT
2024

European single electronic reporting format (ESEF) and PDF version

This document is an unofficial and unaudited PDF version of the Annual Report 2024 of Altri, SGPS, S.A.. This version has been prepared for ease of use and does not contain ESEF information as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The official ESEF reporting package is available on the CMVM website and was submitted on 3 April 2025. This document is a true copy of the aforementioned financial information. In case of discrepancies between this version and the official ESEF package, the latter prevails.



ALTRI, SGPS, S.A.

Company issuing shares admitted to trading on a regulated market

Head Office: Rua Manuel Pinto de Azevedo, 818 – Oporto

NIF 507 172 086

Share Capital: 25,641,459 Euro

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Altri in 2024

Performance

107 M€ Consolidated net income

- **218 M€** EBITDA
- **25,5 %** EBITDA margin
- **855 M€** total revenue
- **1 076 mADt** of cellulosic fibers produced
- MBO: Management by objectives
- **34 M€** of CapEx in activities aligned with the EU Taxonomy
- Alignment with CSRD

Social

799 Employees

- **43** women in leadership roles
- **34 921** hours of training
- **1st** Safety Convention
- **-48 %** serious accidents compared to 2023 in salaried workers
- ALP Advanced Leadership Program - Postgraduate degree in Management and Leadership

Environment

11 650 ha Forest conservation area

- **100 867 ha** of managed forest
- **20 m^3 / tSA** Specific water use at industrial units
- **75 %** Certified wood
- **9** Biodiversity stations
- **80 %** Process residues recovered or reused
- **8 170 120 tCO_2e** Forest Carbon Stock
- **ReGreen:** Absolute minimum monthly record in scope 1 emissions
- **22 969 tCO_2e** GHG avoided emissions
- **94 %** Primary energy from renewable origin
- TNFD alignment: Taskforce on Nature-related Financial Disclosures

Governance

- Anti-corruption training for 100% of employees

Future

3 Partnerships in Research & Development projects

- Recovery and valorization of acetic acid and furfural

Main Events

January 2024

Joining the Portuguese Alliance for the Promotion of Mental Health in the Workplace

Altri joined ASM, aiming to combat the stigma associated with mental health and promote a healthy work environment.

February 2024

1st Edition of the Caixa Geral de Depósitos ESG Award - Environmental Transparency & Performance

The Altri Group was recognized in the 1st Edition of the Caixa Geral de Depósitos ESG Award for adopting measures that promote ESG criteria. The award highlights the group's efforts in promoting a sustainable, responsible, and transparent economy.

Approval of Altri's strategic plan for 2024-26

April 2024

Antwerp Declaration for a European Industrial Pact

The Altri Group signed the Antwerp Declaration for a European Industrial Pact, joining over 700 signatories from various sectors. The declaration proposes 10 actions to strengthen Europe's energy competitiveness and promote net-zero emissions, low-carbon products, and circular economies, aiming for sustainable industrial growth.

May 2024

Dividend Distribution

At the General Shareholders' Meeting on May 3, 2024, it was decided to distribute dividends amounting to €51.3 million, corresponding to €0.25 per share, related to the 2023 results. This decision shows the Altri Group's commitment to providing stable returns to its shareholders within appropriate financial solidity limits.

July 2024

Summer Academy

The Altri Summer Academy welcomed 47 young people, aged 17 to 23, high school and university students from various fields. During the program, they participated in team projects, solved business cases, and attended workshops on entering the job market.

August 2024

EcoVadis

The Altri Group received the Platinum Medal in the EcoVadis sustainability assessment, positioning itself in the top 1% of companies in the Pulp, Paper, and Cardboard Production sector. It stood out in the areas of Labor and Human Rights (90 points), Ethics (80 points), and Sustainable Procurement (80 points).

September 2024

National Sustainability Day

Altri marked Sustainability Day at the Quinta do Furadouro Biodiversity Station by inviting employees' children to participate.
On September 25, National Sustainability Day, the Altri Group joined companies worldwide in the "2024 SDG Flag Campaign," celebrating the adoption of the Sustainable Development Goals (SDGs).

Biotek's conversion from BHKP to DWP

FSC Portugal

The Altri Group received the renewal of the FSC, recognizing the teams' work in protecting, valuing, and enhancing forest biodiversity. By following FSC principles throughout the value chain, the company reinforces its commitment to sustainability and contributes to a more conscious market.

October 2024

Sustainalytics

The Altri Group **ranked 1st** in the **Paper & Pulp** subcluster in the 2024 Morningstar Sustainalytics ESG Risk Rating.

Currently, with an overall score of 11.9, Altri strengthens its status as a "Low ESG Risk Company," presenting the Group as a safe investment.

Wood Suppliers Meeting

The 1st Altri Wood Suppliers Meeting highlighted the importance of a solid and transparent relationship with suppliers, who play an essential role in the value chain.

1st Safety Convention

Under the motto "Safety can be a click away," the Altri Group organized the 1st Safety Convention. The aim was to pause and reflect on the topic, understand the progress made, and project the future based on a safety culture where "we are all part of the solution.".

December 2024

Caima Go-Green Project

The Caima Go-Green project received three Architecture awards that highlight the relevance of sustainable architectural solutions in the industrial sector, aligned with the values of efficiency and environmental responsibility, respecting the surrounding landscape:

- Silver Award by the International Design Awards, IDA.
- Platinum Award at the 2024 Architecture & Design Collection Awards.
- Gold Award in the Industrial Buildings category at the 2024 Global Architecture Design Awards.

Signatories of the Portuguese Platform for Integrity (PPI)

As part of the 2030 Commitment, the Altri Group is a signatory of the PPI, an initiative of the United Nations Global Compact Network Portugal and the Portuguese Association for Business Ethics, reaffirming its commitment to integrity.

Signing of the contract for the acquisition of the entirety of Greenalia Forest and Greenalia Logistics

Altri agreed to acquire Greenalia Forest, one of the leading companies in the Galician forestry sector, and Greenalia Logistics from Smarttia, taking a strategic step in consolidating its presence in Galicia.

Sustainalytics - 2025 ESG Top-Rated Companies

The Altri Group was distinguished by Sustainalytics as an ***Industry – ESG Top-Rated Companies***, recognizing the top 5 companies with the best ESG risk rating in the "Paper and Forest" industry sector".

Participation in International/National Events

Cepi BioEconomy Lab

The Altri Group participated in the Cepi BioEconomy Lab, a fair in Brussels that showcased innovative and biological products. Several European companies demonstrated how forest-based fibers can help consumers make sustainable choices, exhibiting over 50 recyclable products and renewable solutions manufactured and recycled in Europe.

Participation in COP 29 – Baku

The Altri Group attended the United Nations Climate Change Conference, held in Baku, from November 11 to 22.

This participation affirms the Group's commitment not only to sustainability but also to the climate action being developed by all countries and companies, contributing to achieving the established goals.

Ratings - ESG

Altri is committed to applying best practices in all its businesses. Our commitment to sustainability is evident in our ongoing journey, and Altri is recognized as one of the companies with lowest ESG risk by some of the most distinguished entities.

Rating ESG	2024 Score	Last Score	Evolution	Last Review	Peers
SUSTAINALYTICS Scale: 100 a 0	11,9	14,5	↑	Q4'24	Industry - Paper &Forestry 3rd of 76 Subindustry - Paper &Pulp 2nd of 58
MSCI Scale: CCC a AAA	BBB	BBB	↔	Q1'24	Within industry average
CDP Scale: D- a A	Clima: A- Floresta: A- Água: B	Climate: A- Forest: B Water: B	↑	Q1'24	Above industry average
ecovadis Scale: Bronzt to Platinum	Platinum	Platinum	↔	Q3'24	Top 1% Global

1.1. Leadership Messages



"Making the world better" might be the best synthesis of who we are and what we have set out to achieve.

In the 16th century, in one of his most famous sonnets, the Portuguese poet Luís de Camões wrote: "Times change, wills change,/ways of being change, so does trust; /the whole world is composed of change,/always taking on new qualities." To conclude the poem, he said: "Yet, beyond this daily changing,/another change astonishes- me:/that nothing changes as it used to."

Change is a constant in life and not exclusive to modern times. The origin of this change may lie in factors external to us, imposed upon us, in dynamics of which we are part but cannot control, or in processes over which we might have some discretionary power. This is true for both people and companies. In the latter, the difference lies between merely reacting, adjusting, or having the ambition to be an agent of change, to a greater or lesser extent. The situation complicates when, as the poet said, the daily change no longer happens as it once did, introducing what, in the language of economics and management, is usually referred to as risk and uncertainty. And here, perhaps, there is a difference in degree, an acceleration of change that constantly challenges the management of companies involved in the competitive game, their organization and strategy, and ultimately, their people. With the established order quickly fading, and times changing, those who are first today may be last tomorrow, as Bob Dylan once wrote in "The times they're a-changing." At Altri, we are fully aware of these challenges, we know what they demand from us, and we are confident that, together, we will be able to build the appropriate responses.

2024 was, in a sense, a year of continuity that, like an elastic band stretching, contains within it the potential for disruption. The successive developments in Artificial Intelligenceis, perhaps, the most striking example in case. In parallel, there were also announced ruptures in the geopolitical context, whose dimensions are only now beginning to be visible.

2024 was, despite the challenges, or perhaps because of them, a good year for Altri. Navigating turbulent waters requires a course, an assumed strategy, a capable, flexible, and mobilized organization, and, central to making it happen, it requires quality of management. All requisits that we strive to gather and ensure.

The current report impressively portrays the path taken and what is anticipated to be taken. Due to the broad scope with which it is commonly used, "sustainability" is a good reference for the performance of Altri in 2024. The results achieved are proof that, in a well-designed and executed strategy, there is no "trade-off" between economic performance and social and environmental responsibility. It was

possible, therefore, to present, in all these aspects, performance indicators that make 2024 a reference year for the Group.

Referring to the body of the report for detailed information, it is worth highlighting here the first place worldwide, among pulp and paper companies, in the ESG Risk Rating by Morningstar Sustainalytics, as well as the distinction by EcoVadis with the platinum rating in the sustainability assessment, which keeps the Group in the Top 1% of pulp, paper, and cardboard production companies. In this regard, Altri has been recognized as a reference for the quality of the information provided, in an exercise of transparency that allows it to be a rigorous and operational benchmark in various dimensions of the SDGs. At the same time, in the economic-financial dimension, the results exceeded expectations, not only due to market conditions but mainly because of operational efficiency gains, the pursued repositioning, and the innovations introduced, in a virtuous process still ongoing. Strategy, management, organization, people.

Those accomplishments honour our commitment , shared across and from top to lower levels in the hierarchy, in promoting a more sustainable, responsible, and transparent economy. A commitment based on common values in which awards are an extra incentive to persists in the path we set out to achieve the goals we aspire to.

The world no longer "changes as it once did." On the one hand, there may be an excess of voluntarism and consequent regulatory bureaucracy. Ensuing obligations are a burden that many companies find difficult to keep up with and/or which translate into costs that, due to their lack of equity, condition competitive capacity. At the same time, shareholder activism has been resurging, questioning the ESG paradigm and trying to revive the debate about the purpose of the company. We will see where the pendulum stabilizes. These are, nevertheless, new risks, adding to an already challenging context: the "global uncertainty index" has never reached the current level, testing our management capacity and the resilience of our organization. Challenges that we are attentive to. Challenges that we would waive, although aware that we have people with the skills and capabilities to provide adequate responses, guided by our values and safeguarding sustainability.

"Making the world better" may be the best synthesis of who we are and what we have set out to achieve. By nature a long-term purpose, sustainability encompassess, in its different interpretations, from a sine qua non condition to being an expression of achievement. Thinking that it is possible to pursue, with consequence, social and environmental responsibility policies without good economic and financial performance is just wishful thinking, pure folly. Focusing exclusively on this economic-financial dimension, ignoring the other dimensions that realize the company's purpose, is reductionist. At Altri, we strive to prove that we can not only be a profitable and sustainable company but also be among the best in each of those evaluations and make such compatibility a differentiating factor. At Altri, we want our shareholders to feel rewarded for the support we have always had when we presented them with challenging strategies. At Altri, we want the people who work here to find their professional and personal fulfilment. And we also want to be a reference and example for those who evaluate us for our ability to be agents of world transformation, making it more sustainable, environmentally and socially. Better, in a word.

At Altri, we are committed to promoting betterment daily. We built a reputation, but we do not live on memories. We aspire to a future that enhances this legacy, knowing that only in the dictionary does success come before work. As a community, shareholders, administrators, workers, we are proud to say, and keep saying, "we are Altri".



We are aware that sustainability goes beyond numbers: it is a practice that involves all our operations and is reflected in the choices we make and the impact we have on the planet.

Reinforcing our Commitment to the Future

We always question what the future holds for us. With the conclusion of 2024, a new international context has emerged, increasing operational complexity and the challenges faced by the industry and companies.

However, it is precisely through our past that we can better understand and project the future. In this sense, we look at the achievements of 2024 with satisfaction, considering the work developed for the strategic plan 2024-2026, as well as our performance. This brings us even closer to our long-term goals, confirmed by the results presented. This was a year in which, despite global challenges, we continued to strengthen our commitment to operational discipline, innovation, and sustainability, valuing our most important resources, people and the forest, thus ensuring that Altri continues to be an example in its sector at the European and global level.

The year 2024 was marked by some volatility in international markets, which determined a largely positive first half, with the price of hardwood pulp (BHKP) reaching historic highs in June, followed by a second half where the trend reversed, with the price hitting annual lows at the end of the year. With increasingly rapid cycles, it is imperative that Altri maintains operational flexibility, safeguarding its profitability, either through active management of production and stocks or through the implementation of operational efficiency generation plans in all our industrial units. In soluble hardwood pulp (DWP), the base material for the textile industry and a strategic bet of Altri, the price evolution followed the good level of demand, once again demonstrating the greater stability of this market.

Operationally and financially, in 2024 the Altri Group recorded total revenues of €855.3 million, an increase of 8.5% compared to 2023, and EBITDA of €218.3 million, an increase of 59% year-on-year. The EBITDA margin was 25.5%, compared to 17.4% in 2023. This improvement is attributed not only to more favourable market conditions but also to rigorous cost management. The Altri Group presented a solid financial position at the end of 2024, with a low level of net debt (1x Net Debt/ EBITDA LTM), which allows us to maintain the necessary financial flexibility in the development of growth and diversification projects.

To reinforce our commitment to the Galicia region and its forestry sector, the Altri Group agreed to acquire Greenalia Forest and Greenalia Logistics, in an operation that strengthens the Group's operational capacity in raw material supply. This transaction is subject to precedent conditions and is expected to be completed during 2025.

Investment in Diversification and Innovation

Innovation and diversification of our operations continue to be fundamental for the sustainable growth of the Group. In 2024, we advanced with important projects such as the exploration of new applications of cellulosic fibers in the textile industry. As mentioned, this segment has shown interesting growth rates and is less susceptible to market price volatility.

Among the ongoing projects are the valorization of renewable-based acetic acid and furfural at Caima, with a start-up expected in Q1 2026, and the project for the total migration of Biotek's paper fiber (BHKP) production to soluble fibers (with various applications, particularly in the textile industry) by the end of 2026. At a different stage is the GAMA project in Galicia (DWP and Lyocell), currently in the processing and environmental licensing phase, a critical milestone for any final investment decision.

Sustainability: Commitment to the Future

Altri's focus on sustainable practices was further highlighted in 2024, with significant advances in energy efficiency, the use of renewable sources, and a circular approach in all our operations. The 2030 Commitment has been an important guide, with clear goals aligned with the Sustainable Development Goals (SDGs). This commitment is not just a corporate responsibility but allows us to actively contribute to the development of a more sustainable and renewable future, based on our operational efficiency.

In 2024, Altri continued to be recognized as a global leader in ESG (environmental, social, and governance) practices, reflecting the collective and dedicated work of all our teams. These ratings and recognition demonstrate that we are on the right path by adopting responsible and transparent business practices.

Impact on People and the Environment

In 2024, responsibility towards people and the environment continued to be a central pillar of our strategy. We advanced in the implementation of more sustainable processes, ensuring the use of renewable energy sources and more efficient management of natural resources. The commitment to the well-being of our employees also remained strong, with initiatives for safety, well-being, and continuous training in the workplace.

In partnership with the Católica Lisbon School of Business and Economics, the Altri Group carried out the Advanced Leadership Program (ALP) with the active participation of 76 employees from all the Group's companies. This advanced leadership program aimed to promote the personal and professional growth of the various teams, with the goal of continuing to strengthen the skills of our organization.

In terms of forestry, we currently manage approximately 100 thousand hectares of fully certified forest, with more than 10% conservation areas. Therefore, we seek to evaluate our ecosystems far beyond their productive potential. We look at their capacity to regulate – air quality, water cycle, pest and disease control, habitat for species, soil erosion protection, and fire protection – and also the ecosystem services they provide – environmental education and scientific knowledge, recreational activities, and aesthetic values, among others. Thinking also of our closest partners, we organized the 1st Wood Suppliers Meeting, in recognition of the important role they play in sustainable management, promotion, conservation, and protection of the forest.

We are aware that sustainability goes beyond numbers: it is a practice that involves all our operations and is reflected in the choices we make and the impact we have on the planet. We are proud of the

close relationship of collaboration and transparency we maintain with the communities that host Altri's industrial units, always working together with the aim of fostering continuous local development.

Outlook for the Future

Looking to the future, 2025 represents a new international context that increases operational complexity and the challenges faced by the industry and companies.

However, despite always considering the changes and the economic context in which we operate daily, we must keep in mind our direction and our destination. Where we intend to be in the medium and long term, so we can shape our immediate present. The year 2025 will be, above all, a year of continuity in our initiatives of innovation, sustainability, responsible growth, and operational discipline, always focusing on adding value to all our stakeholders..

Now, more than ever, it is important to reinforce our commitment to the future.

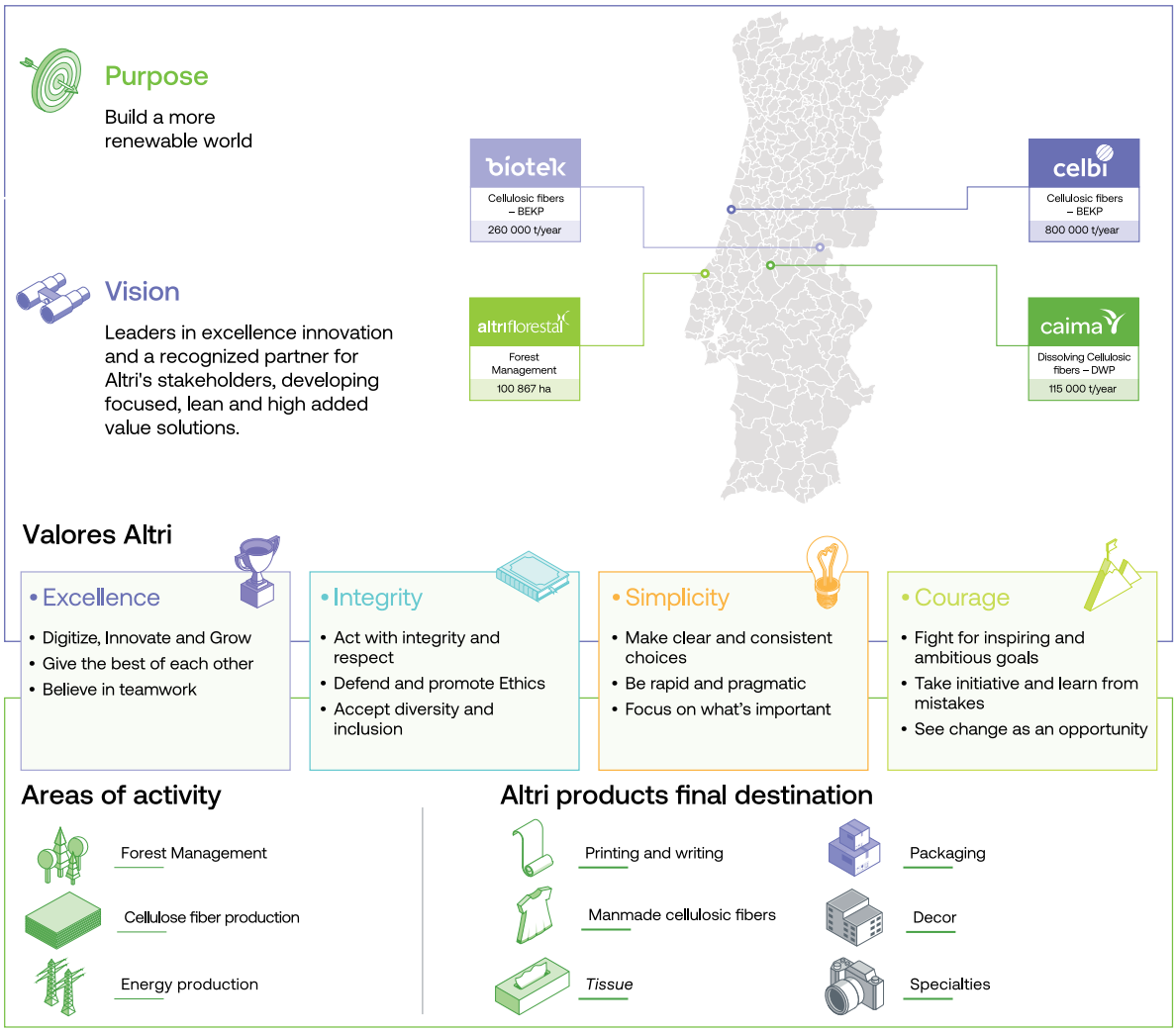
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1.2. Altri

Altri 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: It produces cellulosic fibers for various applications, from printing and writing paper to domestic papers and the textile industry.

Altri currently owns three plants, Biotek, Caima, and Celbi, which together present a production capacity of more than 1 million tons per year.



2030 Commitment

The United Nations 2030 Agenda defines 17 Sustainable Development Goals (SDGs) that serve as a global model for sustainable development. Altri is committed to contributing to these objectives and has assessed how its strategy and business activities align with and impact the SDGs.

The evaluation involved mapping the Sustainable Development Goals (SDGs) to which Altri has the greatest potential to contribute, outlining the Commitment 2030, and identifying the main goals associated with each objective.

In 2024, Altri continued implementing the Commitment 2030. This Commitment, based on the United Nations SDGs, guides our principles and actions to achieve the Group's ambitions by 2030, with full support from the Committee on Sustainability, Risk and Internal Audit, as well as the Executive Committee.

For a comprehensive view of each goal, along with associated goals and initiatives and sustainability vision, see the 1.5. Sustainability Statement chapter of this Report.

COMMITMENT 2030

6 ÁGUA POTÁVEL E SANEAMENTO	Reduce the specific use of water (m^3/ADt) in Altri's industrial units by 50% Reduce the organic load (COD,kg O_2/ADt) in Altri's industrial effluents by 60%
8 TRABALHO DIGNO E CRESCIMENTO ECONÓMICO	Walk toward achieving zero accidents with lost days (+3days)
5 GENDER EQUALITY	Double the number of women in leadership positions
12 PRODUÇÃO E CONSUMO SUSTENTÁVEIS	100% of process waste recovered or reused (%)
7 ENERGIAS RENOVÁVEIS E ACESSÍVEIS	100% of the primary energy consumed in the industrial units of Altri is of renewable origin
13 AÇÃO CLIMÁTICA	Reduce specific emissions of GHG from scope 1 and 2 by 51% ($kgCO_2$/ ADt) Reduce scope 3 emissions by 25% ($kgCO_2$/ ADt)
15 PROTEGER A VIDA TERRESTRE	Increase the percentage of wood consumption with forest management certification by 40% Double the area under natural conservation management (ha) Develop 13 biodiversity stations and biospots

Approach to Materiality

We prioritize communication with our stakeholders, and the continuous process of materiality assessment is crucial. Through this process, we identify the primary sustainability themes that are relevant to our business, incorporating the perspectives of our stakeholders. In 2023, Altri carried out a dual materiality assessment process, incorporating the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). We considered the results of the last materiality assessment, which identified 13 material topics. All of them were incorporated into the report, and Altri set goals and targets for them. Progress was monitored and publicly disclosed. Additional information is available in the 1.5 Sustainability Statement of this Report.

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

	Renewable Energy and Energy Efficiency
	Climate Change and GHG Emissions
	Waste Management and Circular Economy Innovation
	Forest Management Biodiversity and Ecosystems
	Health, Welfare and Safety at Work Financial Performance Human rights in the value chain Noise, Odors and other Impacts at Local Level Job Creation and Local Development
	Water Management
	Diversity, Equity and Inclusion

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1.3. Performance

1.3.1. Market context

Economic and operational performance is the basis of the value creation process, distributed by the various stakeholders and with significant impacts on society. Creating value from an economic perspective translates into adding value to local economies, producing products and services, paying taxes, creating jobs, and investing in the community. This is an example of the positive and stimulating influence that a company's economic performance can have on the local, national, and international economy.

To drive Altri's sustainable development, it is essential to maintain stakeholders informed about progress achievement. This report, which reflects a complete and transparent reality, intends to promote a more comprehensive visibility of the Group's activity and a better understanding of the value-creation process.

1.3.1.1. Macroeconomic framework

The year 2024 was marked by a slowdown in inflation in the main economies, allowing for a gradual easing of monetary policy by the central banks. This change contributed to some recovery in economic growth, although the global context continued to be affected by geopolitical challenges and uncertainties in trade policies.

The world economy grew at a steady pace of 3.2% in 2024, with forecasts of a slight acceleration to 3.3% in 2025, according to the OECD. Global inflation, driven by declines in energy and goods prices, has been on a downward path and is expected to be around 3.5% in the G20 economies in 2025. Central banks have begun to gradually cut interest rates, which should continue to support economic activity. However, still relatively high real rates may limit the expansion of consumption and investment.

Low inflation, stable employment growth and a less restrictive global monetary policy should support demand, despite some obstacles related to the need to tighten fiscal policy in several countries.

In the Eurozone, the economy grew by 0.7% in 2024, with projections of an acceleration to 1.3% in 2025 and 1.5% in 2026. Average inflation in 2024 stood at 2.4% and is expected to fall to 2.1% in 2025. The European Central Bank gradually reduced interest rates throughout the year, a move that should continue, favouring private investment and consumption. However, the European economy remains vulnerable to potential trade disruptions.

The Portuguese economy grew by 1.9% in 2024, and forecasts point to an acceleration to 2.2% in 2025. Growth was driven by the strength of the labor market, the resilience of the export sector and an increase in private consumption. Average inflation stood at 2.7% in 2024, with expectations of a drop to 2.1% in 2025. The business sector has benefited from improved financing conditions and support from European funds, but future developments will depend on political stability and the effective execution of planned public investments.

With regard to China, as it is one of the largest importers of pulp globally, its economic environment has a significant impact on global demand and pulp prices. China has recorded GDP growth of 5% in 2024, but faces structural challenges such as the slowdown in the real estate sector and weak growth in domestic demand. For 2025, the OECD predicts growth will moderate to 4.7%, reflecting the country's difficulties in boosting consumer confidence and stabilizing the financial sector.

Source: IMF - Financial Markets Information, Macroeconomic Framework Report 2024 and Scenario for 2025, 11 March 2025

1.3.1.2. Pulp market



Altri closely monitored these changes, exploring new opportunities for the current range of products and adjusting others, allowing its presence in new segments and markets.

After a strong dynamic in the first half of 2024, global pulp demand slowed down during the second semester, with the region of China as the main driver for such reduction. Although Europe and North America showed a positive behavior in 2024, the correction we have seen in China, both in pulp demand and prices, ended up influencing the dynamics in all regions.

Global demand for pulp during 2024 recorded a decrease of 1.0% vs the same period of the previous year, while the evolution of demand for Hardwood pulp was positive, with a 1.0% increase over the same period of the previous year, according to the PPPC (World Chemical Market Pulp Global 100 Report – December 2024 – Revised).

In regional terms, and focusing on the Hardwood pulp market, which is the most relevant for the Altri Group, we positively highlight Western Europe (+13.0%), Eastern Europe (+17.8%) and North America (+10.6%). Asia, particularly China (-5.7%), showed a slowdown in 2024.

Global Pulp Demand by Region

Thousand Tons	Jan-Dec '24	Jan-Dec '23	Var. %
Bleached Hardwood Sulphate	41,406	40,998	1.0%
Bleached Softwood Sulphate	23,713	24,613	-3.7%
Unbleached Sulphite	2,377	2,503	-5.0%
Sulphite	69	104	-33.3%
Pulp Global Demand	**67,565**	**68,218**	**-1.0%**
Bleached Hardwood per region			
North America	3,703	3,348	10.6%
Western Europe	8,078	7,148	13.0%
Eastern Europe	1,578	1,339	17.8%
Latin America	2,861	2,933	-2.5%
Japan	1,017	969	4.9%
China	17,614	18,673	-5.7%
Rest of Asia/Africa	6,354	6,407	-0.8%
Oceania	201	181	10.8%
Total	**41,406**	**40,998**	**1.0%**

Source: PPPC (World Chemical Market Pulp Global 100 Report - December 2024 - Revised).

One of the relevant factors for assessing the balance of pulp demand and supply in the European market is the level of stocks in European ports. After a year of destocking in the industry, as was the year 2023, in which average inventory levels in ports rose slightly above the historical average, this trend reversed in 2024, with a greater normalization of value chains in the pulp and paper industry. From September 2023, we saw a sustained reduction in inventories, stabilizing at around 1.2 M tons during 4Q23 until June 2024. Despite the European market showing a healthy level of demand, the slowdown in demand in China in the middle of 2024 and the fall in prices in Asia led to delays in purchases by European papermakers, in the expectation of convergence with Chinese prices. After a rise in inventories at European ports in 3Q24, they stabilized during 4Q24, in line with historical averages of between 1.4M and 1.5M tons.

Pulp stocks in European Ports

				2024					
Thousand Tons	2021	2022	2023	1Q	2Q	3Q	Oct	Nov	Dec
Stocks (EU Ports)	1,198	1,157	1,546	1,223	1,223	1,450	1,501	1,429	1,445

Note: Monthly stocks for the end of the period. Monthly average for quarterly and annual values.

Source: Europulp (Federation of the National Associations of Pulp Agents in Europe).

During 4Q24, the average price of the PIX pulp index (BHKP) in Europe fell by 20% in US$ and 19% in Euros compared to the previous quarter, reaching an average value of US$ 1,094/ton and ending 2024 at US$ 1,000/ton. The year-on-year comparison with 4Q23 reflects a higher price of around 20% in both US$ and Euros.

The destocking process we saw in the pulp and paper sector's value chain during 2023 led to higher volatility in pulp prices during that year, ending with a price recovery that lasted until June/July 2024. In addition to the increase in capacity recorded in the sector during 2024, there was a lack of dynamism in the levels of demand for paper in China for much of the year. As a result, hardwood pulp prices in

that country fell quite rapidly in the spring/summer months, a trend that was followed in Europe during 4Q24.

Evolution of the average price of BHKP pulp in Europe (2020 to 2024)

US$/ton	2020	2021	2022	2023	2024
Avg. Pulp Price (BHKP)	680	1,014	1,286	1,044	1,233

Source: FOEX.

Evolution of the average price of BHKP pulp in Europe (2024 - quarterly evolution)

	2024			
US$/ton	1Q	2Q	3Q	4Q
Avg. Pulp Price (BHKP)	1,120	1,354	1,375	1,094

Source: FOEX.

Global demand for dissolving pulp (DP) rose by 6.3% in 2024 compared to the same period of 2023, according to Numera Analytics (Global DP Demand Report - December 2024). It should be remembered that DP is essentially directed at textiles and used mainly in Asia, a region that absorbs around 85% of demand. In addition to a reduced level of volatility, DP prices are maintaining a positive trend, rising 6.6% in 2024 compared to 2023. Viscose and lyocell producers' operational utilization rates remain at very high levels in 2024, leading to solid demand for DP, its main raw material.

Global demand for dissolving pulp

Thousand Tons	Jan-Dec '24	Jan-Dec '23	Var.%
North America	527	459	14.8%
Western Europe	559	485	15.3%
Asia	6,467	6,160	5.0%
China	4,604	4,447	3.5%
Japan	147	190	-23.1%
Taiwan	33	28	20.2%
Thailand	286	227	25.7%
Rest of Asia	1,398	1,267	10.3%
Other	51	52	-2.8%
Total	**7,605**	**7,156**	**6.3%**

Source: Numera Analytics (Global DP Demand Report – December 2024).

1.3.2. Operational performance



After a period of strong growth in recent years, with an ambitious investment plan, the time has come to make operations more efficient and diversify their value creation strategy.

Operational performance

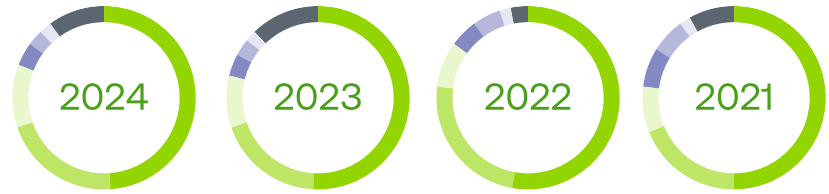
In 2024, pulp production reached 1,075.6 thousand tons, an increase of 1.4% when compared to 2023. With some slowdown during the second half of the year, the total volume of pulp sales in 2024 reached 1,078.8 thousand tons, almost unchanged (-0.2%) when compared to the same period of the previous year.

To optimize management of stocks of finished goods, the Group continues to adjust the production levels to sales estimates and taking into account scheduled downtimes.

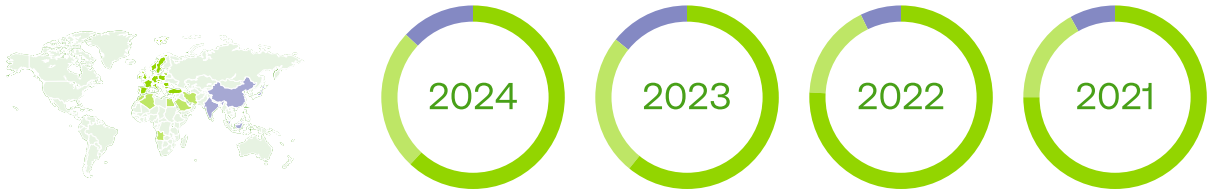
Operating indicators (2024)

Thousand Tons	2024	2023	Var.%
Pulp Production BHKP	957.3	961.0	-0.4%
Pulp Production DWP	118.3	100.0	18.3%
Total Production	**1,075.6**	**1,061.0**	**1.4%**
Pulp Sales BHKP	959.3	984.0	-2.5%
Pulp Sales DWP	119.6	97.0	23.2%
Total Sales	**1,078.8**	**1,081.0**	**-0.2%**

In terms of end use, Tissue continues to show solid levels of demand, with a weight of 49% in 2024. The P&W (Printing and Writing) segment regained part of the weight it lost in 2023, but it evolved at a slower pace than at the beginning of the year. Dissolving Pulp increased once again its weight. In regional terms, Europe (including Portugal) accounts for 62% of sales, followed by the Middle East and North Africa with 25%, with Turkey being the main destination in this geographic segment.



	2024	2023	2022	2021
Tissue	49%	51%	53%	50%
P&W	21%	19%	24%	19%
Dissolving	11%	9%	8%	8%
Décor	4%	4%	5%	7%
Specialties	3%	3%	5%	6%
Packaging	2%	2%	2%	2%
Other	10%	12%	3%	8%



	2024	2023	2022	2021
Europe	62%	61%	76%	75%
Middle East & North Africa	25%	25%	17%	17%
Asia	13%	14%	7%	8%

Operational Excellence

The commitment to operational excellence, one of Altri's strategic axes, implies a constant demand for continuous improvement, which will allow us to achieve competitive advantage and continuously strengthen Altri's position throughout its value chain. This commitment is shown through consistent actions implemented daily in Altri's operations, managed through the Altri Operating System.



This culture established in the Altri Group encourages the participation of all employees, identifying improvements in their daily activities and solving issues from their genesis. Encouraging communication and collaboration between the various areas, and sharing best practices and lessons learned, represents the true Altri mindset.

Through the Altri Operating System (AOS), since 2016, the KAIZEN™ methodology is used, ensuring the alignment of priorities between the three industrial units of the Group, fostering internal communication, and establishing the implementation of strategic decisions and their prioritization. The speed of adaptation to the use of these tools attests to the rooting of the culture of continuous improvement in the Altri universe. More than 14 projects were underway in 2024, operationalized through this system and applying KAIZEN™ methodologies in all the organization.

Hoshin Kanri method

In the last edition of AOS, an annual review was carried out (Annual Hoshin Review), to analyze the work dynamics, review the objectives and their goals and identify countermeasures for possible difficulties felt and shared. As a result of this brainstorm:

- Review of the objectives of the initiatives already identified in the year 1 (2022) and the targets to be achieved;
- New initiatives, sponsors, and teams: Operational efficiency | Specific consumption of subsidiary materials | Specific use of water | Reduction of accidents;
- Involvement and participation in the workshop of new areas: Altri Florestal, Altri Sales and Procurement.

Innovation

The mission of the Altri Innovation team is to create opportunities that support business units with new solutions that align with the Group's strategy. By testing new ideas and collaborating with the innovation community, Altri intends to test and validate solutions and generate new opportunities.

Through the Innovation team, Altri strengthens its partnerships with customers, suppliers, research centres, and universities to offer efficient solutions. Innovation projects prioritize process optimization, circularity, and sustainability, and efficient integration of resources and materials. In 2024, Altri participated in several innovative projects in collaboration with startups and research institutions, expanding several promising projects.

Innovation is a process rooted in the business model of the Altri Group, which promotes the development of scientific and technological projects through multiple partnerships with reference scientific institutions, which allow achieving the objectives they intend to reach. The "bet" of the Altri Group in bringing innovation "in an area where there was no knowledge in Portugal" (fiber production) is valued by its stakeholders, who mentioned this aspect during the auscultation process that took place in 2023. It is Altri's active support for scientific research and its incorporation into the organization's processes and business culture that allows the company to innovate on processes and develop new products. The Altri Group is positioned at the forefront of excellence innovation and is a recognized partner of its stakeholders, offering focused, lean, and high added value solutions.

Altri's objectives for Innovation are:

Develop new products

with the internal know-how and partnerships that allows the Group to develop, produce and market products of higher added value.

Identify and develop innovative processes and technology

that sustain the efficiency of productive processes and support the production of new products.

State-of-the-art monitoring

of the technology that may significantly impact the business and development of benchmarks to identify areas for improvement and risks.

Assess new ventures and businesses

keep up-to-date information on core areas and the ongoing prospecting of new business opportunities within the sector and in adjacent areas.

Develop intellectual capital

by the consolidation and systematisation of fundamental scientific and technical knowledge, which enables staff training or skill development that ensures long-term sustainability.

Consolidate R&D activities

to be the pivot agent for coordination and systematisation of all R&D&I (Research, Development, and Innovation) activities for technological domain of Altri.

Altri's innovation projects have focused particularly on four strategic areas, in areas adjacent to the current business, adjacent to the current business, aimed at creating new products and, whenever possible, based on the Circular Economy. The choice of strategic areas of development takes into account the potential applications of wood and biomass, explored for decades by the cellulosic fiber industry.



Nevertheless, Altri invests in scientific research for forestry development, a critical success factor, focused on three areas:

a. **Genetic improvement:** with the selection of *Eucalyptus globulus* for growth, basic density, and wood cellulose content.

b. **Management of standing and nutrition:** forestry techniques, studying pests and diseases and adjustment of production models.

c. **Forestry operations:** forestry techniques and systems.

As in other areas of the Altri Group, the application of KAIZEN principles has improved the processes of the Altri Florestal Research and Development team.

Research & Development Projects (R&D)

Started in 2022, this project follows the FIBER4FIBER project, which will consolidate the technical infrastructure coming from that project, as well as include eventual upgrades in the pilot and acquisition of new analytical equipment.

Supports

Partnerships

Collaborative project with the participation of Caima in Pillar I (biomaterial) Initiative 1 – Regenerated Cellulose Fibers. Consortium led by CITEVE – Technological Center of the Textile and Clothing Industries of Portugal.

Status
Ongoing until 2025.

Contribution to sustainability
Development and training of knowledge, and physical and human infrastructure in the area of regenerated cellulose fibers and non-woven fabrics (TNTs). Add value from renewable resources and develop alternatives to fossil-based materials.

Progress in 2024
In 2024, the development and training of knowledge, as well as the physical and human infrastructure, occurred in i) regenerated cellulose fibers and ii) non-woven fabrics (NWF).

ACETIC ACID AND FURFURAL IN CAIMA

This R&D project is supported by the knowledge generated in the CaimaChem R&D project and intends to study the industrial viability of recovering acetic and furfural acid, present in evaporation condensates.

Supports

Partnerships

Status
Ongoing until 2026

Contribution to Sustainability
The removal of acetic acid and furfural allows:

- Recovery of by-products: The recovery of these chemical compounds allows their commercialization while minimizing the environmental impact on the industrial effluent.
- Portfolio diversification: This initiative enables the company to increase its turnover, adding value to the production process without increasing the consumption of forest raw materials.
- Process optimization: The transformation of a sub-current into a marketable product results in the reduction of the organic load of condensate intended for the treatment of effluents, with consequent reduction of the associated operating costs.
- Promotion of bioeconomy: The production of renewable acetic acid reinforces Altri's commitment to the circular economy, generating added economic, environmental, and social value.
- Sustainable energy integration: Synergize with the biomass boiler to produce the renewable base steam needed for the acetic acid and furfural separation unit.

This initiative demonstrates Altri's commitment to sustainable innovation and continuous improvement of its industrial processes, contributing to a more resilient and environmentally responsible business model.

Progress in 2024

The contract with the technology supplier was signed at the end of December 2023. The detailed and building project kick-off meeting occurred at the end of January 2024. The engineering of detail is in progress.

NATURAL DEEP EUTECTIC SOLVENTS

This project is being developed in collaboration with The Navigator Company and the University of Aveiro, within the framework of a PhD called "Natural Deep Eutectic Solvents as efficient media for the fractionation of bleached kraft pulp hemicelluloses and celluloses in biorefining processes" and stems from work previously carried out in the European consortium PRODES, which aimed to develop an innovative solvent production process known as Deep Eutetic Solvents(DES).

Supports

Partnerships

Status

In progress.

Progress in 2024

Development of Advanced Biomaterials

1. Xylan-based films:
   - Comprehensive characterization of films composed of xylans and DES.
   - Identification of promising formulations with high flexibility, elongation, and UV protective properties.
   - Positive economic evaluation, demonstrating cost reduction compared to chitosan-based alternatives, maintaining antimicrobial and healing properties.

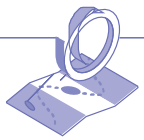
2. Functional paper coatings:
   - Development of innovative formulations incorporating cellulose nanofibers (CNF), xylans, and DES or ionic liquids (ILs).
   - Evaluation of properties such as waterproofing, antioxidant capacity, and contact angles.
   - Detailed analysis of the mechanical, structural, and surface properties of the most promising coatings.

Scientific dissemination

Publication of scientific articles and participation in conferences, including:

- " *Wood inspired biobased nanocomposite films composed of xylans, lignosulfonates and cellulose nanofibers for active food packaging* "(Carbohydrate Polymers , vol. 337, august 2024).
- *" Development of biobased films for wound healing applications through the combination of chitosan, xylan, and eutectic solvents ".*
- *" Innovative strategies for wound healing: Biobased films of chitosan, xylans and eutectic solvents "*, VII IBIMED Symposium (May 2024).
- *"Xylan-chitosan based films with deep eutectic solvents for wound healing applications".*

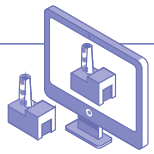
Digital transformation project in the area



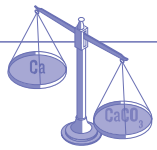
INSPECTION ROUTES



DIGITIZATION OF PROCESSES WITH THE SUPPORT OF AN AUGMENTED REALITY TOOL



CAIMA
- PBI SIMULATOR AND COOKING OPTIMIZER



BIOTEK
- Ca vs $CaCO_3$ BALANCE

Certifications

We focus on continuous improvement through the structuring of processes and activities based on recognized national and international standards, reflected in external certification and recognition. Validation of our processes based on these benchmarks is a sign of confidence that our activity is managed and structured to improve continuously.

Referencial	altri
ISO 9001 Quality Management System	All Group companies
ISO 14001 Environmental Management System	All industrial units
ISO 45001 Safety and Occupational Health Management System	All industrial units
Norma ISO/IEC 17025 General requirements for the competence of testing and calibration laboratories	Laboratories to support the process of all industrial units
ISO 50001 Energy Management System	All industrial units
EMAS EU Eco-Management and Audit scheme	Celbi and Caima
FSC® Forest Stewardship Council	Altri Florestal and industrial units
PEFC Programme for the Endorsement of Forest Certification	
Sustainable Biomass Program (SBP)	Altri Florestal

Altri Abastecimento de Madeiras FSC License code: FSC-C104460 PEFC License code: PEFC/13-32-025	Altri Florestal FSC License code: FSC-C004615 PEFC License code: PEFC/13-23-002

1.3.3. Financial performance



An efficient and rigorous management, embodied, among other things, in optimized stock levels, was at the origin of the strong cash generation in 2024, which allowed us to solidify our financial situation and look with confidence at the ongoing growth projects.

During 2024, total revenues of the Altri Group reached € 855.3 M, an increase of 8.5% over 2023. This increase, as already mentioned, is attributable to a favourable evolution of Hardwood pulp prices, as a result of a more favourable global demand.

EBITDA reached € 218.3 M in 2024, an increase of 59.0% vs 2023, which corresponds to a EBITDA margin of 25.5%, which translates into a significant improvement of 8.1 p.p. when compared to the same period of last year. The Net Profit of the Altri Group in 2024 reached € 107.2 M, an increase of 150.6% over the € 42.8 M recorded in 2023.

Highlights of the 2024 income statement

€ M	2024	2023	Var.%
Cellulosic fibers	710.4	645.2	10.1%
Other[1]	144.9	143.1	1.3%
Total Revenues	**855.3**	**788.2**	**8.5%**
EBITDA	**218.3**	**137.3**	**59.0%**
EBITDA mg	**25.5%**	**17.4%**	**+8.1pp**
EBIT	157.7	70.4	124.1%
EBIT mg	18.4%	8.9%	+9.5 pp
Net financials	-19.9	-23.4	-15.1%
Income tax	-31.3	-5.0	-531.7%
Net profit[2]	**107.2**	**42.8**	**150.6%**

[1] Others: includes essentially i) sale of biomass and rendering of operation and maintenance services to Greenvolt's biomass plants in Portugal and ii) sale of Electric Energy related to the cellulosic fiber production process.

[2] Attributable to equity holders of the parent

Note: Financial information by the International Financial Reporting Standards as adopted by the European Union (IFRS-EU)

Note: Variation of unrounded figures

Investment

The total net investment (i.e., payments in the period relating to acquisitions of property, plant and equipment) made by the Altri Group in 2024 reached € 30.0 M, which compares with € 60.7 M in the same period of last year.

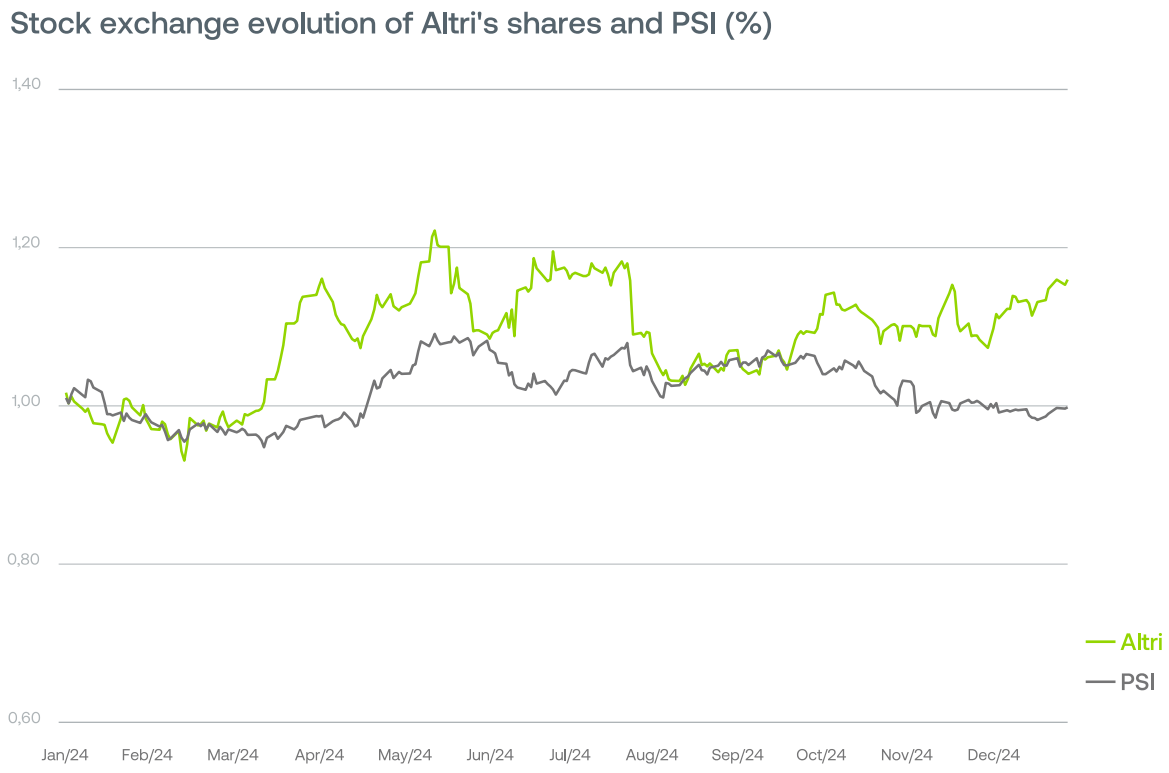
€ M	2024	2023	2022	2021
Total Net Investment	30.0	60.7	45.3	26.1

Debt

The Altri Group's net debt reached € 213.6 M at the end of 2024, a decrease vs € 356.7 M at the end of 2023. This level of debt is equivalent to a Net Debt/EBITDA LTM ratio of 1.0x. The total net debt, (i.e., when adding lease liabilities), was around € 299.0 M at the end of 2024. The reduction of debt is a result of a solid level of EBITDA and to strict and continuous management of working capital needs. The Altri Group had a proportion of fixed-rate debt (including interest rate swap contracts) of 36%, at the end of 2024.

	2024						
€ M	4Q	3Q	2Q	1Q	2023	2022	2021
Net Debt	213.6	249.8	324.8	339.9	356.7	325.8	344.0

1.3.4. Stock Exchange Evolution

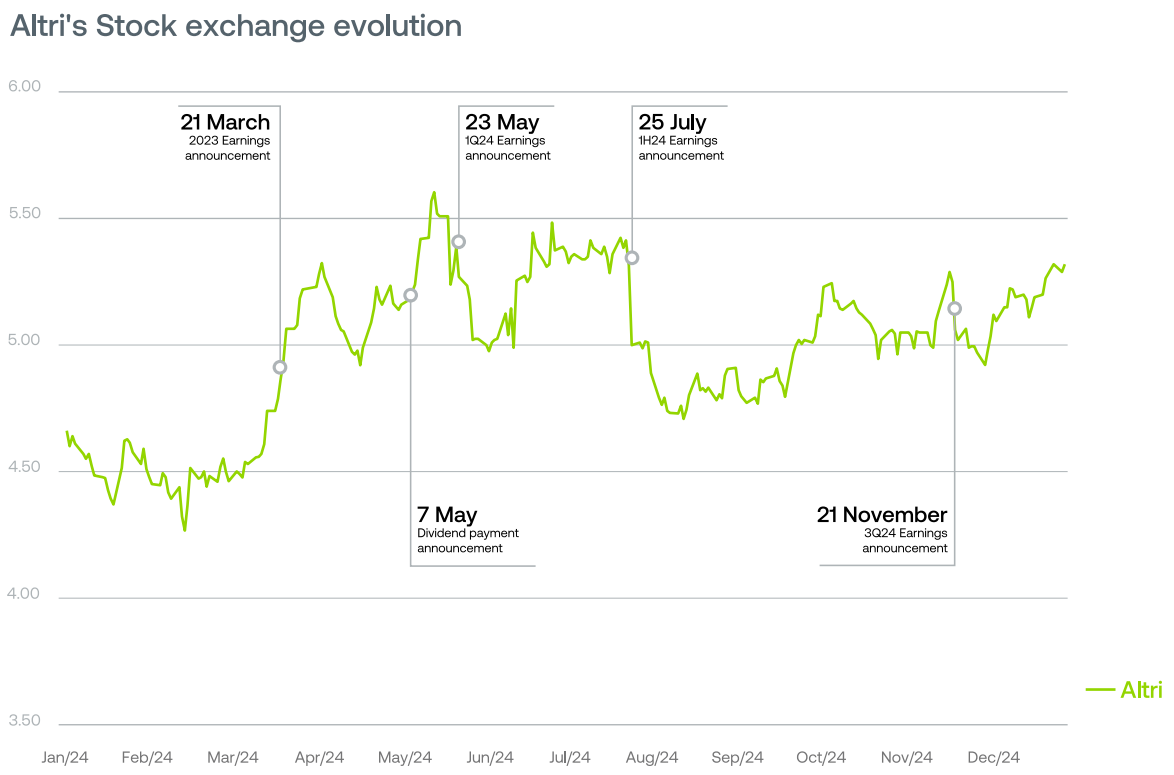


(Note: PSI was regarded as an index with an initial value identical to that of the security under analysis in order to enable a better comparison between share prices)

Altri's share price closed the year of 2024 at 5.33 Euro per share. Market capitalisation at the end of 2024 was about 1,093.4 million Euro.

During the year 2024, Altri's shares were traded at a maximum price of 5.62 Euro per share and at a minimum of 4.28 Euro per share. In total, approximately 91.6 million Altri shares were traded in that period, corresponding to 44.6% of the issued capital.

The main events that marked the evolution of the Group's shares in 2024 can be chronologically described as follows:



– On 21 March 2024, the Group announced the financial performance for the financial year 2023, reaching a consolidated net profit of 42.0 million Euro. Total consolidated revenues amounted to 788.2 million Euro and consolidated EBITDA amounted to 137.3 million Euro. On that date, the shares closed the quote at 4.95 Euro per share;

– In the announcement made on 7 May 2024, Altri informed the market that dividends related to the financial year 2023, under the conditions announced, would be paid from 23 May 2024. The dividends distributed included a cash dividend of 0.25 Euro per share;

– Through the announcement made on 23 May 2024, the Group released the results for the first quarter of 2024. Throughout this period, total consolidated revenues amounted to 222.7 million Euro, EBITDA reached 50.0 million Euro, while the consolidated net profit reached 21.6 million Euro;

– On 25 July 2024, Altri announced to the market the results for the first half of 2024, reaching total revenues of 462.7 million Euro, EBITDA of 124.0 million Euro, and consolidated net profit of 62.0 million Euro;

– On 21 November 2024, the results for the third quarter were released. In the first nine months of the year, the Group reached total revenues of 669.7 million Euro, EBITDA was 180.1 million Euro, and the consolidated net profit was 89.2 million Euro.

1.3.5. Responsible Investment (*Green Bonds*)

In November 2023, the Altri Group obtained funding of 50 million Euro through the issuance of Green Bonds, with a maturity of five years, until 2028, with interest at the rate equal to Euribor at 6 months and added spread, to refund the “Caima Go Green” Project.

For a more responsible investment, companies have at their disposal instruments such as Green Bonds, which represent a form of fundraising different from traditional stocks and bonds. Green bonds stand out for their purpose: Raising capital for environmental projects.

The bond issuance process requires transparency and disclosure of detailed financial information, meeting specific market requirements and involving regulators, rating agencies, and investors. In addition to assessing the typical financial characteristics, such as maturity, price, and credit quality of the issuer, investors also evaluate the specific environmental objective of the projects that the bonds intend to support. In particular, green bonds have attracted investors from the growing segment focused on sustainable and responsible investment, as well as investors who incorporate ESG criteria as part of their investment analysis.

The “Caima Go Green” Project aimed at the transition of Caima to a production entirely based on renewable sources, abandoning fossil fuels in its production process. Caima is the first Iberian company in its industry to achieve this milestone, reinforcing the Altri Group’s commitment to sustainability.

With this operation, organized, assembled, and fully subscribed by Banco BPI, it was possible to finance the installation of a forest waste biomass boiler and a new turbo generator of 5 MW at Caima, in Constância, that operates with residual forest biomass.

The issuance is part of the Altri Green Bond Framework, a document that obtained a positive Second Party Opinion (“SPO”) from ESG ratings and specialized independent research company, Sustainalytics, in particular regarding its alignment with the Green Bond Principles published by the International Capital Market Association. To strengthen transparency with the market, an additional external verification was carried out on the allocation report by Ernst & Young Audit & Associados, SROC, S.A. The corresponding reports and verification statements can be found in Annexes J. Green Bonds Report Caima - 2023-2028, K. Sustainability Report (Green Bonds Second Party Opinion), and L. Green Bonds External Verification Report.

In 2024, Caima’s new boiler produced a total of 917.078 MWh of renewable energy, and Altri reinforced its commitment to the Group’s sustainability goals and targets, aligned with the United Nations Sustainable Development Goals (SDGs), and the expectations of its stakeholders. This resulted in the establishment of the Altri Group's "Commitment 2030".

It is an excellent example of decarbonization and innovation from a circular economy perspective. The environmental objectives that this project are explained in greater detail in section 1.5.2.Environment.



1.4. Risk management

Altri is exposed to uncertainties in the internal and external environments that are inherent to its activity, diversity, and geographical dispersion of its companies. This can trigger risks associated with personal accidents, process safety, environmental impacts, asset damage, reputation damage, operational failures, and breaches, among others, resulting in subsequent financial losses.

Implementing an Internal Control System provides a holistic view of the Group's main risks and opportunities. The Internal Control System enables its strategic management within the scope of its risk appetite, increasing the probability of organizational objectives being achieved.

These risks are managed based on a Risk Management model that complies with international standards and guidelines (ISO 31000 and COSO - Committee of Sponsoring Organizations of the Treadway Commission) and the three-line defense risk governance model.

The objective is to promote integration among strategy, risk management, implementation of control, and governance of the company.

Risk management at Altri is integral to a regulatory framework that covers a set of policies, standards, and procedures based on the Risk Management Policy and the Risk Management Governance Model approved by the Board of Directors.

At Altri, the procedures, systems, and governance structure support the Group in managing its risk exposure. Risk management is, therefore, a key part of Altri’s decision-making processes.

The governance model is discussed in greater detail in the Company's Governance Report of this report.

Risk Management Process

Altri develops a systematic and continuous process for identifying, evaluating, and managing risks and opportunities. This is implemented through three lines of defence providing reasonable assurance that the Group’s objectives will be achieved while creating and preserving value for stakeholders.

Main risks

The expressed levels correspond to the residual risk level, which consists of the level of risk verified in the event of the absence of controls or other response measures to reduce the likelihood of occurrence and/or impact of the risk.

Risk Taxonomy






Strategic	Operational	Financial	Compliance
Risks that affect the organization's ability to execute its strategy and achieve the defined objectives, which may affect the organization's shareholder value or viability.	Risks that affect the Group's operation and, potentially, its continuity.	Risks that affect the company's finances.	Risks that affect potential non-compliance with standards, laws, regulations or licenses.
Trade Competitiveness ☑	Access to wood ☑	Price ☑	Non-compliance Legal and/or Regulatory
Technological Competitiveness ☑	Access to subsidiary materials ☑	Credit	Fraud, Corruption and Related Offences
Product Concentration ☑	Industrial Accidents ☑	Inflation	
Business Expansion	Industrial Obsolescence	Foreign exchange	
Investment Decision	Production Quality	Liquidity	
Legal and/or regulatory change ☑	Raw Material Quality and Subsidiaries	Interest Rate	
ESG Commitment	Logistics and *Outbound* ☑	Access to financing	
People and Knowledge	Climate Change ☑		
Deterioration of Organizational Culture	Accidents with People ☑		
Local Communities and Stakeholders	Labor Disputes		
Image and reputation	Information security (IT)		
Segregation and Delegation of Competences	Information security (OT)		
	Cyberattack ☑		
	Third-party management		
	Stock management		

☑ - Most significant risks according to risk classification (according to the Risk Management Manual)



1.5. Sustainability Statement

1.5.1. General Requirements

ESRS 2 General Disclosures

Basis of Preparation

(BP-1) (BP-2)

This Sustainability Statement, part of Altri's Annual Report, covers the reporting period from January 1, 2024, to December 31, 2024, and was consolidated and considers the same consolidation perimeter of the Consolidated Financial Statements. Only Altri SGPS is covered by the obligation to submit a sustainability report, and all its subsidiaries included in this report are exempt from this obligation.

This is Altri's first sustainability report prepared under the European Sustainability Reporting Standards (ESRS), published in Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023 (rectified on April 19, 2024, by Delegated Regulation (EU) 2024/90241), which established the first set of European Union sustainability reporting standards for adoption by large companies, comprising twelve non-sectoral standards, two of them transversal, and the remaining structured around the three pillars: environment, social and governance. The sectoral rules have not yet been published; they are being developed by the European Financial Reporting Advisory Group (EFRAG).

This statement of sustainability prepares Altri for alignment with Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, published on 5 January 2023, amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU with regard to business sustainability reporting (CSRD), but not completed in the Portuguese legal process in 2024.

This year's sustainability report was structured in a statement of sustainability composed of four sections, in line with the one defined in ESRS 1, in the following order:

- Overview, which includes these preparation bases, information on governance, strategy, and the dissemination of the dual materiality exercise;
- Environmental data, including disclosures prepared pursuant to Article 8 of Regulation 2020/852 (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a scheme for the promotion of sustainable investment (Green Taxonomy Regulation) and information on climate change, pollution, water resources, biodiversity, and the circular economy;
- Social data, which includes its own workforce, workers in our value chain, engaging communities and consumers, and end users; and,
- Governance data on business conduct.

It is further noted that Altri did not use the option to omit any specific elements of information corresponding to intellectual property, know-how, or innovation results.

Value chain

Regarding the scope of the value chain, it was considered in the analysis of double materiality, namely when identifying impacts, risks and opportunities (IROs). For the material themes identified along the value chain, follow-up metrics are applied, such as accounting of CO_2 emissions of scope 3 in all applicable or materially relevant categories. Group policies, actions, and goals also cover the entire value chain.

Time horizon

In the context of the sustainability statement, the following time horizons were considered:

- Short-term - 1 year;
- Medium-term - 1 to 5 years;
- Long-term - more than 5 years.

Estimates and uncertainties

We make evaluations and estimates for reporting some data points using indirect sources, including sectoral averages and proxies.

For reporting GHG emissions from scope 3, we use estimates that combine, in general, activity data with emission factors, as it is not feasible to obtain accurate data and supplier-specific emission factors for all emission categories within scope 3. In some cases, we use more comprehensive activity data or more generic emission factors and extrapolate this information to fill any gaps in the available data. The basis for preparing these estimates is described in the respective indicators.

We regularly review the use of estimates and judgments, considering experience, the evolution of ESG reporting, and several other factors. Any changes to the estimates are recognized in the period in which the review takes place.

Whenever metrics subject to a high level of measurement uncertainty are disclosed throughout the sustainability statement, this information will be indicated with the respective metrics, the sources of measurement uncertainty, and the assumptions, approximations, and value judgments used.

Changes in the preparation or presentation of sustainability data

Regarding the 2024 report, the main changes in data preparation and presentation relate to the change of the GRI reporting framework for reporting aligned with the ESRS.

Insertion by remission

In the disclosure requirement of ESRS2 GOV-1, a reference to Annex I of the Corporate Governance Report regarding the competencies and knowledge of the Board of Directors was inserted.

Comparative information

Altri opted for the disclosure of comparisons for the ESRS data points since this is the first reporting year, and not all previously reported indicators were aligned with the methodology established by these standards. Indicators disclosed on a specific entity basis (entity-specific), as is the case with health and safety indicators at work, are presented comparatively. In Annex H. GRI Table, it is possible to find the GRI table reported in 2023, allowing the query of historical information.

Use of progressive introduction provisions in accordance with Appendix C to ESRS 1

For the first year of reporting, some phase-in provisions applicable to all entities provided for in ESRS were used, in particular as regards disclosures concerning the financial effects of material risks under the disclosure requirements SBM-3, E1-9, E2-6, E3-5, E4-6, and E5-6.

Regarding voluntary data points, all those whose information was already available or for which it was possible to collect on time, taking into account the cost-benefit of information for users, the information, Altri chose to include the information in the statement. The remaining ones were omitted in this first year of the report.

Governance

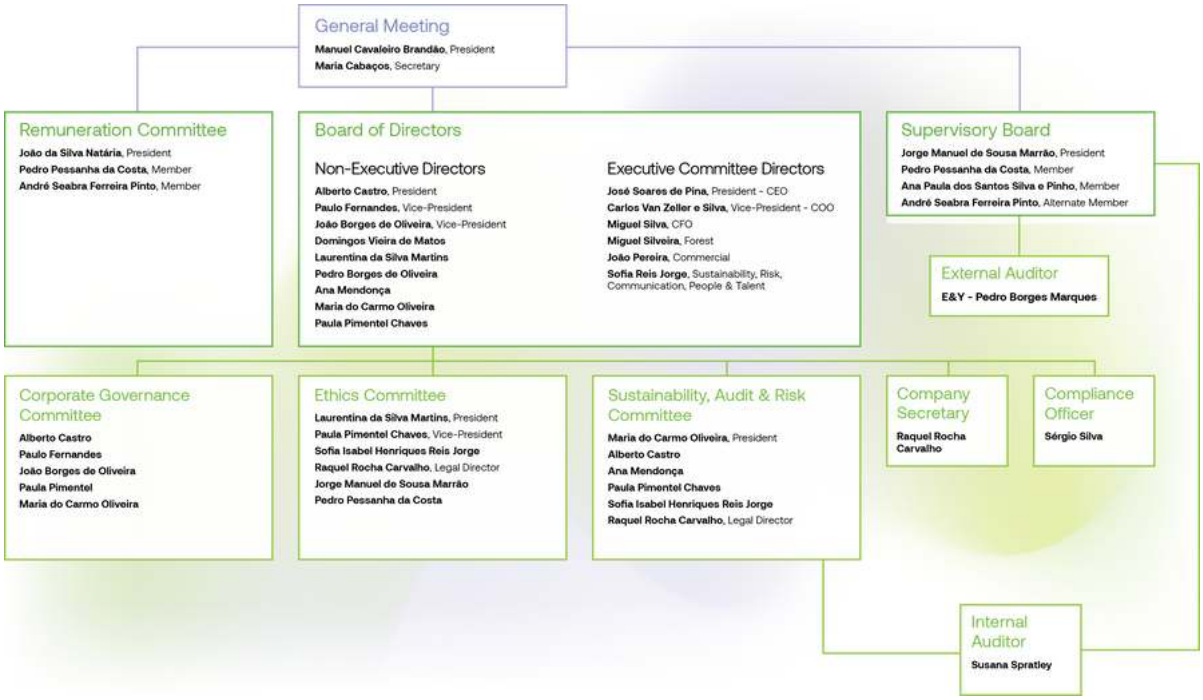
The role of the administrative, management and supervisory bodies

(GOV-1)

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 diligently to become a more responsible, ethical, and transparent Group. This commitment characterizes the way of working of the teams and the organizational structure of the Group, which has a profoundly positive impact on relations with all stakeholders.

Composition and diversity of the Board of Directors

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



The Altri Board of Directors comprises six executive members and nine non-executive members, of whom 20% are independent. The percentage of women on the Board of Directors is 33%, which corresponds to a gender diversity index of 0.5.

Although employees and other workers are not directly represented in the company's supervisory bodies, Altri attaches great importance to their continuous consultation through its representatives and trade unions. The section Involvement with workers themselves and workers' representatives presents more detailed information on the consultation of employees and unions.

Annex 1 of the Company's Government Report describes the competences and knowledge of the members of the Board of Directors. Considering their training and experience, the governing, management, and supervisory bodies ensure the availability of the expertise necessary to supervise sustainability issues.

In this context, as Altri Group companies reinforce their commitment to sustainable and socially responsible business practices, the different committees assume an increasingly relevant role in implementing and overseeing ESG responsibilities.



In Altri's organizational structure, the role of the Board of Directors is crucial in the efficient delegation of responsibilities and in the definition of strategic guidelines. In compliance with the best practices of good corporate governance, there are four committees within the Board of Directors: (I) Executive Committee, (ii) Ethics Committee, and (iii) Sustainability, Audit and Risk Committee (constituted by resolution of the Board of Directors adopted on June 5, 2023, following the election of the corporate bodies, decided at the Annual General Assembly, for the term 2023/2025) and also (iv) Corporate Governance Committee (constituted by resolution of the Board of Directors adopted on September 19, 2024).

Structured documents such as the Code of Conduct or the Sustainability Policy reflect individual and collective responsibilities regarding impacts, risks, and opportunities. These documents establish clear guidelines for responsible decision-making and align with sustainability principles.

The risk management process is integral to the organization's daily operations. It is gaining increasing importance, and a specific division—the Directorate of Risk Management—is dedicated exclusively to this matter. As a cornerstone of the principles of good governance of society, this directorate promotes the permanent awareness of all employees, at different levels of the organization, inculcating such responsibility to them in all decision-making processes. The Risk Management Directorate aims to support the organization in executing its activities and ensure the maintenance of the risk management system transversal to the Group. It executes the processes defined to identify, analyse, evaluate, mitigate, and monitor the main risks of the Group, whether financial, operational, strategic, or compliance risks.

In this way, consistent and transversal practices are guaranteed in the operationalization of the Risk Policy, approved by the Board of Directors.

The monitoring of the risk management process is carried out by the Board of Directors, with the support of the Risk Management Directorate, which is responsible for defining the framework of objectives and responsibilities of the organization. The identification, evaluation, monitoring, control, and mitigation of the main risks – financial, operational, strategic, or compliance – follow a structured process described in Point 54 of the Corporate Governance Report.

The Risk Management Directorate reports hierarchically to the Executive Committee of the Altri Group, namely the Director with the Sustainability, Risk, Communication, People, and Talent, articulating its activity, in particular, with the Internal Audit Directorate and the Compliance Directorate.

The Sustainability, Audit and Risk Committee, appointed by the Board of Directors, has as its primary mission to participate in defining and monitoring the Altri Group's sustainability and risk policy and strategy, aligned with the Commitment 2030. In addition to having non-executive and executive directors in its composition, it is also integrated by the leaders of the Group directorates, who are dedicated to areas that should assist this committee's activity. This ensures the information and involvement of both the Board of Directors and the various areas of the Group.

Sustainability, Audit and Risk Committee



In the performance of its tasks, the Sustainability, Audit and Risk Committee is responsible for monitoring and reporting to the Board of Directors the performance of sustainability indicators in line with the established policies, commitments, objectives, and targets, as well as ensuring, in terms of sustainability, the alignment of sustainability objectives with the sustainable development objectives set out in the United Nations agenda, with the results of stakeholder consultation and good practices in the industry and also in matters of audit and risk, review the statements of semi-annual and quarterly accounts, and advise the Board of Directors on its reports to shareholders.

Also in this context, the Sustainability Working Group (GTS), which develops its activity at the corporate level, and includes members from all directorates, with the aim of managing and streamlining sustainability-related issues, expediting processes, and identifying needs. GTS is responsible for operationalizing the decisions and guidelines defined by the Executive Board and the Board of Directors.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

(GOV-2)

The relevant governing, management, and supervisory bodies and committees are informed about the impacts, risks, and opportunities, as well as the implementation of due diligence and the results and effectiveness of policies, metrics, and targets, in different ways. In particular, and as mentioned above, executive and non-executive directors, including the Executive Director responsible for Sustainability, Risk, Communication, People, and Talent, as well as the Head of the Legal Department, whose areas must assist the activity of these committees, are part of the Ethics Committee and the Sustainability, Audit and Risk Committee. In addition, the Committee on Sustainability, Audit and Risk meets quarterly, reporting to the Board of Directors its activity and issuing prior opinions on matters related to climate change, environment, sustainability, and risk that integrate the areas affected by it, namely impacts, risks and opportunities of the Altri Group, as well as the results of the mechanisms of response to them (policies, actions, metrics, and targets), to support the resolutions taken by the Board of Directors. The Chairman of the Board of Directors attends these meetings as a member. The board of directors also receives monthly reports on the organization's performance, including updates on the Commitment 2030.

Thus, an appropriate mechanism for monitoring the Group's performance is guaranteed.



To contribute to sustainable development and to base strategic priorities on objectives of continuous improvement, innovation and sustainability, assuming sustainability as a factor of competitiveness.

The Altri Group governance model comprises a robust strategy for monitoring impacts, risks, and opportunities provided by different specialized agencies and departments. The Sustainability, Audit and Risk Committee follows the work developed in this area, while the Supervisory Board continuously monitors the Group's performance. The Internal Audit Directorate, with hierarchical reporting to the Executive Committee and functional reporting to the Supervisory Board, reinforces the effectiveness of risk management, internal controls and government processes, supporting Altri in achieving its objectives by promoting a systematic and disciplined approach.

The mission of the Compliance Directorate is to assume the responsibilities outlined in legislation and regulations in force, mitigating financial, economic, legal, and reputational risks. It also ensures that governing bodies, management, and all employees are aware of the applicable legal and regulatory rules, including codes, regulations, and policies, internal and external, relevant to the various areas of activity of the Altri Group.

In addition, Altri's policy in this area is guided by delegating to the Legal Directorate the permanent monitoring of regulatory changes, ensuring that the Board of Directors has the necessary information for decision-making and implementation of continuous improvement measures.

Periodic materiality assessment, annual risk analysis, and internal audits are key tools for identifying strategic, operational, financial, and compliance risks and ensuring an effective response to market uncertainties and opportunities.

Strategic supervision is also complemented by mapping and continuous validation of impacts, risks, and opportunities, involving several directorates of the industrial units, namely in the areas of production, maintenance, forest management, supply, and logistics. The technological monitoring of innovation, energy, product development, and digital transformation reinforces the Group's ability to anticipate trends and adopt innovative solutions.

The Group Board of Directors monitors its strategy and internal processes based on structured reports on Risk Management, Internal Audit, and materiality analysis results, ensuring an informed decision-making process aligned with the market's challenges and demands.

Performance and Management by Objectives (MBO)

This program follows a methodology for evaluating employees' performance to align performance objectives and expectations, recognize talent, and reward merit. It's a program that includes a methodology for evaluating employee performance by objectives, which makes it possible to align performance objectives and expectations, recognize talent and reward merit. This was the second year of applying the model, ensuring the consistency of a management by objectives process at Altri.

During 2024, all material impacts, risks and opportunities resulting from the most recent dual materiality analysis were addressed by the Board of Directors. A description of how they were addressed can be found in the "actions" section, in the respective thematic standards.

Statement on due diligence

(GOV-4)

Minimum social safeguards require the implementation of procedures to ensure alignment of the activity with the Guidelines of the Organization for Economic Cooperation and Development (OECD) for multinational companies with the United Nations Guiding Principles on Business and Human Rights, as well as the Fundamental Conventions of the International Labour Organization (ILO) and the International Charter of Human Rights.

The Group continuously identifies and assesses potential and actual adverse impacts related to human rights and defines preventive and mitigating actions accordingly. Risk identification is integrated into due diligence processes and feeds into the Group's Risk Management process. Altri is committed to avoiding situations where its activities cause or contribute to adverse impacts on human rights. Therefore, it continues to develop its due diligence processes in line with the upcoming Corporate Sustainability Due Diligence Directive.

Altri, through the Human Rights Policy, has publicly committed itself to respecting and avoiding adverse impacts on all internationally recognized human rights in all its activities, in particular, as regards freedom of association, the right to collective bargaining, and the right not to subjection to forced labor, child labor or discrimination in relation to employment and occupation. Altri strengthens

its position by joining the United Nations Global Compact, extending its commitment and ensuring responsible performance throughout the entire Group value chain.

Altri's production units are defining a new approach to enhancing the due diligence process for Altri's operations, in conjunction with Sedex Members Ethical Trade Audit (SMETA) audits to improve the transparency of the value chain, which is an essential component of the due diligence.

Altri is a member of the Supplier Ethical Data Exchange (Sedex), a platform where companies share unit-specific sustainability information with customers. SMETA audits are conducted regularly to assess suppliers' performance in relation to applicable labor standards, health and safety, environmental, and business ethics criteria.

Since then, the approach has been shared with other directorates, and by the end of 2023, it had been extended to Risk Management, specifically in the human rights scope. The process that complements SMETA's audits focuses on dialogue and improvement opportunities, extending the scope of stakeholder groups to include the employees themselves.

Altri also demonstrates a commitment to avoid adverse impacts that may arise from operations or business relationships and to minimize the negative impact that its activities have or may have on the communities where it develops them, while emphasizing the expectation of adherence by all entities related to the Group.

We focus on continuous improvement by structuring our processes and activities based on recognized national and international standards, as evidenced by external certifications and recognitions. Validation of our processes based on these benchmarks is a sign of confidence that our activity is managed and structured to improve continuously. Altri Group has implemented ISO 9001, ISO 14001, ISO 50001, and ISO 45001 certified systems that help identify and meet customer requirements and systematically improve product quality and environmental, energy, and occupational safety management.

Finally, all Group products comply with applicable EU legislation. Many are certified by the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC) or have received another verification of the responsible chain of custody and due diligence.

Essential elements of the duty of diligence	Points of the Sustainability Statement
Integrate the duty of diligence in governance, strategy, and business model	Altri implemented the Human Rights Policy and strengthened its position on human rights with its UN Global Compact membership.
Dialogue with affected stakeholders at all essential stages of the duty of diligence	Altri maintains an ongoing dialogue with all stakeholders potentially affected by its activity, including Employees, value chain workers, and affected communities. More information on stakeholder dialogue can be found at SBM-2 throughout the Sustainability Statement.
Identify and evaluate negative impacts	Altri identified and evaluated its impacts, risks, and material opportunities through the analysis of double materiality, which is presented in detail in the IRO-1.
Take steps to respond to these negative impacts	Altri, to respond to the identified impacts, risks, and material opportunities, adopted a set of policies, actions and detailed goals throughout this Sustainability Statement with each thematic standard.
Monitor the effectiveness of these efforts and communicate	Altri follows and monitors the effectiveness of the efforts by tracking the outcome of the actions implemented, targets, and metrics, and stakeholders' engagement for feedback collection.

Risk management and internal controls related to sustainability reporting

(GOV-5)

In the context of the sustainability report, the Group considers it essential that the information disclosed is precise, relevant, reliable, and error-free. To ensure this commitment, it has an integrated and multidisciplinary system for identifying, evaluating, prioritizing, managing, and monitoring risks, including those related to sustainability reporting.

The Group's Internal Control System covers the areas of Sustainability and Risk, Compliance, and Internal Audit, each with specific responsibilities. The Sustainability and Risk area conducts periodic assessments of Material Topics and Business Risks, reviewing risk analyses every two years and assessing mitigation actions annually. The Compliance Direction ensures knowledge of applicable legal and regulatory rules (including codes, regulations and policies, both internal and external), mitigating financial, economic, legal and reputational risks, while Internal Audit assesses operational processes, considering materially relevant impacts, risks and opportunities.

Altri has reported sustainability information since 2018, having developed a robust information collection and review process. However, with the adoption of the first report aligned with the ESRS, adaptations were necessary to ensure compliance with the new requirements. The main risks identified in this process are related to the completeness and accuracy of the reported data.

The conclusions of risk assessment and internal controls are integrated into the sustainability report through a structured and transversal approach to internal functions and processes. The identified risks and their mitigation measures are incorporated into the governance and information management processes, ensuring the reliability, traceability, and compliance of the disclosed data. Specific internal controls are defined to reinforce this approach, and continuous collaboration between Sustainability,

Risk, Compliance, and Internal Audit is promoted. This enables continuous monitoring of material risks and the implementation of corrective actions whenever necessary.

Additionally, periodic reviews and independent audits are conducted to validate the effectiveness of the controls and to promote the continuous improvement of the reporting process. The governing and supervisory bodies are regularly informed of the risk assessment results through quarterly meetings of the Board of Directors, and the activities of the Risk Management Board are followed at the meetings of the Sustainability, Audit, and Risk Committee.

Strategy, Business Model, and Value Chain

(SBM-1)

Altri 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: It produces cellulosic fibers for various applications, from printing and writing paper to domestic papers and the textile industry.







Altri is committed to managing its performance in line with the defined strategic axes. These are directly related to sustainability issues and are based on four sectors of activity, as presented in the image below:



Structure of Altri Group

The Altri Group is made up of seventeen companies. At a production level, Altri's operations are divided into the following organic structure:

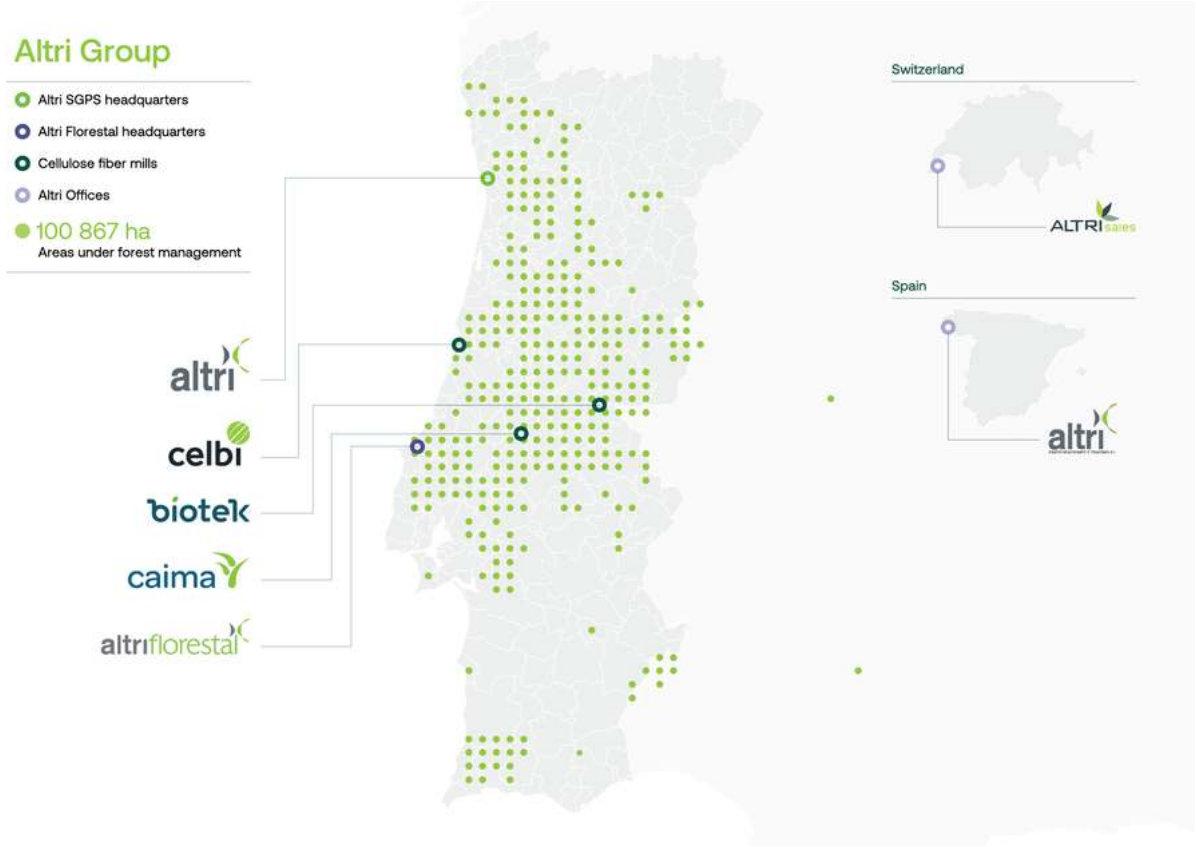


In the cellulosic fiber field, Altri currently owns three plants with an annual production capacity exceeding 1 million tons. Specifically, the main activity of Biotek and Celbi is the production of cellulosic fibers BEKP (Bleached Eucalyptus Kraft Pulp), which is primarily used to produce paper for domestic use, printing, and writing. In Caima, despite the similarity of the main activity, soluble cellulosic fibers DWP (Dissolved Wood Pulp) are produced to be mainly used in the production of manmade cellulosic fibers, as lyocel and viscose, which are used in the production of textiles.

For sustainable forest management, Altri manages about 101 thousand hectares of certified forests, which include approximately 11,7 thousand hectares of conservation areas.

Altri

At the national level, Altri is present in several municipalities, managing forest areas located within these municipalities. The three industrial units are located in three of those municipalities: Biotek in Vila Velha de Ródão, Caima in Constância, and Celbi in Figueira da Foz. Altri had a total of 799 employees in its operations as of December 31, 2024.

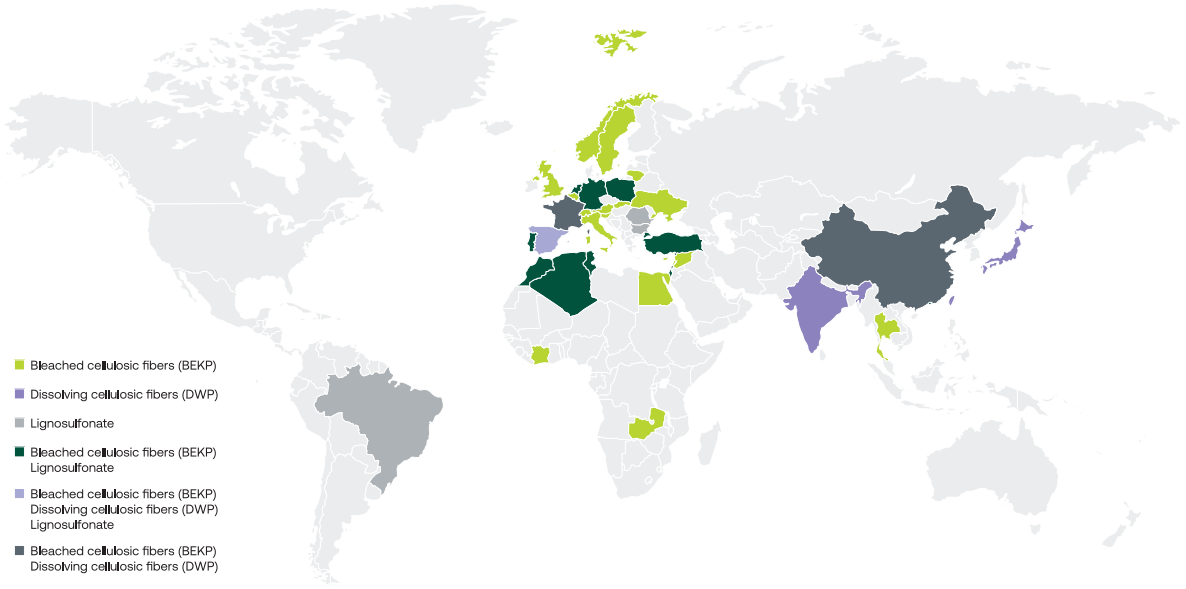


Altri in the world

Altri has been establishing a central position, promoting sustainability throughout the integrated value chain of its businesses. Altri maximizes integrated margin competently, ensuring the ability to navigate portfolio market dynamics securely and manage risk. It also seeks to proactively and accurately capitalize on business opportunities that add value beyond its capital position.

Capacities have been strengthened, promoting greater internal interactions that protect against the impacts of volatile market conditions. This continuous process ensures a competitive offer in Altri's leading business and allows quick access to new sources of value. Effective management is crucial for creating long-term, integrated value by leveraging portfolio flexibility and resilience across all value chains.

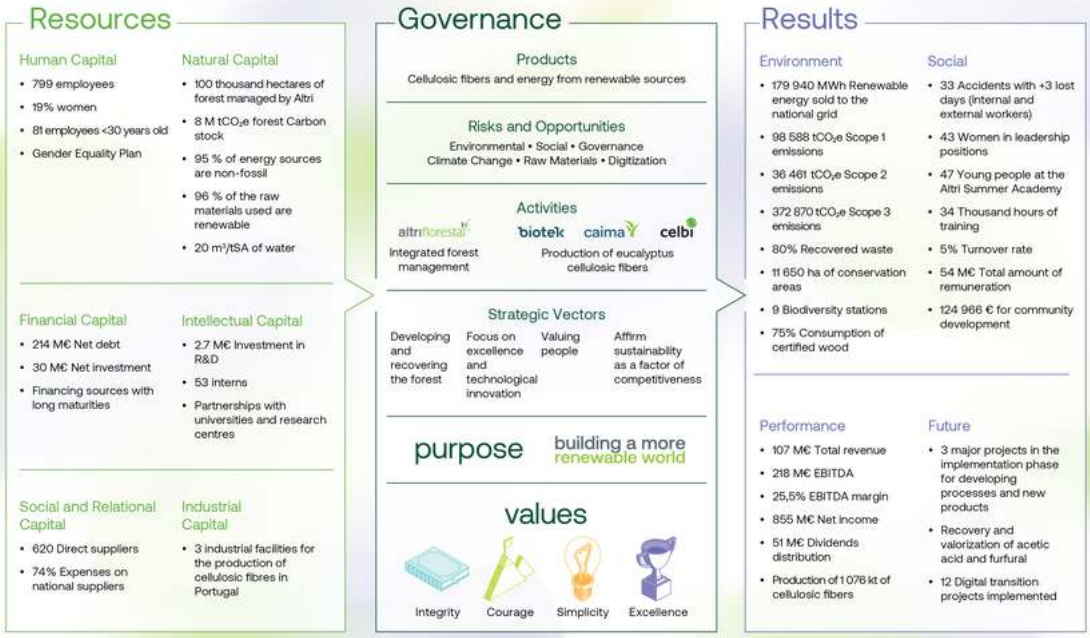
On a global scale, Altri markets its products in more than 35 countries, primarily focusing on bleached cellulosic fibers (BEKP) and dissolving cellulosic fibers (DWP). The BEKP is predominantly intended for European countries, while DWP's main focus is Asia, especially China, which represents Altri's main market.



Altri's global presence enabled us to achieve a total revenue of € 710.4 million in 2024, primarily through the production and marketing of cellulosic fibers.

Business 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.



Sustainability Goals

Altri has a strategic axis that affirms sustainability as a factor of competitiveness. Thus, it continues to provide solutions that meet the needs of communities, adding value to all stakeholders. The Altri Group is dedicated to developing sustainable and renewable products.

This project is framed in Altri's Commitment 2030. In 2024, this trajectory of articulating sustainability in strategic development and investment decisions was continued.

The assumptions of the Commitment 2030 guide our long-term priorities, ensuring the objective and disciplined execution of initiatives in the business and corporate units.

COMMITMENT 2030

SUSTAINABLE DEVELOPMENT GOALS

In 2020, Altri joined the United Nations Call to Action and integrated the Sustainable Development Goals (SDGs) into its strategy through its **Commitment 2030**. Agenda 2030 is a plan to achieve a better future for all, setting a path by 2030 to end extreme poverty, fight inequality and injustice, and protect our planet.

At the heart of the **2030 Agenda for Sustainable Development** are **17 Sustainable Development Goals (SDGs) or Global Goals** that encompass a broad spectrum of sustainable development topics relevant to businesses, organizations, and governments.



The Global Goals provided the world with a set of **17 Sustainable Development Goals (SDGs)**, supported by **169 targets** that companies can align with, enabling alignment, focus, prioritization, and progress tracking.

Altri supports all seventeen SDGs, focusing 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 to the Group's strategy, operations, and culture.



Commitment 2030

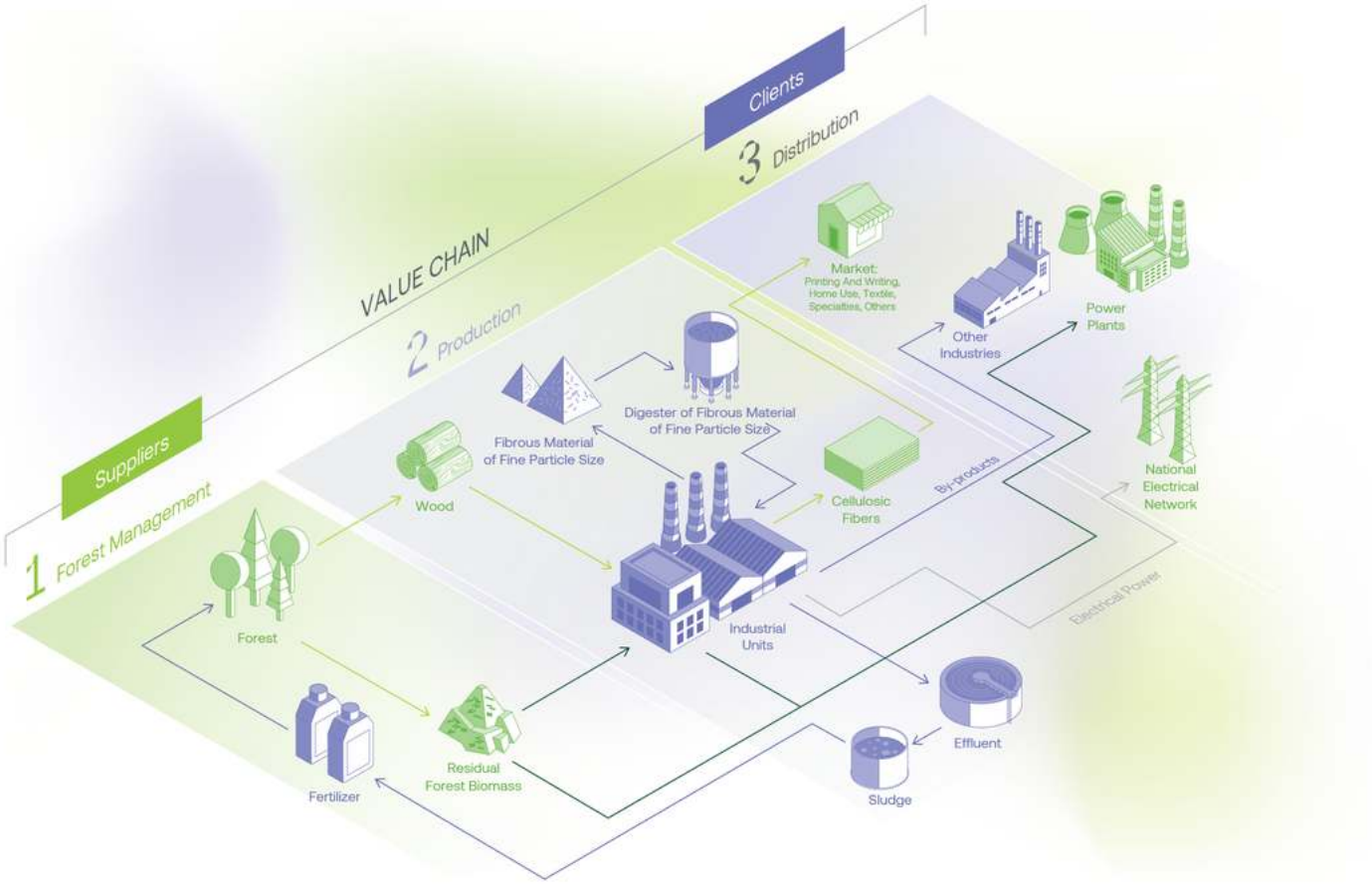


Note: Progress is calculated using the formula: Progress= ((value in the year - base year value)/(target value - base year value))*100. When calculating the % of waste recovered, waste recovered energetically is included.

The targets defined in the 2030 commitment are quite ambitious, given that, in some of them, Altri is already a benchmark in the sector worldwide. Achieving the targets set presupposes heavy investment in innovative technologies and therefore longer delivery times. Therefore, reductions will not be continuous, but will occur in stages following these projects.

Value chain

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



Value chain upstream

Altri has sought to act comprehensively throughout its value chain, aiming to encourage improvements and drive innovation with benefits for both its business results and the environment and people. In particular, the Group's commitment to supply chain management stands out.

Suppliers are key to the value chain, as Altri's activity is intrinsically linked to the responsiveness of suppliers, both in the provision of services and the delivery of materials, as well as compliance with legal, tax, environmental, and sustainability requirements. All these considerations are particularly relevant to maintaining a trust relationship with suppliers.

Expenses with Suppliers

To promote the local and national economy, Altri prioritizes, in its choice of suppliers, those that are national. In 2024, 74% of total supplier expenses was with national suppliers.

Woodchain

Traceability of wood through blockchain technology - from Forest to Factory

To ensure the reliability of forest-based products, Biond-Forest Fibers from Portugal, along with its associates, including Altri, began developing additional mechanisms for controlling and validating operations.

The FM Portal ("Forest Management") was created, and a Woodchain solution for use by forest management certificate holders for the issuance of unique codes that accompany wood from the forest to the factory, allowing greater control of the process (management of labels, volumes, certificates) and monitoring of "real-time" flows and alerts.

This solution ensures greater reliability and confidence in the chain of custody of wood from forests with certified management, as it allows forest managers to control the quantities of wood received by the industry based on their estimates in the forest.

Value chain downstream

In its operations, Altri ensures the production of several types of cellulosic fibers intended for diverse uses, ranging from printing and writing paper to domestic papers and fibers for the textile sector.



Interest and views of stakeholders

(SBM-2)

Identifying the most relevant stakeholders is crucial to the success of any organization, as it enables an understanding of the expectations, interests, and influence of the parties involved. Altri has been establishing several partnerships and initiatives in collaboration with various stakeholders, with special emphasis on key stakeholders, as it recognizes the vital importance of this involvement in defining strategic objectives in order to achieve long-term success. Altri's involvement is maintained through constant dialogue, which is fundamental to identifying its concerns, global trends and market expectations.

At the internal level, a reflection workshop was held to map the main stakeholders. By recognizing the most relevant stakeholders, Altri can make more informed decisions, develop trust relationships, and mitigate potential impacts. 11 stakeholder groups were identified. For each group, the set of engagement initiatives, detailed in the following scheme, was defined. The engagement with

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

The engagement processes detailed in the Table below reflect Altri's commitment to considering the interests and views of its employees, value chain workers, affected communities, and other stakeholders in defining the company's strategy and business model. In this way, Altri can collect stakeholders' main points of view and enhance the continuous improvement of its operations.

In addition to all the mechanisms for communication with stakeholders, Altri has defined stakeholder consultation as a practice within the scope of its materiality analysis development. More detailed information on the latest stakeholder consultation process concerning dual materiality analysis can be found in the Material Topics section.

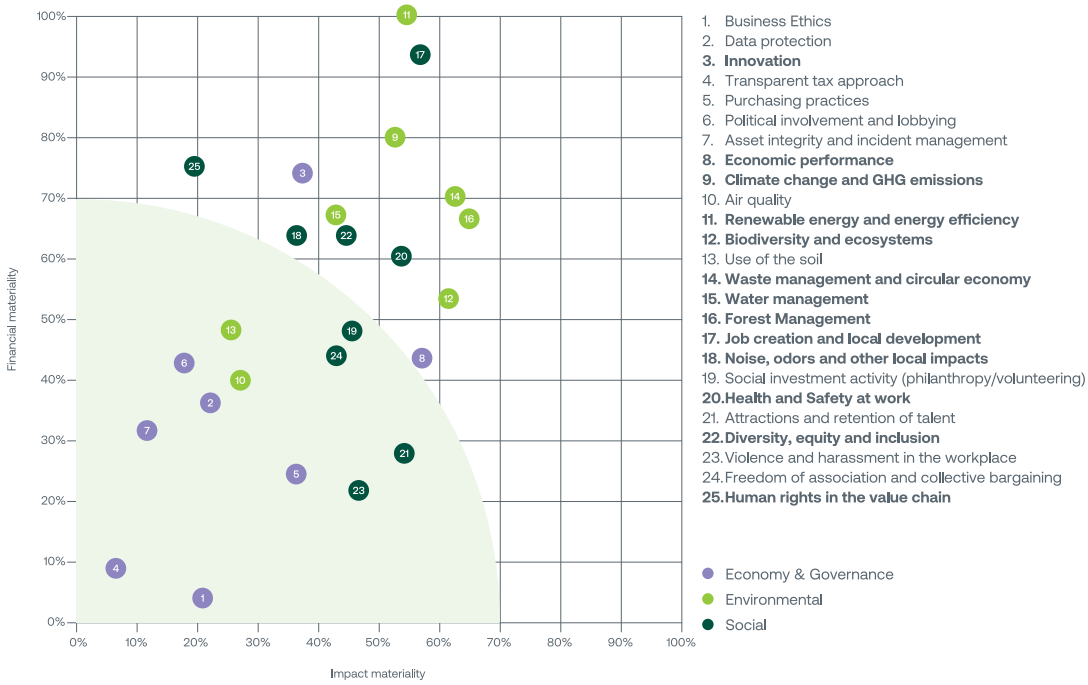
Group of Stakeholders	Methods of communication	Objective	Interconnection with the Altri Group strategy
Employees	▶ Daily and weekly meetings; ▶ Intranet/Sharepoint; ▶ Meetings of managers, teams, staff, workers' committees and trade unions; ▶ Committee on Environment, Health, and Safety at Work. ▶ LinkedIn; ▶ AltriNews.	Realize employees' expectations and views, thus contributing to a more productive work environment that is motivating and aligned with Altri's culture.	Investment in training and development. Workplace welfare initiatives. Employment agreements.
Suppliers	▶ Qualification and evaluation of service and raw material suppliers. ▶ Training and information sessions for service providers and managers of these companies. ▶ Partnerships with Biond. ▶ Participation of safety technicians from external companies in the sessions of the Paper Industry Safety Card (CSIP). ▶ Safe Behaviors Program. ▶ Training on the front line in the Forest. ▶ AltriNews. ▶ Management Report. ▶ Website.	Protect and ensure the human and labor rights of workers throughout the value chain. Promote good forest management of raw material suppliers.	Recovery of wood from certified suppliers. Expectation of improvement by suppliers to meet the expectations required by Altri.
Communities/ non-governmental organizations	▶ Financial donations. ▶ Collaboration in support of Social Solidarity institutions ▶ Social solidarity. ▶ Voluntary work actions. ▶ Joint organization of simulacra for emergency response with firefighting corporations. ▶ Lending of the training ground for fire brigades. ▶ Assignment of computer equipment. ▶ Support for various School initiatives. ▶ Summer Academy Program. ▶ AltriNews. ▶ Management Report. ▶ Website. ▶ Communities Monitoring Committee (CMC).	Strengthen the relationship with communities and align investments with their needs. Collect community feedback on the impact of group activities.	Investment and promotion of local development and job creation actions.
Customers	▶ Visits; ▶ Customer surveys. ▶ Evaluation of customer external perception. ▶ Strategic partnerships. ▶ AltriNews. ▶ Reports (Report and Accounts). ▶ Website.	Assess customer needs and expectations, and build relationships founded on transparency and trust.	Innovation and development of new products aligned with their needs and expectations.

Partners	▶ Qualification and evaluation of suppliers of services and raw materials. ▶ Training actions and information sessions for service providers and managers of these companies. ▶ Partnerships with Biond. ▶ Participation of the safety technicians from external companies in the actions. ▶ Paper Industry Safety Card (CSIP). ▶ Safe Behaviors Program. ▶ Training on the front line in the Forest. ▶ AltriNews. ▶ Management Report. ▶ Website.	Promote good forest management. Form strategic partnerships with the Group's partners to leverage external knowledge.	Commitment to improving the active management of forest spaces.
Policy makers	▶ Permanent Dialogue to show the vision of the company, the industry, or the country, in regard of new legislation in preparation in Portugal and the European Union through Biond, CEPI, Fit for 55, Portuguese Issuers Association (AEM) ▶ Meetings of written communication and presentation of proposals for revision in a regulatory framework at the national and European Union level. ▶ AltriNews. ▶ Website.	Ensure compliance with regulations, frameworks, and legal standards.	Adaptation of the Group's strategy and operations to ensure legal compliance.
Official Entities	▶ Regular release of statistics and reports. ▶ AltriNews. ▶ Management Report. ▶ Website.	Build a relationship of trust and create long-term value.	Commitment to transparency and proactive communication.
Financial Institutions	▶ Quarterly reports of results. ▶ Quarterly earnings Conference calls. ▶ Presential meetings ▶ NDRs (Non-Deal Roadshows) in European cities meeting with (potential) investors. ▶ Presence at conferences with (potential) European, American and Brazilian investors. ▶ Reports (Report and Accounts). ▶ AltriNews. ▶ Website.	Build a relationship of trust and create long-term value.	Align investment strategy with sustainable investment frameworks.
Shareholders/ investors	▶ Reports of results. ▶ Results presentations; ▶ Investor Conferences ▶ Conference calls. ▶ Reports (Report and Accounts). ▶ AltriNews. ▶ Website.	Understand the concerns of investors. Strengthen trust and credibility in the Group.	Focus on the sustainable growth of the Altri Group.
Research and Teaching	▶ Protocols for collaboration with universities. ▶ Curricular and professional internships. ▶ Visits to the industrial units. ▶ AltriNews. ▶ Website.	Strengthen Altri's social responsibility and institutional image. Attract qualified talent.	Innovation, development, and strengthening the attractiveness of the Group.
Media	▶ Press releases. ▶ AltriNews. ▶ Website. ▶ Management Report.	Strengthen the Group's image and attract new customers, partners, and investors.	Maintenance and construction of the reputational image of the Group.

Material topics

In 2023, Altri conducted its first double materiality analysis exercise, which identified 13 material topics, as presented in the matrix below.

Altri double materiality



This process was conducted in accordance with the draft version of the European Sustainability Reporting Standards (ESRS) published by EFRAG in November 2022, as detailed in the Materiality Assessment section.

In this sense, for the 2024 reporting, in line with the CSRD directive, it was necessary to harmonize the material topics to frame them within the themes defined by the ESRS, so that subsequently, the material data points for reporting could be identified. The results of the harmonization are shown in the Table below:

ESRS Theme	Material topics
Climate change	
Climate change adaptation	9. Climate change and GHG emissions 11. Renewable energy and energy efficiency
Climate change mitigation	
Energy	
Pollution	
Pollution of air	9. Climate change and GHG emissions 15. Water management
Pollution of water	
Water and marine resources	
Water	15. Water management
Biodiversity and ecosystems	

Direct impact drivers of biodiversity loss	
Impacts on the state of species	16. Forest Management 12. Biodiversity and ecosystems
Impacts and dependencies on ecosystem services	
Circular Economy	
Resource inflows, including resource use	
Resource outflows related to products and services	14. Waste management and circular economy
Waste	
Own workforce	
Working conditions	20. Health and Safety at Work 22. Diversity, equity, and inclusion
Equal treatment and opportunities for all	
Workers in the value chain	
Other work-related rights	25. Human rights in the value chain
Affected Communities	
Communities' civil and political rights	17. Job creation and local development 18. Noise, odors and other impacts at local level
Business Conduct	
Business Culture	
Management of supplier relationships, including payment practices	3. Innovation 8. Economic performance
Corruption and bribery	

The following section presents the impacts, risks, and material opportunities associated with each of the themes.

Impacts, risks, and material opportunities

(SBM-3)

The double materiality analysis process identified and evaluated a set of impacts, risks, and opportunities that affected Altri's operations and value chain. The following Table presents an overview of the impacts (I), risks (R), and opportunities (O) that Altri scored as materials. In addition to describing the Material IRO, it refers to whether it is located in Own Operations (OO) or Value Chain (VC). In the case of impacts, it is indicated whether they are positive (+) or negative (-) and whether they are real (R) or potential (P).

More detailed information on key policies, actions, metrics, and goals is provided in the thematic sections regarding each impact, risk, and material opportunity.

	IRO	+/-	R/P	OO/VC
E1: Climate change				
Climate change adaptation				
Protection of infrastructure, people, and economic activities (reducing the adverse effects associated with climate change)	I	+	R	OO
Investment and development in the production of forest materials resilient to climate change	O			OO
Risk of operational disturbances resulting from physical (acute and chronic) and transition risks derived from climate change	R			OO
Climate change mitigation				
Contribution to climate change – Scope 1 emissions	I	-	R	OO
Contribution to climate change - Scope 2 emissions	I	-	R	OO

Contribution to climate change – Scope 3 emissions	I	-	R	VC
Absorption of CO2 emissions due to the growth of live biomass and carbon stock in the soil	I	+	R	OO
Investment and implementation of new technologies that contribute to GHG reduction	O			OO
Energy				
Renewable energy production for self-consumption	I	+	R	OO
Reduction of energy costs through internal energy production	O			OO
E2: Pollution				
Pollution of air				
Emission of air pollutants	I	-	R	OO
Pollution of water				
Pollution of water resources in their operations	I	-	R	OO
E3: Water and marine resources				
Water				
Depletion of the natural resource Water with an impact on the availability of water resources	I	-	R	OO
Change of water resources (groundwater, rivers) by effluents produced in the production process (even after treatment)	I	-	R	OO
Implementation of new technologies related to water management to promote efficiency and reduce losses	O			OO
Compliance costs with increasingly demanding legal requirements in terms of water and wastewater quality	R			OO
E4: Biodiversity and ecosystems				
Direct impact drivers of biodiversity loss				
Reduction of biodiversity in the areas of eucalyptus plantations	I	-	R	OO
Impacts on the state of the species				
Increased areas of protected habitats due to habitat protection and restoration activities	I	+	R	OO
Impacts on the extent and condition of ecosystems				
Increased permeability of soils, as the ability to retain rainwater and avoid flooding in the forest	I	+	R	OO
Prevention of forest fires through the recovery of forest products and investments, management, and maintenance of forests	I	+	R	OO
Impacts and dependencies on ecosystem services				
Difficulty in obtaining raw materials due to the degradation of ecosystems	R			OO
Business continuity through forest fires	R			OO
E5: Circular economy				
Resource inflows, including resource use				
Reuse of by-products through efficient processes and reduction of the costs of acquiring raw materials	O			OO
Risk of limitation on access to wood (certified) at economically viable prices, with punctual or lasting impacts on production	R			OO
Risk of limiting access to subsidiary and dangerous matters through regulatory/legal/ legislative restrictions. This risk also includes equipment unavailability	R			OO
Resource outflows related to products and services				

Circularity, through the reuse of by-products of the production process	I	+	R	OO
Risk of punctual or lasting degradation of the quality of the final product, derived from the quality of wood (e.g., eucalyptus, pine) and subsidiary materials, enhancing the deterioration of customer confidence	R			OO
Waste				
Prevention, reduction, and recycling of waste throughout the life cycle	I	+	R	OO
More restrictive regulations on waste management	R			OO
S1: Own workforce				
Working conditions				
Improvement of working conditions, remuneration, and benefits of workers	I	+	R	OO
Occupational accidents, occupational diseases/disabilities	I	-	R	OO
Mental health of workers	I	-	P	OO
Risk of failures in skills and qualifications necessary for the pursuit of the defined strategy, enhanced by the inability to attract, hire, develop, and retain people	R			OO
Risk of damage to the physical integrity of people or occupational disease due to the occurrence of accidents at work, infectious/contagious diseases, or pandemics propagated during the working day	R			OO
Equal treatment and opportunities for all				
Representation of women in management positions	I	+	R	OO
Awareness of the issue of equal opportunities between employees and society	I	+	P	OO
Impact on the mental health and well-being of employees due to cases of violence and harassment	I	-	P	OO
Awareness of violence and harassment of employees and society	I	+	R	OO
Improvement of the company's image due to the practices of diversity, equity, and inclusion of the company	O			OO
S2: Workers in the value chain				
Other work-related rights				
Enhance the economy and growth of companies by supporting the services of the organization	O			VC
Insufficient due diligence processes for supplier evaluation about forced labor and modern slavery can lead to a loss of credibility and trust in the Organization	R			VC
S3: Affected Communities				
Communities' civil and political rights				
Increase the skills and employability of local human capital by promoting local economies	I	+	R	OO
Combating the desertification of non-urban areas	I	+	R	VC
Access of local communities to economic opportunities and livelihoods	I	+	R	OO
Inconvenience and disturbance of the quality of life of local communities due to odors and noise from factories	I	-	R	OO
Improvement and well-being of the conditions of supported local communities	I	+	R	VC
Environmental awareness and education of the surrounding communities	I	+	R	VC
Ability to develop and retain local talent	O			OO
Promotion of the decentralization of the country and its economic activities	O			VC

Additional spending on prevention/mitigation measures of the impact of industrial units on communities (e.g., implementation of new odor control technologies)	R	OO
Risk of degradation of the relationship with local communities due to the actual or perceived association of the impact of industry on the environment, and failures in the development of community or social projects	R	OO

G1: Business conduct		
Corporate culture		
Greater competitiveness of the company in the markets in which it operates due to a culture of innovation (cost reduction, efficiency gain, higher added value products, etc.)	O	OO
Risk of non-compliance with the defined ESG objectives contributing to the deterioration of the relationship with stakeholders (banking institutions, clients, suppliers) and/or devaluation of reputational capital.	R	OO
Corruption and bribery		
Risk of corruption or bribery	R	OO

Materiality Assessment

(IRO-1)

Altri carried out its Dual Materiality Analysis (DMA) exercise in 2023, in line with the draft version of the European Sustainability Reporting Standards (ESRS) published in November 2022.

The double materiality analysis encompasses the impacts, risks, and opportunities (IROs) associated with the company's own operations, as well as those in the upstream and downstream value chains. The evaluation followed a predefined methodology for determining the materiality of impact and financial materiality, which is described in greater detail in the following sections.

Scope of the double materiality analysis

The impacts, risks, and opportunities in Altri's own operations were identified considering the various areas of operation and countries where the group operates. The double materiality analysis also incorporated the upstream and downstream value chain. To ensure a thorough analysis of potential impacts, risks, and opportunities, Altri has identified all activities within its value chain and taken them into account when assessing these factors.

Evaluation Process – Financial materiality and impact materiality

Altri's dual materiality analysis followed the five steps detailed below:

1. Preparation

In the preparation phase, Altri defined the scope of activities within its own operations and along its value chain that would be included in the dual materiality assessment. Altri's value chain was categorized into three segments: Upstream value chain, own operations, and downstream value chain, as outlined in Strategy, Business Model, and Value Chain section. For each category, the primary business activities, geographies, and key stakeholders involved were identified. The grouping of activities served as the basis for identifying potential impacts, risks, and opportunities. It provided guidance on potential critical points or stakeholders that should be involved in the DMA process.

Additionally, a list of relevant stakeholders affected has been drawn.

The starting point for the mapping of stakeholders to be heard was those already considered in previous exercises. In addition, it has been ensured that:

- The most relevant stakeholders would be involved in the consultation process; and
- The consultation would encompass a range of perspectives from various stakeholder groups.

The following stakeholders were then identified, grouped into two categories: Affected stakeholders and users of sustainability statements:

Affected stakeholders:

- Customers;
- Employees (internal, external, trade unions, and top management);
- Suppliers (of services, materials – chemicals and wood/biomass, logistics, and certifying entities);
- Communities/ NGOs;
- Media;
- Partners (peers/competitors, industry, and business associations);
- Research and teaching.

Users of sustainability statements:

- Shareholders/Investors;
- Official entities (regulators and licensing entities);
- Partners (peers/competitors, industry, and business associations);
- Financial institutions (banks, insurance companies).

Based on the scope of the double materiality analysis and the identified stakeholders, 23 experts within the Group were selected to participate in the process. Experts have been selected based on their experience in their area of sustainability or on their involvement in global risk management or Altri's financial and sustainability reporting.

2. Identification of impacts, risks, and opportunities

Based on the business model and the group industry, potential impacts, risks, and opportunities were identified by the guidelines included in the ESRS. By compiling the extensive list of IROs, Altri leveraged the priority topics identified through a benchmark analysis with industry companies and a framework of international references.

2.1. Involvement of stakeholders

The interests of the stakeholders were incorporated into the analysis of double materiality, as established by the ESRS.

The stakeholders identified in point 1 were consulted, through the realization of:

- 8 interviews;
- Online questionnaire (yielding 205 responses).

The interests of stakeholders informed the identification and evaluation of the impacts.

3. Assessment of the impact materiality and financial materiality

The impacts, risks, and opportunities identified were evaluated based on the defined parameters. Before the evaluation phase, the experts participated in a workshop on DMA methodology and were assigned to different themes based on their area of expertise. The experts collectively evaluated the impacts, risks, and opportunities, with the support of the project's central team throughout the process. The impacts were evaluated quantitatively, using the defined scales, and qualitatively, establishing the basis for their assessment.

3.1. Materiality of impact: Methodology

3.1.1. Scope of impacts

In the second step of double materiality analysis, “Identification of impacts, risks, and opportunities”, the impacts on Altri’s business activities and value chain were examined. The experts categorized the impacts as directly or indirectly linked to Altri’s activities.

According to the ESRS orientation, the actual impacts identified were evaluated for severity, while the potential impacts identified were assessed for severity and probability of occurrence. Gravity is defined as the sum of scale, scope, and irremediability. An additional factor contributing to positive impacts was included: Lasting impact character. For potential impacts, gravity is multiplied by probability, and the product is compared with an appropriate materiality limit, determined by Altri. The three parameters of scale, scope, and irremediability were defined as follows:

Scale: How serious is the negative impact, or how beneficial is the positive impact on people or the environment?

Scope: What is the extent of the impact?

Irremediability: Whether and to what extent negative impacts can be remedied, for example, restoring the environment or the affected people to their previous state.

Lasting character: How long-lasting is the positive impact?

The evaluation was performed separately for the positive and negative impacts, that is, no trade-off applied.

The impacts were classified as actual or potential. Actual impacts were defined as impacts that occurred or are currently present, while potential impacts were defined as impacts that may occur in the future. In addition, the impacts were also classified as caused directly (Altri is solely responsible for the impacts on people or the environment, since the impacts are caused directly by its operations, products or services), contributed (the impacts to which Altri contributed are those not caused directly and exclusively by operations, products or services, but jointly with third parties), or directly linked (impacts directly linked to the operations, products and services caused by Altri’s commercial relationship. In this case, the intervener who causes or contributes to the impact is linked to the Group

through a commercial relationship. Finally, the time horizon of the impacts was classified as short-term (<1 year), medium-term (1-5 years), or long-term (>5 years).

3.1.2. Impact Assessment Process

Quantitative scales of impact materiality were defined as follows:

Positive impacts

- Scale: 1 = irrelevant to 5 = extremely relevant
- Scope: 1 = Very Limited, 2 = Concentrate, 3 = Medium, 4 = Generalized, 5 = Global/Total
- Probability: 1 = very low to 5 = very high.
- Lasting character of positive impact: 1 = short-term to 5 = long-term.

Negative impacts

- Scale: 1 = irrelevant to 5 = extremely relevant
- Scope: 1 = Very Limited, 2 = Concentrate, 3 = Medium, 4 = Generalized, 5 = Global/Total
- Irremediability: 1 = easily repairable, 2 = limited, 3 = difficult/medium term, 4 = very severe or long term, 5 = irreparable.
- Probability: 1 = very low to 5 = very high.

Calculation of the materiality of impact

Sum of the scale score, scope score, and score of irreducibility/lasting impact character, multiplied by the quantitative probability factor (when potential).

3.2. Financial materiality: Methodology

3.2.1. Scope of risks and opportunities

In the second phase of the DMA, “Identification of impacts, risks, and opportunities”, risks and opportunities were examined across all Altri’s business and value chain activities.

According to ESRS, the magnitude and probability of occurrence were evaluated for risks and opportunities. The magnitude is based on the financial implications of a particular risk or opportunity in Altri’s operations. The magnitude is multiplied by the probability, and this amount is compared with a certain predefined threshold, which is defined as follows.

Magnitude: Assessment of the potential amount of financial loss (risk) or gain (opportunity).

3.2.2. Process of evaluation and selection of projects

Quantitative scales of financial materiality were defined as follows:

Risks/Opportunities

Magnitude: 1 = very low; 2 = low; 3 = medium; 4 = high; 5 = very high

Probability: 1 = very low to 5 = very high.

Calculation of financial materiality

Risks and Opportunities: Magnitude score multiplied by the quantitative probability factor.

In the context of risk and opportunity assessment, comparability was ensured with the non-financial risk assessment already used by the Altri risk management team. Therefore, the financial value of magnitude, scale, and probability is based on the existing criteria for assessing financial risk.

4. Validation of preliminary results

Once the initial assessment has been completed, the project's core team analyzes the assessment, focusing on consistency, integrality, and overall coherence.

To ensure that the results of the dual materiality analysis are widely supported and based in various areas of Altri specialization, different groups of internal stakeholders were involved in the decision-making process since the administration, several directorates of 3 industrial units, representing areas of production, maintenance, forest management, supply and logistics to ensure that the results are representative of the activities and operations of the Altri Group.

The project's central team, comprising representatives from the sustainability function and the financial department, also supported the decision-making process.

A specific group of internal stakeholders involved was the Risk Management team. Risk Management was involved in defining the methodological approach, particularly in establishing the scales of financial materiality and the threshold of financial materiality. Additionally, the risk management team was involved in assessing and validating risks and opportunities.

5. Approval of double materiality

Once the project team consolidated the validation, they presented the results to the Executive Board, which approved them.

Additional information on double materiality assessment

In identifying and assessing impacts, risks, and opportunities, the key factor was the experience of experts and the central team. In the identification, evaluation, and validation stages, internal stakeholders were encouraged to include relevant internal qualitative information and quantitative data sources. Besides that, risk management has provided data on potential risks and opportunities. A benchmarking analysis was also conducted to ensure that all possible material themes would be addressed during the study of double materiality.

Impacts, risks, and opportunities related to climate change

The review of the different risk and business opportunities analyses is done twice a year, which in turn leads to the annual review of mitigation and management actions of risks and opportunities. During these analyses, Altri performs a cross-assessment between the magnitude of impact and the probability of occurrence, resulting in a relevance matrix that allows the prioritization of the identified risks. The Board member of the Sustainability Direction is responsible for managing sustainability risks and for defining and proposing evaluation and monitoring methodologies.

Impacts, risks, and opportunities related to pollution

The theme of pollution was also included in the process of double materiality analysis. Thematic specialists from Altri, with recognized expertise in this field, were integrated into the process of identifying and evaluating impacts, risks, and opportunities associated with water and soil air pollution. This detailed analysis included all locations where the Altri Group operates, including activities along the value chain.

Impacts, risks, and opportunities related to water and marine resources

Altri identifies water-related risks in the components of availability (scarcity), quality, and efficient use (reduction of use to the minimum technically possible). Environmental work at Altri sites, including water management and resource efficiency, is supported by third-party certified environmental management systems. All industrial units are certified by the ISO 14001 environmental management system.

IRO's management is implemented in coordination with the relevant business units and corporate teams, including the Risk Management team, thus ensuring the definition of an action plan to minimize and mitigate these risks. In summary, the risk of water scarcity and drought affects forest productivity and access to wood (raw material), as well as the production process of industrial units that depend on water consumption for the production of cellulosic fibers.

Impacts, risks, and opportunities related to biodiversity and ecosystems

During the analysis of dual materiality of the Altri Group, impacts, risks, and opportunities associated with biodiversity and ecosystems were identified. The Group takes a structured approach to identify and evaluate actual and potential impacts, risks, and opportunities on its facilities and the value chain.

To identify the impacts on its own operations, Altri mapped sensitive areas from the perspective of biodiversity, including high conservation value areas and sensitive habitats within the managed forest. Additionally, the Group implements programs to monitor fauna, flora, and the quality of ecosystems in the managed forests.

The Group’s alignment with standards such as the FSC (Forest Stewardship Council) and the PEFC (Programme for the Endorsement of Forest Certification) ensures strict criteria for the protection of biodiversity.

In the value chain, the identification of impacts related to biodiversity is achieved through evaluations of suppliers' environmental performance, ensuring that sustainable practices are followed in logging.

Altri uses forest certification and third-party traceability systems to know the origin of all the wood it uses and ensure it comes from sustainable sources. These include the Forest Stewardship Council

(FSC) Controlled Chain of Custody/Wood Scheme, the Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody/Due Diligence System, and the ISO 14001 environmental management system.

The impacts, risks, and opportunities identified are evaluated using quantitative criteria, such as the area of critical habitats impacted or restored, and the number of protected species monitored.

As qualitative criteria, Altri considers the assessment of ecosystem integrity, compliance with environmental laws, voluntary conservation commitments, and feedback from local communities and stakeholders.

The Altri Group has operations in classified areas (protected areas). Altri identifies the natural habitats in managed forests and implements biodiversity management plans with the aim of maintaining and improving the condition of these habitats and safeguarding the disturbance of protected species. To this end, it defines in its Forest Management System areas dedicated to the conservation of species and habitats with various levels of protection:

- Areas of High Conservation Value;
- Areas with natural habitats;
- Conservation areas of Rivers and Streams (water resources);
- Areas with conservation potential.

In addition, Altri has defined and implemented a conservation program, Altri Diversity, which coordinates a set of projects aimed at maintaining and improving the conservation status of wild birds populations, as well as preserving natural habitats and flora.

Impacts, risks, and opportunities related to resource use and circular economy

The double materiality analysis includes the identification of impacts, risks, and opportunities related to resource use and the circular economy. In this process, Altri's thematic experts were integrated with recognized knowledge about the entry and exit of resources and waste in the industrial units of the Altri Group. In addition, this analysis extended to activities along the company's value chain.

Impacts, risks, and opportunities related to business conduct

The double materiality analysis involves identifying the impacts, risks, and opportunities associated with business conduct. In this process, Altri's thematic specialists were integrated with recognized knowledge on the subject to which the responsibility was attributed to identifying the impacts, risks, and opportunities in Altri's own operations and throughout the entire value chain related to business conduct. For this identification, criteria such as the location of operations and the regulatory, socio-economic, and cultural context of the company were taken into consideration.

Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

(IRO-2)

General Disclosures		
DR	Description	Page(s)
ESRS 2: General Disclosures		
BP-1	General Base for preparation of the Sustainability Statement	36
BP-2	Disclosures in relation to specific circumstances	36
GOV-1	The role of the administrative, management and supervisory bodies	38
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	42
GOV-4	Statement on due diligence	43
GOV-5	Risk management and internal controls over sustainability reporting	45
SBM-1	Strategy, business model, and value chain	46
SBM-2	Interests and views of stakeholders	55
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	59
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	62
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	69

Environment		
DR	Description	Page(s)
ESRS E1: Climate change		
E1-1	Transition plan for climate change mitigation	91
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	93
IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	67
E1-2	Policies related to climate change mitigation and adaptation	94
E1-3	Actions and resources in relation to climate change policies	94
E1-4	Targets related to climate change mitigation and adaptation	100
E1-5	Energy consumption and mix	104
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	105
E1-8	Internal carbon pricing	107
ESRS E2: Pollution		
IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	67
E2-1	Policies related to pollution	108
E2-2	Actions and resources related to pollution	109
E2-3	Targets related to pollution	109
E2-4	Pollution of air and water	110
ESRS E3: Water and Marine Resources		
IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	67
E3-1	Policies related to water and marine resources	112
E3-2	Actions and resources related to water resources	112
E3-3	Targets related to water and marine resources	115
E3-4	Water consumption	116
ESRS E4: Biodiversity and ecosystems		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	117

IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	67
E4-2	Policies related to biodiversity and ecosystems	120
E4-3	Actions and resources related to biodiversity and ecosystems	121
E4-4	Targets related to biodiversity and ecosystems	128
E4-5	Impact metrics related to biodiversity and ecosystems change	129
ESRS E5: Waste management and circular economy		
IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	68
E5-1	Policies related to resource use and circular economy	130
E5-2	Actions and resources related to resource use and circular economy	132
E5-3	Targets related to resource use and circular economy	135
E5-4	Resource inflows	136
E5-5	Resource outflows	137

Social DR	Description	Page(s)
ESRS S1: Own workforce		
SBM-2	Interests and views of stakeholders	55
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	138
S1-1	Policies related to own workforce	138
S1-2	Processes for engaging with own workers and workers' representatives about impacts	139
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	140
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	141
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	148
S1-6	Characteristics of the undertaking's employees	150
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	151
S1-9	Diversity metrics	151
S1-12	Persons with disabilities	152
S1-13	Training and skills development metrics	152
S1-14	Health and safety metrics	154
S1-16	Compensation metrics (pay gap and total compensation)	155
S1-17	Incidents, complaints and severe human rights impacts	156
ESRS S2: Workers in the Value Chain		
SBM-2	Interests and views of stakeholders	55
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	156
S2-1	Policies related to the value chain workers	157
S2-2	Processes for engaging with value chain workers about impacts	159
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	160
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	160
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	161
ESRS S3: Affected Communities		
SBM-2	Interests and views of stakeholders	55
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	162
S3-1	Policies related to affected communities	162
S3-2	Processes for engaging with affected communities about impacts	159
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	163

S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	164
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	167

Governance DR ESRS G1 – Business Conduct	Description	Page(s)
GOV-1	The role of the administrative, supervisory and management bodies	38
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	68
G1-1	Corporate culture and business conduct policies and corporate culture	168
G1-2	Management of relations with suppliers	172
G1-3	Prevention and detection of corruption and bribery	172
G1-6	Payment practices	174

Table of all reference points arising from other EU legislation

(IRO-2)

In the following Table, all disclosure requirements and their respective data points, as outlined in other EU legislation, are listed, along with the page number where they are published throughout the Sustainability Statement. In grey, all data points were identified that were considered non-material due to the analysis of double materiality performed by the Altri Group, or that were not answered due to the use of phase-ins detailed in the section Basis for Preparation.

Disclosure requirement and respective data point	Reference of the Regulation Disclosures of Information on Sustainability of Financial Services	Reference of Pillar 3	Reference of the Reference Indexes Regulation	Reference of the Reference Indexes Regulation	Page(s)
ESRS 2 GOV-1 — Gender diversity on the board of directors, no. 21 d)	Indicator no. 13 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816(5), Annex II		38
ESRS 2 GOV-1 Percentage of members of the board of directors who are independent, no. 21 e)			Annex II to Delegated Regulation (EU) 2020/1816		38
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator no. 10 in Table 3 of Annex 1				43
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator no. 4 in Table 1 of Annex I	Article 449 of Regulation (EU) 575/2013; Table 1 of Commission Implementing Regulation (EU) 2022/2453(6): Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Annex II to Delegated Regulation (EU) 2020/1816		-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator no. 9 in Table 2 of Annex 1		Annex II to Delegated Regulation (EU) 2020/1816		-

ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator no. 14 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1818(7), Article 12, no. 1 of Delegated Regulation (EU) 2020/1816, Annex II		-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Article 12, no. 1 of Delegated Regulation (EU) 2020/1818, and Annex II to Delegated Regulation (EU) 2020/1816		-
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1.5.2. Environmental Information

Altri adopts a comprehensive and integrated approach to managing environmental topics, aligned with international best practices and regulations. This approach is supported by robust governance structures and global environmental policies that guide all Group operations.

At Altri, environmental management is coordinated by dedicated bodies that ensure the implementation and monitoring of environmental policies across all areas of the Group's activity. These bodies include an Executive Board, composed of senior management members, which defines environmental strategies and supervises their implementation.

The principle of environmental protection is deeply rooted in the core values of Altri. The Group recognizes the importance of sustainability as one of its key pillars for long-term success and incorporates environmentally responsible practices into all its activities. This commitment is reflected in the transversal environmental objectives that guide the Group's management, including the preservation of natural resources, minimization of environmental impacts, and promotion of a circular economy.

The objective of environmental management at Altri is to promote sustainability and environmental responsibility in all operations. The Group strives to continuously improve its environmental performance through innovation, resource efficiency, and the adoption of clean technologies. This commitment is aimed not only at complying with regulatory requirements, but also at contributing to the overall well-being of communities and the environment.

Altri stands out for its commitment to reducing carbon footprint, efficiency in water and energy use, and minimizing waste production. These actions are supported by significant investments in sustainable technologies and the implementation of operational practices designed to conserve natural resources.

European Union Taxonomy

The European Union has been working to address the major global environmental challenges and to guide society toward sustainable development.

Given the nature of global environmental challenges, a systemic and forward-looking approach to environmental sustainability needs to be followed, which runs counter to rising negative trends, such as climate change, biodiversity loss, excessive resource consumption, food shortages, ocean acidification, the deterioration of freshwater reserves and the alteration of the soil use system, as well as the emergence of new threats, such as hazardous chemicals and their combined effects.

The pursuit of these objectives requires allocating a substantial capital value to sustainable projects, and the aim should be to promote them and eliminate obstacles to their funding. In addition, there is a growing need for transparency and the inclusion of environmental and social risks in corporate governance models, as well as to understand how companies respond to them.

The European Union has made efforts to harmonize the criteria that define whether economic activity is qualified as environmentally sustainable. In this sense, EU Regulation 2020/852 (EU Taxonomy) promotes cross-border harmonization and financing of businesses and activities, aiming to facilitate the raising of funding for environmentally sustainable projects. This Regulation establishes uniform criteria for selecting the assets underlying these investments.

The regulation of the European Union taxonomy published in the Official Journal of the European Union on 18 June 2020 establishes the framework to support the classification of economically sustainable activities from an environmental point of view for investment purposes, and it is a key instrument for achieving the path of carbon neutrality proposed by the European Commission and adopted in 2019 with the European Ecological Pact.

To comply with this regulation, two delegated acts were published in the Official Journal of the European Union in 2021. In 2022, an additional delegated act was published, and in 2023, and four new delegated acts were adopted, which introduced new activities under the EU TAXONOMY:

a. On December 9, 2021, the delegated act on climate, with application as of January 1, 2022. This regulates the assessment criteria to assess whether an activity is environmentally sustainable by contributing to the objectives of climate change mitigation and adaptation, and to establish whether this economic activity does not significantly affect the fulfilment of any of the other environmental objectives set in the regulation of the European Union taxonomy, and is carried out in accordance with minimum social safeguards;

b. On December 10, 2021, the delegated act concerning article 8, with effect from January 1, 2022. This regulates the reporting of environmental financial information to companies covered by the Non-Financial Information Reporting Directive (which will be replaced by the Corporate Sustainability Reporting Directive), namely the proportion of revenue (turnover), Capital expenditure (CapEx), and operating expenditure (OpEx) that are associated with environmentally sustainable economic activities;

c. On 15 July 2022, the European Commission published in the European Union's official newspaper the EU 2022/1214 supplementary delegated act, which, under strict restrictions, includes gas and nuclear activities as eligible and amends EU Delegated Regulation 2021/2178 as regards public disclosures specific to these economic activities. This delegated act shall apply from 1 January 2023 on; and

d. In 2023, the list of other activities that can be framed in the EU Taxonomy was published, as well as the criteria for assessing their contribution to the remaining four environmental objectives: i) sustainable use and protection of water and marine resources; ii) transition to a circular economy; iii) pollution prevention and control; and iv) protection and restoration of biodiversity and ecosystems. Additionally, certain activities were added to those previously published for the two climate objectives.

e. In the financial year ended December 31, 2024, Altri analysed the published list of activities that could be framed within the EU Taxonomy under the six climate objectives. The activities identified by Altri as eligible under the EU Taxonomy are fully aligned with the first two climate objectives. Therefore, from the list of published activities, no eligible activities were identified for the environmental objectives i) sustainable use and protection of water and marine resources; ii) transition to a circular economy; iii) pollution prevention and control; and iv) protection and restoration of biodiversity and ecosystems.

Altri has been closely following major regulatory developments related to taxonomy and other ESG reports and disclosures.

Relevant settings

The environmental objectives set out in the EU Taxonomy correspond to the following: (i) climate change mitigation; (ii) climate change adaptation; (iii) sustainable use and protection of water and

marine resources; (iv) transition to a circular economy; (v) pollution prevention and control; and (vi) protection and restoration of biodiversity and ecosystems.

For the purposes of EU taxonomy, an eligible economic activity means an economic activity described in the delegated acts that complement the Taxonomy Regulation, regardless of whether this economic activity meets any or all of the technical criteria set out in those delegated acts.

An ineligible economic activity means any economic activity that is not described in delegated acts that complement the Taxonomy Regulation. Finally, an aligned economic activity means an economic activity that meets all of the following requirements:

a. Economic activity contributes substantially to one or more of the environmental objectives;
b. Does not significantly affect any of the environmental objectives;
c. It is carried out respecting minimum social safeguards; and
d. It meets the technical criteria provided for in the delegated acts that complement the Taxonomy Regulation.

Since its establishment, Altri has been carrying out its activities in an ethical, complete and transparent way, providing results that are the result of its vision of management, the efficiency of its processes, the continuous innovation, the professionalism and competence of its team, the competitiveness of its supply and its reputation in the market. In this sense, Altri intends to continue developing the necessary actions to position itself as a reference, ensuring alignment with international macroeconomic objectives and maintaining its long-term economic competitiveness.

In accordance with Directive 2013/34/EU of the European Parliament and of the European Council, Altri is obliged to publish non-financial statements, Regulation (EU) 2020/852 of the European Parliament and of the European Council of 18 June 2020 – Definition of a Framework to facilitate sustainable investment. Thus, Altri implemented in 2022 a process of structuring internal practices that enable compliance with the requirements of the EU Taxonomy, thereby aligning with good sustainability practices and reporting of information, which have been subject to continuous improvement. The EU Taxonomy is a crucial transparency tool that enables the reporting of the alignment of activities (current and future) with sustainable development from an environmental perspective.

Having disclosed, with reference to 31 December 2021, for the first time, information on the so-called EU Taxonomy regarding the eligibility of its economic activities in relation to climate objectives, and with reference to 31 of December of 2022 the information about the alignment of the referred economic activities for the first climatic objectives, Altri releases, with reference to 31 December 2024, information on the eligibility and alignment of its economic activities with regard to the climate objectives, materialized by the size of their weight in revenue (turnover), operating expenses (OpEx) and capital expenditures (CapEx). It should be noted that after the company's analysis of the economic activities included in the remaining four objectives, all eligible activities identified are included in the first two climate objectives, and the alignment of all identified activities was evaluated.

Thus, with reference to 31 December 2024, according to the content of the European Commission Delegated Act (EU) 2021/2178, Altri releases the percentage of revenue (turnover), Capital expenditure (CapEx) and Operational expenses (OpEx) related to eligible activities and aligned according to the taxonomy, assessing, for the purposes of alignment with climate objectives, the compliance with the technical criteria for evaluating these activities, determining the percentage of the three indicators that are associated with sustainable economic activities from an environmental point of view.

Specification of key performance indicators (KPI)

a. **Turnover:** The proportion of turnover is calculated as the share of the net turnover resulting from products or services, Associated with eligible economic activities and aligned according to the taxonomy (numerator) divided by the net turnover corresponding to the revenue recognized according to IFRS (denominator) in the sales and service provision headings (Note 38 of the Annex to the consolidated financial statements);

b. **Capital expenditure (CapEx):** The denominator covers the additions of tangible and intangible fixed assets during the exercise, the assets under the right of use and biological assets related to new plantations and replantations (at cost), during the exercise, excluding the effects resulting from depreciations, amortizations and any remeasures, notably resulting from revaluations, fair values and impairments. The denominator also encompasses the additions of property, plant, and equipment, as well as intangible assets resulting from the consolidation of business activities (perimeter entries at historical cost). The numerator corresponds to the part of the capital expenditure included in the denominator, which:

    i. is related to assets or processes associated with eligible economic activities, eligible and aligned by taxonomy;

    ii. is part of a plan to expand economic activities eligible and aligned with taxonomy, or to allow economic activities eligible for taxonomy to become aligned with taxonomy;

    iii. it is related to the acquisition of the production of eligible economic activities aligned with taxonomy and to individual measures that enable the transformation of the activities concerned into low-carbon activities or allow reductions in greenhouse gas emissions and provided that such measures are applied and operational within 18 months.

c. **Operating expenses (OpEx):** The denominator should cover the uncapitalized direct costs related to research and development, building renovation measures, short-term leasing, maintenance and repair, as well as any other direct expenses related to the daily maintenance of tangible fixed assets, by the Group or third parties to whom activities are outsourced, which are necessary to ensure the continuing and effective operation of those assets. The numerator corresponds to the part of the capital expenditure included in the denominator, which:

    i. is related to assets or processes associated with eligible and taxonomy-aligned economic activities, including training needs and other human resource adaptation needs, and non-capitalized direct costs representing research and development; or

    ii. be part of the CapEx plan to expand eligible economic activities aligned with taxonomy, or to allow economic activities eligible for taxonomy to become aligned with taxonomy in a predefined calendar;

    iii. is related to the acquisition of the production of eligible economic activities aligned with taxonomy and to individual measures that enable the transformation of the activities concerned into low-carbon activities or allow reductions in greenhouse gas emissions, as well as individual building renovation measures and provided that such measures are applied and operational within 18 months.

Turnover:

Figure 1: Percentage of turnover for eligible and aligned activities

2024 Business activities	Turnover (Euro)	Proportion of eligible turnover (% of the total)	Proportion of aligned turnover (% of the total)
A. Eligible activities			
4.8 - Electricity production from bioenergy	15,494,876	2%	2%
4.20 - Cogeneration of heat/cold and electricity from bioenergy	33,272,475	4%	4%
Sub-Total Eligible Activities (A)	**48,767,351**	**6%**	**6%**
B. Activities not eligible	**789,131,030**		
Turnover of non-eligible activities (B)		**94%**	**94%**
Total consolidated turnover (A+B)	**837,898,381**	**100%**	**100%**

2023 Business activities	Turnover (Euro)	Proportion of eligible turnover (% of the total)	Proportion of aligned turnover (% of the total)
A. Eligible activities			
4.8 - Electricity production from bioenergy	3,121,771	0%	0%
4.20 - Cogeneration of heat/cold and electricity from bioenergy	12,710,645	2%	2%
Sub-Total Eligible Activities (A)	**15,832,416**	**2%**	**2%**
B. Activities not eligible	**736,594,546**		
Turnover of non-eligible activities (B)		**98%**	**98%**
Total consolidated turnover (A+B)	**752,426,962**	**100%**	**100%**

Since Altri's core business is the production and sale of paper pulp, an activity not eligible under the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139), Altri's turnover for eligible and aligned activities is essentially associated with the activities of: (i) production of electricity from bioenergy, and (ii) heat/cold cogeneration and electricity from bioenergy, these activities being included in the taxonomy of Annexes I and II of the delegated Climate Act (Commission Regulation (EC) 2021/2139), contributing these activities to the objective of climate change mitigation and adaptation. It should be noted that for the purpose of evaluating the alignment of activities identified as eligible, compliance with the technical criteria defined for the mitigation objective was evaluated. In the financial year ended December 31, 2024, no eligible activities were identified for the four new environmental objectives: i) sustainable use and protection of water and marine resources; ii) transition to a circular economy; iii) pollution prevention and control; and iv) protection and restoration of biodiversity and ecosystems. The increase in turnover for the two eligible activities is due to the impact verified in the consolidated revenue of the Altri Group resulting from: (i) the increase of the

electricity production and sales; and (ii) the change of the energy consumption regime of the Celbi plant for total sale of the renewable energy produced..

Capital expenditure (CapEx):

Figure 2: Percentage of capital expenditure for eligible and aligned activities

2024 **Business activities**	***Capex*** **(Euro)**	**Proportion of eligible *Capex*** **(% of the total)**	**Proportion of aligned *Capex*** **(% of the total)**
A. Eligible activities			
1.3 - Forest management	16,357,205	33%	33%
4.1 - Electricity production from solar photovoltaic technology	172,913	0%	0%
4.8 - Electricity production from bioenergy	4,220,025	9%	9%
4.20 - Cogeneration of heat/cold and electricity from bioenergy	2,632,063	5%	5%
5.1 - Construction, expansion, and exploitation of water collection, treatment, and supply systems	661,647	1%	1%
5.3 - Construction, expansion, and operation of wastewater collection and treatment systems	1,184,598	2%	2%
7.4. Installation, maintenance, and repair of building-mounted electric vehicle charging stations	102,709	0%	0%
9.2 - Research, development, and innovation activities close to the market	8,559,600	17%	17%
Sub-Total Eligible Activities (A)	**33,890,760**	**68%**	**68%**
B. Activities not eligible	**15,664,935**		
CapEx of non-eligible activities (B)		**32%**	**32%**
Consolidated Capex Total (A+B)	**49,555,695**	**100%**	**100%**

2023 **Business activities**	***CapEx*** **(Euros)**	**Proportion of eligible *Capex*** **(% do total)**	**Proportion of aligned *Capex*** **(% do total)**
A. Eligible activities			
1.3 - Forest management	20,494,126	26%	26%
4.1 - Electricity production from solar photovoltaic technology	2,674,001	3%	3%
4.8 - Electricity production from bioenergy	33,313,704	42%	42%
4.20 - Cogeneration of heat/cold and electricity from bioenergy	5,786,248	7%	7%
5.1 - Construction, expansion, and exploitation of water collection, treatment, and supply systems	98,500	0%	0%
5.3 - Construction, expansion, and operation of wastewater collection and treatment systems	5,451,353	7%	7%

9.2 - Research, development, and innovation activities close to the market	136,877	0%	0%
Sub-Total Eligible Activities (A)	**67,954,809**	**86%**	**86%**
B. Activities not eligible	**10,819,226**		
CapEx of non-eligible activities (B)		**14%**	**14%**
Consolidated Capex Total (A+B)	**78,774,035**	**100%**	**100%**

The total amount of capital expenditure included in the indicator's denominator represents the total amount of additions that occurred in the financial years ending December 31, 2024 and 2023 in the items of tangible fixed assets, intangible assets, rights of use and biological assets related to new plantations and replantations (at cost) (Notes 7, 8, 10 and 11 respectively of the Annex to the consolidated financial statements).

The capital expenditure incurred in the financial year ended December 31, 2024 by Altri for eligible and aligned activity is essentially associated with the activities of: (i) forest management, (ii) electricity production from photovoltaic solar technology, (iii) cogeneration of heat/cold and electricity from bioenergy, (iv) construction, expansion, and operation of water capture, treatment, and supply systems, (v) construction, expansion, and operation of wastewater collection and treatment systems, (vi) installation, maintenance, and repair of electric vehicle charging stations installed in buildings, and (vii) research, development, and market-driven innovation activities. These activities are included in the taxonomy of Annexes I and II of the Climate Delegated Act (Delegated Regulation (EU) 2021/2139), with activities (i), (ii), (iii), (iv), (v); and (vii) contributing to the goal of mitigating climate change and activity (vi) contributing to the goal of adapting to climate change.

With regard to CapEx additions associated with eligible and aligned activities, they were essentially made to bring Altri closer to the objectives set out in the framework of the 2030 commitments, which present the following details:

a. To develop conservation, restoration, and promotion actions of environmental values, integrated with the regular activities of forest production in territories of size, importance, and relevance at the landscape level, contributing to regional and national policies for the conservation of biological diversity and with demonstrable impact. In 2024, Altri promoted several partnerships with external entities to integrate other valuable activities (economic, social, and environmental) with forest management.

b. Reduce the specific water use (m^3/ADMT) in Altri's industrial units by 50%. For this purpose, throughout the years 2023 and 2024, Altri invested in water recovery, in increasing circuit sealing, in the interconnection of water between different locations of the process, identifying possible users downstream of certain circuits, with a view to water reuse and reduced flows;

c. Reduce the organic load (COD, kg O_2/ADMT) in Altri's industrial effluents by 60%. For this purpose, in 2023, and until 2024, Altri invested in the renewal of Celbi's IWWTP, in the optimization of dilution factors in pulp washing equipment, in the optimization of the alkaline circuit closures of bleaching and stabilization of the procedural conditions of bleaching to improve its performance, and consequently the reduction of organic load in the effluents generated;

d. 100% of the primary energy consumed in the industrial units of Altri is of renewable origin. In 2022, Altri initiated the construction of the new Caima biomass plant, which continued into 2024. Additionally, projects of 3 photovoltaic power plants were continued, one in each industrial unit. There was also an investment in the burning and energy recovery of non-condensable gases in the Biotek recovery boiler.

e. 22 electric car charging stations were installed in Altri units, promoting more sustainable mobility.

f. Altri decided to implement a project for the recovery of acetic and furfural acids, resulting from research developed internally by the Innovation Directorate.

Operating expenses (OpEx):

Figure 3: Percentage of operational expenses for eligible and aligned activities

2024 **Business activities**	***Opex*** **(Euro)**	**Proportion of eligible *Opex*** **(% of the total)**	**Proportion of aligned *Opex*** **(% of the total)**
A. Eligible activities			
1.3 - Forest management	6,755,179	12%	12%
4.8 - Electricity production from bioenergy	537,907	1%	1%
4.20 - Cogeneration of heat/cold and electricity from bioenergy	3,422,719	6%	6%
5.1 - Construction, expansion, and exploitation of water collection, treatment and supply systems	213,548	0%	0%
5.3 - Construction, expansion and operation of wastewater collection and treatment systems	480,271	1%	1%
Sub-Total Eligible Activities (A)	**11,409,624**	**21%**	**21%**
B. Activities not eligible			
OpEx of non-eligible activities (B)	**42,759,939**	**79%**	**79%**

2024 Business activities	*Opex* (Euro)	Proportion of eligible *Opex* (% of the total)	Proportion of aligned *Opex* (% of the total)
Total Consolidated Opex (A+B)	**54,169,563**	**100%**	**100%**

2023 Business activities	*Opex* (Euro)	Proportion of eligible *Opex* (% of the total)	Proportion of aligned *Opex* (% of the total)
A. Eligible activities			
1.3 - Forest management	4,998,461	10%	10%
4.8 - Electricity production from bioenergy	407,461	1%	1%
4.20 - Cogeneration of heat/cold and electricity from bioenergy	4,607,731	10%	10%
5.1 - Construction, expansion, and exploitation of water collection, treatment and supply systems	274,440	1%	1%
5.3 - Construction, expansion and operation of wastewater collection and treatment systems	599,809	1%	1%
Sub-Total Eligible Activities (A)	**10,887,901**	**23%**	**23%**
B. Activities not eligible			
OpEx of non-eligible activities (B)	**36,759,552**	**77%**	**77%**
Total Consolidated Opex (A+B)	**47,647,453**	**100%**	**100%**

The total amount of operational expenses included in the indicator denominator represents the total amount of operational expenses recognized in the financial years ended December 31, 2024 and 2023 in the cost lines for forestry activities, conservation and repair and rents and rentals under the heading of external supplies and services (Note 40 of the Annex to the consolidated financial statements).

Altri's operational expenses for eligible and aligned activity are essentially associated with the activities: (i) forest management, (ii) electricity production from bioenergy, (iii) heat/cold cogeneration and electricity from bioenergy, (iv) construction, expansion and operation of water collection, treatment and supply systems and (v) construction, expansion and exploitation of waste water collection and treatment systems, these activities being included in the taxonomy of Annexes I and II of the Delegated Climate Act (Commission Delegated Regulation (EU) 2021/2139), thus contributing to the objective of climate change mitigation.

EU taxonomy - eligibility and alignment

During the exercises ending on 31 December 2024 and 2023, all activities reported by Altri as eligible in the three Taxonomy indicators (Turnover, Capex, and Opex) met the alignment criteria on 9.2 - Research, Development and Innovation activities close to the market. In the point "Detail of Compliance with Taxonomy Alignment Criteria - KPIs in accordance with Article 8 of the EU Taxonomy" of this section, details are included on the process of aligning the different activities with the aim of

mitigation and adaptation (as applicable) and their compliance with the requirements of not significantly harming the other climate objectives, as well as the compliance with minimum social safeguards.

Altri Process of verification of Minimum Social Safeguards Requirements ("MSS")

Minimum Social Safeguards consist of procedures applied by Altri, with the aim of ensuring alignment with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, Including the principles and rights established in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Charter of Human Rights.

Altri has been implementing and developing several actions and procedures that allow for managing the minimum SMS requirements and ensuring that there are no risk situations, with regard to:

a. Human rights, including the rights of workers and customers
b. Corruption/bribery, bribery request, and extortion
c. Taxation
d. Fair competition

Altri's main policies in these matters are aligned with the OECD and United Nations guidelines and principles on human rights, as well as corruption, taxation, and fair competition, and are defined at the Altri level, covering all business units. The policies defined by Altri on Human Rights, Community Participation, and Prevention and Combating Money Laundering are available at Altri's website.

Human Rights Compliance with MSS, including the rights of workers and customers

Altri, through the Human Rights Policy, has publicly committed itself to respecting and avoiding adverse impacts on all internationally recognized human rights in all its activities, in particular, as regards freedom of association and the right to collective bargaining and the right not to subjection to forced labor, child labor or discrimination in relation to employment and occupation, reinforcing its position through the accession to the Global Compact. This commitment includes ensuring responsible performance throughout the value chain.

Altri also demonstrates a commitment to avoiding adverse impacts that may arise from operations or business relationships and to minimizing the negative impact that its activities have or may have on the communities where they are developed, while emphasizing the expectation of adherence by all entities related to the Group.

The governance of these matters is currently assured at the level of the Executive Board and the Ethics Committee, which includes among its responsibilities to enforce the Code of Ethics and Conduct, describing also how Altri commits to ensuring respect for human rights.

Altri has continued to develop all mechanisms that allow it to identify, prevent, mitigate, track, and account for real and potential adverse impacts on human rights in its own operations, value chains, and other commercial relations, namely through the following:

a. Conduct of dual materiality exercise in 2023, in which the main risks, opportunities, and impacts of the group were evaluated, and which includes topics related to human rights. The risks are prioritized according to a relevant matrix, proceeding to the identification of risk factors that can affect operations and activities, through processes and control mechanisms by the operational managers of the various directorates.

b. As a result of the identified risks, a set of opportunities is identified to address them. Following the implementation of risk response actions, monitoring relevant mitigation actions and continuous assessment of the level of exposure to critical factors is carried out.

c. Altri has a whistleblower reporting channel available, which applies to all issues addressed in the Code of Ethics, particularly those related to human rights.

In this report, throughout its various sections, Altri includes information on its human rights management diligence measures, covering employee and customer rights throughout its value chain.

Aware that the mechanisms currently implemented need to be strengthened, particularly in terms of the allocation of responsibilities for the current monitoring of these matters, the procedures for identifying risks and listening to stakeholders and the systems for tracking and monitoring the undertaken actions, Altri affirms its commitment to develop all the steps that allow for continuous improvement in all these processes.

It should be noted that, as of 2024, the Altri Group confirms the absence of any identified human rights impacts.

Compliance with MSS at the level of Corruption / Bribery, Bribery Request, and Extortion

Altri, in compliance with the General Corruption Prevention Scheme, is in the phase of adoption and implementation of its regulatory compliance program, which aims to prevent, detect and sanction acts of corruption and related violations and which integrates: (i) the Code of Conduct on Corruption Prevention and Related Offenses; (ii) the plan for the prevention of corruption risks and related offenses; (iii) the Policy for Prevention and Fight to Money Laundering and Terrorism Funding; (iv) a training program; and (v) a reporting channel.

Altri has also been developing different measures and procedures to enable it to combat and prevent corruption and bribery, including:

a. Monitoring and approval of transactions with related parties and evaluation of conflicts of interest, defined through the Rules of Transactions with Related Parties and Conflict of Interest;
b. Involvement of the Ethics Committee to ensure compliance with the Code of Ethics;
c. Processes for receiving and investigating ethical complaints;
d. Communication to employees for awareness in these matters.

Compliance with MSS at the level of taxation

Altri ensures compliance with applicable tax regulations, demonstrating a commitment to total transparency in the creation of economic value and striving to ensure compliance with tax laws, rules, and regulations in all territories where it operates. Altri describes in this report its tax policy and approach, as well as its fiscal governance and stakeholder engagement.

Compliance with MSS at the level of fair competition

Altri adheres to the applicable fair competition rules, ensuring compliance in all markets where it operates.

Through its Code of Ethics, as well as its Policy for the Prevention and Fight against Money Laundering and Terrorism Financing, Altri prioritizes trust and fair competition relations with all its

stakeholders, promoting honest and respectful relationships with them. In this sense, it is fundamental for Altri to promote integrity in its business practices, through good practices of healthy competition, and thus establishes in the Code of Ethics the guidelines of action and the situations that should be avoided, to ensure that antitrust practices do not occur.

Altri, through the release of the Code of Ethics, sensitizes and trains its employees in matters of fair competition.

Detail of Compliance with Taxonomy Alignment Criteria - KPIs in accordance with Article 8 of the EU Taxonomy

This section includes information on Altri's compliance with taxonomy requirements:

a. The substantial contribution to meeting climate objectives;
b. Confirmation that eligible activities do not significantly harm (DNSH) other climate objectives;
c. Compliance with Minimum Social Safeguards;
d. The turnover, CapEx, and OpEx associated with eligible activities, aligned activities, and non-eligible activities.

Turnover			Objectives - Substantial Contribution [5]							NPS [6]								
Business activities [1]	Code [2]	Turnover [3] (Euro)	Turnover Ratio [4] (%)	Impact of climate change (%)	Combating climate change (%)	Sustainable use and protection of water and marine resources (%)	Transition to a circular economy (%)	Prevention and control of pollution (%)	Protection and restoration of biodiversity and ecosystems (%)	Climate change mitigation S/N	Adaptation to climate change S/N	Sustainable use and protection of water and marine resources S/N	Transition to a circular economy S/N	Prevention and control of pollution S/N	Protection and restoration of biodiversity and ecosystems S/N	Minimum social safeguards [7] S/N	Turnover Ratio Aligned Activities Year N (%)	Turnover Ratio Aligned Activities Year N-1 (%)
A. Eligible activities																		
A.1. Environmental sustainable activities (aligned activities) (8)																		
Production of electricity from bioenergy	4.8	15 494 876	2	2	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	2	0
Cogeneration of heat/cold and electricity from bioenergy	4.20	33 272 475	4	4	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	4	2
Turnover of sustainable activities from an environmental point of view (aligned activities)(A.1.)		48 767 351	6	6	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	6	2
A.2. Activities eligible but not sustainable from an environmental point of view (non-aligned activities) [9]																		
Turnover of activities eligible but not sustainable from an environmental point of view (non-aligned activities) (A.2.)		-	0															
Turnover Eligible Activities (A.1. A.2.)		**48 767 351**	**6**															
B. Activities not eligible																		
Turnover Non-Eligible Activities [10]		**789 131 030**	**94**															
Total turnover (A + B)		**837 898 381**	**100**															

(1) An activity corresponding to the description of an eligible activity in accordance with the EU Taxonomy Regulation and the technical criteria set out in the Delegated Act.
(2) The code assigned to each of the economic activities is as set out in Annex I and II of the Delegated Act (EU) 2021/2178.
(3) Turnover: The percentage will be calculated as the weight of the turnover value of the activity over the consolidated turnover.
(4) Percentage according to the contribution to each of the environmental objectives. In the case of Altri, only the goal of climate change mitigation was considered.
(5) Substantial contribution: Refers to the share of the turnover of each individual economic activity (indicated in the turnover column) which contributes to each of the climate objectives.
(6) Do no significant harm (DNSH): The environmental objectives that meet the DNSH criteria are specific to each activity.
(7) Minimum social safeguards: Indicates whether minimum social safeguards are respected for each individual activity.
(8) This section of the Table includes the amount of turnover for aligned activities, in accordance with technical criteria, DNSH principles, and minimum social safeguards.
(9) This section of the Table includes the amount of turnover of activities that are eligible (present in the taxonomy) but are not aligned (do not meet the technical criteria and/or DNSH principles).
(10) Difference between consolidated turnover and the sum of turnover of aligned activities and eligible non-aligned activities.

CAPEX			Objectives - Substantial Contribution (5)							NPS (6)								
Business activities (1)	Code (2)	Capex (3) (Euro)	Capex Ratio (4) (%)	Climate change mitigation (%)	Adaptation to climate change (%)	Sustainable use and protection of water and marine resources (%)	Transition to a circular economy (%)	Prevention and control of pollution (%)	Protection and restoration of biodiversity and ecosystems (%)	Climate change mitigation S/N	Adaptation to climate change S/N	Sustainable use and protection of water and marine resources S/N	Transition to a circular economy S/N	Prevention and control of pollution S/N	Protection and restoration of biodiversity and ecosystems S/N	Minimum social safeguards (7) S/N	Ratio Capex Activities Aligned Year N (%)	Ratio Capex Activities Aligned Year N-1 (%)
A. Eligible activities																		
A.1. Environmental sustainable activities (aligned activities) (8)																		
Forest Management	1.3	16 357 205	33	33	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	33	26
Production of electricity from solar photovoltaic technology	4.1	172 913	0	0	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0	3
Production of electricity from bioenergy	4.8	4 220 025	9	9	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	9	42
Cogeneration of heat/cold and electricity from bioenergy	4.20	2 632 063	5	5	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	5	7
Construction, expansion and operation of systems of capture, treatment and water supply	5.1	661 647	1	1	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1	0
Construction, expansion and operation of waste water collection and treatment systems	5.3	1 184 598	2	2	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	2	7
Installation, maintenance and repair of building-mounted electric vehicle charging stations	7.4	102 709																
Research, development and innovation activities close to the market	9.2	8 559 600	17	0	17	0	0	0	0	Y	N/A	Y	Y	Y	Y	Y	17	0
Environmental sustainable activities Capex (aligned activities)(A.1.)		33 890 760	68	68	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	68	86
A.2. Activities eligible but not sustainable from an environmental point of view (non-aligned activities) (9)																		
Capex of eligible but non-sustainable activities from an environmental point of view (non-aligned activities)(A.2.)		-	0															
Capex Eligible Activities (A.1. A.2.)		**33 890 760**	**68**															
B. Activities not eligible																		
Capex Uneligible Activities (10)		**15 664 935**	**32**															
Total Capex (A + B)		**49 555 695**	**100**															

(1) An activity corresponding to the description of an eligible activity in accordance with the EU Taxonomy Regulation and the technical criteria set out in the Delegated Act.
(2) The code assigned to each of the economic activities is as set out in Annex I and II of the Delegated Act (EU) 2021/2178.
(3) CapEx: The percentage will be calculated as the weight of the CapEx value of the activity over the consolidated CapEx.
(4) Percentage according to the contribution to each of the environmental objectives. In the case of Altri, only the goals of climate change mitigation and adaptation were considered.
(5) Substantial contribution: Refers to the CapEx portion of each individual economic activity (indicated in the turnover column) that contributes to each of the climate objectives.
(6) Do no significant harm (DNSH): The environmental objectives that meet the DNSH criteria are specific to each activity.
(7) Minimum social safeguards: Indicates whether minimum social safeguards are respected for each individual activity.
(8) This section of the Table includes the amount of CapEx for aligned activities, in accordance with technical criteria, DNSH principles, and minimum social safeguards.
(9) This section of the Table includes the amount of CapEx activities that are eligible (present in the taxonomy) but are not aligned (do not meet the technical criteria and/or DNSH principles).

(10) Difference between Consolidated CapEx and the CapEx sum of Aligned Activities and Eligible Non-Aligned Activities.

OPEX			Objectives - Substantial Contribution [5]							NPS [6]								
Business activities [1]	Code [2]	Opex [3] (Euro)	Opex Ratio [4] (%)	Climate change mitigation (%)	Adaptation to climate change (%)	Sustainable use and protection of water and marine resources (%)	Transition to a circular economy (%)	Prevention and control of pollution (%)	Protection and restoration of biodiversity and ecosystems (%)	Climate change mitigation S/N	Adaptation to climate change S/N	Sustainable use and protection of water and marine resources S/N	Transition to a circular economy S/N	Prevention and control of pollution S/N	Protection and restoration of biodiversity and ecosystems S/N	Minimum social safeguards [7] S/N	Opex Ratio Aligned Activities Year N (%)	Opex Ratio Aligned Activities Year N-1 (%)
A. Eligible activities																		
A.1. Environmental sustainable activities (aligned activities) [8]																		
Forest Management	1.3	6 755 179	12	12	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	12	10
Production of electricity from bioenergy	4.8	537 907	1	1	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1	1
Cogeneration of heat/cold and electricity from bioenergy	4.20	3 422 719	6	6	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	6	10
Construction, expansion and operation of systems of capture, treatment and water supply	5.1	213 548	0	0	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0	1
Construction, expansion and operation of waste water collection and treatment systems	5.3	480 271	1	1	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1	1
Opex of sustainable activities from an environmental point of view (aligned activities)(A.1.)		11 409 624	21	21	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	21	23
A.2 Activities eligible but not sustainable from an environmental point of view (non-aligned activities) [9]																		
Opex of eligible but non-sustainable activities from an environmental point of view (non-aligned activities) (A.2.)		-	0															
Opex Eligible Activities (A.1. + A.2.)		**11 409 624**	**21**															
B. Activities not eligible																		
Opex Uneligible Activities [10]		**42 759 939**	**79**															
Total Opex (A + B)		**54 169 563**	**100**															

(1) An activity corresponding to the description of an eligible activity in accordance with the EU Taxonomy Regulation and the technical criteria set out in the Delegated Act.
(2) The code assigned to each of the economic activities is as set out in Annex I and II of the Delegated Act (EU) 2021/2178.
(3) OpEx: The percentage will be calculated as the weight of the activity's OpEx value over the consolidated OpEx.
(4) Percentage according to the contribution to each of the environmental objectives. In the case of Altri, only the goal of climate change mitigation was considered.
(5) Substantial contribution: Refers to the share of the OpEx of each individual economic activity (indicated in the turnover column) that contributes to each of the climate objectives.
(6) Do no significant harm (DNSH): The environmental objectives that meet the DNSH criteria are specific to each activity.
(7) Minimum social safeguards: Indicates whether minimum social safeguards are respected for each individual activity.
(8) This section of the Table includes the amount of OpEx for aligned activities, in compliance with technical criteria, DNSH principles, and minimum social safeguards.
(9) This section of the Table includes the amount of OpEx of activities that are eligible (present in the taxonomy) but are not aligned (do not meet the technical criteria and/or DNSH principles).
(10) Difference between the consolidated OpEx and the sum of the OpEx of aligned activities and eligible non-aligned activities.

ESRS E1 Climate Change

Climate change is one of the biggest threats the Planet faces today. Combating climate change, in the long term, implies a multi-sector strategy including reducing greenhouse gas emissions, increasing energy efficiency, supporting renewable energy, reducing food waste and resources, and promoting biodiversity conservation. These are just some of the measures that must be implemented in a consistent, integrated and global manner to ensure a safe and sustainable future for the coming generations.

Transition plan for climate change mitigation

(E1-1)

Altri's climate change mitigation transition plan outlines the Group's trajectory, aligned with the limitation of global warming to 1.5 ºC. This plan reflects Altri's 2030 Commitment.

The Altri Group is committed to mitigating its climate impacts and aligning its performance with the objectives of the European Union and the Paris Agreement. The plan aligns with the European Union's objectives for climate neutrality by 2050, as formalized in the European Green Deal and its associated regulations, including the EU Taxonomy and Delegated Regulation (EU) 2021/2178. To this end, Altri is increasing its investment in renewable energy and improving energy efficiency.

Ensuring effective management of climate-related issues is essential within organizations to identify and mitigate critical risks as well as to ensure that all relevant opportunities that may arise are identified and analyzed.

This plan involves several strategic and operational actions, including:

- Reduction of specific greenhouse gas (GHG) emissions: Implementation of technologies and practices that reduce GHG emissions in company operations. Including:
    - Adoption of renewable energy sources.
    - Improvement of energy efficiency.
    - Optimization of industrial processes to minimize emissions.
- Innovation and New Product Development: The Group promotes the creation of sustainable products that contribute to the reduction of carbon emissions, including:
    - Products with recycled materials and a lower carbon footprint.
- Involvement with Stakeholders Collaboration with governments, NGOs, customers, suppliers, and other stakeholders to promote policies and practices that support the transition to a low-carbon economy. The group participates in international initiatives and commitments, such as the Science Based Targets Initiative (SBTi), which already includes short-term emission reduction commitments.
- Transparency and Reports: Altri is committed to communicating its goals, progress, and challenges related to climate change mitigation in a transparent manner, adopting internationally recognized reporting standards.

Altri's objectives (as referred to in the sub-chapter Climate Change Mitigation Targets were validated and approved by the SBTi, aligning with the 1.5°C trajectory stipulated by the Paris Agreement. This trajectory necessitates a substantial reduction in global greenhouse gas (GHG) emissions to limit the increase in the global average temperature to 1.5°C above pre-industrial levels.

Altri's objectives are ambitious and consistent with the targets set by the UN Intergovernmental Panel on Climate Change (IPCC), ensuring that they effectively contribute to climate change mitigation and the transition to a sustainable economy.

The implementation of the transition plan is supported by strategic investments aligned with the EU taxonomy, namely in eligible activities such as forest management, electricity production from photovoltaic technology, electricity production from bioenergy, cogeneration of heat, cold and electricity from bioenergy, installation of charging stations for electric vehicles and research, development and innovation activities close to the market. Altri releases annually the leading performance indicators of capital expenditure (CapEx) aligned with the CapEx taxonomy and future plans, according to Delegated Regulation (EU) 2021/2178.

About CapEx additions associated with eligible and aligned activities, they were essentially made to bring Altri closer to the objectives set out in the framework of the Commitment 2030, which is also aligned with the transition plan for climate change.

The main investments made in 2024, aligned with the objectives defined under the transition plan, are disclosed along with the respective actions presented in this Sustainability Statement.

Altri may face significant financial and operational risks if it fails to reduce its blocked GHG emissions, the transition risks associated with moving to a low-carbon economy being:

- **Regulation:** Stricter government policies on GHG emissions may result in additional costs for the company.
- **Market:** Increasing consumer awareness of sustainability can lead to a decrease in demand for GHG-intensive products.
- **Technology:** Investing in clean and renewable technologies may require significant capital.

In order to manage its GHG-intensive assets and products, Altri has defined a strategic approach that encompasses:

- **Investments in clean technologies:** Investments in technologies that reduce GHG emissions in their operations, such as the acquisition of energy-efficient equipment, the transition to renewable energy sources, and the implementation of more sustainable production processes.
- **Sustainable Product Development:** The design and development of products that use less energy and resources during their life cycle are key. To this end, Altri explores alternative materials to fossil-based materials, low-carbon production processes, and recycling and reuse practices.
- **Monitoring and reporting:** Continuous monitoring of GHG emissions and transparent reporting are crucial for evaluating progress and pinpointing areas for improvement.

- **Partnerships and collaborations:** Collaboration with other companies, governments, and non-governmental organizations provides the insights and resources needed to implement more sustainable practices. Additionally, potential strategic partnerships accelerate the adoption of clean technologies and the dissemination of best practices.

The transition plan for climate change mitigation has been approved by the governing, management, and supervisory bodies. It is integrated and aligned with the Group's global business strategy and financial planning through a holistic approach that considers both sustainability and financial objectives. The Group adjusts its strategy and business model through various initiatives to ensure compatibility with the transition to a sustainable economy and limit global warming to 1.5 ºC, as outlined in the Paris Agreement, and to achieve climate neutrality by 2050. These initiatives encompass the approach to sustainability as a factor of competitiveness, operational excellence, technological innovation, and, not least, the recovery of the forest.

Additionally, Altri intends to adjust exposure to oil and gas-related activities by limiting investments in these sectors and transitioning to more sustainable energy sources. Finally, Altri will consider risks and opportunities within the EU legal and regulatory framework, focusing on issues related to the environment and sustainability.

Strategy and business model

(SBM-3)

The result of the dual materiality analysis process carried out by the Altri Group resulted in the following impacts, risks, and material opportunities in the context of climate change:

E1: Description of IROs Materials	Strategy
Climate change adaptation	
For Altri, investing in the development and production of climate-resilient forest materials presents an opportunity to mitigate vulnerability to increasingly frequent extreme weather events. These types of phenomena pose a physical risk to the Group as they may disrupt its operations. Thus, Altri considers its proactive stance of protecting infrastructures, people, and forests to be a material positive impact to mitigate the potential adverse effects associated with extreme climate events enhanced by climate change. Additionally, there is a risk of transition associated with new regulations and the need to implement new technologies.	Adaptation of its operations and production process to respect the regulatory context of GHG emissions.
Climate change mitigation	
As a result of its activities, Altri identifies a negative material impact on greenhouse gas (GHG) emissions considered in Scope 1 and 2. Altri's value chain is also responsible for GHG emissions that contribute to Altri Group's Scope 3 emissions. Altri identifies the investment and implementation of new technologies as a material opportunity to reduce the amount of GHG emitted. In its own operations, Altri recognizes that the growth of live biomass enables the absorption of CO2 emissions, thereby having a positive material impact on climate change mitigation.	Transition to renewable energy to reduce scope 1 and 2 emissions and engage with stakeholders to transition to a low-carbon economy.
Energy	
Altri produces renewable electricity for self-consumption, considered as a positive material impact but also an opportunity to reduce costs associated with the purchase of electricity.	Improvement of the energy efficiency of the production process and investment in SCPUs.

Altri evaluates its resilience to climate change through the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

The process for identifying and assessing climate-related impacts, risks, and opportunities is described in section 1.5.1 of ESRS 2 Material Topics.

Policies related to climate change

(E1-2)

Recognizing the crucial importance of a strategic approach in managing impacts, risks, and opportunities related to climate change, Altri adopted the Sustainability Policy. This policy serves as a guide for Altri's actions in mitigating and adapting to the negative effects of climate change, risk management, and opportunities that may impact the Group's operations. In this context, Altri undertakes to:

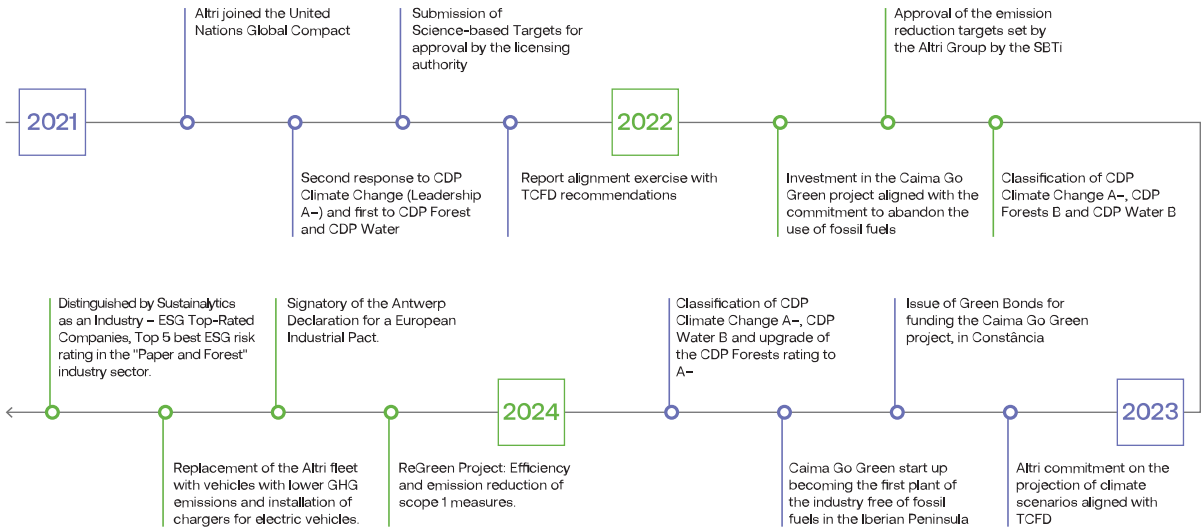
- Adopt the best available technologies to efficiently manage liquid and gaseous emissions, including greenhouse gases, in line with the commitment to reduce the environmental impact of their activity.
- Promote energy efficiency by prioritizing the use of renewable energy sources.
- Adopt criteria for minimizing risks, energy consumption, and environmental impacts in the choice of processes, technologies, raw materials, and means of transport.
- Comply with the requirements of ISO 14001, EMAS, and ISO 50001;
- Require suppliers to comply with procedures, rules, and principles consistent with internally adopted standards, stimulating collaboration mechanisms.
- To listen to stakeholders to understand their concerns and expectations in the field of sustainability.
- Establish and implement conditions that lead to the satisfaction of the needs and expectations of shareholders, customers, employees, suppliers, community, and other stakeholders, with respect for the environment and in conditions of economic sustainability, from a perspective of continuous improvement and promotion of energy efficiency
- Manage the risks associated with climate change, whether they are regulatory, reputational, or market related.

This policy is aligned with the standards ISO 9001, ISO 14001, EMAS, ISO 45001, ISO 50001, and FSC and PEFC Chain of Responsibility, has been validated and approved by the Board of Directors, and applies to all Altri employees and stakeholders. It is available for consultation through the Altri Group website. The Board of Directors is responsible for supervising the implementation of the policies.

Actions and resources

(E1-3)

The inability to manage climate-related risks and opportunities can compromise a company's ability to maintain long-term value creation, attract investments, retain top talent, safeguard its reputation, and even hold its license to operate. The evolution of the main identified climate risks will be monitored in the future, and appropriate mitigation and adaptation measures will be defined and applied.



Altri presents a strategic approach, transversal to the entire organization, in managing its impacts, risks, and opportunities. Seeking to mitigate the impacts of climate change, the Altri Group aims to implement actions that reduce greenhouse gas emissions. As part of its path toward a low-carbon future, Altri is focused on the progressive reduction of emissions from its operations and the decarbonization of its portfolio. This will lead to the transformation of activities and portfolio, increasing the renewable production and sale of renewable products. These may include transitioning to renewable energy sources such as solar, improving energy efficiency, and implementing cleaner industrial processes.

Nature-based solutions are approaches that use natural ecosystems to address environmental challenges and include forest restoration, conservation of natural areas, and implementation of sustainable forest practices.

In managing and planning its decarbonization strategy, Altri monitors its emissions by implementing several initiatives and projects, including the replacement of fossil fuels with renewable fuels (replacement of natural gas with other biofuels), excluding CO_2 from operations with fossil or e-methane fuels. The three main decarbonization priorities for Altri are the transition to renewable energy, energy efficiency improvements, and fleet electrification.

The Group's ability to implement the actions depends significantly on the availability and allocation of resources. This includes both financial resources and other types of resources, such as human and technological resources. The successful implementation of actions is directly linked to the proper allocation of these resources, ensuring that all needs are met. The main actions undertaken during 2024 are detailed below.

Re-Green Project

The Re-Green project aims to reduce greenhouse gas (GHG) emissions of scope 1 through short-term actions, spanning 6 to 12 months of the implementation period, and/or the promotion of unexplored initiatives from previous work cycles within the Altri Group. The Table below presents the various actions currently implemented, in progress, and planned for the three industrial units of the Altri Group.

altri
► Replacement of the Altri fleet by vehicles with lower GHG emissions, thus contributing to the reduction of GHG emissions of Scope 1 in the medium/long term. ► Replacement of forest operating machinery from forest service providers will allow for the reduction of GHG emissions of Scope 3 in the long term. ► Searching for alternative fuels for use in lime kiln, Biotek, and Celbi will enable long-term reductions in GHG emissions. ► Elevator Pitch with proposals for reducing GHG Scope 1 in Altri's industrial units in the long term. ► The Group currently operates 94% of its renewable energy-based activities. ► Installation of 22 electric vehicle chargers. ► Installation of 3 SCPUs.

In industrial units:

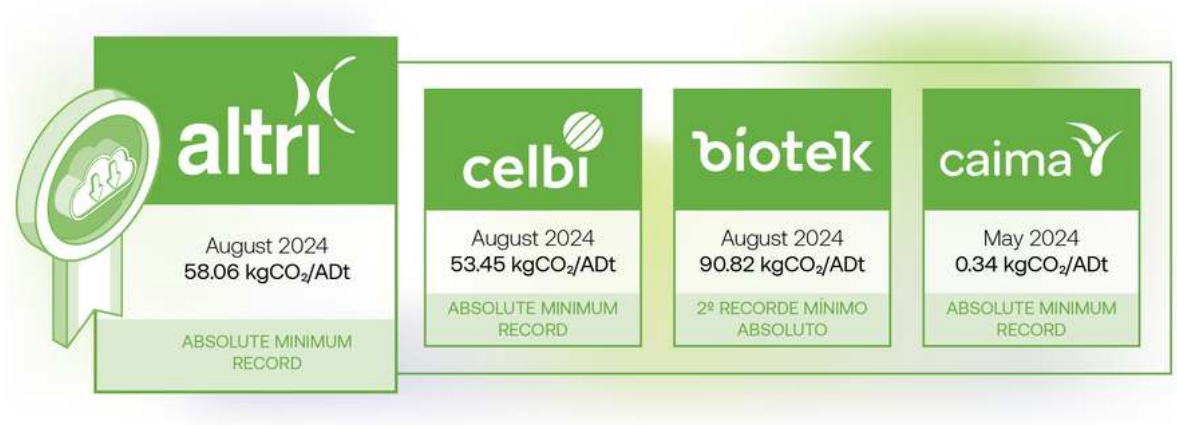
	caima	biotek	celbi
Implemented	► Caima Go Green Project, construction of a forest biomass cogeneration plant, allowing the decarbonization of Caima.	► Repairs made at the annual shutdown for system improvements (burners, lime kiln, filters). ► Definition of the actions for the use of process methanol, replacing natural gas. ► Pilot test of burning gases of biomethanol SOG in the oven. ► Various optimizations in the operation of the lime kiln.	► Reduction of the addition of limestone, opting for living lime from the outside. ► Reception of lime sludge from Biotek, replacing limestone from the outside. ► Reduction of the non-addition of sodium carbonate, opting for soda. ► Implementation of a daily monitoring routine for CO2 emissions, with emission source flows for each plant. ► Preventive Maintenance Plan for regular interventions, with a view to reducing the consumption of natural gas. ► Burning in the lime kiln of 100% methanol produced in the wood baking process with reduced natural gas consumption. ► Optimization of Process Performance ► Gigaliners - Transport of the fibers between Celbi and the Maritime Port of Figueira da Foz.

In progress		► Pilot test evaluation of biofuels, Tall Oil/Pitch in the oven.	► Conducting the Oxifuel-Klin pilot test. ► Evaluation and negotiation of biofuels alternatives for the furnace and diesel burner of the recovery boiler.
Next steps		► Evaluate the continuous burning of SOG. ► Increase the thermal efficiency of the furnace by optimizing the moisture of lime sludge. ► Evaluate and negotiate alternatives of biofuels and recycled furnace fuel.	► Reevaluate the sulfidity index to minimize the soda consumption in the alkali.

Elevator Pitch

The Elevator Pitch project consisted in the implementation of proposals for reducing GHG emissions of scope 1 in industrial units, Caima, Biotek and Celbi with the aim of achieving a reduction of 9.9% (from 70 $kgCO_2$/ADMT to 63.1 $kgCO_2$/ADMT) through short-term initiatives (6-12 months for implementation) and/or promotion of initiatives not explored in the previous (Hoshin 2022-2024).

With this project, Altri aims to reduce and replace the use of fossil fuels in industrial units through optimization of the production process and replacement with sustainable fuels. These projects also led to absolute record lows in emissions in August and May, as shown in the following diagram:



Energy efficiency and renewable energy

To reduce greenhouse gas emissions, Altri has been working to improve the energy efficiency of its production processes through a continuous reduction in energy consumption.

Considering the correlation between increasing energy efficiency and reducing GHG emissions, the Group has several projects aimed at achieving energy efficiency in Altri's processes, related to the consumption of electricity in all plants, and monitors them to analyze causes and subsequent measures to be implemented.

The use of renewable energy throughout all Altri's activities is one of its objectives, as well as the production of as much renewable energy as possible. These actions contribute to climate change mitigation while also enabling financial optimization.

During 2024, the Group sought to find solutions to mitigate the impacts of the evolving macroeconomic context and reinforced the implementation of measures related to the use of alternative energy sources, such as natural gas, and the installation of photovoltaic power generation capacity.

Altri undertakes to explore strategies and practices aimed at optimizing the production, use, and management of surplus electricity. Maximizing this surplus enables increased energy efficiency, leading to a positive impact on both operating costs and the environment.

Caima Go Green

The residual forest biomass plant is designed, projected and built based on the most modern concepts and technologies, to ensure maximum reliability and economy, maximum availability, high degree of automation, reduced environmental impact, compliance with the most demanding safety requirements of people and facilities and strict compliance with standards and best hygienic practices.

The new forest waste biomass boiler at the Caima industrial unit came into full operation in the first quarter of 2024. Altri has an ambitious yet pragmatic energy transition strategy underway.

In addition, this investment enabled Caima to become the first Iberian company in the sector to eliminate fossil fuels from the production process and to ensure full energy autonomy from exclusively renewable sources. The total investment was approximately 50 million euros, with around 4 million euros allocated in 2024, including the new pressure turbine, which had an investment of around 2.8 million euros.

Self-Consumption Production Unit (SCPU)

In 2024, Altri invested approximately 173,000 euros in three SCPUs installations at the warehouses of the industrial units and another facility at Altri Florestal headquarters, corresponding to an installed capacity of around 6 MW. These SCPUs correspond to installations for generating electricity from solar energy through photovoltaic panels, with the purpose of reducing the Scope 2 emissions associated with the Group's activities.

Altri also foresees the development of new products and services, such as batteries.

Installation of electric vehicle charging stations

In parallel with Altri's strategy to replace the fleet with vehicles with lower GHG emissions, the Group installed 22 electric vehicle charging stations in a total investment of around 102 thousand euros in 2024.

Project for collecting NCGs and SOGs

Through the use of new technologies to control odorous gases from industrial plants, it is possible to recover these gases for energy production, namely non-condensable gas (NCG) and Stripper Off Gas (SOG). This type of system is currently in place at the industrial units of Celbi and Biotek.

Gigaliners

In line with our commitment to decarbonizing our operations, we are proud to share that the new gigaliners, the result of a partnership between Altri and Luís Simões, will be powered by biofuel.

HVO — Hydrotreated Vegetable Oil — is a fully renewable solution, with no negative environmental impact and with a significant role in the energy transition.

This pioneering initiative not only promotes the transition to more sustainable energy but also allows an estimated reduction of about 90% of emissions on the strategic route between Celbi and Porto da Figueira da Foz, where approximately 12,500 trucks circulate per year. This is a pilot project that has the potential to be replicated on other routes.

Carbon removals and capture

Altri has adopted a growing commitment to sustainability and to reducing greenhouse gas emissions (GHG). The Group annually promotes several actions of reforestation and restoration of ecosystems, as well as promotes the capture of carbon in the soil through the forest management models implemented.

Antwerp Declaration for the European Industrial Deal

By signing the Antwerp Declaration for the European Industrial Deal, Altri joined more than 700 signatories from various sectors of the European economy in support of the industrial future of Europe. This Declaration outlines 10 concrete actions to focus on European companies, such as a globally competitive energy in Europe and promoting demand for products with zero net emissions, low carbon emissions, and circular economies, with a view to their growth.

ISO 50001 certification

The ISO 50001 Certification – Energy Management Systems allows for ensuring that all industrial units (Biotek, Caima, and Celbi) operate efficiently and sustainably, promoting an optimal management of energy consumption, reduction of greenhouse gas emissions, and continuous improvement of energy use practices.

Contribution of actions to objectives and goals

The carbon intensity of Altri's current portfolio is already one of the lowest in the sector. This dynamic involves a continuous process of evaluation and adaptation, ensuring that the strategies implemented are aligned with the Group's policies, interests, and needs.

To ensure efficient progress toward the defined objectives, constant monitoring and evaluation of the implemented actions are essential. Only then can we identify the areas of success and the critical points that need improvement.

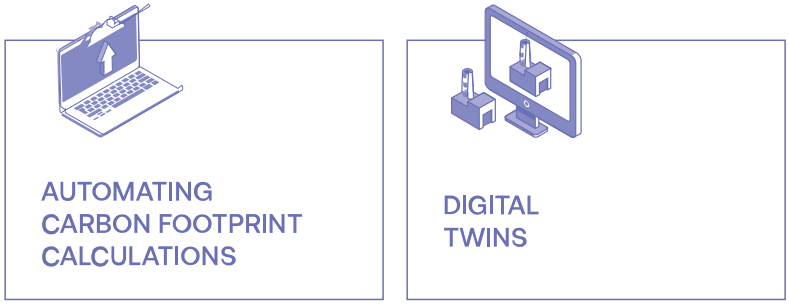
Based on the monitoring and evaluation carried out, it is possible to adapt and improve the actions implemented in order to maximize their impact. The ability to react to change and incorporate new approaches is crucial for maintaining relevant, effective, and aligned actions with established objectives.

Regarding the future actions planned, they play a crucial role in achieving the long-term objectives of the Altri Group. In its definition, it is essential to ensure alignment with Altri's lessons learned, strategic

planning, long-term objectives, and vision, while ensuring the ability to respond to potential emerging challenges.

Before any implementation, it is important to design the impact of the planned actions through the analysis of possible results and consideration of different scenarios.

Digital transformation projects



All information regarding the significant monetary amounts of CapEx and OpEx required to execute the actions taken or planned is disclosed in the Taxonomy section.

Targets

(E1-4)

With a pragmatic and realistic approach to the sector and a significant emission reduction plan already underway, Altri is aiming to reduce its operating emissions by 2030. The GHG emission reduction targets of Scope 1, 2, and 3 are based on 2020, while the target for renewable energy consumption is related to the base year 2018:

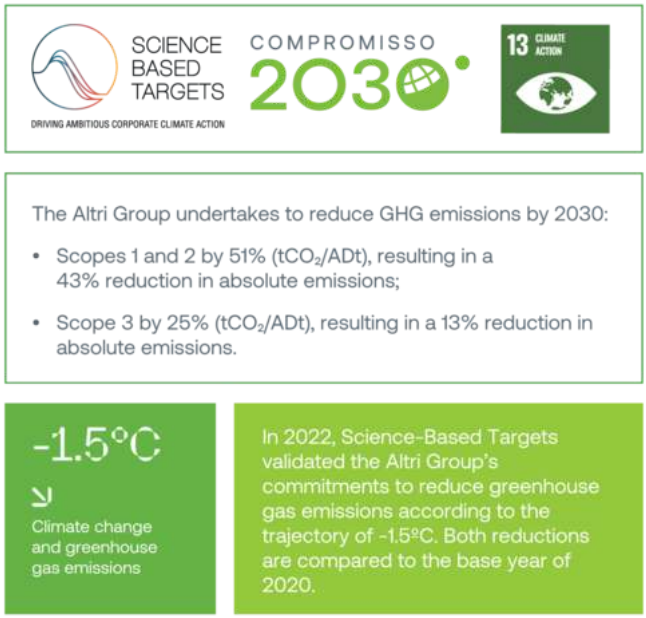
- Reduce specific emissions of GHG from Scope 1 and 2 by 51% (on market-based).
- Reduce specific emissions of GHG from Scope 3 by 25%.
- 100% of the primary energy consumed in the industrial units of Altri is of renewable origin.

To ensure that the reference target values for which progress toward achieving the objectives is measured are representative in terms of the activities covered and the influences of external factors, the Group adopts several methodologies and assumptions.

These goals are based on the development of projects already identified and reflect the Group's current commitment to reducing its carbon footprint, as demonstrated by recent investment decisions in key projects such as Caima Go Green.

The target value definition took into account the reduction of greenhouse gas emissions through the use of biofuels and other innovative initiatives, the replacement of fossil fuels with biofuels, and increased thermal efficiency.

In addition, significant investments in operational energy efficiency, electrification, and a solid commitment to renewable electricity production will ensure the right direction to continue reducing emissions and decarbonizing the portfolio over the decade.



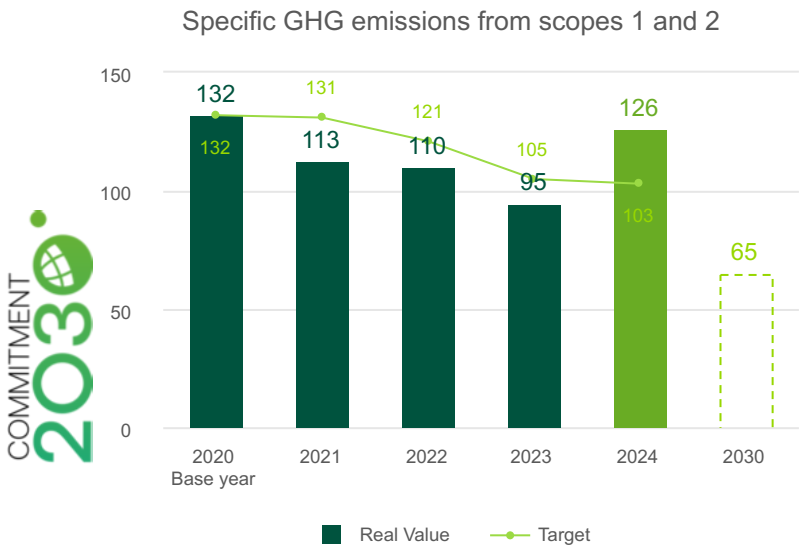
GHG emissions

Altri has set two targets for reducing carbon intensity and the energy it consumes in its industrial plants, reflecting its commitment to a future with lower carbon emissions. In the two graphs below, it is possible to see Altri's progress toward the GHG emission reduction target in relative terms.

Scope 1 and 2 emissions



- Progress against base year: 10%
- Progress against annual target: 0%
- Annual target: 103 kg CO_2/ADt

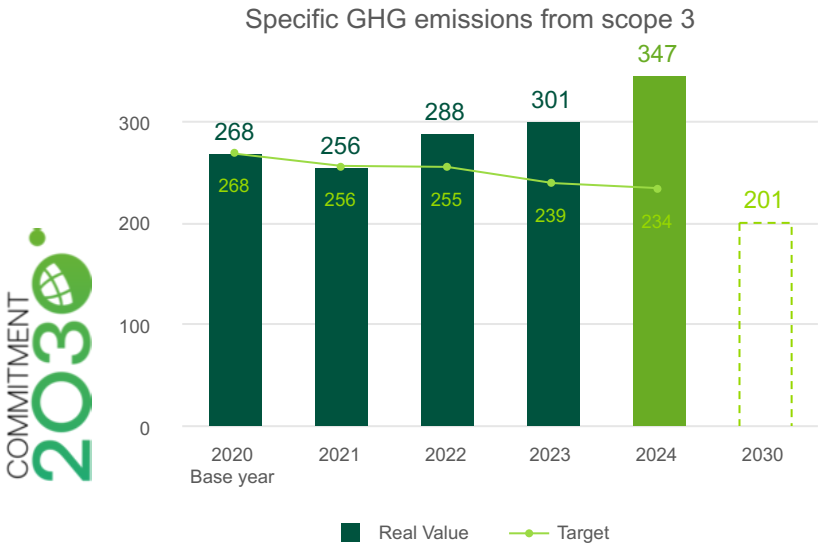


The targets defined in the 2030 Commitment are quite ambitious. Achieving the targets set presupposes heavy investment in innovative technologies and therefore longer delivery times. Thus, reductions will not be continuous, but will occur in stages following these projects.

The increase in emissions in 2024 was due to a problem with Celbi's turbo generator, which was out of service for a few months, leading to an increase in the purchase of electricity and, consequently, emissions in scope 2, market-based and location-based. At Biotek's industrial unit, several tests were carried out in 2024 to produce other grades of cellulose fibres, which also contributed to this increase.

Scope 3 Emissions

- Progress against base year: 0%
- Progress against annual target: 0%
- Annual target: 230 kg CO_2/ADt



The increase in scope 3 emissions is related to an increase in production and a consequent increase in production factors, namely the consumption of raw materials and fuels. This figure was also aggravated by the increase in product shipments to Asia.

The investment in the construction of the new residual biomass boiler enabled the abandonment of fossil fuels in its production process, to guarantee full energy autonomy from exclusively renewable sources. This investment allowed a reduction of 4,307 tons of GHG emissions.

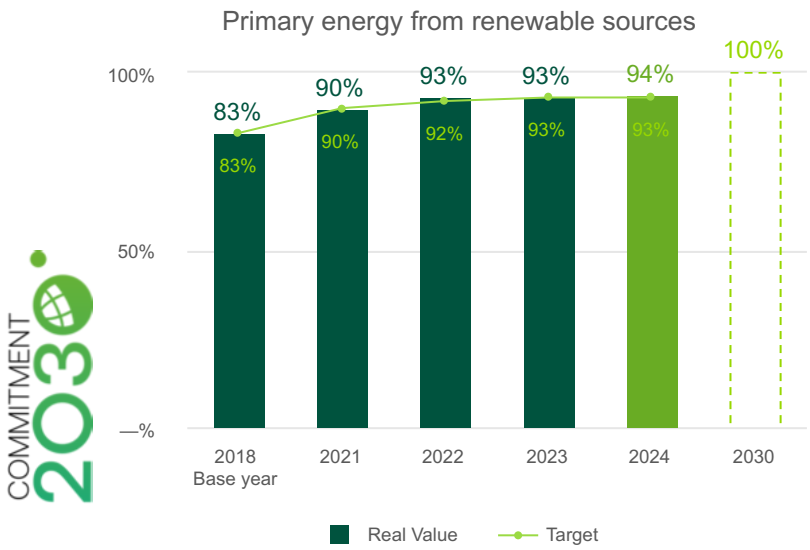
Energy

Altri has set the goal of ensuring that by 2030, 100% of the primary energy consumed in its industrial units is renewable. This target is aligned with SDG 7 – Clean and Affordable Energy, and applies to the company's own operations.

100% of primary energy from renewable sources



- Progress against base year: 65%
- Progress against annual target: 110%
- Annual target: 93%



The installation of several photovoltaic power production units in the Group's units, intended for self-consumption, allows the reduction of Scope 2 emissions and brings Altri closer to using 100% of primary energy in industrial units from renewable sources.

Metrics

Energy consumption and mix

(E1-5)

The Table below details Altri's energy consumption and combination during 2024 by the different energy sources:

Energy consumption and energy combination	2024
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	62,184
Fuel consumption from natural gas (MWh)	321,175
Fuel consumption from other fossil sources (MWh)	0
Electricity, heat, steam, and cooling consumption purchased or purchased from fossil sources (MWh)	181,612
Total fossil energy consumption (MWh)	564,970
Percentage of fossil sources in total energy consumption (%)	10 %
Consumption from nuclear sources (MWh)	0
Percentage of nuclear sources in total energy consumption (%)	0 %
Fuel consumption from renewable sources, including biomass (including also industrial and urban waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	5,129,133
Electricity, heat, steam, and cooling consumption purchased or purchased from renewable sources (MWh)	0
Consumption of renewable energy not from own-generated fuels (MWh)	3,352
Total renewable energy consumption (MWh)	5,132,485
Percentage of renewable sources in total energy consumption (%)	90 %
Total energy consumption (MWh)	5,697,455
Energy intensity High climate impact sectors (MWh/M€)	6,661

Renewable energy production	2024
Cogeneration (MWh)	549,164
Production for avoided consumption (MWh)	27,667
Biomass (MWh)	917,078
Photovoltaic (MWh)	3,446
Total renewable energy production (MWh)	1,521,850

Accounting policies

In accounting for energy consumption, whenever possible, direct measurements were made, carried out periodically and systematically to ensure the accuracy of the collected data. In cases where direct measurements were not feasible, calculations were performed based on specific available data.

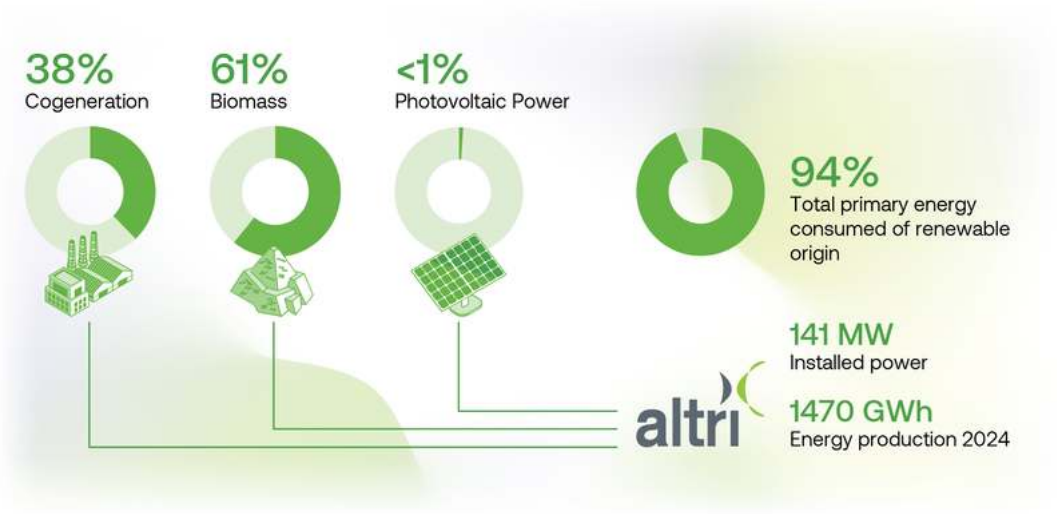
For the disclosure of some related data, assumptions and estimates were made. The underlying estimates and assumptions are monitored over time and reviewed at each reporting period to adjust the metrics and ensure their continuous relevance and accuracy.

The conversion factors were selected for their robustness, international acceptance, and ability to accurately reflect the characteristics of Altri's activities, ensuring a reliable evaluation of the company's energy consumption.

In the specific case of Celbi, monthly analyses are carried out to determine the calorific value of natural gas.

Additionally, the National Inventory Report (NIR) of the Portuguese Environment Agency is used.

Altri's activities are part of Section A – Agriculture, forest and fishing, through management and forest exploration activities, section C – Manufacturing industries with the activity of cellulosic fibers manufacturing and section D – Supply of electricity, gas, steam and air conditioning, of NACE codes and therefore all are considered activities in sectors of high environmental impact. Thus, the energy intensity in sectors with high climate impact was calculated by considering the total energy consumed and the net revenue of the Altri Group.



Gross Scopes 1, 2, 3 and Total GHG emissions

(E1-6)

	Retrospective		
	2020	2023	2024
Total – GHG emissions from Scope 1			
Gross GHG emissions of Scope 1 (tCO_2eq)	158,236	94,303	98,588
Biogenic emissions from the burning of non-fossil fuels	2,750,172	1,543,721	2,058,555

	Retrospective		
	2020	2023	2024
Percentage of GHG emissions under Scope 1 from regulated emission allowance trading systems (%)	57 %	91 %	84 %
Total – GHG emissions from Scope 2			
Location-based GHG gross emissions of Scope 2 (tCO_2eq)	23,923	6,868	36,461
Market-based GHG gross emissions of Scope 2 (tCO_2eq)	21,670	5,591	31,419
Other indirect GHG emissions of Scope 3			
Total Indirect gross GHG emissions (Scope 3) (tCO_2eq)	365,995	319,522	372,870
Category 1: Purchased goods and services (tCO_2eq)	119,668	125,370	160,707
Category 3: Activities related to fuels and energy (not included in Scope 1 and 2) (tCO_2eq)	16,130	17,809	27,859
Category 4: Upstream transport and distribution (tCO_2eq)	54,917	72,888	76,118
Category 5: Waste produced in operations (tCO_2eq)	2,014	853	1,120
Category 9: Downstream Transport and Distribution (tCO_2eq)	45,266	47,291	51,006
Category 10: Transformation of sold products (tCO_2eq)	57,438	55,311	56,062
Total GHG emissions			
Total GHG emissions (location-based) (tCO_2eq)	548,154	420,693	507,919
Total GHG emissions (market-based) (tCO_2eq)	545,901	419,416	502,877
Other Emissions			
Avoided emissions associated with the sale of electricity (market-based)	-154,961	-25,339	-22,969
Carbon reservoir in the forest	-8,044,739	-8,071,927	-8,170,120
Intensity of market-based GHG emissions (tCO_2eq / M€)	949	532	588

Accounting policies

For the calculation of Altri's carbon footprint, we included the industrial units Celbi, Biotek and Caima, Altri Florestal, Altri Abastecimento de Madeira e Altri, SGPS. In 2024, greenhouse gas (GHG) emissions accounting was conducted in accordance with the GHG Protocol, an initiative of the World Resources Institute and the World Business Council for Sustainable Development. The GHG Protocol standards are currently the most widely used internationally for the accounting of greenhouse gas emissions by organizations from all sectors of activity, being adopted by more than 90% of Fortune 500 companies.
As The GHG Protocol is missing in specific guidelines on quantification of biological carbon sequestration, the accounting of carbon removals and losses, including the calculation of the respective reservoir in forest areas managed by ALTRI Florestal, used a methodology adapted from the National Emission Inventory (National Inventory Report - NIR), published annually by the Portuguese Environment Agency, according to the IPCC Guidelines for National Greenhouse Gas Inventories (2006) - Volume 4 - Agriculture, Forestry and Other Land Use.
The 2024 carbon footprint reporting is aligned with the GHG Protocol across the three reporting scopes. Other emissions, such as forest carbon stock, emissions avoided by the sale of electricity, and biogenic emissions, are reported independently.
The following areas were considered:
Scope 1: Refers to direct greenhouse gas (GHG) emissions from operations by sources owned or controlled by Altri. It includes emissions in the field of fuels (own fleet), fuels (installations), fertilizer and corrective applications, fuels (machinery), EU-ETS emissions (combustion and process), fuels out of EU-ETS, biofuels (CH4 and N2O), f-gas leaks and internal waste treatment.
Scope 2: Relating to GHG emissions associated with the production of electricity acquired by Altri. These emissions were calculated according to market-based and location-based methodologies.
Scope 3: Refers to other indirect GHG emissions associated with the Altri value chain. The categories calculated in this scope are:

- C1. Purchase of goods and services - including the purchase of chemicals, external biomass, fertilizers, and phytopharmaceuticals.
- C3. Activities related to fuels and energy not included in scope 1 and 2 – calculated on the basis of activity data present in scope 1 and 2, such as emissions associated with the extraction, refining, and transport of fuels, and losses in the network;
- C4. Upstream transportation - transportation of wood and chemicals.
- C5. Waste generated from operations (including transport) – includes waste generated in pulp mills.
- C9. Upstream and downstream transportation - transportation of the product.
- C10. Processing of the product sold

Other emissions:

- Forest Carbon Reservoir: Under Altri Florestal, the carbon stock in the forest under its management was calculated.
- Avoided emissions: The methodology for calculating avoided emissions has been revised. For this purpose, electrical energy injected into the network by pulp mills was considered (only surplus plants in electrical power were considered in this calculation).
- Biogenic emissions: The biogenic emissions associated with the consumption of non-fossil fuels in pulp mills have been calculated. The main non-fossil fuels are black liquor and biomass.

Exclusions: Other categories of scope 3 were considered not relevant or not applicable to Altri's activity.

Internal carbon pricing

(E1-8)

Altri considers that the internalization of greenhouse gas (GHG) emissions costs through an internal carbon price is an effective tool for assessing climate-related sustainability and encouraging investment in low-carbon solutions. Altri incorporates a global carbon price in the evaluation of new projects and when there are changes in existing projects. This allows the Group to ensure the resilience of its investments.

In addition, when assessing the development of new projects, or the expansion or upgrading of existing assets, Altri also assesses the impact of CO_2 emissions on its decarbonization metrics. This approach ensures that priority is given to low-carbon projects, helping the Group to achieve its decarbonization ambitions.

The carbon prices applied were based on the version of the IPCC Fourth Assessment Report and cover the entire scope of activities and geographies of the Altri Group, as presented in the following Table.

Types of internal carbon prices	Applied prices (€/tCO_2eq)
Shadow price of CapEx	75
Shadow Price of Investment in Research and Development (R&D)	75
Internal rate, or fund on carbon	75
Carbon prices for impairment tests	75
Others	75

ESRS E2 Pollution

Within the framework of ESRS E2: The pollution, impacts, risks, and material opportunities identified by the Altri Group in the double materiality analysis process are presented in the following Table. The main policies, actions, targets, and metrics of the Altri Group regarding air and water pollution are presented throughout this section of the Sustainability Statement.

E2: Description of IROs Materials	Strategy
Pollution of air	
In its production process, Altri has identified a negative impact on air quality due to the emission of pollutants and particles into the atmosphere.	Project for collecting NCGs and SOGs
Pollution of water	
The Altri Group can contribute to water resources pollution due to the release of effluents containing chemicals and hazardous materials resulting from the production process of cellulose fibers.	Goal of reducing the organic load of industrial effluents

Policies related to pollution

(E2-1)

The Altri Group defines through the Sustainability Policy the public commitment to establishing and implementing conditions that lead to the satisfaction with the needs and expectations of shareholders, customers, employees, suppliers, community and other stakeholders, with respect for the environment and in conditions of economic sustainability, in a perspective of continuous improvement and pollution prevention.

This policy is aligned with the standards ISO 9001, ISO 14001, EMAS, ISO 45001, ISO 50001, and FSC and PEFC Chain of Responsibility, has been validated and approved by the Board of Directors, and applies to all Altri employees and stakeholders. It is available for consultation through the Altri Group website. More detailed information on this policy can be found in the Policies related to climate change mitigation and adaptation section.

In parallel with the Sustainability Policy, Altri has implemented the ISO 14001 Environmental Management System across all its industrial units, enhancing the environmental performance of these units by identifying pollution sources and managing material impacts on air and water pollution.

In addition, the Group's Forest Management System, presented in greater detail in the section Policies related to biodiversity and ecosystems, defines that the planning of forestry activities is based on the

short, medium and long-term supply needs of the Group's industrial units, however, this planning is always based on national, regional and local policy instruments in order to ensure the protection of the water resources of forests from potential sources of pollution.

Actions related to pollution

(E2-2)

Pollution and contamination of air, water, and soil are possible impacts of the Group’s production process. To reduce the contribution of its operations to pollution, Altri has been implementing various actions and projects continuously. These initiatives aim to improve the efficiency of their industrial processes, reduce pollutant emissions, and ensure the preservation of natural resources and the environment. The main actions carried out during the year 2024 are presented below:

Project for collecting NCGs and SOGs

The project for collecting CNG (Non-Condensable Gases) and SOGS (Stripper Off Gases), previously presented in the Climate Change Actions section, enabled Celbi and Biotek industrial units to produce energy through the recovery of these gases.

In addition to the energy use, this project contributed to improving air quality by reducing atmospheric emissions of these gases and reducing odors characteristic of industries in the pulp sector.

Celbi's IWWTP

To minimize the impact of its own operations on water pollution, Altri has made an investment to improve Celbi’s IWWTP, ensuring a reply that aligns with the current production capacity of the industrial unit. Thus, Altri can ensure the correct treatment of all industrial effluents before being discharged into the environment, contributing to the reduction of water pollution. Additional information about this project can be found in the actions of the water and marine resources section.

Recovery and valorization of acetic acid and furfural

The recovery and valorization project for acetic and furfural acid, currently running at Caima until 2026, allows the industrial unit to reuse by-products of its production process by transforming evaporation condensate into acetic and furfural acid. The transformation of a sub-current into a marketable products results in a reduction of the organic load of condensate intended for treating effluents, with consequent reduction of water pollution and associated operating costs. Information on the contribution of this project to the circular economy can be found in the section on actions related to the circular economy.

Targets related to pollution

(E2-3)

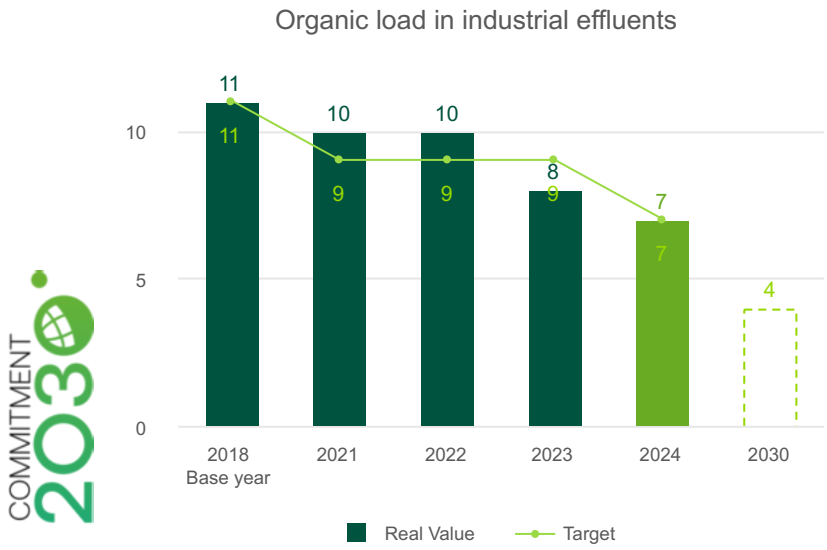
Altri has adopted a growing commitment to reducing greenhouse gas emissions, both in its own operations and in the upstream and downstream value chain.

Regarding the pollution issue and in line with the Commitment 2030 of the Altri Group, the Group undertakes to reduce the organic load of industrial effluents by 60% by 2030 (compared to the base year 2018), thereby contributing to the reduction of water pollution caused by its activities. This target aligns with SDG 6 - Drinking water and sanitation for all.

During 2024, the Group made positive progress on this target, reaching a value of 7 Kg The_2/ADMT, which corresponds to a 57% reduction from the base year.

Organic load in industrial effluents, kg O_2/tSA

- Progress against base year: 57%
- Progress against annual target: 100%
- Annual Target: 7 kg O_2/ADt



In addition to the defined goal of reducing organic load in industrial effluents, the targets presented in sections ESRS E1 Climate Change and ESRS E5 Use of Resources and Circular Economy also contribute to the reduction of pollution by reducing CO_2 emissions and increasing the recovery rate of waste produced, respectively.

Pollution-related metrics

(E2-4)

Pollution of air

In respect of emissions of pollutants into air, the following Table reports emissions in kilograms (kg) of pollutants listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council for which the applicable limit value specified in that Annex has been exceeded.

Emissions to air per pollutant	2024
Carbon monoxide (CO) (kg)	1,564,810
Ammonia (NH_3) (kg)	227,014
Nitrogen oxides (NO_x/NO_2) (kg)	1,221,984
Cadmium and compounds (Cd) (kg)	98
Mercury and compounds (Hg) (kg)	14
Zinc and compounds (Zn) (kg)	932
Trichloromethane ($CHCl_3$) (kg)	6,936
Particles (PM_{10}) (kg)	61,280

Accounting policies

Altri monitors its specific emissions and uses industry-specific emission calculation methodologies approved by the Portuguese Environment Agency (APA).
Altri records its emissions in the PRTR (Pollutant Release and Transfer Register) database, which are calculated according to the one presented at RAA headquarters.

Pollution of water

In respect of emissions of pollutants into water, the following Table reports emissions in kilograms (kg) of pollutants listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council for which the applicable limit value specified in that Annex has been exceeded.

Emissions to water per pollutant	2024
Phosphorus (P) (kg)	44,712
Arsenic and compounds (As) (kg)	18
Nickel and compounds (Ni) (kg)	97
Zinc and compounds (Zn) (kg)	275
Cadmium and compounds (Cd) (kg)	12
Octylphenols and octylphenol ethoxylates (kg)	6
Total organic carbon (TOC) (total C or COD/3) (kg)	2,774,685

Accounting policies

Altri monitors its specific emissions and uses industry-specific emission calculation methodologies approved by the Portuguese Environment Agency (APA).
Altri records its emissions in the PRTR (Pollutant Release and Transfer Register) database, which are calculated according to the one presented at RAA headquarters.

ESRS E3 Water and marine resources

Within the framework of ESRS E3: Water and marine resources, the impacts, risks, and material opportunities identified by the Altri Group in the double materiality analysis process are presented in the following Table. This double materiality analysis process conducted consultations with stakeholders, including affected communities, to identify material impacts, risks, and opportunities related to this topic.

The main policies, actions, goals, and metrics of the Altri Group regarding water use are presented in this section of the Sustainability Statement.

E3: Description of IROs Materials	Strategy
Water	
Due to the activity of the Altri Group, the use of water in the production process has a potentially negative material impact on the availability of water resources in ecosystems. Additionally, industrial effluents resulting from the production process, even after treatment, can still negatively impact groundwater and river reserves. Direct impacts were also considered, such as the availability of water for navigation and for the forest, which are fundamental to Altri. To reduce its water use, Altri can invest in new technologies that enable more efficient management of this resource while minimizing losses. Associated with this natural resource is a risk of increasing compliance costs due to increasingly stringent legal requirements regarding the consumption and quality of effluents.	Detailed assessment of assets and activities to identify impacts, risks, and opportunities related to water and marine resources, monitoring water captured, discharged, consumed, recycled, and reused. The ISO 14001 environmental management system follows the various due diligence processes related to the theme of water.

Policies related to water

(E3-1)

Climate change, water pollution, and degradation of natural resources are factors that contribute to the scarcity of water reserves. Given its industrial nature, the Group uses the water resource in the production of cellulosic fibers and can through its activity impact this natural resource.

For this reason, and in order to continue its business, Altri considers that it has an increased responsibility to manage this resource responsibly. This management is not only limited to higher efficiency and recycling practices to reduce its use, but also involves controlling its discharge, carried out to ensure the environmental quality of the originating effluent and to minimize any impact on the environment.

Through the **Sustainability Policy**, the Altri Group is committed to promoting energy efficiency, reducing the use of water and other natural resources, giving priority to the use of renewable energy sources, as well as reducing and recovering waste. The Board of Directors is responsible for supervising the implementation of the policies.



Water for the Society

- Critical for promoting the health and well-being of communities, considered a human right
- Vital for natural ecosystems
- It is a finite resource, the availability of which is threatened
- Fundamental to various human activities and to ensure sustainable development



Water for Altri

- Critical to business success, presenting financial and operational risks
- Its use is increasingly a concern for its stakeholders, including investors, who follow the Group's water management practices and water related risks

Actions and resources

(E3-2)

It is urgent to mitigate the impact of these challenges through resilient systems as the supply of goods and services from water systems is interconnected, influencing both the forest and industry, and is fundamental to the industry.

Altri implements practical actions and strategies for water management, measuring and monitoring the progress made in achieving the defined objectives for reducing water use and increasing the quality of discharged effluents. The key to the prosperity of the Group, ecosystems, and water-based activities lies in contributing to collective solutions that aim to strengthen the capacity of water resources to resist and adapt to global changes.

Water Resilience Assessment Framework

Altri began using the Water Resilience Assessment Framework (WRAF), a United Nations tool to support resilient decision-making and strategy-setting, to prevent water-related shocks and tensions from escalating into crises. Thus, the Group's long-term resilience increases, given the dynamic changes in water systems and extreme events caused by climate change.

Assessment of water-related risks

For a water-related risk assessment, it is necessary to define the boundaries of the system on which Altri relies and analyze the watersheds of its direct operations, namely the basins where the industrial units of the Altri Group are located. In addition to the availability of water in quantity and quality, other direct impacts will have to be taken into account, such as the availability of water for the navigation of certain waterways, which are used in the transport of the product to the customer, for example, and the availability of water for the forest.

To make a complete risk analysis, several time horizons should be analyzed:

- **Short-term disruptions** (no change in current conditions, relative to the past);
- **Gradual long-term disruptions** (gradual changes in average conditions, such as changing annual rainfall or increasing average sea water level);
- **Sudden long-term disruptions** (radical changes that can lead to system adjustment - e.g. fires).

Assessing the water systems on which the Group depends allows the selection of an appropriate, persistent resilience strategy, adapted to system changes and transformative to overcome sudden disruptions. This analysis takes into account the socioeconomic components (e.g., access to water), biophysics (e.g., soil cover, discharges), and institutional components (corruption, regulation, compliance), in various time horizons.

Monitoring of water use and quality

The monitoring, efficiency improvement, and reduction of the organic load in the effluents, implemented by Altri, focus on the three industrial units: Biotek, Caima, and Celbi. Monitoring is carried out continuously in each of the industrial units:

- **Biotek** collects water in the Tagus River for use in the pulp manufacturing process and also supplies treated water to other industrial mills in the surrounding community.
- **Caima** is responsible for the treatment of effluents from the Municipality of Constância, promoting the interaction with the surrounding community.

- **Celbi** captures water on the Mondego River and in underground water holes for use in the process, along which there are several loop closures to reduce the maximum amount of fresh water collected.

Contribution to the good ecological and chemical quality of surface and groundwater: internal analytical control programme to monitor and ensure water quality. These programs include prevention mechanisms, such as level indicators with alarms in tanks, temperature sensors in tank discharge pipes, and overflow collection systems. Additionally, the secondary treatment facility features a properly impermeable emergency basin to operate in case of accidents or abnormal discharges.

Minimization of material impacts and risks, and application of mitigation measures: Control measures to minimize environmental risks, such as inspection plans and emergency plans in the event of a rupture of the “non-hazardous industrial waste” cell coating screen. Additionally, due diligence processes are conducted to assess environmental risks in environmental management systems.

Consideration of climate risks in decision-making: Altri has been improving the identification and quantification of its climate-related risks and opportunities, including physical risks (acute and chronic) and transition risks, aligning with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), preparing the disclosure requirements required by the EU Corporate Sustainability Reporting Directive and the EU Taxonomy for sustainable activities. The strategy includes the development of Research and Development projects to reduce the reliance on water in the production processes.

Increase Altri’s resilience in water management and use

To increase the resilience of the Altri Group, in relation to the management and availability of water resources, several practical projects were developed in 2024 with the aim of reducing water waste, mitigating hydraulic and flow loads, and increasing the quality of discharged effluents.

To minimize wastewater effluents, a survey was conducted to assess the need for water recovery. The increased sealing of the circuits reduces the use of water resources and the reliance on water from other places in the production process. Structural intervention needs were identified.

To decrease hydraulic loads and flows, the flow of all water circuits was checked, and the verification of possible downstream users of certain circuits led to water reuse, resulting in reduced flow.

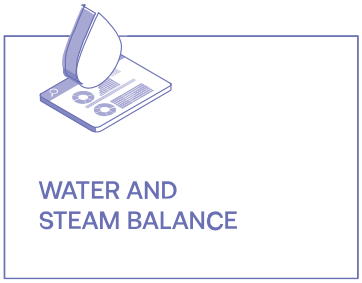
Finally, to improve the quality and color of the discharged effluent, the Altri Group modernized Celbi’s Industrial Waste Water Treatment Plant (ETARi) to enable its reuse and closed and improved the diffuse liquid emission circuits by incorporating cutting-edge technologies from Biotek at ETARi.

Celbi's IWWTP

To respond to the environmental control restrictions and capacity adequacy of CELBI’s IWWTP, depending on the current sustainable production capacity of the plant, the remodeling of the secondary treatment facility was a project that began in late 2021 and was concluded in 2023. This environmental project represented a global investment of € 16.5 million, and in 2024, there was still an investment of approximately € 1.1 million.

Future actions

biotek	caima	celbi
► Action plan for water reduction in the pulp production process with specific characteristics; ► Replace the mill water supply with condensate.	► Analysis of the Water Circuit Mapping and execution of the action plan, including the definition of improvements.	► Development of effluent recovery line. ► Replacement of process water in the seals with recovered water.



These future actions and plans are key to achieving Altri's policy objectives, which include improving the ecological and chemical quality of water bodies, minimizing material impacts and risks, and protecting affected communities. The implementation of these actions demonstrates Altri's commitment to sustainability and environmental responsibility, ensuring that resources are used efficiently and that potential negative impacts are mitigated.

The various actions developed are reflected in the financial statements as operational and capital expenditure. They reflect investments in new technologies and due diligence processes to assess and mitigate risks.

Targets

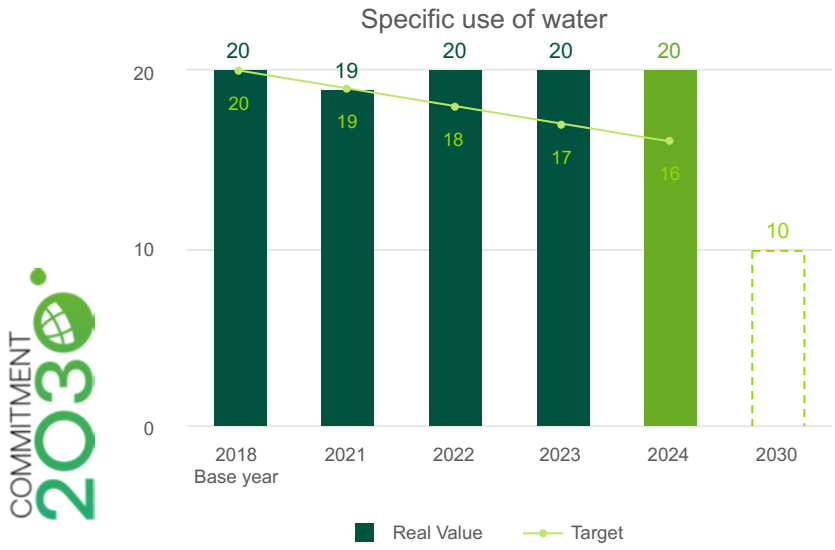
(E3-3)

In the context of water management, sustainability policy and Commitment 2030 aligned with the Sustainable Development Goal 6 - Drinking water and sanitation for all, the Altri Group defined, for the base year 2018, the goal of reducing the specific use of water in industrial units by 50% by 2030.

Water specific use, m^3/ADt



- Progress against base year: 3%
- Progress against annual target: 0%
- Annual Target: 16 m^3/ADt



The targets defined in the 2030 Commitment are quite ambitious, given that, in some of them, Altri is already a benchmark in the sector worldwide. Achieving the targets set presupposes heavy investment in innovative technologies and therefore longer delivery times. Therefore, reductions will not be continuous, but will occur in stages following these projects.

In the case of water, we made a commitment to reduce its specific use by 2030 and, so far, we haven't achieved a significant reduction. This is due, in addition to what is described in the previous paragraph, to changes in strategy in the development of new products in some of Altri's industrial units for market reasons.

However, we remain strongly committed to this goal and are strengthening our initiatives to optimize water use, through new technologies, more efficient processes and strategic partnerships. In the coming years, we will implement concrete measures to ensure that we achieve the targets set.

Metrics

Water consumption

(E3-4)

It should be noted that Altri is currently a global benchmark in the specific use of water, with a value of 20 m^3/ADt, the reference interval recommended in the BREF of the sector being between 25 and 50 m^3/ADt.

The following Table reports the total water consumption in its own operations, the water intensity, the water consumption in water stress zones, the volume of water recycled and used, and the volume of water stored.

Water consumption	2024
Volume of water captured (m^3)	25,200,775
Volume of water transferred to third parties (m^3)	4,109,608
Water discharges (m^3)	18,755,291
Total water consumption (m^3)	2,335,876
Volume of water consumed in areas of water stress (m^3)	2,335,876
Volume of recycled and reused water (m^3)	339,969
Stored water volume (m^3)	0
Water intensity (m^3 / M€)	2,732

Accounting policies

The values presented for water collection were obtained through direct measurement. The water intensity was calculated by the ratio between the volume of water consumed, and the net revenue for 2024.

ESRS E4 Biodiversity and ecosystems



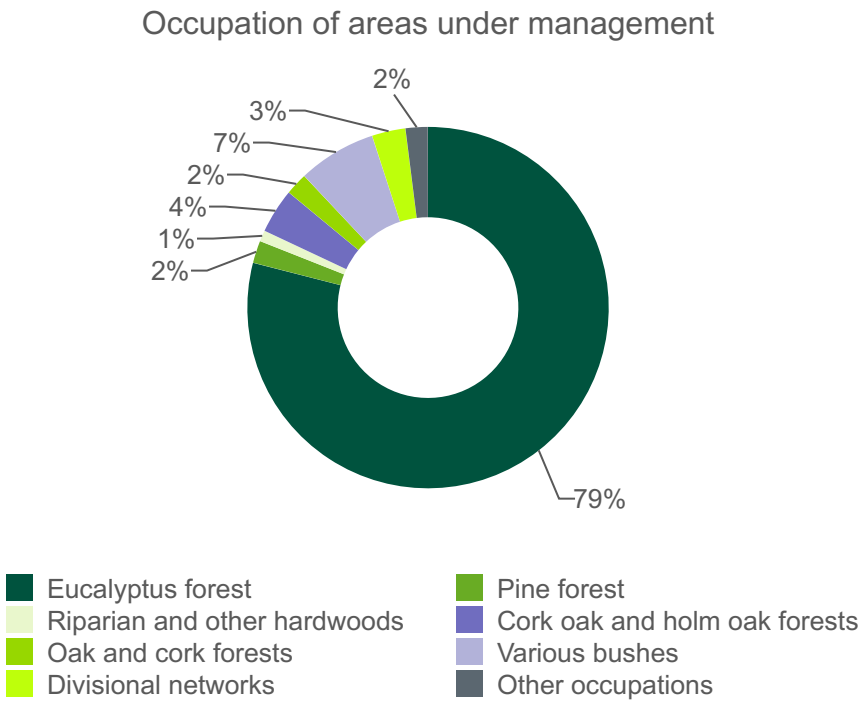
It is possible to achieve high levels of productivity without compromising biodiversity, provided that management is carried out responsibly and sustainably.

Transition plan and consideration of biodiversity and ecosystems in the strategy and business model

(E4-1)

Altri Florestal is the company responsible for managing the Altri Group's biological assets and supplying wood to its industrial units, with more than 100,000 hectares of forest and natural areas under its management.

In line with the Group's industrial target, the main occupation of these areas are eucalyptus trees for timber production, installed and maintained using modern and sustainable forestry techniques. Even so, more than 20% of the total area under management is made up of very diverse occupations, with special emphasis on cork oak forests, pine forests and native formations with high conservation potential.



The Group's forest management is certified by the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), two internationally recognized standards that are a continuous stimulus for improving management practices and implementing strategies to increase biodiversity and other natural services.

Currently, 11,650 hectares of the management area are classified as having a conservation function, including the presence of high conservation values, priority habitats, areas of high biodiversity or critical areas for the protection of endangered species. Altri Florestal has implemented a monitoring and management program for these areas, based on an assessment of their conservation status and focused on maintaining, improving or restoring natural values. Improving and refining this program continues to be one of the bases for implementing strategies to increase biodiversity and ecosystem services.

The Group's biodiversity and ecosystem services strategy is aligned with the Act4Nature initiative and with global objectives for biodiversity, such as the Environmental, Social and Governance criteria, the Sustainable Development Goals, Science Based Targets and the new European taxonomy for sustainable finance.

In order to implement this strategy, the Group has created its own program, called Altri Diversity, aimed at the main stakeholders and structured with objectives, actions and targets defined for the period 2018-2030. Altri Diversity thus emerges as an instrument that aims to reflect and review the company's attitude towards protecting and enhancing the natural spaces present in the areas under its management or in the surrounding areas, favoring biological, service and product diversification.



This strategy is the result of the experience acquired, the relationships established with other entities and the reflections resulting from the FSC and PEFC certification processes. The medium-term horizon established frames the Group's attitude and initiatives in the protection and enhancement of the natural spaces present in forest areas, whether taken alone or in partnership and collaboration with other entities.

Taking environmental aspects into account is inherent to forestry activity and is reflected in the principles of sustainable forest management to which the Group subscribes and practices. However, the Altri Diversity strategy goes beyond mere respect for reference practices or the identification of values, placing greater proactivity in the actions recommended, in the protection and conservation of natural values and in the diversification of natural services at a higher level of strategic and operational concern.

Altri believes that the forestry management it practices, geared towards the sustainable production of eucalyptus wood for industrial processing, is fully compatible with the valorization and production of other goods and services, both direct and indirect, generated in the assets under its management. In addition, active and diversified forest management, such as Altri's, is an asset in preventing forest fires, due to the regular control of fuels, the human presence in the forest and the diversification and enhancement of other forest uses and products.

Fire protection

Forest fires are a global reality, especially in Portugal, potentially causing major environmental, economic and social damage, especially in the current context of climate deregulation and rural abandonment. Aware of this reality, Altri manages this issue on two essential fronts: prevention and combat. While Altri essentially relies on its active forestry management for prevention, Altri holds a stake in Afocelca, a company with an operational structure specialized in preventing and fighting fires.

This joint venture creates solid links between the public and the private, between the forest and civil protection, and between tradition and the cutting edge.



In 2024, Afocelca carried out 28 actions and trained 481 members in the various training topics related to joining the Afocelca Protection Device, continuing to work together for the future of the forest.

In addition to the work carried out in fighting fires, Altri also restores areas affected by fires, recovering eucalyptus and conservation areas after the events, breaking their abandonment and promoting their production, making forest owners' holdings more profitable.

With the **Altri Bonds 50** initiative, Altri Florestal has created a system for collecting residual forest and agricultural biomass, through collaboration protocols with the municipalities of Penacova, Pombal and Cantanhede. Through the recovery of residual forest biomass, this innovative program aims to reduce the risk of fires, reflecting the mutual help and connection between the industry, the forestry sector and the communities in these areas.

Altri has signed the Collaboration Agreement for the Intermunicipal Forestry and Agricultural Waste Container Network in Mortágua. The aim of this project is to valorize biomass from a circular economy perspective and implement alternative methods to burning waste.

Policies related to biodiversity and ecosystems

(E4-2)

Altri has a Forestry Policy whose main objectives include safeguarding the ecological values present in its forest heritage and the continuous search for dialogue and good relations with stakeholders, as foundations that contribute to the development of the rural world in which it operates.

The use of certified wood guarantees compliance with strict criteria that assess environmental preservation, respect for labor laws, human rights and ethical behavior in its supply chain. This is one of the good sustainable procurement practices advocated by Altri. In 2024, Altri Abastecimento de Madeiras supplied the Group's three industrial units with 74.7% FSC and PEFC certified wood. This is the result of continuous work to encourage good forestry management among raw material suppliers and to increase the value of wood, achieved by differentiating prices for certified wood.

Altri has made a commitment to combat deforestation with the subsequent implementation of the European Regulation to Combat Deforestation (EUDR) in its chain of responsibility. Altri Florestal is also a member of the two associations that represent the FSC and PEFC at national level, actively participating in the construction of forest management regulations and ensuring the Group's voluntary commitment to exercise due diligence to avoid acquiring raw materials (wood) from controversial sources

In addition, joining Act4nature Portugal publicly committed Altri to protecting, promoting and restoring biodiversity, conserving and/or restoring ecosystems of high conservation value and implementing 10 projects of local relevance that directly contribute to the conservation and restoration of natural values, establishing appropriate partnerships whenever possible at a local level and focusing on contact with the school community. Also included are actions to conserve, restore and promote environmental values, integrated with regular forestry production activities in areas of size, importance and relevance in terms of the landscape, contributing to regional and national policies for the conservation of biological diversity and with a demonstrative impact.

Actions and resources

(E4-3)

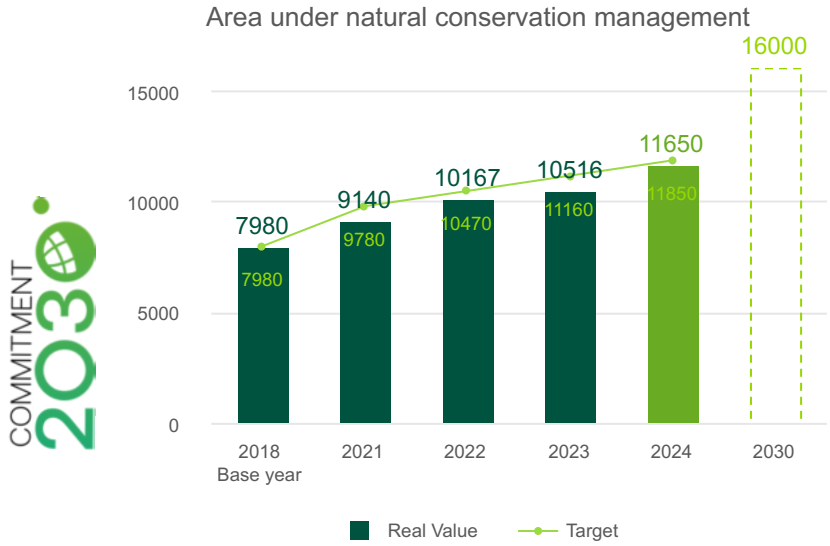
Altri's strategy for biodiversity, through the implementation of the Altri Diversity program, considers the doubling of conservation areas under its management, the own production of native plants for use in restoration projects, the creation and management of biodiversity stations and promotes the conservation and restoration of ecosystems. Altri has also supported the implementation of good forest management practices, promoting the multiple and sustainable use of rural areas. With the leadership of the transForm Agenda, it guarantees participation in relevant projects for the sector

Altri Diversity

Double the conservation area under management

Altri has set itself the goal of achieving 16,000 ha of conservation areas under management, either with the presence of high conservation values, habitats, high biodiversity or critical areas for the protection of endangered species, by the year 2030. It is currently 4350 ha away from this target.





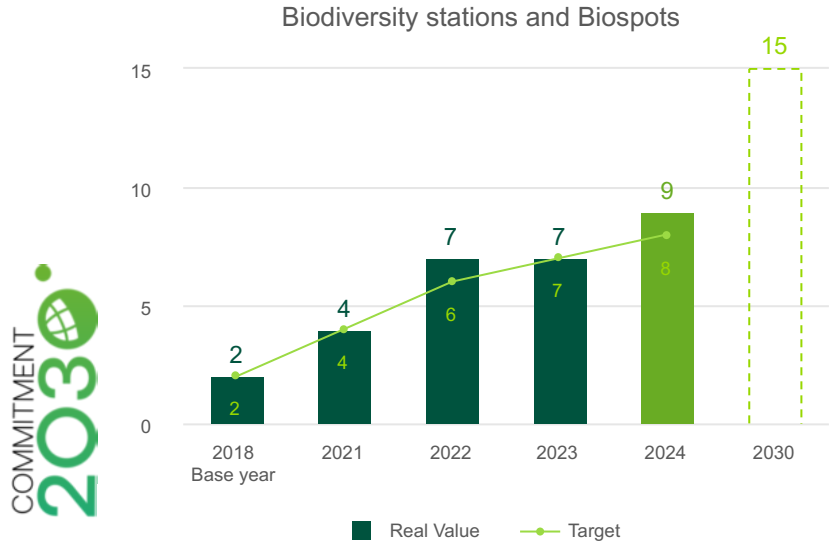




Produce and plant one million native plants

In order to achieve this goal, by the end of 2024, 600,000 native plants had already been produced and sold by Viveiros do Furadouro, mainly in the species of strawberry tree, cork oak, holm oak, oak-roble, oak-cerquinho, oak-negral, oak-de-monchique, ash, birch, and stone pine. these spaces, such as trails, suspension bridges, signage, information panels, photo shelters, among others.

Expanding the network of biodiversity stations and biospots



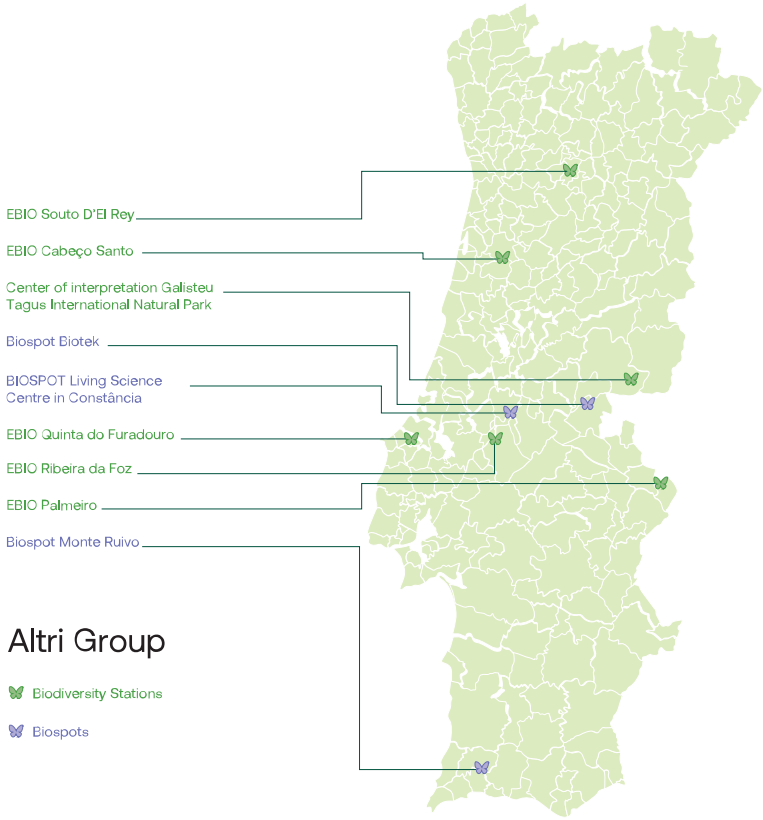
The Biodiversity Stations (EBIO) and biospots are examples of this program. This is a concept promoted by Tagis - Centro de Conservação das Borboletas de Portugal, which consists of areas of high conservation value where visitors are invited to visit, interpret and monitor. These sites have various infrastructures and equipment so that the general public can visit these spaces, such as trails, suspension bridges, signs, information panels, among others.







The Group aims to extend this network to 15 biodiversity stations and biospots by 2030. In 2024, 9 stations and biospots were reached, with 6 stations short of the target.







Conserving and restoring ecosystems of high conservation value

As part of the Altri Diversity program, the Group works on the conservation and restoration of ecosystems of high conservation value in its areas or in the surrounding areas, usually through partnerships or protocols with local and regional nature conservation organizations. Up until 2024, the projects developed that directly contributed to the conservation and restoration of natural values were:

1. Partnership with GEOTA - Renature Monchique - Completion of planting work and densification of conservation areas.

2. Cabeço Santo - Partnership with the Cabeço Santo Association in the restoration and eradication of woody invasives in the ecological corridor of the Belazaima Stream.

3. Partnership with Montis (Costa Bacelo and Vieiro properties) - Implementation of the conservation area management agreement for the restoration and renaturation of riparian gallery habitats and mountain habitats.

4. Partnership with WWF in the "Plantar Água" Project, recovering habitats in the Ribeira da Foupana and tributaries in the Serra do Caldeirão, at this stage including our Legumes and Tojo property.

5. Carrying out an integrated study on the habitats and species of the Ribeira de Alferreira ecological corridor (Gavião/Nisa) with the Faculty of Sciences (UL) and the Polytechnic Institute of Santarém.

6. Project to identify and conserve in-situ and ex-situ threatened flora in the Western Region (Óbidos). This initiative is part of the TranForm Agenda (PRR) coordinated by Altri Florestal.

Bird protection projects

For the conservation and restoration of high conservation value ecosystems, the Altri Diversity program has been establishing partnerships since 2016 for the development of bird protection projects, such as:

2016
Protocol with the Nature Protection League (LPN) under the **LIFE Imperial** project (PNTI, Galisteu)

2019
Co-financing of the **LIFE Lx Aquila Project** led by the Portuguese Society for the Study of Birds (SPEA)

2024
Installation of nest platforms in Galisteu as part of **LIFE Aegypius Return** (VCF, SPEA, LPN)

Integration of Quinta do Furadouro into the **Bird Sanctuary Network** (SPEA)





Integrating other valuable activities with forest management

The Altri Group intends to integrate other valuable activities with Forest Management. To date, the Group has developed projects such as:

- Making areas available for grazing and setting up loan agreements with local pastors;
- Caprinus & Companhia pilot project for fuel management with goats (Belver);

caprinus & companhia

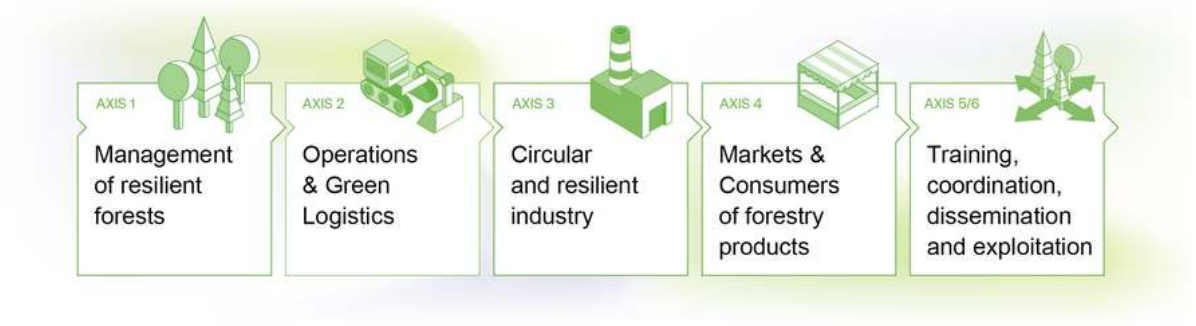
- Own production of FSC-certified eucalyptus honey and development of monitored apiaries using the best techniques;
- Support for beekeepers by providing areas for production and demonstrating the best techniques.





transForm agenda

transForm is a forestry sector project for the digital transition, energy resilience and carbon neutrality. Led by Altri Florestal and under the technical-scientific coordination of CoLAB ForestWISE®, transForm integrates a consortium of 56 partners in an unprecedented effort of sectoral cooperation. This agenda was created as part of Component 5 (C5) of the Recovery and Resilience Plan (PRR), which is aimed at Business Capitalization and Innovation, in the context of incentive systems.



General Goals:

- Innovating in the areas of circularity and resilience in forest value chains;
- Driving the digital transformation of forestry value chains;
- Strengthening the role of forests in achieving carbon neutrality.

The implementation of the transForm Agenda runs until December 2025, mobilizing public and private funds for a total planned investment of around 129.3 M€, including productive investment, R&D, innovation, qualification, internationalization, dissemination and training.

This Agenda aims to trigger a structural transformation of the Portuguese forestry sector, intervening in a concerted manner throughout the value chain. With six lines of action, it takes the form of thirty collaborative projects, which will contribute 11 new biomaterials and products, eco-efficient processes and specialized services.

Targets

(E4-4)

Altri has set individual biodiversity targets in response to the commitments of the Act4nature initiative to be achieved by 2030. The performance of the eleven monitoring indicators is shown in the table in Annex G. Following Act4nature . As part of this commitment, through the Altri Diversity program and the 2030 Commitment, six numerical indicators are monitored, as shown in the table below. The targets are currently being developed and monitored for progress.

Goals	Attenuation Hierarchy	Indicator	Unit	Base value	Base year	Target value	Target year
Develop 13 biodiversity stations and biospots	Rehabilitation and Recovery	Number of biodiversity stations	n	2	2018	15	2030
Doubling the conservation area in 10 years	Rehabilitation and Recovery	Conservation area	ha/year	7980	2018	16000	2030
Produce and plant at least 1 million indigenous plants in 10 years.	Compensation	Number of plants planted	nr plants/ year	62 674	2021	1 000 000	2030
Increase consumption of wood from certified sources at Altri's industrial units	Minimization	Quantity of certified wood/Total quantity of wood consumed	%	57 %	2018	80 %	2030

Altri has also established intermediate targets, namely:

Indicator	Intermediate Target	Year	Progress towards the intermediate target
Develop 13 biodiversity stations and biospots	8 stations	2024	117 %
Doubling the conservation area in 10 years	11850 ha	2024	95 %
Increase consumption of wood from certified sources at Altri's industrial units	73 %	2024	113 %

The scope of these targets is Altri's own operations, with the exception of target 3, which includes upstream operations.

Metrics

(E4-5)

The company has its own Geographic Information System, where it keeps all the information on the areas under its management up to date. This digital cartography is regularly updated using accurate base information, such as orthophotomaps, topographic surveys using GPS, drone photographs or satellite images. At the end of each year, a duly documented information closing procedure is carried out, which ensures that all the year's updates are duly reflected in the database, so that the indicators can be calculated accurately.

Altri currently has 11,650 hectares of conservation land under its management. By 2024, Altri had developed two new biodiversity stations, reaching a total of 9 stations and biospots.

To measure its impact on biodiversity, Altri monitors the following indicators:

Metric	Unit	Value
Total area under management	ha	100867
Conservation area	ha	11650
Number of biodiversity stations and biospots	n	9

Accounting Policies

All properties under the management of Grupo Altri were assessed and the source of information is the forest management systems for the year 2024

ESRS E5 Resource use and circular economy

In this section of the Sustainability Statement, the main policies actions, goals, and metrics of the Altri Group are presented to respond to the impacts, risks, and material opportunities identified in relation to the use of resources and Circular Economy:

E5: Circular Economy	Strategy
Resource inflows, including resource use	
The Altri Group identifies as a material opportunity in the context of resource entry, the reuse of by-products through efficient processes that reduce the costs of purchasing raw materials. Restricting access to certified wood at economically viable prices may pose a risk of costs to the Group due to punctual or prolonged interruptions in production. Additionally, there is a risk of limiting access to dangerous subsidiary materials due to legal restrictions.	Implementation of an innovative wood cooking technology.
Resource outflows related to products and services	
Altri considers the reuse of by-products from the production process as a positive material impact that allows for enhancing circularity. On the other hand, the degradation of the quality of the wood used in the production process can mean the risk of degradation of the quality of the final product. This has a direct effect on the erosion of customer confidence in Altri, posing a risk.	Be@t Project. Digester project of sawdust.
Waste	
Altri has a proactive role in reducing, preventing, and recycling waste resulting from the production process, as there is a risk of more restrictive regulations on waste management.	Increase process waste recovered or reused. Recovery and valorization of acetic and furfural acids. Recovery of sludge and biomass.

Policies related to the use of resources and the circular economy

(E5-1)

Altri considers it its responsibility to manage and develop its activities sustainably, integrating the principles of the circular economy and responsible resource management in its operations. This commitment is reflected in its Sustainability Policy (see in detail in E1-2 Climate Change-Related Policies), namely through the following principles:

- Development, production, and marketing of quality products, minimizing their environmental impact;
- Compliance with the requirements of ISO 14001 and EMAS.
- Continuous improvement of the performance and effectiveness of Environmental and Energy Management Systems.
- Adoption of risk minimization criteria, energy consumption, and environmental impacts in the choice of processes, technologies, and raw materials.
- Promotion of energy efficiency, reduction of the use of water and other natural resources, as well as the reduction and recovery of waste.

The Altri Group, as a producer of cellulosic fibers — renewable materials with increasing application in strategic sectors such as paper and textiles (namely through fibers like lyocell and viscose) — is strategically positioned to lead the transition to a circular economy, contributing to the progressive replacement of raw materials of fossil origin.

Circularity is integrated into Altri's innovation strategy, focusing on the design of products and processes that are more sustainable and efficient in resource use. In this context, the Group invests in the research and development of new alternative raw materials, with special emphasis on the recovery of its own industrial waste, as well as the reuse of by-products generated along the value chain. These initiatives aim not only to create products with high circularity potential but also to optimize the environmental and economic performance of production processes.

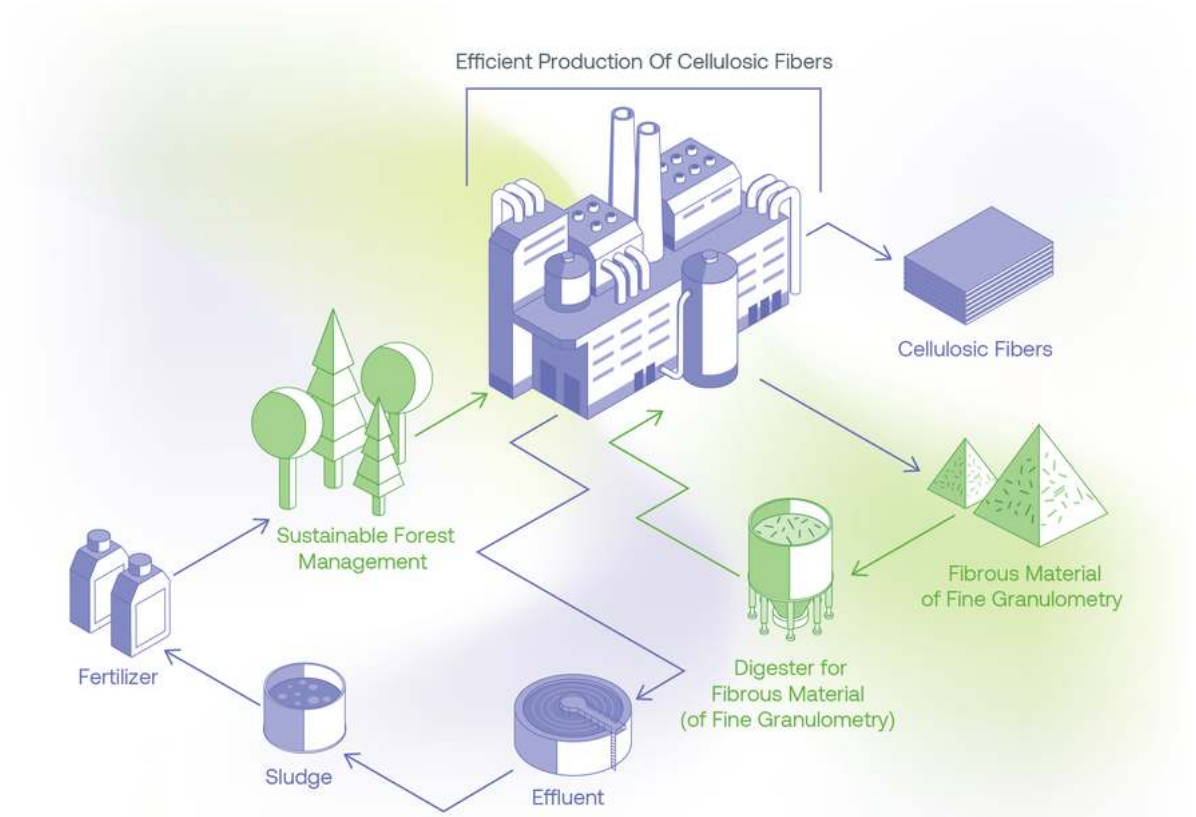
In line with the principle of cascading resource uses, the Group has developed solutions for the internal recovery of residual flows. We highlight the production of renewable energy from residual biomass and the utilization of organic sludge from processes as a source of organic matter in the plantations under the Group's management. These practices contribute to closing material cycles, reducing the dependence on virgin resources, and promoting the regeneration of natural systems.

At the same time, the Altri Group has as its priority the reduction of waste generation throughout the life cycle of its products, promoting material efficiency, the extension of the useful life of resources, and the minimization of losses. The Group is also assessing the potential of new circular business models, namely through collaboration with partners in the textile and paper industry, with the aim of incorporating recycled materials and designing for reuse and recyclability.

Regarding the circular economy model, it recommends transforming waste into by-products or materials that can be reused, recovered, or recycled, with the aim of reducing the extraction and consumption of virgin raw materials. In line with this principle, the Altri Group has been consolidating its strategic approach around circularity, through innovation and the establishment of partnerships that allow the recovery of waste generated throughout its production process.

The creation of value from residual flows is a priority, and the Group is developing new solutions for the use of by-products, reinforcing its commitment to resource efficiency and reducing waste. In this context, Altri aims to implement specific metrics in the coming years to assess the circular performance of the organization, specifically through the calculation of the circularity index, which will enable the quantification of the proportion of residues effectively converted into secondary raw materials.

The three industrial units of the Altri Group are implementing several initiatives that materialize the principles of circular economy, promoting value retention in production systems, minimizing environmental impact, and fostering collaboration with other sectors.



Actions and resources

(E5-2)

To meet the targets set within the scope of circularity, the Altri Group implemented a set of measures with a direct impact on reducing and recovering inorganic waste resulting from the production of cellulosic pulp. These actions are part of a strategy to optimize the use of resources and promote a circular economy, thereby minimizing the use of primary raw materials and increasing the rate of material reuse within the productive cycle.

Among the ongoing initiatives, we highlight:

altri		
► Reduce the specific amount of carbonate sludge. ► Reduce the specific amount of dregs ► Reduce the specific amount of ashes.	► Reduction of the specific consumption of wood. ► Reduction of the specific consumable materials. ► Implementation of models of the Digital Transformation Directorate.	► Control of the variability of procedural conditions affecting the consumption of primary raw materials.
caima	**biotek**	**celbi**
► Energy recovery of primary and secondary sludge resulting from effluent treatment, as well as screening tailings. ► Investment in a digester that allows the recovery of the screening and sawdust tailings in the production of cellulosic fibers. ► Reduction of income loss related to the specific consumption of wood.	► Redirection of sludge for use in Celbi's lime kiln. ► Reduction of the production regime with consequent reduction in the amount of lime sludge produced. ► Deliveries of samples of various wastes for evaluation of possible incorporation in bituminous mixtures. ► CE marking - end of waste sorting process.	► Repair of filtration equipment. ► Recovery of lime sludge from landfill to lime kiln. ► Analysis of the possibility of using dregs as fertilizer ► Calibration of equipment. ► Recovery of lime kiln ashes. ► Optimization of wood losses. ► Fines digester: Reception of wood fines from various units of the group.

Next, some of the actions carried out in 2024 are detailed, in this context:

Project be@t



The be@t project, of which Caima is a part, has as its global objective the generation and consolidation of a National Cluster of the Textile and Clothing Industry that is genuinely innovative, sustainable, and circular.

Recovery and valorization of acetic acid and furfural

Also taking place in Caima until 2026, the project for the recovery and valorization of acetic and furfural acid also represents a significant contribution to the circular economy, specifically in the recycling of waste by the recovery of chemicals from the operating system. The implementation of the extraction and purification process of acetic and furfural acid provides multiple strategic and operational benefits, aligned with the principles of sustainability and circular economy:

- **Recovery of by-products:** The recovery of these chemical compounds allows their commercialization while minimizing the environmental impact of the industrial effluent.
- **Portfolio diversification:** This initiative allows the company to increase its turnover, adding value to the production process without increasing the consumption of forest raw materials.
- **Process optimization:** The transformation of a sub-current into a marketable product results in the reduction of the organic load of condensate intended for the treatment of effluents, with consequent reduction of the associated operating costs.
- **Promotion of bioeconomy:** The recovery of renewable acetic acid reinforces Altri's commitment to the circular economy, generating added economic, environmental, and social value.
- **Sustainable energy integration:** Synergize with the biomass boiler to produce the renewable base steam needed for the acetic acid and furfural separation unit.

This initiative reinforces Altri's commitment to sustainable innovation and continuous improvement of its industrial processes, contributing to a more resilient and environmentally responsible business model. At the end of December 2023, the contract was signed with the technology supplier, and at the end of January 2024, the kick-off meeting of the details and construction project was held. At this time, detail engineering is underway and approximately 8.6 million euros were invested in 2024.

Digestor of fibrous material of fine particle size

In Celbi, the implementation of an innovative wood cooking technology - Fine Grain Material Digester - improved the efficiency of raw material use, increasing production capacity by 2,5%, and reducing the specific consumption of wood and waste.

Within the framework of the Sawdust Digester Project, the tailings from the screening that result from the pulp production process and the sawmill that results from the wood processing are sent to the digester, allowing for the recovery of cellulose fibers for pulp production. Previously, these fibers were recovered in the biomass boilers.

Recovery of lime sludge

In the industrial units of Altri, the sludge resulting from the effluent treatment of the plant is energy-recovered in the biomass boilers installed in the industrial complex.

Secondary sludge resulting from the effluent treatment of Celbi is energy-recovered at the recovery boiler.

In Biotek, secondary sludge resulting from the removal of the organic raw material in the plant's sector effluents is mainly directed to composting. In Biotek, there was a reduction in the production regime during the year, which directly impacted the amount of lime sludge produced that was reduced in comparison with the homologous period.

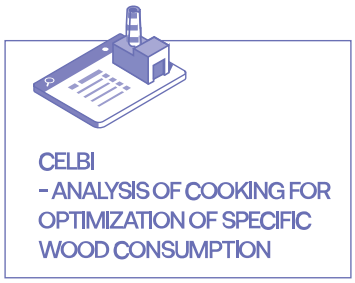
In Caima, secondary sludge resulting from effluent treatment is energy-recovered at the biomass plant and is also sent to composting. In Caima, the process was optimized through the reincorporation of primary sludge into pulp production.

However, even though it represents a little significant part, Altri takes all the necessary measures to ensure the proper routing and treatment of waste, thus eliminating any risks of potential negative impacts of its activity. In Altri Florestal, all waste sent to waste management companies is transported with e-GAR documents, the only waste generated in forest management being fertilizer packaging.

In addition to its ongoing efforts to reduce waste generation, the Altri Group ensures the proper management of all waste resulting from its industrial activity, in accordance with the best practices and applicable legal requirements. It should be noted that less than 1% of the waste generated is hazardous waste, which translates into virtually non-existent environmental and public health risk. Still, despite the residual proportion of hazardous waste, the Group implements all the necessary measures to ensure its correct routing and treatment, thus eliminating potential adverse impacts.

Waste recovery is one of the pillars of Altri's circularity strategy. In 2024, 80% of the waste generated was recovered, contributing to a reduction in pressure on natural resources and an increase in material efficiency. This recovery occurs either through the reintegration of waste into the production process itself, or through its use by other industries, as substitutes for virgin raw materials, or through referral to recycling operations.

This set of practices allows Altri to promote the circularity of material flows, reinforcing the creation of closed production cycles and consolidating its contribution to a circular economy.



DIGITAL TRANSFORMATION

Targets

(E5-3)

One of the most significant goals for Altri is the recovery or reuse of 100% of waste from processes by 2030 in its own operations. In 2022, the base year, Altri had already reached 58% of the waste, and in 2024 it reached 80%. This target, applicable to all geographies, is fundamental to the commitment to the theme of a circular economy in the Group.

Process waste recovered or reused, %



- Progress against base year: 52%
- Progress against annual target: 244%
- Annual Target: 67%



Metrics

Resource inflows

(E5-4)

Within the framework of its sustainability strategy and circular economy, Altri Group has sought to optimize the use of natural resources and promote material efficiency in all its production units. The input of materials into the production process is a fundamental step to ensure the sustainability of production cycles and minimize the environmental impact. Thus, the Altri Group has been prioritizing the use of renewable materials and the integration of secondary materials, with the aim of reducing the dependence on primary resources and contributing to the circularity of material flows.

The following Table shows the total weight of the products, technical and biological materials used in the various industrial units of the Group, including Altri Florestal, S.A., Celbi, S.A., Caima, S.A., and Biotek, S.A. These data allow us to monitor the evolution of resource utilization and the percentage of embedded secondary materials, reflecting Altri's commitment to reduce environmental impact and promote more sustainable practices in the production process.

	2024
Products (t)	3,685
Technical materials (t)	161,354
Biological materials (t)	3,613,394

Accounting policies

All the quantities of resources and products used during 2024 were calculated.

To conclude, of the total input of resources, 6% (211,633 tons) represents components, products, and secondary materials used.

Resource outflows

(E5-5)

The management of waste and by-products generated in the production units is a crucial element of the circular economy strategy of the Altri Group. The Group aims to reduce waste generation and promote the recovery of by-products, reincarnating them into the production process or allocating them to other industries, minimizing the need for new resources and contributing to a closed production cycle.

Next, data on resource output are presented, with emphasis on the amount of waste generated and the percentage of waste recovered, including non-hazardous and hazardous waste. Altri continues to work to improve waste management efficiency by implementing innovative solutions to reduce environmental impact and optimize material recovery processes. These data reflect the Group's commitment to implementing an effective circular economy and minimizing environmental impact.

Products and materials - Cellulose fibers

	2024
Recyclable material content (%)	100

Accounting policies

Pulp is a B2B product, so recyclability can only be evaluated inside doors. In the event of product damage, pulp can be reintegrated into the production process, being recycled. In addition, wire packaging is sent to a specialist waste management operator, ensuring it is properly recycled. For these reasons, Altri considers that 100% of the material produced through its production process is recyclable.

Waste

	2024			
	Hazardous	Not hazardous	Total	%
Diverted from elimination:	200	81,875	82,075	80 %
Preparation for reuse (t)	0	0	0	— %
Recycling (t)	149	55,885	56,034	54 %
Other (t)	51	25,990	26,041	25 %
Intended for disposal:	198	20,883	21,082	20 %
Incineration (t)	0	0	0	— %
Landfill (t)	106	20,784	20,891	20 %
Other (t)	92	99	191	— %
Total waste generated	399	102,758	103,157	100 %

During 2024, the total amount of non-recycled waste produced by Altri was 4,838 tons, equivalent to 5% of the total waste produced. The amount of radioactive waste produced was 0.08 tons at the Caima and Biotek industrial units.

Accounting policies

The radioactive waste value was calculated according to the amount of sealed sources transferred to the Instituto Superior Técnico (IST).

1.5.3. Social Information

The appreciation of people represents one of the strategic pillars that guides Altri's actions. In this chapter, we describe not only the Altri Group's approach to developing its employees but also its approach to all people and entities related to its operations, from its suppliers to the communities near the locations where Altri operates. Thus, this chapter is divided into three sub-chapters, which highlight some of the most relevant relations of the Group value chain, namely: Own workforce, value chain workers, and communities affected.

ESRS S1 Own workforce

Impacts, risks, and opportunities related to Altri's own workforce

(SBM-3)

In relation to its own workforce, the Altri Group identified the following impacts, risks, and opportunities as material:

S1: Own workforce	Estratégia
Working conditions	
Employees of the Group are subject to professional and psychosocial risks arising from the performance of their duties and the business model and activities performed by Altri. The continuity of operations and growth of the Group can be challenged by the inability to attract, hire, and retain employees with the skills and technical experience necessary to pursue the defined strategy.	Promotion of training and development of employees' skills. Goal of zero accidents with more than 3 days lost. Awareness-raising initiatives for health and safety promotion.
Equal treatment and opportunities for all	
Altri has identified a material positive impact on its own workforce, the promotion of the representation of women in management positions, while contributing to awareness of equal opportunities among all employees. The Altri Group emphasizes proactive action in raising awareness of workplace violence and harassment, reinforcing its commitment to a safe environment for all. The Group's practices around diversity, equity, and inclusion not only improve the working environment but also have the potential to strengthen the Group's image.	Commitment to the United Nations Global Compact. Altri Plan For Gender Equality. The goal is to double the number of women in leadership roles by 2030. Policy to combat harassment.

Impacts, risks and opportunities management

Policies related to own workforce

(S1-1)

Altri is a signatory to the United Nations Global Compact, which demonstrates its public commitment to integrating, in its policies and strategies, the fundamental principles of human rights, labor practices, environmental protection, anti-corruption, and sustainable development objectives.

The principles that guide ALTRI are based on universally accepted declarations, including the Universal Declaration of Human Rights, the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work, and the Rio Declaration on Environment and Development.

Altri, through the **Human Rights Policy**, has publicly committed itself to respecting and avoiding adverse impacts on all internationally recognized human rights in all its activities, in particular, as regards freedom of association and the right to collective bargaining and the right not to subjection to

forced labor, child labor or discrimination about employment and occupation in the own workforce. Altri has strengthened its position in this subject by joining the UN Global Compact, which includes ensuring responsible performance throughout the entire value chain.

Considering the current context of economic and social uncertainty and in line with Article 23 of the Universal Declaration of Human Rights, Altri maintains an institutional Dialogue, open and transparent, with all representative organizations of employees, having obtained, over the last few years, labor agreements in all industrial companies, thus ensuring greater stability in employment and an increase in the income of its employees.

In terms of health and safety at work, the Group has a Health and Safety Management System (WHS) in its industrial units (Celbi, Biotek, and Caima) that covers all employees (internal and external), who perform on-site functions. In addition to these units, also at Altri Florestal and Altri SL, where the PEFC and FSC standards are implemented, 100% of internal employees are covered by the system.

In 2021, Altri implemented its **Gender Equality Plan**, which aims to promote effective equal opportunities for men and women. This plan, in addition to materializing Altri's ongoing work in the field of gender diversity and equality, is aligned with the United Nations Global Compact accelerator program: Gender Equality Target. Having been updated annually since its implementation, this plan presents a set of measures for the elimination of discrimination based on sex, also encouraging a healthy balance between personal, family, and professional life.

The Group's **Policy against Harassment**, and the **Ethics Code** repudiate any form of harassment, namely moral, and differentiated treatment according to skin color, gender, ethnic or social origin, sexual orientation, trade union policy or association, religious or other conviction. More detail regarding this policy can be found in the Corporate Conduct and Corporate Culture Policies section.

All of the above policies and codes have been validated and approved by the Board of Directors of Altri, which is also responsible for approving any changes, and are available for consultation of all employees and partners on the Altri Group website.

Processes for engaging with own workers and workers' representatives about impacts

(S1-2)

Maintaining an open and transparent institutional dialogue with all workers and organizations representing workers allows Altri to consider the perspectives of its own workforce during decision-making processes.

The Altri Group maintains an open, clear, and enlightening speech with its employees, self-employed workers, and other people who perform "work activities" in the Altri Group. The provision of institutional information, including human rights policy, gender equality plan, and other official documents, is available for consultation on the intranet.

In addition, there are different listening practices and actions, follow-up meetings (for example, CASST, CQT, unions meetings, meetings with workers' representatives, PSE meetings, and Onboarding meetings), and ultimately, reporting channels, which allow us to understand the interests and views of workers and their representatives. It should be noted that the proximity between the People Directorate and the entire organization provides access to the needs and perspectives of workers across a wide range of themes.

The interests and views of the workers are expressed mostly by the workers' representatives in the different industrial units and are directed to the following themes:

- Working time.
- Workload/distribution of the workload.
- Benefits and salary evolution.
- Conditions of workplaces.
- Professional development.
- Inter-company sports and cultural activities.

The dialogue with workers takes place annually, when the respective company agreements are revised and where substantial changes are made that have a direct and consequential impact on workers. The Directorate of People and Talent is responsible for ensuring that this dialogue occurs.

It is an open, face-to-face dialogue, for which representatives are invited to be present, as well as elements of the Altri organizational structure that can serve as facilitators and clarify doubts that may exist.

As a result of this process of dialogue with workers, over the last few years, Altri has consistently reached labor agreements with all industrial companies, ensuring greater stability in employment and an increase in the employees' income. Currently, Altri maintains six company agreements that will remain in effect until the end of 2025, when negotiations are expected to resume.

Processes to remediate negative impacts and channels for own workers to raise concerns

(S1-3)

Altri's involvement with its own workforce is carried out through structured interactions and through complaint channels that allow us to identify negative material impacts that the Group has caused or contributed to people in its own workforce.

The Internal Reporting Channel is accessible to all individuals, natural or legal, who may be adversely affected by the Altri Group or who wish to claim, report, clarify or expose any situation, namely related to human and labor rights, and is accessible through Altri's website. This channel is accessible to all employees through the website of Altri Goup.

The Supervisory Board will establish a clear articulation with the Ethics Committee regarding all matters that require the Ethics Committee's intervention and action. If any employee prefers to communicate anonymously, written comments may be sent, in as much detail as possible, through the whistleblower channel, if the situation is adequate to be reported there. In any case, the protection of whistleblowers against acts of retaliation is guaranteed, as is presented in greater detail in section ESRS G1 - Business Conduct.

Actions and resources

(S1-4)



We reaffirm our commitment to invest in the continuous development of Altri employees, because we know that as people grow, Altri also grows.

In the contemporary business scenario, the importance of employees transcends the mere execution of tasks, as employees are the essential pillars that sustain the success and prosperity of a company. The deep understanding of this crucial role leads to a holistic approach by Altri, which considers not only technical skills but also aspects such as training, safety, health, and well-being, attracting and retaining talent, as well as stimulating diversity, equity, and inclusion.

Thus, in this section of the Sustainability Statement, the actions and programs undertaken by Altri with its own workforce are presented, reinforcing the commitment to investing in the continuous development of Altri Group employees, in health, safety, and promoting equity, diversity, and inclusion.

Training, Skills Development, and Retention

For Altri, one of its most valuable assets is people. For this reason, one of its main investments is the development of its employees, which benefits both the employees and the company, as it will enjoy a more qualified workforce, with the ability to innovate and develop improved solutions that promote sustainability. This valuation considers not only the development of skills, but also the improvement of performance management and the attraction and retention of qualified and motivated people.

Employee Portal, MyAltri

To support and make people management more agile and transparent, the Altri Group has invested in a new people management platform - MyAltri. This is an evolutionary platform which, in addition to integrating the employee portal, will support all the processes inherent to people management, namely: Recruitment and Onboarding, Salary Processing, Expense Management, Time Management, Performance and Management by Objectives, Succession and Career Plans.

The modules related to employee data management and salary processing were made available to employees in 2024. The salary processing of September 2024 was already done on the new platform. Altri is aware that the availability and processing of this data on a new platform is critical and has a

direct impact on employees, who now have all the necessary information available centrally on a single platform.

Altri Academy

Altri aims to have the best and most prepared professionals in the industry. To achieve this goal, the Group assumes the responsibility to develop the skills of its employees, with commitment and investment in training over the last years. In 2024, Altri provided more than 34 hours of training in technical and specific areas related to the high-complexity manufacturing process, and in behavioral and management areas.

The Group seeks to provide a diverse range of training to respond to the wide variety of profiles of employees and areas of activity. For this, Altri focuses on five main themes:

- Process;
- Behavioral Management;
- Maintenance;
- Safety;
- Other areas.

Advanced Leadership Program (ALP)

The Advanced Leadership Program (ALP) developed by Altri was an initiative aimed at developing leadership skills in its 76 participants from different Group units (Altri Florestal, Biotek S.A., Caima, S.A., and Celbi S.A.). This program included a diverse range of modules that, over the past year, provided a comprehensive and transformative experience, in which participants had the opportunity to access enriching content, develop new skills, and strengthen collaboration bonds. From theoretical sessions to practical applications, through workshops and group activities, the ALP course has provided an experience lived and felt by employees who hold management and team/project coordination roles, which have an impact on the Altri structure.

The program was carried out in partnership with the Portuguese Catholic University and included modules aimed at immersion in both more behavioral themes associated with leadership, communication, teamwork, negotiation, and a more technical and management component, such as operations management, investment project evaluation, and sustainable finance, among others. Additionally, the program included talks and lectures from Altri leaders, addressing topics such as Sustainability, Responsible Leadership, and living the values and purpose of the company.

Altri is confident that the knowledge acquired and the relationships established during the course will continue to have an impact over the next few years, contributing to the personal and professional growth of each, thus making the Group stronger and better prepared for the future.



When internal programs are not enough, Altri encourages and supports its employees to continue their studies, whenever this is identified as a potential for mapped talent, through support with travel expenses and tuition fees.

The training is also promoted by the Group through partnerships established with different educational institutions, which translates into curricular internships and academic dissertations, and can also evolve into professional internships. Many of these students will become Altri employees, and the company will promote and strengthen their talent attraction capacity, as these programs are the Group's largest source of recruitment.

Kaizen Institute™ Training

Kaizen Institute supported Altri in the paradigm shift, with the implementation of methodologies and tools that directed the modus operandi of the various hierarchical levels to improve its processes, increase productivity, and achieve sustainable long-term results through a logic of continuous improvement. For this implementation, the involvement of the entire structure of operations in order to adjust the method to the specificities of the Group was central and simultaneously ensured its daily and continuous practice.

The training program included content related either to Kaizen tools and techniques (continuous improvement cycle, problem solving, 5S, standardization), or with leadership skills and teamwork (meetings, Kaizen boards, communication, among others).

This training was directed to all workers (internal and external) in the operational areas of the various industrial units, joined by other workers from support areas who were also familiar with the Kaizen methodology. Globally, 425 internal workers and 47 external workers attended the training.

The feedback highlighted the relevance of the theme to each individual's daily routine and the optimization of individual and team performance results.

More and better jobs Pact for young people

Altri is a partner of the More and Better Jobs Pact for Young People and is committed to hiring and retaining young workers, ensuring quality employment, training, developing and giving voice to young people. The Pact is an initiative with the Altri Group and 100 Portuguese companies.

Health and Safety

The health and safety of Altri's workers is a priority in the management of their activities. Altri aims to develop a culture within all Group companies where the health, safety, and welfare of workers are not only seen as mandatory but as something innate in the way they are being and acting. Having that objective in consideration, Altri continues the Altri People Lab, which consists of all programs to promote and value employees.

Due to the nature of its activities, the Group can impact the health and safety of its employees, considering not only the possibility of accidents at work, professional diseases, or disabilities but also impacts that may arise in terms of their mental health. These impacts, when they occur, have financial implications for the company, due to the absenteeism of its employees and the existence of accidents and occupational diseases.

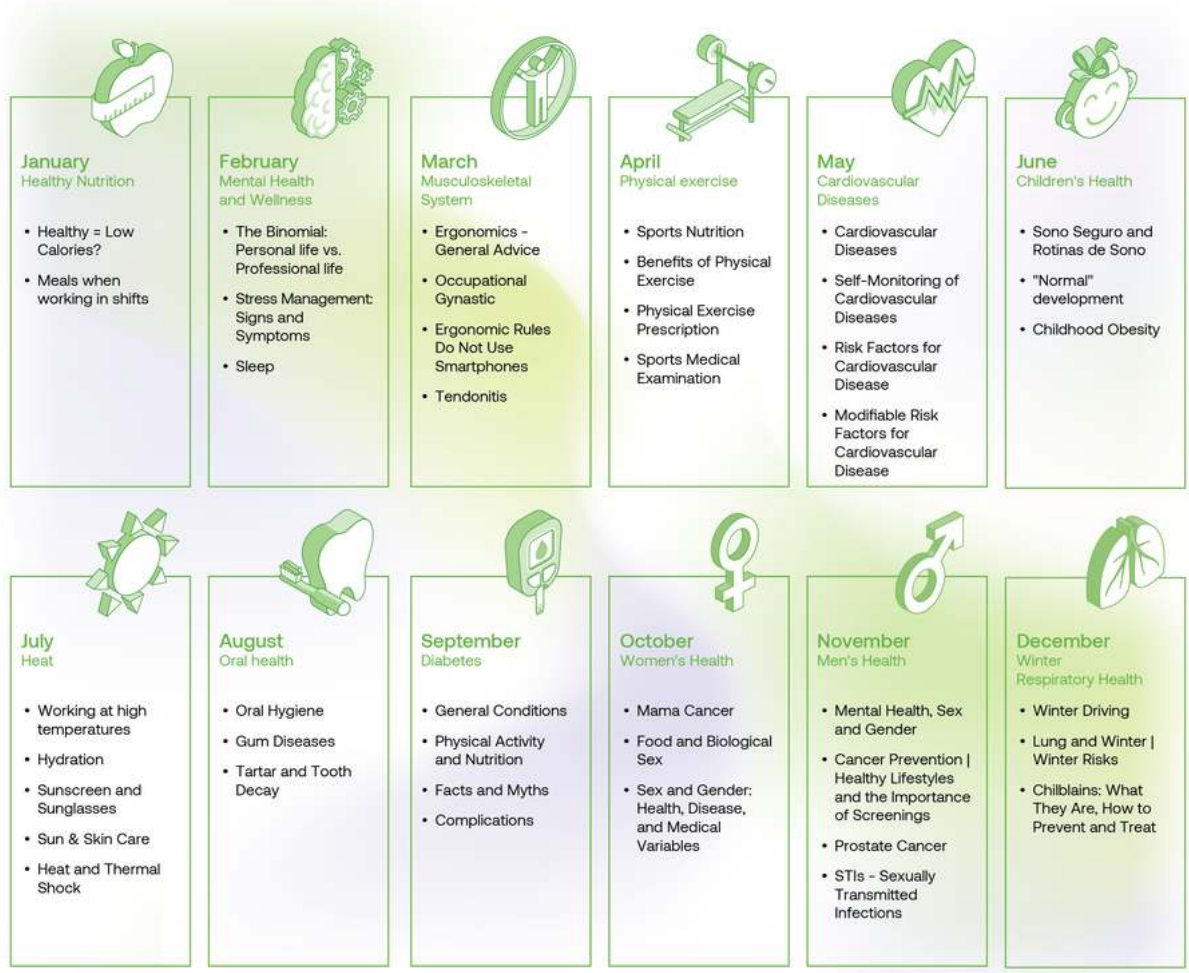
For an effective promotion of a culture of health and well-being within the entire Altri Group, it is essential to have a global and integrated vision. To this end, the Group has a Clinical Directorate, Occupational Health and Wellness. This Directorate is responsible for the definition, promotion and implementation of health and welfare policies and the coordination of the occupational medicine services of the Group's companies, responding to the specific requirements of each company. In all industrial plants, a medical station is also available, with equipment that allows the prevention of professional diseases and promotes well-being, including a set of specialized services.

For employee's awareness, Altri distributes information leaflets, and has Safety Documentation available (RIP, procedures, standards, forest practices with Risk Assessment), dissemination of WSH videos on internal TV circuits, display of safety signs and disclosure of incident and near incident communications (flash incidents and flash near accident) and performs the weekly Safety minutes at Kaizen meetings.

Health Literacy Program

To empower Altri employees to be an integral part of the active management of their health, including the professional risks to which they may be exposed, the Group has developed a Health Literacy program. Each month, topics to be addressed are selected, and, weekly, information is disclosed through the computer tool Altri's internal social network on a topic related to that theme. At the end of the month, a member of the occupational health team visits the workplaces for awareness in loco, and delivers a flyer with the summary of the month. The chosen themes focus mainly on the socio-professional reality of Altri employees, integrating specific occupational health topics of the Group.

This initiative has produced positive impacts and opportunities for Altri, as it allows to r**educe health costs, increase productivity, improve the work environment.**



Within the scope of this program in May 2024, the Altri Group held the 4ª edition of the initiative “Month of May, Month of Heart”, with a view to promoting the reduction of sedentary lifestyle and physical activity through healthy competition among employees. This activity has also resumed its solidarity objective.

The workers of Altri Group companies were challenged to achieve the physical activity objectives defined by the World Health Organization (WHO), which include at least 30 minutes of activity, and were allowed to contribute to “Heart Coins”. “Heart Coins” were collected, which at the end of the month were converted into monetary value that was donated by Altri to several institutions:

- Liga dos Amigos of the District Hospital of Figueira da Foz.
- Santa Casa da Misericórdia – Constância.
- Associação Humanitária dos Bombeiros Voluntários de Vila Velha de Ródão.

The selection of the entities was made by the TOP 10 participants from the various sports modalities involved. This initiative also promoted the realization of a trail / walk at Altri Florestal headquarters, in Quinta do Furadouro, for all the collaborators and their families.

The Health Literacy Program also organized the 1st Altri Padel Tournament to empower people with tools to make better choices in their own health, including the practice of physical exercise. In addition to the health benefits derivved from the regular physical exercise, the 1st Altri Padel Tournament also stood out as a moment of union and interaction between colleagues from the various companies of the Group.

Membership of the Portuguese Alliance for the Promotion of Mental Health in the Workplace

Altri joined the Portuguese Alliance for the Promotion of Mental Health in the Workplace (ASM). The growing need to address health issues and, in this particular case, mental health, so that we can eradicate the stigma still associated with this area and adopt a working environment that promotes mental health, was what led the Altri Group to join ASM. For Altri, workers' health is at the top of the priorities, so mental health is not an exception. Thus, through this initiative, the Group intends to disseminate knowledge and promote mental health literacy among workers.

Day of praise

Altri marked the World Day of Praise 2024, with an initiative in which the Group's employees were able to praise intra and inter-company colleagues, through a hand-handed or anonymous ticket, through the Altri Post Boxes arranged in the offices of the entire organization. The Group created the Altri Post Boxes, also to provide an alternative to digital communication and to promote closer proximity to the operational public.

Safety Lab Program

Inspired by design thinking, a methodology that puts people at the center of problem-solving, Altri has rethought its approach to Safety at Work, with answers aligned with the real needs of employees.

It was in this context that the Safety Lab was created, a creative and collaborative laboratory dedicated to safety and aligned with the concept of "Health and well-being in companies".

In 2024:

5th phase - Safety Lab Game with external workers

11 to 23 April 24

16 Sessions

291 Participants

29 external companies represented

Increased focus on internal communication

To get messages across to all levels of the organization in order to facilitate the flow of information on safety and well-being (various communication campaigns, including interactive games encouraging active participation by workers).

1st Altri Safety Convention

Under the motto “Safety can be one click away”, the Altri Group organized the 1st Safety Convention. The aim was to stop and reflect on the topic, understand the path we have taken and plan for the future based on a safety culture in which we are all part of the solution.

The event allowed for the recognition and motivation of good practices that encourage positive behavior and create models to be followed, both internally, among peers, and with external service providers, strengthening collaboration and encouraging the exchange of experiences and good practices between different areas and external companies.

The program drew on LTM Consultora's legacy - the Safe Behaviors Program - to lay the foundations for this safety culture, and also on the example of E-redes, sharing the path they have taken in this area. Psychosocial risks and mental health at work were also a focus of this Convention, ending the day with a testimonial.



The Safety Lab project proves how safety at work can go beyond accident prevention, becoming a collective commitment that promotes physical, mental and social well-being, while strengthening the organizational culture.

A safety culture in which we are all part of the solution.

Diversity, equity and inclusion

Altri People Equality

In 2021, Altri implemented its Gender Equality Plan, which aims to promote effective equal opportunities for men and women. This plan, in addition to materializing Altri’s ongoing work in the field of gender diversity and equality, is aligned with the United Nations Global Compact accelerator program: Gender Equality Target. Having been updated annually since its implementation, this plan presents a set of measures for the elimination of discrimination based on sex, also encouraging a healthy balance between personal, family and professional life.

The Equality Plan 2024 reinforces the existence of conditions that allow a better balance between professional life and the extra-professional dimension of each employee, making people feel more committed to Altri, and never neglecting the family component. This plan, which includes objectives, measures, performance indicators and targets to be achieved, focuses on the following areas:

Company strategy, mission, and values	**Professional Career Promotion/Progression**
Equal access to employment	**Protection in parenthood**
Initial training and development	**A healthy balance between professional life, family, and personal life**
Equality in working conditions	**Prevention of harassment at work**

Digital transformation projects



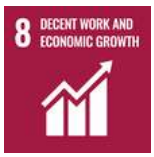
Targets

(S1-5)

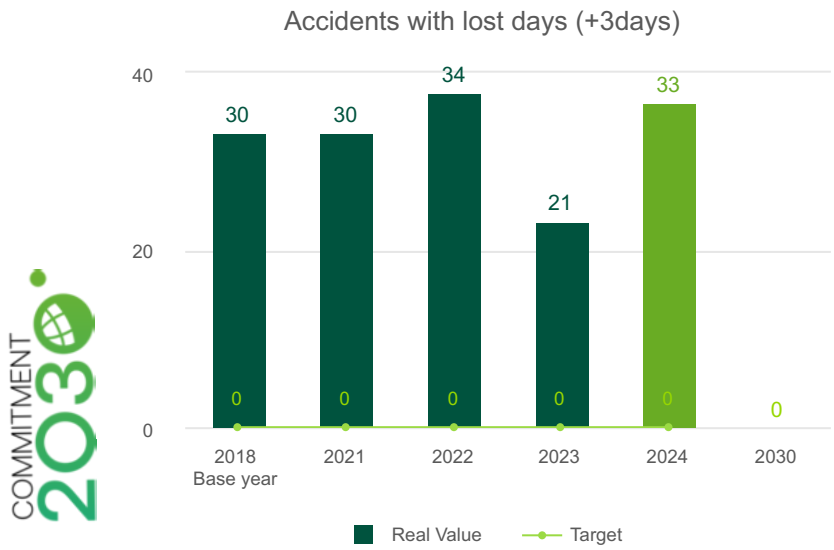
Health and Safety

Altri has been working persistently to raise awareness among its employees about mitigating the causes of workplace accidents and achieving its goal of zero accidents with more than 3 days lost. Only with the involvement of all the team members it is possible to strengthen the safety culture in the Altri Group, which is a decisive factor in maintaining a safe and accident-free workplace.

Accidents with lost days



- Progress against base year: 0%
- Progress against annual target: 0%
- Annual Target: 0



Various projects have been developed to raise awareness. Although the results are not yet reflected in this indicator, the Group will remain committed in implementing actions to achieve the defined objectives.

Diversity, equity and inclusion

To ensure the full and effective participation of women and equal opportunities for leadership at all levels of decision-making, Altri focuses its efforts on gender diversity and equality.

The inclusion of this theme in the Group's strategy positively impacts society, since it makes it possible to represent women in management positions, and to raise awareness for diversity and the need for equity and inclusion, to improve its ability to attract and retain talent. The approach to this type of subject also allows to mitigate any breaches of the applicable legislation and judicial or other proceedings that may arise out of discrimination.

Considering the typical predominance of men in industrial activities, this theme takes particular importance to Altri, that defined and implemented several measures for greater gender parity, namely in its recruitment, career management and cultural and organizational development processes.

This commitment of the Group is also consolidated in **Commitment 2030**, with the undertaking to "**Duplicate the number of women in leadership roles** from 19 in 2018 to 38 in 2030".

With 43 women in leadership roles in 2024, Altri continues to promote Diversity and Gender Equality in the Group. The clearance of this value is related to Altri's description of performance and internal functions.

Women in leadership positions



- Progress against base year: 100% - Target achieved
- Annual Target: 30



Metrics

Characteristics of the undertaking's employees

(S1-6)

All reported data on employee characteristics account for the number of employees existing as of December 31, 2024.

In the following Table, the number of employees in Altri's own workforce is disclosed, divided by gender.

Gender	2024
Men	646
Women	153
Others	0
Not declared	0
Total employees	**799**

The second Table presents the breakdown of employees by region of operation of the Altri Group in Portugal (PT), Spain (ES), and Switzerland (CH).

Country	2024
Portugal	780
Spain	15
Switzerland	4

Accounting policies

The characteristics of our employees are accounted in accordance with ESRS S1-6. The number of employees includes all individuals who are in a working relationship with the Altri Group. The value displayed translates number of FTEs (Full Time Equivalent) on December 31, 2024.

The third Table shows the total number of employees by type of contract and gender. The company does not have employment contracts with workers who are not guaranteed a workload (without a guarantee of a fixed number of hours of work, but who must be available to perform work whenever necessary).

	2024				
	Male	Female	Others	Not declared	Total
Number of employees	646	153	0	**0**	**799**
Number of permanent employees	616	145	0	**0**	**761**
Number of temporary workers	30	8	0	**0**	**38**
Number of workers with unguaranteed working hours	0	0	0	**0**	**0**
Number of full-time workers	646	153	0	**0**	**799**
Number of part-time workers	0	0	0	**0**	**0**

The fourth Table shows the breakdown of employees by type of contract, broken down by region of operation of the Altri Group in Portugal (PT), Spain (ES), and Switzerland (CH).

	2024			
	Portugal	Spain	Switzerland	Total
Number of employees	780	15	4	**799**
Number of permanent employees	743	14	4	**761**
Number of temporary workers	37	1	0	**38**
Number of workers with unguaranteed working hours	0	0	0	**0**
Number of full-time workers	780	15	4	**799**
Number of part-time workers	0	0	0	**0**

Accounting policies

The characteristics of our employees are accounted in accordance with ESRS S1-6. The number of employees includes all individuals who are in a working relationship with the Altri Group. The value displayed translates number of FTEs (Full Time Equivalent) on December 31, 2024.

During the reporting period, 42 employees left the Group, which corresponds to a turnover rate of 5%.

Accounting policies

The turnover rate was calculated considering the number of workers who left the Group during the reporting period of 2024. The denominator considered for the calculation was the average number of employees in 2024.

Characteristics of non-employee workers in the undertaking's own workforce

(S1-7)

On December 31, 2024, Altri had 34 self-employed employees.

Accounting policies

The number of self-employed workers is reported in FTEs (Full Time Equivalent), considering the full time for the Altri Group of 40 hours per week. The value displayed translates number of FTEs (Full Time Equivalent) on December 31, 2024.

Diversity

(S1-9)

The composition and diversity of the governing bodies is presented in the following Table by gender.

	Gender	2024
Governance bodies (n.°)	Male	100
	Female	43
	Others	0
	Not declared	0
Governance bodies (%)	Male	70%
	Female	30%
	Others	0%
	Not declared	0%

The Table below shows the distribution by age group of employees of the Altri Group:

Age range	2024
< 30 years	81
From 30 to 50 years	519
> 50 years	199

Accounting policies

The number of employees and the composition of the governing bodies were considered as of December 31, 2024.

People with disabilities

(S1-12)

The percentage of employees with disabilities in the Altri Group by gender is shown in the following Table:

Gender	2024
Male	0%
Female	2%

Accounting policies

For the calculation of the percentage of employees with disabilities, people with disabilities were considered, all who had delivered a multipurpose certificate with a disability degree of 60% or more.

Training and skills development

(S1-13)

Managing people well and enhancing their performance is today the major competitive differentiator in organizations. Being a factor of competitive advantage, companies that best adapt to trends in people management will be better prepared to face future challenges. The commitment to developing the

skills of its people is a responsibility assumed by the Altri group. The effort and investment that the company has made in training in recent years is an example of this. With more than 35,000 hours of training in 2024, in technical and specific areas related to the highly complex manufacturing process or in behavioural and management areas, it is the ambitious vision of the Altri group in this matter: to have the best and most well-prepared professionals in the sector in which it operates. The Training Plan is prepared based on the needs identified by each area of the company, and it is executed and reviewed throughout the year, thus having a flexible character and being able to adjust to the demands of the business. It includes different forms of training organization (in-person or remote), and it can be internal or external. Training in the Altri group starts from the first moment the employee joins the group's structure and continues throughout the time they remain in the company. When our programs are not sufficient, the company encourages and supports the return to school or the continuation of studies of its employees, covering travel expenses and tuition fees whenever this is identified as enhancing the mapped talent.

The Altri Group employees underwent performance analysis in 2024. The percentage of employees who participated in regular analyses of performance and career evolution is described in the Table below by gender

Gender	2024
Male	97%
Female	89%

All eligible employees received a performance assessment.

The average number of training hours per employee, by gender, is shown in the Table below.

Gender	2024
Male	41
Female	53
Others	0
Not declared	0

For self-employed persons, the average number of training hours per gender is shown in the Table below.

Gender	2024
Male	22
Female	23
Others	0
Not declared	0

Accounting policies

Employed persons with an absence of 6 months or more and self-employed persons shall not be considered for regular performance evaluation.

Health and Safety

(S1-14)

Altri has implemented a Health and Safety Management System that covers all workplaces, internal workers, and service providers workers. Altri Florestal, Viveiros, and Altri SL have implemented the normative references Programme for the Endorsement of Forest Certification (PEFC) and Forest Stewardship (FSC), which cover both internal and external workers who carry out activities in the local area. However, only Celbi, Biotek, and Caima workers are covered by the ISO 45001 audited health and safety management system.

During the year 2024, 479 days were recorded as lost due to work-related injuries, work-related accidents, or work-related health problems in wage problems. In the case of self-employed individuals, 667 days of lost work were recorded.

In 2024, no occupational diseases or deaths resulting from occupational diseases were recorded. The hazards related to occupational diseases existing at Altri are mostly exposure to noise, mutagenic/ carcinogenic, and mechanical hazards. In order to mitigate or eliminate risks and hazards, Altri monitors workplace exposure risks (noise, chemical, ergonomic) by safety technicians and accompanied by the workplace doctor. In addition, Altri, carries out a constant demand in the market for alternative chemicals, uses isolation measures from sources of risk, distributes Personal Protection Equipment and carries out a health surveillance of employees.

Accounting policies

For the calculation of the accident rate, the number of hours worked was considered according to the platforms for recording work times.

To act properly and implement effective improvement actions, Altri monitors specific indicators of Health and Safety at Work.

Frequency Index*

Days lost / thousand hours worked



*Note: Only considers internal employees.

Evaluation of the Frequency Index (FI) according to the International Labor Organization (ILO): FI < 20 Good | 20 - 50 Acceptable | 50 - 80 Insufficient | > 80 Bad

Severity Index*

Lost Days/thousand hours worked



*Note: Only considers internal employees.

Evaluation of the Severity Index (SI) according to the ILO: SI < 0,5 Good | 0,5 - 1 Acceptable | 1 - 2 Insufficient | > 2 Bad

Remuneration

(S1-16)

The following Table indicates the ratio between the basic remuneration and total remuneration of female and male workers by category of employee - technical senior staff and top management; second line management and direct managers, and other employees.

	2024
Salary or base salary per employee category	**Wage gap between men and women (%)**
Technical senior staff and top management	12%
Second line managers and direct managers	5%
Other employees	13%
Complementary components or variables by employee category	
Technical senior staff and top management	(10)%
Second line managers and direct managers	43%
Other employees	56%
Total remuneration per functional category and	
Technical senior staff and top management	7%
Second line managers and direct managers	5%
Other employees	24%

The ratio between the total annual remuneration of the highest-paid individual and the median total annual remuneration of all salaried workers is 5.07.

The pay gap is one of the most persistent challenges in the labor market. Being aware of this, the Altri Group has reflected in its actions, and in the 2030 Commitment, measures aimed at promoting equal opportunities and reducing the gender pay gap. In recent years, the results of these actions have been

notorious, reflected in the hiring of more women for positions associated with industrial areas, while at the same time managing to train them for management and leadership roles. This functional evolution is indexed to the respective salary evolution, which takes shape each year and is monitored very closely to ensure that, as planned, equal pay is paid for work of equal value.

Accounting policies

The wage gap between men and women was calculated for the basic, complementary, and total remuneration of each of the types of employees. For this purpose, the average salary was calculated by summing the group's remuneration (separated by gender) and dividing by the average number of annual employees (also separated by gender).
The calculation of the annual total remuneration ratio excluded the highest paid individuals from the calculation of the average employee.

Incidents, complaints, and serious impacts on human rights

(S1-17)

During the reporting period of 2024 no incidents, complaints, and serious impacts or incidents of human rights disrespect were recorded.

There were also no fines, sanctions, or compensations during the reporting period.

ESRS S2 Workers in the Value Chain

Impacts, risks, and opportunities related to workers in the Altri value chain

(SBM-3)

The supply chain presents an increased risk due to its complex nature and the limited awareness of the relevant risks by the wide range of stakeholders involved.

Within the scope of workers in the value chain, the Altri Group identified as material the impacts, risks, and opportunities detailed in the following Table:

S2: Workers in the value chain	Strategy
Other work-related rights	
The Altri Group identifies as a significant material risk the absence of a robust due diligence process to evaluate the Group's suppliers regarding forced labor and modern slavery issues. This gap in the detailed and systematic evaluation of suppliers can have substantial implications for Altri's operations and strategy, as situations that occur along the value chain can result in reputational damage associated with loss of credibility and trust. Still within the value chain, there is the opportunity to boost the growth of national companies supporting their services by reducing the dependence on foreign suppliers.	Participation in the Business & Human Rights Accelerator of the United Nations Global Compact. External Providers Quality Requirements Portal (PQSE). Preference for national suppliers.

The results of the evaluation showed that work in the Paper for Recycling (PFR) supply chain is often labor-intensive and is associated with a lower barrier to entry and skill level.

Jobs in the supply chain can be a last resort for employment, which can help to put workers in a vulnerable position. Based on the risk scenario identified through the in-depth assessment conducted in 2022, Altri has developed a more structured way of working with the supply chain. This includes

placing a greater focus on specific vendor segments to assess risks and identify appropriate mitigation activities.

Key impacts, risks, and opportunities

Policies related to the value chain workers

(S2-1)

All persons have the right to be treated with dignity and without any discrimination. Geopolitical tensions, climate change, and increasing inequalities further accentuate the importance of human rights. When managing production and conservation forests, Altri has an impact on people. The Group directly impacts approximately 800 employees, hundreds of suppliers, and dozens of customers worldwide.

Altri applies respect and support for human rights as enshrined in the United Nations Universal Declaration of Human Rights and its 10 principles, both in its operations and throughout the value chain.

Ten principles

The Ten Principles originate from the United Nations Key Declarations and Conventions and cover areas of human rights, work, environment, and anti-corruption. The Ten Principles provide a common, ethical, and practical framework for corporate responsibility that is universally understood and applicable wherever companies operate.

The Ten Principles of the United Nations Global Compact



Membership of the United Nations Global Compact (UNGC)

Altri participates in the UN Global Compact, committing at the CEO level to incorporate these ten universal principles into business strategy, day-to-day operations, and organizational culture, and reports annually on its progress.

This commitment is one of Altri's most significant contributions to sustainable development.

By adopting the UN Global Compact's ten principles in its strategy, policies, and procedures, and establishing a culture of integrity, Altri is raising its core responsibilities beyond compliance with people and the planet, but is also setting the path to long-term success expecting the following benefits:

- **Lower operating costs**

The Ten Principles aim to reduce both operating costs and capital costs. Implementing environmental-focused principles (7-9) Altri can reduce operating costs by promoting the most efficient use of materials and resources such as energy, waste, and water. These responsibilities, supervised by the Board of Directors, are managed by the Executive Board.

- **Risk Reduction**

The Board of Directors oversees the Risk Management team, responsible for the risks in the areas of human rights, work, environment, and anti-corruption.

- **Increased confidence**

The Ten Principles strengthen trust with stakeholders by solidifying the license to operate between employees, customers, suppliers, investors, and the community. It is essential to establish relationships of trust with stakeholders, and this trust can be fostered by aligning with these principles and publicly expressing Altri's position on human rights. It will also have an impact on attracting and retaining talent within the Group.

- **Increase economic growth**

Altri can use the Ten Principles for growth in many ways, including more sustainable products and services, achieving circular business models, leveraging technology to connect digital, and expanding the customer base.



In 2023, the Group published the **Human Rights Policy**, detailed in the own workforce Policies section, which assumes the Group's commitment and responsibility in this matter.

Altri, through the Human Rights Policy, has publicly committed itself to respecting and avoiding adverse impacts on all internationally recognized human rights in all its activities, in particular, as regards freedom of association and the right to collective bargaining and the right not to subjection to forced labor, child labor or discrimination about employment and occupation, reinforcing its position through the adhesion to the Global Compact. In addition, Altri implemented in 2019 a Code of Conduct for Forest Service Providers.

Altri Florestal's Code of Conduct for Forest Service Suppliers aims to define the minimum requirements that Altri Florestal demands of all its forest service providers. Altri Florestal pays special attention to the selection and relationship with all its partners and suppliers, including those involved in Forest Services. This document outlines the guidelines and requirements that represent the commitment and actions to be adopted by all Forest Service Providers in various matters. The Code contains guidelines on health and safety and respect for the rights, freedoms, and guarantees of citizens.

The Human Rights Policy and the Supplier Code of Conduct have been validated and approved by the Group's Board of Directors, which is also responsible for approving any change, and are available for consultation of all interested parties on the Altri Group's website.

Involvement of the value chain workers

(S2-2)

The Altri Group acknowledges that, although it does not have a specific mechanism for direct communication with value chain workers and their representatives on the material impacts, actual or potential, of their activities, it adopts an important measure by requiring all its suppliers to register on the External Providers Quality Requirements Portal ("PQSE" or "Portal").

The registration in this Portal aims to evaluate suppliers based on several strict criteria, ensuring that they comply with the requirements established in terms of working conditions, health and safety, as well as ensuring full respect for the human rights of their workers.

In other words, through the PQSE, the Altri Group is able to effectively monitor compliance with established standards, promoting a working environment that values the dignity and well-being of workers in the value chain. Additionally, the registration requirement enhances transparency and integration of supplier operations, fostering relationships built on trust and quality. Further information regarding this Portal can be found in the Actions section of this thematic standard.

In 2024, a project was conducted that led to the introduction of a new monitoring and audit approach to avoid or mitigate risks for workers. This includes, among other things, allocating more time to interact with workers on the ground. In 2024, all audits of forest service providers were conducted using this new approach, and the findings were shared with industry peers.

Correction mechanism and complaints

(S2-3)

All workers in the Altri Group value chain can raise concerns or complaints regarding negative impacts caused by the Group or impacts that the Group has contributed to. For this purpose, Altri provides a reporting channel accessible to all individuals or legal entities within its value chain.

Through this channel, complaints, reports, or any situations related to human and labor rights can be explained. The Reporting Channel is accessible to all workers in the value chain at through the Altri Group website.

The Supervisory Board will establish a clear articulation with the Ethics Committee regarding all matters that require the Ethic's Committee intervention and action. If any value chain worker prefers to communicate anonymously, he can send his written comments, in as much detail as possible, through this same reporting channel. In any case, the protection of whistleblowers against acts of retaliation is guaranteed, as is presented in more detail in the ESRS G1 - Business Conduct.

Actions and resources

(S2-4)

In 2023, the Altri Group participated in the United Nations Global Compact Business & Human Rights Accelerator program whose objective is to minimize potential negative impacts and identify opportunities for innovation and maximization of positive impacts on people, derived from their own operations and value chain, Altri has thus taken another step forward in the defence of human rights. As part of this program, the Group was able to identify and acknowledge new ways to diagnose, prevent, and mitigate the potential impacts of its activities and value chain on Human Rights.

To maintain a close relationship and facilitate verification of Altri's requirements, suppliers are requested to register with the External Providers Quality Requirements Portal (“PQSE” or “Portal”) and provide the required documentation, which is validated and regularly checked by Altri teams.

The evaluation of suppliers carried out through the PQSE is carried out simply, using various evaluation criteria, which focus on technical execution and also other fundamental points such as environmental and health and safety behavior at work. Subsequently, suppliers are notified of the detailed evaluation result. Where necessary corrective measures are implemented, but there is a preference for preventive measures that are presented throughout the contractual relationship.

Through the information available in the External Services Qualification Portal, where about 620 suppliers are already registered, it is possible to characterize Altri suppliers, namely in terms of certification. In the last 2 years, there has been a significant increase in suppliers with certification in Environmental Management (ISO 14001), Quality Management (ISO 9001), and Health and Safety Management at Work (ISO 45001).

Certified suppliers (%)

Certifications	Certified suppliers (%)
Environmental Management System - ISO 14001	29
Occupational Health and Safety Management System - ISO 45001	23
Energy Management System - ISO 50001	4
Quality Management System - ISO 9001	49

Given the maturity of the portal and the growing number of certified companies, betting on continuous improvement and the definition of sustainability goals, the Purchasing and Procurement Directorate is working on extending the certifications to be demanded from suppliers, namely SA 8000 – Social Responsibility, ISO 20400 – Sustainable Procurement, ISO 27000 – Ethics Certification, Eco-Label – Ecological Product Certification, EMAS – European Union Eco-Management and Audit Scheme, among others. To encourage the maintenance of existing certifications and the obtention of new ones, it is expected that the evaluation will be positively affected by their existence.

It is also planned to create a questionnaire that validates the existence or not of formal policies, such as Sustainability Policy, Environment, Anti-Corruption, nd Water Management. This type of information allows the Altri Group to understand the alignment of suppliers with their principles and commitment.

To strengthen the commitment and alignment of the Altri Group's objectives with those of its suppliers, it is also expected that the suppliers will become formally aware, through the PQSE, of the Group's policies and codes of conduct, already available on the Group's website.

In 2024, FSC conducted two audits of Altri's chain of custody to verify the traceability of materials throughout the production chain, ensuring compliance with labor law requirements for workers in the value chain.

Targets

(S2-5)

An action plan is under development to ensure the successful integration of Sustainable Procurement Policies. On the agenda for the plan, we have included the definition of incentives for sustainable purchases, the creation of metrics and tools to qualify suppliers' performance, and the strategies to collaborate with suppliers to increase compliance in terms of sustainability, and their position for the future.

ESRS S3 Affected Communities

Impacts, risks, and opportunities related to communities affected by Altri

(SBM-3)

Local communities are consulted during the planning and decision-making phases of new investments. Consultations with local communities, including Free, Prior and Informed Consent (FPIC), are a key element in due diligence on human rights in Altri's forestry operations, particularly with regard to land leases. The extension covers hundreds of land estate, including 11,482 hectares of conservation areas.

The Altri Group identified as material the impacts, risks, and opportunities presented in the following Table in relation to affected communities:

S3: Affected Communities	Strategy
Communities' civil and political rights	
The Altri Group is committed to promoting the development of local communities where its operations are inserted through various initiatives, such as increasing employability, combating desertification of non-urban areas, and improving the well-being and living conditions of the surrounding communities. At the same time, Altri invests in community awareness and environmental education, promoting the importance of sustainability and environmental preservation. The promotion of local talent represents a valuable opportunity for Altri, allowing the retention of this talent in the Group's own operations, contributing to the decentralization of the country's economic activities. However, the proximity of operations to communities results in negative material impacts. Industrial production, accompanied by odours and noise from industrial units, causes discomfort and disturbs the quality of life of residents in the surrounding areas.	Policy of participation in the Communities. Investment in community development. Promotion of activities related to sustainability

Key impacts, risks, and opportunities

Policies related to affected communities

(S3-1)

Altri takes a structured and participatory approach in its relationship with communities. As part of this commitment, Altri implements its Community Participation Policy, whose main objective is to promote active intervention in the communities where it operates, mitigating negative impacts and enhancing opportunities for local development. Additionally, Altri has a Human Rights Policy that frames internationally recognized standards specifically relevant to communities and indigenous peoples, including the United Nations Guiding Principles on Business and Human Rights.

The Community Participation Policy aims to contribute to the sustainable development of local communities through cultural, educational and social initiatives, fostering the creation of positive impacts, particularly as regards the increase of skills and the employability of local human capital, their access to economic opportunities and livelihoods (e.g. the possibility of using services provided by Group companies for the provision of health care) and, consequently, boosting local economies.

The Policy covers the operations of Altri, with application in all geographies in where the Group is present. It is directed to all employees and is available to them through the Altri Group website and on the intranet / Sharepoint. The responsibility for implementing and overseeing this policy lies with the

Board of Directors of Altri, ensuring that the initiatives are consistent with the company's strategic objectives.

Involvement with affected communities

(S3-2)

Involvement with the neighbourhood of factories, forest sites, and the broader community is a key pillar for sustainable development and corporate social responsibility. These activities not only strengthen the ties between the Group and the local community, but also promote an environment of cooperation and mutual trust.

Altri, therefore, maintains a close relationship with the community to identify and mitigate any negative impacts over time, as well as to evaluate the positive impacts resulting from its actions. Altri uses feedback received from the community to identify areas of improvement and implement changes that best meet local needs, as well as adjust group's internal policies, such as implementing new corporate social responsibility practices.

Since 2019, Altri has been participating in the Community Monitoring Commission (CAC) in Figueira da Foz, which brings together several relevant local stakeholders. Chaired by Professor Poças Martins, former Professor of Hydraulics and Environment at the Faculty of Engineering of the University of Porto, CAC aims to ensure that about 50 public and private organizations are the first to be informed about events and changes that impact the lives of local communities. Additionally, it serves as a means of listening to the concerns of local populations.

The 6th CAC meeting took place at Celbi, Figueira da Fox, in the third quarter of 2024, organized by the Group in partnership with The Navigator Company. The CAC meetings are held every six months and include debates on industrial investments, environmental performance, liquid effluent control, and forest sector challenges.

Until now, only Celbi has participated in this CAC, and the Group's objective is to ensure that these commissions exist in the other Group's industrial units.

In 2024, there were no complaints from the population related to noise production, visual pollution or dust.

Correction mechanism and complaints

(S3-3)

Due to its industrial field, the Group may impact the quality of life of the local communities where it develops its activities, through the production of odours and noise from its industrial units, resulting in the degradation of its relationship with the community. As this is a fundamental theme for the Group, Altri seeks to implement measures to prevent and mitigate these impacts through the use of new technologies, for example, to control odours.

Thus, in order to minimize some of the possible impacts that Altri's activity may have at the local level, actions were implemented to respond to these challenges. Since 2014, an arboreal curtain has been placed around Biotek that acts as a visual barrier, and dust and noise protection. Also since 2021, the odorous currents in the recovery boilers of Celbi are being burned, and in 2023 the same process was implemented at Biotek. In the following section, more actions are detailed that Altri undertakes, with the aim of mitigating negative impacts, and enhancing positive impacts. The whistleblowing channel can be accessed here.

Actions and resources

(S3-4)

Altri, within the framework of its social responsibility policy, develops and supports a set of initiatives and activities, which reflect the commitment made by the Group to actively contribute to the creation of lasting and relevant relationships with the community of its industrial units and its forestry activity, in particular, through donations and logistical support. The Altri Group considers the involvement and cooperation of all elements within the surrounding community to be essential, with a view to pursuing the common good, having intervened over the last few years, assisting and cooperating with different institutions.

Altri invests in projects involving communities, mainly in support of local authorities' initiatives, projects supporting education and social inclusion, and recreational and sports. During this period, more than 80 entities, whose scope of action is in the areas of community intervention considered strategic by Altri, were impacted.

Social responsibility and closeness to the community are part of the culture of all Altri Group companies, a value that we have demonstrated, among others, with the following initiatives in 2024:

Attribution of EPIS Merit Scholarships

As in 2023, the Altri Group, represented by Biotek and Caima companies, supported the EPIS 2024 Social Scholarships, whose main focus is to combat inequality of opportunities in access and frequency of higher education, rewarding young people from socially disadvantaged contexts with high academic merit. The two companies of the Altri Group join the more than 40 partners, contributing to 227 grants that translate into a total social investment of 544.7 thousand euros.

Forest student grants

Altri Group, Corticeira Amorim, Sonae Arauco, and The Navigator Company have formed a public-private partnership to fund 22 grants guaranteeing 100% of the value of tuition fees in courses in the field of forestry engineering. The courses will be taught at the University of Trás-os-Montes and Alto Douro and at the University of Porto (UTAD and UP), at the School of Agriculture (ISA), or at the School of Agrarian Coimbra (ESAC). In 2024, this grant was repeated for 22 students. This partnership aims to encourage and promote higher education courses in the field of forest sciences, whose enrolment numbers have been declining every year.

Presence of Altri in Employment Fairs

Altri's presence at job fairs in 2024 was marked by a series of important events that reinforced the Group's connection with the academic community in different regions of the country. Altri has been represented at several job fairs, creating opportunities for students and young professionals looking for their first experience in the job market.

Altri was present in different events associated with employer branding, both in higher education, such as the Instituto Superior Técnico de Lisboa, ISCAC, University of Aveiro, ISA, University of Porto, University of Coimbra, University of Beira Interior, and in professional and secondary education, namely Escola Técnica, Artística e Profissional de Pombal and School Group Figueira Mar.

These participations allowed Altri not only to present their job opportunities and internships, but also to strengthen their brand as a reference employer. Direct interaction with students and educational institutions is of utmost importance to the company, as it enables a deeper understanding of the needs

of the current labor market and attracts talent aligned with Altri's values and objectives. Through these initiatives, Altri continues to build a more renewable and sustainable future, aligned with its values and mission

Recruitment and Selection 2024 – Highlights

- 13 professional internships
- 40 curricular internships
- 47 young people at the Summer Academy
- 23 admissions

Recruitment

- 1852 applications received
- 171 first interviews
- 64 second interviews

National Sustainability Day

Altri marked the Sustainability Day at the Biodiversity Station of Quinta do Furadouro, inviting the children of employees to participate.

With the aim of making the objectives of Altri's Commitment 2030 known, young people between the ages of 12 and 18 participated in various recreational activities and were selected as Youth Ambassadors of Sustainability.

On September 25, the National Sustainability Day, the Altri Group joined companies around the world in the "2024 SDG Flag Campaign " in celebration of the adoption of the Sustainable Development Goals (SDGs).



Day of the Forest

On March 21, Altri celebrated the Day of the Forest with 50 children from the Furadouro School Complex. Accompanied by Altri employees, they planted 20 trees in the property of Quinta do Furadouro.





Summer Academy

The Altri Group Summer Academy has hosted a total of 47 young people, aged between 17 and 23 years. Secondary and university students, from diverse training areas, were able to experience the day-to-day life of various companies.

There were days marked by teamwork in the various areas where they were inserted, with the challenge of conducting business cases, as well as attending workshops on job market insertion.

Protocols with sports clubs

These protocols aim to encourage the practice of sports as a means of promoting a healthy lifestyle for local communities, particularly children and young people from the surrounding areas of the Group's manufacturing units.

The Group is engaged in several social projects started in previous years, namely:

No Differences-E8G

No Differences E8G is a project developed under the National Program “Choices 8th Generation” that aims to promote educational and social change in the medium term. Consolidating the work developed by schools, activities promoting the acquisition of personal, social, relational, and technological-digital skills intend to motivate the continuation of school attendance and contribute, consequently, to the reduction of absenteeism.

The project aims to promote a set of activities targeting children and young people from vulnerable socio-economic contexts with the goal of designing significant improvements in their social integration and school engagement to increase equal access to academic progression, and promote healthier lifestyles. Its ultimate goal is to support the creation of consistent and consequential life projects in a more promising future.

The direct participants are children and young people, of gypsy ethnicity and children of immigrants, disaggregated from the community, living in the neighbouring areas of the Celbi industrial unit (parishes of Marinha das Ondas and S. Pedro).

This project is developed by Caritas Diocesana de Coimbra, with several companies in the Centro region, and that is why it has the support of Celbi, S.A.

Targets

(S3-5)

Currently, Altri has no specific goals defined for the Communities. However, the Group monitors the effectiveness of its actions through continuous dialogue, allowing it to identify, prevent and mitigate any negative impacts, as well as contribute to the well-being and economic development of communities.

1.5.4. Governance structure

ESRS G1 Business conduct

As a result of the dual materiality process conducted by the Altri Group, the positive impact of Altri’s innovation culture was identified as material within the scope of business conduct, which reinforces its competitiveness against other market players. The focus on innovation allows, on the one hand, to reduce costs, increase the efficiency of production processes, and develop products of higher added value and, on the other, to boost projects with positive impacts on the environment and society.

The Altri Group makes clear commitments to the environment and all its stakeholders. Failure to comply with the established ESG objectives, as well as the occurrence of acts of corruption or bribery, may compromise the relationship with stakeholders and have therefore been identified as a reputational risk to Altri. In the Table below are presented some of the IROs' materials related to business conduct.

G1: Business conduct	IRO	+/-	R/P	PO/CV
Corporate culture				
Greater competitiveness of the company in the markets in which it operates due to a culture of innovation (cost reduction, efficiency gain, higher added value products, etc.)	I	+	P	PO
Risk of non-compliance with the defined ESG objectives contributing to the deterioration of the relationship with stakeholders (banking institutions, clients, suppliers) and/or devaluation of reputational capital.	R			PO
Corruption and bribery				
Risk of occurrence of acts of corruption, improper receipt or offer to take advantage, peculate, economic participation in business, concussion, abuse of power, prevarication, influence trafficking, money laundering, fraud in obtaining or deviation of subsidy, subsidy or credit perpetrated by persons internal or external to the organization with passive or active participation in such acts.	R			PO

Policies of business conduct and corporate culture

(G1-1)

Good corporate governance is the basis of the success of organizations. Today, we cannot conceive of a prosperous and healthy organization without a good management team, aware that decisions should be based on criteria of economic, environmental and social sustainability. The government model must also ensure the necessary mechanisms to support and control the activity of the management team, so that the decisions taken by the management team are complemented or reinforced by the different views and perspectives that each body or committee performs within that model. Thus, the Altri Group has established and implemented a set of corporate policies and codes of conduct to ensure and promote good practices of business conduct and corporate culture:

- Risk Management Policy
- Code of Ethics
- Code of Conduct on Corruption Prevention and Related Offences
- Plan to Prevent Risks of Corruption and Related Offences
- Prevention and Fight against Money Laundering and Terrorist Financing

Risk Management Policy

Risk management is an essential component within companies that has been gaining significant relevance in recent years. The objective of the Risk Management Policy is to ensure that all decision-making processes, at different levels of organization, are guided by predefined, known, and transparent criteria, holding all stakeholders accountable, ensuring the existence of consistent and transversal practices. This management policy was defined based on COSO ERM:2017, ISO31000:2018, and the Corporate Governance Code of the Portuguese Corporate Governance Institute.

All Altri Group companies must apply the risk management policy, which must be observed by all Altri employees, including managers and members of social bodies. It is the responsibility of management and operational units to ensure risk management, which enables greater awareness and consideration

in decision-making at all levels of the organization, taking into account the inherent responsibility of each actor.

Code of Ethics

The Altri Code of Ethics reflects the principles and rules that should guide the relations of all companies that are part of the Altri Group and the respective stakeholders, and aims to guide the personal and professional conduct of all its employees, regardless of their position or role, based on common ethical principles. The Code applies to all employees of the Group, including the governing bodies of all companies, as well as to professional representatives, external auditors, customers, suppliers, and other individuals providing services to them under any title (partners), on a permanent or occasional basis.

In the Code of Ethics, the guiding principles and commitments of different themes are established: Employee behavior and relationship with stakeholders; Conflicts of interest; Equal opportunities and non-discrimination; Repudiation of harassment; Safety and health at work; Freedom of association; Defence of Human Rights and Social Responsibility; Commitment to sustainability; Integrity and loyalty in business; Protection of information privacy and confidentiality; Report of irregularities; among others.

In the context of the Commitment 2030, the Altri Group is one of the signatories of the Portuguese Platform for Integrity (PPI), an initiative of United Nations Global Compact Network Portugal and APEE - Portuguese Association of Business Ethics, thereby reinforcing its commitment to integrity.



Regulatory compliance program

The Decree-Law No. 109-E/2021, of December 9, created the National Anti-Corruption Mechanism and establishes the general regime for the prevention of corruption (“General Regime for the Prevention of Corruption” or “GRPC”). Pursuant to Article 5, no. 1 of the GRPC, “The entities concerned shall adopt and implement a regulatory compliance program that includes at least a corruption and related infringement risk prevention plan (RPP), a code of conduct, a training program and a reporting channel, to prevent, detect and sanction acts of corruption and related offences, carried out against or through the entity.”.

Altri, in compliance with the General Corruption Prevention Scheme, is in the phase of adoption and implementation of its regulatory compliance program, which aims to prevent, detect, and sanction acts of corruption and related violations and which integrates:

- The Code of Conduct on Corruption Prevention and Related Offenses
- The Plan to Prevent Risks of Corruption and Related Offenses
- The Prevention and Fight against Money Laundering and Terrorist Financing
- The training program
- The internal reporting channel

The purpose of this Code of Conduct is to establish the set of principles, values and rules of action of all Altri employees, regardless of the position or function they perform, as well as of all those who represent or relate to Altri, including the Partners, irrespective of the service they provide, in the field of professional ethics, taking into account the criminal rules relating to Corruption and Related Offences and the risks of exposure of the entity to these crimes. Additionally, it outlines the penalties applicable in the event of non-compliance with the established rules.

The Board of Directors of Altri has appointed, under the terms of the GRPC, a Head of Normative Compliance, whose mission is to guarantee and control the implementation of the regulatory compliance program, exercising its functions independently, permanently and with decision-making autonomy, ensuring that Altri has the internal information and the human and technical means necessary for the proper performance of its function.

Altri's culture is grounded on values of transparency, accountability, and integrity, and is genuinely committed to the active prevention and fight against money laundering and terrorist financing. The Money Laundering and Terrorist Financing Policy (ML/TF Policy) establishes standard rules for preventing and combating money laundering and terrorist financing, ensuring a day-to-day basis for the entire Altri Group, and applies to its management and supervisory bodies, employees, and all service providers. The commitments made in this policy are listed as presented:

- Comply with applicable national and EU legislation for the prevention and fight against money laundering and terrorist financing.
- Maintain business relations only with natural and legal persons who, to the best of Altri Group's knowledge, engage in legitimate activities and do not present a high risk of illicit practices.
- Use appropriate control mechanisms for the prior identification of operations to prevent and combat money laundering and terrorist financing, to prevent the violation of legal standards.
- Promote the training of employees whose duties are relevant to the prevention, detection, or mitigation of the risks associated with money laundering and terrorist financing.
- Monitor the evolution of best practices in the prevention of risks associated with money laundering and terrorist financing, for continuous improvement.
- Disclose the ML/TF Policy to its employees, including workers and members of the governing bodies.

Collective initiatives in the fight against corruption are a collaborative and sustained process of cooperation between stakeholders, which aim to increase the impact and credibility of individual action, bringing together individual organizations in an alliance of organizations that share the same ideas. All of the above policies and codes have been validated and approved by the Board of Directors

of the Altri Group, which is also responsible for approving any changes, and are available for consultation of all employees and partners on the Altri Group website.

Internal Reporting channel

The Altri Group has a specific mechanism for reporting irregularities, which aligns with the purposes of Recommendation No. II.2.4 of the IPCG Corporate Governance Code, substantiates ethical or legal violations with a significant impact in the fields of accounting, the fight against corruption, and banking and financial crime (Whistleblowing), which safeguards the confidentiality of the transmitted information and the identity of the notifier whenever requested.

For reporting any non-compliance situations, namely, related to human and labor rights, the Altri Group has a reporting channel accessible to all individuals, natural or legal, who may be adversely affected by the Altri Group or who wish to claim, report, clarify or expose any situation. This reporting channel is accessible to all stakeholders through the Altri website, in the Code of Ethics, the protection of whistleblowers is included.

The Supervisory Board is the main body to which any communications of irregularities should be directed by any employee, partner, client, supplier or any other stakeholder. The Supervisory Board will establish a perfect articulation with the Ethics Committee in relation to all matters that require the intervention and action of the latter. If any complaint is sent to the Ethics Committee of the Company, the Company shall forward it to the Supervisory Board if the respective matters, according to the law, must be dealt by this body. If any employee prefers to communicate anonymously, written comments may be submitted through the whistleblowing channel, providing as much detail as possible, if the situation is deemed suitable for reporting there.

Although there is a simple access channel with a guarantee of confidentiality, in recent years, there have been no reported misconduct cases, which is probably due to a greater external and internal focus on ethical conduct, compliance, and voicing concerns. Despite this context, Altri continued to strengthen its governance and operation model for ethics and compliance topics.

Training in Business Conduct

Throughout 2024, training actions were developed under the General Corruption Prevention Scheme, within the framework of the Compliance Program that is being implemented. The training actions aimed to inform workers about the rights and obligations arising from the General Corruption Prevention Scheme, enabling them to understand the policies and procedures for preventing corruption and related violations. These training actions are mandatory and face-to-face, and have been addressed to all workers of the Altri Group.

Functions at risk

With regard to the assessment of roles at risk, Altri recognizes that certain functions, namely Industrial and Corporate Procurement, Forest Procurement, Fund and Grant Management, Stakeholder Relations and Financial Management are more susceptible to the risk of corruption and bribery, given their involvement in critical financial transactions and interactions with key business partners. Thus, monitoring processes are developed that ensure compliance with the highest standards of integrity and compliance with established policies.

Management of supplier relationships, including payment practices

(G1-2)

Altri's value chain is fundamentally dependent on the relationship with suppliers for the continuity and efficiency of its operations. The Group depends on the ability to deliver materials and services from suppliers, but also on strict compliance with legal, tax, environmental, and sustainability policies.

To strengthen relationships based on trust and mutual responsibility, Altri adopts rigorous criteria in selecting partners, prioritizing national suppliers, and thereby actively contributing to the promotion of the local and national economy.

The application for registration of all suppliers in the External Providers Quality Requirements Portal (PQSE or "Portal") is the method that Altri uses to maintain a close relationship and facilitate verification of the requirements for its suppliers. More detailed information about this Portal can be found in the ESRS S2 Workers in the Value Chain - Actions and Resources section.

Projeto de transformação digital na área



Prevention and detection of corruption and bribery

(G1-3)

Altri adopts a zero tolerance policy for all forms of bribery and corruption, ensuring its application through the implementation of preventive measures, detection, and effective response to allegations or incidents of this nature.

Within the framework of its Risk Prevention Program (PPR), Altri identifies, analyzes, and classifies the potential risks of corruption and related violations across all areas of the Group's activity. In addition, it systematizes the measures already implemented to prevent the materialization of these risks, as well as those that, in a continuous effort to strengthen the compliance program, contribute to reducing their likelihood of occurrence and impact.

To ensure strict control, Altri has a set of preventive and corrective measures, including the Code of Ethics, the Code of Conduct on Corruption Prevention and Related Offences, the Internal Reporting Channel, the Rules on Transactions with Related Parties and Conflicts of Interest, the Risk Management Policy and the Prevention and Fight against Money Laundering and Terrorist Financing Policy.

The Corruption Risk Prevention and Related Infringements Plan (PPR) is reviewed every three years or whenever a risk review is justified, precisely due to changes in the attributions or in the organic or corporate structure of the Group that imply the revision of the risk matrix. This Plan, which will be permanently monitored and periodically reviewed, identifies, analyzes and classifies, about the area of activity of the Altri Group, the potential risks of corruption or related offenses, also systematizing existing measures to prevent the materialization of these risks, as well as those that, in a continuous effort to strengthen the existing regulatory compliance program, contribute to reduce the likelihood of occurrence and the impact of identified risks and situations. The definition of risk degrees for the purposes of the said Plan was based on two variables: (i) the probability of occurrence of risk situations; and (ii) the foreseeable impact of the infringements to which it may give rise (or the severity of the consequence).

Altri has also been developing different measures and procedures to enable it to combat and prevent corruption and bribery, including:

- Monitoring and approval of transactions with related parties and evaluation of conflicts of interest, defined through the Rules of Transactions with Related Parties and Conflict of Interest;
- Involvement of the Ethics Committee to ensure compliance with the Code of Ethics and Conduct;
- Processes for receiving and investigating ethical complaints;
- Communication to employees for awareness in these matters.

In addition, principles such as delegation of competences, segregation of functions, and the “Four Eyes” rule are applied, as well as specific clauses in contracts with clients and suppliers to enhance transparency.

Altri guarantees that investigations or committees of inquiry concerning cases of corruption and bribery are conducted by entities independent of the management chain involved, ensuring impartiality and accuracy in the analysis of the facts.

The results of the investigations and audits are communicated in a structured way to the governing, management and supervisory bodies, allowing the adoption of appropriate corrective measures and the continuous strengthening of internal control mechanisms. For this purpose, Altri relies on the performance of Internal Audit and External Auditor, which play a crucial role in assessing the effectiveness of implemented policies and recommending continuous improvements.

Payment Practices

The payment conditions for suppliers depend on the type of product or service provided, with various modalities existing.

For wood and chemical suppliers, the payment term is 30 days, while for general suppliers, contracts assume a payment term of 60 days.

Payment times to suppliers for the Altri Group:	Total Altri Group
Average time the company takes to pay an invoice from the date the contractual or legal payment term begins (days):	60
Percentage of payments aligned with normal payment conditions (%)	90
Number of ongoing legal proceedings due to payment delays	0

Accounting Policies

For the calculation of the average payment time, all invoices issued and paid in 2024 were used.



1.6. Perspectives

The year 2024 confirmed the recent trend towards shorter cycles in the pulp sector. After a promising start to the year with prices reaching all-time highs in the first half, the evolution of global pulp demand slowed down during the second half of 2024. Despite Europe and North America showing a sustained level of demand throughout the year, China, after its best year ever in 2023 in terms of demand growth, showed a slowdown in the second half of the year, largely due to less dynamism in the local paper market. Towards the end of 2024 and the beginning of 2025, we began to see a reactivation of demand levels in China, driven by a more active domestic market and some restrictions on the local pulp supply side.

After reaching new highs during the second quarter of 2024, pulp prices corrected until the end of 2024. The deterioration in prices began in China, followed by Europe and North America until the end of 2024. As a result, the average price of PIX, the global benchmark for pulp prices, fell by around 20% in 4Q24 compared to the previous quarter, with the list price of BHKP pulp in Europe at the end of the year ending at US$ 1,000/ton. According to recent announcements, we can anticipate a recovery in BHKP pulp prices during the first few months of the year, although in average terms this improvement will still be barely visible in 1Q25.

The Altri Group remains focused on maintaining or slightly increasing the main variable costs in 2025. This evolution may be less optimistic during 1Q25, since the normalization of the operation of Celbi's cogeneration turbine is expected to occur only at the end of March 2025. During 2024, and as estimated, the economic impact of this incident was around €6 M. In addition, the increase in DP production at Biotek, increases in electricity and gas prices and some increases in the price of caustic soda may also have an impact on variable costs in the short term.

As a pillar of its strategy, the Altri Group is focused on developing several projects of diversification and growth, of which we highlight the project to recover and valorize acetic acid and furfural from renewable resources at Caima, set to conclude by the end of 2025. Additionally, the project to fully migrate the production of Paper Pulp (BHKP) to Dissolving Pulp until the end of 2026 in Biotek continues to advance according to the previously defined plan. Regarding the Gama project in Galicia (Spain), in March, the Xunta de Galicia, through its Environmental Council, published a favorable Environmental Impact Statement (DIA) for the project. Although additional permits are required, the DIA represents an important milestone, as it assesses the project as complying with environmental regulations in force.

In terms of pulp mill's maintenance downtime scheduled in 2025, the schedule is as follows:

- Biotek: May 2025
- Caima: June 2025
- Celbi: No downtime

We refer to the considerations disclosed in Note 43. Subsequent Events in the notes to the consolidated financial statements.



1.7. Proposal of the Board of Directors for the appropriation of individual Net Profit

Altri, SGPS, S.A., as the parent of the Group, recorded in its separate financial statements, on 31 December 2024, prepared in accordance with the principles of recognition and measurement of the International Financial Reporting Standards as adopted by the European Union, a net profit of 97,783,306 Euro, for which, in accordance with the law and the articles of association, the Board of Directors proposes to the General Meeting the following application:

Dividends	61,539,501.60	Euro
Free Reserves	36,243,804.40	Euro

The distribution of profits of the financial year and the reserves proposed will imply the payment of a gross dividend of 0.30 Euro per share.

Final considerations

Altri thanks the various stakeholders for their trust in the organization, with which it aims to renew - daily - its commitment to excellence, including a special thanks to all its employees, for the enormous dedication and commitment with which they build Altri every day.

01 Management Report



1.8. About the report

In 2024, the Altri Group presents its first Management Report in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Standards for Sustainability Reports (ESRS), integrating the sustainability statement.

This Report, whose reporting period is between January 1, 2024 and December 31, 2024, includes the key elements of Altri's strategic framework, along with operational, financial and sustainability performance throughout 2024, as well as the main aspects of corporate governance and risk management, being prepared in accordance with applicable legal requirements.

The financial statements were approved by the Board of Directors and authorized for issue on April 03, 2025.

► Single Management Report

In accordance with the applicable legal and statutory provisions, the Altri Group presents the Report and Accounts for the financial year 2024, and, under paragraph 6 of article 508 – C of the Code of Commercial Companies, has chosen to submit a Single Management Report that, complying with all applicable legal requirements, will allow a complete practical and integrated analysis of the information provided therein.

► Sustainability Statement

Regarding non-financial information, the consolidation of data and the methodology for drafting the report encompass all activities in which Altri holds a stake. As imposed by Directive 2014/95/EU of the European Parliament and of the Council, transposed into national law by Decree-Law no. 89/2017 of 28 July, the Group shall provide information on non-financial matters.

The Sustainability Statement is therefore an integral part of the Single Management Report and includes 4 information groups:

- Overview, which includes the preparation bases, information on governance, strategy, and business model, as well as dissemination of the dual materiality exercise (ESRS 2).
- Environmental data, covering disclosures in accordance with Article 8 of Regulation 2020/852 (EU) of the European Parliament and of the Council of 18 June 2020 on the establishment of a scheme for the promotion of sustainable investment (Green Taxonomy Regulation), as well as

information on climate change, pollution, water resources, biodiversity and ecosystems and circular economy (ESRS E1, E2 E3, E4 and E5).

- Social data, information that addresses the own workforce, value-chain workers, and affected communities (ESRS S1, S2, and S3).
- Governance data on business conduct, including disclosures relating to corruption and bribery, and supplier relationship management (ESRS G1).

The non-financial information provided for in Decree-Law no. 89/2017 concerning the period 2024 is included in this report and is included in Annex E. Table of correspondence of Disclosure of Non-Financial Information.

EU Taxonomy Regulation

This report is also prepared in accordance with the legal requirements set out in the EU Taxonomy Regulation, namely the dissemination of specific key performance indicators on the eligibility and alignment of environmental activities.

Reporting standards and guidelines

This report has been prepared in accordance with internationally recognized standards and guidelines, including:

- Guidelines of the Code of Commercial Companies (CSC), relating to the content of the management report, including those relating to the communication of non-financial information, introduced by Decree-Law no. 89/2017 of 28 July.
- Model for reporting non-financial information by issuers of securities admitted to trading on a regulated market recommended by the Securities Market Commission (CMVM).
- Recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosure (TCFD) regarding the disclosure of climate-related risks and opportunities.
- Sustainability Accounting Standards Board (SASB).
- Membership of the United Nations Global Compact (UNGC).
- Sustainable Development Goals (SDG).
- Principles of inclusion, materiality, responsiveness, and impact established in the AA1000 Accountability Principles Standard (AA1000AP 2018), regarding sustainability information.
- Beginning the alignment of the report with the European Union Corporate Governance Reporting Directive (CSRD).
- The GRI Table was kept in Annexes, so that we can have comparative values from previous years. It should be ensured that the formulae for calculating the indicators can be changed in the report according to the CSRD.

External verification

Altri submits the content of this report to an external, independent, and certified assessment. The scope of the work of the auditor of Altri, Ernst & Young Audit & Associados – SROC, S.A., for the Management Report is the verification of the following information:

- Double Materiality Assessment.
- Sustainability Report according to applicable CRSD and ESRS, which offers a limited warranty on Carbon Footprint and other applicable *datapoints*.
- Disclosure aligned with the EU Taxonomy Regulation.
- Green Bond Report Caima 2024

01 Management Report



1.9. Annexes to the Management Report

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A. Legal Matters

Treasury shares

Under the terms and for the purposes of the provisions of Article 66, paragraph 5, d) of the Portuguese Companies Act, it is reported that as of 31 December 2024, Altri did not hold any of its own shares, nor did it acquire or sell any of its own shares during the year.

Shares held by Altri's governing bodies

Pursuant and for the purposes of Article 447 of the Portuguese Companies Act, we hereby inform that, on 31 December 2024, Altri's directors held the following shares:

Ana Rebelo de Carvalho Menéres de Mendonça (a)	35,975,972
João Manuel Matos Borges de Oliveira (b)	34,200,000
Paulo Jorge dos Santos Fernandes (c)	27,965,728
Domingos José Vieira de Matos (d)	25,343,400
José Armindo Farinha Soares de Pina (e)	104,631

(a) The 35,975,972 shares correspond to the total of Altri, SGPS, S.A. shares held by the company PROMENDO INVESTIMENTOS, S.A., of which the director Ana Rebelo de Carvalho Menéres de Mendonça is director and majority shareholder.

(b) The 34,200,000 shares correspond to the total of Altri, SGPS, S.A. shares held by the company CADERNO AZUL, S.A., of which the director João Manuel Matos Borges de Oliveira is director and majority shareholder.

(c) The 27,965,728 shares correspond to the total of Altri, SGPS, S.A. shares held by the company ACTIUM CAPITAL, S.A., of which the director Paulo Jorge dos Santos Fernandes is director and majority shareholder.

(d) The 25,343,400 shares correspond to the total of Altri, SGPS, S.A. shares held by the company VIEIRA DE MATOS - VDM CAPITAL, S.A. (previously named LIVREFLUXO, S.A.), of which the director Domingos José Vieira de Matos is director and majority shareholder.

(e) The 104,631 shares correspond to the total shares in Altri, SGPS, S.A. attributable to José Armindo Farinha Soares de Pina by virtue of his matrimonial regime.

On 31 December 2024, the Statutory Auditor, the members of the Statutory Audit Board and the Board of the Shareholders' General Meeting did not hold shares representing the share capital of Altri.

Qualifying Holdings

On 31 December 2024 and according to the notifications received by the Company, under the terms and for the purposes of Articles 16, 20 and 29-R of the Portuguese Securities Code, it is reported that the companies and/or individuals who have a qualified social participation exceeding 5%, 10%, 15%, 20%, 25%, 33%, 50%, 66% and 90% of the voting rights, are as follows:

1 Thing, Investments, S.A.	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Directly (a)	20,541,284	10.01%
Total attributable	**20,541,284**	**10.01%**

(a) The 20,541,284 shares represent Altri, SGPS, S.A. total shares held directly by 1 Thing, Investments, S.A., whose board of directors includes Altri's director Pedro Miguel Matos Borges de Oliveira

Paulo Jorge dos Santos Fernandes	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Actium Capital, S.A. (of which he is dominant shareholder and director)	27,965,728	13.63%
Total attributable	**27,965,728**	**13.63%**

Domingos José Vieira de Matos	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Livrefluxo, S.A. (of which he is dominant shareholder and director)	25,343,400	12.35%
Total attributable	**25,343,400**	**12.35%**

João Manuel Matos Borges de Oliveira	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Caderno Azul, S.A. (of which he is dominant shareholder and director)	34,200,000	16.67%
Total attributable	**34,200,000**	**16.67%**

Ana Rebelo de Carvalho Menéres de Mendonça	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Promendo Investimentos, S.A. (of which she is dominant shareholder and director)	35,975,972	17.54%
Total attributable	**35,975,972**	**17.54%**

Altri was not informed of any holdings exceeding 20% of the voting rights.

B. Activity developed by the Non-Executive members of the Board of Directors

In 2024, all non-executive directors regularly and effectively performed their duties of monitoring and following-up on the activity carried out by the executive members.

This monitoring took place not only through their regular and assiduous participation in the meetings of the Board of Directors, but also through the participation of some of these non-executive members in the specialized committees existing within the Board, such as the Corporate Governance Committee, the Ethics Committee and the Sustainability, Audit & Risk Committee, committees which regularly report their activities to the Board of Directors.

Where necessary, the non-executive directors maintained close and direct contact with the Altri Group's operational and financial managers, in a perfect articulation that promotes an enlightened and informed environment.

In the 2024 financial year, and within the scope of the meetings of the Board of Directors, the executive Directors always reported on the development of their activity and provided all the information that was requested by the other members of the Board of Directors.

C. Statement pursuant to paragraph 1 (c) of article 29 G of the Portuguese Securities Code

The signatories individually declare that, to the best of their knowledge, the Management Report, the Separate and Consolidated Financial Statements and other accounting documents required by law or regulation were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS-EU"), presenting a true and fair view of the assets and liabilities, the financial position and the consolidated and separate results of Altri, SGPS, S.A. and of the companies included in the consolidation perimeter and that the Management Report faithfully describes the business evolution, performance and financial position of Altri, SGPS, S.A. and of its subsidiaries included in the consolidation perimeter, contains a description of the major risks and uncertainties that they face.

D. Statement of Responsibility

The members of the Board of Directors of Altri, SGPS, S.A. declare that they take responsibility for this information and ensure that the information contained therein is true and that there are no omissions known to them.

Pursuant to Article 210 of the Social Security Welfare Contributions Code (approved by Law no. 110/2009, of 16 September), we inform you that there are no overdue debts to the State, namely to Social Security.

E. Disclosure of Non-Financial Information (DNFI): Correspondence Table

This Table allows the correspondence between the elements required in the report model for disclosing non-financial information, as recommended by CMVM (Securities Market Commission), and the contents of the Altri Group Management Report 2024 (RG24). This model, applicable to companies issuing securities admitted to trading on a regulated market, results from the convocation of the applicable legal regime.

Chapters	Subchapters	Content correspondence
	PART I – INFORMATION ON THE POLICIES ADOPTED	
A.Introduction	1. Description of the general policy of the Company on the issues of sustainability, with the indication of any changes in relation to the previously approved.	RG24 > 1.5.1 Overview > Governance (GOV1-2), Strategy, Business Model and Value Chain - Commitment 2030 (SBM-1) and Material Topics (IRO-1)
	2. Description of the methodology and the reasons for its adoption in the reporting of non-financial information, as well as any changes that have occurred in relation to previous years, and the reasons that motivated them.	RG24 > 1.8 About the report
B. Business model	1. Overview of the business model and organizational structure of the Company/Group, indicating main business areas and markets in which it operates (if possible, using organizational charts, graphs or functional tables).	RG24 > 1.5.1 Overview > Business Model Strategy and Value Chain (SBM-1)
C. Main risk factors	1. Identification of the main risks associated with the reporting matters, and arising from the activities, products, services, or business relations of the Company, including, where appropriate and where possible, supply chains and subcontracting.	RG24 > 1.5.1 Overview > Governance (GOV1-2)
	2. Indication of how these risks are identified and managed by the Company.	RG24 > 1.5.1 Overview > Material Topics > Impacts, Risks, and Material Opportunities (SBM-3)
	3. Explanation of the internal functional division of competencies, including the governing bodies, commissions, committees, or departments responsible for identifying and managing/monitoring risks.	RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Business Strategy and Model (SBM-3) and ESRS E4 Biodiversity and Ecosystems > Business Strategy and Model (SBM-3) RG24 > Annexes to the Management Report > G. Task Force on Climate-Related Financial Disclosure (TCFD)
	4. Explicit indication of the new risks identified by the Company against the reported in previous years, as well as the risks that ceased to be as such.	
	5. Indication and a brief description of the main opportunities that are identified by the Company in the context of the reporting matters.	

Chapters	Subchapters	Content correspondence
D. Implemented policies		
	1. Description of the strategic objectives of the Company and the main actions to be undertaken to achieve them.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain (SBM-1)
	2. Description of the main defined performance indicators.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain > Commitment 2030 (SBM-1) RG24 > 1.5.2 Environmental Data (Goals)
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	
I.Environmental policies	i. Sustainable use of resources	RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change, ESRS E3 Water and Marine Resources and ESRS E5 Circular Economy RG24 > Annexes to the Management Report > I. GRI Table > 302 and 303
	II. Pollution and climate change	RG24 > 1.5.2 Environmental data > ESRS E1 Climate change and ESRS E2 Pollution RG24 > Annexes to the Management Report > I. GRI Table > 305 RG24 > Annexes to the Management Report > G. Task Force on Climate-Related Financial Disclosure (TCFD)
	iii. Circular economy and waste management	RG24 > 1.5.2 Environmental Data > ESRS E5 Circular Economy RG24 > Annexes to the Management Report > I. GRI Table > 306
	iv. Protection of biodiversity	RG24 > 1.5.2 Environmental Data > ESRS E4 Biodiversity and Ecosystems RG24 > Annexes to the Management Report > I. GRI Table > 304

Chapters	Subchapters	Content correspondence
II. Social and Fiscal Policies	1. Description of the strategic objectives of the Company and of the main actions to be taken to achieve them.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain (SBM-1) RG24 > 1.5.3 Social Data
	2. Description of the main defined performance indicators.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain > Commitment 2030 (SBM-1) RG24 > 1.5.3 Social Data > ESRS S1 Own Labour > Goals
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	
	i. Company commitment to the community	RG24 > 1.5.1 Overview > Interests and views of interested parties (SBM-2) RG24 > 1.5.3 Social Data > ESRS S3 Communities Affected The policy of participation in the Communities
	ii. Subcontracting and suppliers	RG24 > 1.5.3 Social Data > ESRS S2 Workers in the Value Chain RG24 > 1.5.4 Governance Data > ESRS G1 Business Conduct > Supplier Relations Management, including Payment Practices (G1-2) Code of Conduct for Forest Service Providers
	iii. Consumers	RG24 > 1.5.1 Overview > Interests and views of interested parties (SBM-2)
	iv. Responsible investment	RG24 > 1.3 Performance > 1.3.5 Responsible Investment (Green Bonds) RG24 > Annexes to the Management Report > L. Green Bonds Report
	v. Stakeholders	RG24 > 1.5.1 Overview > Interests and views of interested parties (SBM-2)
	vi. Tax information	RG24 > Annexes to the Management Report > I. GRI Table > 207
III. Employees and gender equality, and non-discrimination	1. Description of the strategic objectives of the Company and the main actions to be undertaken to achieve them.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain (SBM-1) RG24 > 1.5.3 Social Data Chain > Commitment 2030 (SBM-1)
	2. Description of the main defined performance indicators	RG24 > Annexes to the Management Report > I. GRI Table > 2-7, 2-8, 401, 403, 405, 406, and 407
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	
	i. Employment	RG24 > 1.5.3 Social Data > ESRS S1 Own workforce
	ii. Organization of work	RG24 > 1.5.3 Social Data > ESRS S1 Own workforce Health and Safety (S1-14)
	iii. Health and Safety	RG24 > Annexes to the Management Report > I. GRI Table > 403
	iv. Social relations	RG24 > Annexes to the Management Report > I. GRI Table > 2-30 Skills training and development (S1-13)
	v. Training	RG24 > Annexes to the Management Report > I. GRI Table > 404
	vi. Equality	RG24 > 1.5.3 Social Data > ESRS S1 Own workforce > Metrics > Diversity (S1-9) and Compensation (S1-16) RG24 > Annexes to the Management Report > I. GRI Table > 405

Chapters	Subchapters	Content correspondence
iv. Human Rights	1. Description of the strategic objectives of the Company and of the main actions to be taken to achieve them.	RG24 > 1.5.3 Social Data > ESRS S2 Workers in the Value Chain > Policies (S2-1)
	2. Description of the main defined performance indicators.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain > Commitment 2030 (SBM-1)
	3. Indication, in relation to the previous year, of the degree of achievement of those objectives, at least by reference to:	
	i. Due diligence procedures	RG24 > 1.5.1 Overview > Declaration on Duty of Diligence (GOV-4) RG24 > Annexes to the Management Report > I. GRI Table > 405, 406, 407 and 408
	ii. Risk prevention measures	
	iii. Legal proceedings	Human Rights Policy
v. Fighting corruption and bribery attempts	1. Prevention of corruption: Measures and instruments adopted for the prevention of corruption and bribery; Policies implemented to deter these practices from employees and suppliers; Information on the compliance system indicating the respective functional supervisors, if any; Indication of legal proceedings involving the Company, its administrators or employees related to corruption or bribery; Measures adopted in the public procurement, if relevant.	RG24 > 1.5.3 Governance Data > ESRS G1 Business Conduct > Prevention and Detection of Corruption and Bribery (G1-3)
	2. Prevention of money laundering (for issuers subject to this regime): Measures to combat money laundering; Indication of the number of cases reported annually.	RG24 > Annexes to the Management Report > I. GRI Table > 205 Code of ethics
	3. Codes of ethics: Indication of possible code of ethics to which the Company has adhered or implemented; indication of the respective mechanisms of implementation and monitoring compliance with it, if applicable.	Prevention and Fight against Money Laundering and Terrorist Financing Code of Conduct on Corruption Prevention and Related Offences
	4. Conflict of interest management: Measures to manage and monitor conflicts of interest, in particular the requirement to subscribe to declarations of interests, incompatibilities and impediments by managers and employees	

Chapters	Subchapters	Content correspondence
	PART II - INFORMATION ON THE STANDARDS / GUIDELINES FOLLOWED	
1. Identification of standards/ guidelines followed in reporting non-financial information	Identification of the standards/guidelines followed in the preparation of non-financial information, including the respective options, as well as other principles considered in the performance of the Company, if applicable. In the event that the Company refers to the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, it includes identification of those for whom the Company commits to contribute, with an indication of the measures taken, each year, In the sense of pursuing the purposes outlined in relation to each of these SDGs. That means, identify concrete actions, projects or investments aimed at the fulfillment of this SDGs.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain > Commitment 2030 (SBM-1) RG24 >1. 8. About the report
2. Identification of the scope and methodology for calculating indicators	Description of the scope and methodology of calculation (including the calculation formula) of the indicators presented, as well as the limitations of such reporting.	
3. Explanation in case of non-application of policies	If the Company does not apply policies on one or more issues, the reporting of non-financial information provides an explanation for this.	Not applicable
4. Other information	Additional elements or information which are not found in the previous paragraphs, and are relevant to the understanding, framework and justification of the relevance of non-financial information disclosed, namely networks/consortia of entities related to sustainability and responsibility issues of the organizations it integrates/belongs to, whether at national or international level, and sustainability commitments that the Company voluntarily took on, locally or globally.	RG24 and Annexes

F. Task Force on Climate-Related Financial Disclosure (TCFD)

Altri assesses its resilience to climate change through TCFD recommendations. According to the World Economic Forum, climate change represents the highest risk (severity) globally over the next 10 years. As Earth's temperature increases, extreme weather events are increasingly common, disrupting natural ecosystems and human health, causing economic losses to businesses, and threatening their assets and infrastructure.

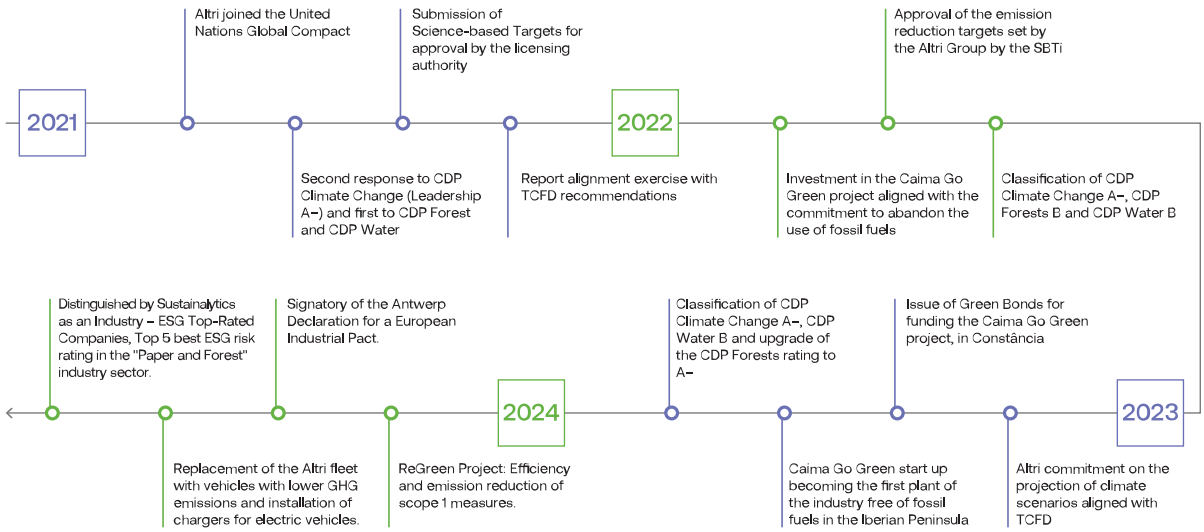
In this context, and in line with various international initiatives (SDG, Paris Agreement, European Green Deal, among others), there is a growing need for the investor community to analyse business resilience against climate risks and opportunities, requiring clear financial information markets, comprehensive and accurate on the impacts of climate change on business performance. In this sense, and to promote the dissemination of comparable and quality information, the Financial Stability Board (FSB) created the Task Force on Climate-related Financial Disclosure (TCFD) to improve and increase the disclosure of climate-related financial information. TCFD, in its working context, has published a set of recommendations for reporting financial information, related to climate risks and opportunities, centred on four key areas: Governance; Strategy; Risk Management; and Metrics and Goals.

This recommendation aims to evaluate the resilience of companies' strategies to different climate scenarios and integrate the most relevant associated risks in the risk management framework.

ALTRI'S JOURNEY

Given the current context, and with climate change and GHG emissions being one of our material themes, we have the concern and ambition to align the report with the recommendations of TCFD. In this sense, we identified opportunities for improvement on an ongoing basis to provide the best possible response to the expectations of the capital market and the different stakeholders. This is a logical step for us, continuing the Group's effort and ambition to contribute to climate change mitigation, in line with 2030 Commitment.

Taking into account the best management and reporting practices, and in view of the genesis and culture of the Group, Altri regularly monitors climate risks and opportunities, reporting relevant information in accordance with TCFD recommendations in CDP - Climate change, having obtained the result 'Leadership (A-)' in 2023. In addition, this report also aims to respond to the recommendations of the TCFD, presenting information related to the four key areas mentioned. Some relevant points are the governance model for climate change, the impacts associated with climate risks and opportunities, how climate risks and opportunities are identified, evaluated and managed, and various relevant metrics and targets to assess and manage climate risks and opportunities. A table of correspondence between the recommendations of TCFD and the communication channel where it is reported the most detailed information for this purpose is also presented.



The evaluation and reporting exercise is dynamic and is continually reviewed to ensure that our management and reporting practices are aligned with the needs of the capital market and appropriate to the business context in which the Group fits.

GOVERNANCE

Our concern and effort are clear - to contribute to sustainable development and to base strategic priorities on objectives of continuous improvement, innovation, and sustainability. To this end, the Board of Directors (BoD) delegates to the Executive Board (EB) the responsibility to ensure the management of sustainability and climate change, with the support of the Sustainability, Audit & Risk Committee, and the Sustainability Management (see the governance structure).

In 2023, the Sustainability Committee evolved to a Sustainability, Audit & Risk Committee (CSAR), whose main objective is to support the Board of Directors in defining and monitoring the sustainability strategy, in line with the '2030 Commitment', integrating the climate change theme (e.g. assessing and managing risks and opportunities of climate change; Propose greenhouse gas emission reduction (GHG) targets and initiatives; Review strategies, targets, and budgets, and monitor performance, among others). CSAR meets at least every three months and reports directly to the BoD.

The Sustainability, Audit & Risk Committee has the support of the Sustainability Directorate and the Sustainability Working Group, which leads the daily and operational work, in alignment with other relevant areas of the Group, with direct responsibility in the implementation and daily management of the themes of sustainability and climate change (e.g. Operational, Legal, Human Resources, Procurement and Logistics, Forest and Wood Supply, Financial, Investor and Commercial Relations). In addition, the Sustainability Directorate, through the Director for Sustainability-related issues, reports directly and weekly to the Executive Board.

STRATEGY

In line with the vision and strategy, Altri aims to be a reference company in the production of eucalyptus cellulosic fibers, based on sustainable forest management.To achieve this ambition, Altri has defined as its objectives the implementation of processes for continuous improvement of environmental performance, namely, the reduction of the ecological footprint, the increase in operational efficiency in industrial units, the increase in productivity, and the promotion of sustainable forest management. Based on this vision, and with climate change being a material theme, the Altri Group monitors the risks and opportunities associated with climate change, identifying transient risks (e.g. political/legal, reputational, among others), physical risks (e.g. acute) and climate opportunities (e.g. new products and services, resource efficiency, among others).

TABLE OF ASSESSMENT OF CLIMATE-RELATED RISKS

Type of risk	Potential financial impact	Phase of the value chain	Time horizon	Magnitude of impact	Probability of occurrence
Transition – Political and Legal Existing and emerging regulation/price increase of GHG emissions	Increase of OPEX	Direct operations	Short-term	Medium	Almost certain
Transition - Market Increased cost of raw materials (wood and chemicals)	Increase of OPEX	Upstream/Direct Operations	Medium-term	Medium	Likely
Transition – Reputational Stigmatization of the sector	Depreciation of the mark and reduction of revenues.	Downstream	Medium-term	Medium	Unlikely
Physical – Acute Increase in frequency and severity of extreme weather events	Increase of OPEX/ CAPEX and reduction of revenues	Upstream/Direct Operations	Short-term	Medium	Likely
Physical – Acute Increase in frequency and severity of extreme weather events	Increase of OPEX/ CAPEX and decrease of the value of biological assets	Upstream/Direct Operations	Short-term	Medium	Likely
Physical – Acute Increase in frequency and severity of extreme weather events	Increase of OPEX/ CAPEX and reduction of revenues	Upstream/Direct Operations	Medium-term	Medium	Likely

TABLE OF ASSESSMENT OF CLIMATE-RELATED RISKS

Opportunity Type	Potential financial impact	Phase of the value chain	Time horizon	Magnitude of impact	Probability of occurrence
Source of Energy					
Use of low-emission energy sources/new technologies	**Reduction of OPEX**	**Direct operations**	**Short-term**	**Medium**	**Almost certain**

CLIMATE-RELATED RISKS

Type of risk	Description and impact of the risk	Altri Reply
Transition – Political and Legal Existing and emerging regulation/price increase of GHG emissions	**Context:** Altri's plants (Biotek, Caima, and Celbi) are covered by the European Emissions Trading System (CELE, EU-ETS). With the transition from phase III to phase IV of the CELE (2021-2030), the allocation of free licenses will be reduced, so it may be necessary to purchase CO_2 emission allowances. If industrial units do not follow the energy transition and the European objectives, a significant financial impact may occur, especially with the increase in CO_2 price. **Impact**: Altri is exposed to the risk of rising greenhouse gas emissions prices due to current and emerging regulations. With the EU ETS Phase 4, which is more stringent, the allocation of free CO_2 licenses to Celbi and Biotek has been reduced, particularly affecting Celbi. Biotek continues to face deficits in CO_2 licenses. These factors may lead to a significant financial impact for Altri, mainly due to potential increases in the price of CO_2e.	. Within the framework of the Commitment 2030, we have established several GHG reduction targets, namely: Consume 100% of primary renewable energy and reduce specific GHG emissions of scopes 1 and 2 by 51%, both contributing to the approved Science Based Target (SBT) to reduce scope 1 and 2 emissions by 51% and scope 3 by 25%, aligned with the temperature increase of 1.5oC comparatively to the pre-industrial values. . Annual implementation of various energy efficiency and GHG emission reduction initiatives. . ISO 50001 certification of the industrial units Biotek, Caima, and Celbi. . Caima Go Green Project: future investment of €50M in Caima to make carbon-neutral operations (biomass against fossil fuels). The boiler project was approved in 2021 and was operational at the end of 2023. . Installation of 4 units of photovoltaic solar panels on the roofs of warehouses in industrial units and Altri Florestal.

Transition - Market Increased cost of raw materials (wood and chemicals)	**Context:** Altri develops its activity in the production of cellulosic eucalyptus fibers, wood being its main raw material, along with chemicals. The company's three cellulosic fiber factories have a joint capacity of more than 1 million tons per year. Although Altri owns some forests, its wood supply comes mostly from suppliers in the Iberian Peninsula and a small percentage of certified sources in South America. The availability and cost of wood are critical factors for Altri's operations and profitability. However, the impacts of climate change on forests, competitiveness for forest resources, regulatory and market factors, and extreme events pose risks to the cost and availability of raw materials, potentially increasing the cost of wood and chemicals for Altri. **Impact**: Altri is exposed to the risk of increased costs of raw materials, mainly wood, due to the impacts of climate change on forests, the competitiveness of wood by other sectors, and market and regulatory factors. These factors can result in lower availability, lower quality, and higher prices of wood and chemicals, with an impact on Altri's production costs and overall profitability.	. Altri's main raw material is wood, which is a renewable raw material. To mitigate this risk, Altri has an aggressive strategy to search for new forest production areas, aiming to increase its forest area by 2030. . AFOCELCA - prevention, safety, and fighting rural fires. . Nurseries of Furadouro and production of plants for reforestation. . Diversity of suppliers, increasing supply resilience, and ensuring a non-disruption of the supply chain. . Continuous improvement in the specific use of wood and subsidiary materials . Research and development of technology with greater efficiency in the use of resources

CLIMATE-RELATED RISKS

Type of risk	Identification and characterization of the risk	Altri Reply
Transition – Reputational Stigmatization of the sector	**Context**: The issue of climate change has been of great importance in recent years and, above all, since the European Parliament declared the climate and environmental emergency and promoted several relevant commitments (e.g. Commitment 1.5oC, Fit for 55, Green Deal, EU Taxonomy). In this sense, most stakeholders are more attentive to climate-related issues, requiring new low-carbon solutions and products. **Impact**: Altri is subject to the risk of stigmatization as stakeholders can associate cellulosic fiber and paper products with deforestation and climate impact. A negative perception of Altri's climate change strategy and performance could reduce investors' interest, undermine the brand, and lead to a decrease in sales volume.	. Future investment in an industrial unit (Spain), with an annual production capacity of 200 thousand tons of dissolving pulp and sustainable fibers, contributes to the strengthening of the circular economy and decarbonization of the textile sector. . Development of the Fiber4Fiber project, which aims to develop dissolving pulps for the production of cellulosic-based fibers such as viscose and lyocell, allowing to distinguish products with renewable origin. . Altri defines several criteria and procedures to minimize environmental impacts, for example, the policy of supplying wood and conservation areas and biospots. . The forests managed by Altri have more than 8 million tons of CO_2 stock in live biomass.

Physical – Acute Increase in frequency and severity of extreme weather events: heavy rain and floods, storms, and tornados' frequency	**Context**: The increase in the frequency and severity of extreme weather phenomena, including severe precipitation and flooding, may have adverse impacts on the stability of the supply of raw materials to Altri, namely wood and chemicals. Although Altri uses its forests for 15%-20% of its wood supply, most come from suppliers in the Iberian Peninsula and a small percentage of certified sources in South America. On the other hand, with plants located in regions prone to extreme events, Celbi, Caima, and Biotek are exposed to various risks related to extreme weather phenomena. This risk exposes Altri to possible financial costs. **Impact**: Altri is subject to the risk of increased frequency and severity of heavy rains and floods, which may have adverse impacts on the stability of the supply of wood and chemicals, as well as on the continuity of operation. Potential impacts include damage to wood inventory, increased repair costs and/or replacement of damaged assets, the shortage of raw materials, higher insurance premiums, and penalties for compliance with contractual guarantees.	. Management of stocks of wood parks, considering the periods of non-season. . Research and development projects in genetic improvement of varieties more resistant to climate change in regions where we currently have forests and the possibility of production in new geographies. . Production and release of natural enemies for the fight of pests in the forest.

Physical – Acute Increase in frequency and severity of extreme weather events	**Context:** The IPCC's 6th assessment report highlights high confidence in increasing the frequency and severity of extreme weather phenomena, including forest fires, in the regions where Altri operates. Altri manages a significant forest area in Portugal, and the risk of forest fires poses a threat to its forest heritage. Longer periods of drought and higher temperatures increase the likelihood of forest fires, which can decrease the value of assets and their useful life, resulting in write-offs or impairments. In addition, dependence on the external supply of wood can lead to an increase in costs. Portugal has a history of severe forest fires during the hot months, further exposing Altri to this risk. **Impact**: Altri faces the risk of increased frequency and severity of forest fires, influenced by longer periods of drought and higher temperatures. This poses a risk to your forest assets in Portugal and may decrease their value and useful life, requiring write-offs or impairments. In addition, dependence on the external supply of wood can lead to an increase in costs.	. The implementation of an innovative wood cooking technology (fine grain material digester) improved the efficiency of raw material use, increasing production capacity (2,5%) and reducing the specific consumption of wood and waste. . Active member of AFOCELCA (a group of companies for forest fire monitoring and fighting). 2,9 M€ invested in preventive forestry and 3,8 M€ in AFOCELCA forest fire detection and firefighting devices. . Definition of a strategy for combating forest fires, based on four technical criteria: Arrival times; Initial mass attack (single blow); Material damage; Potential hazard. . Reforestation of 2.000 ha according to best practices and involvement of more than 300 people in preventing, monitoring, and fighting rural fires. . Investment in the Furadouro nurseries, with an annual production capacity of about 7 million plants for planting in the forests and/or selling to customers. . Membership of Act4nature Portugal, publicly committing to protect, promote, and restore biodiversity (Annex H).
Physical – Acute Increase in frequency and severity of extreme weather events: water shortage/droughts	**Context:** Altri manages forests in Portugal, which cover a significant area and constitute a crucial source of wood for the company's activities. Increasing the frequency and severity of droughts due to climate change poses a significant risk to these forests. Prolonged periods of drought and high temperatures can lead to reduced water availability, which can directly affect tree growth and forest productivity. If trees do not receive enough water, they may become more susceptible to diseases, pests, and forest fires, damaging the quality and quantity of the raw material available for the production of cellulosic fibers.On the other hand, the water resource is fundamental for Altri's operation in the factories (cellulosic fiber production). **Impact**: The risk of increased frequency and severity of droughts is a threat to Altri's forests. The lack of water during a drought may affect the quality of the trees and, consequently, the quality of the cellulosic fibers produced. Trees stressed by drought can show irregular growth, weaker wood, and lower fiber yield, which affects the final quality of the product.	. Research and development projects in genetic improvement of varieties more resistant to climate change in regions where we currently have forests and the possibility of production in new geographies.

CLIMATE-RELATED OPPORTUNITIES

Opportunity Type	Description and impact of the opportunity	Altri Reply
Source of Energy Use of low-emission energy sources/new technologies	**Context**: Altri operates within the value chain based on renewable resources. European climate and energy regulations give priority to renewable energy production. The European Commission's Bioeconomy Strategy supports the development of biomass-based industries and the transition to sustainable and bio-based alternatives. The management of forests certified by Altri contributes to combating climate change and aligns with the goals of the low-carbon economy. The development and expansion of low-emission goods and services, such as biomass energy production and NOS wood-based solutions on textiles, present significant opportunities for Altri to gain a competitive advantage and contribute positively to the objectives of climate and circularity. **Opportunities:** It consists of the use of biomass resources to develop low-emission goods and services following European regulations, including the production of renewable energy through photovoltaic panels and the exploitation of wood-based solutions. The benefits result from energy savings and revenue generation through the sale of electricity to the public network.	. Use of biomass, either through black liquor (by-product of the pulp production process and in turn renewable fuel) and/or through residual forest biomass in the electricity production process. The electricity produced by our industrial units is sufficient to meet the needs of the mills, and energy self-sufficiency is guaranteed. . Future investment in an industrial unit in Spain, capable of producing 200 thousand tons of dissolving pulp and renewable fibers annually, contributing to the strengthening of the circular economy and decarbonization of the textile sector. . Development of the Fiber4Fiber project, which aims to optimize dissolving pulp for the production of cellulosic-based textile fibers, such as viscose and lyocell, allowing the distinction between products with renewable origin.

RISK MANAGEMENT

For Altri, a substantive change (financial impact) can be described as one that can directly affect us or its value chain: Financially, relevant changes in key financial KPIs (e.g. revenues), or strategically, as is the case of changes that make it impossible to pursue the strategic objectives of the company. See subchapter subsection 1.4 Risk and uncertainty management..

Risk management is carried out in a value-creation perspective, with a clear identification of threat situations that may affect business objectives. The Group's management, based on sustainability criteria, is becoming increasingly crucial within the organization, and risk management is monitored in a holistic manner (including environmental and social components), with increasing acuteness.

The risks related to climate change are one of the risks with materiality in general risk analysis. To deepen risks and opportunities, work is carried out in conjunction with the direction of risk and sustainability. For mapping and validating the risks presented were included, in addition to administration, several directions of the 3 industrial units, representing the areas of production,

maintenance, forest management, supplies, and logistics, so that we can identify all risks with the potential to impact the activities and operations of the Altri Group.

METRICS AND TARGETS

Investors and other stakeholders require a deep understanding of how an organization measures and monitors its risks and opportunities, including those related to climate change. Access to the metrics and goals used by the organization allows stakeholders to better evaluate the potential risk-return relationship of the organization, the ability to meet financial obligations, the general exposure to climate impacts and progress in management, mitigation and adaptation to them.

The way Altri manages sustainability considers several interrelated metrics, aligned with the decarbonization of the economy and several goals, within the scope of the 2030 Commitment.

METRICS	TARGETS
Energy and climate ► Specific energy consumption (GJ/ADT); ► Specific emissions of GHG from scope 1, 2 and 3 (kg CO_2e/ADT); ► Avoided emissions (t CO_2e); ► Steam consumption (t/ADT); ► Primary energy consumption of renewable origin in Altri plants (GJ); ► Carbon sequestration (t CO_2e).	**Energy and climate** ► SBT (approval in progress): Reduce specific emissions of GHG from scope 1+2 (kg $CO_2$and/ADT) by 51% by 2030. SBT (approval in progress): Reduce specific emissions of GHG from scope 3 (kg $CO_2$and/ADT) by 25% by 2030. ► 100% of the primary energy consumed in the industrial units of Altri is of renewable origin by 2030.
Circular Economy ► Renewable origin of raw materials used (%); ► Recovery of by-products and waste (%).	**Circular Economy** ► 100% of process waste recovered or reused.
Biodiversity ► Wood consumption with forest management certification (%); ► Area under natural conservation management (ha); ► Number of biodiversity stations and biospots (no.).	**Biodiversity** ► Increase by 40% the percentage of wood consumption with forest management certification by 2030 (act4nature). ► Double the area under natural conservation management (ha) (act4nature). ► Develop 13 biodiversity stations and biospots (no.) (act4nature).
Water and effluents ► Organic load (COD, kg O_2/ADT) in industrial effluents from Altri; ► Specific water use (m^3/ADT) ► Mapping of water use in water stress areas (%).	**Water and effluents** ► Reduce the specific use of water (m^3/ADT) in Altri's industrial units by 50% up to 2030 (act4nature). ► Reduce the organic load (COD, kg O^2/ADT) in Altri's industrial effluents by 60% by 2030.

NEXT STEPS

Altri has the ambition to strengthen the incorporation of climate issues into the Group's risk-craving structure and to consider them in all business processes and decisions. However, the identification and quantification of the impacts of climate change is an ongoing process of development. There is a commitment to continue to refine the approach of risk management and climate opportunities, and the Group is committed to continuous improvement in activities, aiming to develop new management practices regarding climate change, as well as improving the alignment of reporting with TCFD recommendations and other related benchmarks.



CORRESPONDENCE TABLE

Recognizing the value of sustainability reporting benchmarks, the following correspondence Table demonstrates the relationship between this Management Report (RG24), and TCFD recommendations (2024 update).

CATEGORY	REPORT RECOMMENDATION	REPORTING SITE
GOVERNANCE	a) Describe the supervision of the Board of Directors on climate-related risks and opportunities.	RG24 > 1.5.1 General Information > Information provided to the management, management and supervisory bodies of the company and sustainability issues addressed by them (GOV-2). CDP – C.04).
	b) Describe the role of management in the assessment and management of climate-related risks and opportunities.	RG24 > 1.5.1 General Information > Information provided to the management, management and supervisory bodies of the company and sustainability issues addressed by them (GOV-2). CDP – C.04).
STRATEGY	a) Describe the risks and opportunities related to the climate identified by the Organization for the short, medium and long term.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain (SBM-1). RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Strategy and Business Model (SBM-3). CDP – C.05
	b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.	RG24 > 1.5.1 Overview > Strategy, Business Model and Value Chain (SBM-1). RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Strategy and Business Model (SBM-3). CDP – C.05 a; C2.4a; C3.1; C; C3.2a; C3.2b; C3.3; C3.4).
	c) Describe the resilience of the organization's strategy, taking into account the different climate-related scenarios, including scenario 2c or below.	RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Strategy and Business Model (SBM-3). CDP – C.05
RISK MANAGEMENT	a) Describe the organization's process for identifying and assessing climate-related risks.	RG24 > 1.5.1 Overview > Material Topics > Climate Change Impacts, Risks, and Opportunities (IRO-1). CDP – C.02
	(b) describe the process of the Organization to manage climate-related risks.	RG24 > 1.5.1 Overview > Material Topics > Climate Change Impacts, Risks, and Opportunities (IRO-1). CDP – C.02
	(c) describe how the organization's climate-related risk identification, assessment, and management processes are integrated into global risk management.	RG24 > 1.5.1 Overview > Material Topics > Climate Change Impacts, Risks, and Opportunities (IRO-1). CDP – C.03
METRICS AND TARGETS	a) Disseminate the metrics used by the organization to assess climate-related risks and opportunities, in line with the risk management strategy and process.	RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Targets (E1-4). CDP – C.07 Altri website (Our commitment; Environment)
	b) Disseminate GHG emissions (scope 1, 2 and 3) and associated risks.	RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Greenhouse Gas Emissions (E1-6). CDP – C.07
	c) Describe the objectives used by the organization to manage climate-related risks and opportunities and assess its performance against objectives.	RG24 > 1.5.2 Environmental Data > ESRS E1 Climate Change > Climate Change Related Policies (E1-2). CDP – C.07

G. Following *Act4Nature*

SMART individual commitments	Monitoring indicators	2022	2023	2024
Double the conservation area in 10 years In 2030, in areas under forest management (own or leased area), Altri intends to achieve a network of conservation areas of about 16,000 ha while maintaining the entire structure of the company committed to this goal.	Conservation area (ha/year)	10 200	10 549	11 649
	Conservation area (ha/ year/habitat)	251	349	1 100
Producing and planting 1 million native plants in the Viveiros do Furadouro, Altri, intends to produce for reforestation projects, own and partners, about at least 1 million native plants in 10 years. Partnerships will be established through collaboration protocols between Altri and other entities with the aim of supporting reforestation initiatives and ensuring their viability and maintenance.	Area (ha) planted/ha	190	396	618
	No. planted plants/year	152 334	31 7273	49 4878
Expand the network of biodiversity stations and biospots Install 13 new biodiversity stations and integrated biospots in the areas under forest management of Altri.	No. of biodiversity stations	7	7	8
	No. biospots/year	3	0	3

SMART individual commitments	Monitoring indicators	2022	2023	2024
Conserve and/or restore high conservation value ecosystems Implement 10 projects of local relevance that contribute directly to the conservation and restoration of natural values, establishing appropriate partnerships whenever possible locally and privileging contact with the school community. Conservation, restoration and promotion actions of environmental values, integrated with the regular activities of forest production in territories of size, importance and relevance at landscape level, contributing to regional and national policies for the conservation of biological diversity and with demonstrative impact.	No. of projects implemented and their results	Six projects under way in 2022 directly contributing to the conservation and restoration of natural values: 1- **Partnership with GEOTA - Renature Monchique** - Completion of planting and densification of conservation areas - planting of 1200 oak trees (Quercus canariensis). 2 - **Cabeço Santo** - Renewal of the partnership with Cabeço Santo Association in the restoration and eradication of woody invaders in the ecological corridor of Ribeira de Belazaima. 3 - **Partnership with Montis** (Costa Bacelo and Vieiro properties) - implementation of the conservation management agreement for the restoration and renaturalization of habitats of riparian galleries and mountain habitats . 4 - **Renewal of the Partnership with WWF in the Project "Plantar Água"**, recovery of habitats in the Foupana stream and tributaries in the Serra do Caldeirão, at this stage integrating our property Legumes e Tojo. 5 - Altri Florestal is a co-sponsor and partner in the **LIFE LX Aquila project** led by SPEA (Portuguese Society for the Study of Birds) - 6 - An integrated study on habitats and species of the ecological corridor of the **Ribeira de Alferreira** (Gavião/Nisa) with the Faculty of Sciences (UL) and the Polytechnic Institute of Santarém. In 2022, the first protocol was signed to safeguard sites of nesting of Eagle-de-Bonnelli in properties of Altri Florestal and the possibility of acquisition of two properties in Mafra and Loures associated with two historical sites and proven nesting of the species is being evaluated.	Seven projects underway in 2023 directly contributing to the conservation and restoration of natural values: 1 - **Partnership with GEOTA - Renature Monchique** - conclusion of planting and densification work in conservation areas. 2 - **Cabeço Santo** - Partnership with Cabeço Santo Association for the restoration and eradication of woody invaders in the ecological corridor of Ribeira de Belazaima. 3 - **Partnership with Montis** (Costa Bacelo and Vieiro properties) - implementation of the conservation management agreement for the restoration and renaturalization of habitats of riparian galleries and mountain habitats. 4 - **Renewal of the Partnership with WWF in the Project "Plantar Água"**, recovery of habitats in the Foupana stream and tributaries in the Serra do Caldeirão, at this stage integrating our property Legumes e Tojo. 5 - Altri Florestal is a co-sponsor and partner in the **LIFE Lx Aquila project** led by SPEA (Portuguese Society for the Study of Birds) - In 2023, the possibility of acquiring two properties in Mafra and Loures associated with two historic sites and where nesting of species is proven was analyzed. 6 - Realization of an integrated study on habitats and species of the ecological corridor of the **Ribeira de Alferreira** (Gavião/Nisa) with the Faculty of Sciences (UL) and the Polytechnic Institute of Santarém. 7- **Project for In-situ and ex-situ** identification and conservation of flora with threat degree in the West Region (Óbidos). Integrated initiative in the Transform agenda (PRR) coordinated by Altri Florestal.	Six projects underway in 2024 directly contributing to the conservation and restoration of natural values: 1 - **Partnership with GEOTA - Renature Monchique** - conclusion of planting and densification work in conservation areas. 2 **- Cabeço Santo** - Partnership with Cabeço Santo Association for the restoration and eradication of woody invaders in the ecological corridor of Ribeira de Belazaima. 3 - **Partnership with Montis** (Costa Bacelo and Vieiro properties) - implementation of the conservation management agreement for the restoration and renaturalization of habitats of riparian galleries and mountain habitats 4 - **Renewal of the Partnership with WWF in the Project "Plantar Água"**, recovery of habitats in the Foupana stream and tributaries in the Serra do Caldeirão, at this stage integrating our land estate Legumes e Tojo. 5 - Altri Florestal is a co-sponsor and partner in the **LIFE LX Aquila proje**ct led by SPEA (Portuguese Society for the Study of Birds) - 6 - Realization of an integrated study on habitats and species of the ecological corridor of the **Ribeira de Alferreira** (Gavião/Nisa) with the Faculty of Sciences (UL) and the Polytechnic Institute of Santarém. 7- Project for In-situ and ex-situ **identification** and conservation of flora with threat degree in the West Region (Óbidos). Integrated initiative in the Transform agenda (PRR) coordinated by Altri Florestal. 8 - **Collaboration in the LIFE Aegypsus Return project** (SPEA) to promote the nesting of Black Vulture in the Galisteu land estate (Tejo International Natural Park) with the installation of three dedicated artificial platforms.

SMART individual commitments	Monitoring indicators	2022	2023	2024
Integrate other activities with forest management with value (economic, social and environmental) Promote 10 locally relevant projects and/or activities that generate economic, social and environmental value in areas under forest management. Promote projects focused on value added by the presence of forest production areas and their contribution to generate other direct economic values in other products (e.g. Honey, Arbutus berry, mushrooms)	No. of projects per year or other project-specific KPIs (Key Performance Indicators)	1 - **Medronho XXI Project -** Propagation of superior quality genetic material of Arbutus unedo that meets the specific needs of forest producers In 2022 the project is in the production phase of cultivars in micropropagation and production in scale of strawberry trees at Viveiros do Furadouro. 2 - **Partnership with the company Buijinink Int.** - Harvesting of Eucalyptus globulus branches for floral arrangements and production of essential eucalyptus oil. 3 - **Partnership with Honey** producer in the municipality of Penamacor.	**1 - Medronho XXI Project** Propagation of superior genetic material of Arbutus unedo that meets the specific needs of forest producers. The project is in the production phase of cultivars in micropropagation and scale production of strawberry trees in the nurseries Viveiros do Furadouro. **- Partnership with Buijinink Int.** - Harvesting of Eucalyptus globulus branches for floral arrangements and production of essential eucalyptus oil. **3 - Eucalyptus Honey Valorization Project** Integrated Project in the Transform Agenda (PRR) coordinated by Altri Florestal **4 - Management of forest fuels using goats in the region of Belver** - Gavião.	1 - **Medronho XXI Project** propagation of superior genetic material of Arbutus unedo that meets the specific needs of forest producers. The project is in the production phase of cultivars in micropropagation and scale production of strawberry trees in the nurseries Viveiros do Furadouro. - **Partnership with Buijinink Int.** - Harvesting of Eucalyptus globulus branches for floral arrangements and production of essential eucalyptus oil. 3 - **Eucalyptus Honey** Recovery project Integrated project in the TransForm Agenda (PRR) coordinated by Altri Florestal - 1st FSC Certified Eucalyptus Honey. 4 **- Management of forest** fuels using goats in the region of Belver - Gavião.
Promote good forest management practices and their certification Ensure that there is an increase in consumption in Altri's certified industrial timber plants from 57% (2018) to at least 80% in 2030.	Quantity of wood certified/ total quantity of wood consumed	68%	70	78
Reduce the specific use of water (m^3/ADT) in Altri's industrial units by 50% Reduce specific water use by 50% from the reference value of 2018, which was 20m^3/ADT	Specific water use	20	20	20
To publicize the implementation of the commitments made under act4nature	Annually within the framework of the Sustainability Report	☑	☑	☑

H. GRI Table

Declaration of use	Altri reported according to GRI standards for the period from January 1 to December 31, 2023. The information in this Table relates to the Annual Report 2023.
Report according to:	GRI 1: Fundamentals 2021
Applicable GRI Sectorial Standard(s):	N/A

	Disclosures	Location/default	SDGs
The organization and its reporting practices			
2-1	Details of the organization	Legal name of the organization Altri, SGPS, S.A. Legal nature: Public limited company, listed on the Euronext Lisbon stock exchange Head office: Rua Manuel Pinto de Azevedo, 818, Porto, Portugal Countries in which it operates: Spain, Portugal and Switzerland	
2-2	Entities included in the sustainability report of the organization	This report includes all the companies within the Altri Group perimeter, a total of 17 companies, namely: ► Celbi; ► Biotek; ► Caima; ► Altri Florestal; ► Viveiros; ► Altri, SL; ► Altri Sales; ► FlorestSul; ► Altri, SGPS; ► Inflora; ► Captaraiz; ► Altri Abastecimento Madeiras S.A.; ► Sociedade Imobiliária; ► Biogama; ► Greenfiber, SL; ► Greenfiber Development, SL; ► Altri Abastecimento Biomassa S.A. These companies are reported in the chapter Consolidated Financial Statements and Notes > 4. Investments). 2023 Integrated Report can be consulted through the link. The sustainability indicators, calculated for all companies, refer mostly to the activities directly related to the production of cellulosic fibers, consequent energy production, and the company's forest management activities, due to its greater impact on the Group's performance in these matters, specifically Celbi, Biotek, Caima and Altri Florestal. For other companies, such as companies with minority interests (Greenfiber and Greenfiber Development), their contributions to the sustainability performance of the Altri Group will not be considered.	
2-3	Reporting period, frequency and point of contact	11. About the report Any questions about the sustainability report should be directed to: sustentabilidade@altri.pt	
2-4	Reformulation of information	This report corrects the following data from the previous report (Integrated Report 2022): 201-1, 302-1, 305-4 and 305-5. The data regarding to indicator 2-7 has also been updated, with consequent rectifications to the other human resources indicators, namely: 2-30, 205-2, 401-1, 401-3 and 404-1. At Altri Florestal in some indicators in 2023 (e.g. GRI 303-3, GRI 306-3) and the energy and emissions figures were revised for the 3 years. These changes are the result of an internal review process to consolidate and standardize the methodologies used to calculate the indicators. Reference is made to the respective methodological note for the indicators identified.	
2-5	External check	1.8. About the Report Annexes to the Management Report > M. Independent Limited Warranty Assurance Report	

2-6	Activities, value chain and other business relationships	According to The Global Industry Classification Standard (GICS®), Altri's business sector is the materials sector (1510) paper & forest products (151050).	
2-7	Information about employees	The indicator is answered in the table below.	8

	2021				2022				2023			
Location	PT	ES	CH	TOTAL	PT	ES	CH	TOTAL	PT	ES	CH	TOTAL
Type of contract by gender												
Permanent contracts (no.)	719	6	6	**731**	758	8	4	**770**	726	9	4	**739**
Male	616	5	2	**623**	628	7	1	**636**	597	8	2	**607**
Female	103	1	4	**108**	130	1	3	**134**	129	1	2	**132**
Fixed-term contracts (no.)	43	0	0	**43**	45	0	0	**45**	73	0	0	**73**
Male	35	0	0	**35**	34	0	0	**34**	52	0	0	**52**
Female	8	0	0	**8**	11	0	0	**11**	21	0	0	**21**
Type of employment by gender												
Full time (no.)	762	6	6	**774**	803	8	4	**815**	799	9	4	**812**
Male	651	5	2	**658**	662	7	1	**670**	649	8	2	**659**
Female	111	1	4	**116**	141	1	3	**145**	150	1	2	**153**
Part-time (no.)	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
Male	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
Female	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
Total employees	**762**	**6**	**6**	774	**803**	**8**	**4**	815	**799**	**9**	**4**	812

Note 1: To improve the reporting of this indicator, Altri disaggregated data by location - country, namely Portugal (PT), Spain (ES), and Switzerland (CH). The values reported in previous years were rectified.
Note 2: The company does not have employment contracts with workers without a guarantee of workload (without a guarantee of a fixed number of hours of work, but which must be available if necessary to perform work).
Note 3: The reported data counts the number of existing employees as of December 31, 2023.

	Disclosures	Location/default	SDGs
2-8	Workers who are not employees	On December 31, 2023, Altri had 802 workers who did not have a contractual relationship with the organization and whose work was controlled by the organization. These calculations were obtained through the total number of hours worked. These workers are used through subcontracted companies to carry out work such as cleaning offices, catering services, and equipment maintenance, among others.	

Governance

2-9	Governance structure and Composition		

	Disclosures	Location/default	SDGs
		The election of members of the Board of Directors of the Company is the responsibility of the shareholders, by decision taken at the General Meeting. Members are elected for three-year terms and may be reelected once or more. The Board of Directors consists of an even or odd number of members, at least three and a maximum of fifteen, shareholders or not, elected at the General Meeting, which may, from the outset, appoint the respective Chairman. Also, in matters of election of members of the Board of Directors, it is important to refer to the statutory rule set out in Article 15 of the By-laws, following which in the General Meeting a Board member may be elected, among persons proposed in lists subscribed by groups of shareholders, provided that none of these groups has shares representing more than twenty percent and less than ten percent of the share capital. If there are proposals in this sense, the election will be carried out in isolation before the election of the other Board members. Each of the lists referred to above shall propose at least two eligible persons for each of the positions to be filled. No shareholder may subscribe to more than one of these lists and if in an isolated election, lists are presented by more than one group, the vote shall focus on all these lists. These rules will only apply if, under any circumstances, the Company is considered a public subscription, a concessionaire of the State, or an entity equivalent to it.	
2-10	Nomination and selection of the highest governance body	The Executive Board is appointed by the Board of Directors, which shall also appoint its Chairman and its Vice-Chairman and shall consist of three to six directors. The Remuneration Committee consists of three shareholders, one of whom will be the President, elected at the General Meeting for three years, in agreement with the mandate of the governing bodies, and at least one of the members must have knowledge and experience in matters of remuneration policy. The Ethics Committee is appointed by the Board of Directors, on a proposal from the Executive Committee, which shall also appoint its President and Vice-President, and shall consist of two to five directors of the Company, one or more members of the Supervisory Board, and one to three directors of the Company who report directly to executive directors. The Strategic, Operational & Governance Monitoring Committee is appointed by the Board of Directors and consists of a minimum number of three and a maximum of six directors of the Company, one being the Chairman of the Executive Board. Finally, the Sustainability, Audit & Risk Committee is appointed by the Board of Directors, which will also appoint its chairman, and consists of a minimum of three and a maximum of five directors of the Company, and two to four directors of the Company, namely with experience in ESG (Environmental, Social and Governance) and Sustainability, Risk and Internal Audit matters. Criteria such as diversity, independence, stakeholder view, and relevant competencies were applied to the impact of the organization on the appointment and selection of members of the Altri Board of Directors.	

	Disclosures	Location/default	SDGs
2-11	Chair of the highest governance body	The chairmanship of the highest hierarchically elevated governance body is exercised by a senior executive of the organization: The Chairman of the Board of Directors. Its powers are laid down in the Code of Commercial Companies, in particular: (i) The power to convene and direct the meetings of the BoD, (ii) Quality/Tie-off vote in the deliberations of the BoD, (iii) The power to make the call of alternates to replace Board members with a permanent or temporary absence, (iv) The right to information on the voting impediments of the other Board members and the power to decide on the existence of a conflict of interest in the computation of votes, (v) The power to represent the company in receipt of the statements of resignation of other Board members, as well as in receipt of notifications or other statements from Board members whose addressee is the company, (vi) The power to receive the instruments of representation for Board members to be represented by others in BoD meetings, and (vii) The power to exchange views with the statutory auditor on serious difficulties in pursuing the object of the company. Taking into account the personal profile, career, and professional experience of the Chairman of the Board of Directors of Altri, it is considered that the appointment of this director is adequate given the nature and size of the Company, thus ensuring effective monitoring, as well as real supervision and surveillance of the activity developed by the executive members.	
2-12	Role of the highest governance body in overseeing the management of impacts	The Sustainability, Audit & Risk Committee, is appointed by the Board of Directors, has as its primary mission to participate in the definition and monitoring of the Altri Group's sustainability and risk policy and strategy. In addition to having executive and non executive directors in its composition, it is also invites to participate in the meetings by the leaders of the Group directorates who are dedicated to areas that should assist the activity of this committee. In the performance of its tasks, the Sustainability, Audit & Risk Committee is responsible for inform the Board of Directors about the performance of sustainability indicators in line with the established policies, commitments, objectives, and targets, as well as ensuring, in terms of sustainability, the alignment of sustainability objectives with the sustainable development objectives set out in the United Nations agenda, with the results of stakeholder consultation and good practices in the industry and also in matters of audit and risk, review and issue opinions on the statements of semi-annual and quarterly accounts, and advise the Board of Directors on its reports to shareholders, to be included in the Company's annual financial statements.	
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability reporting	The Board of Directors is responsible for approving the Integrated Management Report, based on the opinion of the Sustainability, Audit & Risk Committee.	

	Disclosures	Location/default	SDGs
2-15	Conflicts of interest	At Altri, there is a policy to prevent situations of conflict of interest, which is enshrined in the Rules of Transactions with Related Parties and Conflicts of Interest. In addition, there is a Code of Ethics, which is also cross-sectional and applicable at all levels of the organization, including members of the governing bodies. Altri does not allow conflicts of interest between any worker or partner and the Company. When faced with a potential conflict of interest situation, workers or partners should: (i) Inform direct supervisors, in writing, of the conflict of interests in which they are or may be involved, before undertaking any operation or completing the business concerned; (ii) Refrain from intervening or influencing, directly or indirectly, decision-making that may affect entities with which there may be a conflict of interest and participate in meetings where such decisions are discussed or assess confidential information affecting such conflict. The employee or partner must refrain from acting, at all times, based on their motivations, not giving priority to their interests or third parties, whenever this may jeopardize Altri's interests. Regarding the communication of possible conflicts of interest to stakeholders, considering cross-shareholdings, the existence of shareholders with a position of control and relations with the related parties, their relations and transactions, it is carried out through this Integrated Management Report, as well as through the website and section announcements.	
2-16	Communication of critical concerns	The Sustainability, Audit & Risk Committee regularly informs the Board of Directors about its activities related to environment, sustainability, and risk matters, through duly convened meetings, where the Chairman of the Board of Directors attend as a member.The Sustainability, Audit & Risk Committee includes four non-executive directors, (including the Chairman of the Board of Directors) and one executive director, ensuring that this committee is in permanent contact with the Board of Directors. During the reporting period, there was no reporting of critical concerns to the highest hierarchically high governance body.	
2-17	Collective knowledge of the highest governance body	The Sustainability, Audit & Risk Committee regularly informs the Board of Directors of its concerns regarding the environment, sustainability and risk, namely through duly convened meetings, which are attended as a member by the Chairman of the Board of Directors. The Sustainability, Audit & Risk Committee comprises four non-executive directors (including the Chairman of the Board of Directors) and one executive director, ensuring that this committee is in permanent contact with the Board of Directors.	
2-18	Evaluation of the performance of the highest governance body	The Board of Directors does not set a time to formally carry out a documented self-assessment, but this self-assessment is carried out regularly by a body that meets at least once a quarter and which monitors the company's activity so closely and regularly that it reflects the fairness and appropriateness of the body's actions. In addition, and as provided for in article 376 of the CSC, the General Meeting carries out an annual general appraisal of the company's management.	

	Disclosures	Location/default	SDGs
2-19	Remuneration policies	The fixed overall remuneration of the Board of Directors, including the remuneration paid by the participating companies to the members of the Board of Directors, may not exceed € 4,000,000 per year. The remuneration of non-executive directors includes only one fixed component, corresponding to a fixed monthly remuneration, the amount of which is determined by the remuneration committee, and reviewed, if necessary, periodically, taking into account the best practices and responsibilities of each non-executive administrator. The remuneration of executive directors includes two components: (i) a fixed component, corresponding to a monthly amount paid, and (ii) variable component, which includes a variable short-term premium (paid annually) and a variable medium-term premium (paid after a 3-year deferral). The variable component (short-term and medium-term) is determined according to the individual performance of each executive director, taking into account the respective annual individual assessment, according to the previously defined quantitative (financial and non-financial) and qualitative objectives. The short-term variable bonus is paid annually and cannot exceed the annual fixed remuneration. The medium-term variable bonus is configured in the form of Phantom Shares, which is a calculation formula that consists of setting an a priori value for Altri shares, which will correspond to the value of the closing price on a given day and assuming an investment of a certain value in the Company's shares, and can be exercised in full, within a certain period to be agreed which will never be less than three years from the date of its attribution, or for a maximum amount of 50% (fifty per cent) within 4 (four) years and for the remaining amount of 50% (fifty per cent) within 5 (five) years, in any case from the date it is granted, subject to verification and compliance with quantitative performance objectives associated with the Total Share Return, which is why its payment is not guaranteed.	
2-20	Process for determining remuneration		
2-21	Annual total compensation ratio	Confidential information – As the Altri Group is present in Portugal, Spain, and Switzerland, there are Group workers who are in a mobility regime and thus earn adequate remuneration for their country of activity, so the annual remuneration ratio is conditioned by this variation between countries, not corresponding to the reality of the national context.	
Strategies, policies and practices			
2-22	Statement on sustainable development strategy		
2-23	Policy commitments	Altri is a signatory to the United Nations Global Compact, which demonstrates its public commitment to integrating, in its policies and strategies, the fundamental principles of human rights, labor practices, environmental protection, and anti-corruption and sustainable development objectives. The principles that guide ALTRI are based on universally accepted declarations, namely the Universal Declaration of Human Rights, the Declaration of the International Labor Organization on Fundamental Principles and Rights, and the Rio Declaration on Environment and Development. The Human Rights Policy identifies all of the internationally recognized labor rights that the Altri Group undertakes to respect. In turn, the Community Participation Policy identifies stakeholders, particularly the most vulnerable risk groups, which Altri seeks to integrate into its activity under its Social Responsibility. It is the Board of Directors that approves all policies related to ALTRI's social responsibility, which is the top body of the organization.	

	Disclosures	Location/default	SDGs
2-24	Embedding policy commitments	The responsibilities of incorporation of policy commitments are competencies of the Ethics Committee and the Sustainability Committee, appointed by the Board of Directors, on a proposal from the Executive Board. The commitments made by the Altri Group are described throughout the report.	
2-25	Processes to remediate negative impacts	Altri is responsible for managing and developing its activity in a sustainable way and undertakes, through the follow-up of several principles to minimize its environmental impact, with prevention and safety mechanisms. In monitoring the risk management process, the Board of Directors, as the body responsible for Altri's strategy, undertakes, inter alia, to ensure that the Group has the ability to minimize the likelihood of occurrence and the impact of risks on the business. Altri's involvement with its stakeholders is through structured interactions, through customer and employee satisfaction surveys, listening to investors and through our complaint's channels. Involvement with stakeholders in the media and social media is also important to understand opinions, concerns and trends, both locally, in the vicinity of our business units, but also at the Altri Group level, in a more global perspective. The Internal Reporting Channel is accessible to all individuals, natural or legal, who may be adversely affected by the Altri Group or who wish to claim, report, clarify or expose any situation, namely related to human and labor rights, and is accessible through Altri's website. The Supervisory Board is the main body to which any communications of irregularities should be directed by any employee, partner, client, supplier or any other stakeholder. The Supervisory Board will establish a perfect articulation with the Ethics Committee in relation to all matters that require the intervention and action of the latter. If any complaint is sent to the Ethics Committee of the Company, the Company shall forward it to the Supervisory Board if the respective matters, according to the law, must be dealt by this body. If any employee prefers to communicate on anonymity, the written comments may be sent, in as much detail as possible, through the whistle blower channel, if the irregular situations are adequate to be reported there.	
2-26	Mechanisms for seeking advice and raising concerns	Maintaining dialogue with stakeholders is fundamental to the correct implementation of Altri's sustainable policies and practices. Advice to stakeholders is carried out through personalized meetings and also through complaint channels. Involvement with stakeholders in media and social media is also important to understand opinions, concerns and trends, both locally and globally. The Internal Reporting Channel is accessible to all individuals, natural or legal, who may be adversely affected by the Altri Group or who wish to claim, report, clarify or expose any situation, namely related to human and labor rights, and is accessible through Altri's website. The Supervisory Board is the main body to which any communications of irregularities should be directed by any employee, partner, client, supplier or any other stakeholder. If any employee prefers to communicate on anonymity, the written comments may be sent, in as much detail as possible, through the whistle blower channel, if the irregular situations are adequate to be reported there	
2-27	Compliance with laws and regulations	There were no cases of fines imposed on Altri during 2023. There were no significant cases of non-compliance with laws and regulations.	
2-28	Membership associations	Indicator answered in table below	

Name of entity	Sees participation as strategic	Performs functions in the Governing Bodies	Participates in projects or commissions	Contributes substantial funding
Science-Based Targets initiative	Yes	No	No	No
Business Council for Sustainable Development (BCSD Portugal)	Yes	No	Yes	Yes
United Nations Global Compact	Yes	No	Yes	No
World Wildlife Fund (WWF)	Yes	No	Yes	No
COTEC Portugal	Yes	No	No	No
Biond	Yes	Yes	Yes	Yes
Tecnicelpa	Yes	Yes	Yes	Yes
Confederation of European Paper Industries (CEPI)	Yes	No	Yes	No
Business & Biodiversity Initiative	Yes	No	Yes	No
Forest Stewardshio Council (FSC Portugal)	Yes	Yes	Yes	No
AFOCELCA	Yes	Yes	Yes	Yes
International Union of Forest Research Organizations (IUFRO)	Yes	No	No	No
Institut Européen de la Foret Cultivée (IEFC)	Yes	No	No	No
Centro Pinus	Yes	No	No	No
Associação Nacional de Empresas Florestais, Agrícolas e do Ambiente (ANEFA)	Yes	No	No	No
Associação Empresarial da Região de Santarém (NERSANT)	Yes	Yes	No	No
Associação Empresarial da Beira Baixa (AEBB)	Yes	No	No	No
Program for the Endorsement of Forest Certification (PEFC) Portugal	Yes	No	No	No
IberLinx	Yes	No	No	No
Associação Comercial e Industrial da Figueira da Foz (ACIFF)	Yes	No	No	No
CDP- Disclosure Insight Action	Yes	No	No	No
Association of companies issuing quoted values in the market (AEM)	Yes	No	Yes	No
EPIS Association - Entrepreneurs for Social Inclusion	Yes	No	Yes	Yes

Disclosures		Location/default	SDGs
Involvement of stakeholders			
2-29	Approach to stakeholder engagement	Altri recognizes the importance of its stakeholders and their involvement to the company's long-term success. Thus, maintaining the dialogue with your stakeholders is key to identifying your concerns, global trends and market expectations.	
2-30	Collective bargaining agreements	Indicator answered in table below.	

	2021	2022	2023
Employees covered by collective bargaining agreements			
Total unionized employees (no.)	774	815	812
Total unionized employees (n.°)	288	293	279
Male	282	284	271
Female	6	9	8
Percentage of unionized employees (%)	37%	36%	34%
Percentage of employees covered by collective bargaining agreements (%)	84%	82%	85%

Note: Figures for the number of unionized employees for 2022 have been revised and updated.

	Disclosures	Location/default	SDGs
Material Topics 2023			
3-1	Process of definition of materiality		
3-2	List of material topics		
3-3	Management of material topics	Altri's material topics reflect both in its divided strategic approach, in 4 major axes, as well as in its 2030 commitment, which clarifies the commitments made by the Group. Each material topic presents, in its subchapters, information on its relevance to the Altri Group and its stakeholders, as well as the approach followed, presentation of the associated goals and indicators and projects, initiatives and programs developed in the management of each topic. All initiatives reflect the Altri Group's strategy to enhance its positive impacts and minimize negative impacts, creating long-term value.	

Material topic	GRI indicators
Financial Performance	201-1, 201-2, 201-3 and 201-4
Forest Management	304-1, 304-2, 304-3 and 304-4
Biodiversity and ecosystems	
Climate change and GHG emissions	305-1, 305-2, 305-3, 305-4, 305-5, 305-6 and 305-7
Renewable energy and energy efficiency	302-1, 302-3 and 302-4
Water management	303-1, 303-2, 303-3, 303-4 and 303-5
Waste management and circular economy	301-2, 306-1, 306-2 and 306-3
Human rights in the value chain	405-1, 405-2, 406-1, 407-1, 408-1 and 409-1
Health, welfare, and safety at work	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9 and 403-10
Diversity, equity, and inclusion	404-3, 405-1,405-2 and 406-1
Job creation and local development	401-1, 413-1 and 413-2
Noise, odors, and other impacts at local level	413-2
Innovation	

Disclosures		Location/default	SDGs
GRI 200 - ECONOMIC DISCLOSURES			
GRI 201 - ECONOMIC PERFORMANCE 2016			
201-1	**Direct economic value generated and distributed**	Indicator answered in table below.	5 7 8 9

	2021	2022	2023
DIRECT ECONOMIC VALUE GENERATED (€)	793,418,101	1,066,240,824	788,246,857
Turnover (1)	793,418,101	1,066,240,824	788,246,857
DISTRIBUTED ECONOMY VALUE (€)	627,799,183	889,939,709	763,284,431
Operating costs (2)	525,964,372	715,206,929	609,219,569
Wages and benefits of employees (3)	43,248,488	50,271,139	48,673,755
Investor payments (4)	71,796,085	79,096,025	63,440,684
Payments to the State (5)	(13,337,061)	45,056,897	41,752,043
Donations and other investments in the community (6)	127,299	234,255	198,380
ACCUMULATED ECONOMIC VALUE (€)	165,618,918	176,375,579	24,962,426

(1) Sales + Provision of services + Other income (excluding intra-group transactions)
(2) Cost of sales + Supply of external services + Other expenses (excluding intra-group transactions)
(3) Personnel costs (excluding intra-group transactions)
(4) Dividends distributed by Altri SGPS
(5) Payments/(Collections) of collective Income Tax on continuing operations
(6) Donations

Disclosures		Location/default	SDGs
201-2	**Financial implications and other risks and opportunities due to climate change**	Altri assesses its resilience to climate change, including risks and opportunities with the potential to generate substantial changes in operations, revenues, or expenses through TCFD recommendations.	8 13
201-3	**Defined benefit plan obligations and other retirement plans**	The Group has defined benefit plans and defined contribution plans. Since 2014, the Group has assigned to its employees with a non-term subordinate employment contract, and a defined contribution pension plan. According to this plan, the Group assigns to each employee of the permanent payroll a percentage of the salary depending on the service time. The contribution to the Pension Fund varies annually according to the EBITDA margin of the Altri Group, the respective contributions being accounted for as a cost in the year of the exercise.	8
201-4	**Financial assistance received from government**	During 2023, in Portugal, around 12M€ were received in cash due to operations and investment subsidies.	12
GRI 204 - PROCUREMENT PRACTICES 2016			
204-1	**Proportion of spending on local suppliers**		12

	2021	2022	2023
Total spending on suppliers (€)	742,285,377	1,140,964,965	890,396,389
Total spending on foreign suppliers (€)	120,377,335	218,844,126	187,034,973
Total spending on national suppliers (€)	621,908,042	922,129,446	703,361,416

Disclosures		Location/default	SDGs
GRI 205 - ANTI-CORRUPTION 2016			
205-1	**Operations assessed for the risk of corruption**	In June 2023, the Altri Group - in compliance with Decree-Law no. 109-E/2021, of December 9, which establishes the General Regime for the Prevention of Corruption - published the Plan for the Prevention of Corruption Risks and Related Infringements, available on its website. This Plan, which will be permanently monitored and periodically reviewed, identifies, analyzes, and classifies, the area of activity of the Altri Group, the potential risks of corruption or related offenses, also systematizing existing measures to prevent the materialization of these risks, as well as those that, in a continuous effort to strengthen the existing regulatory compliance program, contribute to reduce the likelihood of occurrence and the impact of identified risks and situations. The definition of risk degrees for the said Plan was based on two variables: (i) the probability of occurrence of risk situations; and (ii) the foreseeable impact of the infringements to which it may give rise (or the severity of the consequence). From the analysis, it was concluded that there were no situations of high or maximum residual risk, and in October 2023 the Altri Group prepared an interim evaluation report that reiterated this conclusion, also available on its website.	16

Corruption risk assessments	2022	2023
Operations evaluated (no.)	5	6
Total Operations (No.)	5	6
Percentage of operations evaluated (%)	100%	100%

Disclosures		Location/default	SDGs
205-2	**Communication and training on anti-corruption policies and procedures**	Indicator answered in table below.	16

	2021	2022	2023			
Localização	TOTAL	TOTAL	PT	ES	CH	TOTAL
Total of members of governance bodies to which anti-corruption policies and procedures have been communicated (no.)	9	9	15	0	0	15
Percentage of members of governance* bodies to which anti-corruption policies and procedures (%) have been reported	100%	100%	100%	-	100%	100%
Total of employees to whom anti-corruption policies and procedures have been communicated (no.)	774	815	796	9	4	809
Percentage of employees to whom anti-corruption policies and procedures were reported (%)	100%	100%	99.6%	100%	100%	99.6%
Total of upper staff and technicians to whom anti-corruption policies and procedures have been communicated (no.)	-	-	122	2	0	124
Percentage of upper staff and technicians to whom anti-corruption policies and procedures were reported (%)	-	-	100%	100%	-	100%
Total of medium staff and direct managers to whom anti-corruption policies and procedures have been communicated (no.)	-	-	109	1	2	112
Percentage of medium staff and direct managers to whom anti-corruption policies and procedures were reported (%)	-	-	100%	100%	100%	98.2%
Total of remaining employees to whom anti-corruption policies and procedures have been communicated (no.)	-	-	565	6	2	573
Percentage of remaining employees to whom anti-corruption policies and procedures were reported (%)	-	-	99.5%	100%	100%	99.5%
Total of business partners to whom anti-corruption policies and procedures have been communicated (no.)	-	-	-	-	-	-
Percentage of business partners to whom anti-corruption policies and procedures (%) have been reported	-	-	-	-	-	-
Training on anti-corruption policies and procedures	Training plan under development					

* Governance bodies according to GRI 405-1

Note: To improve the reporting of this indicator, Altri disaggregated data by location - country, namely Portugal (PT), Spain (ES), and Switzerland (CH). The values reported in previous years were rectified.

Disclosures		Location/default	SDGs
205-3	**Confirmed corruption incidents and actions taken**	Indicator answered in table below.	16

	2021	2022	2022
Total confirmed corruption cases (No.)	0	0	0
Total cases resulting in dismissal of employees or disciplinary action (no.)	0	0	0
Total no. of cases of non-renewal of contracts with partners due to corruption cases (no.)	0	0	0
Total number of lawsuits against the organization or employees due to corruption cases (no.)	0	0	0

Disclosures		Location/default	SDGs
GRI 206 - ANTI-COMPETITIVE BEHAVIOR 2016			
206-1	**Legal actions for anti-competitive behavior, anti-trust, and monopoly practices**	Indicator answered in table below	9 10 12

	2023
Total number of lawsuits pending or already decided in court in which the organisation has been targeted (no.)	0

Disclosures		Location/default	SDGs
GRI 207 - TAX 2019			
207-1	**Fiscal approach**		
207-2	**Government. Fiscal risk control and management**		
207-3	**Stakeholders' involvement and management of tax concerns**		

Disclosures		Location/default	SDGs
GRI 300 - ENVIRONMENTAL DISCLOSURES			
GRI 301 - MATERIALS 2016			
301-1	**Material consumption by weight or volume**	Indicator answered in table below. Scope: Industrial units of Altri (Celbi, Biotek, Caima)	8 12

	2021	2022	2023
Total renewable materials (t)	3,444,886	3,517,684	3,303,142
Total non-renewable materials (t)	197,451	203,880	183,228
% renewable materials	95%	95%	95%
% non-renewable materials	5%	5%	5%

Disclosures		Location/default	SDGs
GRI 302 – ENERGY			
302-1	**Energy consumption within the organization**	Indicator answered in table below. Scope: Industrial units of Altri (Celbi, Biotek, Caima) and Altri Florestal	7 8 12 13

	2021	2022	2023
ENERGY CONSUMED WITHIN THE ORGANIZATION			
Energy consumption (GJ)	**18,311,237**	**18,751,143**	**18,060,406**
Electric power (GJ)	2,203,961	2,282,226	2,076,427
Total Fuel consumption (GJ)	16,107,276	16,468,916	15,983,978
Steam (GJ)	14,085,108	14,719,934	13,809,451

	2021	2022	2023
FUELS CONSUMED WITHIN THE ORGANIZATION			
EU ETS Fuels (GJ)	13,938,229	16,454,989	15,969,836
Natural Gas (GJ)	1,365,750	1,238,574	1,193,962
Fuel oil (GJ)	144,537	181,137	190,732
Diesel fuel (GJ)	603	129	179
Black liquor (GJ)	12,146,104	14,205,062	13,680,042
Non-condensable gases (GJ)	153,730	206,828	193,124
Methanol (GJ)	127,505	106,175	139,019
Biomass (GJ)	—	427,436	511,872
Biogas (GJ)	—	89,648	60,906
Non-EU ETS fuels - Stationary Equipment (GJ)	2,161,146	4,455	3,840
Diesel fuel (GJ)	37	16	33
Natural Gas (GJ)	40,886	4,439	3,807
Black liquor (GJ)	1,564,157	—	—
Biomass (GJ)	482,663	—	—
Other- Biogas (GJ)	73,403	—	—
Non-EU ETS fuels - Mobile Equipment (GJ)	7,901	9472	10302
Petrol (GJ)	1	195	198
Diesel fuel (GJ)	7,900	9,277	10,104
Total Fuel consumption (GJ)	**16,107,276**	**16,468,916**	**15,983,978**
Fuel consumption of renewable origin (GJ)	**14,547,563**	**15,035,150**	**14,584,963**
Fuel consumption of non-renewable origin (GJ)	**1,559,714**	**1,433,767**	**1,399,016**

	2021	2022	2023
ENERGY SOLD (GJ)			
Electricity sold (GJ)	881,363	860,552	578,604

Note: The values for the year 2022 were subject to review and updated, compared to the previous report. Steam consumption is not included in the organization's total energy consumption.

Disclosures		Location/default	SDGs
302-3	**Energy intensity**	Indicator answered in table below.	7 8 12 13

	2021				2022				2023			
	Celbi	Biotek	Caima	TOTAL	Celbi	Biotek	Caima	TOTAL	Celbi	Biotek	Caima	TOTAL
ENERGY INTENSITY												
Energy intensity (GJ/tSA)	14	19.8	25.8	**16.3**	13.9	20.7	25.7	**16.4**	14.2	23.3	24.6	**17**

Note: For the ratio, electrical power and fuel consumption are considered. The specific metric used for calculating the ratio is the ton of fiber produced.

Disclosures		Location/default	SDGs
302-4	Reduction of energy consumption	Indicator answered in table below. At Altri Florestal, there was an investment in the photovoltaic park in the main offices at Quinta do Furadouro, which allowed an energy consumption reduction in this facility.	7 8 12 13

Quantification of achieved reductions (GJ/ADT)	Celbi *	Biotek	Caima
2021	0.02 GJ/tSA	0.003 GJ/tSA	0.4 GJtSA
2022	(-0.01) GJ/tSA	0.05 GJ/tSA	0.09 GJ/tSA
2023	(-0.038) GJ/tSA	0.03 GJ/tSA	0.06 GJ/tSA
Initiatives implemented to improve energy efficiency	Burning methanol (a by-product of cellulosic fiber production) in lime kiln, replacing natural gas Monitoring of electricity consumption by areas and prioritization of the implementation of reduction measures in areas of higher consumption of energy and steam Development of actions to incorporate the extra consumption of the new IWWTP	Installation of VSDs in all circulation pumps of the digesters Replacing the 1B effect exchanger Installation of 2 VSDs in the pumps of osmosis lines 2 and 3 Replacing membranes with more efficient ones	Installation of VSDs in all the digesters circulation pumps Stop the water booster pump 01BB025 for collection to the tank Cleaning of the dry-cleaning panels, containment of leaks in the machine pre-heater exchanger, and repair of dry radiators Operation of Sorter Sieve #1 (07ME019) of 90kW instead of Delta Screen Sieve (07ME008) of 132kW Replacing the 1B effect exchanger Installation of 2 VSDs in the pumps of osmosis lines 2 and 3 Replacing membranes with more efficient ones Installation of VSDs, level control, and pressure of the exchanger liquor/acid digesters Repair the dryer

Disclosures		Location/default	SDGs
GRI 303 - WATER AND EFFLUENTS 2018			
303-1	**Interactions with water as a shared resource**	Altri, within the framework of responsible water management as a natural resource, mapped its operations according to the risk associated with water use, through the Aqueduct Water Tool, developed by WRI. According to this mapping, 100% of Altri's operations are located in areas where water stress has a low to medium level. Celbi captures water on the Mondego River and in underground water holes for use in the pulp manufacturing process, along which there are several loop closures to reduce the maximum amount of fresh water collected. At the end of the process, the waters are treated and returned to the receiving medium following the criteria defined for the quality of the final effluent. Biotek takes water from the Tagus River for use in the pulp manufacturing process and also supplies WTS-treated water to the Navigator and Paper Prime plants. In the process of pulp production, several actions were implemented, namely closure of circuits, and recycling of treated effluent from the Biotek WWTP, given the high quality achieved, thus reducing water uptake. At the end of the process, the waters are treated and returned to the receiving medium by the criteria defined for the quality of the final effluent. Caima captures water on the Tagus River for use in the pulp manufacturing process, along which there are several loop closures to reduce the maximum amount of freshwater captured. At the end of the process, the waters are treated and returned to the receiving medium by the criteria defined for the quality of the final effluent. Altri Florestal monitors the quality of the riverside habitat of the main streams with permanent character in the area under management. The results of this evaluation allow us to classify some of the sections of the streams as High Conservation Value and the company considers certifying the Ecosystem Services of two pilot areas in 2024 through the FSC procedure. 3.+ Environment > 3.5 Water management	6

Objective of reducing water use	Celbi	Biotek	Caima
2021	15.5 m^3/ADT	20 m^3/ADT	40 m^3/ADT
2022	15 m^3/ADT	19 m^3/ADT	35 m^3/ADT
2023	14.8 m^3/ADT	18 m^3/ADT	35 m^3/ADT

Disclosures		Location/default	SDGs
303-2	Management of impacts related to water discharge	The point of discharge and the quality of the final effluent are defined in the permit for the rejection of wastewater. In Caima, in particular, the discharge takes place in a single point in the water medium, where the plant effluent converges after primary treatment followed by secondary treatment, and the potentially contaminated rainwater from the wood park, after the primary treatment (physical separation). The quality of the final effluent is defined in TEU. As guidelines for effluent quality, the values identified in the BREF of this industry are also followed. Annual monitoring is carried out to the receiving medium according to the title of private use of the national maritime space and the definition of the ELVs below is according to the period under analysis (dry, wet, exceptional).	
303-3	Water withdrawal	Indicator answered in table below. Scope: Industrial units of Altri (Celbi, Biotek, Caima) and Altri Florestal	

	2021	2022	2023
WATER WITHDRAWAL			
Surface Captions (ML)	20,680	21,638	19,956
Underground Captions (ML)	3,676	4,284	4,196
Total water captured (ML)	**20,680**	**25,922**	**24,152**

Note: The water collected is always fresh (with total dissolved solids ≤1,000 mg/L) and is not collected in areas of water stress.

	Disclosures	Location/default	SDGs
303-4	Effluents	Indicator answered in table below. Scope: Industrial units of Altri (Celbi, Biotek, Caima)	

	2021	2022	2023
TOTAL EFFLUENT PER DESTINATION			
TOTAL - Volume of discharged effluent (ML)	**18,753**	**19,727**	**18,954**
Surface water (ML)	8,544	8,392	8,118
Groundwater (ML)	0	0	0
Sea water (ML)	10,209	11,335	10,836
Third Party Water (ML)	0	0	0
TOTAL EFFLUENT PER CATEGORY			
Fresh water (ML)	8,544	8,392	8,118
Other types of water (ML)	10,209	11,335	10,836

Note: Water discharge is not carried out in areas of water stress.

	Disclosures	Location/default	SDGs
303-5	Water consumption	Indicator answered in table below. Scope: Industrial units of Altri (Celbi, Biotek, Caima)	

	2021	2022	2023
WATER CONSUMPTION			
Total water consumption of all areas (ML)	5,603	6,196	5,198

Note: Water consumption is not carried out in areas of water stress.

	Disclosures	Location/default	SDGs
GRI 304 - BIODIVERSITY 2016			
304-1	**Operating facilities (own, leased or managed) in areas adjacent to protected areas and areas with high biodiversity value outside the protected areas**	The operating units, which are owned or leased by Altri Florestal, include units intended for Conservation, Infrastructure, Forest Production, and Protection. These areas are located in protected areas/high biodiversity index or adjacent areas. These are terrestrial ecosystems in protected areas, with sustainable use of natural resources. More information is in the table below.	6 14 15

Protected area (ha)	2021	2022	2022
Tejo Internacional Natural Park	1,627	1,772	1,772
Serra de São Mamede Natural Park	1,236	1,346	1,346
Serra de Montejunto Protected Landscape	393	342	343
Serras de Aire and Candeeiros Natural Park	117	117	117
Serra da Estrela Natural Park	7	7	7
Serras do Porto Park	129	164	164
Serra da Gardunha	410	410	410
Serra do Socorro e Archeira	0	12	12
Area of the Natural Monument Portas de Ródão	0	0	37
Total	3,919	4,170	4,208

Disclosures		Location/default	SDGs
304-2	**Significant impacts of activities, products and services on biodiversity**	In the Special Area of Conservation (SAC), the necessary measures are applied to maintain or restore the favorable conservation status of natural habitats or species populations, contributing to ensuring biodiversity. The indicator is answered in the table below.	6 14 15

Special Areas of Conservation (ha)	2021	2022	2023
Alvão / Marão	18	11	11
Cabeção	59	59	59
Cabrela	118	766	766
Caldeirão	51	1	1
Carregal do Sal	158	115	115
Complexo do Açor	5	—	—
Estuary of Sado	96	8	8
Tagus Estuary	27	27	27
Malcata	450	284	284
Monchique	1,597	2,097	2,292
Ria de Aveiro		0.08	0
Nisa / Lage da Prata	1,190	805	820
Rio Lima	10	—	—
Rio Paiva	270	234	233
São Mamede	2,382	2,562	2,637
Serra da Estrela	7	7	7
Serra da Gardunha	363	223	223
Serra da Lousã	578	275	300
Serra de Montejunto	478	344	344
Serra de Montemuro	91	86	102
Serras da Freita e Arada	284	251	251
Serras de Aire e Candeeiros	183	145	145
Sicó / Alvaiázere	244	167	185
Valongo	144	141	141
Total	8,803	8,608	8,951
Special Protection Area (ha)	**2021**	**2022**	**2023**
Caldeirão	0	1	1
Tagus Estuary	0	27	27
Monchique	0	2,097	1,192
Paul da Madriz	0	2	2
Tejo Internacional, Erges e P	0	2,024	2,024
Total	0	4,151	4,346

Note: The Special Conservation Areas correspond to the former designation of sites of Community importance.

	Disclosures	Location/default	SDGs
304-3	**Protected or recovered habitats**	Altri was involved in the protection and recovery of habitats, with a total of 3,765 ha in 2023, with 5 external entities involved, namely: Associação Cabeço Santo, MONTIS, SPEA, GEOTA, and WWANP. The indicator is answered in the table below.	6 14 15

Habitat	Name	Protected area (ha)
3120	Oligotrophic waters with low mineralization in generally sandy soils of the western Mediterranean with *Isoetes spp*.	60
3170	Mediterranean temporary ponds	2
4020	Temperate Atlantic wet heaths of *Erica ciliaris* and Erica *tetralix*	3
4030	European dry heaths	554
5210	Arborescent brushwoods of *Juniperus spp.*	83
5230	Arborescent brushwoods of *Laurus nobilis*	4
5330	Thermo-mediteranean pre-desert scrubs	888
6310	Perenial leaf *Quercus spp.* woodlands	1 693
6420	Mediterranean wet grasslands Molinio meadows - Holoschoenion	2
8220	Siliceous rocky slopes with chasmophytic vegetation	25
91B0	Thermophilic woods of *Fraxinus angustifolia*	5
91	Alluvial forests of *Alnus glutinosa* and *Fraxinus excelsior (Alno-Padion, Alnion incanae, Salicion alcae*)	95
91F0	Mixed forests of *Quercus robur, Ulmus laevis, Ulmus minor, Fraxinus excelsior or Fraxion angustifolia* on the banks of large rivers (*Ulmenion minoris*)	1
9230	Galician and Portuguese oak woods of *Quercus robur* and *Quercus pyrenaica*	22
9240	Iberian oak woods of *Quercus faginea* and *Quercus canariensis*	4
9260	Forests of *Castanea sativa*	8
92A0	*Salix alba* and *Populus alba* gallery forests	101
92B0	Gallery forests along the intermittent Mediterranean water courses with *Rhododendron ponticum* , *Salix* and other species	1
92D0	Southern riparian galleries and thickets (*Nerio-Tamaricetea* and *Securinimion tinctoriae*)	19
9330	Forests of *Quercus suber*	104
9340	Forests of *Quercus ilex* and *Quercus rotundifolia*	90

	Disclosures	Location/default	SDGs
304-4	**Species included in the International Union for Conservation of Nature (IUCN) Red List and lists of national conservation species, whose habitats are in areas affected by the company's operations**	Indicator answered in table below.	6 14 15

Birds		Amphibians and reptiles		Fish	
Nuchal-red noitibó - *Caprisulgus ruficollis*	VU	Salamandra -lusitanian - *Chioglossa Lusitanica*	VU	River lamprey - *Lampetra fluviatilis*	CR
Black-eared wheatear - *Oenanthe hispanica*	VU	Clagate-of-carapace-striated - *Emys orbicularis*	EN	European eel - *Anguilla anguilla*	EN
Black vulture - *Aegypius monachus*	CR	Palmate newt - *Triturus helveticus*	VU	Iberian arched-mouth nase - *Iberoondrostoma lemmingii*	EN
Royal Eagle - *Aquila chrysaetos*	EN			Portuguese nase - *Iberochrodonstoma lusitanicum*	CR
Black stork - *Ciconia nigra*	VU	**Mammals**		Chub - *Squalius alburnoides*	VU
Vulture-of-Egypt - *Neophron pernopterus*	EN	Fringe bat - *Myotis nattereri*	VU	South Escale - *Squalius pyrenaicus*	EN
Goshawk - *Accipiter gentilis*	VU	Iberian wolf - *Canis lupus*	EN		
Stone curlew - *Burhinus oednemus*	VU			**Flora**	
Short-eared owl - *Flemish Asio*	EN	**Invertebrates**		Bentgrass - *Agrostis juressi*	VU
Nightjar - *Caprisulgus europaeus*	VU	Fritilária-dos-lameiros - *Euphydryas aurinia*	VU	*Cherirolophus uliginosus*	NT
Montagu's harrier - *Circus pygargus*	EN	Mercurium dragonfly - *Coenagrion mercuriale*	VU	Cardoon - *Cirsium welwitschii*	EN
Peregrine - *Falco peregrinus*	VU			Dewy pines - *Drosophyllum lusitanicum*	VU
Hobby - *Falco subbuteo*	VU			Spurges - *Euphorbia uliginosa*	NT
Euroasian spoonbill - *Platalea leucorodia*	VU			Brooms - *Genista ancistrocarpa*	NT
Imperial Eagle - *Aquila adalberti*	CR			Crimean orchid - *Dactylorhiza elata*	NT
Shrike - meriodionalis - *Lanius meriodionalis*	VU			Beaksedge - *Rhynchospora modesti-lucennoi*	VU
Common swift - *Apus apus*	NT				
Woodchat - *Shrikelanius senator*	VU				

IUCN Categories

Near Threatened (NT): Although it does not meet the criteria of "vulnerable", "in danger" or "in critical danger", everything indicates that it is about to do so or presents strong indications that it will do so soon.

Vulnerable (VU): Considered to be at high risk of extinction in nature.

Endangered (EN): Considered to be at very high risk of extinction in nature.

Critical Endangered (CR): Considered to be at extremely high risk of extinction in nature.

Disclosures		Location/default	SDGs
GRI 305 - EMISSIONS 2016			
305-1	**Direct greenhouse gas emissions - GHG (Scope 1)**	Scope: Industrial units of Altri (Celbi, Biotek, Caima), Altri Florestal, Altri Abastecimento de Madeira, Altri SGPS	3 12 13 14 15
305-2	**Other indirect GHG emissions (Scope 2)**	Scope: Industrial units of Altri (Celbi, Biotek, Caima), Altri Florestal, Altri Abastecimento de Madeira, Altri SGPS	3 12 13 14 15
305-3	**Other indirect GHG emissions (Scope 3)**	Scope: Industrial units of Altri (Celbi, Biotek, Caima), Altri Florestal, Altri Abastecimento de Madeira, Altri SGPS	3 12 13 14 15
305-4	**Intensity of GHG emissions**	Scope: Industrial units of Altri (Celbi, Biotek, Caima), Altri Florestal, Altri Abastecimento de Madeira, Altri SGPS	13 14 15

	2021	2022	2023
Intensity of GHG emissions from pulp mills ($kgCO_2e$/ ADT) for scope 1 and 2	113	110	95
Intensity of GHG emissions from pulp mills ($kgCO_2e$/ ADT) for scope 3	288	288	301

Note: The values for the year 2021 were subject to review and updated, in view of the previous report.

	Disclosures	Location/default	SDGs
305-5	**Reduction of GHG emissions**	At Celbi, the emission reduction was due to the implementation of a daily monitoring routine of CO2 emissions, with the emission source flows by each of the facilities, the Preventive Maintenance Plan for regular interventions, to reduce natural gas consumption. burning in the kiln of lime of 100% of the methanol produced in the wood baking process, allowing the reduction of natural gas consumption, optimization of the performance process, and the Gigaliners, that transport the fibers between Celbi and the Maritime Port of Figueira da Foz. At Biotek, it was due to several optimizations in the operation of the lime kiln, to repairs carried out at the annual shutdown for improvements of the burner systems, lime kiln, and filters, and to the definition of actions for the use of process methanol, replacing natural gas. At Caima, it was due to the Go Green Project, the construction of a forest biomass cogeneration plant, allowing the decarbonization of the Caima plant. At Altri Florestal, the use of hybrid machinery allowed the reduction of GHG emissions. In general, the replacement of the Altri fleet by vehicles with lower GHG emissions, as well as the forest operations machines. There was also the search for alternative fuels for use in lime kiln, Biotek and Celbi, and an Elevator Pitch with proposals for reducing GHG. Indicator answered in table below.	

	2021	2022	2023
Emissions reductions in relation to 2020 (tCO_2e) in scope 1, 2 (*market-based*) and 3	5%	4%	111%
Emissions reductions in relation to 2020 (tCO_2e) in scope 1 and 2 (*market-based*)	30%	30%	44%
Emissions reductions in relation to (tCO2e) in scope 3	(10)%	(11)%	(8)%
Avoided emissions associated with the sale of electricity (tCO_2e)	(15,353)	(27,100)	(25,339)

Note: The emission reduction value was reviewed and updated, considering the base year 2020.

	Disclosures	Location/default	SDGs
305-6	**Emissions of ozone depleting substances**	There are no emissions of ozone-depleting substances associated with the process.	3 12 13
305-7	**Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant emissions**	Indicator answered in table below.	3 12 14 15

Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant emissions	2021	2022	2023
NOx (kg)	1,101,317	1,120,759	1,187,715
SO2 (kg)	84,780	85,619	120,576
Particles (kg)	140,597	157,382	178,673
TRS (kg)	11,698	9,974	11,351
NOx emissions (kg/ADT)	1	1	1
SO_2 emissions (kg/ADT)	0	0	11
Particulate Emissions (kg/ADT)	0	0	0
TRS emissions (kg/ADT)	0	0	0

Disclosures		Location/default	SDGs
GRI 306 - WASTE 2020			
306-1	**Generation of waste and significant impacts related to waste**	Primary sludges, secondary sludges, and tailings from the screening are generated in the pulp production process. In the industrial units of Altri, the sludge resulting from the effluent treatment of the plant is energy-recovered in the biomass boilers installed in the industrial complex. Secondary sludge resulting from the effluent treatment of Celbi is energy-recovered at the recovery boiler. In Celbi, the tailings from the screening were recovered in the biomass boilers and, recently, an investment was made in a digester that allows the recovery of the tailings from the screening and sawdust for pulp production. In Biotek, secondary sludge resulting from the removal of the organic raw material in the plant's sector effluents is mainly directed to composting. In Caima, secondary sludge resulting from effluent treatment is energy-recovered at the biomass plant and is also sent to composting.	3 6 12 14
306-2	**Management of significant impacts associated with waste**	In all Altri units waste management is managed according to the applicable legal obligations. In Celbi, within the framework of the Digestor do Serrim Project, the tailings from the screening that result from the pulp production process and the sawmill that results from the wood processing are sent to the digester that allows the recovery of the cellulose fibers for pulp production. In Biotek, there was a reduction in the production regime during the year, which directly impacted the amount of lime sludge produced which was reduced in comparison with the homologous period. In Caima, the process was optimized through the reincorporation of primary sludge into pulp production. In Altri Florestal, all waste sent to waste management companies is transported with the e-OHR document, the only waste generated in forest management is fertilizer packaging. In general, all waste sent to waste management companies was weighed in the industrial premises, so that the monitoring of waste production is carried out using equipment subject to legal metrological control and/or according to internal instructions.	3 6 12 14
306-3	**Waste Generated**	Indicator answered in table below. Scope: Industrial units of Altri (Celbi, Biotek, Caima)	3 6 12 14

WASTE PRODUCTION	2021	2022	2023
Total weight of waste generated (t)	**106,570**	**94,431**	**84,249**
Hazardous waste (t)	**251**	**201**	**232**
Recovery (t)	**102**	**78**	**83**
Disposal (t)	**149**	**123**	**149**
Non-hazardous Waste	**106,318**	**94,232**	**84,017**
Recovery (t)	**61,350**	**60,458**	**66,237**
Disposal (t)	**44,968**	**33,774**	**17,780**

Note: According to DL no. 102-D/2020, of December 10th, the incineration of waste with energy recovery was considered a waste recovery activity (R1), contrary to that indicated by the GRI standards, which presents it as a waste disposal activity.

Disclosures		Location/default	SDGs
GRI 400 - SOCIAL DISCLOSURES			
GRI 401 - EMPLOYMENT 2016			
401-1	**New employee hires and employee turnover**	The indicator is answered in the table below.	5 8

	2021				2022				2023			
	PT	ES	CH	TOTAL	PT	ES	CH	TOTAL	PT	ES	CH	TOTAL
Total employees	**762**	**6**	**6**	**774**	**803**	**8**	**4**	**815**	**799**	**9**	**4**	**812**
Age range (no.)												
< 30 years	118	0	0	**118**	107	0	0	**107**	96	0	0	**96**
From 30 to 50 years	429	5	4	**438**	474	7	2	**483**	509	8	3	**520**
> 50 years	215	1	2	**218**	222	1	2	**225**	194	1	1	**196**
Gender (no.)												
Male	651	5	2	**658**	662	7	1	**670**	649	8	2	**659**
Female	111	1	4	**116**	141	1	3	**145**	150	1	2	**153**
New hires	43	0	0	**43**	78	1	0	**79**	67	1	1	**69**
Age range (no.)												
< 30 years	27	0	0	**27**	26	0	0	**26**	22	0	0	**22**
From 30 to 50 years	14	0	0	**14**	44	1	0	**45**	42	1	1	**44**
> 50 years	2	0	0	**2**	8	0	0	**8**	3	0	0	**3**
Gender (no.)												
Male	33	0	0	**33**	40	1	0	**41**	48	1	1	**50**
Female	10	0	0	**10**	38	0	0	**38**	19	0	0	**19**
New hire rate	5.6%	—%	—%	**5.6%**	9.7%	12.5%	—%	**9.7%**	8.4%	11.1%	25.0%	**8.5%**
Age range (no.)												
< 30 years	3.5%	—%	—%	**3.5%**	3.2%	—%	—%	**3.2%**	2.8%	—%	—%	**2.7%**
From 30 to 50 years	1.8%	—%	—%	**1.8%**	5.5%	12.5%	—%	**5.5%**	5.3%	11.1%	25.0%	**5.4%**
> 50 years	0.3%	—%	—%	**0.3%**	1.0%	—%	—%	**1.0%**	0.4%	—%	—%	**0.4%**
Gender (no.)												
Male	4.3%	—%	—%	**4.3%**	5.0%	12.5%	—%	**5.0%**	6.0%	11.1%	25.0%	**6.2%**
Female	1.3%	—%	—%	**1.3%**	4.7%	—%	—%	**4.7%**	2.4%	—%	—%	**2.3%**
Employees leaves	34	0	1	**35**	36	0	2	**38**	66	0	1	**67**
Age range (no.)												
< 30 years	5	0	0	**5**	6	0	0	**6**	7	0	0	**7**
From 30 to 50 years	14	0	0	**14**	15	0	2	**17**	29	0	0	**29**
> 50 years	15	0	1	**16**	15	0	0	**15**	30	0	1	**31**
Gender (no.)												
Male	30	0	0	**30**	28	0	1	**29**	56	0	0	**56**
Female	4	0	1	**5**	8	0	1	**9**	10	0	1	**11**
Turnover rate	4.5%	—%	16.7%	**4.5%**	4.5%	—%	50.0%	**4.7%**	8.3%	—%	25.0%	**8.3%**
Age range (no.)												
< 30 years	0.7%	—%	—%	**0.6%**	0.7%	—%	—%	**0.7%**	0.9%	—%	—%	**0.9%**
From 30 to 50 years	1.8%	—%	—%	**1.8%**	1.9%	—%	50.0%	**2.1%**	3.6%	—%	—%	**3.6%**
> 50 years	2.0%	—%	16.7%	**2.1%**	1.9%	—%	—%	**1.8%**	3.8%	—%	25.0%	**3.8%**
Gender (no.)												

Male	3.9%	—%	—%	**3.9%**	3.5%	—%	25.0%	**3.6%**	7.0%	—%	—%	**6.9%**
Female	0.5%	—%	16.7%	**0.6%**	1.0%	—%	25.0%	**1.1%**	1.3%	—%	25.0%	**1.4%**

Note: To improve the reporting of this indicator, Altri has broken down the data by location - country, namely Portugal (PT), Spain (ES) and Switzerland (CH). The figures reported in previous years have been corrected.

	Disclosures	Location/default	SDGs
401-2	**Benefits granted to full-time employees that are not granted to temporary or part-time employees**	The indicator is answered in the table below. **Note**: The benefits of the pension fund, health insurance, and life insurance apply only to permanent workers. The operating units considered are those reported. Altri SGPS and Altri Sales do not present benefits contemplated in this indicator.	8

	Celbi	Biotek	Caima	Altri Florestal	Viveiros	Altri, SL	Florest Sul	Greenfiber	Abastecimento Biomassa
BENEFITS									
Health insurance	X	X	X	X	X	X	X	X	X
Life insurance	X	X	X	X			X	X	X
Pension fund	X	X	X	X			X		X
Payment of the first 3 days of cash transfer is not covered by Social Security.	X	X		X			X		X
Supplement to the leave allowance up to 90 days to maintain net remuneration.	X	X	X	X			X		X
Birth allowance		X							

	Disclosures	Location/default	SDGs
401-3	**Parental License**	The indicator is answered in the table below.	8

	2021	2022	2023
Total employees	**774**	**815**	**812**
Gender (no.)			
Male	658	670	659
Female	116	145	153
Workers who started parental leave	**56**	**49**	**45**
Gender (no.)			
Male	47	44	31
Female	9	5	14
Workers who returned to work after parental leave	**56**	**49**	**45**
Gender (no.)			
Male	47	44	31
Female	9	5	14
Workers who returned to work and remain in the company after 12 months	**59**	**56**	**47**
Gender (no.)			
Male	54	47	43
Female	5	9	4
Return to work rate	**100%**	**100%**	**100%**
Gender (no.)			
Male	100%	100%	100%
Female	100%	100%	100%
Retention rate	**100%**	**100%**	**96%**
Gender (no.)			
Male	100%	100%	98%
Female	100%	100%	80%

Note: The figures for employees who returned to work and remained with the company after 12 months, for 2021 and 2022, have been revised and updated.

	Disclosures	Location/default	SDGs
GRI 402 - LABOR RELATIONS 2016			
402-1	**Minimum notice time for operational changes**	There is no minimum time limit, and the minimum time limits established by applicable law are met. Whenever relevant operational changes exist, they will be communicated in time to employees' representatives and employees. The collective contracting agreement, concerning the relevant operational changes, refers to the applicable general law.	8

	Disclosures	Location/default	SDGs
GRI 403 - OCCUPATIONAL HEALTH AND SAFETY 2018			
403-1	**Health and safety management system at work**	Altri has implemented a Health and Safety Management System .that covers all workplaces, internal workers, and service providers workers. In Altri Florestal, Viveiros, Altri SL, and Altri SL have implemented the normative references PEFC and FSC®, which cover internal and external workers who carry out activities in the local area.	3 8
403-2	**Hazard identification, risk assessment and incident investigation**	Within the scope of the SST Management System certification, the organization has internal procedures for risk assessment of the various activities, from the design phase of the equipment, through its assembly and modification, and operation and maintenance interventions. All activities in both operational areas and support areas are evaluated through a Hazard Identification and Risk Assessment Matrix that receives the contribution of workers and is periodically analyzed at the level of the CASST (Committee on Environment and Safety and Health at Work), integrating elected representatives of workers. In this Risk Assessment Matrix, the risk mitigation measures (EPC, PPE, and others) are listed. Employees who identify dangerous hazards or situations will be covered by the Altri Code of Ethics and Conduct, protecting them from any kind of reprisal. To ensure the quality of processes for hazard identification, risk assessment, and accident investigation, certification audits and internal audits are carried out, including audits on forest work and wood and biomass deposits, training is promoted and information on the H&S standards and risks in the workplace, analysis of incidents and near-accidents, training and exercises for the Emergency Intervention Teams, inspections to workplaces and simulations are carried out for training the teams for first intervention and accidents in forest work, and there is a fire brigade for emergency response. For the investigation of labor incidents, there are procedures in place that determine how to investigate, discuss, and implement the measures necessary to minimize the occurrence of work incidents. The 5 Whys methodology is used, reported incidents and disseminated throughout the organization. The evaluation and improvement of the H&S Management System is ensured through the periodic review of the system itself, the establishment of objectives and improvement plans in H&S, and the updating of the risk assessment matrix.	3 8

403-3	**Health services at work**	The Altri Group has an Occupational Health Directorate since 2021, to organize and ensure the proper functioning of Occupational Health/ Occupational Health and Safety (OH/OHS) services for all workers of the Altri Group. Its main objectives are: i) the promotion and maintenance of high levels of health and physical, mental and social well-being of all workers; ii) the prevention of adverse effects on workers' health by implementing continuous health surveillance through periodic medical examinations for evaluation iii) the protection of workers from occupational exposures that may compromise their health, preventing occupational diseases; iv) the integration and maintenance of workers in a working environment adjusted to their physical and mental needs (adaptation of work to man). In the pursuit of these objectives, Occupational Medicine: (i) collaborates closely with the Safety of Work in particular concerning the distribution, control of operation, and conservation of safety material; (ii) carry out inspections of job safety conditions; (iii) draw up reports and statistical findings on accidents and iv) collaborate in the information and training processes of workers and other stakeholders in the workplace in the areas of prevention and safety, a process through which the quality of service is ensured. In addition, Altri has Safety technicians who perform, guide, and coordinate the activities of the security service, particularly concerning the distribution, operation control, and maintenance of the safety material. They also carry out inspections of the safety conditions of the facilities or the work of the staff, and prepare statistical reports and findings on accidents and collaborate in the processes of information and training of workers and other actors in the workplace in the areas of prevention and safety, the process through which the quality of the service is ensured. Information on health processes has its own circuit and conditioned access levels, in accordance with GDPR and professional secrecy issues.	3 8
403-4	**Participation of employees, consultation and communication to employees concerning health and safety at work**	For the participation and consultation of workers in the OHS Management System meetings are promoted by the Committee on Environment and Health, where employees' representatives, senior managers of Altri, and the occupational doctor are present, Workers are also consulted on the use of PPE and the preparation of RIPAR. In addition, for the involvement of employees, the weekly Safety Minutes are held at Kaizen, Safety Clicks meetings, and the Safe Behaviors Methodology - Next Steps is followed - having also been implemented the Safety Lab Program.	3 8
403-5	**Training of employees in Health and Safety at work**		3 8
403-6	**Promotion of the health of the employee**	Altri promotes the health of its workers through medical and nursing services at the medical office, consultations and prescription of medicines, health promotion campaigns, and healthy lifestyles. In particular, with several health promotion initiatives and campaigns (tobacco, overweight, sedentary lifestyle, oncological surveys), such as the “month of May, month of Heart” and “Movember”. It also provides curative medicine consultations, Orthopedics Consultations, nursing consultations, and musculoskeletal rehabilitation treatments at medical offices. A pilot project was also created for the psychological monitoring of employees. The Altri Group offers employees and their families health insurance that provides several services with participation in health costs (outpatient, hospitalization, surgery, dental medicine, and oncology) and a support line, with teleconsultation, psychological monitoring programs, smoking cessation, and healthy lifestyles. It should be noted that the Altri Group offers its workers the flu vaccine in the seasonal flu season, of voluntary adherence, and with a main focus on individuals at clinical risk. The canteen offers a daily meat dish, fish and vegetarian option and diet	3 8
403-7	**Prevention and mitigation of health and safety impacts of work directly linked to business relationships**	Altri distributes information leaflets and has Safety Documentation available (RIPAR, procedures, standards, forest practices with AIR), dissemination of SST videos on internal TV circuits, display of safety signs, and disclosure of incident and near incident communications (flash incidents and flash near accident) and performs the weekly Safety minutes at Kaizen meetings.	3 8

403-8	**Employees covered by a health and safety management system**	In the case of Altri's industrial units, all workers (internal and external), who perform functions on the site, are covered by the H&S system which is audited internally and externally. In the case of Altri Florestal and Altri SL, in which PEFC and FSC® normative references are implemented, whose review covers the analysis of H&S performance and the definition of improvement plans at the level of H&S, 100% of internal workers are covered by the system.	38
403-9	**Accidents at work**	The main work-related hazards that may cause serious injury include falls at ground level and in height, lifting loads, moving on sloping ground, felling and transporting wood, chemicals, contact with moving machinery organs and work equipment (risk of crushing, pinching, cutting), and exposure to adverse weather conditions, thermal burns, electrical current. To identify hazards related to serious work accident hazards or to eliminate/mitigate them Altri has safety plans, procedures and standards, hazard identification and risk assessment records, safety signs, RIPARs, Safety Data Sheet, monitoring of exposure to physical and chemical agents, H&S inspections, implementation of collective protection measures, infrastructure and equipment improvement. To eliminate or minimize hazard risks, Altri reviews and updates all hazard identification mechanisms, makes CPE, infrastructure, and equipment improvements; evaluates and selects PPE more suited to tasks, and provides training and awareness to its workers (see 4. + Social > 4.2 Employees > 4.2.1 Health, welfare, and safety at work). The indicator is answered in the table below. Scope: Industrial units of Altri (Celbi, Biotek, and Caima) and Altri Florestal Note: Data on external workers do not include information on Altri Florestal in 2021, since the number of hours worked could not be calculated. Note 1: There was an update regarding the number of deaths resulting from occupational accidents reported in 2020 since one death was reported that occurred in that year after the publication of the Report. Note 2: The indexes were calculated based on 1,000,000 hours worked	38

	2021	2022	2023
ABSOLUTE VALUES FOR WORKERS			
Deaths resulting from accidents at work	0	0	0
Serious accidents at work (excluding deaths)	0	0	0
Mandatory communication work accidents	30	36	22
Number of hours worked	1,320,055	1,347,369	1440494
RATIOS FOR WORKERS			
Deaths resulting from accidents at work	0.0	0.0	0.0
Serious accidents at work (excluding deaths)	0.0	0.0	0.0
Mandatory communication work accidents	22.7	26.7	15.3
ABSOLUTE VALUES FOR EXTERNAL WORKERS			
Deaths resulting from accidents at work	1	0	0
Serious accidents at work (excluding deaths)	0	2	0
Mandatory communication work accidents	57	48	43
Number of hours worked	979,064	1,149,613	1,539,064
RATIOS FOR EXTERNAL WORKERS			
Deaths resulting from accidents at work	1.0	0.0	0.0
Serious accidents at work (excluding deaths)	0.0	1.7	0.0
Mandatory communication work accidents	58.2	41.8	27.9

Note: Hours worked normalization factor: 1000000..

	Disclosures	Location/default	SDGs
403-10	**Occupational diseases**	In 2023, no occupational diseases or deaths resulting from occupational diseases were recorded. The hazards related to occupational diseases existing at Altri are mostly exposure to noise, mutagenic/carcinogenic, and mechanical hazards To mitigate or eliminate risks and hazards, Altri monitors workplace exposure risks (noise, chemical, ergonomic) by safety technicians accompanied by the workplace doctor. In addition, Altri carries out a constant demand in the market for alternative chemicals, uses isolation measures from sources of risk, distributes Personal Protection Equipment, and carries out health surveillance of employees.	3 8

	Disclosures	Location/default				SDGs
GRI 404 - TRAINING AND EDUCATION 2016						
		4 + Social > 4.2 Employees > 4.2.2 Talent Attraction and retention				
404-1	**Average training hours per year and employee**	Indicator answered in table below.				4 5 8
		2023				
		Total of employees by category and functional	Male	Female	Total	
		Senior staff and technicians (no.	93	33	126	
		Medium Staff and Direct Managers (no.)	100	10	110	
		Other employees (no.)	466	110	576	
		Total (no.)	659	153	812	
		Total hours of training (h)	Male	Female	Total	
		Senior staff and technicians (no.)	4,825	2,127	6,952	
		Medium Staff and Direct Managers (no.)	3,460	526	3,986	
		Other employees (no.)	25,309	5,207	30,516	
		Total (no.)	33,594	7,860	41,454	
		Average hours of training per category (h/employee)	Male	Female	Total	
		Senior staff and technicians (no.)	52	64	55	
		Medium Staff and Direct Managers (no.)	35	53	36	
		Other employees (no.)	54	47	53	
		Total (no.)	51	51	51	
404-2	**Programs to improve the skills of employees and the transition**	The Altri Group, in addition to providing internal training to develop the skills of its employees, provided financial support for external courses, as well as compensation for termination of employment beyond what was legally stipulated and also planned the retirement period. Altri does not yet have a career transition assistance program. About the training program, see table below. Note: The training management of the Altri SL, Altri SGPS, Altri Sales, and Greenfiber was not yet centralized in 2023.				8

	Total Actions (No.)	Number of hours (h)
Process	138	18,791
Management and behavioral	225	12,554
Maintenance	35	1,126
Safety	199	6,122
Others	87	2,927
Total	**684**	**41,520**

Disclosures		Location/default	SDGs
404-3	**Percentage of employees receiving regular performance and career development reviews**	In 2023, a Management By Objectives was implemented allowing to provide feedback on the performance of employees about the established objectives. The employees assessed are those with employment contracts covering the 12 months of the year, excluding those who join or leave the company during the reporting year. The indicator is answered in the table below.	8

2023	Male	Female
Upper Staff and Technicians	100%	100%
Medium staff and direct managers	100%	100%
Other employees	100%	100%

Note: Employees who are not eligible for performance evaluation are those who joined or left the Group during the reporting year.

GRI 405 - DIVERSITY AND EQUAL OPPORTUNITIES 2016

405-1	**Diversity of governance bodies and employees**	Indicator answered in table below.	5 8

2023	Age range	Male	Female	Total
Upper Staff and technicians (no.)	< 30 years	1	2	3
	From 30 to 50 years	57	27	84
	> 50 years	35	4	39
	TOTAL	93	33	126
Upper staff and technicians (%)	< 30 years	1%	2%	2%
	From 30 to 50 years	45%	21%	67%
	> 50 years	28%	3%	31%
	TOTAL	74%	26%	100%
Medium staff and Direct Managers (no.)	< 30 years	2	2	4
	From 30 to 50 years	59	3	62
	> 50 years	39	5	44
	TOTAL	100	10	110
Medium staff and Direct Managers (%)	< 30 years	2%	2%	4%
	From 30 to 50 years	54%	3%	56%
	> 50 years	35%	5%	40%
	TOTAL	91%	9%	100%
Other employees (no.)	< 30 years	64	21	85
	From 30 to 50 years	293	67	360
	> 50 years	109	22	131
	TOTAL	466	110	576
Other employees (%)	< 30 years	11%	4%	15%
	From 30 to 50 years	51%	12%	63%
	> 50 years	19%	4%	23%
	TOTAL	81%	19%	100%
Total (no.)		**659**	**153**	**812**

Employees with a university degree		Male	Female	Total
No. of employees with higher education (no.)		203	114	317
Rate of employees with higher education (%)		31%	75%	39%
Governance bodies by functional category age group and gender				
	Age range	Male	Female	Total
Governance bodies (no.)	< 30 years	0	0	0
	From 30 to 50 years	1	0	1
	> 50 years	9	5	14
	TOTAL	10	5	15
Governance bodies (%)	< 30 years	0.0	0.0	0.0
	From 30 to 50 years	6.7	0.0	6.7
	> 50 years	60.0	33.3	93,3
	TOTAL	66.7	33.3	100

Disclosures		Location/default	SDGs
405-2	**Ratio between the basic salary and the remuneration of women and men**	Indicator answered in table below.	5 8 10

Base remuneration by functional category and gender (€)	F/M ratio
Upper staff and technicians	0.92
Medium staff and direct managers	0.82
Other employees	1.14
Total	1.08
Total remuneration per functional category and gender (€)	**F/M ratio**
Upper staff and technicians	0.85
Medium staff and direct managers	0.69
Other employees	1.02
Total	0.97

Note: To calculate this indicator, the monthly averages of the number of employees and their remuneration are considered.

Disclosures		Location/default	SDGs
GRI 406 - NON-DISCRIMINATION 2016			
406-1	**Cases of discrimination and measures taken**	There was no record during the financial year 2023 of any reporting of discriminatory situations that required concrete measures to combat.	5 8 16
GRI 407- TRADE UNION FREEDOM AND COLLECTIVE BARGAINING 2016			
407-1	**Operations and suppliers where freedom of association and collective bargaining may be at risk**	No cases were detected where freedom of association and collective bargaining could be at risk.	
GRI 408 - CHILD LABOR 2016			
408-1	**Operations and suppliers where there is a significant risk of child labor incidents**	No incidents were detected where there was a risk of child labor.	
GRI 409 - FORCED OR SLAVE LABOR 2016			
409-1	**Operations and suppliers in If there is a significant risk of slave or forced labor incidents**	No incidents were detected where there was a risk of slave or forced labor.	
GRI 413 - LOCAL COMMUNITIES 2016			
413-1	**Operations with local community involvement, impact assessment and program development**	Altri presents 100% of its six operations with community engagement programs, impact assessment and/or local development.	
413-2	**Operations with significant current and potential negative impacts on local communities**	Altri identifies operations with significant negative impacts – real and potential – in the local communities of the sites where it operates, namely in Leirosa (Figueira da Foz), Vila Velha de Rodao (Castelo Branco) and Constância (Santarém). The negative impacts come from facilities using chemicals that can affect the environment and human health in general. Altri's cellulosic fiber industrial units fall as a dangerous substances upper-tier establishment under Directive 2012/18/EU, of the European Parliament and of the Council of 4 July 2012 (Seveso III Directive) transposed by Decree-Law no. 150/2015 of 5 August. The industrial units of Altri Group implement methodologies and procedures to ensure the identification of hazards, risk assessment and impact analysis of these risks on the environment. These methodologies and procedures are evaluated and validated by the Portuguese Environment Agency for this purpose. The Community Monitoring Committee assesses the concerns of local people with an attitude of social responsibility.	1 2
GRI 415 - PUBLIC POLICIES 2016			
415-1	**Political contributions**	No political, monetary or other contributions were made to organizations during 2023.	12 16
GRI 417 - MARKETING AND LABELING 2016			
417-1	**Information and labeling requirements for products and services**	Altri complies with Regulation (EU) No 53/2010 of 20 May 2010, and a safety data sheet describing the main characteristics, applications and rules of use and recycling is available for all products. Pulps for use in stationery products are approved by the Nordic Ecolabelling of Paper Products and European Ecolabel, and can be used in products you wish to use this environmental label.	12 16

I. SASB Table

The Altri Group responds to the indicators of the Sustainability Accounting Standards Board (SASB), namely for the Pulp & Paper Products and Forest Management standards, aligning them with the applicable GRI indicators.

Pulp & Paper Products

SASB code	Metrics	Disclosures
GREENHOUSE GASES EMISSIONS		
RR-PP-110a.1	Gross global Scope 1 emissions	ESRS E1 Climate Change > Metrics > Greenhouse Gases Emissions
RR-PP-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction, and an analysis of performance against those targets	ESRS 2 General Disclosures > Impacts, Risks and opportunities related to Climate Change ESRS 1 Climate Change
AIR QUALITY		
RR-PP-120a.1	Air emissions of the following pollutants: (1) No_x (excluding N_2O), (2) SO_2, (3) volatile organic compounds (VOCs), (4) particulate matter (PM) e (5) hazardous air pollutants (HAP)	VOCs: Altri in its production process does not issue a substantial amount of VOCs. HAP: Altri in its production process does not issue a substantial amount of HAPs. ESRS E2 Pollution >Metrics > Pollution of air
ENERGY MANAGEMET		
RR-PP-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage from biomass, (4) percentage from another renewable energy and (5) total self-generated energy	ESRS E1 Changes Climate > Metrics > Energy Consumption and Mix
WATER MANAGEMENT		
RR-PP-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	ESRS E3 Water and Marine Resources > Metrics
RR-PP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	ESRS 2 General Disclosures > Impact, Risks and Opportunities related to Water and Marine Resources ESRS E3 Water and Marine Resources
SUPPLY CHAIN MANAGEMENT		
RR-PP-430a.1	Percentage of wood fibre sourced from (1) third-party certified forestlands and percentage to each standard and (2) meeting other fiber sourcing standards and percentage to each standard	In 2024, Altri Abastecimento de Madeiras supplied the Group's industrial units with 75% of FSC® and PEFC certified wood. More than 23% of this certified wood originated in the areas managed by Altri Florestal. ESRS E4 Biodiversity and ecosytems
RR-PP-430a.2	Amount of recycled and recovered fiber procured	N.A.
ACTIVITY METRIC		
RR-PP-000.A	Pulp production	1,0t6 thousand tons
RR-PP-000.B	Paper production	N.A.
RR-PP-000.C	Total wood fiber sourced	E5-4

Forest Management

SASB Code	Metrics	Disclosures
ECOSYSTEM SERVICES & IMPACTS		
RR-FM-160a.1	Area of forestland certified to a third-party forest management standard, percentage certified to each standard	94,936 ha ESRS E4 Biodiversity and Ecosystems
RR-FM-160a.2	Area of forestland with protected conservation status	ESRS E4 Biodiversity and Ecosystems > Metrics
RR-FM-160a.3	Area of forestland in endangered species habitat	4,539 ha
RR-FM-160a.4	Description of approach to optimising opportunities from ecosystem services provided by forestlands	ESRS E4 Biodiversity and Ecosystems > Actions and Resources
RIGHTS OF INDIGENOUS PEOPLES		
RR-PP-210a.1	Forest area in indigenous land	The Altri Group does not own areas where the human rights of indigenous communities are compromised
RR-FM-210a.2	Description of engagement processes and due diligence pratices with respect to human rights, indigenous rights, and the local community	The Altri Group, within the framework of its Community Participation Policy, plays an active role in the social development of the areas in which it is present. ESRS 2 General Disclosures > Impacts, Risks and Opportunities related to Biodiversity and Ecosystems ESRS E4 Biodiversity and Ecosystems > Policies related to Biodiversity and Ecosystems ESRS S2 Workers in the Value Chain > Management of Impacts, Risks, and Opportunities ESRS S3 Communities affected > Management of impacts, risks, and opportunities
CLIMATE CHANGE ADAPTATION		
RR-FM-450a.1	Description of strategy to manage opportunities for and risks to forest management and timber production presented by climate change	ESRS 2 General Disclosures > Strategy, Business Model and Value Chain ESRS 2 General Disclosures > Impacts, Risks and Opportunities related to Biodiversity and Ecosystems ESRS 4 Biodiversity and Ecosystems > Strategy and Business Model
ACTIVITY METRIC		
RR-FM-000.A	Area of forestland owned, leased, or managed by the entity	Total: 100, Own properties: 57,431 ha Rentals: 43,437 ha
RR-FM-000.B	Aggregate standing timber inventory	NA
RR-FM-000.C	Timber harvest volume	687,899 m^3

J. Green Bonds Report Caima - 2023-2028

Objectives of the Altri's Green Bond Framework

Altri’s commitment to sustainable development is reinforced by the inclusion of sustainable funding in its long-term vision and support for the implementation of the “2030 Commitment”.

Altri is aware of the future challenges and needs of its various stakeholders, namely shareholders and investors, and through sustainable financing aims to promote investment in projects that support the "2030 Commitment", which improve environmental performance, facilitate the production of clean and renewable energy and enhance integrated pollution prevention and control.



Altri's Green Bond Framework was developed to ensure the transparency, disclosure, and integrity of Altri's green bond emissions that support the implementation of the "2030 Commitment".

Altri's Green Bond Framework is aligned with the 2021 version of the Green Bond Principles (GBP), developed by the International Capital Market Association (ICMA). Altri's green bonds framework is based on four main components, aligned with the principles of green bonds:

1. Use of revenue;
2. Process of evaluation and selection of projects;
3. Revenue management; and
4. Reports.

To confirm this alignment, Altri hired Sustainalytics, an independent and specialized ESG rating company, which acts as an external reviewer to issue a second-party opinion on this framework (which will apply to any Green Bonds issued by Altri).

1. Use of revenue

Within the framework of green bonds, Altri intends to use revenues from the issuance of Green Bonds to finance or refinance new or existing projects, with a retrospective period of no more than 5 years, and activities, or acquire businesses defined in the categories of eligible green projects listed below.

Acquisition costs should ideally be limited to purely green companies, i.e. those that obtain at least 90% of their income from eligible activities, following the eligibility criteria set out in the green bonds below. The relevant use of revenues is described for each category and consists of individual projects, or a portfolio of selected projects based on the evaluation and selection process of Altri projects described in this table.

Fossil-fuel activities are excluded from all categories, and funding of Energy Procurement Contracts (CAE) based on nuclear energy and natural gas is also excluded. Where appropriate, revenue may be used to finance operational expenditure related to projects, which is expected to be less than 5% of total bond revenues, in R&D expenses and which will be accompanied by a project or a portfolio. Only projects and investments developed by Altri Group companies will be eligible for funding. All funded projects aim to support Altri's "2030 Commitment".

Eligible green projects aim to provide clear environmental benefits and impacts: Reduction of greenhouse gas (GHG) emissions, energy efficiency, decarbonization and use of renewable energy, water efficiency, waste reduction, and improvement of sustainable forest management practices, in line with the "2030 Commitment".

Altri also considers in its sustainability strategy the SDGs for which the potential impact is most relevant (and is detailed below for Eligible Green Projects).

Categories of Eligible Projects of Green Bonds

To be eligible for Green Bond revenue, projects must fall within one (or more) of the following categories of eligible green bond projects.

1. Sustainable use of water and wastewater management
2. Renewable energy
3. Energy efficiency
4. Prevention and control of pollution
5. Environmentally sustainable management of living natural resources and land use
6. Clean transport

Eligible categories	Eligible projects	United Nations Sustainable Development Goals
Sustainable use of water and wastewater management	► Drinking water distribution and wastewater treatment infrastructures for industrial use except wastewater resulting from fossil fuel operations. ► Reuse of treated wastewater, including equipment needed for reuse and recycling - (water recycling systems) ► Desalination projects powered exclusively by renewable energy (Altri adopted a waste management plan for the disposal of brine) ► All activities listed in this category, within the framework of this table, exclude wastewater from the exploitation of fossil fuels.	**6. Clean water and sanitation** ► By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. ► By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
Renewable energy	►Renewable energy production (solar, wind, bioenergy, biomass and waste) - ►Altri's raw material for bioenergy and biomass includes residual forest biomass and black liquor (burning wood components not suitable for cellulosic fiber production). Raw material production does not i) occur on land with high biodiversity and does not exhaust existing land carbon reserves or compete with food production; ii) the emission intensity throughout the life cycle of electricity projects will be less than 100 g CO 2E/kWh. ►The activities covered are the development, operations, maintenance, and refurbishment of the facilities. There is no mix of biofuels with fossils at Altri's facilities. ►Renewable energy consumption - long term (>5 years) - Energy procurement contracts (CAE) to guarantee 100% of renewable energy supplied by the national network (mainly solar, wind, and biomass). ►Transmission lines/cables for energy transport/distribution, equipment to facilitate the transport of energy and processes related to the consumption of renewable energy for use in Altri's activities.	**7. Affordable and clean energy** SDG Goal 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.

Energy efficiency	► New and renovated buildings, with integration of energy efficiency best practices - for construction/acquisition, green building certification systems to be used as best practices are LEED gold or higher. Newly built buildings that have a net primary energy demand (PED) that is at least 10% lower than the PED resulting from local requirements for near-zero energy buildings. For renewal, ensure a 30% improvement in energy efficiency compared to the reference value (before improving energy efficiency). ► Green and sustainable energy storage (electrochemical battery storage systems). ► Energy cogeneration systems that use residual forest biomass and black liquor. ► Power control systems, that is, software and hardware tools to control equipment and installations, aiming to optimize energy consumption, intelligent instruments, intelligent thermostats, and energy meters. ► Reduction of heat and energy losses - heat pumps (electric heat pumps from air, soil, or water, absorption heat pumps powered by heated water, solar or geothermal energy), LED, HVAC electrical equipment. Solutions or investments for these categories exclude fossil fuel-based improvements.	**7. Affordable and clean energy** SDG Goal 7.3: Improvement of energy efficiency.
Prevention and control of pollution	► Reduction of atmospheric emissions - The type of equipment that Altri intends to finance aims to capture particles (filters, membranes, recirculation equipment). ► Replacement of fossil fuels with renewable fuels (replacement of natural gas with other biofuels, synthetic green hydrogen fuels), excluding CO_2 from fossil or e-methane operations. ► Waste recycling - recovery of chemicals from the operating system (e.g. acetic and furfural acid production). ► Equipment for waste reduction, wastewater, and atmospheric emissions (boiler air supply systems, non-selective catalytic reduction technology (NSCR), evaporators, automation equipment for emission monitoring, electrostatic precipitators, filtering devices, purifiers, gas collection systems, non-condensable gas systems and waste treatment and reuse equipment (sludge and dehydration presses).	**12. Responsible consumption and production** ▪ SDG Goal 12.4: By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

Sustainable management, from an environmental point of view, of living natural resources and land use	► Sustainable forestry from an environmental point of view, certified by a credible certification system (FSC or PEFC). ► Afforestation or reforestation, using native tree species or well-adapted to the conditions of the site. ► Harvest of wood from FSC or PEFC-certified forests (labor and operational costs). ► Seedlings (production of plants to be used for forest regeneration). Altri has developed a strategy based on integrated forest management to maximize its efficient use. The forest is Altri's main asset, being the sustainable management of this vital resource. Altri manages, through its shareholding Altri Florestal, about 93 thousand hectares of forest in Portugal, fully certified by the Forest Stewardship Council (FSC-C004615) and the Forest Certification Approval Program (PEFC), two of the most recognized forest certification mechanisms in the world. ► Forestry operations (soil preparation, planting, pre-commercial thinning) under FSC and/or PEFC. ► Fertilization with exclusively natural fertilizers, under the FSC and PEFC, and labor costs associated with this activity. ► Infrastructures to facilitate sustainable management, sustainable forest management, forest paths, and natural roads (which are part of FSC and PEFC certified operations), built with plant waste, and sands, excluding the use of concrete or other fossil material ► Restoration of native forests and biodiversity conservation, within the framework of FSC and PEFC. ► Preservation or restoration of natural landscapes, within the framework of FSC and PEFC. ► Electric and hybrid machinery and goods transport vehicles, used for PEFC and FSC-certified forestry operations, and following an emission threshold of 25gCO_2/t-km.	**15. Life on land** ► SDG Goal 15.1: By 2030, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements ► SDG target 15.2: By 2030, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
Clean transport	► Electric and hybrid passenger vehicles - acquisition, financing, leasing, and operation of vehicles below the threshold of 75gCO_2/km or 120,7gCO_2/mile. ► Electric or hybrid goods trucks that follow a 25gCO_2/t-km emission threshold. ► Construction, modernization, maintenance, and operation of infrastructures dedicated to clean mobility (electric chargers), excluding parking lots.	**11. Sustainable cities and communities** ► SDG Goal 11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

2. Process of evaluation and selection of projects

Eligible Green Projects, as described in the section "Use of Revenue" above, will be considered for the implementation of Green Bonds and Revenue Allocation procedures. To ensure a credible process of project selection, specific steps for the Green Bond have been defined.

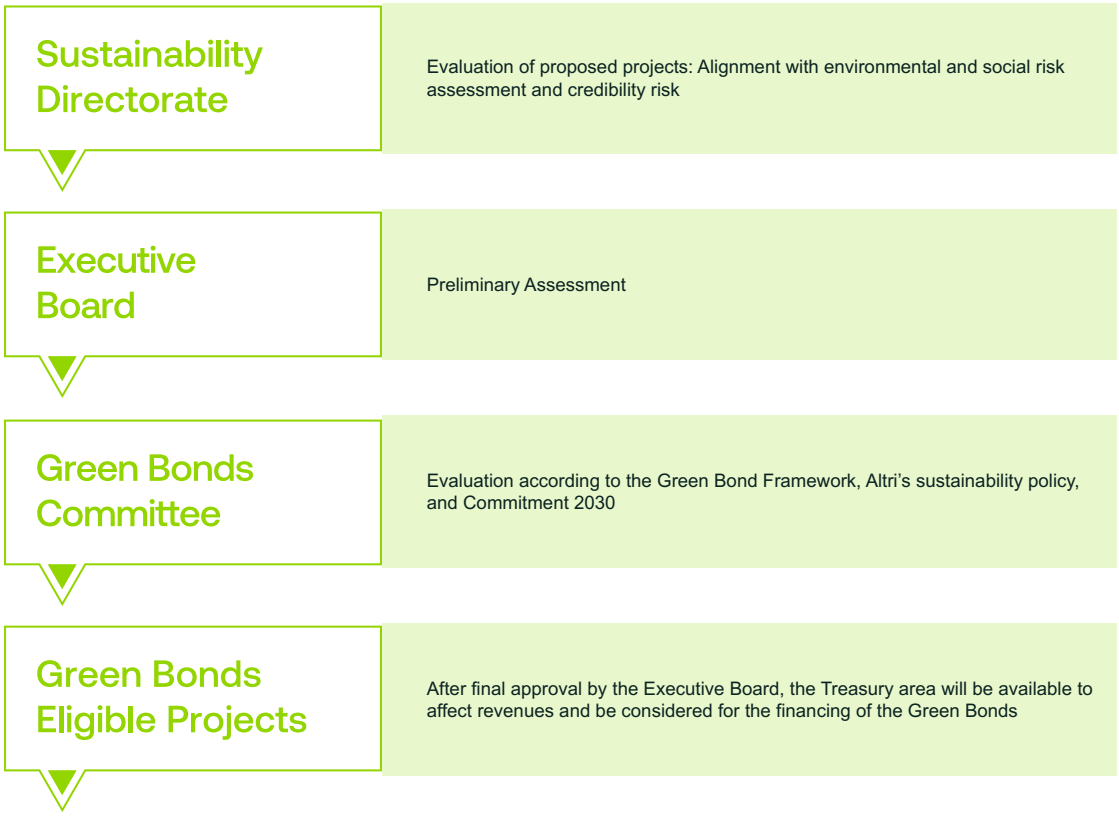
Together with the implementation of the principles of green bonds, Altri's projects are subject to environmental, social, and governance requirements — namely, (ESG) - Global Reporting Initiative Standards (GRI Standards); United Nations Sustainable Development Goals (UN SDGs); carbon Disclosure Project (CDP) for Climate, Water, and Forests; and Task Force on Climate Related

Disclosure (TCFD). Altri's Sustainability Directorate analyzes and performs a rigorous pre-selection of projects according to applicable standards, approving only those that comply with environmental and social risk assessment and do not present a risk of credibility, identifying potentially eligible projects in the context of the green bonds' framework. Projects approved in the pre-selection process are sent to the Executive Board for preliminary analysis.

If the Executive Board, after the preliminary analysis, concludes that the project meets the requirements necessary to proceed with a detailed analysis, the project is delivered to the evaluation of the Green Bonds Committee (GBC), which is responsible for the detailed analysis. The GBC is composed of members from different Altri Group directorates, including the Treasury area, who work together to ensure the correct allocation of bond revenues.

Following the detailed analysis by the GBC, and if it deserves the approval of the GBC, the project is again referred to the Executive Board for final approval of the project — if approved, the procedures for financing are initiated.

Description of the process of selecting green bonds



3. Revenue management

Net revenue from green bonds issued by Altri shall be managed based on a portfolio. Revenue will be used for financing eligible Green Projects (i.e., financing new or existing projects, M&A operations, acquisition of companies and other related and support expenses, R&D), as detailed above in the section "Revenue Use".

The Treasury team, which is part of the Directorate of Financial Operations and Credit Control, will ensure the allocation of net revenues following an internal management system that aims to define the destination of cash flows, establish reserve accounts for uninvested funds, and periodically adjust net

revenues. Other additional eligible investments and/or projects will be added to the portfolio of eligible green projects necessary to ensure that the net product of outstanding green bonds is affected to eligible Green Projects.

Pending the allocation of net revenues from green bonds, Altri will temporarily hold and/or invest the balance of net revenues not yet affected to the portfolio of eligible Green Projects, as it considers most appropriate, in its cash or equivalent liquidity portfolio, either temporarily in its treasury asset portfolio (cash or equivalent) or temporarily it will refund/purchase existing debt.

The debt refinanced or purchased will not be associated with controversial and high-carbon activities. Revenues not disbursed immediately will not be invested in non-green projects, GHG-intensive activities, or controversial activities. Altri will inform investors of the type of temporary placement foreseen for the balance of net unaffected revenues, which will be publicly disclosed on an annual basis, with the total allocation of the income of the bonds being made within a maximum period of five (5) years.

4. Reports

Following the principles of Green Bonds, Altri will provide an annual update to investors, through its Integrated Management Report (available on the Altri website), on activities related to the issuance of Green Bonds, including, as far as possible, information on the allocation of the use of resources, as well as relevant impact indicators.

Caima Green Bonds

The Altri Group obtained funding of 50 million euros through the issuance of green bonds (Green Bonds), with maturity of up to 5 (five) years, for the “Caima Go Green” project. With this operation, organized, assembled, and fully subscribed by Banco BPI, it was possible to finance the installation of a waste forest biomass boiler and a new turbo generator of 5 MW in Caima, in Constância. 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. It thus becomes the first Iberian company in its industry to reach this historic milestone.

1. Caima Go Green

A critical part of the energy transition is decarbonization, which involves gradually reducing or eliminating the use of fossil fuels, which are a significant source of carbon emissions, and adopting low or no carbon sources of energy.

With the use of residual forest biomass, it is intended to guarantee the steam needs of the Caima plant, in Constância, eliminate the consumption of natural gas (carbon neutrality), maximize the generation/sale of electricity, and exhaust the installed capacity in the condensation turbine, allowing to increase its production levels. This bet will also allow the implementation of innovative specialty projects, such as the recovery and recovery of acetic and furfural acid, recovering from the procedural currents these green compounds that can be marketed with high added value. A future project thinking about the future, based on the pillars of innovation, sustainability, and continuous improvement associated with the circular economy.

The residual forest biomass plant is designed, projected, and built based on the most modern concepts and technologies, to ensure maximum reliability and economy, maximum availability, high degree of automation, reduced environmental impact, compliance with the most demanding safety requirements of people and facilities and strict compliance with standards and best hygienic practices.

From an environmental point of view, the project fully complies with the best available techniques (MTD) and associated emission values (VEA-MTD), as considered in the best available techniques conclusions of BREF, applied to boilers using biomass as fuel, for installations with thermal power of less than 100 MW.

Summary of the main characteristics of this plant

- Deployment area: 2600 m2
- Chimney height: 50 meters
- Maximum height of boiler building: 40 meters
- Thermal power: 76 MWt
- Steam production: 90 t/h (25 kg/s, 90 bar, 480 ºC)
- Thermal efficiency of boiler: 88.5%
- Steam flow at turbine inlet: 48 t/h
- Generator power: 4.95 MWe
- Generator voltage: 3.3 kV

Use of revenues

Revenues were disbursed and fully affected, as they were used to refinance (up to three and a half years) a project defined in the Eligible Categories submitted, totalling 50 million euros. The relevant use of revenues was outlined for the category “Renewable Energy” and comprises an individual project, which was submitted to the evaluation and selection process of Altri projects, described in the section “Project evaluation and selection process”.

Eligible categories of Green Projects	Investment (million euros)	Use of revenues
Renewable energy	50	The revenues were used to refinance the acquisition and implementation of a waste forest biomass boiler

Caima Green Bonds	
Maturity	23.11.2028
Capital volume of bonds	Eur 50 million
ISIN	PTCIUAOM0002

2. Impact report

For allocated and eligible Green Projects, the actual impact will be reported when relevant, according to the proposed indicators described in the table below.

Eligible categories of Green Projects		Impact indicators	
Renewable energy	▶	Installed capacity of renewable energy	76 MW
	▶	Total renewable energy produced	31440 MWh
	▶	Avoided or reduced CO_2 emission	4307 t

3. External verification

Second Party opinion

Altri has hired Sustainalytics to provide a Second Party Opinion (“SPO”) on the framework of the “Caima Go Green” project under the Green Bonds Framework, assessing the sustainability of its Green Bonds Framework and its alignment with the Green Bonds principles. Sustainalytics applies its methodology aligned with international standards and guidelines of the Green Titles Principles to carry out this assessment. The SPO and the Green Bond Framework are published and made available on Altri's website at www.altri.pt.

K. Sustainalytics Report (Green Bonds Second Party Opinion)

MORNINGSTAR | SUSTAINALYTICS

Altri SGPS S.A.

Type of Engagement: Green Bond Pre-Issuance Review
Date: 8 November 2023
Engagement Team:
Sameen Ahmed, sameen.ahmed@morningstar.com, (+1) 416 861 0403
Aakanksha Jain, aakanksha.jain@morningstar.com

Introduction

In March 2022, Altri SGPS S.A. ("Altri" or the "Issuer") developed the Altri Green Bond Framework (the "Framework")[1] under which it intends to issue a green bond (the "Obrigações Verdes Caima 2023-28 issuance" or the "2023 green bond issuance") aimed at financing the construction of a biomass power plant to produce renewable energy for its factory in Constância, Portugal. Sustainalytics provided a Second Party Opinion[2] on the Framework in April 2022.

In October 2023, Altri engaged Sustainalytics to review the "Caima Go Green" project (the "Nominated Project") that will be funded through the 2023 green bond issuance and provide an assessment as to whether the project would comply with the use of proceeds, project selection, and management of proceeds sections of the Framework.

Evaluation Criteria

Sustainalytics evaluated the underlying projects that will be funded through the 2023 green bond issuance for compliance based on whether:

1. The Nominated Project is aligned with the use of proceeds eligibility criteria outlined in the Framework; and
2. The commitments to select projects, manage proceeds on allocation and impact in order to ensure that these commitments are aligned with the ones described in the Framework.

The project funded by the 2023 green bond issuance is summarized in Appendix 2.

Issuing Entity's Responsibility

Altri is responsible for providing accurate information and documentation relating to the details of the Nominated Project that has been funded, including a description of the eligible projects within each eligible category. This information was provided to Sustainalytics to support its review. Altri is also responsible for confirming to Sustainalytics that processes for project selection and management of proceeds for the 2023 green bond issuance will remain aligned with the commitments described in the Framework.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Altri's 2023 green bond issuance. The work undertaken as part of this engagement included verification of the Nominated Project and confirmation from relevant employees of Altri that the use of proceeds, processes for project selection and management of proceeds for the upcoming green bond issuance will remain aligned with the commitments described in the Framework.

Sustainalytics has relied on the information and the facts presented by Altri with respect to the Nominated Project. Sustainalytics is not responsible, nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by Altri.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the pre-issuance review.

[1] Altri, "Altri Green Bond Framework", (2022), at: https://altri.pt/en/investors/green-funding
[2] Sustainalytics, "Altri Green Bond Framework Second-Party Opinion", (2022), at: https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/altri-sgps-s.a/altri-green-bond-framework/altri-green-bond-framework

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Conclusion

Based on the limited assurance procedures conducted,[3] nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, Altri's 2023 green bond issuance is not aligned with the Framework.

[3] Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix 1: Altri's Use of Proceeds Eligibility Criteria

In March 2022, Altri developed the Framework under which it may issue green bonds and use the proceeds to finance or refinance, in whole or in part, existing or future projects that meet designated eligibility criteria. The eligibility criteria applicable for the purposes of this letter is set forth below:

Project Category	Eligibility Criteria
Renewable Energy	• Production of renewable energy (solar, wind, bioenergy, biomass and waste) – Altri's feedstock for bioenergy and biomass includes residual forest biomass and black liquor (burning of wood components not suitable for pulp production). The production of feedstock does not i) take place on land with high biodiversity and does not deplete existing terrestrial carbon stocks nor competes with food production; ii) the lifecycle emission intensity of the electricity projects will be <100 gCO_2e/kWh. ○ Activities covered are the development, operations, maintenance, and upgrading of facilities. No biofuel blending with fossil fuels occurs in Altri's facilities. • Consumption of renewable energy - long term (>5 years) - power purchase agreements (PPAs) for guarantees of 100% of renewable energy supplied from national grid (mainly solar, wind, and biomass). • Transmission lines/cables for energy transportation/distribution, equipment to facilitate transmission of energy, and processes related to renewable energy consumption for use in Altri's operations.

Appendix 2: Summary of Nominated Project

As of October 2023, the Nominated Project includes:

Use of Proceeds Category	Renewable Energy
Geographic Location	Constância, Portugal
Project Description	The Nominated Project includes the following: • The "Caima Go Green" project totalling EUR 50 million for the construction of a new biomass energy plant. • Caima is a biorefinery factory owned by Altri that produces cellulosic fibres for the textile industry. The new biomass energy plant will guarantee that Caima secures energy solely from renewable sources.[4]

[4] Altri, "Caima invests €40M to become the first Iberian cellulosic fibers producer free of fossil fuels", (2022), at: https://altri.pt/en/news/news/caima-invests-40m-to-become-the-first-iberian-cellulosic-fibers-producer-free-of-fossil-fuels

Appendix 3: Sustainalytics' Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the Nominated Project (Appendix 2) to determine if the project aligned with the use of proceeds eligibility criteria outlined in the Framework (Appendix 1).	The Nominated Project reviewed (Appendix 2) complied with the use of proceeds eligibility criteria.	None
Project Selection and Management of Proceeds Criteria	Verification of the Nominated Project to determine if the commitments under processes for project selection and management of proceeds were consistent with the Framework.	Altri has also confirmed to Sustainalytics that the processes for project selection and management of proceeds for the 2023 green bond issuance are consistent with the commitments described in the Framework.	None

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The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. With 17 offices globally, Sustainalytics has more than 1500 staff members, including more than 500 analysts with varied multidisciplinary expertise across more than 40 industry groups.

For more information, visit www.sustainalytics.com

Or contact us contact@sustainalytics.com



L. External Verification Report (Green Bonds)

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Avenida da Índia, 10 - Piso 1
1349-066 Lisboa
Portugal

Tel: +351 217 912 000
www.ey.com

(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails)

Independent Limited Assurance Report on the Green Bond Report

To the Management
Altri, SGPS, S.A.

Scope

We have been engaged by Altri, SGPS, S.A. ("Altri") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on the disclosures included on annex "J. Green Bond Report Caima - 2023-2028" (the "Green Bond Report") of the Management Report 2024, for the year ended 31 December 2024.

Criteria applied

Altri prepared the Green Bond Report in accordance with the Altri's Green Bond Framework (the "Criteria").

Responsibilities of the Management

Altri's management is responsible for selecting the Criteria, and for preparing the Green Bond Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining an appropriate internal control system, maintaining adequate records and making estimates that are relevant to the preparation of the Green Bond Report, such that it is free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to examine the Green Bond Report prepared by Altri and to issue a limited assurance report based on the evidence obtained.

Our engagement was conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information - ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Green Bond Report is prepared in accordance with the Criteria.

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. In these circumstances, our independent review procedures comprised the following:

- Conducting interviews with management and other personnel involved in the preparation of the Green Bond Report, in order to understand the characteristics of the (re)financed projects and how the information system is structured;
- Inquiries with the personnel responsible for preparing the Green Bond Report in order to understand the processes for collecting, collating, reporting and validating the allocation and impact report data for the reporting period;
- Checking the sustainable finance instruments net proceeds allocation in the eligible project portfolio has been made in accordance with the Criteria;
- Performing analytical review procedures to support the reasonableness of the allocation and impact report data, including information related to indicators disclosed in the report;

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Contribuinte N.º 505 988 283 - C. R. Comercial de Lisboa sob o mesmo número
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Altri, SGPS, S.A.
Independent Limited Assurance Report on the Green Bond Report
31 December 2024

- Verification of the conformity of the Green Bond Report with the results of our work and with the Criteria applied.

We consider that the evidence obtained is sufficient and appropriate to provide the basis for our conclusion.

Quality and Independence

EY applies the International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the *Ordem dos Revisores Oficiais de Contas*' Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentially and professional behavior.

Conclusion

Based on our work and evidence obtained, nothing has come to our attention that cause us to believe that the Green Bond Report, for the year ended 31 December 2024, has not been prepared, in all material respects, in accordance with the Criteria.

Lisbon, 3 April 2025

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(signed)

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nº 1410
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M. Independent Limited Reliability Assurance Report

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Portugal

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Independent Limited Assurance Report on the Consolidated Sustainability Reporting

To the Management
Altri, SGPS, S.A.

Limited assurance conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Reporting of Altri, SGPS, S.A. (the "Group") included in section "1.5. Sustainability Statement" of the Management Report (the "Consolidated Sustainability Reporting"), as at 31 December 2024 and for the period from 1 January to 31 December 2024.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Reporting is not prepared, in all material respects, in compliance with:

- The European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported on the Consolidated Sustainability Reporting (the "Process") is in accordance with the description set out in note Materiality assessment of section 1.5.1. General Requirements; and
- The disclosures laid down in Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation") included in subsection European Union Taxonomy within the section 1.5.2. Environmental Information.

Basis for conclusion

Our limited assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) standards are further described in section "Responsibilities of the Auditor".

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Quality and Independence

We apply the International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA) and of the *Ordem dos Revisores Oficiais de Contas*' Code of ethics

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31 December 2024

Responsibilities of Management for the Consolidated Sustainability Reporting

Management of the Group is responsible for designing, implementing and maintaining a Process to identify the information reported in the Consolidated Sustainability Reporting in accordance with the ESRS and for disclosing this Process in note Materiality assessment of section 1.5.1. General Requirements. This responsibility includes:

- Understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- The identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- The assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- The selection and adoption of methods and making assumptions that are reasonable in the circumstances.

Management of the Group is further responsible for:

- The preparation of the Consolidated Sustainability Reporting in compliance with the ESRS;
- The preparation of the disclosures in subsection European Union Taxonomy within the section 1.5.2. Environmental Information of the Consolidated Sustainability Reporting, in compliance with Article 8 of the Taxonomy Regulation;
- Designing, implementing and maintaining such internal controls that Management determines are necessary to enable the preparation of the Consolidated Sustainability Reporting that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates about sustainability disclosures that are reasonable in the circumstances.

Inherent limitations in preparing the Consolidated Sustainability Reporting

In reporting forward-looking information in accordance with ESRS, Management of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Reporting is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economics decisions of users taken on the basis of the Consolidated Sustainability Reporting as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional skepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Reporting, in relation to the Process, include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note Materiality assessment of section 1.5.1. General Requirements.

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Our other responsibilities in respect of the Consolidated Sustainability Reporting include:

- Obtaining an understanding of the entity's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Reporting but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the Consolidated Sustainability Reporting where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Reporting.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Reporting.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by Management; and
  - reviewing the Group's internal documentation of its Process.
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note 4.2.3. Double materiality assessment.

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Reporting, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Reporting by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Reporting, but not for the purpose of expressing a conclusion about the effectiveness of the Group's internal control;
- Evaluated whether material information identified by the Process is included in the Consolidated Sustainability Reporting;
- Evaluated whether the structure and the presentation of the Consolidated Sustainability Reporting is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Reporting;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Consolidated Sustainability Reporting;
- Obtained evidence on the methods, assumptions and data used on developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Reporting.

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Other matters

The comparative information included in the Consolidated Sustainability Reporting of the Group has not been subjected to an assurance engagement.

Lisbon, 3 April 2025

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Represented by:

(Signed)

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N. Transactions of Directors

Article 447 of the Portuguese Companies Act and Article 19 of the Regulation (EU) no. 596/2014 of the European Parliament and of the Council, of 16 April

Disclosure of shares and other securities held by members of the Board of Directors and Managers, as well as by persons closely related thereto, pursuant to Article 29-R of the Portuguese Securities Code, and transactions involving these, carried out during the financial year under analysis:

Members of the Board of Directors	Shares held on 31-Dec-2023	Acquisitions	Disposals	Shares held on 31-Dec-2024
Ana Rebelo Carvalho Menéres de Mendonça (attributable through PROMENDO INVESTIMENTOS, S.A.)	36,545,053	500,000	1,069,081	35,975,972
João Manuel Matos Borges de Oliveira (attributable through CADERNO AZUL, S.A.)	31,000,000	3,200,000	—	34,200,000
Paulo Jorge dos Santos Fernandes (attributable through ACTIUM CAPITAL, S.A.)	25,878,098	2,087,630	—	27,965,728
Domingos José Vieira de Matos (attributable through LIVREFLUXO, S.A.)	24,919,010	424,390	—	25,343,400
Pedro Miguel Matos Borges de Oliveira (attributable through 1 THING INVESTMENTS, S.A.)	20,541,284	—	—	20,541,284
José Armindo Farinha Soares de Pina (attributable by virtue of his matrimonial regime)	104,631	—	—	104,631

The transactions carried out in the course of the 2024 financial year have been disclosed in accordance with the legislation in force and the details can be consulted on the following company website: https://altri.pt/en/investors/investor-news.

O. Glossary

ACIFF: Associação Comercial e Industrial da Figueira da Foz (Commercial and Industrial Association of Figueira da Foz)

ADT: Air Dry Tone

AEBB: Associação Empresarial da Beira Baixa (Business Association of Beira Baixa)

AEM: Association of companies issuing quoted values in the market

ALP: Advanced Leadership Program

ANEFA: Associação Nacional de Empresas Florestais, Agrícolas e do Ambiente (Portuguese association of forest, agriculture and environment companies)

AOS: Altri Operating System

APEE: Associação Portuguesa de Ética Empresarial (Portuguese association of business ethics)

BCSD: Business Council for Sustainable Development

BEKP: Bleached Eucalyptus Kraft Pulp (bleached cellulosic fibers)

BHKP: Bleached Hardwood Kraft Pulp

Biond: Associação das bioindústrias de base florestal (Association of forest-based bioindustries)

BREF: Best Available Techniques Reference Documents

BSKP: Bleached Softwood Kraft Pulp

CA: Board of Directors

CAC: Comissão de Acompanhamento das Comunidades (Monitoring committee of the communities)

CapEx: Capital expenditure (Capital expenses)

CASST: Comissão de Ambiente e Segurança e Saúde no Trabalho (Committee on Environment, Health and Safety at Work)

CDP: Carbon Disclosure Project

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CITEVE: Centro Tecnológico das Indústrias Têxtil e do Vestuário (Technological center for textile and clothing industries)

COD: Chemical Oxygen Demand

COO: Chief Operating OfficerCOV: Comité das Obrigações Verdes (Committee on green bonds)

CSAR: Sustainability, Audit and Risk Committee

CSIP: Paper Industry Safety Card

CSRD: Corporate Sustainability Reporting Directive

DMA: Double materiality Analysis

DNFI: Disclosure of Non-Financial Information**DP:** Dissolving Pulp

DWP: Dissolving Wood Pulp (dissolving cellulosic fibers)**EB:** Executive Board

EBIO: Biodiversity Stations

EBIT Margin: EBIT / Total revenue

EBIT: Earnings before tax and EESC and financial results of continuing operations

EBITDA Margin: EBITDA / Total revenue

EBITDA: Earnings before taxes and EESC, financial results and amortizations, and depreciation of continuing operations

EMAS: Eco-Management and Audit Scheme

EFRAG: European Financial Reporting Advisory Group

e-GAR: Electronic waste tracking form

EMAS: Eco-Management and Audit Scheme

ENESII: Non-business entities of the Research and Innovation System

EPC: Equipamento de Proteção Coletiva (CPE - Collective Protection Equipment)

EPIS: Entrepreneurs for Social Inclusion

ESG: Environmental, Social and Governance

ESRS: European Sustainability Reporting Standards

EU ETS: European Emissions Trading

EU: European Union

FI: Frequency Index

Financial Results: Results related to investments, financial expenses and financial income

FSB: Financial Stability Board

FSC: Forest Stewardship Council

FSF: Forest service providers

G20: Group of 20 (20 largest economies in the world)

GDP: Gross Domestic Product

GEOTA: Grupo de Estudos de Ordenamento do Território e Ambiente (Study group on spatial planning and environment)

GHG: Greenhouse gases

GICS: The Global Industry Classification Standard

GNCs: Non-condensable gases

GRI: Global Reporting Initiative

GTS: SWG - Sustainability Working Group

H&S: Health and Safety

HAP: Hazardous Air Pollutants

HIRA: Hazard Identification Record and Risk Assessment

IEFC: Institut Européen de la Foret Cultivée

IFRS-EU: International Financial Reporting Standards

ILO: International Labor Organization

IMF: Information on financial markets

IPCC: Intergovernmental Panel on Climate Change

IROs: Impacts, Risks and Opportunities

IUCN: International Union for Conservation of Nature

IWWTP: Industrial wastewater treatment plant

Kaizen: Continuous Improvement

KPI: Key performance indicators

LCA: Lyfe Cycle Assessment

LTM EBITDA: EBITDA reported in the last 12 months

MBO: Management by Objectives

MONTIS: Associação para a Gestão e Conservação da Natureza (Association for the Management and Conservation of Nature)

MSS: Minimum Social Safeguards

NERSANT: Associação Empresarial da Região de Santarém (Business association of the region of Santarém)

Net debt: Bank Loans (nominal values) + Other loans (nominal values) - Cash and Cash equivalents

NGOs: Non-governmental organizations

NWF: Non Woven Fabric

OECD: Organization for Economic Cooperation and Development

OpEx: Operating Expenses

P&W: Printing and writing

PED: Positive Energy District

PEFC: Program for the Endorsement of Forest Certification

PIX: Pulp price index

PPE: EPI - Equipamento de Proteção Individual (PPE-Personal Protective Equipment)

PPI: Plataforma Portuguesa para a Integridade (Portuguese Platform for Integrity)

PPPC: Pulp and Paper Products Council

PQSE: Portal de Qualificação de Serviços Externos (External services qualification portal)

PSI: Portuguese Stock Index

R&D&I: Research, Development, and Innovation

R&D: Research and Development

RRP: Recovery and Resilience Plan

SASB: Sustainability Accounting Standards Board

SBTi: Science Based Targets initiative

SDGs: Sustainable Development Goals

SI: Severity index

SMART: Specific, Measurable, Achievable, Realistic, Timed

SMES: Small and medium company

SMETA: Sedex Members Ethical Trade Audit

SNCR: Selective Non Catalytic Reduction

SOGS: Stripper Off Gases

SPEA: Sociedade Portuguesa para o Estudo das Aves (Portuguese Society for the Study of Birds)

SPO: Second Party Opinion

TCFD: Task Force on Climate-related Financial Disclosure

Total Net Debt: Net debt + rental liabilities

Total net investment: Payments in the period relating to acquisitions of tangible fixed assets

Total revenue: Sales + Services provision + Other income

UN: United Nations

UNGC: United Nations Global Compact

UPAC: Self-Consumption Production Unit

VOCs: Volatile Organic Composites

WRAF: Water Resilience Assessment Framework

WRI: World Resources Institute

WWF: World Wild Fund

02

Corporate Governance Report

Part I - Information on shareholder structure, Organisation and Corporate Governance

A. Shareholder Structure

B. Governing Bodies and Committees

C. Internal Organisation

D. Remuneration Report

E. Transactions with Related Parties

Part II - Corporate Governance Assessment

1. Identification of the Corporate Governance Code Adopted

2. Analysis of Compliance with the Corporate Governance Code Adopted

3. Other Information

Appendix I



CORPORATE GOVERNANCE

Dear Shareholders, Stakeholders and Company in general,

Through this document, ALTRI, SGPS, S.A. ("**ALTRI**" or "**Company**") presents the Corporate Governance Report ("**Report**") that reflects the governance activity carried out in the 2024 financial year.

The Report template presented continues to be the one contained in the Regulation of the Securities Market Commission (**CMVM**) number 4/2013, and the information contained therein complies with all applicable legal requirements, including the provisions of article 29-H of the Securities Code (CVM), and, in compliance with the provisions of number 8 of article 26-G of the same legal act, integrates the Remuneration Report.

In terms of recommendations, ALTRI complies with the Portuguese Corporate Governance Code (IPCG) 2018, revised in 2023 (**IPCG Corporate Governance Code**).

ALTRI remains convinced that the governance model adopted by the organization is only effective if it promotes and enhances the dynamism and proactivity of the governing bodies and committees, if it allows a good articulation and interaction between them, so that they can create, develop and innovate, making the organization capable of responding to the increasing demands of the global world.

The culture of continuous improvement promoted within the organization, leads to the teams and their members to be challenged to go beyond what is necessary, questioning the established standards and The culture of continuous improvement promoted within the organization, leads to the teams and the people who integrate them are challenged to go beyond what is necessary, questioning established standards and enthusiastically proposing innovative and differentiating solutions.

An integrated vision of the organization, its requirements in the most diverse areas and the transversal fulfillment of the commitments assumed, in a relentless search for value creation.

PART I - INFORMATION ON SHAREHOLDER STRUCTURE, ORGANISATION AND CORPORATE GOVERNANCE

A.SHAREHOLDER STRUCTURE

I. Capital structure

1. Capital structure

The share capital of ALTRI, SGPS, S.A. (hereinafter referred to as "Company" or "ALTRI") amounts to € 25,641,459.00, fully subscribed and paid up, consisting of 205,131,672 ordinary shares, meaning that they are all registered, book-entry shares with the same inherent rights and duties, each with a nominal value of 12.5 Euro cents.

The amount of capital and the corresponding voting rights of all the qualified shareholders are detailed in section II.7.

All the shares representing the company's share capital have been admitted to trading on the Euronext Lisbon regulated market, managed by Euronext Lisbon, integrating its main index, the PSI.

2. Restrictions on the transfer and ownership of shares

The Company's Articles of Association do not include any restrictions on the transfer of ownership of shares and there are no shareholders with special rights. Therefore, ALTRI's shares are freely transferable in accordance with the applicable legal regulations.

3. Treasury shares

The Company does not hold any treasury shares as of 31 December, 2024.

4. Important agreements to which the company is a party and that come into effect, amend or terminate in cases such as a change in the control of the company after a takeover bid, and their effects

There are no significant agreements concluded by ALTRI including clauses regarding change of control (including following a takeover bid), i.e., that enter into force, are amended, entail making payments or incurring costs, or terminate in such circumstances or if there is a change in the composition of the Board of Directors, and there are no specific conditions that limit the exercise of voting rights by the Company's shareholders, that may interfere with the success of Takeover Bids.

Some financing agreements concerning ALTRI's subsidiaries contain the standard clauses of early repayment in case of changes in the shareholder control of its subsidiaries.

5. Framework governing the renewal or withdrawal of defensive measures, in particular those that provide for the limitation of the number of votes that may be held or exercised by a single shareholder individually or together with other shareholders

ALTRI did not adopt any defensive measures.

6. Shareholders' agreements of which the company is aware and that may result in restrictions on the transfer of securities or voting rights

As far as we are aware, there are no shareholder agreements whose subject is the Company.

II. Shareholdings and Bonds held

7. Qualifying holdings

As of 31 December, 2024 and according to the notifications received by the Company, pursuant to and for the purposes of Articles 16, 20 and 29-R of the CVM, the Company informs that the companies and/or natural persons with qualifying holdings exceeding 5%, 10%, 15%, 20%, 25%, 33%, 50%, 66% and 90% of the voting rights are as follows:

1 Thing, Investments, S.A.	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Directly (a)	20,541,284	10.01%
Total attributable	**20,541,284**	**10.01%**

(a) - The 20,541,284 shares represent Altri, SGPS, S.A. total shares held directly by 1 THING, INVESTMENTS, S.A., whose board of directors includes Altri's director Pedro Miguel Matos Borges de Oliveira

Paulo Jorge dos Santos Fernandes	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Actium Capital, S.A. (of which he is dominant shareholder and director)	27,965,728	13.63%
Total attributable	**27,965,728**	**13.63%**

Domingos José Vieira de Matos	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Vieira de Matos - VDM Capital, S.A. (of which he is dominant shareholder and director)	25,343,400	12.35%
Total attributable	**25,343,400**	**12.35%**

João Manuel Matos Borges de Oliveira	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Caderno Azul, S.A. (of which he is dominant shareholder and director)	34,200,000	16.67%
Total attributable	**34,200,000**	**16.67%**

Ana Rebelo de Carvalho Menéres de Mendonça	No. of shares held on 31-Dec-2024	% Share capital with voting rights
Through Promendo Investimentos, S.A. (of which she is dominant shareholder and director)	35,975,972	17.54%
Total attributable	**35,975,972**	**17.54%**

This matter is also addressed in the Management Report.

The up-to-date information on qualifying holdings is available at https://altri.pt/en/investors/shareholder-information.

8. Number of shares and bonds held by members of the management and supervisory boards, pursuant to Article 447(5) of the Portuguese Companies Act (CSC)

The shares and bonds held by members of management and supervisory boards in the Company and in companies in a control or group relationship with the Company, directly or through related persons, are disclosed in the appendices to the Management Report as required by Article 447 of the CSC and Article 19 of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014.

9. Special powers of the Board of Directors as regards resolutions on the capital increase

The Board of Directors does not have any special powers, it has the competences and powers conferred on it by the CSC and the Company's Articles of Association.

We should note that Article 4 of the Company's Articles of Association, as amended by resolution taken on April 30, 2021, gives the Board of Directors the possibility to resolve to increase the Company's share capital, one or more times, up to the limit of 35 million Euro, establishing in that resolution the conditions of subscription and the categories of shares to be issued, from among the existing ones.

This statutory provision, pursuant to the final part of the Article 456(2)(b) of the CSC, will be in force for a period of five years, expiring on April 30, 2026 and, if not renewed by a new resolution of the General Meeting, such competence will, from then on, reside exclusively in the General Meeting.

10. Significant commercial relationships between the holders of qualifying holdings and the Company

There are no significant commercial relationships established directly between qualifying shareholders and the Company that the Company has been made aware of.

Information on the deals between the Company and related parties can be found in note 30 of the Notes to the Consolidated Statements and note 21 of the Notes to the Separate Accounts concerning transactions with related parties.

B.GOVERNING BODIES AND COMMITTEES

I. GENERAL MEETING

a) Composition of the board of the general meeting

11. Details and position of the members of the Board of the General Meeting and their terms of office

In compliance with the provisions of Article 11 of the Company's Articles of Association and Article 374 of the CSC, the board of the General Meeting is composed of a chairman and a secretary elected by the Company's shareholders at the General Meeting for a three-year term of office coinciding with the mandate of the Board of Directors and the Statutory Audit Board.

As of 31 December, 2024, the Board of the General Meeting was composed of the following members, in their third consecutive term of office:

Chairman: Manuel Eugénio Pimentel Cavaleiro Brandão
Secretary: Maria Conceição Henriques Fernandes Cabaços

The current term of office started in 2023 and will end in 2025.

b) Exercising the voting right

12. Restrictions on voting rights

There are no statutory limitations on the exercise of voting rights at ALTRI.

The Company's share capital is fully represented by a single category of shares; each share corresponds to one vote and there are no statutory limitations on the number of votes that may be held or exercised by any shareholder.

The Company has not issued preferential shares without voting rights, nor any type of shares with special right to plural voting.

In order to participate in the General Meeting, shareholders are required to prove their status by reference to the "Registration Date" in compliance with the applicable legal provisions set forth in the Call Notice; the Company does not have requirements other than the ones established by law.

We should also note that, in line with the provisions of Article 23C(2) of the CVM, the exercise of participation and voting rights at the General Meeting is not impaired by the transfer of shares after the date of registration, nor does it require them to be blocked between that date and the date of the General Meeting.

Individual shareholders and legal persons may be represented by a person appointed for that purpose by means of a written document addressed to the Chairman of the Board of the General Meeting, by letter delivered at the Company's headquarters by the end of the third business day prior to the General Meeting.

A shareholder may also, in accordance with the applicable legal provisions, appoint different persons to represent shares held in different securities accounts, without prejudice to the principle of unity of vote and the possibility of voting in different directions legally provided for shareholders acting in a professional capacity.

The Company's shareholders may vote by correspondence on all matters subject to consideration by the General Meeting, by means of a written statement, with the identification of the shareholder which, in the case of a natural person, consists of a certified copy of the corresponding citizen card, required in compliance with Article 5(2) of Law 7/2007, of 5 February, as amended by Law no. 61/2021, of 19 August, and, in the case of a legal person, consists of a duly recognised signature, in accordance with the applicable legal provisions.

Pursuant to the Company's Articles of Association:

- Without prejudice to the proof of quality of shareholder in compliance with the terms and deadlines provided by law, only postal votes sent by registered mail to the Company's registered office, addressed to the Chairman of the Board of the General Meeting and received by the latter by the end of the third business day prior to the date of the General Meeting, will be admitted;

- The voting statement must be signed by the holder of the shares or by the person legally representing him/her, and the shareholder, if a natural person, must accompany the voting statement with a certified copy of his/her identification document and, if a legal entity, its signature must be recognised as such and its powers for the act;

- Voting statements must (i) indicate the item or items on the agenda to which they refer, (ii) indicate the specific proposal to which they refer, indicating the proponents, as well as (iii) contain a precise and unconditional indication of the voting direction for each proposal;

- Postal votes count for the verification of the constitutive quorum of the General Meeting, being the result of the vote by correspondence in relation to each item of the agenda disclosed in the item to which it refers;

- The postal vote is considered revoked in the case of the presence in the General Meeting of the shareholder who issued it or of the representative designated by him/her;

- If the vote declarations omit the vote in relation to proposals presented prior to the date on which the same votes were issued, the shareholder will be considered to have abstained in relation to those proposals;

- Postal votes count as negative votes in relation to deliberative proposals presented subsequent to the date on which those votes were issued.

- The Chairman of the Board of the General Meeting is responsible for checking whether the statements of vote by correspondence are compliant; votes corresponding to statements not accepted as valid will be deemed not issued.

Without prejudice to constantly monitoring the adequacy of its model and to respond immediately to any request addressed to it in a different direction, ALTRI has been encouraging the physical participation of its shareholders, either directly or through representatives, in its general meetings, considering that they are the ideal moment for Shareholders to come into contact with the management team, taking advantage of the presence of the members of the other governing bodies, namely the Statutory Audit Board and the Statutory Auditor, as well as the members of the Remuneration Committee. This interaction has been beneficial for the Company.

In this context, the Company has not implemented the mechanisms required to allow exercising the right to vote by electronic means, or the possibility of attending the meeting by telematic means. These forms of voting and participation were never requested by any of the Company's Shareholders, so it is considered that the absence of such forms of voting and participation does not entail any constraint or restriction on the exercise of the right to vote and participate in General Meetings.

We should also note that the Company discloses, within the applicable legal deadlines and in all places required by law, the calls to General Meetings, which contain information on how shareholders can qualify to participate and exercise their voting rights, as well as on procedures to be adopted to allow exercising the right to vote by correspondence or to appoint a representative.

The Company also discloses, in accordance with applicable legal provisions, the deliberation proposals, the preparatory information required by law, representation letter drafts and ballot papers for exercising the right to vote by correspondence, in order to guarantee, promote and encourage the participation of the shareholders or their appointed representatives in the General Meetings.

In this context, the Company believes that the current model promotes and encourages, in the terms broadly described in this Report, the participation of the Shareholders in the General Meetings.

13. Maximum percentage of voting rights that may be exercised by a single shareholder or by shareholders that are in any of the relationships referred to in Article 20(1) of the Securities Code

There are no limitations on the number of votes that may be held or exercised by a single shareholder or Group of shareholders.

14. Shareholders' resolutions that, by statutory requirement, may only be taken with a qualified majority

In accordance with the Company's Articles of Association, corporate resolutions are taken by a majority of the votes cast, regardless of the percentage of share capital represented at the meeting, unless a different majority is required by law.

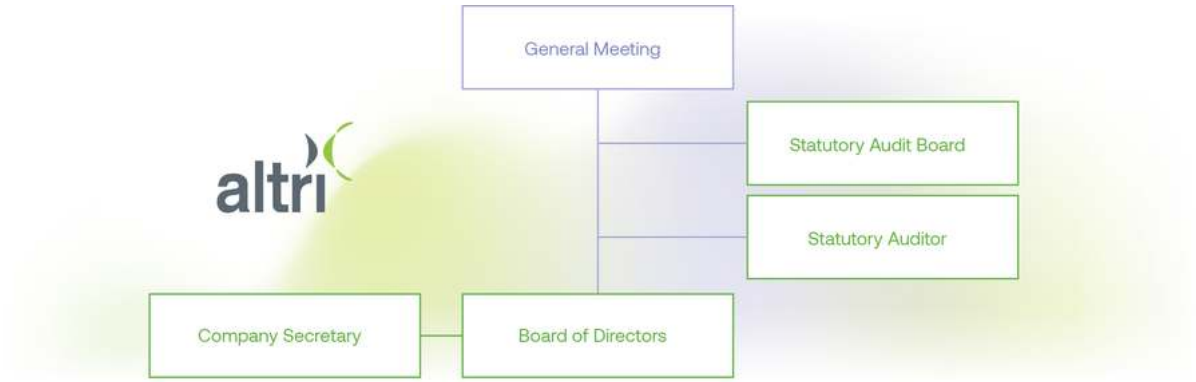
In a second call, the General Meeting may deliberate regardless of the number of shareholders present and the share capital they represent.

The deliberative quorum of the General Meeting is required at ALTRI in accordance with the provisions of the CSC.

II. MANAGEMENT AND SUPERVISION

a) Composition

15. Identification of the corporate governance model in place



ALTRI adopts the governance model, which includes a Board of Directors and a Statutory Audit Board, as provided for in Article 278(1)(a) of the CSC, and a Statutory Auditor, in compliance with the provisions of Article 413(2)(a) of the CSC, by reference to the aforementioned Article 278(3).

The Board of Directors is, therefore, the body responsible for managing the Company's business in pursuit of its corporate purpose, determining its strategic orientation, without prejudice to the monitoring and assessment of management by the Statutory Audit Board, within the scope of its powers.

The Company continuously monitors the adequacy of the model in place, which has proved to be perfectly suitable and crucial for the Group's good performance, ensuring an adequate flow of information between the various company bodies.

ALTRI Group has incorporated a policy of diversity in the composition of its governing bodies, with emphasis on gender diversity.

Considering that the activities carried out by the Group's companies are industrial and forestry management activities where there is a historical predominance of the male gender, at ALTRI there are more and more women in leadership positions.

ALTRI values people and recognizes their merit for their excellent performance, promoting equal opportunities and non-discrimination.

The members of the Board of Directors who are currently in office have already shown that they have the individual characteristics (namely competence, independence, integrity, availability and experience) to fully perform their duties in line with the interests of the Company and its Shareholders, thanks to their seniority and experience.

The Company, through the Corporate Governance Committee, periodically assesses the adequacy of the current model to the size of the company and the complexity of the risks inherent in its activity. The Board of Directors, in turn, assisted by the various bodies and committees of the Company, promotes the continuous improvement of its procedures, approving regulations and policies, current and capable of responding to the growing challenges of today's society.

16. Statutory rules on procedural and material requirements for the appointment and replacement of members of the Board of Directors, where applicable

The members of the Company's Board of Directors are elected by the Shareholders, by resolution taken at the General Meeting. The members of the Board of Directors are elected for a period of three years and can be re-elected one or more times.The Board of Directors is composed of an even or odd number of members, with a minimum of three and a maximum of fifteen, shareholders or not, elected by the General Meeting, which may, immediately, appoint its President.

The Group's market positioning and the results disclosed to the public over the years, particularly in demanding and challenging years such as the year 2024, show that the Company's management team has been performing its duties with a high level of expertise, precision and competence.

Also with regard to the election of the members of the Board of Directors, it is important to mention the statutory rule set forth in Article 15 of the Articles of Association, according to which, at the electoral General Meeting, one director may be elected among the candidates proposed on the lists endorsed by Groups of shareholders, depending on whether the total number is three or four, five or six, seven or more than seven, provided that none of said Groups holds shares representing more than twenty percent and less than ten per cent of the Company's share capital. If there are proposals to that effect, the election will be held separately before the election of the other directors. Each of the aforementioned lists shall propose at least two candidates eligible for each of the available positions. No shareholder may subscribe to more than one of the aforementioned lists, and if, in a single election, lists are submitted by more than one group, the voting will be based on all of these lists. These rules will only apply if, under any circumstances, the Company is considered to be a public company, a State concessionary or an entity equivalent to it.

17. Composition of the Board of Directors

The Board of Directors, currently composed of fifteen members, is the body responsible for managing the Company's business in the pursuit of its corporate purpose, as well as for determining ALTRI's strategic orientation; therefore, in carrying out its duties, the Board of Directors always acts in the manner it deems more suitable to defend the Company's interests, focused on permanently creating value for its shareholders and other stakeholders.

On December 31, 2024, this body was composed of the following members:

- Alberto João Coraceiro de Castro – Chairman
- Paulo Jorge dos Santos Fernandes – Vice-President
- João Manuel Matos Borges de Oliveira – Vice-President
- José Armindo Farinha Soares de Pina – Member
- Carlos Alberto Sousa Van Zeller e Silva – Member
- Vítor Miguel Martins Jorge da Silva Martins – Member
- Miguel Allegro Garcez Palha de Sousa da Silveira - Member

- João Carlos Ribeiro Pereira - Member
- Sofia Isabel Henriques Reis Jorge - Member
- Domingos José Vieira de Matos – Member
- Pedro Miguel Matos Borges de Oliveira – Member
- Ana Rebelo de Carvalho Menéres de Mendonça – Member
- Laurentina da Silva Martins – Member
- Maria do Carmo Guedes Antunes de Oliveira – Member
- Paula Simões de Figueiredo Pimentel Freixo Matos Chaves – Member

All the members of the Board of Directors were elected at the General Meeting held on April 28, 2023 for the 2023/2025 triennial.

Name	First Nomination	End of mandate
Paulo Jorge dos Santos Fernandes	March 2005	31 December 2025
João Manuel Matos Borges de Oliveira	March 2005	31 December 2025
Domingos José Vieira de Matos	March 2005	31 December 2025
Laurentina da Silva Martins	March 2009	31 December 2025
Pedro Miguel Matos Borges de Oliveira	April 2014	31 December 2025
Ana Rebelo de Carvalho Menéres de Mendonça	April 2014	31 December 2025
Alberto João Coraceiro de Castro	April 2020	31 December 2025
Maria do Carmo Guedes Antunes de Oliveira	April 2020	31 December 2025
Paula Simões de Figueiredo Pimentel Freixo Matos Chaves	April 2020	31 December 2025
José Armindo Farinha Soares de Pina	April 2020	31 December 2025
Carlos Alberto Sousa Van Zeller e Silva	April 2020	31 December 2025
Vítor Miguel Martins Jorge da Silva	April 2022	31 December 2025
Miguel Allegro Garcez Palha de Sousa da Silveira	April 2023	31 December 2025
João Carlos Ribeiro Pereira	April 2023	31 December 2025
Sofia Isabel Henriques Reis Jorge	April 2023	31 December 2025

18. Distinction to be drawn between executive and non-executive members of the Board of Directors and, as regards non-executive members, identification of the members that may be considered independent

As of 31 December, 2024, the Board of Directors, made up of fifteen members, included six executive members: José Armindo Farinha Soares de Pina (chairman), Carlos Alberto Sousa Van Zeller e Silva (vice-chairman), Vítor Miguel Martins Jorge da Silva, Miguel Allegro Garcez Palha de Sousa da Silveira, João Carlos Ribeiro Pereira and Sofia Isabel Henriques Reis Jorge (members).

The Board of Directors also included three independent members: Alberto João Coraceiro de Castro, Maria do Carmo Guedes Antunes de Oliveira and Paula Simões de Figueiredo Pimentel Freixo Matos Chaves.

ALTRI considers that the independence criteria set forth in section 18.1 of the Annex to CMVM Regulation 4/2013, which classifies the directors as independent directors, and the independence criteria set forth in recommendation IV.2.4. of the IPCG's Corporate Governance Code have been met with regard to these three directors.

The other directors, Paulo Jorge dos Santos Fernandes, João Manuel Matos Borges de Oliveira, Domingos José Vieira de Matos, Pedro Miguel Matos Borges de Oliveira, Ana Rebelo Carvalho Menéres de Mendonça and Laurentina da Silva Martins are non-executive directors, not independent.

In 2024, six members of the Board of Directors performed executive duties and were part of the Company's Executive Committee, designated by the Board of Directors, a body that prepared and

approved the Regulations for the Operation of the Executive Committee with the consequent delegation of powers.

The number of executive directors, throughout the year 2024, corresponded to 40% of the members of the Board of Directors, and this number, when compared to the total number of members of the body, is appropriate and balanced in view of the nature and size of the Company.

This conclusion results, in particular, from the consideration of the experience, background, profile and knowledge of the executive directors, as well as the powers that have been delegated by the Board of Directors, including the specific skills of each of the executive directors, considering that this number of members, in light of the risks and requirements inherent to their activity, is sufficient to ensure an effective, efficient and prudent management of the Company.

The activity of the executive directors is carried out in articulation with the work of the other members of ALTRI's Board of Directors (i.e., the non-executive directors), which, also considering their personal profile, career and professional experience, are sufficient in number, appropriate and balanced to the nature and size of the Company.

In fact, ALTRI considers that the number of non-executive directors allows for an effective monitoring, as well as a true supervision and inspection, of the activity carried out by the executives, especially considering that the Company has developed mechanisms to allow the non-executive directors to make independent and informed decisions, namely through:

- Ensuring that the executive directors are available to provide non-executive directors with all the additional information deemed relevant or necessary, as well as to carry out further studies and analyses concerning all matters that are deliberated upon, or otherwise analysed, by the Company;

- Sending the calls for meetings to all the members of the Board of Directors in advance and in a timely manner, including the corresponding meeting agenda, even if provisional, together with all the other relevant information and documentation;

- Ensuring that all the records of the Company and its subsidiaries, namely minutes books, share registration books, contracts and other documents supporting the operations carried out by the Company or its subsidiaries are available for examination, and that a direct channel for obtaining information is created and promoted among the directors and the operational and financial officers of the various companies that are part of the Group, without the need for executive directors to take part in that process.

The management report includes, in the appendices, the “Activity carried out by the non-executive members of the Board of Directors”, a description of the activity carried out by the non-executive directors in FY 2024.

19. Professional qualifications of the members of the Board of Directors

The curriculum of the members of the Board of Directors are presented in Appendix I of the Governance Report.

20. Regular and significant family, professional or commercial relationships between the members of the Board of Directors and shareholders to whom a qualified shareholding with voting rights exceeding 2% can be ascribed

On December 31, 2024:

The Co-Vice-President of the Board of Directors Paulo Jorge dos Santos Fernandes is a director and majority shareholder of ACTIUM CAPITAL, S.A., a company holding 13.63% of ALTRI's share capital.

The Co-Vice-President of the Board of Directors João Manuel Matos Borges de Oliveira is a director and majority shareholder of CADERNO AZUL, S.A., a company holding 16.67% of ALTRI's share capital, and is brother of the director Pedro Miguel Matos Borges de Oliveira.

The director Pedro Miguel Matos Borges de Oliveira is the President of the Board of Directors of the company 1 THING, INVESTMENTS, S.A., a company holding 10.01% of ALTRI's share capital and is João Manuel Matos Borges de Oliveira's brother.

The director Domingos José Vieira de Matos is a director and majority shareholder of VIEIRA DE MATOS - VDM CAPITAL, S.A., a company holding 12.35% of ALTRI's share capital.

The director Ana Rebelo de Carvalho Menéres de Mendonça is a director and majority shareholder of PROMENDO INVESTIMENTOS, S.A., a company holding 17.54% of ALTRI's share capital.

ALTRI has a policy of preventing situations of conflict of interest, which is foreseen in the Regulation on Related Parties Transactions and Conflicts of Interest, approved by the Board of Directors on 5 June 2023 for the new mandate 2023/2025, having obtained the respective favourable prior opinion of the Company's Statutory Audit Board. Additionally, there is a Code of Ethics, which is also transversally applicable to all levels of the organization, including members of the corporate bodies.

According to the Code of Ethics, one of ALTRI's values is integrity. Integrity implies total correctness in the relationship with others and with the company, assuming loyalty and transparency in behavior. ALTRI trusts in the integrity of all its employees. Therefore, it does not allow any conflict of interest situations between any Employee or Partner and ALTRI.

A conflict of interest exists when (i) the Employee's or Partner's private interest interferes, or appears to interfere in any way, with the interests of the company as a whole and/or (ii) an Employee or Partner, or close family members or friends, receive an improper personal benefit as a result of that Employee's or Partner's position in the company.

When faced with a potential conflict of interest situation, Employees or Partners should:

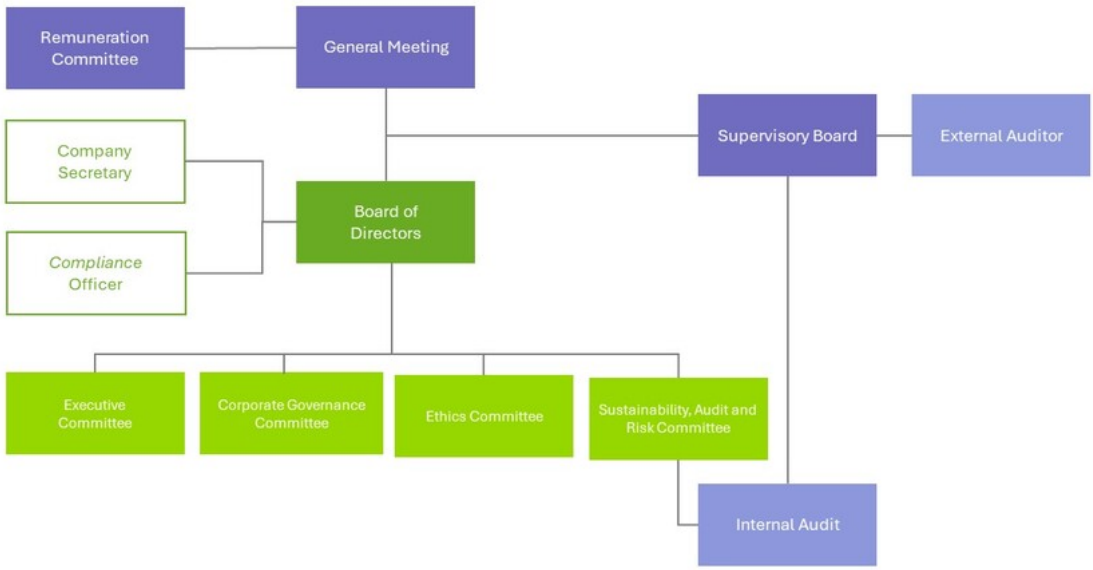
a. inform their direct supervisors, in writing, of the conflict of interest in which they are or may be involved, before undertaking any transaction or completing the business in question;

b. refrain from (i) intervening in or influencing, directly or indirectly, the making of decisions that may affect entities with which there may be a conflict of interest, and (ii) participating in meetings where such decisions are discussed or confidential information affecting such conflict is evaluated.

At all times, the Employee or Partner must refrain from acting on their own motivations, not giving priority to their own interests or those of third parties, whenever this could jeopardise ALTRI's interests.

21. Organisational charts or flowcharts concerning the allocation of powers to the various governing bodies, committees and/or departments, including information on delegations of powers, particularly with regard to the delegation of the company's day-to-day management

Governing bodies and committees



In accordance with ALTRI's current governance structure, the Board of Directors is the body responsible for managing the Company's business in pursuit of its corporate purpose, as well as for determining the Group's strategic orientation, always acting in the manner it deems more suitable to defend the Company's interests, focused on permanently creating value for the company, its shareholders and other stakeholders. The Board of Directors is currently composed of fifteen members elected at a General Meeting, one of whom is the chairman, two vice-president and twelve members, nine of whom are non-executive members.

The specialised Committees within the Board of Directors work on the issues under their responsibility with precision and depth, establishing, whenever necessary, direct contacts with the operational teams, and prepare in advance the information that is taken to the Board of Directors, so that the debates in this governing body may achieve conscious and enlightened deliberations.

In the exercise of its functions, the Board of Directors is constantly interacting with the Statutory Audit Board and the Statutory Auditor, thus cooperating with the supervisory body in a regular, transparent and precise manner, in compliance with the corresponding operating regulations and the best corporate governance practices.

There is no limitation to the maximum number of positions that may be accumulated by directors on the management bodies of other companies. Therefore, the members of the Company's Executive Committee are in most cases members of the management bodies of the Group's subsidiaries, ensuring close and permanent monitoring of their respective activities.

ALTRI's Board of Directors encourages all operational divisions and areas to create multidisciplinary teams with a view to developing relevant projects for the Group; this multidisciplinary allows ensuring

that all issues are identified and that the ways of solving these issues are analysed from different perspectives, providing a more cross-cutting insight into the topics under analysis. ALTRI believes that establishing agile and effective communication channels between the Company's divisions, and between these and the operational areas, and between all of these and the boards of directors of the various subsidiaries and of the Company itself is the best way to implement projects, to identify the risks associated with these, to develop the mechanisms necessary to mitigate these risks, from a truly comprehensive perspective analysed from different points of view.

ALTRI believes that an effective flow of information within the organisation is the only way to ensure an adequate flow of information between the multidisciplinary teams and the governing bodies and, consequently, between these and the shareholders, investors, other stakeholders, financial analysts and the market in general.

In compliance with this Group policy, which is perfectly in line with recommendation II.1.1. of the Corporate Governance Code of the IPCG, and in compliance with the applicable legal regulations, ALTRI ensures the accurate and timely disclosure of information to the market, through the CMVM's Information Disclosure System (CMVM's IDS), guaranteeing that the information is made available to its shareholders, other stakeholders and the market in general at the same time and with the same level of detail.

In line with the above, ALTRI lists the Company's Committees and/or departments and their powers and attributions:

Executive Commitee

The Executive Committee is responsible for the day-to-day management of the Company, under the terms set forth in the respective delegation of powers, which observes the limits set forth in article 407(4) of the Portuguese Companies Code.

The Executive Commitee manage its activity in accordance with the purposes of the Company and with the values, principles e strategies set forth by the Board of Directors.

The Executive Committee shall regularly and always in an adequate and timely manner provide information concerning the management of the Company and its subsidiaries, to the Board of Directors and the Statutory Audit Board.

Corporate Governance Committee

The Corporate Governance Committee was created in September 2024 by the Board of Directors, in accordance with the recommendations of the IPCG, thus providing a forum for debate and reflection on the Company's Governance model.

This competence was included in the Strategic, Operational & Governance Monitoring Committee, however dissolved on the same date. It was found that, due to the way it was constituted (comprising the CEO and the five directors holding qualified holdings), it monitored the Company's activities in a way that is already carried out, in greater detail and depth, by the Board of Directors.

Therefore, given that there is a redundancy in the topics addressed by this committee with the topics addressed by the Board of Directors and with the consequent duplication of time spent, without any significant advantages arising from this, the Board of Directors decided to dissolve it, given that the Committee had thus exhausted its usefulness.

The current Corporate Governance Committee's mission is, in particular, to assess and evaluate the corporate governance model, including the presentation of review proposals, assess and monitor the Company's governance practices and assess the level of compliance by the Company with legal and

regulatory standards, as well as recommendations and guidelines issued by the competent authorities, relating to corporate governance.

In 2024, the Corporate Governance Committee reflected on the governance model in a broad sense (which includes the committees created by the Board of Directors in May 2023, after the election of the bodies for the 2023/2025 term by the General Assembly), having reached the following conclusions:

- ALTRI's Governance model, which is in force in the current term 2023/2025, is a model that has been reflecting ALTRI's growing path in strengthening its structure, and which was designed to reflect the commitment of the governing bodies to a structure developed in the image and size of the group;

- The Corporate Governance Committee, similar to the reflection carried out by the Strategic, Operational & Governance Monitoring Committee in the previous year, highlighted, in its analysis, that it evaluates very positively the subsequent steps that the corporate bodies have been taking in a permanent concern to strengthen and further increase the creation of specialized committees, as well as the adoption of important regulations and policies;

- With regard to sustainability, the important contribution of the Sustainability Audit & Risk Committee in monitoring the implementation measures of the 2030 commitment undertaken by ALTRI was highlighted;

- The Corporate Governance Committee concluded that ALTRI's Governance model, in force in the current term 2023/2025, has proved to be perfectly suited to the challenges of the business and the organization.

Ethics Committee

The Ethics Committee is a specialized committee within the Board of Directors, responsible for accompanying the disclosure and compliance with the Group's Code of Ethics, monitoring compliance with and observance of the rules contained therein, in the personal and professional conduct of all its employees with respect for common ethical principles, regardless of their position or function. The mission of this committee includes ensuring the regular operation of mechanisms for reporting irregularities that constitute ethical or legal violations, assessing such reports and forwarding them, as applicable, to the body responsible for the matter in question. This Committee also monitors the implementation of the measures included in the Group's current Equality Plan. The Ethics Committee works in perfect articulation with the Board of Directors, to which it periodically reports on the performance of its activities.

In addition to having non-executive directors in its composition, it is also integrated by the executive Director responsible for the Area of Sustainability, Risk, Communication, and People & Talent, as well as the head of Legal Department, who should assist the activity of this commission. The Ethics Committee also has two members of the statutory audit board.

Sustainability, Audit & Risk Committee

The Sustainability, Audit & Risk Committee is also a specialized committee within the Board of Directors, whose primary mission is to participate in defining and monitoring the Group's sustainability, audit and risk policies and strategies. In addition to having non-executive directors in its composition and the executive director responsible for the sustainability area, it is also integrated by the head of the group's legal direction, whose areas must assist the activity of this committee.

This Committee shall hold at least once a year a joint meeting with the Statutory Audit Board, where it shall establish a cross-cutting dialogue between the Committee and the Statutory Audit Board on the subjects falling within the competences of each of the bodies. At this annual meeting, the Internal Audit

Director is invited to participate, presenting a report to both the Committee and the Statutory Audit Board on the activity developed and the Risk Officer who also presents a report of his activity. This annual meeting continues with the presence of the ROC, which presents the conclusions of the audit work to the Committee and the Statutory Audit Board.

Remuneration Committee

Unlike the other committees, the Remuneration Committee is elected by the General Meeting, in compliance with the provisions of Article 399(1) of the Portuguese Companies Code and the Bylaws of the Company. It is the committee responsible for evaluating performance and approving the remuneration of the members of the Board of Directors and the other corporate bodies. It is up to this committee, in compliance with the provisions of Article 26-A and following of the Portuguese Securities Code, and recommendation VI.2.2. of the IPCG's Corporate Governance Code, to prepare the Statement on the Remuneration and Compensation Policy of the Corporate Bodies, as well as the proposal for approval of this policy, and submit it to the scrutiny of the deliberative body for this matter, which is the General Meeting.

If the Remuneration and Compensation Policy of the Corporate Bodies is approved by the General Meeting, it is the responsibility of this committee to fight for its application, monitoring its permanent adequacy to the situation of the Company.

In terms of corporate management, ALTRI highlights the following areas:

Corporate Areas

The Corporate Directions report directly to the Chief Executive Officer (CEO), and are as follows:

- Investor Relations and M&A (Mergers and Acquisitions);
- Legal, General Secretary and Representative for Market Relations;
- Compliance;
- Internal Audit.

Operational Area

The Operational Directions that report to the Chief Operational Officer (COO), are as follows:

- Industrial Directions (all units) of the Group;
- Industrial Operational Developments;
- Innovation and Technological Development;
- Energy, Energy Transition and Asset Management;
- Engineering Techniques;
- Product Development and Process Transformation.

Financial Area & Shared Services

The Directions that compose the Financial and Shared Services Area report to the Chief Financial Officer (CFO) are as follows:

- Financial Operations and Risk Management;
- Accounting, Tax and Incentives;
- Consolidation, Financial and Tax Reporting;
- Planning and Management Control;
- IT (Information Technology);
- Purchasing and Procurement.

Forestry Area

The Directions that compose the Forestry Area, which is under the responsibility of the Director of the area that is member of the Executive Committee, are as follows:

- Forest Department;
- Supply, Procurement and Supplier Development;
- Forestry Strategy and Development.

Commercial Area

The Directions that compose the Commercial Area, which is under the responsibility of the Director of the area that is member of the Executive Committee, are as follows:

- Logistics & Back Office;
- DWP and Paper Pulp Sales;
- Marketing & Business Inteligence.

Sustainability, Risk, Communication, People and Talent

The Directions that compose the Sustainability, Risk, Communication and People & Talent Area, which are under the responsibility of the Director of the area that is member of the Executive Committee, are as follows:

- Sustainability;
- Risk;
- Communication;
- People & Talent;
- Occupational Health.

Resolutions on structuring matters of the Group's activity are taken by the Board of Directors as a collegial body composed of all its members, executive and non-executive, in the normal performance of their duties. The ALTRI Executive Committee, composed of six directors - CEO, COO, CFO and also by the three directors responsible for Commercial, Forestry and Sustainability, Risk, Communication, People & Talent, focus their activity essentially on the daily management of the business and implementation of the Board of Directors' resolutions.

The six members of the Executive Committee (which are - CEO, COO, CFO, the director responsible for the Forestry area, the director responsible for the Commercial area and the director responsible for the Sustainability, Risk, Communication, People & Talent areas) compose the Board of Directors of the Group's subsidiaries, thus ensuring in-depth knowledge of the business, close to the operations and people, which means that the decisions taken at the level of the Group's holding company, ALTRI, are even more conscious and informed.

ALTRI believes that the deeper the knowledge of the Company’s directors about the specifics and subtleties of the business, the better their decisions on strategic lines and, consequently, the more successful the decisions taken by the top management.

Accordingly, and considering the activities developed by the members of the Board of Directors, both at ALTRI and at its subsidiaries, the Company's organisation chart as of 31 December 2024 was as follows:



b) Functioning

22. Availability and location of the regulations governing the functioning of the Board of Directors

The regulations governing the functioning of the Board of Directors are available on the Company's Internet webpage at (www.altri.pt) ("Investors" tab, "Governance" section).

23. Number of meetings held by the Board of Directors and attendance record of its members

Article 17 of the Company's Articles of Association establishes that the Board of Directors shall meet ordinarily, at least once a quarter, and extraordinarily, whenever convened, verbally or in writing, by its Chairman or at the request of any two directors.

The quorum for any meeting of the Board of Directors requires that the majority of its members be present or duly represented.

In 2024, the Board of Directors held seven meetings with all directors present or represented.

The meetings of the Board of Directors are scheduled in the last meeting of each year for the following year, and prepared in advance, and all the documentation supporting the proposals included in the agenda is made available, ensuring that the conditions are in place for directors to fully exercise their duties and take fully informed decisions.

Similarly, call notices and, subsequently, meeting minutes are made available to the chairman of the Statutory Audit Board, creating a regular flow of information that fosters an active and permanent supervision.

24. Details regarding the governing bodies responsible for assessing the performance of executive directors

In line with what is stated in section 21 above, the Remuneration Committee is the body responsible for assessing the performance and approving the remuneration of the members of the Board of Directors and other governing bodies. This committee is responsible, in compliance with the provisions of Articles 26-A and following of the CVM, and of recommendation VI.2.2. of the Corporate Governance Code of the IPCG, for preparing the Declaration on the Governing Body Remuneration and Compensation Policy, as well as for preparing a proposal for the approval of said Policy and for submitting it to the General Meeting, which is the deliberating body responsible for deciding on these matters.

Once the Governing Body Remuneration and Compensation Policy reflected in said Declaration is approved by the Shareholders at a General Meeting, this committee is responsible for enforcing its application, while ensuring that it is in line with the Company's reality.

At least one member of the Remuneration Committee must attend the Annual General Meetings at when the Declaration on Governing Body Remuneration and Compensation Policy is on the Agenda, in order to ensure that any doubts regarding said Declaration that may arise therein are clarified.

25. Pre-established criteria for assessing the performance of executive directors

The assessment of the performance of executive directors is based on pre- established criteria, based on performance indicators objectively set for each term of office, which are in line with the Company's medium-/long-term performance and business growth strategy.

The remuneration of the executive members of the Board of Directors contains a variable component, which includes a short-term variable premium, and a medium-term variable premium.

The short term variable premium is paid annually and cannot be higher than the annual fixed remuneration.

The Medium Term Variable Premium is configured in the form of Phantom Shares, which is a calculation formula that consists of the establishment, a priori, of a value for ALTRI shares, which will correspond to the value of the closing share price on a given day and assuming an investment of a certain amount in the Company's shares, and may be exercised in full, within a certain period to be agreed upon which shall never be less than three years from the date of attribution, or by the maximum amount of 50% (fifty percent) within 4 (four) years and the remaining amount of 50% (fifty percent) within 5 (five) years, in any case as from the date of attribution, subject to the verification and fulfillment of quantitative performance objectives associated with the Total Share Return, for which reason its payment is not guaranteed.

This formula for calculating the Medium Term Variable Premium in the form of Phantom Shares, by deferring the time of payment by at least 3 (three) years, allows the performance of the executive directors to be aligned with the long term interests of the Company, without transferring ownership of the shares to the executive directors.

Variable Remuneration Allocation Criteria

I. the variable component (short and medium term) is determined in accordance with the individual performance of each executive director, taking into account the respective annual individual assessment, in accordance with previously defined quantitative (of a financial and non-financial nature) and qualitative objectives;

II. quantitative and qualitative objectives are long-term in nature and therefore have a timeframe that may extend over one or more years;

III. individual quantitative objectives must reflect the Company's financial performance, namely its growth and the return generated for shareholders. The financial indicators must take into account the Company's strategic objectives, in particular the evolution of the Company's turnover and results and the financial and capital strength of the Company;

IV. individual qualitative objectives must reflect the achievement of environmental, social, corporate governance and team management capacity indicators;

V. the individual performance assessment process for each executive director is annual and must be supported by concrete evidence, made available to the ALTRI Remuneration Committee;

VI. In addition to the variable component that may be attributed to the executive directors, no non-monetary benefits are attributed to the members of the management body, other than the means made available to them for the performance of their duties and a personal health and accident insurance policy in accordance with market practices.

Process for determining the variable remuneration:

i. An internal evaluation process is observed (always based on the criteria of the Remuneration Policy) carried out hierarchically, whereby: the Chairman of the Board of Directors leads the evaluation process in relation to the Chairman of the Executive Committee and the latter leads the evaluation process in relation to the other executive directors, whose reporting is under his responsibility;

ii. The leader of each evaluation process may call for the participation of non-executive directors who may contribute, due to their experience and know-how in certain areas, to the evaluation process in question;

iii. The Remunerations Committee analyses the evaluation process carried out, in light of the current Corporate Body Remuneration Policy and finally confirms, in view of the available information, the adequacy and general coherence of the process, setting the variable remuneration.

Special Rules Applicable to the Remuneration of Directors

- The overall fixed remuneration of the Board of Directors, including remuneration paid by subsidiaries to members of the Board of Directors, shall not exceed 4,000,000 Euros per annum;
- The variable component of the remuneration, once determined, awarded and paid, cannot be refunded by the executive director who has received it, even in the event of early termination, for whatever reason, of his functions, without prejudice to the Company's general right to compensation in the event of damage caused by the actions of the executive directors, which includes the right to withhold amounts awarded, but not yet paid, as a variable component of remuneration;
- In view of the different business areas covered by the Company, it is considered appropriate that the payment of the fixed and/or variable component of the remuneration of executive directors may be divided between the Company and subsidiary companies, or paid only by subsidiaries whose management bodies comprise them, in accordance with the terms to be defined by ALTRI's Remuneration Committee;
- If contracts are signed with members of the management or supervisory bodies for contractual regulation, such contracts shall not exceed the term of office without prejudice to the principle of contract renewal concurrently with the renewal of the term of office, and without specifically applicable notice periods.

The individual performance assessment process for each executive director is annual and must be supported by concrete evidence, made available to the ALTRI Remuneration Committee.

26. Availability of each of the members of the Board of Directors and details of the positions held at the same time in other companies within and outside the group, and other relevant activities carried out by members of these boards throughout the financial year

ALTRI's directors, in particular the executive directors, are fully committed to their demanding duties. Therefore, the Group's senior managers are very present, being close to their people and their business.

Their professional activities, the names of other companies where they perform management duties and details of other relevant activities carried out by them are presented in Appendix I of the Governance Report.

c) Committees within the management or supervisory body and managing directors

27. Identification of the committees created within the Board of Directors and the location where the regulations governing their functioning are available

After the election of bodies at the 2023 Shareholders Annual General Meeting, the Board of Directors created the following committees, by resolution taken on June 5, 2023: (i) Executive Committee, (ii) Strategic, Operational & Governance Monitoring Committee; (iii) Ethics Committee and (iv) Sustainability, Audit & Risk Committee. These committees were created for the new term 2023-2025 and have as their mission, in the respective areas that are assigned to them, to provide all necessary support to the Board of Directors in the regular performance of its functions.

On September 19, 2024, the Board of Directors decided to dissolve the Strategic, Operational & Governance Monitoring Committee, given that it was found that there was redundancy in the topics addressed by this Committee that were already addressed by the Board of Directors, thus this Committee having exhausted its usefulness.

The Corporate Governance Committee was also created on September 19, 2024, whose main mission is to assess, evaluate and monitor the Company's corporate governance model.

The operating regulations of these committees are available for consultation on the Company's website (www.altri.pt) ("Investors" tab, "Governance" section).

28. Composition, if applicable, of the executive committee and/or identification of the managing director(s)

In a resolution of the Board of Directors dated June 5, 2023, an Executive Committee was appointed, made up of the following Directors: Eng. José Armindo Farinha Soares de Pina (President); Eng. Carlos Alberto Sousa Van Zeller e Silva (Vice-President); Dr. Vítor Miguel Martins Jorge da Silva, Eng. Miguel Allegro Garcez Palha de Sousa Silveira, Dr. João Carlos Ribeiro Pereira e Eng. Sofia Isabel Henriques Reis Jorge, the operating Regulations of this Committee have also been adopted, which have their delegation of powers.

In this way, of the fifteen members that make up the Board of Directors, six integrate the Executive Committee, which has the powers of day-to-day management of the Company, under the terms and for the purposes established in the respective delegation of powers and with the limits provided for in article 407, no. 4, of the Commercial Companies Code.

The Executive Committee develops its activity in accordance with the interests of the Company and bearing in mind the values, principles and strategies defined by the Board of Directors.

The Executive Committee must provide, in an appropriate and timely manner, whenever requested to do so by the corporate bodies of the Company, information on the management of the Company and its its dominated societies.

Additionally, the Executive Committee is responsible for ensuring the following:

• prior and timely delivery, to all members of the Board of Directors, notices of meetings of that body, including agenda, even if provisional meeting, accompanied by other relevant information and documentation;

• availability for the supply, to the non-executive directors, of all the additional information they deem relevant or necessary, as well as to proceed with the more in-depth studies and analyses in relation to all matters that are the subject of deliberation or that, if not, are under analysis, in any way, in the Company, and yet,

• availability of the registration books of the Company and subsidiaries, such as minutes books, share registration books, documents supporting the operations carried out in the Company or subsidiaries,

for the purposes of control and verification, as well as the availability and promotion of a direct channel for obtaining information from administrators and operational and financial managers of the Group's subsidiaries, without the need for any intervention by the executive directors in this process.

29. Description of the powers of each of the committees and summary of the activities carried out in the exercise of the corresponding powers

The **Executive Committee**, during the year 2024, was responsible, namely, for monitoring management of the Company's activity, as established in the respective delegation of powers, and by ensure the execution of the decisions and policies deliberated by the Board of Directors.

The Executive Committee informed the Board of Directors and corporate bodies about the activity developed during the year 2024, providing information on the decisions taken and the most relevant actions that have been taken to materialize the decisions and policies deliberated by the Board of Directors.

During the year 2024, the Executive Committee met forty-five times, with such meetings having an attendance rate corresponding to 100%. The minutes of these meetings are recorded in the minute book of the Executive Committee, in accordance with the applicable legal terms.

The **Ethics Committee** was appointed by the Board of Directors, in the year 2023, for the new three-year term 2023-2025, and is responsible for promoting and disclosing the principles and rules that guide the internal and external relationships established between all companies of the Altri Group with its stakeholders, with the primary objective of guiding the personal and professional conduct of all employees in respect of common ethical principles, regardless of their position or function.

In accordance with the Regulations of the Ethics Committee, the same is composed of:

(a) two to five Directors of the Company;
(b) one or more members of the Statutory Audit Board;
(c) one to three Directors of the Company who report directly to executive Directors and are responsible for areas that can contribute to the Committee's best performance.

At 31 December 2024, the Ethics Committee was composed of the following members:

- Laurentina Martins (Chairman)
- Paula Pimentel (Vice-Chairman)
- Sofia Reis Jorge
- Jorge Marrão
- Pedro Pessanha
- Raquel Rocha Carvalho

In the performance of its duties, the Ethics Committee is responsible for:

a) proposing the approval of amendments to the Code of Ethics and Conduct, whenever necessary or convenient;
b) monitoring the disclosure of and compliance with the Code of Ethics and Conduct;
c) ensuring the regular operation of the mechanisms for communicating irregularities that constitute legal or ethical violations;
d) assessing the communications of irregularities, by any employee, partner, supplier or any other stakeholder and, when applicable, forward them to the competent ALTRI bodies;
e) clarifying the issues that are submitted to its appreciation and that fall under its competence;
f) issuing appraisals, recommendations and clarifications on the Code of Ethics and Conduct, as well as on any codes of ethics and good conduct, whenever necessary or convenient;
g) proposing instruments, policies and objectives on ethics, good conduct and equality;
h) informing the Board of Directors on the activity it carries out;

i) promoting the implementation of actions to disseminate the Code of Ethics and Conduct.

Over the course of 2024, the Ethics Committee met four times, with attendance at these meetings corresponding to 100%. The minutes of these meetings are recorded in the Ethics Committee minute book, as required by law.

The **Sustainability, Audit & Risk Committee** operates as an internal committee of the Board of Directors, was appointed in 2023 at the proposal of the Executive Committee and is responsible for supporting the latter in defining and monitoring the sustainability, audit and risk policy and strategy.

In accordance with the Regulations of the Sustainability, Audit & Risk Committee, the same is composed of:

(a) a minimum of three and a maximum of five Directors of ALTRI;
(b) two to four ALTRI Directors, namely with experience in ESG (Environmental, Social and Governance), sustainability, risk and internal audit matters.

At 31 December 2024, the composition of the Sustainability, Audit & Risk Committee consisted of the following members:

- Maria do Carmo Oliveira (Chairman)
- Alberto Castro
- Ana Mendonça
- Paula Pimentel
- Sofia Reis Jorge
- Raquel Rocha Carvalho

In the performance of its duties, it is the Sustainability, Audit & Risk Committee's responsibility:

Competences in terms of Sustainability:

a) To propose to the Board of Directors the commitments, objectives and targets for sustainability;
b) To evaluate the alignment of the strategic with the sustainability commitments undertaken, its purpose, values and corporate culture, from its sustainability perspective;
c) Review and evaluate the investments needed to implement the sustainability strategy;
d) To monitor and report to the Board of Directors on the performance of sustainability indicators in line with the established policies, commitments, objectives and targets;
e) To ensure the alignment of sustainability objectives with the sustainable development objectives defined in the United Nations agenda, with the results of stakeholder consultations and with good practices in the sector;
f) To issue the opinions and recommendations it deems appropriate and identify and propose new challenges in these matters;
g) To propose to the Board of Directors the approval of the Sustainability Report.

Competences in terms of Audit and Risk:

h) review financial information where it is submitted for consideration and report its findings to the Board of Directors in support of the Board of Directors' approval process;
i) review and deliver opinions on the half-yearly and quarterly accounts;
j) give suggestions to the Board of Directors on its reports to shareholders to be included in the Company’s annual financial statements;
k) review and deliver an opinion on the Annual Internal Audit Plan;
l) Based on the information provided by the operational teams, evaluate the operational procedures in order to guarantee the monitoring of internal controls, as well as the efficient management of risks;
m) Establish the timely circulation of information between the Commission and the Board of Directors and formulate conclusions to be addressed to this body;

n) ensure the regular flow of information between the members of the Board of Directors and the Statutory Audit Board and process the requests addressed by the latter to the Board of Directors;
o) ensure iteration with the Statutory Audit Board, including the timely exchange of information and documentation between it and the Board of Directors, especially with regard to the strategic guidelines and risk policy established by the Board of Directors.

Over the course of 2024, the Sustainability, Audit & Risk Committee met four times, with such meetings having an attendance rate corresponding to 100%. The minutes of these meetings are recorded in the minute book of the Sustainability, Audit & Risk Committee, under the applicable legal terms.

The Corporate Governance Committee was appointed by the Board of Directors on September 19, 2024, for the current term of 2023-2025, being responsible for the assessment, evaluation and supervision of the Company's corporate governance model.

According to the Corporate Governance Committee Regulations, it is composed of a minimum of three and a maximum of six Directors of the Company, one of whom is the Chairman of the Board of Directors.

As of December 31, 2024, the Corporate Governance Committee was composed of the following members:

- Alberto Castro (Chairman)
- Paulo Fernandes
- João Borges de Oliveira
- Maria do Carmo Oliveira
- Paula Pimentel

In carrying out its duties, the Corporate Governance Committee is responsible for:

a) assessing and evaluating the corporate governance model, including presenting proposals for review;
b) assessing and monitoring the Company's governance practices;
c) assess the level of compliance by the Company with legal and regulatory standards, as well as recommendations and guidelines issued by competent authorities, relating to corporate governance.

During the year 2024, no meeting of the Corporate Governance Committee took place, so that no minutes of said committee were recorded in the minutes book of the Corporate Governance Committee, under the applicable legal terms.

The **Remuneration Committee** is, unlike the other committees that are appointed by the Board of Directors, elected by the General Meeting, in compliance with Article 399(1) of the Portuguese Companies Code and the Bylaws of the Company. It is the committee responsible for performance evaluation and approval of the remuneration of the members of the Board of Directors and other corporate bodies. It is up to this committee, in compliance with the provisions of Article 26-A and following of the Portuguese Securities Code, and recommendation VI.2.2. of the IPCG's Corporate Governance Code, to prepare the Statement on the Remuneration and Compensation Policy of the Governing Bodies, as well as the proposal for approval of this policy, and submit it to the scrutiny of the deliberative body for this matter, which is the General Meeting.

If the Remuneration and Compensation Policy for the Corporate Bodies is approved by the shareholders in the General Meeting, it is the responsibility of this committee to fight for its application, monitoring its permanent adequacy to the situation of the Company.

As the Corporate Bodies' Remuneration and Compensation Policy was approved by the shareholders in the General Meeting, it was the responsibility of this committee to fight for its application, monitoring its permanent adequacy to the reality of the Company.

During the year 2024, the Remuneration Committee met one time, with an attendance rate corresponding to 100%. The minute of the aforementioned meeting is recorded in the Remuneration Committee minutes book, as required by law.

Company Secretary

The Company Secretary exercises the powers attributed to him/her by law, namely the provisions of article 446-B of the Portuguese Companies Code and which are, among others, the following: **a)** Act as secretary for the meetings of the corporate bodies; **b)** Draw up the minutes and sign them jointly with the members of the respective corporate bodies and the chairman of the board of the general meeting, when this is the case; **c)** Keep and maintain in order the books and sheets of minutes, the attendance lists, the share registration book, as well as the related expedient; **d)** Issue the legal notices of meetings for all company bodies; **e)** Recognise the signatures of the members of the company bodies on the company's documents; **f)** Certify that all copies or transcriptions extracted from the company's books or filed documents are true, complete and up-to-date **g)** Satisfy, within the scope of his/her powers, any requests made by shareholders exercising their right to information and provide the information requested of the members of the corporate bodies performing supervisory functions regarding resolutions of the board of directors or the executive committee **h)** Certify the content, total or partial, of the articles of association in force, as well as the identity of the members of the various company bodies and the powers they hold; **i)** Certify the updated copies of the articles of association, of the resolutions of the shareholders and of the administration and of the entries in force in the company's books, as well as ensure that they are delivered or sent to the holders of shares who have requested them and who have paid the respective cost. He/she is also responsible for supporting the flow of information between the Board of Directors and the Supervisory Body and ensuring the timely registration of corporate resolutions with the Commercial Registry Office.

All corporate secretarial duties were accurately and regularly performed in 2024, continuing the position of Effective Secretary of the Society to be held by Teresa Raquel Pereira Fernandes da Rocha Carvalho, who also uses Raquel Rocha Carvalho, and to the position of Substitute Secretary of the Society held by Sérgio Filipe Moreira da Silva, who also uses Sérgio Silva, elected to the term 2023-2025.

III. SUPERVISION

a) Composition

30. Identification of the supervisory body corresponding to the model in place

According to the governance model that has been adopted, the Statutory Audit Board and the Statutory Auditor are the Company’s supervisory bodies.

31. Composition of the Statutory Audit Board, indicating the minimum and maximum number of members, the statutory term of office, the number of effective members, the date of first appointment and the date of expiration of each member’s term of office

The members of the Statutory Audit Board are elected at a General Meeting for a period of three years and can be re-elected one or more times. It is composed of three members and one or two alternates, and it fully takes on the duties assigned to it by law, which include making a proposal for the appointment of the Statutory Auditor or Audit Firm, in compliance with the provisions of Article 413(1)(b) of the CSC, fulfilling a duty that it also assigned to it pursuant to Article 420(2)(b) of the CSC.

On December 31, 2024, this body was composed of the following members:
- Jorge Manuel de Sousa Marrão – Chairman
- Pedro Nuno Fernandes de Sá Pessanha da Costa – Member
- Ana Paula dos Santos Silva e Pinho – Member
- André Seabra Ferreira Pinto – Substitute

The member of the Statutory Audit Board Jorge Manuel de Sousa Marrão was elected, for the first time, in April 2023, for the term that started in 2023 and will end in 2025.The member of the Statutory Audit Board Pedro Pessanha was elected, for the first time, in April 2014, for the term that started in 2014 and ended in 2016, having been reelected in April 2017 for the three-year period that began in 2017 and ended in 2019, as well as in April 2020 for the three-year term that began in 2020 and ended in 2022, thus being in the exercise of a fourth term, which began in 2023 and will end in 2025. The member Ana Paula dos Santos Silva e Pinho was elected for the first time in April 2020, for the three-year period that started in 2020 and ended in 2022, having been re-elected for a second term, which began in 2023 and will end in 2025.

The Company considers that the number of members of the Statutory Audit Board is fully aligned with the nature, size, risks and activity of the Company and allows ensuring that its (the Statutory Audit Board members') duties are performed in accordance with the powers and competences assigned to it.

This analysis also took into account the structure of ALTRI and the articulation that exists between the members of this body and the other company bodies, in particular the Statutory Auditor (identified in item 39 below) and the External Auditor (identified in item 42 below).

32. Identification of the members of the Statutory Audit Board who are considered independent pursuant to Article 414(5) of the CSC

As a collective body, the Statutory Audit Board's independence depends on the independence of each of its members, which is assessed in accordance with the definition given under the terms of Article 414(5) of the CSC, and any incompatibilities are assessed in accordance with the definition of Article 414-A(1) of the CSC.

With the exception of the member Pedro Nuno Fernandes de Sá Pessanha da Costa, who was re-elected for the fourth term (2023-2025) and was no longer independent pursuant to paragraph 5 of Article 414 of the CSC), all other members of the Company's Statutory Audit Board thus comply with the incompatibility and independence rules identified above. Each of the members individually signs a declaration for this purpose which is submitted to the Company.

33. Professional qualifications of each of the members of the Statutory Audit Board and other relevant curricular information

All the members of ALTRI's Statutory Audit Board have the formation, competence and experience that allow them to fully exercise their duties, in line with the provisions of Article 414(4) of the CSC and Article 3(2) of Law 148/2015, of 9 September. The President is duly supported by the other members of the Statutory Audit Board.

The professional qualifications and other activities carried out by the Statutory Audit Board are presented in Appendix I of the Governance Report.

b) Functioning

34. Availability and location of the regulations governing the functioning of the Statutory Audit Board

The regulation governing the functioning of the Statutory Audit Board is available on the Company's website (www.altri.pt) ("Investors" tab, "Governance section").

35. Number of meetings held by the Statutory Audit Board and attendance record of its members

In 2024, the Statutory Audit Board held six meetings which were attended by all its members. The minutes of the aforementioned meetings are recorded in the Statutory Audit Board minutes book, in accordance with the applicable legal provisions.

36. Availability of each of the members of the Statutory Audit Board and details of the positions held at the same time in other companies within and outside the group, and other relevant activities

The members of Statutory Audit Board have undertaken a commitment to the Company, which they have been scrupulously fulfilling, showing an availability that is fully in line with ALTRI's interests. The information about the qualifications, professional experience and other positions held by the members of the Statutory Audit Board is detailed in Appendix I of the Governance Report.

c) Powers and duties

37. Description of the procedures and criteria applicable to the supervisory body for the purposes of hiring additional services from the external auditor

The Statutory Audit Board is responsible for giving prior approval to the provision of services other than audit services by the External Auditor.

As a preliminary remark, we should note that the Board of Directors, when considering the possibility of hiring the External Auditor or the Statutory Auditor to provide additional services, makes sure, before communicating its decision to the Statutory Audit Board, that the External Auditor or the Statutory Auditor or entities within their networks are not hired to provide services that, pursuant to Commission Recommendation C(2002) 1873 of 16 May, could compromise their independence.

Once the Board of Directors concludes that the conditions are in place and puts forward the subject to the Statutory Audit Board, the Statutory Audit Board carries out an in-depth analysis of the additional services to be provided by the External Auditor and the Statutory Auditor, taking a favourable decision if the analysis shows that: (i) hiring the additional services does not compromise the External Auditor's independence; (ii) there is a healthy balance between the regular audit services and the additional services whose provision is under analysis and that (iii) the provision of the additional services which are being proposed is not prohibited pursuant to Article 37(2) of Law no 140/2015, of 7 September. In this analysis, the Statutory Audit Board also ascertains whether (iv) the additional services will be provided in compliance with the quality standards in force in the Group, while ensuring that, should these services be provided, they do not compromise the independence required for the performance of audit duties.

In this regard, we should note that Ernst & Young Audit & Associados - SROC, S.A., prior to accepting the award of the services, also carries out, in compliance with its internal policies, a strict assessment to make sure that the services it proposes to provide do not compromise, under any circumstances, the independence criteria it undertook to meet upon accepting the election to perform its duties.

Therefore, the Company considers that a demanding degree of control is ensured in the verification of the commitment of the independence criteria when deciding to contract additional services from the External Auditor.

We should also note that the Statutory Audit Board receives, every year, the declaration of independence of the External Auditor and the Statutory Auditor, which describes the services that were provided by them and by other entities within their network, the fees that were paid, possible threats to their independence and safeguard measures to deal with them.

Any potential threats to the independence of the External Auditor, as well as the respective safeguard measures are assessed and discussed in an open and transparent manner between the Statutory Audit Board and the External Auditor.

38. Other duties of the supervisory body

The Statutory Audit Board is responsible for supervising the Company, fulfilling the duties provided for in Article 420 of the CSC and its Regulations (referred to in item 34 of this report and accessible on the Company's website at https://altri.pt/pt/investidores/governance), highlighting the following statutory and legally attributed competencies:

a. Supervises the Company's management;
b. Monitor compliance with the law and the articles of association;
c. Report annually on its supervisory action and give an opinion on the report, accounts and proposals submitted by the management;
d. Convene the General Meeting, when the chairman of the General Assembly does not convene, and shall do so;
e. Monitor the effectiveness of the risk management system, internal control system and internal audit system, if any;
f. Receive reports of irregularities submitted by shareholders, employees of the company or others;
g. Contract the provision of services of experts assisting one or more of its members in the performance of their duties, and the hiring and remuneration of experts shall take into account the importance of the matters committed to them and the economic situation of the company;
h. Fulfil the other tasks laid down in the law or articles of association;
i. Monitor the process of preparing and disseminating financial information;
j. Propose to the General Assembly the appointment of the Statutory Auditor;
k. Inspect the audit of the company's accounts;
l. Monitor the independence of the Statutory Auditor, in particular with regard to the provision of additional services.

The Statutory Audit Board represents the Company before the External Auditor and the Statutory Auditor being responsible, in particular, for proposing the entity which should provide said services and its remuneration, while ensuring that the Group has the appropriate conditions in place to enable said services to be provided.

The Statutory Audit Board is the first recipient of the reports issued by the External Auditor and Statutory Auditor, as well as the Group's interface in its relationships with those entities, and it is also responsible for deciding on relevant projects and work plans and on the adequacy of the resources allocated to the implementation of these projects.

The Statutory Audit Board is therefore responsible for preparing, every year, a report on its supervisory activity and giving an opinion on the report, accounts and proposals presented by the management, as well as for supervising the effectiveness of the risk management and internal control system.

The Statutory Audit Board, in coordination with the Board of Directors, regularly analyses and supervises the preparation and disclosure of financial information, providing all the necessary support, based on the assumption, given the nature of the Company, that no data must be disclosed in any way that may lead to an unauthorised and untimely access to relevant information by third parties.

In addition, the supervisory body is called upon to intervene in order to issue an opinion whenever there is a transaction between ALTRI directors and the Company itself or between ALTRI and companies in a control or group relationship, where one of the parties is a director, pursuant to Article 397 of the CSC.

The Statutory Audit Board will be called upon to give its opinion regardless of the materiality of the operation in question.

On the other hand, as part of the Company's supervisory body and within the scope of the internal audit, the External Auditor analyses (i) the functioning of internal control mechanisms, reporting any weaknesses that may be identified; (ii) checks whether the main elements of the internal control and risk management systems implemented in the Company regarding the process of disclosure of financial information are presented and disclosed in the annual information on Corporate Governance and (iii) issues a legal certification of accounts and Audit Report, which certifies that the report on the corporate governance structure and practices includes the elements referred to in Article 66-B of the CSC in its current wording or, if that is not the case, ensuring that such information is included in another report that is also provided to the shareholders, that the provisions of Article 29-H of the CVM are complied with, that it conforms to the structure in CMVM Regulation number 4/2013, and that it includes a declaration of compliance with the Corporate Governance Code of the IPCG.

In FY 2024, the Statutory Auditor monitored the development of the Company's activities and carried out the examinations and checks deemed necessary for the legal review and certification of accounts, in interaction with the Statutory Audit Board and always relying on the cooperation of the Board of Directors, which provided all information that was requested as quickly as possible.

In line with the above, the Statutory Auditor gave its opinion on the activity carried out in 2024, and this information was included in its annual audit report, which will be submitted to the Shareholders for approval at the Annual General Meeting.

The supervisory body is responsible for monitoring ALTRI and its subsidiaries and ensuring that they comply with the legislation applicable to their areas of business, in order to carry out a precise and careful analysis of the levels of compliance within the Group. This analysis allowed concluding that the Group, in the course of its activity, has been achieving high levels of compliance, which are perfectly in line with the interests of the Company and its Shareholders.

IV. STATUTORY AUDITOR

39. Details of the statutory auditor and the partner who represents it

In 2024, for the three-year term 2023-2025, ALTRI's Statutory Auditor is Ernst & Young Audit & Associados - SROC, S.A., represented by Pedro Miguel Borges Marques.

40. Number of consecutive years for which the statutory auditor has been providing services for the company and/or group

Ernst & Young Audit & Associados - SROC, S.A. has been responsible for auditing the accounts of the Company and the Group companies since 2017, having been elected for its first term, upon proposal of the Statutory Audit Board, at the General Meeting held on April 26, 2017 until 2019, for a second annual term in April 2020, for a third annual term in April 2021, for a fourth annual term in April 2022 and for a fifth term in April 2023 for the three-year term 2023-2025.

41. Description of other services provided by the Statutory Auditor to the company

The statutory auditor is, simultaneously, the Company's External Auditor as detailed below.

V. EXTERNAL AUDITOR

42. Identification of the external auditor appointed for the purposes of Article 8 of the CVM and of the audit firm partner who represents it, as well as the corresponding CMVM registration number

The Company's External Auditor, appointed pursuant and for the purposes of Article 8 of the CVM, is Ernst & Young Audit & Associados - SROC, S.A., represented by Pedro Miguel Borges Marques, registered at the CMVM under no. 1801.

43. Number of consecutive years for which the external auditor and the partner who represents it have been providing services for the company and/ or group

The External Auditor was elected for for the first time in 2017, served his fourth term in 2022 (one of three years and three of one year) and currently serves the fifth term of three years.

The External Auditor was represented by his partner Rui Manuel da Cunha Vieira, during the entire first four terms and in the first year of the fifth term, having been elected for the first time in 2017, so that the maximum period provided for in article 54, § 2, of the OROC Statute elapsed. Thus, at the General Meeting held on May 3, 2024, partner Pedro Miguel Borges Marques was appointed for the current term, corresponding to the three-year period 2023-2025, to represent the External Auditor.

44. Policy on the rotation of the external auditor and the partner who represents it in the performance of its duties

With regard to the rotation of the External Auditor, the Company had not established, until the date of entry into force of the new Statute of the Institute of Statutory Auditors, approved by Law no. 140/2015, of 7 September, a policy on the rotation of the External Auditor based on a predetermined number of terms, taking into account, in particular, the fact that such a rotation policy is not common or standard practice and that, as part of the continuous monitoring of the adequacy of the model in place, it never identified situations of loss of independence or any other situations that would make it advisable to adopt a formal policy requiring such rotation.

The entry into force of the new Statute of the Institute of Statutory Auditors on 1 January 2016 laid down a new scheme applicable to the rotation of statutory auditors for companies whose shares are admitted to trading on a regulated market, such as our Company. For this reason, in 2016, the Statutory Audit Board launched a selection process with the purpose of electing a new Statutory Auditor that, in compliance with all the legal requirements in terms of technical competence and independence, could be elected at an Annual General Meeting, an election that occurred at the Annual General Meeting held in 2017.

In this context, the Company does not have a formal internal policy providing for the rotation of the External Auditor, considering it unnecessary, since it fully complies with all legal requirements in this matter.

45. Details of the body responsible for assessing the external auditor and frequency with which this assessment is carried out

The Statutory Audit Board, in the exercise of its duties, monitors the performance of the External Auditor throughout the year as well as its independence. In addition, the Statutory Audit Board promotes, where necessary or appropriate depending on the Company's activities or legal or market requirements, a reflection on the adequacy of the External Auditor to the level required for the performance of its duties.

46. Details of services, other than audit services, provided by the external auditor and internal procedures in place for approving the hiring of such services and the reasons justifying their approval

During the financial year 2024, the External Auditor provided separate audit services. In particular, in the audit, reliability assurance services were provided, namely, the issuing of reports to confirm payment requests within the framework of the provisions set out in the incentive contract, the provision of services for the issuance of Annual Tire Value Declarations Report, the issuance of Verification Report of the non-financial information presented in the Management Report, and the issuance of Green Bond Allocation and Impact Report. These services were approved by the Statutory Audit Board, which evaluated and concluded that the performance of such services did not affect the independence of the External Auditor, an element that essential for considering the provision of these services. Safeguarding this first criterion, the Statutory Audit Board decided to authorize them because their performance corresponds to the interest of the Society, given the experience, specialization and quality of the provider in the matters under consideration, the recognized quality of services and knowledge of the different areas of the Company and its Group.

47. Details of the annual remuneration paid to the auditor and other natural or legal persons within its network, broken down by percentage for the following services:

	31/12/2024		31/12/2023	
Company				
Audit and statutory audit (€)	31,150	13.1%	2,800	1.0%
Group entities				
Audit and statutory audit (€)	159,350	66.8%	218,115	80.7%
Other assurance services (€)	48,000	20.1%	49,500	18.3%
Total				
Audit and statutory audit (€)	190,500	79.9%	220,915	81.7%
Other assurance services (€)	48,000	20.1%	49,500	18.3%
	238,500		270,415	

C.INTERNAL ORGANISATION

I. Articles of Association

48. Rules governing amendments to the Articles of Association

Statutory amendments follow the applicable legal provisions, in particular of the Portuguese Companies Act, which require a majority of two-thirds of the issued votes for the adoption of such a resolution.

II. Reporting of Irregularities

49. Reporting means and policy on the reporting of irregularities in the company

The Statutory Audit Board is the body to which any reports of irregularities by any employee, partner, supplier or any other stakeholder should be addressed in compliance with the provisions of paragraph j) of number 1 of article 420 of the CSC.

The Statutory Audit Board establishes perfect articulation with the Ethics Commission in relation to all matters that requires the latter's intervention and action. Incidentally, as already explained in this report, there are two members of the Statutory Audit Board who are permanent members of the Ethics Committee so in this way, the immediate sharing of information of any issues related to complaints of irregularities or other of which the Statutory Audit Board should be aware is ensured.

This procedure is set out in ALTRI Code of Ethics, which also states that, if any complaint is sent to the Company's Ethics Committee, the latter shall forward it to the Statutory Audit Board if the matter in question is one that, by law, should be solved by this body.

The ALTRI Group has a specific mechanism for reporting irregular situations which, in accordance with the purposes of Recommendation number II.2.4 of the Corporate Governance Code of the IPCG, are ethical or legal violations with a significant impact on the areas of accounting, the fight against corruption and banking and financial crime (Whistleblowing), which protects the confidentiality of the information that is provided and the identity of the whistle-blower, where requested.

If the Board of Director receives a request for clarification or an expression of concern regarding the Whistleblowing system, it will be immediately forwarded to the Statutory Audit Board.

The report to the Statutory Audit Board of any irregularity or indication of irregularity should be made through the whistleblowing channel that is available via email, which can be sent to the following address: denuncias.conselhofiscal@altri.pt.

If anyone is aware of any situation which may constitute a violation or suspected violation of the principles established by the Code of Ethics or any regulation which complements it, they should immediately report this situation using the reporting channel available at www.altri.pt (denuncias.conselhofiscal@altri.pt).

We should note that no irregular situations were reported to the Company’s Statutory Audit Board in 2024.

III. Internal control and risk management

50. Individuals, boards or committees responsible for the internal audit and/or implementation of the internal control systems

Risk management is something that is part of the daily management of the organization, and the risk management process has become increasingly important, with the creation of a specific direction dedicated exclusively to this area - the Risk Management Direction.

Risk management, as the cornerstone of the principles of good corporate governance, is an area regarded as crucial by ALTRI, which, through the Risk Management Direction, promotes the permanent awareness of all its employees across all the levels of the organisation, instilling such responsibility across all decision-making processes.

Risk management is carried out based on a rationale of value creation, with a clear identification of the situations that may threaten the company's business goals.

As previously indicated, the risks are prioritized according to a relevance matrix, resulting from the evaluation of the magnitude of the impact and probability of occurrence.

The objective of the Risk Management Department is to support the organization in carrying out its activities, ensuring consistent and transversal practices in the operationalization of the risk policy, approved by the Board of Directors.

Risk management is based on the following methodology, which includes several steps:

- In a first phase, the main stakeholders are consulted and identified and prioritized the internal and external risks that may have a material impact on the pursuit of the Group's strategic goals;
- Risk factors and events that may affect ALTRI's operations and activities are identified, as well as possible control processes and mechanisms by the operational heads of the various departments (first line of defense);
- In addition, the impact and likelihood of occurrence of each risk factor are weighted and, depending on the level of exposure, the need to respond to the risk is assessed;
- Monitoring indicators are defined for each risk; and
- Risk mitigation indicators and actions are implemented and monitored (second and third line of defense).

The Board of Directors is responsible for deciding the level of exposure assumed by the Group in its different activities and, without prejudice to the delegation of functions and responsibilities, defining global risk limits (risk appetite), ensuring that risk management policies and procedures are followed.

In monitoring the risk management process, the Board of Directors, with the support of the Risk Management Direction, as the body responsible for ALTRI's strategy, has the following set of objectives and responsibilities:

- Knowing the most significant risks that affect the Group;
- Ensuring that the Group has an appropriate knowledge of the risks that affect its operations and how to manage them (e.g. appointment of Risk Pivots);

- Ensuring that the risk management strategy is disseminated across all hierarchical levels;
- Ensuring that the Group can minimise the probability of occurrence and the impact of the risks on the business;
- Ensuring that the risk management process is appropriate and that the risks with a higher probability of occurring and with a greater impact on the Group's operations are strictly monitored; and
- Ensuring permanent communication with the Statutory Audit Board, informing it of the level of exposure of the risk that was taken and requesting, where necessary, the opinions of this body that it deems necessary for making thoughtful and informed decisions, ensuring that the identified risks and outlined policies are analysed under the multidisciplinary perspectives that guide the group's performance.

Subsidiaries manage risks within the criteria and powers that have been established.

The Sustainability, Audit & Risk Committee follow up the work developed by the Risk Management Direction and the the Statutory Audit Board, in accordance with its competencies, is permanently monitoring and supervising the group's performance in this matter.

Based on this methodology, ALTRI has come to the conclusion that it has managed to ensure greater awareness and thoughtfulness in decision making across all levels of the organisation, given the inherent responsibility of each internal player, which contributes to people feeling empowered and truly involved as active participants in the Company's performance.

ALTRI, as it has been repeatedly mentioned throughout this report, is constantly monitoring the adequacy of its model also as part of the area of risk management, and has concluded that, to date, it has proved perfectly suitable to its organisational structure.

The ALTRI Group's Internal Audit Direction continued to provide its support to the Company during the fiscal year 2024. This department supports ALTRI to achieve its objectives through a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal controls and governance processes.

The Internal Audit of the ALTRI Group has as main objectives (i) to evaluate the exposure to risks of business processes and information systems, (ii) to propose improvements to internal controls, aiming at a more effective management of risks and (iii) to stimulate the implementation of actions that bring the risk level closer to those intended by the Management.

Furthermore, the mission of the Altri Compliance Direction is to assume the responsibilities provided for in current legislation and regulations, in order to ensure that management and executive bodies, as well as all employees, are aware of the applicable legal and regulatory rules, including codes, regulations and policies, both internal and external, relevant to the various areas of activity of the ALTRI Group, with a view to mitigating financial, economic, legal and reputational risks.

The Risk Management Direction whose mission is to ensure the maintenance of the risk management system across the Group, performing the processes defined to identify, analyse, assess, mitigate and monitor the Group's main risks, whether financial risks, operational risks, strategic or compliance risks, being also the point of contact with business units supporting and monitoring activities related to risk management.

51. Details of hierarchical and/or functional dependency relationships with other governing bodies or committees

The Risk Management Direction reports hierarchically to the Executive Committee of ALTRI Group, namely to the Director of Sustainability, Risk, Communication, People and Talent, articulating its activity, in particular, with the Internal Audit Department and the Compliance Department.

The Statutory Audit Board is responsible for assessing the risk management mechanisms, and the control procedures deemed suitable for mitigation are reported to this body. It is therefore the responsibility of this body to supervise the measures taken by the Company regarding these matters and to periodically check whether the risks effectively incurred by the Company are consistent with what has been outlined by the Board of Directors.

The External Auditor, in the exercise of its duties, checks the adequacy of the mechanisms and procedures in question, reporting its findings to the Board of Directors.

The Board of Directors is responsible for monitoring said mechanisms and procedures.

The Internal Audit department reports hierarchically to the Executive Committee of ALTRI Group, namely to the Chief Executive Officer. Functionally it reports to the Statutory Audit Board, as a supervisory body and, complementarily to the Sustainability, Audit & Risk Committee, as a specialized committee that supports the Board of Directors in certain matters, including those related to the Internal Audit functions.

The Statutory Audit Board and the Sustainability, Audit & Risk Committee monitors the Internal Audit activity through periodic reports, proposing any adjustments they considers necessary.

52. Other functional areas responsible for risk control

ALTRI has a Risk Management Direction which aims to support the organization in the execution of its activities, ensuring consistent and transversal practices in the operationalization of the risk policy, approved by the Board of Directors.

The mission of the Risk Management Direction is to ensure the maintenance of the Group's transversal risk management system, executing the processes defined to identify, analise, evaluate, mitigate and monitor the Group's main risks, whether financial, operational, strategic or compliance risks. It will also be the point of contact with the business units, supporting them and monitoring the activities related to risk management.

At the same time, it should be noted that all departments and operational units are particularly attentive to risk issues.

53. Identification and description of the major economic, financial and legal risks to which the company is exposed as part of its business activity

The Board of Directors considers that the Group is exposed to the normal risks arising from its activity, namely at the level of its operating units.

Strategic	Operational	Financial	Compliance
Trade Competitiveness ★	Access to wood ★	Price ★	Non-compliance Legal and/or Regulatory
Technological Competitiveness ★	Access to subsidiary materials ★	Credit	Fraud, Corruption and Related Offences
Product Concentration ★	Industrial Accidents ★	Inflation	
Business Expansion	Industrial Obsolescence	Foreign exchange	
Investment Decision	Production Quality	Liquidity	
Legal and/or regulatory change ★	Raw Material Quality and Subsidiaries	Interest Rate	
ESG Commitment	Logistics and Outbound ★	Access to financing	
People and Knowledge	Climate Change ★		
Deterioration of Organizational Culture	Accidents with People ★		
Local Communities and Stakeholders	Labor Disputes		
Image and reputation	Information security (IT)		
Segregation and Delegation of Competences	Information security (OT)		
	Cyberattack ★		
	Third-party management		
	Stock management		

The following risks stand out, which are detailed and analysed in the Annex to the Consolidated Financial Statements:

1. Credit Risk

    1.1 interest rate risk;
    1.2 exchange rate risk;
    1.3 risk of variability in commodity prices;
    1.4 risk related to forest management and eucalyptus production;
    1.5 risk of variability in energy prices;
    1.6 risk related to sustainability, ESG ("Environmental, Social and Governance") and climate change;

2. Liquidity risk;
3. Credit risk;
4. Capital risk.

In addition to the risks identified above, it is important to bear in mind that the Group is also exposed to legal, tax and regulatory risks.

In relation to these specific risks, ALTRI, as well as its business, has permanent legal, tax and regulatory advice, which works in conjunction with the business areas, ensuring, in a preventive manner, the protection of the Group's interests in the scrupulous fulfilment of its obligations, legal provisions applicable to the Company's business areas.

This consultancy is also supported at national and international level by external service providers that ALTRI hires from firms of recognized reputation and in accordance with high criteria of competence, rigor and professionalism.

However, ALTRI and its subsidiaries may be affected, like any other entities, by legislative changes that have occurred both in Portugal, in the European Union or in other countries where it develops its commercial activity. ALTRI does not, of course, control such changes which, if they occur, could have an adverse impact on the Group's business and could, consequently, impair or impede the achievement of strategic objectives. ALTRI's policy in this area is guided by delegating to the Legal Department, with the technical support of the operational units, the permanent monitoring of legislative changes and new legal acts, being informed on this matter and able to permanently respond to the challenges that the materialization of legal, fiscal and regulatory measures can cause.

54. Description of the procedure for identifying, assessing, monitoring, controlling and managing risks

As described in section 52, the Board of Directors is the body responsible for outlining the Group's general strategic policies, including the risk management policy, being duly supported by the Executive Committee, which ensures, not only a constant monitoring, but also that any situations that are detected are reported to the Board of Directors, in order to guarantee a permanent and effective risk control.

The process of identification and assessment, monitoring, control and risk management at ALTRI, which is ensured by the Risk Management Direction works as follows:

The risks faced by the Group in the normal performance of its activity are identified. There is an assessment of all the material risks with an impact on the Group's financial performance and value. Then there is a study to compare the value at risk with the costs of the hedging instruments, if any, and, consequently, the evolution of the risks that are identified and the hedging instruments is monitored according to the following methodology:

- The first stage is the identification and prioritisation of internal and external risks that may have a material impact on the pursuit of the Group's strategic goals;
- Risk factors and events that may affect ALTRI's operations and activities are identified, as well as possible control processes and mechanisms by the operational heads of the various departments;
- In addition, the impact and likelihood of occurrence of each risk factor are weighted and, depending on the level of exposure, the need to respond to the risk is assessed;
- Risk mitigation measures are implemented and monitored; and
- The level of exposure to critical factors is constantly monitored.

The Company has been implementing additional risk management strategies essentially aimed at ensuring that the control systems and procedures, as well as the policies that are adopted allow meeting the management bodies', the shareholders' and other stakeholders' expectations.

We highlight the following strategies:

- The control systems and procedures and policies in place are in accordance with all the applicable laws and regulations and are effectively enforced;
- All financial and operational information is comprehensive, reliable, safe and disclosed periodically and in a timely manner;
- ALTRI's resources are used in an efficient and rational manner; and
- Value for shareholders is maximised and the Company's operational management takes the necessary measures to correct any problems that may be reported.

At the end of this process, the Board of Directors, as an executive body, is responsible for taking the necessary decisions, always acting in its capacity as an executive body to defend the Company's and its Shareholders' interests.

As regards the fulfilment of the environmental and social objectives outlined by ALTRI, it should be noted that in February 2023 two policies were developed and implemented and, in 2024, the Group's two policies on this matter continued to be implemented: (i) the Human Rights Policy, which aims to ensure respect for human and labour rights by the entire Altri Group by formalising the commitments it has made in the meantime to safeguard human dignity, non-discrimination, equal rights, security and well-being, education, personal and professional development, as well as freedom of conscience, religion, organisation, association, opinion and expression, and (ii) the Policy of Participation in the

Communities, which aims to promote solutions that respond to the challenges that arise in the social, environmental and corporate governance, seeking to align decision-making and the pursuit of the Altri Group's activity with internationally defined sustainability principles.

The Human Rights Policy and the Community Participation Policy are available for consultation at www.altri.pt ("Investors" tab, "Governance" section), which should be complemented with the Sustainability Policy and the Risk Management Policy, also available at www.altri.pt ("Investors" tab, "Governance" section).

55. Core details on the internal control and risk management systems implemented in the company regarding the procedure for disclosing financial information

There are very few ALTRI employees involved in the process of disclosing financial information.

All those involved in the financial analysis of the Company are considered to have access to privileged information and are formally notified of the content of their obligations, as well as of the sanctions arising from the misuse of such information.

The internal rules applicable to the disclosure of financial information are aimed at ensuring its timely disclosure and preventing asymmetric access to information by the market.

The internal control system in the areas of accounting and preparation and disclosure of financial information is based on the following key principles:

- The use of accounting principles which are detailed in the notes to the financial statements is one of the pillars of the control system;
- The plans, procedures and records of the Company and its subsidiaries provide reasonable assurance that only duly authorised transactions are recorded and that such transactions are recorded in accordance with widely accepted accounting principles;
- Financial information is systematically and regularly analysed by the management of the operational units, ensuring a continuous monitoring and budget control;
- The process of preparing and reviewing financial information includes establishing a timetable for closing the accounts, which is shared with all the areas involved, and all documents are subject to an in-depth review;
- The accounting records and the separate financial statements of the various Group companies are prepared by the administrative and accounting departments. The financial statements are prepared by chartered accountants and reviewed by each subsidiary's financial division. Once they are approved, the documents are sent to the External Auditor, who issues his Legal Certification of Accounts;
- The consolidated financial statements are prepared every three months by the consolidation team. This process is an additional element aimed at controlling the reliability of the financial information, in particular by ensuring the uniform application of accounting principles and cut-off procedures, by checking balances and transactions between Group companies;
- The consolidated financial statements are prepared under the supervision of the financial division. The documents comprised in the annual report are sent to the Board of Directors for review and approval. Once they are approved, the documents are sent to the External Auditor, who issues his Legal Certification of Accounts and the Audit Report; and
- The preparation of the individual and consolidated financial information and the Management Report is coordinated by the Executive Committee, being presented to the Board of

Directors and supervised by the Statutory Audit Board. These bodies review the Company's consolidated financial statements on a quarterly basis.

Regarding risk factors that may have a material impact on accounting and financial reporting, we highlight the use of accounting estimates based on the best information available when the financial statements are being prepared, as well as on the knowledge and experience obtained in past and/or present events. We also highlight balances and transactions with related parties: in the ALTRI Group, balances and transactions with related entities refer essentially to the operating activities currently developed by the Group companies, as well as to borrowing and lending operations remunerated at market rates.

The Executive Committee, in the first place, and the Board of Directors, in the second place, regularly analyzes and supervises the preparation and disclosure of financial information, in articulation with the Statutory Audit Board, in order to prevent undue and untimely access by third parties to relevant information.

IV. Investor Assistance

56. Department responsible for investor assistance, composition, functions, the information made available by said department and contact details

In compliance with the applicable legal provisions, as well as with the regulations of the CMVM on this matter, ALTRI ensures that all the information related to the business of the group's companies that fits into the concept of privileged information is disclosed to its shareholders and to the market in general at first hand. Therefore, ALTRI has been ensuring that information is provided to the shareholders and the market in general in a continuous and timely manner, precisely when its privileged nature becomes clear.

The Company has an Investor Support Office with a Representative for Market Relations and a person responsible for Investor Relations.

Investors can send their requests for information to the following addresses:
Rua Manuel Pinto de Azevedo, 818 4100-320 Porto
Phone: + 351 22 834 65 02
Fax: + 351 22 834 65 03
Email: investor.relations@altri.pt

ALTRI provides financial information about its separate and consolidated activity, as well as about its subsidiaries on its Internet webpage (www.altri.pt). This website is also used by the company to publish press releases that had previously been disclosed via the CMVM's Information Disclosure System and possibly made available to the press at a later stage, indicating any relevant facts occurring as part of the company's activities. The Group's financial statements for the most recent financial years are also available on this page. Most of the information is made available by the Company in Portuguese and English.

57. Market Liaison Officer

The functions of Group's market liaison are performed by Raquel Rocha Carvalho and the investors relations functions are performed by Rui Cesário Pereira.

58. Information on the extent and deadline for replying to the requests for information received throughout the year or pending from preceding years

Whenever necessary, the market liaison officer is responsible for providing all the relevant information about key events and facts deemed materially relevant, for the disclosure of quarterly results and for replying to requests for clarification from investors or the general public regarding the financial information that has been made publicly available. All the requests for information sent by investors are analysed and replied within five business days.

V. Website

59. Address(es)

ALTRI has an Internet webpage with information about the Company and the Group. The address is www.altri.pt

60. Location where information on the firm, public company status, headquarters and other details referred to in Article 171 of the Commercial Companies Code is available

https://altri.pt/en/altri/our-world

61. Location where the Articles of Association and the regulations on the functioning of bodies and/or committees are available

https://altri.pt/en/investors/governance

62. Location where the information about the identity of the members of the governing bodies, the representative for market relations, the Investor Support Office or equivalent structure, their duties and means of access is available

https://altri.pt/en/investors/governance

https://altri.pt/en/investors/investor-assistance

63. Location where the reports and accounts are available for at least five years, together with a six-month calendar of corporate events, disclosed at the beginning of each semester, including, among others, dates of general meetings, disclosure of annual accounts, half-yearly accounts and, where applicable, quarterly accounts

https://altri.pt/en/investors/reports-and-presentations

https://altri.pt/en/investors/key-financial-data

64. Location where the call for the general meeting and all the preparatory and subsequent information is available

https://altri.pt/en/investors/general-meetings

65. Location where the historical archive with the resolutions passed at the company's general meetings, the share capital that was represented and the voting results pertaining to the 3 preceding years is available

https://altri.pt/en/investors/general-meetings

D. REMUNERATION REPORT

The Board of Directors presents below a clear and understandable report that provides a comprehensive overview of the remuneration, including all benefits in whatever form, awarded or due during the last financial year to each member of the management and supervisory bodies, in accordance with the remuneration policy referred to in Article 26-A of the Portuguese Securities Code, including newly appointed and former members.

The information contained in this report complies with all applicable legal requirements, namely, but not limited to, Article 26-G of the Portuguese Securities Code.

The processing by the Company of the personal data included in this remuneration report aims to increase its level of transparency regarding the remuneration of the respective members of the management and supervisory bodies, in order to strengthen the level of accountability of the latter and the ability of shareholders to supervise the remuneration of the members of the Company's management and supervisory bodies.

This remuneration report is submitted for consideration at the annual general meeting following the financial year to which it relates and explains how the assessment made at the previous general meeting was taken into account.

After the general meeting, the remuneration report is published on www.altri.pt and remains available for at least 10 years.

I. Powers

66. Details of the powers for establishing the remuneration of governing bodies

The Remuneration Committee is the body responsible for approving the remuneration of the members of the Board of Directors and other governing bodies on behalf of the shareholders, in accordance with the statement on the remuneration policy approved by the shareholders at the General Meeting.

II. Remuneration committee

67. Composition of the remuneration committee, including the identification of natural or legal persons hired to provide support and declaration on the independence of each of its member and advisers

Currently, ALTRI has a Remuneration Committee elected at a general shareholder meeting for a three-year term, starting in 2023 and ending in 2025, which is composed as follows:

- João da Silva Natária – Chairman
- André Seabra Ferreira Pinto – Member
- Pedro Nuno Fernandes de Sá Pessanha da Costa – Member

All the members of the Remuneration Committee are independent from the members of the Board of Directors and from any other interest groups.

With regard to the identification of natural or legal persons hired to provide support to this Committee, we should note that their responsibilities include the autonomy to, using the Company's budget and in compliance with criteria of reasonableness in this matter, hire external service providers which can independently carry out assessments, studies and prepare reports which may help that committee to fully perform its duties, as better explained in section 68 below.

This committee should rely on benchmarking studies on remuneration policies, ensuring that the Declaration on the Governing Body Remuneration and Compensation Policy is in line with the best practices in use in companies of similar relevance and size.

In 2024, this committee did not consider it necessary to hire any persons or entities to support its decision-making.

68. Knowledge and experience of the members of the Remuneration Committee in remuneration policy issues

The experience and professional qualifications of the members of the Remuneration Committee are reflected in the curricula available on the Company's website at www.altri.pt, "Investors" tab, "Investors / General meeting /2023/ Annex: Résumés", which were provided as part of their election at the 2023 Annual General Meeting and remain available in accordance with the applicable legal provisions.

ALTRI considers that the professional experience and career of the members of the Remuneration Committee are fully suited to the duties that have been assigned to them, enabling them to perform them with the required precision and efficiency. Without prejudice to the qualifications of the other members, we should point out João da Silva Natária, due to his extensive experience and specific knowledge in the area of remuneration assessment and policy.

Furthermore, and in addition to what has already been mentioned in section 67 above, where necessary, the committee turns to specialised internal or external resources to support its decisions.

In these situations, the Remuneration Committee freely decides to hire, on behalf of ALTRI, the consultancy services deemed necessary or convenient, making sure that the services are provided independently and that the providers in question are not hired to provide any other services to ALTRI or its subsidiaries without the express authorisation of the Remuneration Committee.

III. Remuneration structure

69. Description of the management and supervisory body remuneration policy referred to in Article 26-A of the Portuguese Securities Code

As provided for in Article 26-B of the Portuguese Securities Code, a Declaration on the Management and Supervisory Body Remuneration Policy is submitted to the general meeting for examination.

According to Law No. 50/2020 of August 25 and the Recommendations of the Corporate Governance Code of the Portuguese Corporate Governance Institute 2018 (and revised in 2023), the annual approval of the Remuneration Policy for the Management and Supervisory bodies is no longer mandatory, and will only take place during the term of office if the Issuer so wishes or if it intends to propose for the shareholders' consideration any changes to the policy in force.

The Remuneration and Compensation Policy applicable to ALTRI's governing bodies, approved at the General Meeting held on April 28, 2023, in force during the three-year term 2023-2025, is in line with the following principles:

1. PRINCIPLES OF ALTRI'S CORPORATE BODIES POLICY

ALTRI's Corporate Bodies Remuneration Policy is based on the assumption that competence, dedication, availability and performance are the determining elements of good performance, and that only with good performance is it possible to ensure the necessary alignment with the company's interests and its shareholders.

In view of the Company's interest, culture and long-term strategy, ALTRI's Corporate Bodies Remuneration Policy aims, as established in article 26-C(1) of the CVM, to "contribute to the company's corporate strategy, its long-term interests and its sustainability".

In particular, the Remuneration Policy aims to:

- Attract and retain the best professionals for the functions to be performed, providing the necessary conditions of stability in the exercise of functions;
- Reward performance, by means of remuneration appropriate to the mechanisms for defending the interests of Shareholders, discouraging excessive risk-taking, by providing for mechanisms for deferring variable remuneration;
- Reward the focus on continuous improvement, productivity and the creation of long-term value for shareholders;
- Reward environmental sustainability and energy efficiency of relevant activities of the Society.

This Policy is based on criteria aimed at the sustainability of the Company, is aligned with comparable benchmarking and, complying with legal requirements, is based on the following vectors:

Responsibility inherent to the functions performed

The functions performed and the responsibilities assumed by each member are, necessarily, taken into account in the definition of remuneration. Not all members are in the same position, which imposes a carefully case-by-case definition. In assessing the level of responsibility, the time of dedication, the requirement imposed by the areas under their supervision and the functions performed in the subsidiaries must be considered.

Company's economic situation

The definition of remuneration must be compatible with the size and economic capacity of the Company, while ensuring adequate and fair remuneration.

Market standards

The observance of market rules, through a comparative exercise ("benchmark"), is essential to pay adequately and competitively, taking into account the practice of the reference market (nationally and internationally), the activity developed and the results obtained.

Alignment of management interests with the strategic objectives of the Company

The definition of compensation should be based on performance evaluation criteria and objectives of financial and non-financial nature, aligned with the Company's business strategy and that ensure the effective long-term sustainability of the Company.

ESG Commitment

The objectives associated with setting remuneration should be linked to the Company's performance on environmental, social and corporate governance (ESG) indicators, reflecting the Company's commitment to sustainable development, particularly in the area of environmental sustainability, as well as ongoing compliance with the Company's values and ethical principles, which are a cornerstone of the way it structures itself and relates to all stakeholders.

Conditions of employment and remuneration of employees

The defined remuneration must take into consideration the employment and remuneration conditions of the Company's employees, which is achieved through a benchmarking exercise with the reference market (at national and international level), with reference to equivalent functions, in order to ensure internal equity and a high competitive level.

ALTRI Remuneration Committee believes that these principles are in line with the legislative and recommendatory framework in force, and also reflect the Company's vision on this matter.

Additionally, ALTRI Remuneration Committee has taken into consideration the following: at a meeting of the ALTRI Board of Directors held on 5 June 2023, the following Committees were set up for the current three-year term (2023/2025):

- Executive Committee consisting of the Directors José Soares de Pina (Chairman), Carlos Van Zeller (Vice-President), Miguel Silva, Miguel Silveira, João Pereira and Sofia Jorge;
- Strategic, Operational & Governance Monitoring Committee, consisting of Administrators José Soares de Pina, Paulo Fernandes, João Borges de Oliveira, Domingos Vieira de Matos, Pedro Borges de Oliveira and Ana Mendonça;

- Ethics Committee composed of directors Laurentina da Silva Martins (President), Paula Pimentel (Vice-President), Sofia Jorge, Raquel Rocha Carvalho, and members of the Supervisory Board Jorge Marrão and Pedro Pessanha;

- Sustainability, Audit & Risk Committee constituted by the administrators, Maria do Carmo Oliveira (President), Alberto Castro, Ana Mendonça, Paula Pimentel, Sofia Jorge e Raquel Rocha Carvalho.

During 2024, at a meeting of the ALTRI Board of Directors, held on September 19, 2024, the Strategic, Operational & Governance Monitoring Committee was dissolved and the following Committee was established for the current term (three-year period 2023/2025):

- Corporate Governance Committee, composed of Directors Alberto Castro (President), Paulo Fernandes, João Borges de Oliveira, Maria do Carmo Oliveira and Paula Pimentel.

2. BOARD OF DIRECTORS:

The ALTRI's Remuneration Committee, in line with the Company's organizational model and the principles described above, took into account the following measures:

i. reinforcement of the need to maintain a process for setting goals and evaluating performance;

ii. ensure consistency between quantitative and qualitative objectives;

iii. ensure that the quantitative objectives of the Executive Directors are in line with the quantitative objectives of the most relevant staff of the Company.

Non-Executive Directors

i. the remuneration of non-executive directors comprises only a fixed component, corresponding to a fixed monthly remuneration, the amount of which is determined by the Remuneration Committee and reviewed, if necessary, on a periodic basis taking into account best practices and the responsibilities of each non-executive director; In line with market practices, the remuneration of non-executive directors may be differentiated (i) by the special functions of representing the Company that may be assigned to each one; (ii) by the experience and know-how in executive functions previously exercised in the Company, as well as (iii) by the business knowledge and know-how in the sector of activity in which the Company operates;

ii. the non-executive directors, in function of the experience acquired over the years in executive functions and the profound knowledge and know-how of the Company's business that they are recognized for, may also receive a differentiated remuneration as a result of the value they contribute to the company under the terms referred to in the previous paragraph;

iii. additionally, ALTRI's Remuneration Committee takes into consideration the participation of non-executive directors in internal committees of the Board of Directors.

Executive Directors

i. the remuneration of executive directors includes two components:

a) fixed component, corresponding to an amount paid monthly;

b) variable component, which includes a short-term variable premium and a medium-term variable premium.

Short-Term Variable Premium

The short term variable premium is paid annually and cannot be higher than the annual fixed remuneration.

Medium Term Variable Premium

The Medium Term Variable Premium is configured in the form of Phantom Shares, which is a calculation formula that consists of the establishment, a priori, of a value for ALTRI shares, which will correspond to the value of the closing share price on a given day and assuming an investment of a certain amount in the Company's shares, and may be exercised in full, within a certain period to be agreed upon which shall never be less than three years from the date of attribution, or by the maximum amount of 50% (fifty percent) within 4 (four) years and the remaining amount of 50% (fifty percent) within 5 (five) years, in any case as from the date of attribution, subject to the verification and fulfillment of quantitative performance objectives associated with the Total Share Return, for which reason its payment is not guaranteed.

This formula for calculating the Medium Term Variable Premium in the form of Phantom Shares, by deferring the time of payment by at least 3 (three) years, allows the performance of the executive directors to be aligned with the long term interests of the Company, without transferring ownership of the shares to the executive directors.

In accordance with the decision of the Remuneration Committee to implement the Phantom Shares regime, it established as a limit to the financial year and payment the equivalent of 150% of the sum of all the fixed and annual remuneration of the beneficiary received between the reference date of the allocation and the date of the financial year.

Variable Remuneration Allocation Criteria

i. the variable component (short and medium term) is determined in accordance with the individual performance of each executive director, taking into account the respective annual individual assessment, in accordance with previously defined quantitative (of a financial and non-financial nature) and qualitative objectives;

ii. quantitative and qualitative objectives are long-term in nature and therefore have a timeframe that may extend over one or more years;

iii. individual quantitative objectives must reflect the Company's financial performance, namely its growth and the return generated for shareholders. The financial indicators must take into account the Company's strategic objectives, in particular the evolution of the Company's turnover and results and the financial and capital strength of the Company;

iv. individual qualitative objectives must reflect the achievement of environmental, social, corporate governance and team management capacity indicators;

v. the individual performance assessment process for each executive director is annual and must be supported by concrete evidence, made available to the ALTRI Remuneration Committee;

vi. In addition to the variable component that may be attributed to the executive directors, no non-monetary benefits are attributed to the members of the management body, other than the means made available to them for the performance of their duties and a personal health and accident insurance policy in accordance with market practices.

Process for determining the variable remuneration:

(i) An internal evaluation process is observed (always based on the criteria of the Remuneration Policy) carried out hierarchically, whereby: the Chairman of the Board of Directors leads the evaluation process in relation to the Chairman of the Executive Committee and the latter leads the evaluation process in relation to the other executive directors, whose reporting is under his responsibility;

(ii) The leader of each evaluation process may call for the participation of non-executive directors who may contribute, due to their experience and know-how in certain areas, to the evaluation process in question;

(iii) The Remunerations Committee analyses the evaluation process carried out, in light of the current Corporate Body Remuneration Policy and finally confirms, in view of the available information, the adequacy and general coherence of the process, setting the variable remuneration.

Special Rules Applicable to the Remuneration of Directors

- The overall fixed remuneration of the Board of Directors, including remuneration paid by subsidiaries to members of the Board of Directors, shall not exceed 4,000,000 Euros per annum;

- The variable component of the remuneration, once determined, awarded and paid, cannot be refunded by the executive director who has received it, even in the event of early termination, for whatever reason, of his functions, without prejudice to the Company's general right to compensation in the event of damage caused by the actions of the executive directors, which includes the right to withhold amounts awarded, but not yet paid, as a variable component of remuneration;

- In view of the different business areas covered by the Company, it is considered appropriate that the payment of the fixed and/or variable component of the remuneration of executive directors may be divided between the Company and subsidiary companies, or paid only by subsidiaries whose management bodies comprise them, in accordance with the terms to be defined by ALTRI's Remuneration Committee;

- If contracts are signed with members of the management or supervisory bodies for contractual regulation, such contracts shall not exceed the term of office without prejudice to the principle of contract renewal concurrently with the renewal of the term of office, and without specifically applicable notice periods.

Thus, and based on the measures listed above, and the ALTRI Remuneration Committee's understanding, the remuneration of executive directors (and, well, non-executive directors) is adequate and, as established in article 26.- C, no. 1, of the CVM, “contributes to the company's corporate strategy, to its long-term interests and to its sustainability.”.

SUPERVISORY BOARD

The remuneration of the members of the Supervisory Board shall be based on fixed annual amounts considered appropriate for the function.

GENERAL SHAREHOLDERS' MEETING

The remuneration of the members of the Board of the Shareholders' General Meeting shall be exclusively fixed and shall respect market practices.

STATUTORY AUDITOR

The Statutory Auditor shall receive a fixed remuneration that is appropriate for the function benchmarked against the market, under the supervision of the Supervisory Board.

The remuneration will be established in the respective service agreement to be entered into for this purpose, under the supervision of the Supervisory Board.

SUPPLEMENTARY PENSION OR EARLY RETIREMENT SCHEMES:

There are no supplementary pension or early retirement schemes in place at the present date.

CONFLICTS OF INTEREST:

The Remuneration Committee shall be responsible for identifying and resolving any situations of conflict of interest that may be related to the Remuneration Policy and any of the persons or entities covered by it. A conflict of interest is considered to exist whenever: (i) the applicable law and regulations so determine, as well as when the private interest of any member of a corporate body interferes, in any way, with this Remuneration Policy and/or when (ii) the performance of the duties of any member of a corporate body may contradict or negatively impact the criteria for setting the remuneration of such member or of the other members of this corporate body.

Any situation of conflict of interest that is identified by the Remuneration Committee and that it cannot resolve within a reasonable time considering the circumstances, shall be submitted to the appreciation and decision of the General Meeting of the Company, after consultation with the Ethics Committee of the Company.

SCOPE OF APPLICATION:

This policy applies not only to remuneration paid directly by ALTRI, but also to all remuneration that is paid by companies directly or indirectly controlled by ALTRI, pursuant to Article 21 of the Securities Code, to members of ALTRI's Governing Bodies.

POLICY APPROVAL, AMENDMENT AND REVISION:

Approval: The Company's Remuneration Policy is prepared by the Remuneration Committee and submitted to the General Meeting for approval.

Amendment: Any amendment to the Remuneration Policy must always be proposed by the Remuneration Committee to the General Meeting of the Company for approval. Any corporate body may request to the Remuneration Committee an amendment to the Remuneration Policy, and should submit a written request, duly substantiated. The Remuneration Committee will assess the relevance and adequacy of such request, and shall submit a written response, also duly substantiated, on the conclusions of its analysis and on the procedures to be adopted.

Review: The Remuneration Committee reviews the Remuneration Policy on a three-yearly basis at the end of each term of office, making any changes it deems appropriate in the light of best governance practices, the objectives underlying the remuneration of the members of the Company's governing bodies, the recommendations of the entities with powers in this area, with a view to adapting the policy to best market practices and the sustainable development objectives of the Company.

Procedure: Amendments and revisions to the Remuneration Policy should always be contained in a proposal prepared by the Remuneration Committee and submitted to the General Meeting, in which the reasons for such proposal should be explained and the proposed changes clearly identified. The amended or revised Remuneration Policy will come into force on the first working day following its approval by the General Meeting, and the consolidated version of the Remuneration Policy should be published as required by law.

POLICY DURATION

The Remuneration Policy is in force for periods of three years, coinciding with the Company's mandates, and comes into force on the first working day following its approval by the General Meeting.

70. Information on how the remuneration is structured in order to align the interests of the members of the management body with the long-term interests of the company, as well as on how it is based on performance assessment and discourages excessive risk-taking

The remuneration policy for executive directors aims at ensuring an appropriate and precise consideration for the performance and contribution of each of the directors to the organisation's success, aligning the interests of the executive directors with those of the shareholders and the Company. In addition, the remuneration policy provides for a medium-term variable component, indexed to the Company's performance, intended to better align the interests of the executive directors with those of the Shareholders and with the long-term interests of the Company. This remuneration assumes the configuration of Phantom Shares in the terms already explained.

Proposals for the remuneration of executive directors are prepared taking into account: (i) the duties performed in ALTRI and in its subsidiaries; (ii) the responsibility and added value of the individual's performance; (iii) the knowledge and experience acquired in the position held; (iv) the Company's economic situation; (v) the remuneration earned in companies operating in the same sector and in other companies listed in Euronext Lisbon. Regarding the latter, the Remuneration Committee considers, within the limits of the available information, all the Portuguese companies with a similar size, namely the ones listed in Euronext Lisbon, and companies operating in international markets whose characteristics are similar to ALTRI's.

In compliance with Article 26-G(2)(c) of the Portuguese Securities Code, the annual variation in the remuneration of the directors, the Company's performance and the average remuneration of full-time equivalent employees of the Company, excluding members of the board of directors and supervisory body, during the last five fiscal years, is presented as follows:

Annual Variation	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022	2024 vs. 2023
Remuneration of Executive Directors					
José Armindo Farinha Soares de Pina	N/A[2]	26.98%[2]	8.75%	(16.09)%	101.88%[3] [4]
José António Nogueira dos Santos	N/A[2]	70.12%[2]	(90.87)%[2]	N/A	N/A
Carlos Alberto Sousa Van Zeller e Silva	N/A[2]	40.53%[2]	40.00%	(19.55)%	69.77%[3] [4]
Vítor Miguel Martins Jorge da Silva	N/A	N/A	N/A[2]	(23.71)%[2]	70.02%[2] [3] [4]
Miguel Allegro Garcez Palha de Sousa da Silveira	N/A	N/A	N/A	N/A[2]	102.49%[2] [3] [4]
João Carlos Ribeiro Pereira	N/A	N/A	N/A	N/A[2]	49.92%[2] [3] [4]
Sofia Isabel Henriques Reis Jorge	N/A	N/A	N/A	N/A[2]	75.31%[2] [3] [4]
Remuneration of Non-Executive Directors					
Paulo Jorge dos Santos Fernandes	—%	10.59%	(9.58)%	—%	—%
João Manuel Matos Borges de Oliveira	—%	10.59%	(9.58)%	—%	—%
Domingos José Vieira de Matos	—%	8.27%	(7.64)%	—%	—%
Pedro Miguel Matos Borges de Oliveira	—%	8.27%	(7.64)%	—%	—%
Ana Rebelo de Carvalho Menéres de Mendonça	0.37%	21.27%	(17.54)%	—%	—%
Laurentina da Silva Martins	(45.21)%	—%	—%	—%	6.25%
Alberto João Coraceiro de Castro	N/A	50.00%[2]	—%	—%	5.36%
Maria do Carmo Guedes Antunes de Oliveira	N/A	50.00%[2]	—%	—%	6.25%
Paula Simões de Figueiredo Pimentel Freixo Matos Chaves	N/A	50.00%[2]	—%	—%	6.25%
José Manuel de Almeida Archer	(50.04)%	(100.00)%[2]	N/A	N/A	N/A
Company Performance					
EBITDA	(58.02)%	132.67%	32.35%	(54.44)%	58.99%
Revenues [1]	(23.69)%	37.98%	34.39%	(26.07)%	8.51%
Net Profit of continued operations	(65.32)%	286.72%	12.48%	(72.39)%	153.62%
Average Remuneration of Employees in Full-Time Equivalent Terms					
Group Employees [2]	4.15%	0.68%	4.76%	5.72%	6.50%

[1] Revenues = Sales + Services Rendered + Other income

[2] A review of the calculation method was carried out and the previous years were revised accordingly

[3] The variations shown arise from the fact that the components of remuneration in the reference years are different.

[4] The variations shown are due to the fact that there was a review of the Annual Fixed Remuneration

71. Reference to the existence of a variable remuneration component and information about the possible impact of this component on the performance assessment

The remuneration policy, as detailed in section 69 above, was approved at the General Meeting held on April 28, 2023 and includes a performance-based variable component.

There are no mechanisms to prevent executive directors from entering into contracts that call into question the rationale underlying the variable remuneration. However, the Remuneration Committee takes these factors into account in the criteria for calculating the variable remuneration.

The Company has not entered into any contracts with members of the Board of Directors that mitigate the residual risk in the variability of the remuneration, nor is it aware of the existence of similar contracts entered with third parties.

72. The deferred payment of the remuneration's variable component and specify the relevant deferral period

The variable component of executive directors' remuneration is partially deferred. This deferral results from the fact that there is one part of the variable component that has a medium-term nature, being configured in the form of Phantom Shares, which only allows the exercise and its receipt by the beneficiary after a minimum of 3 years from the award.

73. Criteria for the assignment of share-based variable remunerations

There is no provision for variable remuneration for the allocation of shares, without prejudice to the Phantom Shares regime that appears in ALTRI's Remuneration Policy approved at the 2023 Annual General Meeting and referred to in paragraph 69.

74. Criteria for the assignment of option-based variable remunerations

There is no provision for variable remuneration where option rights are allocated, without prejudice to the Phantom Shares scheme in the ALTRI Remuneration Policy adopted at the 2023 Annual General Meeting and referred to in paragraph 69.

75. Main parameters and grounds for annual bonus schemes and any non- financial benefits

ALTRI has no annual bonus schemes or non-financial benefits other than the variable remuneration describe above.

76. Main characteristics of the complementary pension or early retirement schemes for directors and dates on which they were individually approved at a general meeting

ALTRI has no complementary pension or early retirement schemes for members of management and supervisory bodies.

In this regard, we should note that the director Laurentina Martins receives a pension assigned to her when she left her position in the subsidiary Caima, S.A. (formerly Caima - Indústria de Celulose, S.A.) in the standard terms in force in that Company's Pension Plan. She left the company on September 30, 2012.

So, we should clarify that the pension she receives is no more than a right acquired as a result of the employment relationship established with said subsidiary and it is not related to the managerial duties she performs at ALTRI; i.e., should she terminate her service at ALTRI, whatever the reason for such termination, the right to receive said pension would always be ensured.

In this regard, we should note that, in 2024, the director in question, in compliance with the rules inherent to the plan, made no contributions to the aforementioned fund; however, she received an amount of 33,705 Euros relating to her retirement pension.

For more detailed information about the Pension Plan referred herein, please read note 29 of the notes to the consolidated statements on December 31, 2024.

IV. Disclosure of remunerations

77. Details of the amount of annual remuneration paid, collectively and individually, to the members of the company's management bodies by the company, including their fixed and variable remuneration and, with regard to the latter, a reference to the different components involved in its calculation

In compliance with the provisions of Article 26-G(2)(a) of the Portuguese Securities Code, it should be clarified that only non-executive directors are remunerated at ALTRI. The executive directors are remunerated by the subsidiaries, namely Celbi, Altri Florestal and Altri Sales.

The Remuneration Committee decided in 2024 to keep the remuneration of non-executive directors unchanged, except for independent non-executive directors and the director Laurentina Martins, in relation to whom updates were deliberated to the remuneration that had remained without update since the previous term.

Therefore, with regard to remuneration paid directly by the Company during the 2024 financial year to the above-mentioned non-executive directors, it amounted to 1,935,270 Euros, divided as follows: Paulo Fernandes - 490,310 Euros; João Borges de Oliveira - 490,310 Euros; Domingos Matos - 282,500 Euros; Pedro Borges de Oliveira - 282,500 Euros; Ana Mendonça - 109,900 Euros; Alberto Castro - 88,500 Euros; Laurentina Martins - 63,750 Euros; Maria do Carmo Oliveira - 63,750 Euros; Paula Pimentel - 63,750 Euros.

To the extent that the Company remunerates only non-executive directors, no variable remuneration is applicable, and therefore, as far as these are concerned, the reference to the proportion between fixed and variable remuneration as required by Article 26-G(2)(a) is not applicable.

78. Amounts paid by other companies in a control or group relationship or subject to a common control

In 2024, the Company's Remuneration Committee, considering that:

- all members who were part of the Board of Directors in the 2020/2022 term were reappointed for the current 2023/2025 term, at the Annual General Meeting held on April 28, 2023, and at that same Meeting three new members were elected, who became part of the Executive Committee;

- After this election, it was up to the Remuneration Committee to decide on the fixed remunerations to be attributed to each of the elected members. At that time, this Committee understood that, given the fact that the year in question (2023) is proving to be very challenging in terms of market conditions, notably due to the abrupt and sharp drop in the price of pulp, and considering the less optimistic prospects in terms of results for that year, it would be more prudent not to immediately update the remunerations attributed in the previous term and, in relation to the new members elected, despite the increase in responsibility inherent to the position, to maintain the remunerations earned until then for exercising the position only in the subsidiaries;

- considering that business prospects in 2024 have been normalized;

considered it pertinent and appropriate to review the annual fixed remuneration of executive directors, similar to what it did for independent non-executive directors and the director Laurentina Martins.

In relation to the medium-term variable bonus for executive directors, configured in the form of Phantom Shares, as set out in the approved and current Corporate Bodies Remuneration Policy, it is defined at ALTRI level by its Remuneration Committee, with reference to the creation of value for ALTRI shareholders, although its payment may be made in whole or in part by the relevant subsidiaries of ALTRI where the same Directors also perform functions. This variable remuneration option, reflecting the shareholder return over an extended period within the administrators' sphere, fully fulfills the objective proposed by medium-term variable remuneration of promoting the alignment of interests between administrators and the Company.

In 2024, the right was exercised in relation to a large part of the Phantom Shares that had been attributed by the Remuneration Committee in reference to the 2020-2022 term and which were pending. Once the necessary period had elapsed and the other conditions on which its exercise depended had been met, under the terms verified by the Remuneration Committee, the payments were made.

The Phantom Shares in respect of which the executive directors exercised their rights during the financial year were as follows:

- José Soares de Pina, Chairman of the Executive Committee, 155,602 (one hundred and fifty five thousand six hundred and two) Phantom Shares with a reference date of April 30, 2020; Carlos Van Zeller, Vice-President of the Executive Committee, 95,238 (ninety-five thousand two hundred and thirty-eight) Phantom Shares with a reference date of July 12, 2021; Miguel Silva, Member of the Executive Committee, 57,803 (fifty-seven thousand eight hundred and three) Phantom Shares with a reference date of November 19, 2021; Miguel Silveira, Member of the Executive Committee, 47,619 (forty-seven thousand six hundred and nineteen) Phantom Shares with a reference date of July 13, 2021; João Pereira, Member of the Executive Committee, 47,619 (forty-seven thousand six hundred and nineteen) Phantom Shares with a reference date of July 13, 2021.

- Regarding the administrator Sofia Reis Jorge, Member of the Executive Committee, the 38,535 (thirty-eight thousand five hundred and thirty-five) Phantom Shares that were allocated by the Remuneration Committee with a reference date of September 30, 2022 were still pending for the 2020-2022 term, since the deadline requirement had not yet been met.

Thus, in compliance with the provisions of Article 26-G(2)(d) of the Portuguese Securities Code, it should be clarified that the following remuneration was earned through the Group's subsidiaries, by the following directors of the Company:

Component	Fixed	% (Fixed Remuneration)	Short Term variable	Medium Term Variable (Phantom Shares)	% (Variable Remuneration)
Executive Directors' Remuneration					
Paid by the subsidiary CELBI, S.A.					
José Armindo Farinha Soares de Pina	€479,071	32.51 %	€330 000 (1)	€664,635	67.49 %
Carlos Alberto Sousa Van Zeller e Silva	€326,214	35.92 %	€280 000 (1)	€302,037	64.08 %
Vítor Miguel Martins Jorge da Silva	€239,714	39.83 %	€180 000 (1)	€182,160	60.17 %
Sofia Isabel Henriques Reis Jorge	€184,355	53.54 %	€160 000 (1)	N/A	46.46 %
Paid by the subsidiary ALTRI FLORESTAL, S.A.					
Miguel Allegro Garcez Palha de Sousa da Silveira	€227,357	40.83 %	€180 000 (1)	€149,495	59.17 %
Paid by the subsidiary ALTRI SALES					
João Carlos Ribeiro Pereira	€389,206	68.38 %	€180 000 (1)	€156 733 (1)	31.62 %

(1) Deferred payment for the year 2025

The Phantom Shares relating to the 2023-2025 term were, however, attributed to the executive directors by the Remuneration Committee, with the number of shares and their respective overall value resulting from the consideration of the objectives of the remuneration system, the Company's situation, its strategy and other criteria defined in the respective regulations, in particular those related to seniority, responsibility and assessment of the beneficiaries. The future payment of the value of the appreciation of these Phantom Shares is not guaranteed, being specifically dependent on the lapse of the term and their effective appreciation.

The Phantom Shares allocated for the current term, all with April 28, 2023 as the reference date for term and listing purposes, were as follows: José Soares de Pina - 213,219 Phantom Shares, Carlos Van Zeller - 127,931 Phantom Shares, Miguel Silva - 63,965 Phantom Shares, Miguel Silveira - 63,965 Phantom Shares, João Carlos Ribeiro Pereira - 63,965 Phantom Shares, Sofia Reis Jorge - 63,965 Phantom Shares.

79. Remuneration paid in the form of profit-sharing and/or payment of bonuses and the reasons for which such bonuses and/or profit-sharing were granted

No remunerations in the form of profit-sharing or bonuses were paid in the financial year under analysis.

80. Compensation paid or payable to former executive directors upon termination of service during the year

In the 2024 financial year, there was no cessation of the exercise of functions.

During the financial year, no amounts were paid or are due in respect of compensation to directors in relation to the termination of their duties during the financial year.

81. Annual amount of the remuneration earned, collectively and individually, by the members of the company's supervisory bodies

In compliance with the provisions of Article 26-G(2)(a) of the Portuguese Securities Code, the remuneration of the members of the Statutory Audit Board is composed of a fixed annual amount based on ALTRI's and on market practices used by companies with a similar relevance and size. In the year ended on December 31, 2024, the remuneration of the current members of the Statutory Audit Board amounted to 50,000 Euro, distributed as follows: Jorge Marrão - 25,000; Pedro Pessanha - 12,500 Euro; Ana Paula Pinho - 12,500 Euros.

The remuneration earned by the statutory auditor is described in section 47 above.

In compliance with Article 26-G(2)(c) of the Portuguese Securities Code, the annual variation in the remuneration of the Statutory Audit Board, the Company's performance and the average remuneration of full-time equivalent employees of the Company, excluding members of the board of directors and supervisory body, during the last five fiscal years, is presented as follows:

Annual Variation	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022	2024 vs. 2023
Remuneration of Statutory Audit Board Members					
Pedro Nuno Fernandes de Sá Pessanha da Costa	—%	—%	—%	(11.11)%	(6.25)%
António Luís Isidro de Pinho	—%	—%	—%	(66.67)%[2]	(100)%
Ana Paula dos Santos Silva e Pinho	N/A	50.00%[2]	—%	33.61%	12.58%
Jorge Manuel de Sousa Marrão	N/A	N/A	N/A	N/A[2]	50%
Guilherme Paulo Aires da Mota Correia Monteiro	(66.67)%[2]	(100.00)%[2]	N/A	N/A	N/A
Company Performance					
EBITDA	(58.02)%	132.67%	32.35%	(54.44)%	58.99%
Revenues [1]	(23.69)%	37.98%	34.39%	(26.07)%	8.51%
Net Profit of continued operations	(65.32)%	286.72%	12.48%	(72.39)%	153.62%
Average Remuneration of Employees in Full-Time Equivalent Terms					
Group Employees[2]	4.15%	0.68%	4.76%	5.72%	6.50%

[1] Revenues = Sales + Services Rendered + Other income

[2] The remuneration received in one of the reference years does not correspond to a full calendar year, due to an election for a new term

82. Remuneration of the chairman of the board of the general meeting in the year under analysis

The remuneration of the chairman of the board of the general meeting in the year ended on December 31, 2024 amounted to 3,500.00 Euro and the remuneration of the secretary amounted to 1,500.00 Euro.

V. Agreements with remuneration implications

83. Contractual limitations provided for the compensation paid upon dismissal of a director without just cause and its relation to the variable component of the remuneration

The remuneration policy maintains the principle of not paying compensation to directors or members of other governing bodies associated with the early termination or at the end of their term of office, without prejudice to compliance by the Company with the legal provisions in force in this area.

84. Reference to the existence and description, with indication of the amounts involved, of agreements between the company and the members of the management body and senior managers, within the meaning of Article 29-R(1) of the Portuguese Securities Code, providing for compensation in the event of resignation, dismissal without just cause or termination of the employment relationship following a change in the control of the company

There are no agreements between the Company and the members of the management body or other senior managers, within the meaning of Article 29-R(1) of the CVM, providing for compensation in the event of resignation, dismissal without just cause or termination of the employment relationship following a change in the control of the Company. There are also no agreements with the directors aimed at ensuring the payment of compensations if their terms of office are not renewed.

VI. Plans for assigning shares or stock options

85. Identification of the plan and its intended recipients

ALTRI does not have a plan to assign shares or stock options to members of governing bodies or employees, thus complying with the provisions of Article 26-G(2)(e) of the Portuguese Securities Code.

86. Characterisation of the plan

ALTRI does not have a plan to assign shares or stock options.

87. Stock options assigned to the company's employees

No stock options have been assigned to the Company's employees, thus complying with the provisions of Article 26-G(2)(e) of the Portuguese Securities Code.

88. Control mechanisms for employee share-ownership schemes considering that voting rights are not directly exercised by the employees

Not applicable as explained above.

E. TRANSACTIONS WITH RELATED PARTIES

I. Control mechanisms and procedures

89. Mechanisms implemented by the Company for the purpose of controlling transactions with related parties

The Company approved, by resolution of the Board of Directors on June 5, 2023, following a favourable prior opinion from the Statutory Audit Board on May 23, 2023, the Regulation on Related-Party Transactions and Conflicts of Interest, which is available on the Company's website (http://www.altri.pt/pt/investidores/governance).

Any transactions with related parties, particularly those which are materially relevant, comply with all the legal requirements, namely regarding obtaining a prior favourable opinion from the Company's supervisory body.

The Company's supervisory body has access to the terms of the potential transaction, with very comprehensive information, and may request any further information and clarifications that it deems appropriate or necessary.

Its opinion is, obviously, binding.

On the other hand, the Company operates in all areas, and particularly in this one, guided by criteria of precision and transparency.

It should also be noted that the Board of Directors provides, at least quarterly, to the Statutory Audit Board all the information it requests, including reporting on transactions with related parties, never having been involved in the execution of any transaction that could calling into question the rigor and transparency that guides the Company's activities, without having been observing the procedure for requesting a prior opinion to the Statutory Audit Board.

90. Details of transactions that were subject to control in the year under analysis

In fiscal year 2024, no other significant business or commercial transactions were carried out between the Company and the holders of qualified interests, and which were the subject of notification to the Company.

In addition, we should also note that there were no deals or transactions with members of the Statutory Audit Board.

None of the transactions with companies that are in a control or group relationship with ALTRI were deemed materially relevant, they were carried out under normal market conditions and all of them fit into the Company's regular activity and, therefore, there is no need to disclose them separately.

91. Description of the procedures and criteria applicable to the intervention of the supervisory body for the purpose of the prior assessment of deals between the company and qualified shareholders or entities related with them

Transactions with ALTRI directors or with companies that are in a control or group relationship with ALTRI and which involve a director, regardless of their amount, are always subject to the prior authorisation of the Board of Directors, provided that the supervisory body has issued a favourable opinion, in accordance with the provisions of Article 397 of the CSC and in accordance with the Company's Regulations on Related-Party Transactions and Conflicts of Interest prepared under the terms and for the purposes of article 29-S (1) of the Securities Code.

Therefore, any transactions with related parties, particularly those which are materially relevant, comply with all the legal requirements, namely regarding obtaining a prior favourable opinion from the Company's supervisory body, therefore, the procedures foreseen in the referred Regulation must be followed, such as:

- The Board of Directors and the Statutory Audit Board are informed every six months of resolutions on transactions with related parties in which they have not participated;
- It is the obligation of ALTRI's managers involved in related party transactions to ensure, where provided for in these Regulations, that such transactions are submitted in advance to the resolutions provided for in these Regulations;

- ALTRI Executive Committee shall monitor the process of formalization and execution of the resolutions on related party transactions.

II. Information on business deals

92. Details of the place where the financial statements, including information on business deals with related parties, are available

The information on deals with related parties is provided in note 30 of the Notes to the Consolidated Statements and note 21 of the Notes to the Separate Accounts.

PART II - CORPORATE GOVERNANCE ASSESSMENT

1. Identification of the corporate governance code adopted

This corporate governance report presents a description of the corporate governance structure in force at ALTRI, as well the policies and practices whose adoption under this model is necessary and appropriate to ensure governance in line with the best practices in this area.

The assessment performed complies with the legal requirements of Article 29-H of the Portuguese Securities Code and also discloses, in light of the comply or explain principle, the degree of compliance with the IPCG Recommendations included in the Corporate Governance Code of IPCG, as this is the Corporate Governance Code adopted by the Company.

The information obligations required by Law 50/2020 of 25 August, as well as by Articles 447 and 448 of the Portuguese Companies Act, by CMVM Regulation no. 1/2023 of 26 April 2023 and by the Regulation (EU) no. 596/2014, of the European Parliament and of the Council of 16 April, are fully complied with.

All the legal provisions mentioned in this Report and the Recommendations contained in the 2019 Corporate Governance Code may be consulted at www.cmvm.pt and https://cgov.pt/images/ficheiros/2023/cgs-revisao-de-2023-ebook.pdf, respectively.

This Report shall be read as an integral part of the Management Report, which also complies with the provisions of Article 66(B) of the Companies Act, as amended by Decree-Law 89/2017 of 28 July, and the Separate and Consolidated Financial Statements for the 2024 financial year.

2. Analysis of compliance with the Corporate Governance Code adopted

ALTRI has been encouraging and promoting all actions aimed at the adoption of the best Corporate Governance practices, basing its policy of high ethical standards of social and environmental responsibility and with decisions increasingly based on sustainability criteria.

ALTRI' Board of Directors is committed to the integrated and effective management of the Group. The Group's performance, by encouraging transparency in relations with investors and the market, has been guided by the constant search for the creation of value and the promotion of the legitimate interests of shareholders, the Company's employees and other stakeholders.

For the purposes of compliance with the provisions of Article 29-H(1)(m) of the Portuguese Securities Code, the following are the Recommendations contained in the Corporate Governance Code of IPCG which the Company proposes to comply with.

RECOMMENDATIONS	COMPLIANCE	REMARKS

GENERAL PRINCIPLES

A. Corporate governance promotes and fosters the pursuit of the respective long-term interests, performance and sustained development, and is structured in order to allow the interests of shareholders and other investors, staff, clients, creditors, suppliers and other stakeholders to be weighed, contributing to the strengthening of confidence in the quality, transparency and ethical standards of administration and supervision, as well as to the sustainable development of the community the companies form part of and to the development of the capital market

B. The Code is voluntary and compliance is based on the comply or explain principle, applicable to all Recommendations

Chapter I · COMPANY'S RELATIONSHIP WITH SHAREHOLDERS, INTERESTED PARTIES AND THE COMMUNITY AT LARGE

Principles:

I.A. In their organisation, operation and in the definition of their strategy, companies shall contribute to the pursuit of the Sustainable Development Goals defined within the framework of the United Nations Organisation, in terms that are appropriate to the nature of their activity and their size.

I.B. The company periodically identifies, measures and seeks to prevent negative effects related to the environmental and social impact of the operation of its activity, in terms that are appropriate to the nature and size of the company.

I.C. In its decision-making processes, the management body considers the interests of shareholders and other investors, employees, suppliers and other stakeholders in the activity of the company.

Recommendations:

I.1.(1) The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives	Adopted	Part 1, item 21, 50 and 54 and Management Report, Chap. 1.2.
I.1.(2) and what are the main contributions resulting herefrom for the community at large.	Adopted	Part 1, item 21, 50 and 54
I.2.(1) The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental objectives	Adopted	Part 1, item 54
I.2.(2) and for the fulfilment of its social objectives.	Adopted	Part 1, item 54

Chapter II · COMPOSITION AND FUNCTIONING OF THE CORPORATE BODIES

II.1. Information

Principle:

II.1.A. *Companies and, in particular, their Directors treat shareholders and other investors in an equitable manner, namely by ensuring mechanisms and procedures for the adequate treatment and disclosure of information.*

Recommendation:

II.1.1. The company establishes mechanisms to adequately and rigorously ensure the timely circulation or disclosure of the information required to its bodies, the company secretary, shareholders, investors, financial analysts, other stakeholders and the market at large.	Adopted	Part 1, item 21, 29, 38, 56 to 65

II.2. Diversity in the Composition and Functioning of the Corporate Bodies

Principles:

II.2.A. Companies have adequate and transparent decision-making structures, ensuring maximum efficiency in the functioning of their bodies and committees.*

II.2.B. Companies ensure diversity in the composition of their management and supervisory bodies and the adoption of individual merit criteria in the respective appointment processes, which shall be the exclusive responsibility of shareholders.

II.2.C. Companies ensure that the performance of their bodies and committees is duly recorded, namely in minutes of meetings, that allow for knowing not only the sense of the decisions taken but also their grounds and the opinions expressed by their members.

Recommendations:

II.2.1. Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably, individual attributes (such as competence, independence, integrity, availability and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition.	Adopted	Part 1, item 15, 16, 17, 19, 26, 31, 33 and 36
II.2.2.(1) The management body is governed by regulations – notably regarding the exercise of its powers, chairmanship, the frequency of meetings, operation and the duties framework of its members - fully disclosed on the website of the company	Adopted	Part 1, item 22 and 61
II.2.2.(2) Idem for the supervisory body.	Adopted	Part 1, item 34 and 61
II.2.2.(3) Idem for internal committees.	Adopted	Part 1, item 27, 29 and 61
II.2.2.(4) Minutes of the meetings of the management body shall be drawn up.	Adopted	Part 1, item 23
II.2.2.(5) Idem for the supervisory body.	Adopted	Part 1, item 35
II.2.2.(6) Idem for internal committees.	Adopted	Part 1, item 27, 29 and 61

II.2.3.(1) The composition of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	Adopted	Part 1, item 17, 28, 29 and 31
II.2.3.(2) The number of meetings for each year of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	Adopted	Part 1, item 23, 29 and 35
II.2.4.(1) The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication.	Adopted	Part 1, item 38 and 49
II.2.4.(2) and an internal reporting channel that also includes access for non-employees, as set forth in the applicable law.	Adopted	Part 1, item 49
II.2.5.(1) The companies have specialised committees for matters of corporate governance.	Adopted	Part 1, item 29
II.2.5.(2) Idem on remuneration	Adopted	Part 1, item 29 and 67
II.2.5.(3) Idem on the appointment of members of the corporate bodies	Not Applicable	Clarification on recommendation not applicable below
II.2.5.(4) Idem on performance assessment	Adopted	Part 1, item 27 and 29

II.3. Relations between Corporate Bodies

Principle:

II.3.A. The corporate bodies create the conditions for them to act in a harmonious and articulated manner, within the scope of their responsibilities, and with information that is adequate for carrying out their functions.

Recommendations:

II.3.1. The Articles of Association or equivalent means adopted by the company set out the mechanisms to ensure that, within the limits of the applicable laws, the members of the management and supervisory bodies have permanent access to all necessary information to assess the performance, situation and development prospects of the company, including, specifically, the minutes of the meetings, the documentation supporting the decisions taken, the convening notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons who may be requested to provide clarification.	Adopted	Part 1, item 18, 28, 38, 59 to 65
II.3.2. Each body and committee of the company ensures, in a timely and adequate manner, the interorganic flow of information required for the exercise of the legal and statutory powers of each of the other bodies and committees.	Adopted	Part 1, item 18, 23, 28 and 38

II.4. Conflicts of Interest

Principle:

II.4.A. The existence of current or potential conflicts of interest between the members of bodies or committees and the company shall be prevented, ensuring that the conflicted member does not interfere in the decision-making process.

Recommendations:

II.4.1. By internal regulation or an equivalent hereof, the members of the management and supervisory bodies and of the internal committees shall be obliged to inform the respective body or committee whenever there are any facts that may constitute or give rise to a conflict between their interests and the interest of the company.	Adopted	Part 1, item 20
II.4.2. The company adopts procedures to ensure that the conflicted member does not interfere in the decision-making process, without prejudice to the duty to provide information and clarification requested by the body, committee or respective members.	Adopted	Part 1, item 20

II.5. Transactions with Related Parties

Principle:

II.5.A. Transactions with related parties shall be justified by the interest of the company and shall be carried out under market conditions, being subject to principles of transparency and adequate supervision.

Recommendation:

II.5.1. The management body discloses, in the corporate governance report or by other publicly available means, the internal procedure for verification of transactions with related parties.	Adopted	Part 1, item 89

Chapter III — SHAREHOLDERS AND GENERAL MEETING

III.A. The adequate involvement of shareholders in corporate governance constitutes a positive factor for the efficient functioning of the company and the achievement of its corporate objective.

III.B. The company promotes the personal participation of shareholders at general meetings as a space for reflection on the company and for shareholders to communicate with the bodies and committees of the company.

III.C. The company implements adequate means for shareholders to attend and vote at the general meeting without being present in person, including the possibility of sending in advance questions, requests for clarification or information on the matters to be decided on and the respective proposals.

Recommendations:		
III.1.(1) The company does not set an excessively large number of shares to be entitled to one vote,	Adopted	Part 1, item 12
III.1.(2) and informs in the corporate governance report of its choice whenever each share does not carry one vote.	Adopted	Part 1, item 12
III.2. The company that has issued special plural voting rights shares identifies, in its corporate governance report, the matters that, pursuant to the company´s Articles of Association, are excluded from the scope of plural voting.	Not Applicable	Part 1, item 12
III.3. The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that required by law.	Adopted	Part 1, item 14
III.4. The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.	Partially Adopted	Part 1, item 12 (Clarification on recommendation partially adopted below)
III.5. The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically	Partially Adopted	Part 1, item 12 (Clarification on recommendation partially adopted below)
III.6. The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision - without quorum requirements greater than that provided for by law - and that in said resolution, all votes issued are to be counted, without applying said restriction.	Not Applicable	Clarification on recommendation not applicable below
III.7. The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.	Adopted	Part 1, item 4 and 84 (Clarification on recommendation adopted below)

Chapter IV — MANAGEMENT

IV.1. Management Body and Executive Directors

Principles:

IV.1.A. The day-to-day management of the company shall be the responsibility of executive directors with the qualifications, skills, and experience appropriate for the position, pursuing the corporate goals and aiming to contribute to its sustainable development

IV.1.B. The determination of the number of executive directors shall take into account the size of the company, the complexity and geographical dispersion of its activity and the costs, bearing in mind the desirable flexibility in the running of the executive management

Recommendations:		
IV.1.1.(1) The management body ensures that the company acts in accordance with its object and does not delegate powers, notably with regard to: i) definition of the corporate strategy and main policies of the company	Adopted	Part 1, item 21 and 28
IV.1.1.(2) ii) organisation and coordination of the corporate structure	Adopted	Part 1, item 21 and 28
IV.1.1.(3) iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved	Adopted	Part 1, item 21 and 28
IV.1.2. The management body approves, by means of regulations or through an equivalent mechanism, the performance regime for executive directors applicable to the exercise of executive functions by them in entities outside the group	Adopted	Part 1, item 27, 28 and 29

IV.2. Management Body and Non-Executive Directors

Principles:

IV.2.A. For the full achievement of the corporate objective, the non-executive directors shall exercise, in an effective and judicious manner, a function of general supervision and of challenging the executive management, whereby such performance shall be complemented by commissions in areas that are central to the governance of the company

IV.2.B. The number and qualifications of the non-executive directors shall be adequate to provide the company with a balanced and appropriate diversity of professional skills, knowledge and experience

Recommendations:

IV.2.1. Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors - or, if there are not enough independent directors, the non-executive directors - shall appoint a coordinator among themselves to, in particular (i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, (ii) ensure that they have all the conditions and means required to carry out their duties, and (iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.; alternatively, the company may establish another equivalent mechanism to ensure such coordination	Not Applicable	Clarification on recommendation not applicable below
IV.2.2. The number of non-executive members of the management body shall be adequate to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficient performance of the tasks entrusted to them, whereby the formulation of this adequacy judgement shall be included in the corporate governance report	Adopted	Part 1, item 18
IV.2.3. The number of non-executive directors is greater than the number of executive directors	Adopted	Part 1, item 18
IV.2.4. The number of non-executive directors that meet the independence requirements is plural and is not less than one third of the total number of non-executive directors. For the purposes of the present Recommendation, a person is deemed independent when not associated to any specific interest group in the company, nor in any circumstances liable to affect his/her impartiality of analysis or decision, in particular in virtue of: i. Having carried out, continuously or intermittently, functions in any corporate body of the company for more than twelve years, with this period being counted regardless of whether or not it coincides with the end of the mandate; ii. Having been an employee of the company or of a company that is controlled by or in a group relationship with the company in the last three years; iii. Having, in the last three years, provided services or established a significant business relationship with the company or with a company that is controlled by or in a group relationship with the company, either directly or as a partner, director, manager or officer of a legal person; iv. Being the beneficiary of remuneration paid by the company or by a company that is controlled by or in a group relationship with the company, in addition to remuneration stemming from the performance of the functions of director; v. Living in a non-marital partnership or being a spouse, relative or kin in a direct line and up to and including the 3rd degree, in a collateral line, of directors of the company, of directors of a legal person owning a qualifying stake in the company or of natural persons owning, directly or indirectly, a qualifying stake; vi. Being a holder of a qualifying stake or representative of a shareholder that is holder of a qualifying stake.	Adopted	Part 1, item 18
IV.2.5. The provisions of paragraph (i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/her functions in any corporate body and his/her new appointment, at least three years have elapsed (cooling-off period)	Not Applicable	Clarification on recommendation not applicable below
Chapter V — SUPERVISION		
Principles:		
V.A. The supervisory body carries out permanent supervision activities of the administration of the company, including, also from a preventive perspective, the monitoring of the activity of the company and, in particular, the decisions of fundamental importance for the company and for the full achievement of its corporate object		
V.B. The composition of the supervisory body provides the company with a balanced and adequate diversity of professional skills, knowledge and experience		
Recommendations:		
V.1.(1) With due regard for the competences conferred to it by law, the supervisory body takes cognisance of the strategic guidelines, prior to its final approval by the administration body.	Adopted	Part 1, item 15 and 38 (Clarification on recommendation adopted below)

V.1.(2) With due regard for the competences conferred to it by law, the supervisory body evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body	Adopted	Part 1, item 15 and 38 (Clarification on recommendation adopted below)
V.2.(1) The number of members of the supervisory body shall be adequate in relation to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficiency of the tasks entrusted to them, and this adequacy judgement shall be included in the corporate governance report.	Adopted	Part 1, item 31
V.2.(2) Idem for the number of members of the financial matters committee	Not Applicable	Part 1, item 15

Chapter VI · PERFORMANCE ASSESSMENT, REMUNERATION AND APPOINTMENTS

VI.1. Annual Performance Assessment

Principle:

VI.1.A. The company promotes the assessment of performance of the executive body and its individual members as well as the overall performance of the management body and its specialised committees.

Recommendations:

VI.1.1.(1) The management body - or committee with relevant powers, composed of a majority of non-executive members - evaluates its performance on an annual basis, taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.	Adopted	Part 1, item 15, 21 and 29 (Clarification on recommendation adopted below)
VI.1.1.(2) Idem for the performance of the executive committee / executive directors	Adopted	Part 1, item 21 and 29 (Clarification on recommendation adopted below)
VI.1.1.(3) Idem for the performance of the company committees	Adopted	Part 1, item 21 and 29 (Clarification on recommendation adopted below)

VI.2. Remunerations

Principles:

VI.2.A. The remuneration policy for members of the management and supervisory bodies shall allow the company to attract qualified professionals at a cost that is economically justified by their situation, provide for the alignment with the interests of the shareholders – taking into consideration the wealth effectively created by the company, the economic situation and the market situation – and shall constitute a factor for developing a culture of professionalism, sustainability, merit promotion and transparency in the company

VI.2.B. Taking into consideration that the position of directors is, by nature, a remunerated position, directors shall receive a remuneration
i) that adequately rewards the responsibility undertaken, the availability and competence placed at the service of the company;
ii) that ensures a performance aligned with the long-term interests of shareholders and promotes the sustainable performance of the company; and
iii) that rewards performance.

Recommendations:

VI.2.1. The company constitutes a remuneration committee, whose composition shall ensure its independence from the board of directors, whereby it may be the remuneration committee appointed pursuant to Article 399 of the Portuguese Companies Code.	Adopted	Part 1, item 66, 67 and 68
VI.2.2. The remuneration of the members of the management and supervisory bodies and of the company committees is established by the remuneration committee or by the general meeting, upon proposal of such committee.	Adopted	Part 1, item 66, 67 and 68
VI.2.3. The company discloses in the corporate governance report, or in the remuneration report, the termination of office of any member of a body or committee of the company, indicating the amount all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	Adopted	Part 1, item 80
VI.2.4. In order to provide information or clarification to shareholders, the president or another member of the remuneration committee shall be present at the annual general meeting and at any other general meeting at which the agenda includes a matter related to the remuneration of the members of bodies and committees of the company, or if such presence has been requested by the shareholders.	Adopted	Part 1, item 24
VI.2.5. Within the budget constraints of the company, the remuneration committee may freely decide to hire, on behalf of the company, consultancy services that are necessary or convenient for the performance of its duties.	Adopted	Part 1, item 67
VI.2.6. The remuneration committee ensures that such services are provided independently	Adopted	Part 1, item 67 and 68

VI.2.7. The providers of said services are not hired by the company itself or by any company controlled by or in group relationship with the company, for the provision of any other services related to the competencies of the remuneration committee, without the express authorisation of the committee	Adopted	Part 1, item 67 and 68
VI.2.8. In view of the alignment of interests between the company and the executive directors, a part of their remuneration has a variable nature that reflects the sustained performance of the company and does not encourage excessive risk-taking	Adopted	Part 1, item 69 to 76
VI.2.9. A significant part of the variable component is partially deferred over time, for a period of no less than three years, and is linked to the confirmation of the sustainability of performance, in terms defined in the remuneration policy of the company	Adopted	Part 1, item 69
VI.2.10. When the variable remuneration includes options or other instruments directly or indirectly subject to share value, the start of the exercise period is deferred for a period of no less than three years	Not Applicable	Part 1, item 69
VI.2.11. The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value	Adopted	Part 1, item 69 (Clarification on recommendation adopted below)
VI.3. Appointments		
Principle:		
*VI.3.A. Regardless of the method of appointment, the knowledge, experience, professional background, and availability of the members of the corporate bodies and of the senior management** shall be adequate for the job to be performed.*		
Recommendations:		
VI.3.1. The company promotes, in the terms it deems adequate, but in a manner susceptible of demonstration, that the proposals for the appointment of members of the corporate bodies are accompanied by grounds regarding the suitability of each of the candidates for the function to be performed	Adopted	Part 1, item 16, 19, 22, 29, 31 and 33
VI.3.2. The committee for the appointment of members of corporate bodies includes a majority of independent directors	Not Applicable	Clarification on recommendation not applicable below
VI.3.3. Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee	Not Applicable	Clarification on recommendation not applicable below
VI.3.4. The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality	Not Applicable	Clarification on recommendation not applicable below
Chapter VI — INTERNAL CONTROL		
Principle:		
VII.A. Based on the medium and long-term strategy, the company shall establish a system of internal control, comprising the functions of risk management and control, compliance and internal audit, which allows for the anticipation and minimisation of the risks inherent to the activity developed.		
Recommendations:		
VII.1.(1) The management body discusses and approves the strategic plan	Adopted	Part 1, item 21
VII.1.(2) The management body discusses and approves the risk policy of the company, which includes setting limits in matters of risk-taking	Adopted	Part 1, item 21, 50 to 54
VII.2. The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body	Adopted	Part 1, item 27, 29 and 50
VII.3. The supervisory body is organised internally, implementing periodic control mechanisms and procedures, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the administration body	Adopted	Part 1, item 31, 38, 50, 51 and 54
VII.4. The internal control system, comprising the risk management, compliance and internal audit functions, is structured in terms that are adequate to the size of the company and the complexity of the risks inherent to its activity, whereby the supervisory body shall assess it and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary	Adopted	Part 1, item 27, 29, 38, 50 to 55

VII.5. The company establishes procedures for the supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of such system, as well as the prospects for changing the previously defined risk framework	Adopted	Part 1, item 38, 50 to 55
VII.6.(1) Based on its risk policy, the company sets up a risk management function, identifying (i) the main risks to which it is subject in the operation of its business	Adopted	Part 1, item 53
VII.6.(2) (ii) the probability of their occurrence and respective impact	Adopted	Part 1, item 50, 53 and 54
VII.6.(3) (iii) the instruments and measures to be adopted in order to mitigate such risks an	Adopted	Part 1, item 50 and 54
VII.6.(4) (iv) the monitoring procedures, aimed at following them up	Adopted	Part 1, item 50 and 54
VII.7. The company establishes processes to collect and process data related to the environmental and social sustainability in order to alert the management body to risks that the company may be incurring and propose strategies for their mitigation	Adopted	Part 1, item 50, 53 and 54
VII.8. The company reports on how climate change is considered within the organisation and how it takes into account the analysis of climate risk in the decision-making processes	Adopted	Part 1, item 21, 29, 50 to 54 and and Management Report, Chap. 1.5.2.
VII.9. The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies	Adopted	Clarification on recommendation not applicable below
VII.10. The supervisory body pronounces on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions, and may propose adjustments as deemed necessary	Adopted	Part 1, item 37, 38 and 50
VII.11. The supervisory body is the addressee of reports made by the internal control services, including the risk management, compliance and internal audit functions, at least when matters related to accountability, identification or resolution of conflicts of interest and detection of potential irregularities are concerned	Adopted	Part 1, item 37, 38, 49 and 50
Chapter VIII — INFORMATION AND STATUTORY AUDIT OF ACCOUNTS		
VIII.1 Information		
Principles:		
VIII.1.A. The supervisory body, diligently and with independence, ensures that the management body observes its responsibilities in choosing policies and adopting appropriate accounting criteria and establishing adequate systems for financial and sustainability reporting, and for internal control, including risk management, compliance and internal audit		
VIII.1.B. The supervisory body promotes a proper articulation between the work of the internal audit and that of the statutory audit of accounts		
Recommendation:		
VIII.1.1. The regulations of the supervisory body requires that the supervisory body monitors the suitability of the process of preparation and disclosure of information by the management body, including the appropriateness of accounting policies, estimates, judgements, relevant disclosures and their consistent application from financial year to financial year, in a duly documented and reported manner	Adopted	Part 1, item 34 and 38
VIII.2 Statutory Audit and Supervision		
Principle:		
VIII.2.A. It is the responsibility of the supervisory body to establish and monitor formal, clear, and transparent procedures as to the relationship between the company and the statutory auditor and the supervision of compliance, by the statutory auditor, with the rules of independence imposed by law and by professional standards.		
Recommendations:		
VIII.2.1. By means of regulation, the supervisory body defines, in accordance with the applicable legal regime, the supervisory procedures to ensure the independence of the statutory auditor.	Adopted	Part 1, item 34, 37, 38, 42 to 47
VIII.2.2.(1) The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports,	Adopted	Part 1, item 37 and 38

VIII.2.2.(2) and is competent, namely, for proposing the respective remuneration and ensuring that adequate conditions for the provision of the services are in place within the company	Adopted	Part 1, item 37 and 38
VIII.2.3. The supervisory body annually evaluates the work carried out by the statutory auditor, its independence and suitability for the exercise of its functions and shall propose to the competent body its dismissal or termination of the contract for the provision of its services whenever there is just cause to do so.	Adopted	Part 1, item 37, 38 and 45

➢ **Recommendation II.2.5.** *The companies have specialised committees for matters of corporate governance, remuneration, appointments of members of the corporate bodies and performance assessment, separately or cumulatively. If the Remuneration Committee provided for in Article 399 of the Portuguese Commercial Companies Code has been set up, the present Recommendation can be complied with by assigning to said committee, if not prohibited by law, powers in the above matters.*

At ALTRI it is an assignment of the Corporate Governance Committee to reflect on corporate governance practices, as well as on the Governance model in force in the Group and on its adequacy.

The Corporate Governance Committee monitored and evaluated ALTRI's Governance model, and concluded that the model in force in the current term 2023/2025 is a model that, since the beginning of the term, reflects Altri's growing path in strengthening its structure, and that was designed to mirror the commitment of social organs with a structure developed in the image and size of the group.

The Corporate Governance Committee stressed in its analysis that it very positively assesses the subsequent steps taken by the governing bodies, in a constant concern to strengthen and further increase the creation of specialized committees, as well as the adoption of important regulations and policies. The Commission highlighted in particular the review process, which was carried out by the Ethics Committee, the Code of Ethics, which has become a reference document in the organisation, sufficiently clear and detailed and to which all are subject. It also highlighted the deepening of the Group's commitments to equality (as reflected in the Equality Plan adopted by the Group), as well as the Group's commitments to corruption prevention, human rights, sustainability, risk management, community participation and money laundering prevention and combating.

In terms of sustainability, which is one of the first concerns that underlies any decision-making in the Altri Group, the Corporate Governance Committee highlighted the important contribution of the Sustainability Committee, Audit & Risk in monitoring the implementation measures of the 2030 commitment assumed by ALTRI.

The Corporate Governance Committee concluded that ALTRI's Governance model, in force in the current mandate 2023/2025, has proved to be perfectly suited to the challenges of the business and the organization.

On the other hand, ALTRI has in place a Remuneration Committee, elected at a general meeting of shareholders and composed solely of independent members in relation to the members of the Board of Directors and any other interest group.

The Remuneration Committee has the autonomy to, at the expense of the Company and in compliance with reasonable criteria in this regard, hire external service providers who can independently carry out evaluations, studies and the preparation of reports that may assist the Remuneration Committee in the full and full exercise of its functions.

This Committee should rely on benchmarking studies in the field of remuneration policy, ensuring that the Statement on the Remuneration and Compensation Policy of the Governing Bodies is aligned with the best practices in use in companies of equal importance and size.

Finally, it should be noted that ALTRI does not have a Nomination Board for the reasons listed in points 29 and 67 of Part I of this report.

➢ **Recommendation III.4.** *The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.*

As stated in section 12 of Part 1 of this Report, the Company has implemented the necessary means to ensure the right to vote by correspondence.

With regard to electronic voting, the Company has not implemented the mechanisms necessary for its implementation (i) because this form of voting has never been requested by any of the shareholders and (ii) because it considers that this circumstance does not entail any constraint or restriction on the shareholders' ability to exercise their right to vote, which is promoted and encouraged by the Company.

ALTRI has been encouraging the physical participation of its shareholders, either directly or through representatives, in its General Meetings, considering that they are the ideal moment for Shareholders to come into contact with the management team, taking advantage of the presence of the members of the other governing bodies, namely the Statutory Audit Board and the Statutory Auditor, as well as the members of the Remuneration Committee. This interaction has been beneficial for the Company.

➢ **Recommendation III.5.** *The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.*

As stated in section 12 of Part 1 of this Report, the Company has implemented the necessary means to ensure the right to vote by correspondence, by post or electronically (sent by email).

With regard to the possibility of holding General Meetings by telematic means, the Company has not triggered the mechanisms necessary for its implementation because (i) this method has never been requested by any of the shareholders, (ii) the costs of implementing telematic means are high and (iii) this circumstance does not entail any constraint or restriction on the shareholders' ability to exercise their right to vote, which is promoted and encouraged by the Company.

In view of the preceding paragraph and emphasising what is mentioned above, ALTRI has been encouraging the physical participation of its shareholders, either directly or through representatives, in its general meetings, considering that they are the ideal moment for Shareholders to come into contact with the management team, taking advantage of the presence of the members of the other governing bodies, namely the Statutory Audit Board and the Statutory Auditor, as well as the members of the Remuneration Committee. This interaction has been beneficial for the Company.

Therefore, it is understood that all necessary and adequate means to ensure participation in General Meetings are already in place.

➢ **Recommendation III.6.** *The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision – without quorum requirements greater than that provided for by law – and that in said resolution, all votes issued are to be counted, without applying said restriction.*

The Company's Articles of Association do not establish any limitation on the number of votes that may be held or exercised by a single shareholder individually or together with other shareholders.

➢ **Recommendation III.7.** *The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the*

composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.

ALTRI has not adopted - does not exist - any measures which determine payments or the assumption of costs by the company in the event of a change of control or change in the composition of the management body and which are likely to harm the economic interest in the transfer of shares and the free assessment by shareholders of the performance of directors.

➢ **Recommendation IV.2.1.** *Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors – or, if there are not enough independent directors, the non-executive directors – shall appoint a coordinator among themselves to, in particular (i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, (ii) ensure that they have all the conditions and means required to carry out their duties, and (iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.; alternatively, the company may establish another equivalent mechanism to ensure such coordination.*

The Chairman of the ALTRI Board of Directors meets all the criteria of independence, and is therefore independent. To that extent, this recommendation should be considered not applicable.

➢ **Recommendation IV.2.5.** *The provisions of paragraph (i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/her functions in any corporate body and his/her new appointment, at least three years have elapsed (cooling-off period).*

None of the Company's directors are in the aforementioned situation.

➢ **Recommendation V.1.** *With due regard for the competences conferred to it by law, the supervisory body takes cognisance of the strategic guidelines and evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body.*

ALTRI's Statutory Audit Board took knowledge, assessed and pronounced on the strategic guidelines and risk policy (which is available for consultation on the Company's website) prior to its final approval by the Company's Board of Directors, which also unanimously approved it.

➢ **Recommendation VI.1.1.** *The management body – or committee with relevant powers, composed of a majority of non-executive members – evaluates its performance on an annual basis, as well as the performance of the executive committee, of the executive directors and of the company committees, taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.*

ALTRI's Board of Directors also assessed its performance, as well as the performance of its committees and of the executive directors, taking into account compliance with the Company's Strategic Plan and Budget, risk management, its internal functioning and the contribution of each member to that end, and the relationship between the Company's bodies and committees.

The evaluation was carried out by completing a very comprehensive and exhaustive questionnaire given to the directors.

The results of the evaluation were worked on and aggregated by the Legal Department and were presented to the Board of Directors, which analysed and discussed them, always with a focus on identifying and implementing the measures necessary for continuous improvement.

➢ **Recommendation VI.2.11.** *The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.*

The remuneration policy approved by the General Meeting upon proposal of the Remuneration Committee establishes that the individual remuneration of non-executive directors has an exclusively fixed nature.

➢ **Recommendation VI.3.2.** *The committee for the appointment of members of corporate bodies includes a majority of independent directors.*

The Company does not have an appointment committee for the reasons set out in points 29 and 67 of Part I of this report.

➢ **Recommendation VI.3.3.** *Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee.*

The Company does not have an appointment committee for the reasons listed in sections 29 and 67 of Part I of this Report.

➢ **Recommendation VI.3.4.** *The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality.*

The Company does not have an appointment committee for the reasons listed in sections 29 and 67 of Part I of this Report.

➢ **Recommendation VII.9.** *The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies.*

The Society has not yet implemented artificial intelligence mechanisms for decision-making, given that ***(i)*** the creation of these mechanisms has not yet been requested by any social body, ***(ii)*** the implementation costs of these mechanisms are high at this initial stage and therefore require strong consideration; ***(iii)*** the non-use of artificial intelligence for decision-making does not lead to any restriction on the exercise of mandates by members of the governing bodies and ***(iv)*** the Society, in order to implement these mechanisms, must be sure of their undeniable advantages. Society does not exclude, therefore, the possibility of implementing such mechanisms with a view to continuous improvement.

3. Other Information

In line with the above, a ALTRI would like to point out that, given its significant compliance with the majority of the recommendations, the Company's has almost fully adopted the recommendations of the IPCG Corporate Governance Code, which can be seen in its diligent and careful management, absolutely focused on the creation of value for the Company and, consequently, for the shareholders.

APPENDIX I

1. Board of Directors

Qualifications, experience and positions held in other companies by the members of the Board of Directors:

Alberto João Coraceiro de Castro

He holds a degree in Economics from the Faculty of Economics of Porto and a PhD from the University of South Carolina.

Currently, he is Invited Full Professor at the Faculdade de Economia e Gestão of UCP, of which he was the first Director.

His areas of specialization are industrial economics, labor economics, business strategy and internationalization and in which he has several academic and dissemination publications.

In the field of applied research, he coordinated or participated in the preparation of successive strategic plans for the footwear industry, since 1990, in the strategic plan for the cork industry and in the strategic plan for the foundry industry.

He was designated Director and President in April 2020.

In addition to the Companies where he currently exercises management functions, his professional experience includes:

- Chairman of the Statutory Audit Board of Mota-Engil (2006-2018);
- Vice-President Member of EDP's Statutory Audit Board (2006-2015);
- Chairman of the Board of Directors of the Financial Development Institution (2015-2018);
- Member of the Investment Committee of the Portuguese Venture Capital Initiative (2011-2024).

Throughout his career and currently, he works in several civic functions:

- Chairman of the Statutory Audit Board of the Associação Empresarial de Portugal (AEP), Fundação AEP and the Matosinhos Jazz Orchestra;
- Vice-President of the Direction of the Association for the Museums of Transport and Communications (Alfândega Porto);
- Porto de Leixões Customer Provider;
- Vice-President of the Economic and Social Council between 2017 and 2020;
-Writes fortnightly in the economic supplement Dinheiro Vivo;

On December 31, 2024, the other companies where he performs management functions are:

- Non-executive director of Mystic Invest, S.A. (a)

As of December 31, 2024, the other companies where he performs inspection duties are:

- Chairman of the Statutory Audit Board of the Super Bock Group, S.G.P.S., S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Paulo Jorge dos Santos Fernandes

Paulo Fernandes is an entrepreneur and investor; he has actively participated in an intense activity of mergers and acquisitions, as well as in the creation of business projects in various areas and sectors.

Its involvement covers industry such as manufacturing, media, renewable energy, forestry, real estate and healthcare.

Throughout his career, started in 1982, he has played management and leadership roles, assuming a central role in several renowned Portuguese public companies, including Altri, Cofina, Ramada and Greenvolt.

He holds an MBA from the Nova School of Business and Economics.

On December 31, 2024, the other companies where he carries out management functions are as follows:

– Actium Capital, S.A. (a)
– Articulado – Actividades Imobiliárias, S.A. (a)
– Cofina, S.G.P.S, S.A. (a)
– Elege Valor, Lda. (a)
– Expressão Livre, SGPS, S.A. (a)
– Expressão Livre II, SGPS, S.A. (a)
– MediaLivre, S.A. (a)
– Ramada Investimentos e Indústria, S.A. (a)
– Santos Fernandes & Vieira Matos, Lda. (a)

On December 31, 2024, the other companies where he carries out supervision functions are as follows:

– Fisio Share - Gestão De Clínicas, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

João Manuel Matos Borges de Oliveira

Graduated from the Porto University with a degree in Chemical Engineering, holds an MBA from INSEAD.

He is one of the founders of RAMADA INVESTIMENTOS E INDÚSTRIA, the current holding company of the Ramada group, a group that was acquired in the 1990s, of which he has been a shareholder and executive director (Chairman and CEO) since then. Ramada Investimentos' activity includes, within the industrial area, which is its core area of activity, steel, machining and manufacturing of structures for molds and wire drawing. It also develops a strong activity in the Real Estate area, focused on the management of real estate assets, especially forestry, and on the management of financial investment

He is also one of the founders of COFINA, a group of which he is a shareholder and director, having been directly involved in the construction and management of the group since its creation, which is a reference in the media sector in Portugal.

He is also one of the founders of ALTRI, which resulted from a process of spin-off of Cofina, being also a shareholder and director (Vice-President), assuming executive functions in the construction of the group since its foundation, a group that has registered a remarkable growth through the realization of large and complex M&A transactions. Its industrial units are today a world benchmark for technology and innovation and operate in the cellulosic fiber production sector and in the forest-based renewable energy sector, namely industrial cogeneration through black liquor and biomass.

In addition to the Companies which currently holds functions of director, his professional experience includes:

1982/1983	Assistant Director of Production of Cortal
1984/1985	Production Director of Cortal
1987/1989	Marketing Director of Cortal
1989/1994	General Director of Cortal
1989/1995	Vice President of the Board of Cortal
1989/1994	Director of Seldex
1992/1994	Vice-President of the General Assembly of the Industrial Association of Águeda
1995/2004	Chairman of the Statutory Audit Board of the Industrial Association of the District of Aveiro
1996/2000	Non-executive Director of Atlantis, S.A.
1997/2000	Non-executive Director of Vista Alegre, S.A.
1998/1999	Director of Efacec Capital, S.G.P.S., S.A.
2008/2015	Chairman of the Supervisory Council of Porto Business School
2008/2011	Non-executive director of Zon Multimédia, S.G.P.S., S.A.
2011/2013	Member of University Library CFO Advisory Forum
Since 2019	Member of the Remuneration Committee of the Serralves Foundation
Since 2023	Member of the General Council of the Porto Business School

On December 31, 2024, the other companies where he carries out management functions are as follows:
– Caderno Azul, S.A. (a)
– Cofina, S.G.P.S., S.A. (a)

– Cofihold, S.A. (a)
– Elege Valor, Lda. (a)
– Préstimo – Prestígio Imobiliário, S.A. (a)
– Ramada Investimentos e Indústria, S.A. (a)

a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Domingos José Vieira de Matos

Holds a degree in Economics from the Faculty of Economy of the University of Porto. Initiated his carrier in management in 1978.

He is one of the founders of RAMADA INVESTIMENTOS E INDÚSTRIA, the current holding company of the Ramada group, a group that was acquired in the 90s, of which he has been a shareholder and director since then. The activity of Ramada Investimentos e Indústria includes, within the industrial area, which is its core area of activity, steel, machining and fabrication of structures for molds and wire drawing. It also develops a strong activity in the Real Estate area, focused on the management of real estate assets, especially forestry, and on the management of financial investment

He is also one of the founders of COFINA, a group of which he is a shareholder and director, having been directly involved in the construction and management of the group since its foundation, which is a reference in the media sector in Portugal.

He is also one of the founders of ALTRI, which resulted from a process of spin-off of Cofina, being also a shareholder and director, and having participated in the construction of the group since its foundation, a group that has registered a remarkable growth through the completion of large and complex operations. of M&A. Its industrial units are today a world benchmark for technology and innovation and operate in the cellulosic fiber production sector and in the forest-based renewable energy sector, namely industrial cogeneration through black liquor and biomass.

In addition to the Companies which currently holds functions of director, his professional experience includes:

1978/1994	Director of CORTAL, S.A.
1983	Founding Partner of PROMEDE – Produtos Médicos, S.A.
1998/2000	Director of ELECTRO CERÂMICA, S.A.

On December 31, 2024, the other companies where he carries out management functions are as follows:

– Cofina, S.G.P.S., S.A. (a)
– Elege Valor, Lda. (a)
– Expressão Livre, SGPS, S.A. (a)
– Expressão Livre II, SGPS, S.A. (a)
– Medialivre, S.A. (a)
– Ramada Investimentos e Indústria, S.A. (a)
– Santos Fernandes & Vieira Matos, Lda. (a)
– Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
– Vieira de Matos - VDM Capital, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Laurentina da Silva Martins

With formation in Finance and Administration from Instituto Superior do Porto and is connected with Altri Group since its incorporation. She was designated Director in May 2009.

Her professional experience includes:

1965/1990	Finance Director Assessor of Companhia de Celulose do Caima, S.A.
1990/2011	Finance Director of Companhia de Celulose do Caima, S.A.
2001/2012	Director of Cofina Media, S.G.P.S., S.A.
2001/2011	Director of Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
2004/2012	Director of Grafedisport – Impressão e Artes Gráficas, S.A.
2005/2011	Director of Silvicaima – Sociedade Silvícola do Caima, S.A. (currently Altri Florestal, S.A.)
2006/2020	Director of EDP – Produção Bioeléctrica, S.A. / Bioelétrica da Foz, S.A.

On December 31, 2024, the other companies where she carries out management functions are as follows:
– Cofina, S.G.P.S., S.A. (a)
– Ramada Investimentos e Indústria, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Pedro Miguel Matos Borges de Oliveira

Holds a degree in Financial Management by the Institute of Administration and Management of Porto. In 2000 completed the Executive MBA in the Enterprise Institute Porto in partnership with ESADE Business School, Barcelona, currently Catholic Porto Business School. In 2009 completed the Business Valuation Course in EGE-Business Management School.

He is a shareholder and director of RAMADA INVESTIMENTOS E INDÚSTRIA, the current holding company of the Ramada group, a group that was acquired in the 90s. The activity of Ramada Investimentos e Indústria includes, within the industrial area, which is its core area of activity, steel, machining and fabrication of structures for molds and wire drawing. It also develops a strong activity in the Real Estate area, focused on the management of real estate assets, especially forestry, and on the management of financial investment. He is also a shareholder and director of COFINA, a group that is a reference in the media sector in Portugal.

He is also a shareholder and director of ALTRI, which resulted from a spin-off process from Cofina, a group that has recorded remarkable growth through the completion of large and complex M&A operations. Its industrial units are today a world benchmark for technology and innovation and operate in the cellulosic fiber production sector and in the forest-based renewable energy sector, namely industrial cogeneration through black liquor and biomass.

In addition to the Companies which currently exercise functions of administration, his professional experience includes:

1986/2000	Management advisor of FERÁGUEDA, Lda.
1992	Manager of Bemel, Lda.
1997/1999	Director´s assistant of GALAN, Lda.
1999/2000	Director´s assistant of the the Department of Saws and Tools of F.RAMADA, AÇOS E INDÚSTRIAS, S.A.
2000	Director of the Department of Saws and Tools of F.RAMADA, AÇOS E INDÚSTRIAS, S.A.
2006	Board member of UNIVERSAL AFIR, AÇOS ESPECIAIS E FERRAMENTAS, S.A.
2009	Board member of F. Ramada - Investimentos, S.G.P.S., S.A.

On December 31, 2024, the other companies where he carries out management functions are as follows:
– Blau Stahl, Unipessoal, Lda. (a)
– Cofina, S.G.P.S., S.A. (a)
– Planfuro Global, S.A. (a)
– Ramada Aços, S.A. (a)
– Ramada Investimentos e Indústria, S.A. (a)
– Ramada Solar, Unipessoal, Lda. (a)
– Universal - Afir, S.A. (a)
– Valor Autêntico, S.A. (a)
– Título Singular, S.A. (a)
– 1 Thing, Investments, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Ana Rebelo de Carvalho Menéres de Mendonça

Holds a degree in Economics by the Universidade Católica Portuguesa of Lisbon.

She is a shareholder and manager of RAMADA INVESTIMENTOS E INDÚSTRIA, the current holding of the Ramada group, a group that was acquired in the 90s. The activity of Ramada Investimentos e Indústria includes, within the industrial area, which is its core area of activity, steel, machining and fabrication of structures for molds and wire drawing. It also develops a strong activity in the Real Estate area, focused on the management of real estate assets, especially forestry, and on the management of financial investment

She is also a shareholder and director of COFINA, a group that is a reference in the media sector in Portugal.

She is as well a shareholder and director of ALTRI, which resulted from a spin-off process from Cofina, a group that has registered remarkable growth through the completion of large and complex M&A operations. Its industrial units are today a world benchmark for technology and innovation and operate in the cellulosic fiber production sector and in the forest-based renewable energy sector, namely industrial cogeneration through black liquor and biomass.

More recently, and as one of the founders, she promoted the Initial Public Offering (IPO) of the ALTRI subsidiary, at the time the GreenVolt subsidiary, having been a shareholder and administrator of the Company until May 31, 2024.

In addition to the Companies which currently holds functions of director, her professional experience includes:

1995	Journalist in the economic newspaper SEMANÁRIO ECONOMICO
1996	Commercial Department of CITIBANK
1996	Board member of PROMENDO, S.A.
2009	Board member of PROMENDO, S.G.P.S., S.A.

On December 31, 2024, the other companies where she carries out management functions are as follows:

– Cofina, S.G.P.S., S.A. (a)
– Promendo Investimentos, S.A. (a)
– Ramada Investimentos e Indústria, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Maria do Carmo Guedes Antunes de Oliveira

She has a degree in Economics from the Faculdade de Economia of Porto, having also completed an MBA at the Nova School of Business and Economics. She was designated Director in April 2020.

In addition to the companies where she currently exercises management functions, her professional experience includes:

1981	Economic Consultant of the Porto Merchants Association;
1983 – 1985	Project Analyst at SPI - Sociedade Portuguesa de Investimentos;
1983 – 1990	BPI's Project Coordinator with responsibilities in the area of companies, namely in terms of credit, consultancy, capital markets, company valuation, etc;
1990 and 1987	Common Representative of Bondholders in the issuance of the following bonds: Sogrape 87, Sogrape 90 and Amorim Lage 87;
1990 – 2000	Responsible for the Evaluation and Consulting Area of the Northern Business Department of BPI - Mergers and Acquisitions Area;
1993	Chairman of the Statutory Audit Board of Macem Confeções, S.A.;
1995	Chairman of the Joint Committee who assessed the calculation of the amount of compensation to be attributed to the holders of shares in the Nationalized Company Siderurgia Nacional;
1996 – 1999	Member of the Board of Directors of BPI Participações;
1996 – 2000	Central Director of Banco Português de Investimento - Corporate Finance Area;
1999 – 2002	Chairman of the Statutory Audit Board of Brisa - Auto-Estradas de Portugal;
2000 – 2007	Director of Banco Português de Investimento;
2006 – 2007	Member of the Board of Directors of VAA - Vista Alegre Atlantis, SGPS, S.A.;
2005 – 2016	Member of the Board of Directors of ETAF - Empresa de Transportes Álvaro Figueiredo, S.A.;
2015 – 2017	Chairman of the Statutory Audit Board of APOR - Agency for the Modernization of Porto, S.A.;
2007 - 2017	Responsible for the Direction of Large Northern Companies, the North Special Operations Unit and the Office for Supporting Corporate Centers of Banco BPI;
2007 - 2020	General Director of Banco BPI with responsibilities in the Corporate Banking Area and, since 2017, responsible for BPI's Corporate & Investment Banking Department;
2021	Chairman of the Investment Technical Committee of the Capitalization and Resilience Fund;
2021	Chairman of the Technical Investment Committee of the Capitalization Fund of Companies in the Azores.

Her experience also includes the teaching aspect, namely:

1980 – 1981	Assistant in the subject of Economic Analysis II at Universidade Livre do Porto;
1981 – 1982	Assistant in the Macroeconomics chair at the Faculty of Economics of Porto and Assistant in the chairs of Economic Analysis III, Economic Analysis IV and Fluctuations and Economic Development at the Universidade Livre do Porto;
1983 – 1988	Assistant and invited assistant in the Market Analysis course at the Faculty of Economics of Porto;
1989 – 1990	Responsible for the Business Evaluation course in the Postgraduate Course in Financial Analysis at the Faculty of Economics of Porto;
1990 – 1991	Invited Assistant in the Financial Management course in the Economics course at the Faculty of Economics of Porto;
1992 – 1993	Invited assistant responsible for the Financial Operations course in the Management course at the Faculty of Economics of Porto.

On December 31, 2024, the other companies where she carries out management functions are as follows:

Since 2016	Member of the Porto Municipal Council of Economics / Casa dos 24 (a);
Since 2017	Member of the Statutory Audit Board of the League of Friends of Hospital Santo António in Porto (a)
Since 2021	Non-executive director of Ibersol, S.G.P.S., S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Paula Simões de Figueiredo Pimentel Freixo Matos Chaves

She has a degree in Business Administration and Management from the Catholic University of Lisbon.

She was an assistant in the Mathematics Department at Universidade Católica Portuguesa between 1979 and 1980.

Prepared several Market Studies with the cooperation of Professor Manuel Violante (Mackensy / CEO Partner).

Since 2015, he has been a holder of the Advanced Management Program KELLOGG SCHOLL of MANAGEMENT- Northwestern University (Chicago).

Organizer of the Management and Leadership Program, at Universidade Católica Portuguesa, with the participation of 25 Beiersdorf Managers (4-year program), integrating the Development Center with the Faculty of the University.

2016 - Finance for Strategic Decision Making; Innovation and Change Management (Executive Training Univ.Catolica de Lisboa.

2017 - Digital Transformation in Business -In processes, culture and Business Development (Executive Training Univ Católica).

2018/2019 - Design Thinking -Energizing People for Innovation.

2023 - Coorporate Governance & ESG (Environment, Social and Governance) - CEO'S/Adm Program in Risk Management, Strategy, Ethics, and Financial System (Catholic University of Lisbon)

Member of the Board of Directors of CENTROMARCA - Associação Portuguesa de Empresas de Produtos de Marca (2017-2022)

She was designated Director in April 2020.

In addition to the companies where he currently exercises management functions, his professional experience includes:

1981	Internship in STREICHENBERGER - France (Lyon and Paris);
1982 – 1988	Brand Manager /Group Brand Manager (Marketing) at BEIERSDORF PORTUGAL;
1988 – 1992	Marketing Manager at BEIERSDORF PORTUGAL;
1992 – 2004	Director of Sales and Marketing (Distribution Area Large Consumption) at BEIERSDORF PORTUGAL;
2004 – 2009	Director of sales and marketing (large retail and pharmacy channel) at BEIERSDORF PORTUGAL;
2011 – 2014	S&CM (Shopper & Customer Marketing) Director for Southern Europe (Portugal, Spain, Italy and Greece) at BEIERSDORF SOE;
2009 – 2022	General Director of BEIERSDORF PORTUGAL;
2017 - 2022	Member of the Board of Directors of CENTROMARCA - Portuguese Association of Brand Products Companies;
2023	"GOVERNANCE Catholic Circle | ESG" Member.

José Armindo Farinha Soares de Pina

He has a degree in Civil Engineering from the New Jersey Institute of Technology, USA, and also attended a master's degree in Construction Management at the Instituto Superior Técnico. Subsequently, he completed advanced Business Management programs at Indiana University, USA, and INSEAD, France.

He was designated Director in April 2020 and he is currently CEO.

Early in his career, he led renovation and architectural conservation projects in several regions, performing the role of Operations Director for several organizations. In 1995, he joined the American multinational Dow, one of the world's largest groups of industrial chemicals, polymers and for agriculture, where he performed various commercial, operational and global business management functions, with service commissions in several countries in Europe, in the USA and China:

1995/2005	Several commercial and marketing management positions for Europe, Middle East and Africa, in the Construction Materials and Polymers divisions, based in Portugal, Germany and Switzerland
2005/2007	ADC Global General Manager (including the unit of non-woven elastic materials), Germany
2005/2008	Global Director of the Polymers for Health and Hygiene Unit, USA
2008/2010	Global Director of Strategy and Business Development, Specialized Chemical Materials Unit, Switzerland
2010/2014	President and Global Chief Executive Officer of AgroFresh Inc., USA
2014/2017	President of the Division of Agricultural Sciences and Biotechnology for Asia, China
2017/2020	Corporate Strategy and Business Development Director for Asia Pacific, China

Throughout his career, he also held management positions in other organizations:

2014/2017	Vice-Chairman of the Board of Directors of CropLife Asia
1996/2010	Member of the Board of Directors of the World Monuments Fund for Portugal

On December 31, 2024, the other companies where he carries out management functions are as follows:
- Altri Abastecimento de Madeira, S.A.
- Altri Abastecimento de Biomassa, S.A.
- Altri Florestal, S.A.
- Biogama, S.A.
- Biotek, S.A.
- Caima, S.A.
- Celbi, S.A.
- Florestsul, S.A.
- Greenfiber, S.L.
- Greenfiber Development, S.L.

Carlos Alberto Sousa Van Zeller e Silva

Holds a degree in Chemical Engineering from Faculdade de Engenharia of University of Coimbra and is in Celulose Beira Industrial (CELBI) staff from more than 20 years. He leads ALTRI's Industrial area, having postgraduate degrees and long-term programs for executives in Management, from the Universidade Católica and from Kellogg School of Management.

He was designated Director in Abril 2020 and he is currently Deputy-CEO since March 2021.

In addition to the companies where he currently exercises management functions, his professional experience includes:

- Sonae Indústria - production of pellets
- Celbi - different operational leadership positions, namely project production and implementation
- StoraEnso - activities in the scope of operational and product development

On December 31, 2024, the other companies where he carries out management functions are as follows:

- Altri – Abastecimento de Madeira, S.A.
- Altri - Abatecimento de Biomassa, .S.A.
- Altri Florestal, S.A.
- Biogama, S.A.
- Biotek, S.A.
- Caima, S.A.
- Celbi, S.A.
- Florestsul, S.A.
- Greenfiber, S.L.
- Greenfiber Development, S.L.

Other positions:
- Biond - 1st Secretary of the General Meeting, on behalf of Celbi, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Vítor Miguel Martins Jorge da Silva

Has a degree in Business Organization and Management from ISCTE, a postgraduate degree in Management and Performance Control from Overgest ISCTE and attended the Business Senior Management program (PADE) by AESE/IESE.

He was designated Director in April 2022.

In addition to the Companies which currently holds functions of director, his professional experience includes:

1995 to 2002	Various functions in the Financial Area in companies of the Cimpor Group
2003 to 2004	CFO Cementos Andalucia (Cimpor Group)
2005 to 2006	Director Control Management and IT Corporacion Noroeste (Cimpor Group)
2007 to 2009	CFO Asment Temara (Morocco) and Ciments Jbel Oust (Tunisia), both Grupo Cimpor
2010 to 2012	Corporate Director Control Management and member of the Management Committee of Cimpor
2013	Corporate Director Control Management InterCement
2014	Corporate Director Control Management Nuvi Group (Angola and Portugal)
2015 to 2021	CFO Nuvi Group (Angola and Portugal)

As of 31st of December 2024, the other companies where he carried and carries out management functions are as follows:
- Altri – Abastecimento de Madeira, S.A.
- Altri - Abastecimento de Biomassa, S.A.
- Altri Participaciones Y Trading, S.L.
- Altri Florestal, S.A.
- Biogama, S.A.
- Biotek, S.A.
- Caima, S.A.
- Captaraíz – Unipessoal, Lda.
- Celbi, S.A.
- Florestsul, S.A.
- Inflora – Sociedade de Investimentos Florestais, S.A.
- Greenfiber, S.L.
- Greenfiber Development, S.L.
- Pulpchem Logistics, A.C.E. (a)
- Viveiros do Furadouro, Unipessoal, Lda.

a) – companies, at December 31st, 2024, that cannot be considered as part of Altri, S.G.P.S., SA Group

Miguel Allegro Garcez Palha de Sousa da Silveira

He has a degree in Forest Engineering from Instituto Superior de Agronomia, an MBA in Business Administration from ISEG, a High Performance Leadership program from IMD, and a post-graduate Advanced Management Program (AMP) from Católica Lisbon School of Business & Economics and Northwestern University - Kellogg School of Management.

He was designated Director in April 2023.

In addition to the Companies which currently holds functions of director, his professional experience includes:

2000 to 2003	Technical Supervisor at AFLOPS - Setúbal Forestry Producers Association
2003 to 2009	Director of Operations at Logística Florestal, S.A.
2010 to 2014	Director of Wood and Biomass Supply at Altri Florestal, S.A.

As of 31st of December 2024, the other companies where he carried and carries out management functions are as follows:
- Altri – Abastecimento de Madeira, S.A.
- Altri - Abastecimento de Biomassa, S.A.
- Altri Participaciones Y Trading, S.L.
- Altri Florestal, S.A.
- Biogama, S.A.
- Biotek, S.A.
- Caima, S.A.
- Captaraíz – Unipessoal, Lda.
- Celbi, S.A.
- Florestsul, S.A.
- Inflora – Sociedade de Investimentos Florestais, S.A.
- Greenfiber, S.L.
- Greenfiber Development, S.L.
- Serforal - Sociedade de Gestão e Investimento Agroflorestal, Lda. (a)
- Viveiros do Furadouro, Unipessoal, Lda.

a) – companies, at December 31st, 2024, that cannot be considered as part of Altri, S.G.P.S., SA Group

João Carlos Ribeiro Pereira

He has a law degree from the University of Lisbon Law School and attended an advanced management program for executives at the Catholic University of Lisbon.

In addition to the companies where he currently exercises management functions, his professional experience includes:

Started working at Caima on 02.11.1988, having worked at CPK, SA as General Manager (2005-2006), at Celbi, SA, as Commercial Director (2006-2007), joining Altri Sales, SA as Director and General Manager since 01.01.2008.

He performs various executive functions with special emphasis on the commercial and logistics areas, for which he is responsible in the Altri Group.

He was appointed a director of the company in April 2023 and is a member of the Altri Group's management team (Executive Committee).

As of 31st of December 2024, the other companies where he carried and carries out management functions are as follows:

- Altri – Abastecimento de Madeira, S.A.
- Altri - Abastecimento de Biomassa, S.A.
- Altri Florestal, S.A.
- Altri Participaciones Y Trading, S.L.
- Altri Sales, S.A.
- Biogama, S.A.
- Biotek, S.A.
- Caima, S.A.
- Celbi, S.A.
- Florestsul, S.A.
- Greenfiber, S.L.
- Greenfiber Development, S.L.

Sofia Isabel Henriques Reis Jorge

She has a degree in Chemical Engineering from the Faculty of Science and Technology, University of Coimbra.

She was designated Director in April 2023.

She has done several specializations and trainings, namely:

- 1996 - 1997: Specialization in Cellulose Technique ("Cellulosateknik") at the Higher Institute of Gävle-Sandviken in Sweden;
- 2002 - 2003: Advanced Management Program for Executives (PAGE) at Católica Lisbon School of Business and Economics;
- 2014 - 2015: Breakthrough Program for Altri Future Leaders at Porto Business School;
- 2016: "Leading and Energizing Teams For Performance" Program at Católica Lisbon School of Business and Economics;
- 2021: Sustainable Finance: Green and Climate Finance at ISEG Lisbon School of Economics & Management;
- 2022: Advanced Management Program Universidade Católica/Kellogg School of Management at Northwestern University - Kellogg School of Management.

In addition to the companies where he currently exercises management functions, his professional experience includes:

1996-1998	Process Engineer at Stora-Cell AB Skutskär (Sweden) - StoraEnso Group
1998-2005	Management Systems Engineer at Celulose Beira Industrial (Celbi), S.A - StoraEnso Group
2005-2012	Head of the Management Systems Development Sector at Celulose Beira Industrial (Celbi), S.A - Altri Group
2012-2019	Director of the Technical Control and Management Systems Department of Celulose Beira Industrial (Celbi), S.A. and accumulation with the coordination of the activities of the other Directors of this area of the other industrial units of the Altri Group
Oct 2019-Oct 2021	Executive Director of Sustainability of the Altri Group
Pct 2021-May 2022	Executive Director of Sustainability, Risk and Communication in the Altri Group
May 2022	Member of Altri's Management Team, responsible for the areas of People & Talent, Sustainability, Communication and Risk Management
April 2023	Executive Administrator at Altri, responsible for the areas of People & Talent, Sustainability, Communication and Risk Management

As of 31st of December 2024, the other companies where he carried and carries out management functions are as follows:
- Altri – Abastecimento de Madeira, S.A.
- Altri - Abastecimento de Biomassa, S.A.
- Altri Florestal, S.A.
- Biogama, S.A.

- Biotek, S.A.
- Caima, S.A.
- Celbi, S.A.
- Florestsul, S.A.
- Greenfiber, S.L.
- Greenfiber Development, S.L.

2. Statutory Audit Board

Qualifications, experience and positions held in other companies by the members of the Statutory Audit Board:

Jorge Manuel de Sousa Marrão

Qualifications:

- He has a degree in Business Organization and Management from Instituto Superior de Economia (currently ISEG).
- Professional Activity:
- President of the Executive Board of the Civic Association - Mission Growth, since February 2019 - In process of extinction;
- Non-Executive Director of APIS Companhia, S.A., from December 2006 to April 2023;
- President of the Civic Association Executive Board - Farol Project, from March 2013 to May 2022;
- Partner in charge of Marketing, Communications, Business Development & Knowledge Management at Deloitte Consultores, S.A. (May 2012 - May 2022);
- Partner in charge of Acquisitions Mergers in the Real Estate & Tourism sector of Deloitte Corporate Finance, S.A (May 2012 - May 2022);
- Director of APIS Alimentar, S.A. (February 2008 to March 2023).

Other companies where he carries out functions:

Cofina, S.G.P.S., S.A. (Member of the Statutory Audit Board) (a)
Ramada Investimentos e Indústria, S.A. (Member of the Statutory Audit Board) (a)
Fidelidade Seguros, S.A. (Member of the Statutory Audit Board) (a)
Non-Executive Director of OMIP - Electricity Market Operator (Portugal), S.A. (a)
Member of the Strategic Council of the Red Cross (a)
Member of the Board of Patrons of the Arpad Szenes Foundation - Vieira da Silva (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Pedro Nuno Fernandes de Sá Pessanha da Costa

Qualifications:	Degree in Law from the Faculty of Law of the University of Coimbra in 1981 Complementary training in Company Management and Economic and Financial Analysis at the School of Law of the Portuguese Catholic University, Porto, 1982 and 1983
Professional Experience:	Member of the Bar Association since 1983 Chairman of the Statutory Audit Board of a public company from 1996 to 2010 Chairman of the Statutory Audit Board of Banco Português de Investimento S.A. since 2016 and BPI Private Equity - Sociedade de Capital de Risco, S.A. from 2018 to August 2019, the date on which both companies were extinguished by merger into Banco BPI, S.A. Chairman of the board of the general meeting of several listed and unlisted companies Continuous law practice since 1983, with a special focus on commercial law and corporate law, mergers and acquisitions, foreign investment and international contracts Co-author of the chapter on Portugal in “Handbuch der Europäischen Aktien-gesellschaft – Societas Europaea” by Jannot / Frodermann, published by C.F. Müller Verlag

Other companies where he carries out functions:

Cofina, S.G.P.S., S.A. (Member of the Remuneration Committee) (a)
Ramada Investimentos e Indústria, S.A. (Member of the Remuneration Committee) (a)
SOGRAPE S.G.P.S., S.A. (Chairman of the Shareholders’ General Meeting) (a)
SOGRAPE Vinhos, S.A. (Chairman of the Shareholders’ General Meeting) (a)
SOGRAPE Distribuição S.A. (Chairman of the Shareholders’ General Meeting) (a)
SOGRAPE S.G.P.S., S.A. (Member of the Remuneration Committee) (a)
Adriano Ramos Pinto, S.A. (Chairman of the Shareholders’ General Meeting) (a)
Partner at Abreu Advogados – Sociedade de Advogados, SP, RL. (a)
Honorary Consul of Belgium in Porto (a)
President of the Board of Directors of the Porto Consular Corps Association (a)
Knight of the Order of the Crown by appointment of His Majesty the King of the Belgians (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Ana Paula dos Santos Silva e Pinho

Qualifications:

Degree in Economics from the Faculty of Economics of the University of Porto

Official Auditor (ROC No. 1,374)

Postgraduate degree in Finance and Taxation – Porto Business School

Postgraduate degree in Tax Law – Faculty of Law of the University of Porto

“Driving Corporate Performance” Executive Training Program - Harvard Business School

Executive Training Program “Strategic Leadership” - Nova SBE

Professional Experience:

Auditor at Deloitte & Associados, SROC, S.A. (initially as a team member and later as a Manager)

Manager at the Corporate Centre of the Altri Group with responsibilities in terms of financial reporting, account consolidation and taxation

Head of accounting in MC Sonae

Finance Director in Farfetch

Currently: Director of Consolidation Finance and Technical Expertise at SBM Offshore

Other companies where dhe carries out management functions:

Cofina, S.G.P.S., S.A. (Member of the Statutory Audit Board) (a)
Ramada Investimentos e Indústria, S.A. (Member of the Statutory Audit Board) (a)
Critical Manufacturing, S.A (Member of the Statutory Audit Board) (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

André Seabra Ferreira Pinto

Qualifications:	Degree in Economics at University Portucalense Chartered Accountant (ROC no. 1,243) Executive MBA - Management School of Porto - University of Porto Business School
Professional Experience:	Between September 1999 and May 2008, worked in the Audit Department of Deloitte & Associados, SROC, S.A. (initially as a member of staff and since September 2004 as Manager). Between June 2008 and December 2010, Senior Manager of Corporate Finance department - Transaction Services at Deloitte Consultores. Between January 2011 and March 2013, financial director of the WireCoWorldGroup companies in Portugal (a) Between April 2013 and February 2022, director (CFO) of the Mecwide Group Since March 2022, became CEO of Mecwide Group (a) Director of MWIDE, SGPS, S.A., as well as of the other companies comprising the Mecwide Group (a)

Other companies where he carries out surpervisory functions:

Cofina, S.G.P.S., S.A. (Member of the Remuneration Committee) (a)
Ramada Investimentos e Indústria, S.A. (Member of the Remuneration Committee) (a)
Cofina, S.G.P.S., S.A. (Substitute Member of the Statutory Audit Board) (a)
Ramada Investimentos e Indústria, S.A. (Substitute Member of the Statutory Audit Board) (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

3. Remuneration Committee

Qualifications, experience and positions held in other companies by the members of the Remuneration Committee

João da Silva Natária

Qualifications	Degree in Law from the University of Lisbon
Profissional Experience:	
1979	Managing Director of the Luanda/Viana branch of F. Ramada, by joint nomination of the Board and the Ministry of Industry in Angola
1983	Director of the Polyester and Buttons Department at F. Ramada, Aços e Indústrias, S.A.
1984/2000	Human Resources Director at F. Ramada, Aços e Indústrias, S.A.
1993/1995	Board Member of Universal – Aços, Máquinas e Ferramentas, S.A.
2000/2018	Lawyer with an independent practice, specialised in labour law and family law
	Retired

Other positions:
President of the Statutory Audit Board of Celbi, S.A.
President of the Remuneration Commission of Cofina, SGPS, S.A. (a)
President of the Remuneration Commission of Ramada Investimentos e Indústria, S.A. (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

Pedro Nuno Fernandes de Sá Pessanha da Costa

Qualifications:	Degree in Law from the Faculty of Law of the University of Coimbra in 1981 Complementary training in Company Management and Economic and Financial Analysis at the School of Law of the Portuguese Catholic University, Porto, 1982 and 1983
Profissional Experience:	Member of the Bar Association since 1983 Chairman of the Statutory Audit Board of a public company from 1996 to 2010 Chairman of the Statutory Audit Board of Banco Português de Investimento SA since 2016 and BPI Private Equity - Sociedade de Capital de Risco, S.A. from 2018 to August 2019, the date on which both companies were extinguished by merger into Banco BPI, S.A. Chairman of the board of the general meeting of several listed and unlisted companies Continuous law practice since 1983, with a special focus on commercial law and corporate law, mergers and acquisitions, foreign investment and international contracts Co-author of the chapter on Portugal in “Handbuch der Europäischen Aktien-gesellschaft – Societas Europaea” by Jannot / Frodermann, published by C.F. Müller Verlag

Other companies where he carries out functions:

Cofina, S.G.P.S., S.A. (Member of the Remuneration Committee) (a)
Ramada Investimentos e Indústria, S.A. (Member of the Remuneration Committee) (a)
SOGRAPE S.G.P.S., S.A. (Chairman of the Shareholders’ General Meeting) (a)
SOGRAPE Vinhos, S.A. (Chairman of the Shareholders’ General Meeting) (a)
SOGRAPE Distribuição S.A. (Chairman of the Shareholders’ General Meeting) (a)
SOGRAPE S.G.P.S., S.A. (Member of the Remuneration Committee) (a)
Adriano Ramos Pinto, S.A. (Chairman of the Shareholders’ General Meeting) (a)
Partner at Abreu Advogados – Sociedade de Advogados, SP, RL. (a)
Honorary Consul of Belgium in Porto (a)
President of the Board of Directors of the Porto Consular Corps Association (a)
Knight of the Order of the Crown by appointment of His Majesty the King of the Belgians (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

André Seabra Ferreira Pinto

Qualifications:	Degree in Economics at University Portucalense Chartered Accountant (ROC no. 1,243) Executive MBA - Management School of Porto - University of Porto Business School
Professional Experience:	Between September 1999 and May 2008, worked in the Audit Department of Deloitte & Associados, SROC, S.A. (initially as a member of staff and since September 2004 as Manager). Between June 2008 and December 2010, Senior Manager of Corporate Finance department - Transaction Services at Deloitte Consultores. Between January 2011 and March 2013, financial director of the WireCoWorldGroup companies in Portugal (a) Between April 2013 and February 2022, director (CFO) of the Mecwide Group Since March 2022, became CEO of Mecwide Group (a) Director of MWIDE, SGPS, S.A., as well as of the other companies comprising the Mecwide Group (a)

Other companies where he carries out surpervisory functions:

Cofina, S.G.P.S., S.A. (Member of the Remuneration Committee) (a)
Ramada Investimentos e Indústria, S.A. (Member of the Remuneration Committee) (a)
Cofina, S.G.P.S., S.A. (Substitute Member of the Statutory Audit Board) (a)
Ramada Investimentos e Indústria, S.A. (Substitute Member of the Statutory Audit Board) (a)

(a) companies, on December 31, 2024, that cannot be considered as part of Altri, S.G.P.S., S.A. Group

03

Consolidated Financial Statements and Accompanying Notes

Consolidated Statements of Financial Position as at 31 December 2024 and 2023

Consolidated Income Statements for the periods ended 31 December 2024 and 2023

Consolidated Statements of Comprehensive Income for the periods ended 31 December 2024 and 2023

Consolidated Statements of Changes in Equity for the periods ended 31 December 2024 and 2023

Consolidated Statements of Cash Flow for the periods ended 31 December 2024 and 2023

Accompanying Notes to the Consolidated Financial Statements



ALTRI, SGPS, S.A.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 44)

(Amounts expressed in Euros)

ASSETS	Notes	31.12.2024	31.12.2023
NON-CURRENT ASSETS:			
Biological assets	11	117,827,391	114,772,851
Property, plant and equipment	7	320,858,322	343,009,709
Right-of-use assets	8.1	73,826,237	68,817,713
Investment properties		70,821	24,169
Goodwill	9	265,630,973	265,630,973
Intangible assets	10	939,316	516,126
Investments in joint ventures and associates	4.2	872,904	849,230
Other investments		234,976	235,067
Other non-current assets	29	96,390	—
Derivative financial instruments	27	2,087,446	3,698,302
Deferred tax assets	12	11,977,720	12,504,327
Total non-current assets		794,422,496	810,058,467
CURRENT ASSETS:			
Inventories	11	95,946,809	97,705,734
Trade receivables	13	117,570,631	100,162,819
Other receivables	14	14,630,748	17,833,570
Income tax	15	3,737,477	25,261,492
Other current assets	16	13,510,052	4,797,621
Derivative financial instruments	27	2,270,396	5,426,904
Cash and cash equivalents	17	280,307,334	253,703,406
Total current assets		527,973,447	504,891,546
Total assets		1,322,395,943	1,314,950,013

EQUITY AND LIABILITIES		31.12.2024	31.12.2023
EQUITY:			
Share capital	19	25,641,459	25,641,459
Legal reserve	19	5,128,292	5,128,292
Hedging reserve	19	(10,315,382)	(2,061,868)
Other reserves	19	327,263,454	335,928,153
Consolidated net profit for the year attributable to Equity holders of the parent		107,204,025	42,786,141
Total equity attributable to Equity holders of the parent		454,921,848	407,422,177
Non-controlling interests	18	4,231,951	4,935,455
Total equity		459,153,799	412,357,632
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank loans	20	25,000,000	25,000,000
Other loans	20	358,117,280	467,267,117
Reimbursable government grants	20	292,724	514,650
Lease liabilities	8.2	66,270,194	63,797,897
Other non-current liabilities	22	12,094,751	13,042,914
Deferred tax liabilities	12	41,793,085	40,298,124
Pension liabilities	29	—	300,340
Provisions	21	1,201,762	1,649,188
Derivative financial instruments	27	17,645,048	14,221,026
Total non-current liabilities		522,414,844	626,091,256
CURRENT LIABILITIES:			
Bank loans	20	263,045	328,183
Other loans	20	114,596,655	123,341,705
Reimbursable government grants	20	282,513	343,100
Lease liabilities	8.2	19,169,845	17,528,877
Trade payables	23	122,917,492	84,437,149
Liabilities associated with contracts with customers	25	6,604,558	6,126,218
Other payables	24	11,288,681	15,148,743
Income tax	15	27,555,558	1,630,838
Other current liabilities	26	28,726,889	25,138,452
Derivative financial instruments	27	9,422,064	2,477,860
Total current liabilities		340,827,300	276,501,125
Total liabilities and equity		1,322,395,943	1,314,950,013

The accompanying notes are an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

CONSOLIDATED INCOME STATEMENTS

FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 44)

(Amounts expressed in Euros)

	Notes	31.12.2024	31.12.2023
Sales	38	831,412,082	745,117,686
Services rendered	38	6,486,299	7,309,276
Other income	32	17,419,428	35,819,895
Cost of sales	11	(363,086,291)	(427,689,753)
External supplies and services	40	(205,822,944)	(170,945,957)
Payroll expenses	39	(54,489,685)	(48,673,755)
Amortisation and depreciation	36	(60,659,671)	(66,953,537)
Fair value changes in biological assets	11	3,179,888	5,607,156
Provisions and impairment losses	21	649,429	1,366,478
Other expenses	33	(17,404,962)	(10,583,859)
Results related to investments	35	23,674	(69,916)
Financial expenses	34	(40,578,838)	(38,210,357)
Financial income	34	20,676,805	14,854,489
Earnings before taxes		137,805,214	46,947,846
Income tax	12	(31,304,693)	(4,955,349)
Consolidated net profit for the year		106,500,521	41,992,497
Attributable to:			
Equity holders of the parent	37	107,204,025	42,786,141
Non-controlling interests	18	(703,504)	(793,644)
		106,500,521	41,992,497
Earnings per share			
Basic	37	0.52	0.21
Diluted	37	0.52	0.21

The accompanying notes are an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 44)
(Amounts expressed in Euros)

	Notes	31.12.2024	31.12.2023
Consolidated net profit for the year		106,500,521	41,992,497
Other comprehensive income from continued operations:			
Items that will not be reclassified to profit or loss			
Changes in pension liabilities - gross amount	29	(2,188)	45,390
Changes in pension liabilities - tax effect	12	(160,416)	(10,012)
		(162,604)	35,378
Items that may be reclassified to profit or loss in the future			
Changes in fair value of cash flow hedging derivatives - gross amount	27	(11,024,033)	(13,954,599)
Changes in fair value of cash flow hedging derivatives - tax effect	12	2,770,519	3,691,045
Change in exchange rate reserve	19	(5,318)	28,556
		(8,258,832)	(10,234,998)
Other comprehensive income from discontinued operations:			
Items that will not be reclassified to profit or loss			
Changes in the value of financial assets at fair value	5	—	(30,714,947)
		—	(30,714,947)
Other comprehensive income for the year		(8,421,436)	(40,914,567)
Total consolidated comprehensive income for the year		98,079,085	1,077,930
Attributable to:			
Equity holders of the parent			
Continued operations		98,782,589	32,586,521
Discontinued operations		—	(30,714,947)
Non-controlling interests			
Continued operations		(703,504)	(793,644)
Discontinued operations		—	—
		98,079,085	1,077,930

The accompanying notes are an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023
(Translation of financial statements originally issued in Portuguese - Note 44)
(Amounts expressed in Euros)

		Attributable to Equity holders of the parent								
	Notes	Share capital	Legal reserve	Hedging reserve	Other reserves	Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders	Consolidated net profit for the year	Total	Non-controlling interests	Total equity
Balance as at 1 January 2023	19	25,641,459	5,128,292	8,201,686	117,245,225	23,617,878	427,852,393	607,686,933	2,185,099	609,872,032
Appropriation of the consolidated result from 2022		—	—	—	427,852,393	—	(427,852,393)	—	—	—
Dividends distribution	42	—	—	—	(63,440,684)	—	—	(63,440,684)	—	(63,440,684)
Capital contributions by non-controlling interests		—	—	—	—	—	—	—	3,544,000	3,544,000
Distribution of group of assets classified as held for distribution to shareholders	5	—	—	—	(138,695,646)	—	—	(138,695,646)	—	(138,695,646)
Total consolidated comprehensive income for the year		—	—	(10,263,554)	63,934	(30,714,947)	42,786,141	1,871,574	(793,644)	1,077,930
Realization of fair value reserves related to group of assets classified as held for distribution to shareholders		—	—	—	(7,097,069)	7,097,069	—	—	—	—
Balance as at 31 December 2023	19	25,641,459	5,128,292	(2,061,868)	335,928,153	—	42,786,141	407,422,177	4,935,455	412,357,632
Balance as at 1 January 2024	19	25,641,459	5,128,292	(2,061,868)	335,928,153	—	42,786,141	407,422,177	4,935,455	412,357,632
Appropriation of the consolidated result from 2023	42	—	—	—	42,786,141	—	(42,786,141)	—	—	—
Dividends distribution	42	—	—	—	(51,282,918)	—	—	(51,282,918)	—	(51,282,918)
Total consolidated comprehensive income for the year		—	—	(8,253,514)	(167,922)	—	107,204,025	98,782,589	(703,504)	98,079,085
Balance as at 31 December 2024	19	25,641,459	5,128,292	(10,315,382)	327,263,454	—	107,204,025	454,921,848	4,231,951	459,153,799

The accompanying notes are an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023
(Translation of financial statements originally issued in Portuguese - Note 44)
(Amounts expressed in Euros)

	Notes	31.12.2024		31.12.2023	
Operating activities:					
Receipts from customers		880,570,869		841,308,326	
Payments to suppliers		(585,791,809)		(660,479,261)	
Payments to personnel		(40,972,783)		(40,082,505)	
Other receipts/payments relating to operating activities		(12,685,541)		5,881,446	
Income Tax (paid)/received		20,021,625	261,142,361	(41,752,043)	104,875,963
Cash flows generated by operating activities (1)			261,142,361		104,875,963
Investment activities:					
Receipts arising from:					
Investments	35	—		800,000	
Other financial assets		—		11,196,714	
Property, plant and equipment		39,186		87,214	
Investment grants		2,623,409		6,328,060	
Interest and similar income		3,934,120		1,635,799	
Dividends		—	6,596,715	—	20,047,787
Payments relating to:					
Investments in subsidiaries net of cash and cash equivalents acquired		—		(3,000)	
Investments in joint ventures		—		—	
Loans conceded		(100,000)		—	
Property, plant and equipment		(30,010,663)		(60,731,326)	
Intangible assets		(467,237)		(373,412)	
Investment properties		(46,638)		—	
Investment grants		—	(30,624,538)	—	(61,107,738)
Cash flows generated by investment activities (2)			(24,027,823)		(41,059,951)
Financing activities:					
Receipts arising from:					
Loans obtained	20	250,000,000		570,000,000	
Reimbursable government grants		350,550		—	
Capital contributions by non-controlling interests	18	—		3,544,000	
Other financing transactions		3,105,430	253,455,980	4,729,151	578,273,151
Payments relating to:					
Interest and similar expenses		(30,144,850)		(23,840,974)	
Distributed dividends	42	(51,282,918)		(63,440,684)	
Loans obtained	20	(366,500,000)		(500,000,000)	
Reimbursable government grants		(282,513)		(653,837)	
Lease liabilities	8.2	(15,582,869)		(14,969,727)	
Other financing transactions		(1,201,368)	(464,994,518)	(237,002)	(603,142,224)
Cash flows generated by financing activities (3)			(211,538,538)		(24,869,073)
Cash and cash equivalents at the beginning of the year	17		253,703,406		214,646,491
Changes in currency exchange rate			1,027,928		109,976
Cash and cash equivalents variation: (1)+(2)+(3)			25,576,000		38,946,939
Cash and cash equivalents at the end of the year	17		280,307,334		253,703,406

The accompanying notes are an integral part of the consolidated financial statements.

The Chartered Accountant | The Board of Directors

1. INTRODUCTORY NOTE

ALTRI, SGPS, S.A. ('Altri" or 'Company' and, together with its subsidiaries, referred to as 'Group' or 'Altri Group') is a public company incorporated on 1 February 2005, in Portugal, whose headquarters are located at Rua Manuel Pinto de Azevedo, 818, in Porto, Portugal, and its main activity involves managing shareholdings, while its shares are listed at Euronext Lisbon.

Altri is dedicated to managing shareholdings primarily in the industrial sector, as the parent company of the group of companies shown under Note 4 and referred to as the Altri Group. There is no other company above it that includes these consolidated financial statements. The current activity of the Altri Group focuses on the production of cellulosic fibers through three production units.

Faced with this reality, the Board of Directors considers, with reference to 31 December 2024, that there is only one business segment, namely the production and commercialization of cellulosic fibers (Note 38).

The Altri Group's consolidated financial statements are presented in Euro, in amounts rounded off to the nearest Euro. This is the currency used by the Group in its transactions and, as such, is deemed to be the functional currency. The operations of foreign companies whose functional currency is not the Euro, are included in the consolidated financial statements in accordance with the policy set forth under Note 2.2.d).

The financial statements were approved by the Board of Directors and authorised for issue on 3 April 2025. Its final approval is still subject to the agreement from the Shareholders' General Meeting. The Group and the Board of Directors expect the same to be approved with no significant changes.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in preparing the attached consolidated financial statements are described below. These policies were consistently applied during the periods being compared.

In addition, there were no significant changes to the main estimates used by the Group in preparing the consolidated financial statements.

2.1 BASIS FOR PRESENTATION

The attached financial statements were prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("IFRS-EU") in force for the fiscal year beginning on 1 January 2024. These correspond to the International Financial Reporting Standards, as issued by the International Accounting Standards Board ('IASB') and interpretations issued by the IFRS Interpretations Committee ('IFRS - IC') or by the former Standing Interpretations Committee ('SIC'), which have been adopted by the European Union on the account publication date.

The Board of Directors assessed the capacity of the Company, its subsidiaries, joint ventures and associates, to operate on a going concern basis, based on the entire relevant information, facts and circumstances, of a financial, commercial or other nature, including events subsequent to the financial statements' reference date, as available regarding the future. As a result of this assessment, the Board of Directors concluded that it has adequate resources to maintain its operations, which it does not intend to cease in the short term. Therefore, the use of the going concern basis in the preparation of the financial statements was deemed appropriate.

The attached consolidated financial statements were prepared from the accounting books and records of the company, its subsidiaries, joint ventures and associates, adjusted in the consolidation process, in the assumption of going concern basis. When preparing the consolidated financial statements, the Group used historic cost as its basis, modified, where applicable, via fair-value measurement of i) biological assets measured at fair value, ii) certain financial instruments, (iii) financial and non-financial assets and liabilities measured at fair value at acquisition date, within the scope of business combinations.

The preparation of the consolidated financial statements in compliance with the IFRS-EU requires the use of estimates, assumptions, and critical judgements in the process of determining accounting policies to be adopted by the Group, with significant impact on the book value of assets and liabilities, as well as on income and expenses for the period. Although these estimates are based on the best experience of the Board of Directors and on its best expectations regarding current and future events and actions, current and future results may differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas with significant assumptions and estimates are disclosed in Note 2.4.

In addition, for financial reporting purposes, fair-value measurement is categorized in three levels (Level 1, 2 and 3), taking into account, among others, whether the data used is observable in an active market, as well as their meaning in terms of valuing assets / liabilities or disclosing them.

Fair value is the amount for which an asset can be exchanged or a liability can be settled, between knowledgeable and willing parties, in a transaction not involving a relationship between them, regardless whether this price can be directly observable or estimated, using other valuation techniques. When estimating the fair value of an asset or liability, the Group considers the features that market participants would also take into account when valuing the asset or liability on the measurement date.

Assets measured at fair value following initial recognition are grouped into 3 levels according to the possibility of observing their fair value in the market:

Level 1: fair value is determined based on active market prices for identical assets/liabilities;

Level 2: fair value is determined based on evaluation techniques. The assessment models' main inputs are observable in the market; and

Level 3: fair value is determined based on assessment models, whose main inputs are not observable in the market.

(i) Adoption of new standards and interpretations, amendments, or reviews

Up to the date for approving these financial statements, the European Union endorsed the following accounting standards, interpretations, amendments, and revisions, mandatorily applied to the financial year beginning on 1 January 2024:

Standard / Interpretation	Applicable in the European Union in the financial years initiated in or after	
Amendments to IAS 1 - Classification of liabilities as current and non-current and Non-current liabilities with covenants	1-Jan-24	These amendments clarify the existing guidelines in IAS 1 regarding the classification of financial liabilities between current and non-current, clarifying that the classification should be measured according to an entity's right to defer payment at the end of each reporting period. In particular, the amendments (i) clarify the concept of 'settlement' by stating that if an entity's right to defer settlement of a liability is subject to compliance with future covenants, the entity has the right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period; and (ii) clarify that the classification of liabilities is not affected by the entity's expectation (based on whether or not the right exists, and should disregard any probability of exercising or not exercising such right), or by events occurring after the reporting date, such as non-compliance with a covenant. If the right to defer settlement for at least twelve months is subject to certain conditions being met after the balance sheet date, these criteria do not affect the right to defer settlement for the purpose of classifying a liability as current or non-current. This amendment applies retrospectively.
Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier finance arrangements	1-Jan-24	These amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* aim to clarify the characteristics of a supplier finance arrangement, and introduce additional disclosure requirements when such arrangements exist. The disclosure requirements are intended to help users of financial statements understand the effects of supplier finance arrangements on the entity's liabilities, cash flows and exposure to liquidity risk. This amendment applies retrospectively.
Amendments to IFRS 16 - Lease liabilities in sale and leaseback transactions	1-Jan-24	This amendment to IFRS 16 *Leases* introduces guidance on the subsequent measurement of lease liabilities related to sale and leaseback transactions that qualify as a “sale” in accordance with the principles of IFRS 15, with greater impact when some or all of the lease payments are variable lease payments that do not depend on an index or a rate. In the subsequent measurement of the lease liability, the seller-lessee must determine the “lease payments” and “revised lease payments” in such a way that they do not recognize gains/(losses) in relation to the right of use they retain. This amendment is retrospective.

There were no significant effects on the Group's financial statements for the year ended 31 December 2024, from the adoption of the above standards, interpretations, amendments and revisions.

(ii) Standards, interpretations, amendments, and revisions that will have mandatory application in the future economic exercises.

On the approval date of these financial statements, the following accounting standards and interpretations, to be mandatorily applied in future financial years, were endorsed by the European Union:

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
Amendments to IAS 21 - The Effects of Changes in Exchange Rates: Lack of Exchangeability	1-Jan-25	This amendment aims to clarify how to assess the exchangeability of a currency, and how the exchange rate should be determined when it is not exchangeable for a long period. The amendment specifies that a currency should be considered exchangeable when an entity is able to obtain the other currency within a period that allows for normal administrative management, and through an exchange or market mechanism in which an exchange transaction creates enforceable rights and obligations. If a currency cannot be exchanged for another currency, an entity must estimate the exchange rate at the measurement date of the transaction. The objective is to determine the exchange rate that would be applicable on the measurement date for a similar transaction between market participants. The amendments also state that an entity can use an observable exchange rate without making any adjustment. Early adoption is permitted, but the transition requirements applied must be disclosed.

This amendment, although endorsed by the European Union, was not adopted by the Group in 2024, because its application is not yet mandatory. It is not expected that the future adoption of this amendment will have significant impacts on the financial statements.

(iii) New, amended, or revised standards and interpretation not adopted by the European Union

The following accounting standards and interpretations were issued by IASB and are not yet endorsed by the European Union:

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	1-Jan-26	These changes are essentially the result of the Post Implementation Review (PIR) of IFRS 9 *Financial Instruments* and clarify the following aspects relating to financial instruments: • It clarifies that a financial liability is derecognized on the "settlement date", i.e. when the related obligation is settled, cancelled, expires or the liability otherwise qualifies for derecognition. However, it introduces the possibility of an entity choosing to adopt an accounting policy that allows it to derecognize a financial liability that is settled through an electronic payment system before the settlement date, provided that certain conditions are met. • Clarifies how an entity should assess the contractual cash flow characteristics of financial assets that include variables relating to environmental, social and governance (ESG) factors and other similar contingent characteristics. • It requires additional disclosures for financial assets and liabilities subject to a contingent event (including ESG variables) and equity instruments classified at fair value through other comprehensive income. Early adoption is permitted. This amendment is retrospective. However, an entity is not obliged to restate the comparative period, and the potential impacts of applying this amendment are recognized in retained earnings in the year in which the amendment is applicable.

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
Amendments to IFRS 9 and IFRS 7 - Contracts negotiated with reference to electricity generated from renewable sources	1-Jan-26	The amendments refer specifically to renewable energy purchase agreements whose source of production is dependent on nature, so that supply cannot be guaranteed at specific times or volumes. In this sense, these amendments clarify the application of the "own use" requirements in power purchase agreements, as well as the fact that it is permitted to apply hedge accounting when these contracts are used as hedging instruments. Early application is permitted, except for the guidelines on hedge accounting which must be applied prospectively to new hedging relationships, so designated on or after the date of initial application.
Annual Improvements to IFRS (Volume 11)	1-Jan-26	Improvements are made on a regular basis to clarify and simplify the application of international standards, through minor changes that are not considered urgent. The main changes included in this volume are: • IFRS 1 (*Hedge accounting on first-time adoption of IFRS standards*): This amendment aims to update the cross-references in paragraphs B5 and B6 of IFRS 1 *First-time Adoption of International Financial Reporting Standards*, to the hedge accounting eligibility criteria in IFRS 9 for paragraphs 6.4.1(a), (b) and (c). • IFRS 7 (*Gain or loss on derecognition*): This amendment aims to update the language relating to unobservable market data included in paragraph B38 of IFRS 7 *Financial Instruments: Disclosures*, as well as adding references to paragraphs 72 and 73 of IFRS 13 *Fair Value Measurement*. • IFRS 7 (*Implementation guidance*): Several paragraphs relating to the implementation guidance of IFRS 7 have been amended for consistency and clarity. • IFRS 9 (*Derecognition of lease liabilities*): This amendment clarifies that when a financial liability is extinguished in accordance with IFRS 9, the lessee should apply paragraph 3.3.3 of IFRS 9 and recognize the gain or loss that results from that derecognition. • IFRS 9 (*Transaction price*): With this amendment the reference to "transaction price" in paragraph 5.1.3 of IFRS 9 is replaced by "amount determined by applying IFRS 15". • IFRS 10 (*Determination of 'de facto' agent*): Amendment made to paragraph B74 of IFRS 10, which clarifies that the relationship described in that paragraph is only one example of several possible between the investor and other parties acting as '*de facto'* agents. The aim of this amendment is to remove the inconsistency with the requirement in paragraph B73 that an entity should use its judgment in assessing whether other parties can act as *'de facto'* agents. • IAS 7 (*Cost method*): Replacement of the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the elimination of the definition of "cost method". Early application is permitted.

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
IFRS 18 - Presentation and disclosure in financial statements	1-Jan-27	IFRS 18 replaces IAS 1 *Presentation of Financial Statements* and comes in response to requests from investors looking for information on financial performance. With the introduction of the new requirements of IFRS 18, investors will have access to more transparent and comparable information on the financial performance of companies, with the aim of making better investment decisions. IFRS 18 essentially introduces three sets of new requirements to improve the disclosure of financial performance: • Comparability of the income statement: IFRS 18 introduces three defined categories for income and expenses - operating, investing and financing - to improve the structure of the income statement and requires all companies to provide new defined subtotals, including operating income. The new structure and subtotals will give investors a consistent starting point for analyzing companies' performance, making it easier to compare them. • Transparency of performance measures defined by management: IFRS 18 requires the disclosure of additional information on specific company performance indicators related to the income statement, known as performance measures defined by management. • Aggregation and disaggregation of items in the financial statements: IFRS 18 establishes guidelines on how items in the income statement should be aggregated. Application is retrospective and early adoption is permitted as long as the option is disclosed.
IFRS 19 - Subsidiaries not subject to public reporting: Disclosures	1-Jan-27	IFRS 19 allows eligible entities to prepare IFRS financial statements with lower disclosure requirements than those required by the IFRS, while maintaining the obligation to apply all the measurement and recognition requirements of the IFRS. The reduction in disclosures defined by IFRS 19 covers most IFRS standards. Eligible entities are those that: (i) are subsidiaries of a group that prepares consolidated financial statements in IFRS for public disclosure; and (ii) are not subject to the obligation to publicly disclose financial information, because they do not have listed debt or equity securities, are not in the process of being listed, nor have as their main activity the safekeeping of assets in a fiduciary capacity. Application is optional. Early application is permitted. Early adopters must disclose and align disclosures in the comparative period with those in the current period.

These standards are yet to be endorsed by the European Union. As such, they were not applied by the Group in the fiscal year ended 31 December 2024.

Regarding these standards and interpretations, as issued by the IASB but yet to be endorsed by the European Union, it is not believed that their future adoption will entail significant impacts on the attached financial statements.

2.2 CONSOLIDATION PRINCIPLES

The consolidation principles adopted by the Altri Group in preparing its consolidated financial statements include the following:

a) Subsidiaries included in consolidation

Investments in companies in which the Altri Group holds the power to control their financial and operating policies, such that it manages to influence, as a result of its involvement, return from activities of the entity held as well as the ability to affect said return (definition of control used by the Group) are included in the consolidated financial statements using the full consolidation method.

When the Group owns less than a majority of the voting rights of an investee, it has control over the investee when the voting rights are sufficient to decide unilaterally on the relevant activities of its investee. The Group considers all relevant facts and circumstances when assessing whether the voting rights over the investee are sufficient to give it control, including also considering the existence of call options exercisable or becoming exercisable to enable the Group to exercise its power. Control is reassessed by the Group whenever facts and circumstances indicate that there are changes in one or more of the control conditions mentioned above.

The equity and net profit of these companies corresponding to third-party shareholding therein are shown separately in the consolidated statement of financial position and in the consolidated income statement under line items 'Non-controlling interests.' The companies included in the financial statements using the full consolidation method are disclosed in Note 4.1.

The total comprehensive income is attributed to the owners of the parent company and of the interests they do not control, even if this results in a deficit balance in terms of the interests not controlled by them.

The results of the subsidiaries acquired or sold during the financial year are included in the income statements from the date when control was taken or until the date when control was loss.

Whenever necessary, adjustments are made to the financial statements of subsidiaries in order to adapt their accounting policies to those used by the Group. Transactions, balances, cash flows and dividends distributed among Group companies are eliminated on the consolidation process, as well as, unrealized gains on transactions between Group companies. Unrealized losses are also eliminated, when they do not indicate an impairment of the transferred asset.

b) Investments in joint ventures and associates

Financial investments in joint ventures are investments in entities that are the object of a joint agreement by all or by part of their holders, and the parties that have joint control of the agreement have rights over the entity's net assets. Joint control is obtained by contractual provision and exists only when the associated decisions have to be taken unanimously by the parties that share control.

In situations where the investment or financial interest and the contract concluded between the parties allows the entity to have direct joint control over the rights to hold the asset or obligations inherent in the liabilities related to that agreement, it is considered that such joint agreement does not correspond to a joint venture, but to a jointly controlled operation.

Investments in associates are investments where the Group wields significant influence, but in which it does not hold control or joint control. Significant influence (presumed when voting rights are between 20% to 50%) is the power to participate in the entity's financial and operational policy decisions, without, however, exercising joint control or control of those policies.

Financial investments in joint ventures and associates are recorded using the equity method.

In accordance with the equity method, these financial investments are initially recorded at acquisition cost or at fair value in case the entities are acquired via business combinations processes. Financial investments are subsequently adjusted by the amount corresponding to the Group's participation in the comprehensive income (including net income for the year) of the joint ventures and the associates, against other comprehensive income of the Group or of the gains or losses for the year, as applicable. In addition, the dividends of these companies are recorded as a decrease in the value of the investment, and the proportionate share in changes in equity is recorded as a change in the Group's equity.

The differences between the acquisition price and the fair value of the identifiable assets and liabilities of the joint ventures and the associates on the acquisition date, if positive, are recognized as Goodwill and maintained in the value of the financial investment, in joint ventures and associates. If these differences are negative, they are recorded as income for the year under the item “Results related to investments”, after reconfirmation of the fair value attributed (Note 2.2.c)).

Investments in joint ventures and associates are evaluated when there is an indication that the asset might be impaired, as impairment losses are recorded as an expense when shown to exist. When impairment losses recognised in previous financial years no longer exist, are reversed.

When the Group’s share in joint ventures and associates's accumulated losses exceeds the amount at which the investment is recorded, the investment is reported as nil value, except when the Group has shouldered commitments towards the joint venture and associate. In such cases, a provision is recorded in order to fulfil those obligations.

Unrealised gains in transactions with joint ventures and associates are proportionally eliminated from the Group interest in the associate against the investment in those entities. Unrealised losses are similarly eliminated, but only to the extent there is no evidence of impairment of the transferred asset.

The accounting policies of joint ventures and associates are changed, whenever necessary, in order to make sure they are consistently applied by every Group company.

Investments in joint ventures and associates are disclosed in Note 4.2.

c) Business combinations and Goodwill

In a business combination, the differences between the acquisition price of investments in subsidiaries, plus the value of non-controlling interests, and the amount attributed to fair value of identifiable assets and liabilities of those companies on their acquisition date, when positive, are recorded as 'Goodwill' and, when negative, following a revaluation of the determination, are recorded directly in the income statements.

The Group performs, in a transaction-by-transaction basis, the concentration test to assess whether it is dealing with a purchase of assets or a concentration of business activities. That is, determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the concentration test is met, or the above mentioned criteria are not met, the Group considers acquisition of a group of assets, being recorded as non-financial asset the difference between the net assets acquired and the acquisition cost.

The differences between the acquisition cost of investments in subsidiaries based abroad and the fair value of the identifiable assets and liabilities of those subsidiaries at the date of acquisition are recorded in the reporting currency of those subsidiaries, and converted to the Group's reporting currency (Euro) at the exchange rate in force at the date of the consolidated statement of financial position. Exchange rate differences arising from this translation are recorded under the equity caption "Currency translation reserve" included in the equity caption "Other reserves". In addition, when applicable, if there are intra-group loans whose repayment is not required in the near future, the respective exchange differences are recognized in equity under "Currency translation reserve", to the extent that they are understood to be part of the net investment in the subsidiary that use a currency other than the Euro.

The differences between the acquisition price of financial investments in joint ventures and associates and the amount attributed to the fair value of the identifiable assets and liabilities of these companies at the date of their acquisition, when positive, are maintained under the heading “Investments in joint ventures and associates” and, when negative, after a reconfirmation of the fair value attributed, they are recorded directly in the income statement, under the caption “Results related to investments”.

The Altri Group, on a transaction-by-transaction basis (for each business combination), chooses to measure any non-controlling interest in the acquired company either at fair value or in the proportional part of non-controlling interests in the acquired company's identifiable net assets.

The amount of future contingent payments is recognised as a liability when combination occurs according to its fair value and afterwards adjusted at fair value through profit and loss. Any change to the initially recognised amount is recorded against the amount of Goodwill, but only if this occurs within the measuring period (12 months after the acquisition date) and if this is related to facts and circumstances that existed on the acquisition date. Otherwise, it has to be recorded against the income statement, unless said contingent payment is categorised as equity, in which case it should not be remeasured, and only at the time of the settlement thereof will the impact on equity be recognised.

Subsequent transactions involving the purchase or sale of interests in entities already controlled, without this resulting in a loss of control, are treated as transactions between holders of capital affecting only the equity line items, without impacting the line item 'Goodwill' or the income statement.

When a business combination is achieved in stages, the fair value on the previous acquisition date of interests held is remeasured to fair value on the date when control is gained, against the results of the period when control is achieved, thus affecting the determining of Goodwill or purchase price allocation.

At the time when a sales transaction generates a loss of control, that entity's assets and liabilities have to be derecognised, and any interest withheld at the disposed entity shall be remeasured at fair value, and any loss or gain resulting is recorded in the income statement.

The Group annually tests for the existence of Goodwill impairment. The recoverable amounts of the cash flow-generating units are determined based on the calculation of values in use. These calculations call for the use of assumptions that are based on estimates of future circumstances whose occurrence could be different from the estimate. Goodwill impairment losses cannot be reversed.

d) Conversion of financial statements of subsidiaries expressed in foreign currency

The assets and liabilities in the financial statements of subsidiaries that use a currency other than the Euro included in the consolidation are converted to Euro using the exchange rates on the date of the statement of financial position and the expenses and revenues, and cash flows are converted to Euro using the weighted average exchange rate occurring in the financial year. The resulting currency exchange difference is recorded under the 'Currency translation reserves' is included in the equity item "Other reserves".

The Goodwill amount and fair-value adjustments resulting from the acquisition of entities that use a currency other than the Euro are treated as assets and liabilities of that entity and transposed to Euro according to the applicable exchange rate at the end of the financial year.

Whenever a subsidiary that uses a currency other than the Euro is disposed of, the accumulated currency exchange difference is recognised in the income statement as a gain or loss in the disposal, if there is a loss of control, or transferred to non-controlling interests, if there is no loss of control.

The exchange rate used in converting the subsidiary's accounts from subsidiaries that use a currency other than the Euro was as follows:

	31.12.2024		31.12.2023	
	End of the financial year	Average for the financial period included in the financial statements	End of the financial year	Average for the financial period included in the financial statements
Swiss Franc	0.9415	0.9527	0.9257	0.9710

2.3 MAIN RECOGNITION AND MEASUREMENT CRITERIA

The main recognition and measurement criteria used by the Altri Group in preparing its consolidated financial statements are as follows:

a) Intangible assets

Intangible assets are recorded at acquisition cost, net of depreciation and accumulated impairment losses. Intangible assets are recognised only if they are likely to result in future economic benefits for the Group, if they can be controlled by the Group, and if their value can be reasonably measured.

When acquired individually, intangible assets are recognised at cost, comprising: i) the purchase price, including costs with intellectual rights and fees after any discounts are deducted; and ii) any cost directly attributable to its preparation for its intended use.

When acquired in a business combination, and recognised separately from goodwill, intangible assets are initially recognised at their fair value at the acquisition date (which is considered as cost), determined under the application of the acquisition method, as foreseen in the IFRS 3 Business Combinations.

Development expenses for which the Group is shown as being able to complete its development and begin its sell and/or use and relative to which the created asset is likely to generate future economic benefits, are capitalised. Development expenses that do not meet these criteria are recorded as expense in the period in which they are incurred.

Internal costs associated with software maintenance and development are recorded as expenses in the income statement when incurred, except when said expenses are directly associated with projects for which future economic benefits are likely to be generated for the Group. In such situations, expenses are capitalised as intangible assets.

Amortizations are calculated, after the assets are available for use, using the straight-line method, in accordance with the estimated useful life period (generally 3 to 5 years).

b) Property, plant and equipment

Property, plant and equipment are recorded at acquisition cost, net of the corresponding depreciation as well as accumulated impairment losses.

The acquisition cost includes the asset's purchase price, expenses directly attributable to its acquisition, and charges with preparing the asset so that it can be readied for proper use. Borrowing costs that are directly attributable to the acquisition or construction of assets are capitalized as part of the cost of these assets.

After the date when the assets are available for use, depreciation is calculated using the straight-line method, in accordance with the estimated useful life period for each group of assets.

Depreciation rates used correspond to the following estimated useful life periods:

	Years
Land and natural resources	20 to 50
Buildings and other edifications	10 to 50
Plant and machinery	2 to 15
Vehicles	2 to 10
Office equipment	2 to 10
Other tangible assets	3 to 10

In the case of projects in a development stage, expenses are capitalised only when it is probable that the project will be effectively accomplished, and it is probable that future economic benefits will flow to the Group. If there are changes in the regulatory framework or other circumstances that modify the expected completion of the project, the assets are derecognised and the respective impacts on expenses for the year are recognised.

The cost of self-constructed assets includes the cost of materials and direct labor, as well as any other costs directly attributable to developing the asset until its condition for use or sale.

Costs related to prospecting and attracting new business are recorded as an expense in the period in which they occur.

The corresponding liability is subsequently treated at amortized cost, with changes in the value of such payments recognized against the value of the corresponding assets, except for the financial effect of the discount or changes in the applicable discount rate, which is recognized as interest expense, in analogy to the treatment prescribed by IFRIC 1.

Maintenance and repair expenses that do not increase the assets' useful life or result in significant upgrades or improvements to components of property, plant and equipment are recorded as an expense in the financial year when they are incurred.

Property, plant and equipment in progress represent fixed assets still under construction, and are recorded at acquisition cost net of any impairment losses. These fixed assets are depreciated from the moment when they are available for use and under the necessary operating conditions, as intended by management.

Internal costs associated with project development are recorded as expenses in the income statement when incurred, except where these costs are directly associated with projects for which the generation of future economic benefits for the Group is probable. In these cases the costs are capitalized as tangible fixed assets.

Considering the substance of the transaction, land perpetual surface rights acquired are considered to be land.

Gains or losses resulting from the sale or write-off of the tangible fixed asset are determined as the difference between the sales price and the net book value on the disposal or write-off date. They are recorded in the income statement under the line items 'Other income' or 'Other expenses'.

The Group assesses assets for impairment whenever events or circumstances may indicate that the book value of the asset exceeds its recoverable amount, and at least annually, with the impairment recognized in the income statement (when applicable). Impairment losses detected in the realisation amount of property, plant and equipment are recorded in the year when they are estimated, against the line item 'Provisions and impairment losses' in the income statement.

c) Investment properties

The Altri Group's investment properties correspond to properties not assigned to the Group's operations, and are not intended for use in the production or supply of goods or services, or for administrative purposes or for sale during the normal course of business.

The investment properties are initially measured at cost (including transaction costs) and are subsequently kept at acquisition or production cost, net of any accumulated impairment losses.

After the date when the goods are available for use, depreciation is calculated using the straight-line method, in accordance with the estimated useful life period for each asset.

d) Right of Use

At the start of every agreement, the Group assesses whether the agreement is, or contains, a lease. That is, whether the right of use of a specific asset or assets is being transferred for a certain period of time in exchange for a payment.

The Group as lessee

The Group applies the same recognition and measurement method to every lease, except for short-term leases and leases associated with low-value assets. The Group recognises a liability relative to lease payments and an asset identified as a right of use of the underlying asset.

(i) Right-of-use assets

On the lease start date (that is, the date from which the asset is available for use), the Group recognises an asset relative to right of use. 'Right-of-use assets' are measured at cost, net of depreciation and accumulated impairment losses, adjusted by remeasuring lease liability. The cost comprises the initial value of the lease liability, adjusted for any lease payments made on or prior to the start date, on top of any initial direct costs incurred, as well as a cost estimate for dismantling and removing the underlying asset (as applicable), net of any incentive granted (as applicable).

The right-of-use asset is depreciated in twelfths, using the straight-line depreciation method, based on the lease term.

If ownership of the asset is transferred to the Group at the end of the lease period, or the cost includes a purchase option, depreciation is calculated by taking into account the asset's estimated useful life.

Right-of-use assets are also subject to impairment losses.

(ii) Lease liabilities

On the lease start date, the Group recognises a liability measured at the present value of the lease payments to be made throughout the agreement. Lease payments included in measuring lease liability include fixed payments, net of any incentives already received (where applicable) and variable payments associated with an index or rate. Where applicable, payments also include the cost of exercising a purchase option, which shall be exercised by the Group with reasonable certainty, and payments of penalties for ending the agreement, if the lease terms reflect the Group's exercising option.

The lease liability is measured at amortised cost, using the effective interest method. It is remeasured when changes occur to future payments derived from a change to the index or rate, as well as possible modifications to the lease agreements.

Variable payments not associated with any indices or rates are recognised as an expense during the financial year, in the period when the event or condition leading to the payment occurs.

Since the interest rate implicit in the contract is not readily determinable, the Group, for the calculation of the present value of future lease payments, uses the incremental interest rate at the inception date of the lease. This rate is determined by observing market data from composite bond interest rate curves with reference to the lease commencement date for similar maturities to the lease term. Thereafter, the amount of the lease liability is increased by accrued interest and reduced by rent payments made. Additionally, the amount is remeasured if there is any change in the terms of the agreement, the amount of the lease payments (e.g., changes in future payments caused by a change in an index or rate used to determine those payments) or a change in the valuation of a call option associated with the underlying asset.

(iii) Short-term leases and low-value leases

The Group applies the recognition exemption to its assets' short-term leases (i.e., leases lasting up to 12 months and not containing a purchase option). The Group also applies the recognition exemption to leases of assets deemed to be of low value. Payments of short-term and low-value leases are recognised as an expense in the financial year, throughout the lease period.

e) Government grants or from other public bodies

Grants attributed as part of personnel training programmes, or production support, are recorded under the line item 'Other income' in the consolidated income statement for the financial year when said programmes are conducted, regardless of the date when they are received, when all necessary conditions have been fulfilled for receiving them.

Government grants related to fixed assets are recorded in the consolidated statement of financial position as 'Other current liabilities' and 'Other non-current liabilities' regarding short-term and medium-/long-term instalments, respectively, and recognised in the income statement proportionally to the depreciation of subsidised property, plant and equipment.

Grants pertaining to biological assets valued at fair value are only recognised in the income statement when their allocation is unconditional, that is, when the allocation's terms and conditions are all met.

Financial incentives received for funding property, plant and equipment are recorded under the line item 'Reimbursable government grants' of current and non-current liabilities in accordance with the repayment plan outlined by the allocating bodies.

f) Impairment of non-current assets, except goodwill

The Group's asset impairment is assessed on the date of every consolidated statement of financial position and whenever there is an event or change in circumstances indicating that the amount for which the asset is recorded might not be recoverable.

Whenever the amount for which the asset is recorded is higher than its recoverable amount, an impairment loss is recognised and recorded in the income statement under the line item 'Provisions and impairment losses.'

The recoverable amount is either the net sales price or the value in use, whichever is higher. The net sales price is the amount that would be obtained from the asset's disposal, in a transaction between independent knowledgeable entities, net of the costs directly attributable to the disposal. The value in use is the present value of estimated future cash flows that are expected to arise from the continuous use of the asset and from its disposal at the end of its useful life. The recoverable amount is estimated for each asset individually or, if not possible, for the cash-generating unit to which the asset belongs.

The reversal of impairment losses recognised in previous financial years is recorded when it is concluded that previously recognised impairment losses no longer exist or has decreased. The reversal of impairment losses is recognised in the income statement under the line item 'Provisions and impairment losses' This reversal of the impairment loss is made up to the limit of the amount that would have been recognised (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

g) Borrowing costs

Financial expenses related to loans are generally recognised as an expense in the income statement, according to the principle of accrual accounting.

Financial expenses on loans directly related to the acquisition, construction or production of property, plant and equipment are capitalised as part of the cost of the asset. The capitalisation of these expenses begins after the start of preparation of the construction or development activities of the asset and is interrupted when those assets are available for use or at the end of the construction of the asset or when the project in question is suspended.

h) Inventories

The goods and raw materials, subsidiaries and consumables are valued at acquisition cost, net of the amount of quantity discounts granted by suppliers, which is lower than the corresponding market value.

Finished and intermediate goods, sub-products and work in progress are stated at production cost, including the cost of raw materials, direct labour and production overheads, which is lower than the corresponding market value. From this standpoint, harvested wood owned by the Group is valued at production cost, including costs incurred with cutting, gathering and transport of harvested wood owned, as well as the accumulated cost of plantation, maintenance and administrative expenses in proportion to the harvested area.

The Group proceeds to record the corresponding impairment losses in order to reduce, where applicable, inventories at their net realisable value or market price.

i) Biological assets

Part of the Altri Group's activity comprises the cultivation of various forest species, especially eucalyptus, which are basically used as raw materials for producing cellulosic fibers. The Altri Group owns several forests geared to these operations, which are categorised under the line item 'Biological assets.' The forest land owned by the Group is stated according to the accounting policy referred to under Note 2.3.b) and are given under the line item 'Property, plant and equipment' of the consolidated statement of financial position. Forest land not owned by the Altri Group and that is leased is measured according to the accounting policy referred to under Note 2.3.d), and is given under the line item 'Right-of-use assets' in the consolidated statement of financial position.

Biological assets are measured at fair value, except for the initial investment amount in the first two years, when they are measured at cost. After said date, the assets are measured at fair-value. Determining this fair value entails using the discounted cash-flow method, obtained via an independent assessment conducted by an external entity. Said assessment took into consideration assumptions regarding the productivity of the forests and the sales price of lumber, less the costs of forest exploitation (cutting, forwarding and transportation), maintenance costs, forest management costs and rents (of owned and leased land), to which the method of discounting future cash flows using an estimated discount rate is applied.

The discount rate corresponds to the market interest rate, without inflation, in a manner consistent with the projection structure, determined taking into account the profitability that the Group expects to obtain from forestry assets, which are essentially intended to be incorporated into the Group's cellulosic fiber production.

Changes in estimates are recognised as changes in fair value of biological assets in the income statement.

Biological assets are evaluated according to level 3 of the fair-value hierarchy.

The value of wood is transferred to production costs when the corresponding wood, after it is cut, is incorporated in the end product. Cutting own wood is stated at the specific cost of each forest (or grove) when transferred to the operating facilities comprising the inventory.

j) Provisions

Provisions are recognised when, and only when, the Group has a present (legal or implicit) obligation resulting from a past event, it is likely that, to resolve this obligation, an outflow of resources occurs and the obligation amount can be reasonably estimated. Provisions are reviewed on the date of each consolidated statement of financial position and adjusted to reflect the best estimate on that date.

Provisions for restructuring expenses are recognised by the Group whenever a formal and detailed restructuring plan exists and has been communicated to the parties involved.

k) Pension supplements

(i) Defined benefit plans

Some of the Group's subsidiaries have committed to granting their employees cash benefits as retirement pension or disability supplements, which fall under established benefit plans.

To cover these liabilities, corresponding autonomous pension funds are in place, whose annual charges, determined according to actuarial calculations, are recorded as expenses or income for the financial year, in compliance with IAS 19 – 'Employee benefits.'

The effect of measuring liabilities according to established benefit plans, including actuarial gains and losses, and income from the plan's assets (where applicable) net of interest is recognised under Other comprehensive income. Such measurement is not the subject of reclassification to income statement in subsequent financial years.

The net interest is recognised in the income statement. The cost of past services is also recognised in the income statement, in the financial years when the services were provided by the employees.

Any insufficient coverage from the autonomous pension funds in view of liabilities for past services is recorded as a liability in the Group's financial statements, in the caption “Pension liabilities”.

When the net asset situation of the autonomous pension funds is greater than the liabilities for past services, the Altri Group records an asset in the caption “Other non-current assets” in the consolidated statement of financial position, to the extent where the differential corresponds to lesser allocation needs for pension funds in the future.

Actuarial liabilities are calculated according to the Projected Unit Credit Method, using actuarial and financial assumptions deemed appropriate (Note 29).

(ii) Defined contribution plans

From May 2014, the Group's subsidiaries have been providing these retirement supplements through defined contribution plans. The Group attributes its employees with permanent subordinated employment contracts a defined contribution pension plan. In accordance with this plan, the Group attributes to each permanent employee a percentage of his pensionable salary based on his length of service. The contribution to the Pension Fund varies each year depending on the Altri Group's results, and the contributions made are recorded as an expense in the period, thus no longer having any liability for future benefits related to the Pension Fund. The defined benefit plans are not contributory for its participants.

I) Financial instruments

(i) Financial assets and liabilities

Financial assets and liabilities are recognised in the Group's consolidated statement of financial position when it becomes part of the instrument's contractual provisions.

Financial assets and liabilities are initially measured at their fair value. Transaction costs directly attributable to the acquisition or issue of financial assets and liabilities (which are not financial assets and liabilities measured at fair value through income statement) are added to or deducted from the fair value of the financial asset and liability, as appropriate, in the initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or liabilities recognised at fair value through the income statement are recognised immediately in the consolidated income statement.

(ii) Financial assets

All purchases and sales of financial assets are recognised on the date of signature of the respective purchase and sale contracts, regardless of the date of their financial settlement. All recognised financial assets are subsequently measured at amortised cost or at their fair value, depending on the business model adopted by the Group and the characteristics of its contractual cash flows.

Classification of financial assets

1. Debt instruments and receivables

Fixed income debt instruments and receivables that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held taking into account a business model whose objective is to preserve it in order to receive its contractual cash flows; and
- the contractual terms of the financial asset generate, on specific dates, cash flows that are solely payments of principal and interest on the amount of principal outstanding.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the corresponding interest during its life.

For financial assets that are not acquired or originated with impairment (i.e. assets impaired on initial recognition), the effective interest rate is the one that accurately discounts estimated future cash flows (including fees and commissions paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts), over the expected life of the instrument, in its gross carrying amount at the date of its initial recognition.

The amortised cost of a financial asset is the amount by which it is measured on initial recognition net of principal repayments plus the accumulated amortisation, using the effective interest rate method, of any difference between that initial amount and the amount of its repayment, adjusted for any impairment losses.

Interest-related revenue is recognised in the consolidated income statement under the line item 'Financial income', using the effective interest rate method, for financial assets subsequently recorded at amortised cost or at fair value through income statement. Interest revenue is calculated by applying the effective interest rate to the financial asset's gross carrying amount.

Debt instruments and receivables that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the financial asset is held by considering a business model whose objective provides for both receiving its contractual cash flows and its disposal; and
- the contractual terms of the financial asset generate, on specific dates, cash flows that are solely payments of principal and interest on the amount of principal outstanding.

2. Capital instruments designated at fair value through other comprehensive income

In the initial recognition, the Group can make an irrevocable choice (on a financial-instrument-by-financial-instrument basis) to state certain investments under equity instruments (shares) at fair value through other comprehensive income when these fulfil the definition of capital provided for under IAS 32 Financial instruments: Presentation and are not held for trading. Classification is determined on an instrument-by- instrument basis.

The fair-value designation through other comprehensive income is not permitted if the investment is held for trading purposes or when resulting from a contingent consideration recognised as part of a business combination.

A capital instrument is held for trading if:

- it is acquired mainly for the purpose of short-term disposal;
- in the initial recognition, it is part of a portfolio of identified financial instruments that the Group jointly manages and which shows an actual recent pattern of obtaining short-term gains; or
- it is a derivative financial instrument (except if attributed to a hedging transaction).

Investments in equity instruments recognised at fair value through other comprehensive income are initially measured at their fair value plus transaction expenses. Subsequently, they are measured at their fair value with gains and losses arising from their change, as recognised under other comprehensive income. At the time of its disposal, the accumulated gain or loss generated with these financial instruments is not reclassified to the consolidated income statement, but, rather, merely transferred to the line item 'Retained Earnings', included in the equity caption “Other reserves”.

Dividends associated with investments in equity instruments recognised at fair value through other comprehensive income are recognised in the consolidated income statement when they are attributed / resolved on, unless the same clearly represent a recovery on the part of the investment cost. Dividends are recorded in the consolidated income statement under the line item 'Financial income.'

3. Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for being measured at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss. These financial assets include financial assets held for trading, financial assets designated at the time of initial recognition as measured at fair value through profit or loss, or financial assets that are mandatorily measured at fair value.

Financial assets recorded at fair value through the income statement are measured at fair value obtained at the end of each reporting period. The corresponding gains or losses are recognised in the consolidated income statement, except if they are part of a hedging relationship.

Financial asset impairment

The Group recognises expected impairment losses for debt instruments measured at amortised cost or at fair value through other comprehensive income, as well as for trade receivables, of other receivables, and for assets associated with contracts with customers. Impairment loss of these assets is recorded according to expected impairment losses (expected credit losses) of those financial assets. The loss amount is recognised in the income statement for the financial year when this situation occurs.

The expected impairment loss amount for the aforementioned financial assets is updated on every reporting date in order to reflect the credit risk changes occurred since the initial recognition of the corresponding financial assets.

Expected impairment losses for financial assets measured at amortized cost (trade receivables and other receivables and assets associated with contracts with customers) are estimated using the uncollectability matrix based on Group debtors' credit history in the last few years, as well as from estimated future macroeconomic conditions.

According to the expected simplified approach, the Group recognises expected impairment losses for the economic life of trade receivables and other receivables (lifetime). Expected losses on these financial assets are estimated using an impairment matrix based on the Group's historical experience of impairment losses, affected by specific prospective factors related to debtors' expected credit risk, by the evolving general economic conditions and by an evaluation of current and projected circumstances on the financial reporting date.

Measuring and recognising expected credit losses

Measuring expected impairment losses reflects the estimated likelihood of default, the likelihood of loss due to said default (i.e., the magnitude of loss in the event of default) and the Group's actual general exposure to said default. The Group considers default to be 60 days after the due date.

Assessment of the likelihood of default and of loss due to said default is based on existing historical information, adjusted for future estimated information as described above.

For financial assets, exposure to default is shown as the assets' gross book value on each reporting date. For financial assets, expected impairment loss is estimated as the difference between every contractual cash flow owed to the Group, as agreed upon between the parties, and the cash flows the Group expects to receive, discounted at the original effective interest rate.

The Group recognises gains and losses regarding impairments in the income statement for every financial instrument, with the corresponding adjustments to their book value via the line item of accumulated impairment losses in the consolidated statement of financial position.

Considering the Group's business model and strict credit control policy, bad debts have been almost non-existent.

The Group evaluates expected impairment losses, in accordance with IFRS 9.

The model used for determining impairments of receivables consists of the following:

- Trade receivables stratification by type of associated revenue;
- Analysis of the history of irrecoverable amounts and default for stated subpopulations;
- Segregation of outstanding balances, considering the existence of credit insurance and letters of credit or other credit enhancements;
- For balances not covered by credit enhancement, determining the historical rate of amounts not recovered in the last two years;
- Adjustment of the rates obtained above with a forward-looking component based on future market evolution projections;
- Application of the rates obtained to trade receivables outstanding balances on the reporting date.

Moreover, the Group maintains impairments recognised in previous financial years as a result of specific past events and based on specific balances examined on a case-by-case basis.

The amounts given in the consolidated statement of financial position are net of accumulated impairment losses for bad debts that were estimated by the Group; therefore, they are at their fair value.

For every other situation and nature of balances receivable, the Group applies the general impairment model approach. On every reporting date, it assesses whether there was a significant increase in credit risk from the asset's initial recognition date. If credit risk did not increase, the Group calculates an impairment corresponding to the amount equivalent to expected losses within a 12-month period. If credit risk did increase, the Group calculates an impairment corresponding to the amount equivalent to expected losses for every contractual cash flow up to the asset's maturity. The credit risk is assessed in accordance with the loans disclosed in the credit risk management policies.

Derecognition of financial assets

The Group derecognises a financial asset only when the asset's contractual cash-flow rights expire, or when transferring the financial asset and substantially every risk and benefit associated with its ownership to another entity. When substantially every risk and benefit arising from ownership of an asset is neither transferred nor retained, or control over the asset is not transferred, the Group keeps on recognising the transferred asset to the extent of its continued involvement. In this case, the Group also recognises the corresponding liability, the transferred asset and corresponding liability are measured on a basis that reflects the rights and obligations retained by the Group. If the Group retains substantially every risk and benefit associated with ownership of a transferred financial asset, the Group keeps on recognising said asset; in addition, it recognises a loan for the amount received in the meantime.

In derecognising a financial asset measured at amortised cost, the difference between its carrying amount and the sum of the retribution received and to be received is recognised in the consolidated statement of results.

On the other hand, when derecognising a financial asset represented by a capital instrument recorded at fair value through other comprehensive income, the accumulated gain or loss in the revaluation reserve is reclassified to the consolidated income statement.

However, in derecognising a financial asset represented by a capital instrument irrevocably designated in the initial recognition as recorded at fair value through other comprehensive income, the accumulated gain or loss in the revaluation reserve is not reclassified to the consolidated profit-and-loss statement, but, rather, transferred to the line item 'Retained Earnings' included in the caption of equity “Other reserves”.

(iii) Financial liabilities and equity instruments

Classification as financial liability or as an equity instrument

Financial liabilities and equity instruments are classified as liability or as equity according to the transaction's contractual substance.

Equity

The Group considered equity instruments to be those where the transaction's contractual support shows that the Group holds a residual interest in a set of assets after deducting a set of liabilities.

The equity instruments issued by the Group are recognised at the amount received, net of costs directly attributable to their issue.

The repurchase of equity instruments issued by the Group (own shares) is accounted for at its acquisition cost as a deduction from equity. Gains or losses inherent to disposal of own shares are recorded under the line item 'Other reserves.'

Financial liabilities

After initial recognition, every financial liability is subsequently measured at amortised cost or at fair value through profit or loss.

Financial liabilities subsequently measured at fair value

Financial liabilities are recorded at fair value through profit or loss when:

- the financial liability results from a contingent consideration arising from a business combination;
- the liability is held for trading; or
- the liability is designated to be recorded at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it is acquired mainly for the purpose of short-term disposal; or
- in the initial recognition, it is part of a portfolio of identified financial instruments that the Group jointly manages and which shows an actual recent pattern of obtaining short-term gains; or
- it is a derivative financial instrument (except if attributed to a hedging transaction).

Financial liabilities recorded at fair value through consolidated income statement are measured at their fair value with the corresponding gains or losses arising from their variation, as recognised in the consolidated income statement, except if assigned to hedging transactions.

Financial liabilities subsequently measured at amortised cost

Financial liabilities not designated for recording at fair value through consolidated income statement are subsequently measured at amortised cost, using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating the corresponding interest during its life.

The effective interest rate is the one that accurately discounts estimated future cash flows (including fees and commissions paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts), over the expected life of the instrument, in its gross carrying amount at the date of its initial recognition.

Types of financial liabilities

Loans in the form of commercial paper issues are categorised as non-current liabilities when they are guaranteed to be placed for more than one year, and the Group's Board of Directors intends to use this source of funding also for more than one year.

The other financial liabilities basically refer to lease liabilities, which are initially recorded at their fair value. Following their initial recognition, these financial liabilities are measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are settled, cancelled or have expired.

The difference between the derecognised financial liability's carrying amount and the consideration paid or payable is recognised in the consolidated income statement.

When the Group and a given creditor exchange a debt instrument for another containing substantially different terms, said exchange is accounted for as a cancellation of the original financial liability and the recognition of a new financial liability.

Likewise, the Group accounts for substantial modifications to the terms of an existing liability, or to a part thereof, as a cancellation of the original financial liability and the recognition of a new financial liability.

If the modification is not substantial, the difference between: (i) the liability's carrying amount prior to modification; and (ii) the present value of future cash flows after modification is recognised in the consolidated income statement as a modification gain or loss.

Supplier finance arrangements

The Group contracts confirming operations with financial institutions, which can be considered as reverse factoring agreements. Under these agreements, certain suppliers can obtain advance payment of invoices issued to the Altri Group through a financial institution. Under these agreements, the financial institutions pay in advance the amounts owed by the Group to the participating suppliers and the Group reimburses the financial institution on the due date and in accordance with the terms of the invoice. Participating suppliers pay commissions and interest for the service of advancing payments to the financial institution. The main purpose of these agreements is to give suppliers access to payment prior to the due date of invoices.

Bearing in mind that these contracts do not give rise to a financial expense for the Group, nor do they alter the payment terms agreed with the suppliers, the amounts of the invoices from suppliers who adhere to these contracts are kept under liabilities under the heading “Suppliers - supplier finance arrangements”. The liability is only derecognized when the underlying obligations are extinguished by payment by the Group to the financial institution, are cancelled or expire.

Cash flows related to supplier finance arrangements are included in cash flows generated by operating activities.

The Altri Group adopted the amendments to IAS 7 and IFRS 7 - Disclosures: Supplier finance arrangements for the first time in the current financial year. These amendments introduce additional disclosure requirements when supplier finance arrangements exist. The disclosure requirements are intended to help users of the financial statements understand the effects of these agreements on the Group's liabilities, cash flows and exposure to liquidity risk.

These amendments contain transitional provisions for the first annual reporting period in which an entity applies them. Under the transitional provisions, an entity is not required to disclose:

- comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments;
- the information required by IAS 7:44H(b)(ii) and (iii) with reference to the beginning of the annual reporting period in which the entity first applies these amendments.

The disclosures required by these amendments are included in Note 23.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the corresponding net amount is shown under the consolidated statement of financial position if there is a present right of mandatory fulfilment to offset the recognised amounts and with the intention of either settling on a net basis or realising the asset and simultaneously settling the liability.

Derivative instruments and hedge accounting

Altri Group uses derivative instruments in managing its financial risks as a way to ensure hedging against said risks.

The derivatives used by the Group, defined as cash flow hedging instruments, are interest rate hedging instruments on borrowings, exchange rate hedging instruments, pulp price hedging instruments, as well as energy price hedging instruments.

The risk is hedged in its entirety, there is no hedging of risk components, and there is no target hedging value for these risks.

The Group only designates the spot element of forward contracts as a hedging instrument. The forward element is recognized in Other comprehensive income and accumulated in a separate component of equity.

The Group designates only the spot element of forward agreements as a hedging instrument. The forward element is recognised under Other comprehensive income and accumulated in a separate equity component.

The derivative financial instruments used for economic risk hedging purposes can be classified in the accounts as hedging instruments, provided they cumulatively meet the following conditions:

(i) On the transaction start date, the hedging ratio is identified and formally documented, including identification of the hedged item, the hedging instrument and assessment of hedging effectiveness;

(ii) The hedging ratio is expected to be highly effective, on the transaction start date and over the course of its life;

(iii) The hedging effectiveness can be reliably measured on the transaction start date and over the course of its life;

(iv) For cash-flow hedging transactions, the likelihood of its occurrence has to be high.

Whenever expectations of evolving interest rates or currency exchange rates so justify, the Group seeks to put under contract transactions protecting against unfavourable operations, using derivative instruments, such as, interest rate swaps (IRS), interest rate and currency exchange rate collars or exchange rate forwards.

Selecting hedging instruments to be used basically states their features in terms of economic risks they seek to hedge. Also considered are the implications of including each additional instrument in existing derivative portfolio, namely effects in terms of volatility of results.

In the case of variable interest rate hedging instruments, the conditions established for these cash flow hedge instruments are identical to those of the corresponding loans in terms of the amount, maturity dates of the interest and repayment schedules of the loans and for these reasons they qualify as perfect hedges.

In the case of hedging instruments for exchange rate exposure, the Group contracts to hedge highly probable transactions and for a small portion of the expected total, so it is also understood that hedging strategies are highly effective.

In the case of pulp price hedging instruments, the price indexes to which the futures contracts hedging the pulp price are indexed are those most frequently used by the Group's subsidiaries as a reference for the sale price of their pulp, which is why it is understood that they also provide perfect hedging for highly probable transactions that are expected to occur in quantities greater than those contracted.

In the case of energy price hedging instruments, the Group contracts to hedge highly probable transactions and for a portion of the total expected energy purchases and/or sales transactions, so the hedging strategies are also understood to be highly effective.

In the case of the Virtual Power Purchase Agreement (VPPA), the Group designates as hedged item a specific quantity of forecasted future purchase of energy indicated at inception of the hedge relationship. In these contracts, if the market price of electricity, quoted on MIBEL, is higher than the contractually agreed fixed price, the producer (counterparty) will pay the Group (customer) the difference calculated for the volume of energy produced by the counterparty, with the Group paying the producer the difference in cases where the market price is lower than the contractually defined price.

The Group uses a quantitative approach to verify whether there is an economic relationship between hedging instrument and the hedged item. The test is performed based on a scenario analysis relating to the change in market energy price (solar profile and baseload profile) and the volume of production by the solar farm. The hedge ratio is calculated as the total volume of the hedging instrument divided by the total volume of purchases designated as hedged item.

The main sources of ineffectiveness identified by the Group in terms of energy price risk in cash flow hedging relationships arise from: i) credit risk on the hedging instrument (VPPA contract), ii) the fact that the initial fair value of the hedging instrument is not equal to zero, iii) any changes in the purchase forecast volumes, compared to the forecast at inception, iv) any differences between the actual production volumes and the energy purchase volumes designated at inception, by the Group, in each month, v) any differences between the price of purchase (baseload) and the price used for the VPPA settlement (solar adjusted profile), and vi) the fact that the settlement dates provided for in the contract are different than the dates of market purchases of energy.

Hedging instruments are recorded at their fair value.

As long as a cash flow hedge derivative meets the qualifying criteria, the hedging relationship shall be accounted for as follows:

1. the separate component of equity associated with the hedged item (cash flow hedge reserve) is adjusted to the lower of the following (in absolute amounts):

    a. the cumulative gain or loss on the hedging instrument from inception of the hedge, and

    b. the cumulative change in fair value (present value) of the hedged item (i.e. the present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge.

2. the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognised in other comprehensive income.

3. any remaining gain or loss on the hedging instrument is considered hedge ineffectiveness and is recognised in the income statement.

Amounts recognised in the cash flow hedge reserve are subsequently recognised in the income statement in the same period or periods during which the hedged item affects the income statement according to the nature of the underlying transaction. If these are of an operational nature, they are recognized under "Other income" or "Other expenses". If they are of a financial nature, they are recognized under "Financial income" or "Financial expenses". If a hedge of a forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses accumulated in equity are removed from the cash flow hedge reserve and included in the initial measurement of the cost of the asset or liability.

Hedge accounting for derivative instruments is discontinued whenever a derivative instrument can no longer be qualified as a hedging instrument, namely when the instrument matures or is sold, or when the future transaction is no longer highly probable. The fair value differences accumulated until then, which are recorded in equity under the caption "Hedging reserve", are transferred to profit or loss of the period or to the carrying amount of the asset that resulted from the hedged forecast transaction, and subsequent revaluations are recorded directly under the corresponding headings of the consolidated income statement.

In the case of hedges of highly probable future transactions, the cumulative amount in Other comprehensive income must remain if the hedged future cash flows are still expected to occur. Otherwise, the cumulative amount is reclassified immediately to the consolidated income statement as a reclassification adjustment. After the interruption, once the hedged cash flows occur, any cumulative amount remaining in equity under "Hedging reserves" should be accounted for according to the nature of the underlying transaction.

When embedded derivatives exist in other financial instruments or other contracts, they are treated as separate derivatives in situations in which the risks and characteristics are not closely related to the host contracts, and in situations in which the contracts are not presented at fair value, unrealized gains or losses are recorded in the consolidated income statement.

In cases where derivative instruments, although contracted for the specific purpose of hedging financial risks, do not meet the above requirements for classification as hedging instruments, changes in fair value directly affect the consolidated income statement, under the headings "Financial income" and "Financial expenses".

m) Cash and cash equivalents

The amounts included under the line item 'Cash and cash equivalents' correspond to cash amounts, bank deposits, term deposits, and other treasury applications, maturing in less than three months, and are subject to insignificant risk of change in value.

In terms of statement of cash flows, the line item 'Cash and cash equivalents' also comprises bank overdrafts included under the current liability line item 'Bank loans.'

n) Statement of cash flows

The statement of cash flows is prepared according to IAS 7, using the direct method.

The statement of cash flows is categorised under operating (which include receipts from customers, payments to suppliers, payments to personnel and others related to operating activities), financing (which include payments and receipts related to borrowings, lease liabilities and dividend payments) and investment activities (which include acquisitions and disposals of investments in subsidiaries and receipts and payments arising from the purchase and sale of property, plant and equipment).

o) Contingent assets and liabilities

Contingent assets are possible assets that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not fully under the control of the Group.

Contingent assets are not recognised in the Group's financial statements being disclosed only when a future economic benefit is likely to occur.

Contingent liabilities are defined by the Group as: (i) possible obligations arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not under full control of the Group, or (ii) present obligations arising from past events but that are not recognised because it is unlikely that a cash flow affecting economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the Group's financial statements and are actually disclosed unless the possibility of a cash outflow affecting future economic benefits is remote, in which case they are not disclosed at all.

p) Income tax

Income tax for the financial year is calculated based on the taxable results of the companies included in the consolidation and considers deferred taxation, in accordance with the tax regulations in force.

As of 31 December 2024, the subsidiaries of the Altri Group detailed below, and which are based in Portugal, are taxed under the special taxation regime for groups of companies (“RETGS”), pursuant to art. 69 of the Portuguese Corporate Income Tax Code (“Código do Imposto sobre o Rendimento de Pessoas Coletivas”):

– Altri Florestal, S.A.;

– Altri Abastecimento de Madeira, S.A.;

– Caima, S.A.;
– Captaraíz Unipessoal, Lda.;
– Biotek, S.A.;
– Celbi, S.A.;
– Inflora – Sociedade de Investimentos Florestais, S.A.;
– Soc. Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.;
– Viveiros do Furadouro Unipessoal, Lda.;
– Florestsul, S.A.;
– Biogama, S.A.;
– Altri Abastecimento de Biomassa, S.A..

Each of the companies taxed under the RETGS, record the income tax in their individual accounts against the Group Companies account. When subsidiaries contribute with losses, the amount of tax corresponding to the losses that will be offset by the profits of the other companies covered by this regime is recorded in its individual financial statements. If deferred tax assets relating to tax losses generated are recorded, the amount is recorded in the subsidiary as an account receivable from the parent company of the tax Group.

The Group recognises the gain with tax incentives to investment in the form of tax breaks in accordance with the criteria set forth under 'IAS 12 – Income tax' for recognising gains with tax credits. This way, the gain is recognised at the time when the right to its use is obtained, while recognising a deferred tax asset if all of those tax credits cannot be used in the financial year and if, in the future, the company is expected to manage sufficient results to allow for their use.

Deferred taxes are calculated using the financial position statement liability method and reflect the temporary differences between the amount of assets and liabilities for accounting reporting purposes and the respective amounts for tax purposes. Deferred tax assets and liabilities are calculated and annually assessed using the tax rates in force or substantially in force at the expected date of reversal of temporary differences.

The measurement of deferred tax assets and liabilities:

– It is conducted in accordance with the expected rates to be applied in the period the asset is realised or the liability settled, based on the tax rates approved on the date of the statement of financial position; and

– It reflects the tax consequences arising from the way the Group expects, on the date of the consolidated statement of financial position, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised only when there are reasonable expectations of sufficient future tax profits for their use, or in situations where there are taxable temporary differences that offset the temporary differences deductible in the period of their reversal. At the end of each period, a review is made of these deferred taxes, which are reduced whenever their future use is no longer likely.

Deferred tax liabilities are recognised for every taxable temporary difference.

Deferred taxes are not recognised in respect to temporary differences associated with investments in associates, since the following conditions are simultaneously considered to be met:

– The Group is able to control the timing of the temporary difference reversal; and

– It is likely that the temporary difference will not be reversed in the foreseeable future.

Deferred taxes are recorded as expenses or income for the financial year, except if they result from amounts recorded directly in equity, in which case the deferred tax is recorded under the same line item.

International tax reform – Pillar 2

Following the issuance of the new legislation by the OECD, the International Accounting Standards Board (IASB) issued Amendments to IAS 12 - International Tax Reform - Pillar 2 Model Rules, on 23 May 2023. The amendments clarify that IAS 12 applies to income taxes resulting from tax legislation enacted or substantially enacted to implement the Pillar 2 model rules published by the OECD.

So as to avoid different practical interpretations of the changes to IAS 12, to improve the information provided to users of financial statements after the entry into force of the Pillar 2 legislation and to provide timely relief to covered entities, a mandatory temporary exception to the new requirements of IAS 12 has been introduced. Under this standard, a company must not recognize or disclose information about deferred tax assets and liabilities related to the rules of the Pillar 2 BEPS model proposed by the OECD. The Altri Group has applied the mandatory temporary exception in the year ended 31 December 2024, and did not record or disclose information on deferred tax assets and liabilities related to the Pillar 2 model rules.

Pillar 2 legislation has been enacted in the jurisdictions in which the Group operates, and the legislation came into force for the financial year beginning on 1 January 2024.

q) Energy sector extraordinary contribution (CESE)

Law no. 83-C/2013 of the 2014 State Budget ("State Budget Law 2014"), approved by the Portuguese Government on 31 December 2013, introduced an extraordinary contribution applicable to the energy sector (CESE), with the objective of financing mechanisms that promote the systemic sustainability of the energy sector, through the constitution of a fund that aims to contribute to the reduction of tariff debt and to finance social and environmental policies in the energy sector. This contribution is generally concentrated on economic operators that carry out the following activities: (i) generation, transport or distribution of electricity; (ii) transportation, distribution, storage or wholesale supply of natural gas; and (iii) refining, treatment, storage, transportation, distribution and wholesale supply of oil and oil products.

CESE is calculated based on the companies' net assets as at January 1 of each year, which comply, cumulatively, to: (i) property, plant and equipment; (ii) intangible assets, except industrial property elements; and (iii) financial assets assigned to concessions or licensed activities. In the case of regulated activities, CESE focuses on the value of regulated assets if it is higher than the value of those assets.

The CESE regime was successively extended and became valid for 2024 through Law no. 82/2023 of 29 December.

The general rate is 0.85%, which is applied to the value of the net assets allocated to the activity (of each power plant), with reference to January 1 of the respective year.

For the fiscal years ended 31 December 2024 and 2023, the energy production units through biomass, whose power is less than 20 MW, are exempt from CESE payments, which is why no tax has been determined or recorded for the units, for which the exemption is applicable.

When due, the annual expense related to CESE is recognized as a liability and recorded as a cost in the income statement under the line item “Energy sector extraordinary contribution”, as at January 1 in accordance with IFRIC 21 - Levies.

r) Revenue

Revenue is measured in accordance with the retribution specified in the agreements established with customers and excludes any third-party amount received. This way, the Group recognises revenue when it transfers control over a given asset or service to the customer.

The Group's sources of revenue can be detailed as follows:

(i) Cellulosic fibers – sales of cellulosic fibers produced by Altri's three industrial plants.

(ii) Energy – sale of electricity to the national public grid.

Nature, performance obligations, and the time of recognising revenue

(i) Cellulosic fibers - In this business area, the Group enters into several supply contracts with private entities for cellulosic fibers with certain characteristics (namely, bleaching level). These are unique performance obligations that are fully satisfied with the delivery of the final product under the agreed conditions (namely, the incoterms agreed with the customer).

(ii) Energy - In this business area, the Group injects electricity into the grid from its cogeneration plants, which is also treated as a one-time performance obligation and revenue is recognized when control is transferred to the customer.

The Group recognises revenue according to IFRS 15, which sets forth that an entity recognises revenue in order to reflect the transfer of goods and services contracted by customers, in the retribution amount to which the entity expects to be entitled to receive as consideration for delivery of said goods or services, based on the five step model below:

1. contract identification with a client;
2. performance obligation identification;
3. pricing of the transaction;
4. allocation of the transaction price to performance obligation; and
5. recognition of revenue when or as the entity meets a performance obligation.

The revenue is measured at fair value of the consideration received or receivable of the goods and services sold in line with the Group's aforementioned types of business, net of bonuses, discounts (example: commercial discounts and quantity discounts) and taxes.

Commercial agreements with customers basically refer to the sale of goods and, to a limited extent, to shipment inherent to said goods, where applicable, and in accordance with the reported segments. Revenue is recognised by the amount of the performance obligation fulfilled.

Agreements with the Group's customers do not consider variable remunerations nor include significant financing components. In addition, there is no history of amendments to agreements or the combination of agreements.

Current agreements do not comprise additional associated guarantees. Furthermore, the costs of garnering customers are internal, in most cases, since the agreements are garnered by the Group's internal sales team.

The transaction price is a fixed component, according to the quantities sold.

Transfer of control occurs to the same extent the associated risks and benefits are transferred, according to the set contractual conditions. Transfer of control of goods mostly occurs when they are delivered at the customer's premises.

The Group considers the facts and circumstances when analysing the terms of each contract with clients, applying the requirements that determine the recognition and measurement of revenue in a harmonised way, when dealing with contracts with similar characteristics and circumstances.

Revenue related to the provision of services is recognized in accordance with IFRS 15, taking into account that the customer simultaneously receives and consumes the benefits generated by the Group.

Assets associated with contracts with customers

A customer agreement asset is a right to receive a retribution in exchange for goods or services transferred to the customer.

If the Group delivers the goods or provides the services to a customer before the customer pays the retribution or prior to the retribution falling due, the contractual asset corresponds to the conditional retribution amount.

Trade receivables

A receivable represents the Group's unconditional right (that is, it only depends on the passage of time until the retribution falls due) to receive the retribution.

Liabilities associated with agreements with customers

A customer agreement liability is the obligation to transfer goods or services for which the Group has received (or is entitled to receive) a retribution from a customer. If the customer pays the retribution before the Group transfers the goods or services, a contractual liability is recorded when payment is made or when it falls due (whichever happens first). Contractual liabilities are recognised as revenue when the Group fulfils its contractual performance obligations.

s) Accrual accounting basis

The remaining income and expenses are recorded on an accrual basis, whereby they are recognised as they are generated regardless of when they are received or paid. The differences between the amounts received and paid and the corresponding income and expenses generated are recorded under the line items 'Other current assets', 'Other current liabilities', 'Other non-current assets', and 'Other non-current liabilities.'

t) Balances and transactions expressed in foreign currency

All assets and liabilities expressed in foreign currency were converted to Euro using official currency exchange rates in force on the date of the consolidated statement of financial position.

Favourable and unfavourable currency exchange differences originated by the differences between currency exchange rates applicable on the transaction date and those applicable on the collection date, payments or on the date of the consolidated statement of financial position are recorded as income and expenses in the consolidated income statement for the financial year, except those regarding non-monetary amounts whose change in fair value is recorded directly in Equity.

u) Subsequent events

The events occurring after the date of the consolidated statement of financial position providing additional evidence or information regarding conditions that existed on the date of the consolidated statement of financial position (adjusting events) are reflected in the Group's financial statement. Events after the date of the consolidated statement of financial position that are indicative of the conditions that arose after the date of the consolidated statement of financial position (non-adjusting events), when material, are disclosed in the Notes to the financial statements.

v) Information by segments

In each period, the Group identifies the most adequate segment division taking into consideration the business areas in which the Group is present. Operating segment is a group of assets and operations of the Group whose financial information is used in the decision-making process developed by Group management.

The operating segments are presented in these financial statements in the same way as they are presented internally in the analysis of the evolution of the Group's activity.

The report’s accounting policies by segments are those consistently used within the Group. Intersegmental sales and service provisions are all shown at market prices, and all these are eliminated on the consolidation process.

As mentioned in Note 38, the Group has identified a single segment.

w) Assets held for sale or distribution and discontinued operations

This category includes assets or groups of assets whose corresponding value is realisable via a sales transaction or distribution or, jointly, as a group in a single transaction, and liabilities directly associated with these assets that are transferred in the same transaction. Assets and liabilities in this situation are measured at either the corresponding book value or the fair value net of selling costs, whichever is lower.

In order for this situation to occur, the sale needs to be highly likely (expected to be completed within 12 months), and the asset needs to be available for immediate sale or distribution under current conditions; moreover, the Group needs to have committed to said sale or distribution.

Amortization of assets under these conditions ceases from the moment when they are categorised as held for sale or distribution and are shown as current in appropriate lines for assets, liabilities and equity. A discontinued operating facility is a component (operating facilities and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, of the rest of the entity) of an entity that either was disposed of or is categorised as held for sale or distribution, and:

(i) represents a major business line or separate geographical area of operations;

(ii) it is an integral part of a single coordinated plan for disposing a major business line or separate geographical area of operations; or

(iii) it is a subsidiary acquired solely for resale purposes.

The results of discontinued operating facilities are given as a single amount in the income statement, comprising gains or losses after taxes of the discontinued operating facilities, plus gains or losses after taxes recognised in the fair-value measurement net of selling costs or in the disposal of assets or of one or more group for disposal that constitute the discontinued operating facility.

Balances between continuing operations and discontinued operations are eliminated in the consolidation process. Transactions between continuing operations and discontinued operations are eliminated to the extent that they represent transactions that will no longer be carried out by the Group.

Distribution of Group of assets classified as held for distribution to shareholders

When the Group resolves to distribute a dividend in kind and has an obligation to distribute the related assets and liabilities to its shareholders, it must recognize a liability for the dividend payable.

The liability relating to the liability to pay a dividend must be recognized when the dividend has been duly approved and is no longer subject to the Group's discretion, which corresponds to the date on which the dividend proposal is approved at the General Meeting.

The Group shall measure the liability related to the responsibility for distributing dividends in kind to shareholders at the fair value of the assets and liabilities to be distributed.

When the Group settles the dividend payable, it shall recognize in profit or loss any difference between the carrying amount of the assets and liabilities distributed and the carrying amount of the dividend payable. This difference is presented in the consolidated income statement under "Profit after tax from discontinued operations".

If the distribution of net assets results in loss of control, the Group derecognizes the group of assets and liabilities of the subsidiary, any Non-controlling Interests and other Amounts recognized in other comprehensive income and accumulated in equity related to the group of assets and liabilities. In the event that the Group retains any interest in the former subsidiary, such interest is measured at fair value at the date when control is lost.

x) Environmental matters

Under the Kyoto Protocol, the European Union undertook to lower greenhouse gas emissions. Within this context, an EU Directive was issued, already reviewed, calling for the marketing of so-called 'CO_2 emission licenses' - CELE, already transposed to Portuguese law and which, from 1 January 2005, has been applicable to the pulp and paper industry, among others. This mechanism already has four implementation phases, the last of which, corresponding to the period 2021-2030, an intermediate target, included in the EU's strategic plan for climate neutrality by 2050, to reduce emissions attributed to the sectors covered by the ETS by 43% by 2030.

Through the publication of the Decree-law no. 12/2020, of 6 April 2020, the Portuguese Government distributed the "CO_2 emission licenses" to the various Portuguese companies affected. As such, Group companies were granted said licenses free of charge for the emission of 86,743 tons of CO_2 for the year 2024. If actual emissions exceed the granted 'CO_2 emission licenses', the group will have to acquire the missing licenses in the market.

The delivery of "CO_2 emission licenses", corresponding to the actual emissions made in a fiscal year, is made according to the historical data of the facilities, and this value may be adjusted annually depending on the level of activity. The values presented by the companies regarding the actual emissions made are subject to verification by an independent entity, duly accredited, in accordance with the applicable requirements.

Considering that these licenses pertain to the year 2024, based on provisional CO_2 emission data, no significant expenses are expected for the Group as a result of this legislation coming into force for the financial year ended 31 December 2024.

As at 31 December 2024 and 2023, the financial statements do not record any environmental liabilities, nor is any environmental contingency disclosed, as the Board of Directors is convinced that, on that date, there are no obligations or contingencies arising from past events resulting in materially relevant expenses for the Altri Group.

2.4 JUDGEMENTS AND ESTIMATES

In preparing the consolidated financial statements, in accordance with the accounting standards in force (Note 2.1), the Group's Board of Directors adopted certain assumptions and estimates affecting assets and liabilities, as well as income and expenses incurred in relation to the reported periods. All of the estimates and assumptions by the Board of Directors were carried out based on their existing best knowledge, on the date of approval of financial statements, events, and ongoing transactions.

The main judgements and most significant estimates conducted and used in preparing consolidated financial statements include:

a) Determining fair value of biological assets

As mentioned under Note 2.3. i), the fair value of biological assets was determined using an independent assessment carried out by an external entity, in which the Group's Board of Directors recognises competence and objectiveness. In determining the fair value of biological assets, the discounted cash-flow method was used, which considered assumptions corresponding to the nature of assets under evaluation (Note 11). Changes to these assumptions could entail valuations/devaluations of these assets.

b) Impairment tests on non-current assets

Impairment analyses require determining fair value and / or the use value of the assets in question (or of some cash-generating units). This process calls for a high number of relevant judgements, namely estimating future cash flows associated with assets or with the corresponding cash-generating units and determining an appropriate discount rate for obtaining the present value of the aforementioned cash flows. In this regard, the Group once again established the requirement calling for use of the maximum possible amount of observable market data. It further established calculation monitoring mechanisms based on the critical challenge of reasonability of assumptions used, their coherence and consistency (in similar situations) (Note 9).

c) Determining fair value of derivative financial instruments

In stating financial instruments not traded in active markets valuation techniques have been used that were based on discounted cash-flow methods or on market transaction multiples. Fair value of derivative financial instruments is generally determined by the entities from which they were hired (counterparties), being subject to independent validation using Bloomberg valuation models. The Group's Board of Directors recognizes the competence and objectivity of the counterparties (Note 27).

The fair value of the VPPA contract (Virtual Power Purchase Agreement) was determined thorough an independent valuation performed by an external entity, in which the Group’s Board of Directors recognises competence and objectiveness. As mentioned in Note 2.3 l), the present value of discounted cash flows method was used to determine its fair value, taking into account assumptions corresponding to the nature of the contract being valued (Note 27).

d) Calculation of the incremental interest rate in the lease agreements

As mentioned in Note 2.3 d), the Group uses its interest rate incremental to the lease start date, since the interest rate implicit in the contract is not readily determinable. Changes in this assumption may imply valuations / devaluations of these assets and liabilities (Note 8).

e) Calculating liability associated with pension funds

Liabilities with retirement pensions are estimated based on actuarial assessments conducted by external experts certified by the Insurance and Pension Funds Supervisory Authority. Those assessments comprise a set of financial and actuarial assumptions, namely discount rate, as well as tables showing mortality, disability, growth of pensions and wages, among others. The assumptions adopted in determining pension liabilities correspond to the best estimate by the Group's Board of Directors regarding the future behaviour of the aforementioned variables (Note 29).

f) Useful lives of property, plant and equipment, and intangible fixed assets

As mentioned in Notes 2.3. a) and b), the Group revises the estimated useful lives of its tangible and intangible assets on each reporting date. Assets’ useful lives depend on several factors related both to their use and to the Group’s strategic decisions, and even to the economic environment of the various companies included in the scope of consolidation.

Estimates and assumptions were determined based on the best available information on the date when consolidated financial statements are prepared and on the basis of the best knowledge and on experience with past and/or current events. However, there are situations that could occur in subsequent periods which, while not foreseeable on that date, were not considered in those estimates. For this reason and given the degree of uncertainty associated, the actual results of the transactions in question may differ from the corresponding estimates. Changes to those estimates, which occur subsequent to the date of the consolidated financial statements, will be corrected in the consolidated income statement on a prospective basis, as provided for under IAS 8 – Accounting Policies, Changes to Accounting Estimates and Errors.

2.5 CHANGES IN ACCOUNTING POLICY AND ERROR CORRECTION

Regarding new standards, interpretations, amendments and revisions to IFRS, see Note 2.1.

During the financial year, there were no voluntary changes in accounting policies. Likewise, no material errors were recognised in relation to previous financial years.

3. FINANCIAL RISK MANAGEMENT

The Altri Group is basically exposed to: (a) market risk; (b) liquidity risk; (c) credit risk; and (d) capital risk. The risk related to sustainability, ESG (Environmental, Social and Governance) and climate change is addressed in the Group's Management Report. The main objective of the Board of Directors consists of reducing these risks to a level deemed acceptable for carrying on the Group’s business. The risk management policy’s guiding principles are outlined by Altri’s Board of Directors, which determines acceptable risk limits. The operational implementation of the risk management policy is carried out by the Board of Directors and by the Management at each subsidiary company.

a) Market Risk

The current macroeconomic environment, marked by the geopolitical risks and uncertainties regarding its future evolution, as a result of the combination of several effects, namely the current armed conflicts, poses significant challenges to companies and their operations.

The Board of Directors is monitoring the impacts of the current macroeconomic environment on the Group's chain of operations, ensuring that mitigating measures are implemented to minimize, where possible, the negative effects and uncertainty that threaten global economic stability.

During the year, the Group sought to find solutions to minimize the impacts of the evolution of the macroeconomic environment. Additionally, when it deems necessary, the Group uses derivative instruments in managing its market risks to which it is exposed as a way of guaranteeing their hedging.

For the Altri Group, as part of market risk management, particularly important risks are interest rate risk, currency exchange rate risk, the risk of commodity price variability, the risk related to forest management and to eucalyptus production and the risk of energy price variability risk.

i) Interest rate risk

The Group's exposure to the interest rate risk results essentially from Euribor-indexed long-term loans.

The Group uses derivative instruments or similar transactions for the purpose of hedging interest rate risks deemed significant. Three principles are used in selecting and determining interest rate hedging instruments:

- For every derivative or hedging instrument used for protecting against risk associated with a given financing, there was an overlap of the dates of interest flows paid in the hedged financing and the settlement dates under the hedging instruments;
- Perfect equivalence between the basic rates: the indexing used in the derivative or hedging instrument should be the same as that which applies to the financing/transaction being hedged; and
- Since the start of the transaction, the maximum indebtedness cost, resulting from the hedging operation performed, is known and limited, even in scenarios of extreme changes in market interest rates, so that the resulting interest rates are within the cost of the funds considered in the Group’s business plan.

Since the Altri Group's major indebtedness is indexed at variable rates, interest rate swaps are used, when such is deemed necessary, as a way to protect against future cash flow changes associated with interest payments. The economic effect of the interest rate swaps put under contract consists of taking the corresponding loans associated with variable rates and converting them to fixed rates. Under these agreements, the Group agrees with third parties (Banks) on the exchange, in pre-set time periods, of the difference between the amount of interest calculated at the fixed rate under contract and at the variable rate of the reset time, in reference to the corresponding notional amounts agreed upon.

The hedging instrument counterparties are limited to credit institutions of high credit quality. It is the Group’s policy to favour putting these instruments under contract with banking entities that are part of its financing operations. For the purpose of determining the counterparty in one-time operations, the Altri Group asks for propositions and indicative prices to be submitted to a representative number of banks so as to ensure adequate competitiveness for these operations.

In determining fair value of hedging operations, the Altri Group uses certain methods, such as option assessment models and future cash-flow updating models, while using certain assumptions based on the conditions of prevailing market interest rates on the date of the consolidated statement of financial position. Comparative quotes from financial institutions, for specific or similar instruments, are used as an assessment benchmark.

The Altri Group’s Board of Directors approves the terms and conditions of financing deemed material for the Group. As such, it examines the debt structure, the inherent risks and the different existing options in the market, namely regarding the type of interest rate (fixed/variable).

The Group's goal is to limit cash-flow volatility and results, considering the profile of its operating business by using an appropriate combination of debt to fixed and variable rate. The Group’s policy allows using interest rate derivatives in order to reduce exposure to changes in Euribor, not for speculation purposes.

Most derivative instruments used by the Group in managing interest rate risk are established as cash-flow hedging instruments, as they provide perfect hedging. The index, calculation conventions, the interest rate hedging instruments, and interest rate hedging instrument repayment plans are altogether identical to the conditions set forth for contracted underlying loans.

In the financial years ended 31 December 2024 and 2023, the Group's sensitivity to changes in the interest rate benchmark of one percentage point more or less, measured as the change in the financial results, can be analysed as follows, without considering the effect of derivative financial instrument hedging (Note 27) and the fixed rate debt:

	31.12.2024	31.12.2023
Interest expenses (Note 34)	26,070,353	26,247,858
A 1 p.p. decrease in the interest rate applied to the entire debt	(4,940,000)	(6,100,000)
A 1 p.p. increase in the interest rate applied to the entire debt	4,940,000	6,100,000

The sensitivity analysis above was calculated based on the exposure to the existing interest rate on the date ending each financial year. This analysis' basic assumption was that the financing structure (remunerated assets and liabilities) remained stable throughout the year and similar to that shown at the end of every financial year, with the rest remaining constant.

ii) Foreign exchange risk

The Group is exposed to foreign exchange risk in transactions regarding the sales of finished products in international markets in a currency other than the Euro.

As at 31 December 2024 and 2023, the balances in Euro expressed in a currency other than the Euro are as follows:

	31.12.2024		31.12.2023	
	(USD)	(SEK, GBP and CHF)	(USD)	(SEK, GBP and CHF)
Receivables	83,685,865	20,341	57,517,792	20,689
Payables	(3,842,418)	(113,901)	(4,127,803)	(83,837)
Bank deposits (Note 17)	25,606,875	346,391	23,971,313	342,687
	105,450,322	252,831	77,361,302	279,539

Assets and liabilities expressed in foreign currency were converted into Euro using the exchange rates in force on the statement of financial position date:

	31.12.2024	31.12.2023
	End of the financial year	End of the financial year
United States Dollar (USD)	1.0394	1.1051
Swedish Krona (SEK)	11.4544	11.0896
Pound Sterling (GBP)	0.8293	0.8689
Swiss Franc (CHF)	0.9415	0.9257

The Group's Board of Directors believes that any changes in foreign exchange rate will not have a significant effect on the consolidated financial statements, both given the dimension of the assets and liabilities expressed in foreign currency and given their short maturity.

Whenever the Board of Directors deems necessary, to reduce the volatility of its results to exchange rate variability, exposure is controlled through a term currency purchase and sell programme (forwards) or other foreign exchange derivative instruments (Note 27).

iii) Commodity price variability risk

Because it carries out its activity in a sector where commodities (paper pulp) are traded, the Group is particularly exposed to price variations, with the corresponding impact on results. However, to manage this risk, paper pulp price variation hedging agreements were concluded, in the amounts and values deemed suited to the expected operations, thereby mitigating the volatility of their results.

The 5% increase/decrease in the price of pulp marketed by the Altri Group during the financial year ended 31 December 2024 would have entailed an increase/decrease in operating results (Profit before income tax, Financial results and related to investments) of around 35.5 million Euro (32.2 million Euro as at 31 December 2023), without considering the effect of pulp price derivatives (Note 27), and with everything else remaining constant.

iv) Risk related to forest management and growing eucalyptus

Altri, through its subsidiaries, has under its management a forestry estate of about 100.9 thousand hectares, of which eucalyptus accounts for 79%. Most of this forest area is certified by the FSC (Forest Stewardship Council – FSC-C004615) and by the PEFC (Programme for the Endorsement of Forest Certification), which set out principles and criteria for assessing the sustainability of forest management from the economic, environmental and social viewpoints.

In this context, all forestry activities are geared towards the optimisation of the available resources, safeguarding the environmental stability and the ecological values present in its assets, and guaranteeing their development.

The risks associated with any forestry activity are also present in the management of the Altri Group. Forest fires, as well as the pests and diseases which can occur in the different forests spread throughout the Portuguese territory are the greatest risks faced by the sector in which it operates. These threats, if they do occur, affect the normal operation of forest holdings and the efficiency of production according to their intensity.

In order to prevent and reduce the impact of forest fires, the Altri Group, through the subsidiary Altri Florestal, is part of a joint venture called Afocelca, in partnership with the Navigator Group, whose purpose is to provide, coordinate and manage the means available for fighting fires. On the other hand, it makes significant investments to clear forest areas, in order to reduce the risks of fire propagation, as well as to reduce possible losses.

The occurrence of pests and diseases can significantly reduce the growth of forest stands, causing irreversible productivity damages. Integrated control procedures have been put in place to combat pests and diseases, either by releasing specific parasitoids from Australia or through the use of plant protection products to control harmful insect populations, and reduce the negative impact of their presence. On the other hand, in the most affected areas, the subsidiary Altri Florestal is using new plantations with more suitable genetic material that, due to their characteristics, are better able to resist against pests and illnesses.

The 5% increase/decrease in the wood buying price during the financial year ended 31 December 2024 would have entailed an increase/decrease in operating results of around 12.2 million Euro (13.3 million Euro as at 31 December 2023), with all the rest remaining constant.

v) Energy price variability risk

The Altri Group is exposed to the variability in energy price in the purchase and sale of electricity and in the purchase of natural gas, for purposes relating to its operating activity. To limit fluctuations resulting from energy price variability and hedge exposure to energy price risk, the Altri Group also had in place a virtual power purchase agreement (VPPA) (derivative contract) in the form of a contract for differences (CFD), and derivative contracts to fix the natural gas and electricity prices, as part of its strategy to hedge against fluctuations in the long-term purchase price of energy.

Under these contracts, the energy is not physically delivered and the Group receives/pays the difference between the fixed price agreed with the supplier of energy and market energy prices (Notes 2.3 l) and 27).

b) Liquidity Risk

The main objective of the liquidity risk management policy is to ensure that the Group has, at all times, the necessary financial resources to meet its responsibilities and to pursue the strategies outlined in compliance with all its commitments to third parties, as they become due, by adequately managing the maturity of the corresponding loans.

Thus, the Group pursues an active refinancing policy guided by: (i) maintaining a high level of free and readily available resources to address short-term needs; and (ii) extending or maintaining debt maturity according to expected cash flows and the leveraging capability of its statement of financial position.

Liquidity analysis for financial instruments is shown in Note 20.

c) Credit Risk

The Group is exposed to credit risk as part of its current operating activity. This risk is controlled through a qualitative financial information-gathering system. Such information is provided by renowned entities providing risk information, thereby enabling an assessment of customer viability in fulfilling its obligations, with the aim of reducing loan-granting risk.

The credit risk assessment is carried out on a regular basis, taking into account the economic conditions at any given time and the specific credit position of each of the companies, adopting corrective procedures where appropriate.

Credit risk is limited by managing risk combination and careful selection of counterparties as well as by taking out credit insurance with specialised institutions and which cover a significant part of the credit granted as a result of the business carried on by the Group.

Nearly all the sales not covered by credit insurance are covered by other credit enhancements, namely, bank guarantees or documentary credits (Note 13).

d) Capital risk

The Altri Group's capital structure, determined by the proportion between equity and net debt, is managed so as to make sure its operating activities continue and it carries on its business, while maximising shareholder return and optimising financing expenses.

The Group periodically monitors its capital structure, by identifying risks, opportunities and measured adjustment needs aimed at achieving the aforementioned goals.

As at 31 December 2024 and 2023, the Altri Group presents an accounting gearing of 151% and 93%, respectively.

Gearing = total equity / net debt, where net debt is the algebraic sum of the following line items of the consolidated statement of financial position: other loans; bank loans; reimbursable government grants; lease liability and (-) Cash and cash equivalents.

Under the line item "Cash and Cash Equivalents", the Group shows a figure of around 82% of its current liabilities.

4. INVESTMENTS

4.1 SUBSIDIARIES INCLUDED IN CONSOLIDATION

The subsidiaries included in consolidation by the integral method, its respective registered offices, proportion of capital held and main activity as at 31 December 2024 and 2023 are as follows:

Company	Registered office	Effective held percentage 2024	Effective held percentage 2023	Main activity
Parent company:				
Altri, SGPS, S.A.	Portugal			Holding (company)
Subsidiaries:				
Altri Abastecimento de Madeira, S.A.	Portugal	100.00%	100.00%	Timber commercialization
Altri Abastecimento de Biomassa, S.A.	Portugal	100.00%	100.00%	Biomass commercialization
Altri, Participaciones Y Trading, S.L.	Spain	100.00%	100.00%	Commercialization of cellulosic fibers
Altri Sales, S.A.	Switzerland	100.00%	100.00%	Group management support services
Celbi, S.A.	Portugal	100.00%	100.00%	Production and commercialization of cellulosic fibers
Altri Florestal, S.A.	Portugal	100.00%	100.00%	Forest management
Inflora – Sociedade de Investimentos Florestais, S.A.	Portugal	100.00%	100.00%	Forest management
Viveiros do Furadouro Unipessoal, Lda.	Portugal	100.00%	100.00%	Plant production in nurseries and services related with forest and landscapes
Florestsul, S.A.	Portugal	100.00%	100.00%	Forest management
Caima, S.A.	Portugal	100.00%	100.00%	Production and commercialization of cellulosic fibers
Captaraíz Unipessoal, Lda.	Portugal	100.00%	100.00%	Real estate
Biotek, S.A.	Portugal	100.00%	100.00%	Production and commercialization of cellulosic fibers
Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.	Portugal	100.00%	100.00%	Real estate
Biogama, S.A.	Portugal	100.00%	100.00%	Holding (company)
Greenfiber, S.L.	Spain	75.00%	75.00%	Production and commercialization of cellulosic fibers
Greenfiber Development, S.L.	Spain	75.00%	75.00%	Production and commercialization of cellulosic fibers

These companies were included in the Altri Group's consolidated financial statements using the full consolidation method, as disclosed in Note 2.2 a).

4.2 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Joint ventures and associates, registered offices, proportion of capital held, main activity and value in the consolidated statement of financial position as at 31 December 2024 and 2023 are as follows:

Company	Registered office	Statement of financial position		Effective shareholding percentage		Main activity
		31.12.2024	31.12.2023	31.12.2024	31.12.2023	
Pulpchem Logistics, A.C.E.	Lavos, Portugal	—	—	50.00 %	50.00 %	Purchases of materials, subsidiary materials and services used in pulp and paper production processes
Afocelca - Agrupamento complementar de empresas para protecção contra incêndios, ACE	Herdade da Caniceira, Portugal	—	—	35.20 %	35.20 %	Provision of forest fire prevention and fighting services
C.V. Scheepvaartonderneming Schouwenbank (a)	Delfzijl, Netherlands	—	—	— %	— %	Management of freight vessels destined for ocean-going shipping
Investments in joint ventures		—	—			
Operfoz – Operadores do Porto da Figueira da Foz, Lda.	Figueira da Foz, Portugal	872,904	849,230	33.33 %	33.33 %	Port operations
Investments in associates		872,904	755,583			
Total		872,904	849,230			

(a) Investment in company sold in the first quarter of 2023

In the joint ventures presented, resolutions at the General Meeting are taken unanimously, and at the Board of Directors, the number of members is equal or the resolutions are taken unanimously, with the parties having joint control. Joint ventures and associates have been included in the consolidated financial statements using the equity method, as indicated in Note 2.2 b). The movements in the balance of this line item in the financial years ended 31 December 2024 and 2023 are detailed as follows:

	Statement of financial position		Statement of financial position		
	31.12.2024		31.12.2023		
	Operfoz	Total	Operfoz	Schouwenbank	Total
Opening balance	849,230	849,230	837,124	882,022	1,719,146
Additions	—	—	—	—	—
Disposals	—	—	—	(882,022)	(882,022)
Equity method:					
Effects on gains and losses pertaining to joint ventures and associates (Note 35)	23,674	23,674	12,106	—	12,106
Closing balance	872,904	872,904	849,230	—	849,230

As at 31 December 2024 and 2023, the net book value of the Group's investments in joint ventures and associates is reconciled as follows:

	31.12.2024	31.12.2023
	Operfoz	Operfoz
Equity	2,618,714	2,547,690
Percentage of share capital held	33.33%	33.33%
Group's share quota in equity	872,904	849,230
Goodwill included in the net book value of the investment	—	—
	872,904	849,230

As of 31 December 2024 and 2023, the summary financial information of joint ventures and associates can be detailed as follows:

	31.12.2024		31.12.2023	
	Associate	Joint ventures	Associate	Joint ventures
Non-current assets	5,520,278	112,340	5,385,699	3,665
Current assets	1,006,316	8,007,692	1,054,757	5,073,543
Non-current liabilities	2,390,377	—	2,390,355	—
Current liabilities	1,517,503	8,120,032	1,502,411	5,077,208
Equity	2,618,714	—	2,547,690	—
Turnover	6,440,200	53,308,938	6,622,644	57,956,381
Net profit for the financial year	71,023	—	36,317	—

The accounting policies of joint ventures and associates do not differ significantly from those of the Altri Group, for which reason there was no need for any harmonization of accounting policies.

5. CHANGES IN THE CONSOLIDATION PERIMETER

During the period ended 31 December 2024 there were no significant changes to the consolidation perimeter compared to 31 December 2023 (Note 4).

Following the reorganisation operation that led to the separation of Altri's two autonomous business units (the cellulosic fiber sector and the electricity generation sector) and the consequent distribution of Greenvolt shares to shareholders, the remaining interest in Greenvolt was recognised at fair value through other comprehensive income.

During the year ended 31 December 2023, the Altri Group carried out a distribution of Greenvolt shares to its shareholders, followed by a private placement of the remaining shares. Following the conclusion of these operations and as of 31 December 2023, the Altri Group did not hold any interest in Greenvolt's share capital.

In 2023, until the date of completion of these operations in relation to the remaining participation, a reduction of 30.7 million Euro was recognized in the fair value through other comprehensive income of the financial participation that the Altri Group held in Greenvolt.

6. FINANCIAL INSTRUMENTS BY CLASS

In accordance with the accounting policies described under Note 2.3.I), financial instruments were classified as follows:

31 December 2024	Financial assets recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Derivative financial instruments not designated as hedging instruments	Total
Non-current assets				
Derivative financial instruments	—	2,087,446	—	2,087,446
	—	2,087,446	—	2,087,446
Current assets				
Trade receivables	117,570,631	—	—	117,570,631
Other receivables	5,375,570	—	—	5,375,570
Other current assets	9,833,417	—	—	9,833,417
Derivative financial instruments	—	2,055,028	215,368	2,270,396
Cash and cash equivalents	280,307,334	—	—	280,307,334
	413,086,952	2,055,028	215,368	415,357,348
	413,086,952	4,142,474	215,368	417,444,794

31 December 2023	Financial assets recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Total
Non-current assets			
Derivative financial instruments	—	3,698,302	3,698,302
	—	3,698,302	3,698,302
Current assets			
Trade receivables	100,162,819	—	100,162,819
Other receivables	10,776,189	—	10,776,189
Other current assets	877,974	—	877,974
Derivative financial instruments	—	5,426,904	5,426,904
Cash and cash equivalents	253,703,406	—	253,703,406
	365,520,388	5,426,904	370,947,292
	365,520,388	9,125,206	374,645,594

31 December 2024	Financial liabilities recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Derivative financial instruments not designated as hedging instruments	Total
Non-current liabilities				
Bank loans	25,000,000	—	—	25,000,000
Other loans	358,117,280	—	—	358,117,280
Reimbursable government grants	292,724	—	—	292,724
Lease liabilities	66,270,194	—	—	66,270,194
Derivative financial instruments	—	17,645,048	—	17,645,048
	449,680,198	17,645,048	—	467,325,246
Current liabilities				
Bank loans	263,045	—	—	263,045
Other loans	114,596,655	—	—	114,596,655
Reimbursable government grants	282,513	—	—	282,513
Lease liabilities	19,169,845	—	—	19,169,845
Trade payables	122,917,492	—	—	122,917,492
Liabilities associated with contracts with customers	6,604,558	—	—	6,604,558
Other payables	8,078,183	—	—	8,078,183
Other current liabilities	27,807,772	—	—	27,807,772
Derivative financial instruments	—	7,005,399	2,416,665	9,422,064
	299,720,063	7,005,399	2,416,665	309,142,127
	749,400,261	24,650,447	2,416,665	776,467,373

31 December 2023	Financial liabilities recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Total
Non-current liabilities			
Bank loans	25,000,000	—	25,000,000
Other loans	467,267,117	—	467,267,117
Reimbursable government grants	514,650	—	514,650
Lease liabilities	63,797,897	—	63,797,897
Derivative financial instruments	—	14,221,026	14,221,026
	556,579,664	14,221,026	570,800,690
Current liabilities			
Bank loans	328,183	—	328,183
Other loans	123,341,705	—	123,341,705
Reimbursable government grants	343,100	—	343,100
Lease liabilities	17,528,877	—	17,528,877
Trade payables	84,437,149	—	84,437,149
Liabilities associated with contracts with customers	6,126,218	—	6,126,218
Other payables	12,007,513	—	12,007,513
Other current liabilities	21,586,175	—	21,586,175
Derivative financial instruments	—	2,477,860	2,477,860
	265,698,920	2,477,860	268,176,780
	822,278,584	16,698,886	838,977,470

Financial instruments measured at fair value

The following table shows the financial instruments that are measured at fair value after initial recognition, grouped into three levels according to the possibility of observing its fair value in the market:

	31.12.2024			31.12.2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
Derivatives (Note 27)	—	4,357,842	—	—	9,125,206	—
Financial liabilities measured at fair value:						
Derivatives (Note 27)	—	10,180,144	16,886,968	—	2,645,727	14,053,159

As at 31 December 2024 and 2023, there are no financial assets whose terms have been renegotiated and which, if not, would fall due or impaired.

7. PROPERTY, PLANT AND EQUIPMENT

During the financial years ended 31 December 2024 and 2023, the movement occurred in the value of property, plant and equipment, as well as in the corresponding depreciation and accumulated impairment losses, was as follows:

	2024								
	Asset gross value								
	Land and natural resources	Building and other edifications	Plant and equipment	Vehicles	Office equipment	Other tangible assets	Property, plant and equipment in progress	Advanced payments on fixed assets	Total
Opening balance	52,308,506	106,560,946	1,232,616,110	4,522,209	11,615,832	14,935,625	37,478,083	971,792	1,461,009,103
Acquisition of subsidiaries (Note 5)									—
Additions	4,689,698	607,819	6,606,369	509,931	355,407	346,137	6,410,510	8,043,211	27,569,082
Disposals and write-offs	(1,035,287)	(29,628)	(534,220)	(305,406)	(33,053)	(36,079)	—	—	(1,973,673)
Transfers	76,717	1,650,911	14,858,755	—	2,072	3,090,036	(19,581,729)	(183,915)	(87,153)
Closing balance	56,039,634	108,790,048	1,253,547,014	4,726,734	11,940,258	18,335,719	24,306,864	8,831,088	1,486,517,359

	Accumulated depreciation and impairment losses								
	Land and natural resources	Building and other edifications	Plant and equipment	Vehicles	Office equipment	Other tangible assets			Total
Opening balance	9,890,831	90,519,933	991,205,866	3,566,438	11,260,752	11,555,574			1,117,999,394
Additions (Note 36)	242,276	1,371,591	45,643,362	337,844	327,162	757,400			48,679,635
Disposals and write-offs	(152,125)	(1,332)	(534,220)	(263,183)	(33,053)	(36,079)			(1,019,992)
Closing balance	9,980,982	91,890,192	1,036,315,008	3,641,099	11,554,861	12,276,895			1,165,659,037
	46,058,652	16,899,856	217,232,006	1,085,635	385,397	6,058,824	24,306,864	8,831,088	320,858,322

	2023								
	Asset gross value								
	Land and natural resources	Building and other edifications	Plant and equipment	Vehicles	Office equipment	Other tangible assets	Property, plant and equipment in progress	Advanced payments on fixed assets	Total
Opening balance	45,866,351	106,346,834	1,173,743,161	4,658,400	11,358,839	12,267,917	46,514,532	1,069,250	1,401,825,284
Additions	6,365,204	184,173	33,910,423	206,557	287,374	1,273,750	19,368,850	617,225	62,213,556
Disposals and write-offs	(23,144)	—	(2,497,535)	(342,748)	(48,826)	(117,484)	—	—	(3,029,737)
Transfers	100,095	29,939	27,460,061	—	18,445	1,511,442	(28,405,299)	(714,683)	—
Closing balance	52,308,506	106,560,946	1,232,616,110	4,522,209	11,615,832	14,935,625	37,478,083	971,792	1,461,009,103

	Accumulated depreciation and impairment losses								
	Land and natural resources	Building and other edifications	Plant and equipment	Vehicles	Office equipment	Other tangible assets			Total
Opening balance	9,494,150	89,238,631	940,788,373	3,591,866	10,972,357	11,113,953			1,065,199,330
Additions (Note 38)	244,556	1,362,439	52,416,808	289,928	322,454	612,202			55,248,387
Disposals and write-offs	—	—	(2,033,262)	(315,356)	(48,826)	(50,879)			(2,448,323)
Transfers	152,125	(81,137)	33,947	—	14,767	(119,702)			—
Closing balance	9,890,831	90,519,933	991,205,866	3,566,438	11,260,752	11,555,574			1,117,999,394
	42,417,675	16,041,013	241,410,244	955,771	355,080	3,380,051	37,478,083	971,792	343,009,709

During the years ended 31 December 2024 and 2023, depreciation for the year amounted to 48,679,635 Euro and 55,248,387 Euro, respectively, and was recorded in the income statement caption "Amortisation and depreciation" (Note 36).

As at 31 December 2024 and 2023 no financial charges were capitalized.

As at 31 December 2024, acquisitions in the period were mainly made by the three cellulosic fiber production units of the Group (Celbi, Caima and Biotek) and by the subsidiary Altri Florestal. At Caima’s production unit the installation of the unit for the recovery and valorization of acetic acid and furfural from renewable sources continues, reusing the steam resulting from the biomass combustion and eliminating the use of fossil fuels in the process. Across the Altri Group's three cellulose fiber production units there is continued investment in reducing environmental impacts and in projects to improve the efficiency of the production process. The Altri Florestal subsidiary continues to invest in land and forestry properties.

At 31 December 2023, acquisitions in the period were mainly made by the three cellulosic fiber production units of the Group (Celbi, Caima and Biotek) and by the subsidiary Altri Florestal. At Celbi's production unit the refurbishment of the wastewater treatment plant (ETARi) was completed, which contributed to a lower level of water consumption, as well as an improvement in the quality of the effluent. At Caima’s production unit the first phase of the installation of a new biomass boiler was completed, which enabling the energy recovery of lignocellulosic waste and the recovery and valorization of acetic acid and furfural from renewable sources, reusing the steam resulting from biomass combustion and eliminating the use of fossil fuels in the process. Across the three production units of cellulosic fibers of the Altri Group there was continued investment in reducing environmental impacts, in particular investment in the installation of photovoltaic electricity production units, and in projects to improve the efficiency of the production process. In the subsidiary Altri Florestal the investments in land and forestry properties are maintained.

The disposals and write-offs of equipment in the year refer, essentially, to assets that were practically depreciated.

The caption "Property, plant and equipment in progress", as at 31 December 2024, refers, essentially, to the development of the project in Spain and other factory optimization projects at the production units. As at 31 December 2023, refers, essentially, to the installation of the new counter-pressure turbine at Caima and to the optimization project for the recovery boiler at Biotek production unit, projects that were completed during 2024.

The caption “Advanced payments on fixed assets”, on 31 December 2024, essentially refers to advances related to the acquisition of manufacturing equipment for the unit for the recovery and valorization of acetic acid and furfural from renewable sources, at the Caima industrial unit.

8. RIGHT-OF-USE

8.1. RIGHT-OF-USE ASSETS

During the financial years ended 31 December 2024 and 2023, the movement that occurred in the amount of right-of-use assets, as well as the corresponding depreciation, was detailed as follows:

	2024					
	Asset gross value					
	Land and nature resources	Buildings and other edifications	Plant and machinery	Vehicles	Wood yards	Total
Opening balance	155,464,977	878,998	18,468,364	6,945,550	380,715	182,138,604
Additions	8,175,136	392,610	7,662,247	813,811	211,218	17,255,022
Write-offs and decreases	(1,015,739)	(48,217)	—	(85,731)	(58,818)	(1,208,505)
Changes in currency exchange rate	—	(4,371)	—	171	—	(4,200)
Closing balance	162,624,374	1,219,020	26,130,611	7,673,801	533,115	198,180,921

	Accumulated depreciation					
	Land and nature resources	Buildings and other edifications	Plant and machinery	Vehicles	Wood yards	Total
Opening balance	89,882,677	593,631	18,152,853	4,392,438	299,292	113,320,891
Additions (Note 36)	8,644,397	302,511	1,442,767	1,297,614	61,833	11,749,122
Write-offs and decreases	(550,924)	(17,162)	—	(85,731)	(58,818)	(712,635)
Changes in currency exchange rate	—	(2,469)	—	(225)	—	(2,694)
Closing balance	97,976,150	876,511	19,595,620	5,604,096	302,307	124,354,684
	64,648,224	342,509	6,534,991	2,069,705	230,808	73,826,237

	2023					
	Asset gross value					
	Land and nature resources	Buildings and other edifications	Plant and machinery	Vehicles	Wood yards	Total
Opening balance	148,500,379	646,049	19,492,062	8,472,858	709,120	177,820,468
Additions	10,729,110	247,322	649,661	1,252,822	790	12,879,705
Write-offs and decreases	(3,764,512)	(62,163)	(1,673,359)	(2,754,245)	(329,195)	(8,583,474)
Transfers	—	28,811	—	(28,811)	—	—
Changes in currency exchange rate	—	18,979	—	2,926	—	21,905
Closing balance	155,464,977	878,998	18,468,364	6,945,550	380,715	182,138,604

	Accumulated depreciation					
	Land and nature resources	Buildings and other edifications	Plant and machinery	Vehicles	Wood yards	Total
Opening balance	84,278,430	272,915	18,308,863	5,777,284	548,411	109,185,903
Additions (Note 36)	8,154,909	329,612	1,517,349	1,356,366	80,076	11,438,312
Write-offs and decreases	(2,550,662)	(34,517)	(1,673,359)	(2,729,559)	(329,195)	(7,317,292)
Transfers	—	13,515	—	(13,515)	—	—
Changes in currency exchange rate	—	12,106	—	1,862	—	13,968
Closing balance	89,882,677	593,631	18,152,853	4,392,438	299,292	113,320,891
	65,582,300	285,367	315,511	2,553,112	81,423	68,817,713

During the years ended 31 December 2024 and 2023, depreciation for the year amounted to 11,749,122 Euro and 11,438,312 Euro, respectively, and was recorded in the income statement caption "Amortisation and depreciation" (Note 36).

The line item “Land and natural resources” basically concerns lease agreements associated with forest land where the Group’s Biological Assets are located. The lease contracts included in this item have an average duration of more than 10 years, and, according to the term of each contract, an interval for the incremental interest rate of 1.0% to 6.0% was considered.

The item "Plant and machinery" essentially refers to asset lease contracts related to operational activity in the production of subsidiary materials used in the cellulosic fiber production process. The lease contracts included in this caption have an average duration of 4 years, and, according to the term of each contract, an interval for the incremental interest rate of 2.3% to 5.1% was considered.

The item “Vehicles” refers to car rental contracts and vehicles with high tonnage handling. The lease contracts included in this item have an average duration of 3 years, and, according to the term of each contract, an interval for the incremental interest rate of 1.3% to 5.0% was considered.

Write-offs and decreases in the years ended 31 December 2024 and 2023 relate primarily to contract terminations and other decreases that are reflected in the decrease and write-off of the respective lease liabilities (Note 8.2).

8.2. LEASE LIABILITIES

During the financial year ended as of 31 December 2024 and 2023, the movement in lease liabilities was as follows:

		31.12.2024	31.12.2023
Opening balance		81,326,774	82,284,050
Additions		17,255,022	12,879,705
Write-offs and decreases		(505,880)	(1,264,047)
Accrued interest		2,995,845	2,936,156
Payments		(15,582,869)	(14,969,727)
Changes in currency exchange rate		(5,079)	7,908
Other effects		(43,774)	(547,271)
Closing balance		85,440,039	81,326,774
	Current	19,169,845	17,528,877
	Non-current	66,270,194	63,797,897

In addition, the following amounts were recognised in 2024 and 2023 as expenses related to lease contracts:

	31.12.2024	31.12.2023
Depreciation of right-of-use assets (Note 36)	11,749,122	11,438,312
Interest expenses related to lease liabilities (Note 34)	2,995,845	2,936,156
Expenses related to leases associated with short-term leases and/or low-value assets	1,702,314	1,472,499
Variable lease payments	2,005,384	787,378
Total amount recognised in the income statement	18,452,665	16,634,345

The maturity of the lease liabilities is as follows:

	31.12.2024					
	2025	2026	2027	2028	>2028	Total
Lease Liabilities	19,169,845	11,534,947	10,070,483	6,017,862	38,646,902	85,440,039
	19,169,845	11,534,947	10,070,483	6,017,862	38,646,902	85,440,039

	31.12.2023					
	2024	2025	2026	2027	>2027	Total
Lease Liabilities	17,528,877	9,368,897	9,330,692	7,820,794	37,277,514	81,326,774
	17,528,877	9,368,897	9,330,692	7,820,794	37,277,514	81,326,774

9. GOODWILL

As at 31 December 2024 and 2023, the line item 'Goodwill' was composed of the following:

	31.12.2024	31.12.2023
Celbi	253,391,251	253,391,251
Others	12,239,722	12,239,722
	265,630,973	265,630,973

Goodwill is entirely associated with the activity under cellulosic fiber production (Note 38). The division of Goodwill between Celbi and Others arises from the Group's history of acquisitions, and basically of acquisition transactions by subsidiaries Celbi (Goodwill shown as 'Celbi'), Biotek and Caima (Goodwill shown as 'Others').

The Goodwill is not depreciated, while impairment tests are performed annually and whenever an event or a change in circumstances is identified as showing that the amount at which the asset is recorded may not be recovered. Whenever the amount at which the asset is recorded is higher than its recoverable amount, an impairment loss is recognised. The recoverable amount is either the net sales price or the value in use, whichever is higher. During the financial years ended 31 December 2024 and 2023, no impairment losses pertaining to Goodwill were recorded.

In the 2024 financial year, in order to assess whether or not there was impairment for Goodwill resulting from the acquisition of Celbi, S.A. in the 2006 financial year, in the amount of 253,391,251 Euro, the Group evaluated this subsidiary, and concluded that there was no impairment. The evaluation was conducted based on Celbi's historical performance and on an estimated discounted cash flows, on the basis of Celbi's five-year business plan and having considered a medium and long-term sales price of pulp, not influenced by short-term positive or negative fluctuations.

In relation to Goodwill presented in “Others”, in order to assess the existence or not of impairment losses with reference to 31 December 2024, the Group also carried out the valuation of the subsidiaries Caima and Biotek, having concluded that there was no impairment at that Goodwill level. The valuations were carried out based on the historical performance of these entities and on an estimate of discounted cash flows based on Caima and Biotek's five-year business plans and considered a medium and long-term sale price of pulp, not influenced by short-term positive or negative fluctuations.

As mentioned under Note 2.4 b), the relevant assumption relates to determining the discount rate. The inflation rate and the growth rate in perpetuity result from the Group's understanding of future perspectives for changing prices and activity.

The main assumptions used in this calculation with reference to 31 December 2024 and 2023 were the following:

	2024	2023
Inflation rate	2.00%	2.18%
Discount rate	6.45%	6.74%
Growth rate in perpetuity	2.00%	2.00%

The discount rate net of tax (because the cash flows used in the financial projections are also net of tax) used in the financial year ended 31 December 2024 was 6.45% (6.74% in 2023), which was calculated based on the WACC (Weighted Average Cost of Capital) methodology, considering the following assumptions:

	2024	2023
Risk-free interest rate	2.36%	2.03%
Equity risk premium	4.33%	4.60%
Debt risk premium	3.50%	3.50%

From this analysis, the Group concluded that there is a comfortable margin relative to the point from which the Goodwill would be at risk of impairment.

10. INTANGIBLE ASSETS

During the financial years ended 31 December 2024 and 2023, the movements that occurred in the value of intangible assets, as well as in the corresponding depreciation and accumulated impairment losses, was as follows:

	2024				
	Gross asset value				
	Industrial property and other rights	Software	Other intangible assets	Intangible assets in progress	Total
Opening balance	1,320	10,857,302	25,601	321,527	11,205,750
Additions	—	198,741	—	367,678	566,419
Disposals and write-offs	—	—	—	—	—
Transfers	—	195,451	—	(108,298)	87,153
Closing balance	1,320	11,251,494	25,601	580,907	11,859,322

	Accumulated amortisation				
	Industrial property and other rights	Software	Other intangible assets		Total
Opening balance	1,320	10,662,703	25,601		10,689,624
Additions (Note 36)	—	230,382	—		230,382
Disposals and write-offs	—	—	—		—
Closing balance	1,320	10,893,085	25,601		10,920,006
	—	358,409	—	580,907	939,316

	2023				
	Gross asset value				
	Industrial property and other rights	Software	Other intangible assets	Intangible assets in progress	Total
Opening balance	1,320	10,805,417	25,601	—	10,832,338
Additions	—	51,885	—	321,527	373,412
Disposals and write-offs	—	—	—	—	—
Transfers	—	—	—	—	—
Closing balance	1,320	10,857,302	25,601	321,527	11,205,750

	Accumulated amortisation				
	Industrial property and other rights	Software	Other intangible assets		Total
Opening balance	1,320	10,395,865	25,601		10,422,786
Additions (Note 36)	—	266,838	—		266,838
Disposals and write-offs	—	—	—		—
Closing balance	1,320	10,662,703	25,601		10,689,624
	—	194,599	—	321,527	516,126

During the financial years ended 31 December 2024 and 2023, amortisation for the financial year came to 230,382 Euro and 266,838 Euro, respectively, and were recorded under the income statement line item 'Amortisation and depreciation' (Note 36).

11. INVENTORIES AND BIOLOGICAL ASSETS

As at 31 December 2024 and 2023, the amount recorded under the line item 'Biological assets' can be detailed as follows:

		31.12.2024	31.12.2023
Opening balance		114,534,492	108,927,336
Changes during the year		3,179,888	5,608,258
Stock adjustments		—	(1,102)
	Subtotal	117,714,380	114,534,492
Prepayments on account of purchases		113,011	238,359
Closing balance		117,827,391	114,772,851

The amount shown as at 31 December 2024 and 2023 by species is disclosed as follows:

	31.12.2024	31.12.2023
Eucalyptus	114,312,890	111,026,181
Pine	2,910,267	2,880,184
Cork oak	443,897	580,801
Others	47,326	47,326
Total	117,714,380	114,534,492

During the financial years ended 31 December 2024 and 2023, the movement concerning eucalyptus and other species was as follows:

	31.12.2024			31.12.2023		
	Eucalyptus	Pine	Cork oak	Eucalyptus	Pine	Cork oak
Opening balance	111,026,181	2,880,184	580,801	105,498,532	2,876,997	504,481
Cuts made in the period	(24,023,071)	(132,259)	(346,274)	(20,454,056)	(222,447)	(21,679)
Growth	11,499,555	53,879	35,306	13,979,246	40,026	17,309
New plantings and replantings (at cost)	4,158,197	3,850	3,125	3,300,738	1,960	4,664
Changes in fair value:						
Discount rate	1,030,477	8,335	3,975	12,160,389	93,043	43,142
Other changes	10,621,551	96,278	166,964	(3,458,668)	90,605	32,884
Closing balance	114,312,890	2,910,267	443,897	111,026,181	2,880,184	580,801

The conducted evaluation, calculated for each grove into which the properties are divided, was obtained, considering, in the case of the eucalyptus:

- the occupied area;
- the age of the stands;
- production of debarked wood based on the average annual increase;
- the time turnover occurs.

The discount rate used in the financial year ended 31 December 2024 was 4.61% (4.71% as at 31 December 2023).

As of 31 December 2024, the caption "Other changes" relates to fair value variations arising from changes in the sale price and the costs of forest management, maintenance and exploration, in line with inflation.

The Altri Group performed a sensitivity analysis of this evaluation of changes to key assumptions, and concluded that, had it considered a lower/higher discount rate by 1.5 p.p., the figure for biological assets would have risen/dropped by 19.2 million Euro and 15.0 million Euro, respectively.

As at 31 December 2024 and 2023, (i) there are no amounts of biological assets whose ownership was limited and/or pledged as security for liabilities, or irreversible commitments regarding the acquisition of biological assets, and (ii) there are no government grants related to biological assets recognised in the Group's consolidated financial statements.

As at 31 December 2024, the total area under management by the Altri Group amounted to approximately 100.9 thousand hectares.

As at 31 December 2024 and 2023, the total area related to eucalyptus presented the following distribution by age:

	31.12.2024	31.12.2023
0-5 years	34,306	32,656
6-10 years	33,393	31,816
> 10 years	12,192	12,711
	79,891	77,183

The remaining area under its management refers to other residual forest species of lesser relevance.

As at 31 December 2024 and 2023, the amount recorded under the line item 'Inventories' can be detailed as follows:

	31.12.2024	31.12.2023
Raw materials, subsidiaries and consumables	57,698,622	59,805,218
Goods	4,925,985	5,161,149
Products and works in progress	541,861	472,358
Finished products and intermediate goods	40,680,053	41,499,807
Prepayments on account of purchases	1,869,617	1,155,565
	105,716,138	108,094,097
Accumulated impairment losses (Note 21)	(9,769,329)	(10,388,363)
	95,946,809	97,705,734

As at 31 December 2024 and 2023, the amount recorded in the item “Goods” includes, mainly, biomass to be sold to Greenvolt Group’s companies.

The cost of sales for the financial year ended 31 December 2024 ascended to 363,086,291 Euro and was determined as follows:

	Raw materials, subsidiaries and consumables	Goods	Finished products and intermediate goods	Products and works in progress	Total
Opening balance	59,805,218	5,161,149	41,499,807	472,358	106,938,532
Purchases	311,784,248	48,219,334	—	—	360,003,582
Inventory adjustments	—	—	(9,302)	—	(9,302)
Final inventories	(57,698,622)	(4,925,985)	(40,680,053)	(541,861)	(103,846,521)
	313,890,844	48,454,498	810,452	(69,503)	363,086,291

The cost of sales for the financial year ended 31 December 2023 ascended to 427,689,753 Euro and was determined as follows:

	Raw materials, subsidiaries and consumables	Goods	Finished products and intermediate goods	Products and works in progress	Total
Opening balance	58,914,017	2,967,846	60,713,520	617,770	123,213,153
Purchases	361,082,372	50,332,760	—	—	411,415,132
Inventory adjustments	—	—	—	—	—
Final inventories	(59,805,218)	(5,161,149)	(41,499,807)	(472,358)	(106,938,532)
	360,191,171	48,139,457	19,213,713	145,412	427,689,753

12. CURRENT AND DEFERRED TAXES

According to current legislation, tax returns are subject to review and correction by the tax authorities during a period of four years (five years for Social Security), except when there have been tax losses, tax benefits granted, or when inspections, complaints or challenges are in progress, in which cases, depending on the circumstances, the deadlines are extended or suspended. Thus, the Group's tax returns since 2021 may still be subject to review.

The Group's Board of Directors considers that any corrections resulting from reviews/inspections by the tax authorities to those tax returns will not have a material effect on the financial statements as at 31 December 2024 and 2023.

Deferred tax assets and liabilities as at 31 December 2024 and 2023, according to the temporary differences generating them, are detailed as follows:

	31.12.2024		31.12.2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Provisions and impairment losses not accepted for tax purposes	2,967,073	—	3,126,950	—
Fair value of derivative instruments	4,643,660	1,045,940	3,198,542	2,371,341
Pension fund	—	24,388	66,710	—
Harmonization of accounting principles	608,198	—	801,982	—
Fixed-asset revaluation - DL 66/2016	834,307	—	1,763,032	—
Fair value of biological assets	508,576	—	497,720	14,253
Goodwill tax amortisation (Spain)	—	40,670,868	—	37,559,140
Right-of-use assets	1,955,354	—	1,955,362	—
Tax losses carried forward	—	—	26,252	—
Others	460,552	51,889	1,067,777	353,390
	11,977,720	41,793,085	12,504,327	40,298,124

The movement that occurred in deferred tax assets and liabilities in the financial years ended 31 December 2024 and 2023 was as follows:

	2024	
	Deferred tax assets	Deferred tax liabilities
Balance as at 1 January 2024	12,504,327	40,298,124
Effects on income statement:		
Increase/(Reduction) of provisions and impairment losses	(159,876)	—
Harmonization of accounting principles	(193,784)	—
Fair value of biological assets	10,856	(14,253)
Fixed-asset revaluation - DL 66/2016	(928,725)	—
Goodwill tax amortisation (Spain)	—	3,111,728
Tax losses carried forward	(26,252)	—
Other effects	(513,528)	(277,113)
Total effects on income statement	(1,811,309)	2,820,362
Effects on equity:		
Fair value of derivative instruments (Note 27)	1,445,118	(1,325,401)
Pension funds	(160,416)	—
Total effects on other comprehensive income	1,284,702	(1,325,401)
Balance as at 31 December 2024	11,977,720	41,793,085

	2023	
	Deferred tax assets	Deferred tax liabilities
Balance as at 1 January 2023	12,950,816	38,932,184
Effects on income statement:		
Increase/(Reduction) of provisions and impairment losses	(645,438)	—
Harmonization of accounting principles	(148,515)	—
Fair value of biological assets	(380,330)	14,253
Fixed-asset revaluation - DL 66/2016	(1,316,489)	—
Goodwill tax amortisation (Spain)	—	3,111,728
Tax losses carried forward	26,252	—
Other effects	48,167	(48,873)
Total effects on income statement	(2,416,353)	3,077,108
Effects on equity:		
Fair value of derivative instruments (Note 27)	1,979,876	(1,711,168)
Pension funds	(10,012)	—
Total effects on other comprehensive income	1,969,864	(1,711,168)
Balance as at 31 December 2023	12,504,327	40,298,124

In 2016, the subsidiary Celbi, S.A. chose to apply the optional Property, plant and equipment revaluation, for tax purposes, and investment property regime, pursuant to Decree-Law no. 66/2016, of 3 November. Within this framework, the constituted revaluation reserve was subject to a 14% autonomous tax rate. It should be pointed out that this amount was paid in full in 2016, 2017, and 2018. In addition, the corresponding depreciation is deductible, for tax purposes, from the 2018 financial year, in order to determine the taxable income. Thus, in the financial years ended 31 December 2024 and 2023, the Group recorded a deferred tax asset in the amount of around 900,000 Euro and 1,800,000 Euro, respectively. The 2018 financial year was the first year when the subsidiary, for tax purposes, deducted the depreciation of the revaluation performed under said scheme. This revaluation, performed solely for tax purposes, did not impact the book value of fixed assets.

According to the State Budget for 2025 (Law no. 45-A/2024), Corporate Income Tax rates have been reduced by 1%, with the general rate going from 21% to 20% in 2025. As a result, as at 31 December 2024 and 2023, the tax rate to be used by companies in Portugal to calculate deferred tax assets relating to tax losses is 20% and 21%, respectively. In the case of positive or negative temporary differences originating in Portuguese companies, the rate to be used is 21.5% and 22.5%, respectively, plus the municipal surtax rate in the companies where payment is expected in the expected reversal periods of the associated deferred taxes. In accordance with the legislation in force in Portugal during the financial years ended 31 December 2024 and 2023, the state surtax corresponds to the application of an additional rate of 3% on the taxable income between 1.5 and 7.5 million Euro, 5% on the taxable income between 7.5 and 35 million Euro and 9% on the taxable income above 35 million Euro.

Under the terms of article 88 of the Corporate Income Tax Code, the Group is subject to autonomous taxation on a set of charges at the rates provided for in the mentioned article.

For companies or branches located in other countries, the respective rates applicable in each jurisdiction were used. In particular, in relation to the subsidiary Altri, S.L., headquartered in Spain, the rate used in the calculation of deferred tax assets and liabilities was 25% as it is the tax rate in force in that country.

Deferred taxes to be recognised resulting from tax losses are only recorded to the extent where taxable income is likely to occur in the future and which can be used for recovering tax losses or deductible tax differences.

As of 31 December 2024 and 2023, there are no deferred tax assets related to tax loss carryforwards recognized.

The Board of Directors of Altri Group believes that the remaining deferred tax assets recorded as of 31 December 2024 are fully recoverable.

The detail of the tax losses carried forward that did not generate deferred tax assets is detailed as follows:

		31.12.2024		31.12.2023	
		Tax loss	Tax credit	Tax loss	Tax credit
Without limitation of use date					
	Portugal	3,019,996	603,999	2,908,560	610,798
Without limitation of use date					
	Spain	50,922,835	12,730,709	51,922,835	12,980,709
		53,942,831	13,334,708	54,831,395	13,591,507

Income tax recognised in the income statement in the financial years ended 31 December 2024 and 2023 can been detailed as follows:

	31.12.2024	31.12.2023
Current tax	(26,673,022)	538,112
Deferred tax	(4,631,671)	(5,493,461)
	(31,304,693)	(4,955,349)

The reconciliation of the profit before income tax to the income tax for the financial year is as follows:

	31.12.2024	31.12.2023
Profit before income tax	137,805,214	46,947,846
Theoretical rate of 21%	21.00%	21.00%
	(28,939,095)	(9,859,048)
Tax benefits	—	269,659
Autonomous taxes	(592,997)	(351,842)
(Insufficiency)/excess Income tax estimates	2,059,742	5,524,970
Surtax	(6,982,971)	(573,743)
Other effects	3,150,628	34,655
Income tax	(31,304,693)	(4,955,349)

At 31 December 2024 and 2023, the amount included under the caption "(Insufficiency)/excess Income tax estimates" relates essentially to the recognition of tax benefits.

International tax reform – Pillar 2

In accordance with the Directive (EU) 2022/2523 of the Council of the European Union of 14 December 2022 and the OECD recommendations, the Altri Group belongs to the group of multinational entities that obtain consolidated income of more than 750,000,000 Euro in at least 2 of the last 4 tax years. The Group therefore falls within the scope of Pillar 2, which aims to guarantee a worldwide minimum level of taxation for multinational groups. In order to reduce the complexity of the new reporting obligations, the OECD allows, in the first years of implementation of the Pillar 2 GloBE rules, the application of an initial exclusion phase, effective until 31 December 2028, or, if the Group does not fall within the initial exclusion phase, the application of transitional safe-harbor rules, effective until 31 December 2026.

In view of the legal framework and guidance provided for under Pillar 2 of the OECD's "BEPS 2.0" project, relating to erosion of the tax base and profit shifting, which aims to ensure that all multinational companies (and large national groups) pay a minimum share of tax on profits in each jurisdiction, by applying a minimum profits tax rate of 15%, the Altri Group carried out a preliminary assessment of its potential exposure to Pillar 2 income taxes, with reference to the year ending 31 December 2024.

For a group to be excluded from the implementation of Pillar 2 GloBE rules at an early stage, it must be considered a multinational group of companies at the initial stage of international activity or a large national group. As of 31 December 2024, the Altri Group continuous to meet the criteria for being a multinational group of companies in the initial phase of international activity, since it includes constituent entities located in no more than six jurisdictions (the Altri Group only operates in three jurisdictions: Portugal, Spain and Switzerland) and the sum of the net book value of the tangible assets of all its constituent entities, with the exception of those located in the reference jurisdiction, does not exceed 50,000,000 Euro. Therefore, based on the preliminary assessment carried out, with the support of specialized tax consultants, the Altri Group has concluded that the framework within the initial exclusion phase is maintained, i.e. the supplementary tax due is reduced to zero with reference to 31 December 2024.

Nonetheless, for the following financial years, the Altri Group does not foresee a potential material exposure to Pillar 2 supplementary taxes, as it believes that this would fall under the application of the transitional safe-harbour rules. It should be noted, however, that the assessment of potential exposure to Pillar 2 income taxes was made on the basis of the legislation available at the time. Given the complexity of this matter, the Altri Group will continue to monitor future developments and their potential impacts in all jurisdictions where it operates.

13. TRADE RECEIVABLES

As at 31 December 2024 and 2023, this line item was composed of the following:

	31.12.2024	31.12.2023
Trade receivables, current account	117,724,563	100,316,751
Trade receivables, bad debt	30,188	33,126
	117,754,751	100,349,877
Accumulated impairment losses (Note 21)	(184,120)	(187,058)
	117,570,631	100,162,819

The Group's exposure to credit risk is attributable first and foremost to receivables from its operating activity. The amounts given in the statement of financial position are net of accumulated impairment losses that were estimated by the Group. The Board of Directors believes that the book values receivable are close to their fair value, since these accounts' receivable do not pay interests and the discount effect is deemed immaterial.

As at 31 December 2024 and 2023, the ageing of the net trade receivables balance amount can be analysed as follows:

	31.12.2024	31.12.2023
Not due	98,579,189	83,364,930
Due, with no impairment losses recorded		
0 - 30 days	15,493,615	13,572,210
30 - 90 days	3,381,715	3,135,903
+ 90 days	116,112	89,776
	117,570,631	100,162,819

The Group contracted credit insurances and other credit enhancements in order to cover the risk of uncollectability on the part of these trade receivables, as follows:

	31.12.2024	31.12.2023
With credit insurance and other credit enhancements	92,398,584	74,586,535
With no credit insurance and other credit enhancements	25,172,047	25,576,284
	117,570,631	100,162,819

The Group does not charge any interest while set payment terms (60 days, on average) are being complied with. Upon expiry of said terms, contractually set interest is charged under legislation in force and as applicable to each situation. This will tend to occur only in extreme situations.

The Board of Directors understands that receivables not fallen due shall be realised in their entirety, considering the history of uncollectability and the characteristics of the counterparties. In addition, with the adoption of IFRS 9, the Group calculates expected impairment losses for its receivables in accordance with the criteria disclosed under Note 2.3 l).

14. OTHER RECEIVABLES

As at 31 December 2024 and 2023, this line item was composed of the following:

	31.12.2024	31.12.2023
Advance payments to suppliers	439,277	8,777
Receivables from the State and other public entities (Note 15)	8,815,901	7,048,604
Others	7,552,444	12,953,063
	16,807,622	20,010,444
Accumulated impairment losses (Note 21)	(2,176,874)	(2,176,874)
	14,630,748	17,833,570

As at 31 December 2024 and 2023, the caption "Others" includes, essentially, receivables related to energy price derivative contracts, receivables related to government grants (Note 22), guarantees for lease contracts and others, for part of which impairment losses were recognized.

As at 31 December 2024 and 2023, the net balance amount under 'Other receivables' did not fall due. Receivables not fallen due show no sign of impairment, as the book value of net impairment assets is deemed to be close to their fair value, and the effect of their financial discount is immaterial.

The Board of Directors understands that receivables not fallen due shall be realised in their entirety, considering the history of uncollectability and the characteristics of the counterparties. In addition, the Group calculates expected impairment losses for its receivables in accordance with the criteria disclosed under Note 2.3 l).

15. STATE AND OTHER PUBLIC ENTITIES

Debit and credit balances with the State and Other Public Entities as at 31 December 2024 and 2023 are detailed as follows:

Debit balances:	31.12.2024	31.12.2023
Income tax	3,737,477	25,261,492
Total income tax	3,737,477	25,261,492
Value-added tax	8,583,988	6,695,215
Other taxes	231,913	353,389
Total other taxes (Note 14)	8,815,901	7,048,604

Credit balances:	31.12.2024	31.12.2023
Income tax	(25,924,720)	—
Others	(1,630,838)	(1,630,838)
Total income tax	(27,555,558)	(1,630,838)
Tax withholding	(680,909)	(571,470)
Social Security contributions	(798,252)	(730,628)
Value-added tax	(1,679,744)	(1,804,769)
Other taxes	(51,593)	(34,363)
Total other taxes (Note 24)	(3,210,498)	(3,141,230)

As at 31 December 2024, the credit balance "Income tax" refers essentially to the tax payable by the Group companies based in Portugal, less the respective payments on account and additional payments on account.

As at 31 December 2024 and 2023, the debit balance "Income tax" includes payments on account made by the Group company based in Spain, less the respective income tax payable for the year. Additionally, as at 31 December 2023, the caption also includes payments on account and additional payments on account to be received by Group companies based in Portugal, less the respective income tax payable for the year.

As at 1 January 2024 and 2023 (the reference date for calculating the CESE), the subsidiary Celbi was in the self-consumption regime and was therefore exempt from paying the Extraordinary Contribution for the Energy Sector (CESE).

16. OTHER CURRENT ASSETS

As at 31 December 2024 and 2023, the line item 'Other current assets' can be detailed as follows:

	31.12.2024	31.12.2023
Accrued income:		
Interest receivable	676,634	553,278
Other gains to be invoiced	9,156,783	324,696
Deferred costs:		
Prepaid rents and leases	208,794	489,839
Prepaid insurance	1,989,700	1,919,241
Other prepaid expenses	1,478,141	1,510,567
	13,510,052	4,797,621

As at 31 December 2024 and 2023, the balance of the item "Other gains to be invoiced" includes essentially an accrual of income for an insurance claim, following an incident that occurred in the cogeneration turbine of Celbi's production unit (Note 32). In addition, the line item also includes an accrual of income relating to a premium attributed to the electricity sales tariff for Caima's new biomass boiler.

17. CASH AND CASH EQUIVALENTS

As at 31 December 2024 and 2023, the detail of 'Cash and cash equivalents' was as follows:

	31.12.2024	31.12.2023
Cash	378,681	378,510
Bank deposits	279,928,653	253,324,896
Cash and bank balances on the statement of financial position	280,307,334	253,703,406
Bank overdrafts (Note 20)	—	—
Cash and bank balances in the statement of cash flows	280,307,334	253,703,406

As shown under Note 3) a) ii), as at 31 December 2024 and 2023, the balances of cash and cash equivalents in a currency other than the Euro come to 25,953,266 Euro and 24,314,000 Euro, respectively.

18. NON-CONTROLLING INTERESTS

The movements in the balance of this item for the years ended 31 December 2024 and 2023 is as follows:

	31.12.2024		31.12.2023	
	Greenfiber and subsidiary	Total	Greenfiber and subsidiary	Total
Opening balance	4,935,455	4,935,455	2,185,099	2,185,099
Capital contributions by non-controlling interests	—	—	3,544,000	3,544,000
Effects on results	(703,504)	(703,504)	(793,644)	(793,644)
Closing balance	4,231,951	4,231,951	4,935,455	4,935,455

As at 31 December 2023, capital contributions by minority shareholders were made in the amount of 3,544,000 Euro, which Altri followed in its share (75%).

19. SHARE CAPITAL AND RESERVES

Share capital

As at 31 December 2024 and 2023, the Group's share capital was fully subscribed and paid up and consisted of 205,131,672 nominative shares with a nominal value of 12.5 Euro-cents each.

As at 31 December 2024 and 2023, there were no legal entities with a subscribed capital interest of at least 20%.

Legal reserve

Portuguese commercial legislation establishes that at least 5% of the annual net profit must be allocated to the 'Legal reserve' until it represents at least 20% of the share capital.

As at 31 December 2024 and 2023, Altri, SGPS, S.A.'s financial statements showed the amount of 5,128,292 Euro related to legal reserve, which may not be distributed among shareholders, except in the event of closing up the Group, but can be used for absorbing losses after the other reserves have been exhausted, or incorporated in capital.

Hedging reserve

The line item 'Hedging reserve' relates to the fair value of derivative financial instruments classified as cash flow hedging instruments in the effective hedge component, net of respective deferred taxes (Notes 12 and 27).

Other reserves

	31.12.2024	31.12.2023
Pension funds	(976,977)	(974,789)
Reserve DL 66/2016	1,763,032	3,079,521
Currency translation reserves	89,754	95,073
Retained earnings	326,387,645	333,728,348
	327,263,454	335,928,153

Pursuant to Portuguese legislation, the distributable reserves amount is determined based on the separate financial statements of Altri SGPS, S.A., submitted in accordance with the International Financial Reporting Standards, as adopted by the European Union. As at 31 December 2024, the distributable reserves amount comes to 119,844,642 Euro.

20. BANK LOANS, OTHER LOANS AND REIMBURSABLE GOVERNMENT GRANTS

As at 31 December 2024 and 2023, the detail of 'Bank loans', 'Other loans', and 'Reimbursable Government Grants' was as follows:

	31.12.2024					
	Nominal value			Book value (1)		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	—	25,000,000	25,000,000	263,045	25,000,000	25,263,045
Bank overdrafts	—	—	—	—	—	—
Bank loans	—	25,000,000	25,000,000	263,045	25,000,000	25,263,045
Commercial paper	—	70,000,000	70,000,000	485,690	70,000,000	70,485,690
Bond loans	110,000,000	288,900,000	398,900,000	114,110,965	288,117,280	402,228,245
Other loans	110,000,000	358,900,000	468,900,000	114,596,655	358,117,280	472,713,935
Reimbursable government grants	282,513	292,724	575,237	282,513	292,724	575,237
	110,282,513	384,192,724	494,475,237	115,142,213	383,410,004	498,552,217

(1) - includes accruals from accrued interest and borrowing expenses

	31.12.2023					
	Nominal value			Book value (1)		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	—	25,000,000	25,000,000	328,183	25,000,000	25,328,183
Bank overdrafts	—	—	—	—	—	—
Bank loans	—	25,000,000	25,000,000	328,183	25,000,000	25,328,183
Commercial paper	30,000,000	70,000,000	100,000,000	30,475,757	70,000,000	100,475,757
Bond loans	86,500,000	398,900,000	485,400,000	92,865,948	397,267,117	490,133,065
Other loans	116,500,000	468,900,000	585,400,000	123,341,705	467,267,117	590,608,822
Reimbursable government grants	343,100	514,650	857,750	343,100	514,650	857,750
	116,843,100	494,414,650	611,257,750	124,012,988	492,781,767	616,794,755

(1) - includes accruals from accrued interest and borrowing expenses

20.1. Bank loans

(i) Bank loans

During the financial year ended 31 December 2022, Celbi contracted a bank loan in the amount of 25,000,000 Euro, with interest at the Euribor six-month rate plus spread. This loan shall be settled in a single instalment at the end of the agreement (March 2026); therefore, the total loan amount is categorised as non-current debt.

(ii) Pledged current accounts

As at 31 December 2024, there are no pledged current accounts. As at 31 December 2023, there are pledged current accounts subscribed to in the amount of 3 million Euro, which were not used.

(iii) Bank overdrafts

As at 31 December 2024 and 2023, there were bank overdrafts in the amount of 15 million Euro that were not being used.

20.2. Other loans

(i) Commercial paper

The Group has renewable commercial paper programmes in place, with placement guarantee in the amount of 180,000,000 Euro as at 31 December 2024 (210,000,000 Euro as at 31 December 2023), subscribed by several subsidiaries of the Altri Group, with interest at a Euribor rate corresponding issue period (from 7 to 364 days), plus spread. As at 31 December 2024, the total amount used comes to 70,000,000 Euro (100,000,000 Euro as at 31 December 2023).

As of 31 December 2024, those issues included a tranche in the amount of 70,000,000 Euro categorised as non-current debt, related to programmes not allowing early termination by the counterparty, and the financial institution had underwritten the issues. In this regard, the Board of Directors classified this debt based on the duration of the issue of these commercial papers.

In addition, the Group has grouped placement agreements for commercial paper with no placement guarantee, in the maximum amount of 45,000,000 Euro, subscribed by several subsidiaries of the Altri Group, with interest at a rate set by indirect placement with investors and/or set by a proposed subscription put forth by the financial intermediary, with an issue period up to 90 days. As at 31 December 2024 and 2023, these programmes were not being used.

(ii) Bond loans

In April 2014, Celbi issued a bond loan in the amount of 50,000,000 Euro, with a term of 6 years. On 20 February 2015, Altri SGPS took over the contractual position held by its subsidiary Celbi, and the bond loan became 'ALTRI 2014/2020.' In July 2017, Altri SGPS made an early repayment of this loan, issuing, on the same date, a second one for the same amount, for a period of 8 years, called 'ALTRI 2017/2025.'

In November 2016, Celbi issued a bond loan in the amount of 65,000,000 Euro maturing in February 2024, called 'Celbi 2016/2024.' In turn, as at 31 December 2023, Altri SGPS held 'Celbi 2016/2024' bonds in the nominal amount of 8,500,000 Euro as at 31 December 2023; thus, as at 31 December 2023, the Group's liability relative thereto came to 56,500,000 Euro. During the year ended 31 December 2024, this bond loan was repaid.

In 2017, on March 6, Altri SGPS issued a bond loan amounting to 70,000,000 Euro, for a period of 7 years, under the name "ALTRI 2017/2024". In 2021, on April 19, Altri SGPS made an early repayment of 50,000,000 Euro of this bond loan, and the remaining 20,000,000 Euro will be repaid on the date of the last interest payment (March 2024). During the year ended 31 December 2024, this bond loan was repaid.

During 2021, Celbi, S.A. issued a bond loan amounting to 70,000,000 Euro, for a period of 5 years, designated "CELBI 2021-2026". This bond loan has an amortization plan with repayment of 10,000,000 Euro on the fourth interest payment date (April 2023), 10,000,000 Euros on the sixth interest payment date (April 2024), 20,000,000 Euro on the eighth interest payment date (April 2025) and 30,000,000 Euro on the tenth interest payment date (April 2026). As at 31 December 2024, the Group’s liability in relation to this bond loan was of 50,000,000 Euro (60,000,000 Euro as at 31 December 2023).

During the financial year ended 31 December 2017, Celbi issued two bond loans, both on 14 July 2017: one for 40,000,000 Euro with a term of 8 years and another for 40,000,000 Euro for a period of 10 years, earning interest at a rate equal to 6-month Euribor rate plus spread. In turn, as at 31 December 2024, Altri SGPS held 'Celbi 2017/2027' bonds in the nominal amount of 5,900,000 Euro (5,900,000 Euro as at 31 December 2023); thus, as at 31 December 2024, the Group's liability related to this came to 34,100,000 Euro (34,100,000 Euro as at 31 December 2023).

During the financial year ended 31 December 2018, Celbi issued two bond loans: on 20 April 2018, a loan in the amount of 50,000,000 Euro, for a period of 8 years and a coupon rate of 2.98%; and another, on 28 May 2018, in the amount of 50,000,000 Euro, for a period of 10 years, with interest at the 6-month Euribor rate, plus spread. In turn, Altri SGPS, as at 31 December 2024, held 'Celbi 2018/2028' bonds in the nominal amount of 5,200,000 Euro (5,200,000 Euro as at 31 December 2023); thus, as at 31 December 2024, the Group's liability related to this came to 44,800,000 Euro (44,800,000 Euro as at 31 December 2023).

On 15 July 2019, Altri SGPS issued a loan bond, in the amount of 55,000,000 Euro, under the name 'ALTRI 2019/2024', with interest at the 6-month Euribor rate, plus spread. On January 2023, Altri SGPS made an early repayment of this loan, and on the same date issued another loan for the same amount, for a period of 5 years, called “ALTRI 2023/2028”.

On 29 April 2022, Altri SGPS issued a bond loan amounting to 25,000,000 Euro, with a term of 5 years and a coupon rate of 2.53%, called "ALTRI 2022-2027".

On 23 November 2023, Caima issued a green bond, for a period of 5 years, in the amount of 50,000,000 Euro, bearing interest at a rate equal to the 6-month Euribor plus spread, called “Green Bonds Caima 2023-2028”.

Expenses incurred with the issuance of loans were deducted from their nominal value and are recognised as interest expenses over the life of the loan (Note 34).

20.3. Reimbursable Government Grants

In December 2016, Celbi signed a financial and fiscal incentive-granting agreement pursuant to article 5(1) of Decree-law no. 191/2014, of 31 December, with Agência para o Investimento e Comércio Externo de Portugal, E.P.E. (AICEP), as the competitiveness and internationalisation project was considered by the Portuguese Government to be relevant and of strategic interest to the domestic economy. The Investment Project began on 1 January 2016 and lasted until 31 December 2017. The contracted amount came to 40,040,000 Euro, and the Portuguese Government granted a repayable financial incentive corresponding to 10% of eligible expenses. As at 31 December 2024, the amount to be settled relative to this subsidy came to 575,237 Euro (857,750 Euro as at 31 December 2023), of which the amount of 282,513 Euro is recorded as a current reimbursable government grant.

20.4. Change in indebtedness and maturities

As at 31 December 2024 and 2023, the reconciliation of the change in gross debt to cash flows is as follows:

	31.12.2024	31.12.2023
Balance as at 1 January	616,794,755	562,717,175
Payments of loans obtained	(366,500,000)	(500,000,000)
Receipts of loans obtained	250,000,000	570,000,000
Reimbursable government grants	(282,513)	(1,430,680)
Bank overdrafts	—	(18,960,562)
Change in expenses incurred with the issuance of loans	(1,460,025)	4,468,822
Change in debt	(118,242,538)	54,077,580
Balance as at 31 December	498,552,217	616,794,755

The period for repaying bank loans, other loans and repayable incentives is as follows:

	31.12.2024					
	2025	2026	2027	2028	>2028	Total (nominal value)
Bank overdrafts	—	—	—	—	—	—
Bank loans	—	25,000,000	—	—	—	25,000,000
Commercial paper	—	—	70,000,000	—	—	70,000,000
Bond loans	110,000,000	80,000,000	59,100,000	149,800,000	—	398,900,000
Reimbursable government grants	282,513	292,724	—	—	—	575,237
	110,282,513	105,292,724	129,100,000	149,800,000	—	494,475,237

	31.12.2023					
	2024	2025	2026	2027	>2027	Total (nominal value)
Bank overdrafts	—	—	—	—	—	—
Bank loans	—	—	25,000,000	—	—	25,000,000
Commercial paper	30,000,000	—	—	70,000,000	—	100,000,000
Bond loans	86,500,000	110,000,000	80,000,000	59,100,000	149,800,000	485,400,000
Reimbursable government grants	343,100	343,100	171,550	—	—	857,750
	116,843,100	110,343,100	105,171,550	129,100,000	149,800,000	611,257,750

21. PROVISIONS AND IMPAIRMENT LOSSES

The movement occurring under provisions and impairment losses during the financial years ended 31 December 2024 and 2023 can be detailed as follows:

	31.12.2024			
	Provisions	Impairment losses in receivables (Notes 13 and 14)	Impairment losses in inventories (Note 11)	Total
Opening balance	1,649,188	2,363,932	10,388,363	14,401,483
Increases	122,574	—	626,733	749,307
Utilizations	(419,969)	—	—	(419,969)
Reversals	(150,031)	(2,938)	(1,245,767)	(1,398,736)
Closing balance	1,201,762	2,360,994	9,769,329	13,332,085

	31.12.2023			
	Provisions	Impairment losses in receivables (Notes 13 and 14)	Impairment losses in inventories (Note 11)	Total
Opening balance	4,731,433	3,519,857	12,314,552	20,565,842
Increases	1,985,754	—	307,474	2,293,228
Utilizations	(4,797,881)	—	—	(4,797,881)
Reversals	(270,118)	(1,155,925)	(2,233,663)	(3,659,706)
Closing balance	1,649,188	2,363,932	10,388,363	14,401,483

As at 31 December 2024 and 2023, the amount of the increase and reversals shown in the profit-and-loss statement is detailed as follows:

	31.12.2024	31.12.2023
Increases/(Reversals) of inventory impairment losses	(619,034)	(1,926,189)
Increases/(Reversals) of impairment losses of accounts receivable	(2,938)	(1,155,925)
Increases/(Reversals) in provisions for other risks and charges	(27,457)	1,715,636
	(649,429)	(1,366,478)

During the financial year ended 31 December 2013, the subsidiary Caima, S.A. paid an additional settlement of Value-Added Tax for previous years to German tax authorities, in the amount of 2,722,651 Euro, which was recorded under the line item 'Other non-current assets' due to not agreeing with the basics of said settlement. During the month of January 2014, it made an additional Value-Added Tax payment to the same entities, in the amount of around 700,000 Euro. To address the risk of those additional settlements becoming definitive, in 2013 the Altri Group recorded a liability under the line item 'Provisions.'

At 31 December 2022, as a result of the favourable opinion obtained by the subsidiary by court decision regarding the year 2007, the amount of approximately 1,261,000 Euro was received, which includes the reversal of the provision occurred on 31 December 2021, in the amount of approximately 937,000 Euro, as well as the effect of compensatory interest in the amount of approximately 324,000 Euro.

As at 31 December 2023, taking into account the unfavourable outcome by court decision year for the remaining open years, were recognized in the caption "Provisions" the amounts of, approximately, 1,300,000 Euro, under "Increases" and approximately 3,100,000 Euro under "Utilizations". As a result of the same proceeding, the entire account receivable that were recorded under "Other non-current assets" was also derecognized.

At the end of the 2024 financial year, Biotek, S.A. (“Biotek), subsidiary of the Altri Group, was notified of a Request for Arbitration filed by a client with the International Chamber of Commerce (ICC), requesting the establishment of a Court of Arbitration to settle a dispute between the parties. The basis of the request is a discrepancy in the quantities of pulp supplied. The Altri Group, duly supported by its legal advisors, considers that the client's understanding lacks any foundation and has submitted the appropriate response, having already presented the main arguments, with the appropriate justification. It is therefore the understanding of the Board of Directors of the Altri Group, based on the information available, current and known at the time, supported by the analysis of its legal advisors, that there will be no payment of any amount, which is why it has not recorded any provision.

The remaining amount recorded under the line item 'Provisions' as at 31 December 2024 and 2023 is the best estimate from the Board of Directors in order to address the entirety of losses to be incurred with currently ongoing legal proceedings.

22. OTHER NON-CURRENT LIABILITIES

As at 31 December 2024 and 2023, this line item fully concerns the tranches of non-refundable investment subsidies (Notes 20 and 26), which was detailed as follows:

	31.12.2024			31.12.2023		
	Total	Current (Note 26)	Non-current	Total	Current (Note 26)	Non-current
Biotek						
SIME	129,452	47,544	81,908	176,988	47,543	129,445
PRR	49,759	49,759	—	60,332	60,332	—
	179,211	97,303	81,908	237,320	107,875	129,445
Celbi						
PIN	1,459,019	263,349	1,195,670	3,270,875	1,800,642	1,470,233
PRR	—	—	—	137,193	137,193	—
Other subsidies	33,776	17,032	16,744	8,999	333	8,666
	1,492,795	280,381	1,212,414	3,417,067	1,938,168	1,478,899
Caima						
QREN	22,883	12,173	10,710	529,705	506,822	22,883
PRR	11,304,346	514,627	10,789,719	12,008,122	596,946	11,411,176
	11,327,229	526,800	10,800,429	12,537,827	1,103,768	11,434,059
Altri Florestal						
Proder	511	511	—	1,575	1,064	511
PRR	13,363	13,363	—	87,630	87,630	—
	13,874	13,874	—	89,205	88,694	511
Viveiros						
Proder	—	—	—	—	—	—
PRR	759	759	—	2,955	2,955	—
	759	759	—	2,955	2,955	—
	13,013,868	919,117	12,094,751	16,284,374	3,241,460	13,042,914

In January 2007, Celbi and Altri signed an agreement granting financial and fiscal incentives under Decree-Law no. 203/2003, of 10 September, with *Agência para o Investimento e Comércio Externo de Portugal, E.P.E. (AICEP)*, as the Portuguese Government considered this project to be of national interest (PNI), to expand Celbi's production capacity. In 2015, the competent authorities felt that the project's objectives and merits had been achieved, with an achievement premium attributed in the amount of 41,315,930 Euro. Celbi classified that amount under 'Other non-current liabilities' and 'Other current liabilities' (Note 26) net of the amount that has been recognised directly as income in the income statement (Note 32) in the proportion of the already depreciated part of the subsidised property, plant and equipment according to the accounting policy under Note 2.3 e).

In January 2014, Celbi signed a new agreement granting financial and fiscal incentives under Decree-Law no. 203/2003, of 10 September, with *Agência para o Investimento e Comércio Externo de Portugal, E.P.E. (AICEP)*, as the project to modernise and expand the production plant was considered by the Portuguese Government to be relevant and of strategic interest to the domestic economy. If Celbi fulfilled the proposed objectives and measures at the end of the years 2016, 2017 and 2019, the Portuguese Government would also grant an Accomplishment Premium, which will correspond to non-refund up to 75% of the refundable incentive amount. In 2021, AICEP, following the Compete Steering Committee's decision, and given that the main objectives, merits, and constraints have been met, approved the closure of the project, awarding a global achievement award of 4,367,689 Euro. Celbi classified that amount under 'Other non-current liabilities' and 'Other current liabilities' net of the amount that has been recognised directly as profit in the income statement (Note 32) in the proportion of the already depreciated part of the subsidised property, plant and equipment according to the accounting policy under Note 2.3 e).

In the 2014 financial year, Caima signed a financial and fiscal incentive-granting agreement under Decree-Law no. 287/2007 with *Agência para o Investimento e Comércio Externo de Portugal E.P.E. (AICEP)* for an overall investment of 35,161,000 Euro. If Caima fulfilled the proposed objectives and measures at the end of the years 2016, 2017 and 2019, the Portuguese Government would also grant an Accomplishment Premium, which would correspond to non-refund up to 48% of the refundable incentive amount. Such objectives, measured with reference to the year 2019, have been met by the subsidiary, so Caima has received the amount of 5,043,991 Euro pertaining to the Achievement Premium, which is recorded under non-current liability net of the amount that has been recognised directly as profit in the income statement (Note 32) in the proportion of the already depreciated part of the subsidised property, plant and equipment according to the accounting policy under Note 2.3 e).

In October 2022, a consortium contract was signed, consisting of fifty-seven entities, to carry out a mobilizing research and technological development project entitled "TransForm", under the *Sistema de Incentivos à Investigação e Desenvolvimento Tecnológico (SI I&DT) - Programas Mobilizadores – Clusters de Competitividade* and other collective dynamics, as part of the Agenda for the digital transformation of forestry value chains into a more resilient and low-carbon Portuguese economy, supported by the Recovery and Resilience Plan ("PRR"). In December 2022, following the application submitted to the Incentive System "*Agendas para a Inovação Empresarial*", Altri Florestal, as leader of the consortium, signed the respective Term of Acceptance. The global eligible investment is 129,259,946 Euro. The project should be completed and with results achieved by 31 December 2025. The Altri Group's eligible investment amounts to approximately 50 million Euro, corresponding to a potential non-refundable incentive of approximately 15 million Euro, of which 3.5 million Euro have already been received as an advance and 7.8 million Euro by way of payment requests.

23. TRADE PAYABLES

As at 31 December 2024 and 2023, this line item was composed of the following:

		Payable		
	31.12.2024	0-90 days	90-180 days	>180 days
Trade payables, current account	50,031,093	50,031,093	—	—
Trade payables, invoices pending	18,602,346	18,602,346	—	—
Trade payables - supplier finance arrangements	54,284,053	28,379,185	25,904,868	—
	122,917,492	97,012,624	25,904,868	—

		Payable		
	31.12.2023	0-90 days	90-180 days	>180 days
Trade payables, current account	45,284,787	45,284,787	—	—
Trade payables, invoices pending	21,584,710	21,584,710	—	—
Trade payables - supplier finance arrangements	17,567,652	9,318,193	8,249,459	—
	84,437,149	76,187,690	8,249,459	—

As at 31 December 2024 and 2023, the line item 'Trade payables' concerned amounts payable resulting from acquisitions related to the Group's normal course of business.

The Board of Directors understands that the book value of these debts is close to its fair value.

Supplier finance arrangements

On 31 December 2024 and 2023, the item “Suppliers - supplier finance arrangements” refers to the balances of suppliers assigned in confirming operations, as described in Note 2.3 l).

At 31 December 2024 and 2023, the carrying amount of financial liabilities related to supplier finance arrangements is detailed as follows:

	31.12.2024	31.12.2023
Trade payables - supplier finance arrangements	54,284,053	17,567,652
Of which the suppliers have already received payment from the financial institution	54,283,991	(1)

(1) The Group applied the transitional provision available under the amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements and did not present comparative information in the first year of adoption.

Accounts payable to suppliers do not bear interest and are normally settled by the Group within the periods shown in the table above. Supplier finance arrangements allow suppliers to obtain payment from financial institutions for amounts invoiced before the invoice due date.

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchase of goods and services and subsequent cash settlements. There were no material non-cash changes in these liabilities.

The Group is not exposed to significant liquidity risk arising from its supplier finance arrangements.

24. OTHER PAYABLES

As at 31 December 2024 and 2023, the line item 'Other payables' can be detailed as follows:

		Payable		
	31.12.2024	0-90 days	90-180 days	>180 days
Suppliers of fixed assets	4,743,754	3,674,362	36,048	1,033,344
Payables to the State and other public entities (Note 15)	3,210,498	3,210,498	—	—
Other debts	3,334,429	3,290,073	—	44,356
	11,288,681	10,174,933	36,048	1,077,700

		Payable		
	31.12.2023	0-90 days	90-180 days	>180 days
Suppliers of fixed assets	7,964,045	7,264,045	700,000	—
Payables to the State and other public entities (Note 15)	3,141,230	3,141,230	—	—
Other debts	4,043,468	3,999,112	—	44,356
	15,148,743	14,404,387	700,000	44,356

25. LIABILITIES ASSOCIATED WITH AGREEMENTS WITH CUSTOMERS

As at 31 December 2024 and 2023, the line item 'Liabilities associated with agreements with customers' can be detailed as follows:

	31.12.2024	31.12.2023
Rappel and discounts to be settled	5,755,558	5,343,418
Commissions to be settled	849,000	782,800
	6,604,558	6,126,218

26. OTHER CURRENT LIABILITIES

As at 31 December 2024 and 2023, the line item 'Other current assets' can be detailed as follows:

	31.12.2024	31.12.2023
Accrued expenses		
Energy and gas expenses to be settled	7,737,573	2,109,584
Remunerations to be settled	11,923,846	9,204,715
Rents to be settled	42,680	33,843
Insurance to be settled	47,452	74,280
Water fees to be settled	1,035,316	1,097,812
Other charges to be settled	7,020,905	9,065,941
Deferred income		
Government grants (Notes 20 and 22)	919,117	3,241,460
Other income to be recognized	—	310,817
	28,726,889	25,138,452

As at 31 December 2024 and 2023, the line item 'Other charges to be settled' basically concerns expenses related to operating activities already incurred and yet to be invoiced.

At 31 December 2024, the variation in the caption "Energy and gas expenses to be settled" is essentially explained by the withdrawal from self-consumption during the year by Celbi's production unit, which began to buy and sell energy.

27. DERIVATIVE FINANCIAL INSTRUMENTS

At 31 December 2024 and 2023, Altri and its subsidiaries had in force derivative financial instrument contracts associated with hedging changes in interest rate, exchange rate, pulp price, energy price and trading derivative financial instruments associated with exchange rate. The Altri Group also had in place a long-term renewable energy purchase agreement (VPPA - Virtual Power Purchase Agreement), in the form of a CfD (Contract for differences), as part of the strategy to hedge against fluctuations in the long-term purchase price of energy. All these instruments are recorded according to their fair value.

The Altri Group only uses, essentially, derivatives to hedge cash flows associated with operations generated by their activity.

As at 31 December 2024 and 2023, the recognized position of derivative financial instruments at fair value is as follows:

	31.12.2024				31.12.2023			
	Asset		Liability		Asset		Liability	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Interest rate derivatives	1,022,536	2,087,446	—	758,080	1,152,753	3,698,302	—	167,867
Exchange rate derivatives	215,368	—	9,422,064	—	2,940,885	—	15,812	—
Pulp price derivatives	125,139	—	—	—	1,333,266	—	—	—
Energy price derivatives	907,353	—	—	—	—	—	2,462,048	—
VPPA contracts derivatives	—	—	—	16,886,968	—	—	—	14,053,159
	2,270,396	2,087,446	9,422,064	17,645,048	5,426,904	3,698,302	2,477,860	14,221,026

The movement in the fair value of financial instruments, during the years ended 31 December 2024 and 2023, can be broken down as follows:

2024	Pulp price hedging derivatives	Interest rate derivatives	Exchange rate derivatives	Energy price hedging derivatives	VPPA contracts derivatives	Total
Opening balance	1,333,266	4,683,188	2,925,073	(2,462,048)	(14,053,159)	(7,573,680)
Change in fair value						
Effects on equity	(1,208,127)	(2,233,789)	(9,930,473)	3,369,401	(1,021,045)	(11,024,033)
Effects on the income statement (Notes 32, 33 and 34)	(7,650,942)	2,844,379	(3,233,849)	(2,825,477)	(1,677,694)	(12,543,583)
Effects on the statement of financial position	7,650,942	(2,941,876)	1,032,553	2,825,477	(135,070)	8,432,026
Closing balance	125,139	2,351,902	(9,206,696)	907,353	(16,886,968)	(22,709,270)

2023	Pulp price hedging derivatives	Interest rate derivatives	Exchange rate derivatives	Energy price hedging derivatives	VPPA contracts derivatives	Total
Opening balance	(2,378,050)	6,619,966	4,272,782	2,467,185	—	10,981,883
Change in fair value						
Effects on equity	3,711,316	(2,159,746)	(1,347,709)	(4,929,233)	(9,229,227)	(13,954,599)
Effects on the income statement (Notes 32, 33 and 34)	800,538	1,928,948	3,536,342	10,956,312	(3,678,115)	13,544,025
Effects on the statement of financial position	(800,538)	(1,705,980)	(3,536,342)	(10,956,312)	(1,145,817)	(18,144,989)
Closing balance	1,333,266	4,683,188	2,925,073	(2,462,048)	(14,053,159)	(7,573,680)

During the 2024 and 2023 financial years, the gains and losses associated with the ineffective part of the hedging instruments were directly recorded in the income statement for financial years ended 31 December 2024 and 2023 (Notes 32, 33 and 34).

(i) Interest rate derivatives

In order to reduce its exposure to interest rate volatility, the Group has issued debt indexed to fixed-rate and entered into derivative financial instruments, namely, interest rate swaps. These contracts were valued at their fair value as at 31 December 2024 and 2023, and the corresponding amount was recognised under 'Derivative financial instruments.'

As at 31 December 2024 and 2023, the Altri Group had in force interest rate derivative contracts whose total amounts are as follows:

					Fair Value	
Type	Amount	Maturity	Interest	Fixing	31.12.2024	31.12.2023
Interest rate swap	5.000.000 €	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.820%	56,240	186,362
Interest rate swap	5.000.000 €	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.806%	56,603	186,280
Interest rate swap	5.000.000 €	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.818%	56,301	185,390
Interest rate swap	5.000.000 €	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.805%	56,616	187,475
Interest rate swap	20.000.000 €	14/07/2027	Pays a fixed rate and receives 6M Euribor rate	0.027%	1,393,377	2,019,026
Interest rate swap	20.000.000 €	14/07/2027	Pays a fixed rate and receives 6M Euribor rate	(0.060)%	1,444,877	2,086,523
Interest rate swap	50.000.000 €	23/11/2028	Pays a fixed rate and receives 6M Euribor rate	2.600%	(712,112)	(167,868)
					2,351,902	4,683,188

In accordance with the accounting policies adopted, these derivatives comply with the requirements to be classified as interest rate hedging instruments (Note 2.3 l).

The fair value of the derivatives contracted by the Group was calculated by the respective counterparties (financial institutions with whom such contracts were entered into). These derivatives' assessment model, as used by the counterparties, is based on the discounted cash-flow method, i.e., using Swap Par Rates, which are listed on the interbank market and available on the Reuters and/or Bloomberg web pages, for relevant periods, while calculating the respective forward rates and discount factors that serve to discount fixed cash flows (fixed leg) and variable cash flows (variable leg). The sum of the two instalments results in the Net Present Value of the future cash flows or fair value of the derivatives.

Finally, it should be noted that on 31 December 2024, Altri Group had about 15% (12% as of 31 December 2023) of its gross nominal financial debt issued at a fixed rate, having, in addition, contracted interest rate swaps - in which the Euribor (6M) index is exchanged for a fixed rate - on a global notional of 104.1 million Euro, associated with the Bond Loans “Altri 2017/2025”, “Celbi 2017/2027” and “Green Bonds Caima 2023-2028”. These interest rate swaps, entered into by Management's decision in June 2018, November 2021 and December 2023, correspond to approximately 21% of the gross nominal financial debt issued. Therefore, with reference to 31 December 2024, 64% of the Altri Group's gross financial debt was indexed to a variable rate (71% as of 31 December 2023).

(ii) Exchange rate derivatives

The Altri Group essentially uses exchange rate derivatives to hedge future cash flows.

Indeed, a significant part of the Group's sales are made in United States dollars. Accordingly, changes in the EUR/USD exchange rate can significantly affect the Group's results.

In order to monitor and mitigate this risk, Altri Group permanently analyses its exposure to exchange rate fluctuations, assessing the evolution of the EUR/USD spot price, as well as its forward rates, defining and implementing strategies hedging whenever it deems convenient. These strategies are based on a policy of hedging foreign exchange risk previously defined by the Executive Committee and which consists of covering part of the cash flows resulting from its estimated sales.

In 2023, the Executive Committee defined a hedging mandate, for fiscal year 2024, of up to about 20% of the total estimated sales of BHKP pulp and up to about 51% of the total estimated sales for the DWP pulp. This mandate is based on the contracting of Asian-style put and call options on the United States dollar (average rate collars) on a monthly basis and with a 12-month time horizon (from January 2024 to December 2024).

For shorter time horizons (up to 90 days), the Group favours the use of foreign exchange forwards to mitigate the risk of unfavourable developments in the EUR/USD exchange rate. Although these instruments are effective economic risks hedging instruments, they do not qualify as hedging instruments under the applicable accounting standards. These instruments are recorded in the consolidated statement of financial position at their fair value and changes in them are recognized under financial income or financial expenses in the consolidated income statement (Note 34).

Thus, during the 2024 and 2023 financial years, the Altri Group contracted exchange rate 'options' and 'forwards' in U.S. dollars, to manage the exchange rate risk to which it is exposed.

As at 31 December 2024 and 2023, the Altri Group had in force the following exchange rate derivative agreements:

Notional USD / month	Maturity	31.12.2024		Asian Collar range (average strikes)	
		Asset	Liability	Euro put / USD call	Euro call / USD put
17,000,000	2025	—	(7,005,399)	1.0826	1.1121

Notional USD	Maturity	31.12.2024		Simple Forwards (sales USD)
		Asset	Liability	Forward (average)
92,000,000	2025	—	(2,416,665)	1.0676

Notional USD	Maturity	31.12.2024		Simple Forwards (purchases USD)
		Asset	Liability	Forward (average)
3,000,000	2025	215,368	—	1.1230
		215,368	(9,422,064)	

Notional USD / month	Maturity	31.12.2023		Asian Collar range (average strikes)	
		Asset	Liability	Euro put / USD call	Euro call / USD put
15,000,000	2024	1,755,335	(12,676)	1.0795	1.1140

Notional USD	Maturity	31.12.2023		Simple Forwards (sales USD)
		Asset	Liability	Forward (average)
33,000,000	2024	1,185,550	—	1.0644

Notional USD	Maturity	31.12.2023		Simple Forwards (purchases USD)
		Asset	Liability	Forward (average)
18,000,000	2024	—	(3,136)	1.1061
		2,940,885	(15,812)	

(iii) Pulp price derivatives

In order to reduce its exposure to the volatility of the pulp price, the Group contracted pulp price hedging derivatives, which were valued according to their fair value at 31 December 2024, and the corresponding amount was recognized in the caption "Derivative financial instruments".

On 31 December 2024 and 2023 the following pulp price hedging derivative contracts were in place:

Covered quantity	Start date	Maturity	31.12.2024		31.12.2023	
			Asset	Liability	Asset	Liability
1,000 ton/month	01/01/2025	31/12/2025	125,139	—	—	—
3,000 ton/month	01/01/2024	31/12/2024	—	—	1,333,266	—
			125,139	—	1,333,266	—

The calculation of the fair value of derivatives to hedge the pulp price contracted by the Group was made by the respective counterparts (financial institutions with whom such contracts were signed). The derivative evaluation model, used by the counterparts, is based on the Discounted Cash Flows Method, i.e., the difference between the estimated pulp price (PIX) and the price fixed for the relevant periods is calculated, which is subsequently updated to the evaluation date.

In accordance with the accounting policies adopted, these pulp derivatives meet the requirements to be considered as hedging instruments, so the change in their fair value was recorded in the equity caption "Hedging reserves".

(iv) Energy price derivatives

In order to mitigate exposure to the increasing volatility of energy prices, the Group contracted energy (electricity and natural gas) price hedging derivatives, which were valued according to their fair value on 31 December 2024, with the corresponding amount recognized in the caption "Derivative financial instruments".

On 31 December 2024 and 2023 the following energy price hedging derivative contracts were in place:

Covered quantity	Start date	Maturity	31.12.2024		31.12.2023	
			Asset	Liability	Asset	Liability
6,000 MWh/month	01/01/2025	31/12/2025	907,353	—	—	—
18,000 MWh/month	01/01/2024	31/12/2024	—	—	—	(2,462,048)
			907,353	—	—	(2,462,048)

The calculation of the fair value of energy price hedging derivatives, contracted by the Group, was performed by the respective counterparts (financial institutions with whom such contracts were signed). The derivative evaluation model, used by the counterparts, is based on the Discounted Cash Flows Method, i.e., the difference between the estimated energy price and the fixed price for the relevant periods is calculated, and then discounted to the evaluation date.

(v) Virtual Power Purchase Agreement (VPPA)

As mentioned in notes 2.3 l) and 3. a) v), as part of its strategy to hedge against fluctuations in the long-term purchase price of energy, the Group has contracted derivatives to hedge the price of electricity.

As at 31 December 2024, the Altri Group had in force a VPPA contract of which total amounts are as follows:

Covered quantity (in MWh)	Average fixed price (€/MWh)	Maturity
4,231	37.90	Up to 1 month
10,593	37.90	From 1 to 3 months
62,471	37.90	From 3 months to 1 year
380,721	37.90	From 1 to 5 years
186,020	37.90	Over 5 years
644,036		

The fair value of this derivative, classified as level 3 in the fair value hierarchy, since the main inputs are not observable on the market, was determined using an external entity, based on an income approach, i.e. the discounted cash flow method.

Forecasted future cash flows are discounted using risk free interest rates adjusted by credit risk of each party of the contract. Credit risk are based on observable Credit Default Swaps (CDS) for the sectors in which each Group operates. Forecasted future cash flows correspond to the difference between the fixed price of the contract and the future floating price of energy, adjusted by inflation.

The future floating price for energy is observable and liquid for the first two years. For the following years, a price forecast from an external provider is used. The Group selects the central scenario from a range of scenarios provided.

The expected volume of production is also an unobservable input into the valuation model due to the potential for change over time. It is assumed, at 31 December 2024, that the production volume will be equal to P50 scenario prepared by the owner of the solar farm.

The sensitivity analysis prepared by the Group for the unobservable prices indicated that increase/ decrease of energy price by 10 Euro / MWh in the forecasted energy prices would change the fair value of derivatives respectively by more/less 5.7 million Euro, respectively as at 31 December 2024 (6.1 million Euro as at 31 December 2023).

The sensitivity analysis prepared by the Group for the unobservable volume indicated that increase/ decrease of volume by 10% would change the fair value of derivatives, respectively, by less/more 0.5 million Euro as at 31 December 2024 (0.1 million Euro as at 31 December 2023).

Day 1 profit or loss

IFRS 9 requires an entity to defer the difference between the fair value at initial recognition of a financial instrument and its transaction price if the fair value is not evidenced by a quoted price in an active market for an identical instrument or based on a valuation technique that uses only data from observable markets. The deferred amounts are recognised in the consolidated income statement when there is a change in a factor (including time) that market participants would take into account when pricing the asset or liability. On this basis, the Group has adopted a policy of amortising the deferred amount on a straight-line basis over the duration of the contract. Any outstanding amount would be immediately recognised in the consolidated income statement when the instrument is derecognised or when the inputs become fully observable.

The following table sets out for the VPPA contract, the Day 1 profit or loss to be recognized, which corresponds to the aggregate difference yet to be recognised in the consolidated income statement at the beginning and end of the year and a reconciliation of the changes of the balance during the year.

	31.12.2024	31.12.2023
Balance at 1 January (unrecognized gains)	13,044,026	—
Increase due to new transactions	—	13,735,897
Reduction due to the passage of time	(1,376,222)	(691,871)
Reduction due to redemptions/sales/transfers/improved observability	—	—
Balance on 31 December (unrecognized gains)	11,667,804	13,044,026

As at 31 December 2024, the fair value of the VPPA contract is negative by 5,018,467 Euro (negative by 979,224 Euro as at 31 December 2023). Given the existence of the Day 1 profit or loss deferral, still to be recognized in the consolidated income statement, the amount recorded under liabilities as at 31 December 2024 is 16,886,968 Euro (14,053,159 Euro as at 31 December 2023).

As at 31 December 2024, the amount of 2,473,809 Euro was recorded in the caption “Other expenses” of the consolidated income statement, which includes: i) the amount of 3,188,987 Euro relating to the recognition of the ineffective part of the negative change in fair value, plus ii) the losses in the amount of 661,044 Euro, corresponding to the amounts that were transferred from the cash flow hedge reserve to profit or loss at the same time as the hedged item affected profit or loss, which represent the amount paid for the difference between the contracted price and the market price, net of the iii) reduction due to the passage of time of the unrecognized Day 1 profit or loss in the amount of 1,376,222 Euro. As at 31 December 2024, the amount of 796,115 Euro was recorded under “Other income” in the consolidated income statement, which corresponds to the gains corresponding to the amounts that were transferred from the cash flow hedge reserve to profit or loss at the same time as the hedged item affected profit or loss, representing the amount received for the difference between the contracted price and the market price.

28. GUARANTEES AND OTHER COMMITMENTS

a) Guarantees

As at 31 December 2024 and 2023, the guarantees provided was detailed as follows:

	31.12.2024	31.12.2023
AICEP/API (Note 20)	367,195	367,195
Others	2,801,810	2,833,788
	3,169,005	3,200,983

b) Other commitments

As at 31 December 2024, the contractual obligation for the acquisitions of fixed assets assumed by the Altri Group companies reach around 45,400,000 Euro (26,800,000 Euro as at 31 December 2023).

As at 31 December 2024, future commitments are essentially related to the acquisition of manufacturing equipment, essentially, for the renewable-based acetic acid and furfural recovery and valorization unit at Caima industrial unit, and for the continuation of the project for the total migration of paper pulp production (BHKP) to dissolving pulp, at the Biotek industrial unit, with the increase compared to the previous year being explained by the commitments assumed with the latter.

29. PENSION FUNDS

Some companies of the Altri Group comprise commitments related to expenses with retirement funds that were hedged in the amount of the autonomous pension funds. Net liabilities not hedged are recognised pursuant to IAS 19, and were broken down as follows.

The Caima and Altri Florestal Pension Fund, constituted by deed on 31 December 1987 and merged by 'BPI Pensões - Sociedade Gestora de Fundos de Pensões, S.A.', for the purpose of assuring workers (i) at the normal retirement date, or (ii) at the contractual termination of the employment agreement with the Company, that are at least 57 years old and with 10 years of continuous service; the right to a retirement supplement, from the normal retirement age, whose amount is based on average gross salaries of the last two years working for the company. By decision of the Management of Caima, the Caima and Altri Florestal Pension Fund was divided into two separate funds in December 1998, after authorisation from the Portuguese Insurance Institute. During the financial year ended 31 December 2010, Caima and Altri Florestal transferred the shares of the collective subscriptions held with BPI Pensões to the Tejo Pension Fund. This transfer was requested by the Portuguese Insurance Institute on 23 September 2010, which decided favourably on 3 March 2011. Thus, in April 2011, Altri Florestal and Caima pension fund assets were incorporated into the Tejo Pension Fund, bearing the name Pension Plan C.

The Tejo Pension Fund was constituted by Biotek on 28 February 2005, in order to finance, among others, the Pension Plan arising from Company Regulations and Agreements applicable to Associates. An agreement concluded with trade unions in 2007 created a new Pension Plan applicable to every worker hired after 1 September 2007, the date when the new agreement came into force, as well as to every worker hired prior to that date and who expressly choose the new Pension Plan. Thus, the Tejo Pension Fund started financing the benefits established under three Pension Plans provided for under the Regulation published in a Service Order in 2002, as well as the benefits set forth in the new Pension Plan, which became known as Pension Plan B, as defined in the Company Agreement published in the BTE, no. 32, of 29/08/2007. From the 2009 financial year, Pension Plan B started applying to every employee in Biotek's assets, while the other Pension Plans started hedging the liabilities pertaining to every former employee whose contract termination has considered a right to a pension, according to the benefits established under every Pension Plans.

A new defined contribution Pension Plan was created on 1 May 2014, integrated in the Tejo Pension Fund under the name CD Pension Plan, and applicable to every employee in the asset of the three Associates: Biotek, Caima and Altri Florestal. Employee hired by 30 April 2014 were given the right to choose to subscribe to the new CD Pension Plan ,upon resignation by expressly and definitively the defined benefit Pension Plan, under the following conditions: (a) Biotek employees who were active on 30 April 2014 with an open-ended contract were given the option to choose whether or not to move to the defined contribution plan, (b) in the case of Caima and Altri Florestal, the right to choose was given only to employees who, on 30 April 2014, had an open-ended contract, a period of service of at least 10 years, and aged 57 or older. Thus, the Tejo Pension Fund started funding the liabilities of five Pension Plans, of which four were the defined benefit, and whose liabilities tend to expire, as well as a defined contribution Pension Plan, whose contributions vary annually according to the Altri Group's results and are granted to every employee in each Associate, according to the respective pensionable salaries and service time.

From 2014, Celbi grants its employees under a subordinate open-ended contract a defined contribution pension plan. Under this plan, Celbi grants every employee on the permanent staff a percentage of their pensionable salary according to their service time. The contribution to the Pension Fund varies annually according to the Altri Group's results. Contributions they make are accounted for as an expense in the financial year, and no longer entail liabilities for future benefits related to the Pension Fund.

The defined benefit plans are not contributory for those taking part therein.

With the new defined contribution plan scheme, the Group records as an expense, during the financial year, the contributions it makes, and no longer entail liabilities for future benefits related to the Pension Fund.

According to the actuarial valuations conducted by fund management companies in reference to 31 December 2024 and 2023, the present value of liabilities for past services for active employees and for retired employees, as well as the asset situation of pension funds, on those dates, were as follows:

	31.12.2024	31.12.2023
	Caima/Biotek/Altri Florestal	Caima/Biotek/Altri Florestal
Current liabilities for past services	8,655,814	9,168,472
Asset of pension funds	8,752,204	8,868,132

The movement occurred on the present value of liabilities for past services during the financial years ended 31 December 2024 and 2023 is as follows:

31 December 2024	Plans				
	Ex - Directors (DA)	Plan A	Plan B	Plan C	Total
Responsibilities in the beginning of the year	650,757	3,902,296	1,803,132	2,812,287	9,168,472
Benefits paid under the Pension Funds	(58,210)	(420,500)	(134,531)	(299,007)	(912,248)
Current service expense	—	—	2,204	—	2,204
Interest expense	21,374	126,826	59,518	91,843	299,561
Actuarial losses/(gains)					
Resulting from changes in financial assumptions	6,407	32,502	18,960	23,869	81,738
Resulting from experience adjustments	26,958	62,274	(56,109)	(17,036)	16,087
Responsibilities in the end of the year	647,286	3,703,398	1,693,174	2,611,956	8,655,814

31 December 2023	Plans				
	Ex - Directors (DA)	Plan A	Plan B	Plan C	Total
Responsibilities in the beginning of the year	654,518	4,188,726	1,788,490	2,889,209	9,520,943
Benefits paid under the Pension Funds	(56,597)	(435,916)	(132,961)	(288,557)	(914,031)
Current service expense	—	—	2,657	—	2,657
Interest expense	23,827	150,900	65,336	104,533	344,596
Actuarial losses/(gains)					
Resulting from changes in financial assumptions	18,583	95,599	57,109	73,397	244,688
Resulting from experience adjustments	10,426	(97,013)	22,501	33,705	(30,381)
Responsibilities in the end of the year	650,757	3,902,296	1,803,132	2,812,287	9,168,472

The movement occurred in the asset situation of pension funds during the financial years ended 31 December 2024 and 2023 is as follows:

31 December 2024	Plans				
	Ex - Directors (DA)	Plan A	Plan B	Plan C	Total
Pension Funds value in the beginning of the year	568,602	3,596,991	1,901,915	2,800,624	8,868,132
Allocations	118,769	268,690	—	27,432	414,891
Paid pensions	(58,210)	(420,500)	(134,531)	(299,007)	(912,248)
Fund Income/Return					
Financial Gains and Losses	10,765	45,134	20,057	32,122	108,078
Expected return	18,556	116,354	62,831	91,443	289,184
Commissions	(3,391)	(6,438)	(1,136)	(4,868)	(15,833)
Pension Funds value at year end	655,091	3,600,231	1,849,136	2,647,746	8,752,204

31 December 2023	Plans				
	Ex - Directors (DA)	Plan A	Plan B	Plan C	Total
Pension Funds value in the beginning of the year	524,623	3,419,342	1,906,717	2,877,243	8,727,925
Allocations	66,159	391,865	—	22,158	480,182
Paid pensions	(56,597)	(435,916)	(132,961)	(288,557)	(914,031)
Fund Income/Return					
Financial Gains and Losses	16,633	107,634	63,068	92,477	279,812
Expected return	18,891	121,664	69,728	104,078	314,361
Others	(1,107)	(7,598)	(4,637)	(6,775)	(20,117)
Pension Funds value at year end	568,602	3,596,991	1,901,915	2,800,624	8,868,132

Considering the difference between the amount of the liabilities as at 31 December 2024 and 2023 and the amount of the pension funds as at the same date, the liabilities to 'Pension Liabilities' were decreased in the amount of 396,730 Euro and 492,678 Euro, respectively.

As at 31 December 2024 and 2023, the operations occurred under the line item 'Pension Liabilities' are detailed as follows:

31 December 2024	Plans				
	Ex - Directors (DA)	Plan A	Plan B	Plan C	Total
Pension liabilities in the beginning of the year	82,153	305,306	(98,782)	11,663	300,340
Increase/(reversal) in other comprehensive income	22,599	56,080	(56,070)	(20,421)	2,188
Increase/(reversal) in income statement	6,209	10,472	(1,109)	400	15,972
Settlements and Appropriations	(118,768)	(268,690)	—	(27,432)	(414,890)
Pension liabilities at year end	(7,807)	103,168	(155,961)	(35,790)	(96,390)

31 December 2023	Plans				
	Ex - Directors (DA)	Plan A	Plan B	Plan C	Total
Pension liabilities in the beginning of the year	129,895	769,384	(118,227)	11,966	793,018
Increase/(reversal) in other comprehensive income	13,481	(101,450)	21,179	21,400	(45,390)
Increase/(reversal) in income statement	4,936	29,237	(1,734)	455	32,894
Settlements and Appropriations	(66,159)	(391,865)	—	(22,158)	(480,182)
Pension liabilities at year end	82,153	305,306	(98,782)	11,663	300,340

Regarding the aforementioned plans, risks can be divided into:

(i) Financial risks

The Fund is subject to the risk of variability of the income generated by the assets comprising the fund portfolio, namely interest rate risk, credit risk, price change risk, and exchange rate risk for the component expressed in currencies other than the euro.

- Interest rate risk results from the trade-off occurring between market interest rates and bond price. Thus, bond price rises as market interest rates drop, while bond price decreases when market interest rates increases;
- The credit risk of bonds consists of the investors' perceptions with regard to payment, interest and capital capacity, by issuing entities;
- The risk of varying share prices stems from the change in investors' expectations regarding the macroeconomic and sectoral conditions where the company operates and, above all, from the change in the specific conditions of each company's business.

(ii) Actuarial risks

The actuarial risks comprise pension payment liabilities, presenting various risks that can have a negative impact on the value of the Fund's liabilities, namely pension growth rate, increased average life expectancy, and discount rate.

Relevant risks affecting the pension fund are managed by the Managing Company thereof, using the following mechanisms:

- The investment policy is mandatorily revised every three years. At the end of each year, an assessment is performed considering the fund's liabilities and, if there is a material change in the assumptions on which their preparation is based, materially, the Managing Company thereof proposes an amendment to the investment policy.
- The procedures used for adjusting between financial assets and liabilities are based on the distribution of liabilities by age groups, as this is associated with a risk profile.
- Share/Bond distribution by age group is based on the life cycle principle, which considers that risk tolerance decreases (reduced share weight) with a decrease in the investment horizon (approaching retirement age).
- The proposed allocation results from the weighting of these profiles, according to the weight of each echelon in the overall liability structure.

- In addition, and by deducting from the bond component, we consider a tranche of non-correlated assets (hedge funds, real estate, private equity, commodities), whose weight can range from 5% to 10%, and which is aimed at increasing the level of diversification.

- The Investment Policy followed by the Tejo BD Pension Sub-Fund on 31 December 2024 and 2023, complies with regulations set forth under Regulatory Standard no. 9/2007-R.

Liabilities regarding the Pension Plan as at 31 December 2024 were determined based on the following assumptions:

(i) 'Projected Unit Credit' calculation method";
(ii) Mortality Tables TV 88/90;
(iii) Yield/discount rate 3.30%;
(iv) Growth rate of wages 1.0%;

The Tejo Pension Fund comprises the following features:

(i) Portfolio composition:
   a. 11.4% shares;
   b. 72.9% fixed-rate bonds;
   c. 5.3% variable-rate bonds;
   d. 1.4% liquidity.

Alternative investments:
   e. 0.8% indirect Real estate;
   f. 7.3% Hedge Funds;
   g. 0.8% Commodities.

(ii) Expected return of the plan's long-term assets is of 3.80%.

Liabilities regarding the Pension Plan as at 31 December 2023 were determined based on the following assumptions:

(i) 'Projected Unit Credit' calculation method";
(ii) Mortality Tables TV 88/90;
(iii) Yield/discount rate 3.43%;
(iv) Growth rate of wages 1.0%;

The Tejo Pension Fund comprised the following features:

(i) Portfolio composition:
   a. 10.3% shares;
   b. 71.5% fixed-rate bonds;
   c. 5.1% variable-rate bonds;
   d. 6.9% liquidity.

Alternative investments:
   a. 0.7% indirect Real estate;
   b. 5.5% Hedge Funds.

(ii) Expected return of the plan's long-term assets was of 3.70%.

The discount rates used was selected in reference to the yield rate of a basket of high-quality corporate bonds. The maturity and ratings of the bonds selected were deemed appropriate, given the amount and the period when monetary flows associated with benefit payments to employees occur.

The Altri Group performed a sensitivity analysis of this valuation to significant assumption changes, having concluded that, had it considered a discount rate under 25 basis points, the liability amount would have increased by, approximately, 0.2 million Euro.

The amount recognised as an expense, regarding the benefits of a set contribution, in the financial statements of the financial years ended 31 December 2024 and 2023 came to around 257,000 Euro and 666,000 Euro, respectively.

30. RELATED PARTIES

Altri Group subsidiary companies have relationships with each other that qualify as transactions with related parties, which were carried out at market prices.

In the consolidation procedures, transactions between companies included in the consolidation using the full consolidation method are eliminated, since the consolidated financial statements show information on the parent company and its subsidiaries as if it were a single company, and so they are not disclosed under this note.

During the financial years ended 31 December 2024 and 2023, there were no transactions with the Board of Directors, nor were they granted loans.

Balances as at 31 December 2024 and 2023 and the transactions with related entities during the financial years ended on those dates can be summarised as follows:

	Payables		Receivables		Loans granted	
Balances	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Associates and joint ventures (a)	2,846,133	2,311,339	721	8,502	100,281	—
	2,846,133	2,311,339	721	8,502	100,281	—

	Purchases and acquired services		Sales and services rendered		Other income	
Transactions	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Associates and joint ventures (a)	26,348,559	27,768,847	8,106	8,458	56	36
	26,348,559	27,768,847	8,106	8,458	56	36

	Interest obtained	
Transactions	31.12.2024	31.12.2023
Associates and joint ventures (a)	281	—
	281	—

(a) Every entity included in the consolidation using the equity method as at 31 December 2024 and 2023 as detailed in Note 4.2.

31. COMPENSATIONS TO KEY MANAGEMENT

Compensations granted to key Management who, in view of the Group's governance model, are members of the Altri Group's Board of Directors, earned through all group's companies, during the financial years ended 31 December 2024 and 2023, were as follows:

	Board of Directors	
	31.12.2024	31.12.2023
Fixed remunerations	3,781,187	3,399,624
Variable remunerations	2,765,060	990,000
	6,546,247	4,389,624

As at 31 December 2024 and 2023, there are no: (i) incentive plans or systems with regard to granting shares to members of the Board of Directors; (ii) supplementary early retirement schemes for directors; (iii) compensations paid or owed to former directors regarding the suspension of duties during the financial year; or (iv) non-monetary benefits considered remuneration.

Director Laurentina Martins benefits from a plan granted prior to her appointment to the Board of Directors, since she was an employee of the subsidiary Caima on the granting date. The main characteristics and informations on the aforementioned plan are detailed under Note 29. As at 31 December 2024, the current amount of payable pensions granted to this employee came to 267,185 Euro, and no contributions were made to the referred fund (Plan C) in 2024 (Note 29). The amount earned directly via the pension fund in 2023 was 33,705 Euro. Additionally, during 2023, the Group made contributions to the Celbi pension fund (defined contribution) (Note 29) for some directors, in the amount of 12,760 Euro.

Altri, S.G.P.S., S.A. does not have a plan for granting shares or purchasing options for acquiring shares to members of its governing bodies or to its employees.

32. OTHER INCOME

The income statement line item 'Other income' in the financial years ended 31 December 2024 and 2023 was as follows:

	31.12.2024	31.12.2023
Investment and exploration subsidies	5,778,301	9,732,158
Gains on sales of assets	369,211	165,780
Gains in derivative instruments (Note 27)	2,553,860	13,444,126
Claim compensations	7,224,338	1,480,554
Compensations regarding credit insurance	—	2,001,656
Sale of CO_2 licenses	—	5,040,000
Others	1,493,718	3,955,621
	17,419,428	35,819,895

The "Claim compensations" line item essentially includes an insurance indemnity following an incident that occurred in the cogeneration turbine at Celbi's production unit (Note 16).

33. OTHER EXPENSES

The income statement line item 'Other expenses' in the financial years ended 31 December 2024 and 2023 was as follows:

	31.12.2024	31.12.2023
Fees and direct taxes	1,832,621	1,782,600
Losses in derivative instruments (Note 27)	14,707,972	5,365,391
Donations	124,966	198,380
Irrecoverable debts	—	2,526,402
Others	739,403	711,086
	17,404,962	10,583,859

34. FINANCIAL RESULTS

The financial expenses and income for the financial years ended 31 December 2024 and 2023 are as follows:

	31.12.2024	31.12.2023
Financial expenses:		
Interest expenses (Note 20)	26,070,353	26,247,858
Interest expenses related to lease liabilities (Note 8.2)	2,995,845	2,936,156
Unfavourable currency exchange differences	5,624,157	5,884,603
Losses in derivative instruments (Note 27)	3,533,867	108
Other financial expenses and losses	2,354,616	3,141,632
	40,578,838	38,210,357
Financial income:		
Interest income	6,597,819	3,157,160
Favourable currency exchange differences	10,933,882	6,230,728
Gains in derivative instruments (Note 27)	3,144,396	5,465,398
Other financial income and gains	708	1,203
	20,676,805	14,854,489

The line items 'Gains in derivative instruments' and 'Losses in derivative instruments' refer to gains and losses, respectively, in derivative instruments resulting from derivative instruments that matured or settlement of derivative instruments and changes in the fair value of trading derivative financial instruments associated with exchange rate (Note 27).

The line item 'Other financial gains and losses' includes, among others, expenses incurred with loans, which are being recognised as an expense over the life of the respective loan (Note 20).

35. RESULTS RELATED TO INVESTMENTS

The results related to investments for years ended 31 December 2024 and 2023 can be detailed as follows:

	31.12.2024	31.12.2023
Capital losses related to the disposal of investments	—	(82,022)
Equity method (Note 4.2):		
Operfoz	23,674	12,106
	23,674	(69,916)

The financial investment held in the joint venture C.V. Scheepvaartonderneming Schouwenbank was sold in the first quarter of 2023 for the amount of 800,000 Euro, having generated a capital loss of 82,022 Euro (Note 4.2).

36. AMORTISATION AND DEPRECIATION

The income statement line item 'Amortisation and depreciation' regarding financial years ended 31 December 2024 and 2023 is as follows:

	31.12.2024	31.12.2023
Property, plant and equipment (Note 7)	48,679,635	55,248,387
Right-of-use assets (Note 8.1)	11,749,122	11,438,312
Intangible assets (Note 10)	230,382	266,838
Investment properties	532	—
	60,659,671	66,953,537

37. EARNINGS PER SHARE

Earnings per share ended 31 December 2024 and 2023 were calculated based on the following amounts:

	31.12.2024	31.12.2023
Number of shares for basic and diluted earning calculation	205,131,672	205,131,672
Earnings of continued operations for the purpose of calculating earnings per share	107,204,025	42,786,141
Earnings per share		
Basic	0.52	0.21
Diluted	0.52	0.21

As at 31 December 2024 and 2023, there are no dilution effects on the number of circulating shares.

38. INFORMATION BY SEGMENTS

As at 31 December 2024, the Board of Directors of the Altri Group considers that there is only one segment that can be reported, namely the production and commercialization of cellulosic fibers, and the management information is also prepared and analysed on this basis.

Geographically speaking, the distribution of the Group's sales and services rendered by market is as follows:

	31.12.2024	31.12.2023
Domestic market	182,357,907	172,779,220
Foreign market	655,540,474	579,647,742
	837,898,381	752,426,962

39. PAYROLL EXPENSES

During the financial years ended 31 December 2024 and 2023, the average number of staff employed in the companies included in the consolidation using the full consolidation method was 810 and 826, respectively.

As at 31 December 2024 and 2023, the line item 'Payroll Expenses' shows the following detail:

	31.12.2024	31.12.2023
Remunerations	41,831,184	36,421,673
Social security contributions	7,522,793	7,121,755
Indemnities	402,190	702,731
Insurance	1,240,725	1,122,973
Costs with pensions	256,713	666,070
Others	3,236,080	2,638,553
	54,489,685	48,673,755

As at 31 December 2024, the variation in the “Remunerations” line item is essentially explained by the increase in bonuses granted to employees.

40. EXTERNAL SUPPLIES AND SERVICES

As at 31 December 2024 and 2023, the line item 'External supplies and services' shows the following detail:

	31.12.2024	31.12.2023
Energy	33,891,200	2,865,682
Transport of goods	49,177,002	48,850,438
Specialised services	20,282,223	18,047,678
Fuels	16,709,532	23,081,389
Forestry activity costs	29,821,428	24,921,471
Maintenance and repair	20,577,114	20,397,051
Rents	3,771,021	2,328,931
Insurance	5,338,040	5,968,713
Subcontracts	5,530,007	5,327,746
Others	20,725,377	19,156,858
	205,822,944	170,945,957

The variation in the "Energy" line item is essentially explained by a change in the electricity purchase and sale regime, as a result of the transition of Celbi's production unit to buying and selling energy and not in self-consumption.

The variation in the "Fuels" line item is essentially explained by a reduction in the market price of gas over the last year.

41. STATUTORY AUDITOR FEES

The fees paid by the Altri Group for services provided by companies in the Ernst & Young Audit & Associados - SROC, S.A. universe, in 2024 and 2023, came to 238,500 Euro and 270,415 Euro, respectively. These fees pertain mainly to auditing and statutory audit services and include also 48,000 Euro in 2024 and 49,500 Euro in 2023, relating to other assurance services.

42. ALLOCATION OF NET PROFIT

In relation to the year 2023, the Board of Directors proposed in its annual report that the individual net profit of Altri, SGPS, S.A. in the amount of 21,331,956 Euro was fully distributed as dividends. In addition, it proposed to distribute as dividends an additional amount of reserves in the amount of 29,950,962 Euro, which corresponded to a total distribution of dividends of:

Dividends	51,282,918	Euro

The proposed distribution of profits for the year and reserves entailed the payment of a gross dividend of 0.25 Euro per share.

In relation to the year 2024, the Board of Directors proposes in its annual report that the individual net profit of Altri, SGPS, S.A. in the amount of 97,783,306 Euro be allocated as follows:

Dividends	61,539,501.60	Euro
Free reserves	36,243,804.40	Euro

The proposed distribution of profits for the year and reserves will entail the payment of a gross dividend of 0.30 Euro per share.

43. SUBSEQUENT EVENTS

Altri has signed a Share Purchase Agreement to acquire Greenalia Forest and Greenalia Logistics from Smarttia, taking a strategic step in consolidating its presence in Galicia. Although it was signed during the 2024 financial year, the completion of this acquisition is subject to the verification of a set of preconditions, which is the usual procedure in transactions of this nature, a process which is expected to be completed during the 2025 financial year.

In March 2025, the Xunta de Galicia, through its Environmental Council, published a favorable Environmental Impact Statement (DIA) for the Gama project. Although additional permits are required, the DIA represents an important milestone, as it assesses the project as complying with the environmental regulations in force.

From 31 December 2024 to the date of issue of this report, there were no other relevant facts that could materially affect the financial position and future results of the Altri Group and its subsidiary, joint ventures and associates included in the consolidation.

44. TRANSLATION NOTE

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

The Board of Directors

Alberto João Coraceiro de Castro

Paula Simões de Figueiredo Pimentel Freixo Matos Chaves

Paulo Jorge dos Santos Fernandes

José Armindo Farinha Soares de Pina

João Manuel Matos Borges de Oliveira

Carlos Alberto Sousa Van Zeller e Silva

Domingos José Vieira de Matos

Vítor Miguel Martins Jorge da Silva

Laurentina da Silva Martins

Miguel Allegro Garcez Palha de Sousa da Silveira

Pedro Miguel Matos Borges de Oliveira

João Carlos Ribeiro Pereira

Ana Rebelo de Carvalho Menéres de Mendonça

Sofia Isabel Henriques Reis Jorge

Maria do Carmo Guedes Antunes de Oliveira

04

Separate Financial Statements and Accompanying Notes

Statements of Financial Position as at 31 December 2024 and 2023

Income Statements by Nature for the periods ended 31 December 2024 and 2023

Statements of Comprehensive Income for the periods ended 31 December 2024 and 2023

Statements of Changes in Equity for the periods ended 31 December 2024 and 2023

Statements of Cash Flow for the periods ended 31 December 2024 and 2023

Accompanying Notes to the Financial Statements

ALTRI, SGPS, S.A.

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 25)

(Amounts expressed in Euro)

ASSETS	Notes	31.12.2024	31.12.2023
NON-CURRENT ASSETS:			
Property, plant and equipment	8	6,691,284	6,817,125
Right-of-use assets	9.1	227,636	279,650
Investments in subsidiaries and joint ventures	4	148,063,546	148,063,546
Derivative financial instruments	18	—	409,117
Deferred tax assets	6	236,968	375,555
Total non-current assets		155,219,434	155,944,993
CURRENT ASSETS:			
Trade receivables	21	127,995	558,420
Other receivables	12	107,964,737	26,958,483
Income tax	11	—	22,332,909
Other current assets	13	3,604,231	6,624,018
Other financial assets	21	11,087,750	19,588,750
Derivative financial instruments	18	1,259,967	1,669,656
Cash and cash equivalents	10	49,942,634	53,314,526
Total current assets		173,987,314	131,046,762
Total assets		329,206,748	286,991,755
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	14	25,641,459	25,641,459
Legal reserve	14	5,128,292	5,128,292
Other reserves	14	22,205,723	52,482,320
Net profit for the year		97,783,306	21,331,956
Total equity		150,758,780	104,584,027
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Other loans	15	79,742,546	139,519,299
Lease liabilities	9.2	119,725	127,098
Deferred tax liabilities	6	39,546	136,162
Derivative financial instruments	18	1,715	—
Total non-current liabilities		79,903,532	139,782,559
CURRENT LIABILITIES:			
Other loans	15	51,698,113	22,394,612
Lease liabilities	9.2	109,988	155,926
Trade payables		56,503	58,552
Other payables	16	17,420,422	8,395,507
Income tax	11	26,850,005	—
Other current liabilities	17	2,409,405	9,158,524
Derivative financial instruments	18	—	2,462,048
Total current liabilities		98,544,436	42,625,169
Total liabilities		178,447,968	182,407,728
Total liabilities and equity		329,206,748	286,991,755

The accompanying notes are an integral part of the separate financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

INCOME STATEMENTS BY NATURE FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 25)

(Amounts expressed in Euro)

	Notes	31.12.2024	31.12.2023
Services rendered	21	19,440,000	17,093,856
External supplies and services		(1,210,265)	(1,385,314)
Payroll expenses	22	(5,205,317)	(4,987,610)
Amortisation and depreciation	8 and 9.1	(284,397)	(323,507)
Other expenses		(165,448)	(161,936)
Results related to investments	19	92,000,000	18,000,000
Financial expenses	20	(7,231,936)	(8,968,985)
Financial income	20	2,594,703	2,587,112
Profit before income tax		99,937,340	21,853,616
Income tax	6	(2,154,034)	(521,660)
Net profit for the year		97,783,306	21,331,956

The accompanying notes are an integral part of the separate financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 25)
(Amounts expressed in Euro)

	Notes	31.12.2024	31.12.2023
Net profit for the year		97,783,306	21,331,956
Other comprehensive income from continued operations:			
Items that may be reclassified to profit or loss in the future			
Changes in fair value of cash flow hedging derivatives - gross amount	18	(422,251)	(616,031)
Changes in fair value of cash flow hedging derivatives - tax effect	6	96,616	138,607
		(325,635)	(477,424)
Other comprehensive income from discontinued operations:			
Items that will not be reclassified to profit or loss			
Changes in the value of financial assets at fair value	5	—	3,410,053
		—	3,410,053
Other comprehensive income for the year		(325,635)	2,932,629
Total comprehensive income for the year		97,457,671	24,264,585

The accompanying notes are an integral part of the separate financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 25)
(Amounts expressed in Euro)

	Notes	Share capital	Legal reserve	Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders	Other reserves	Net profit for the year	Total equity
Balance as at 1 January 2023	14	25,641,459	5,128,292	4,492,879	(239,880,546)	487,073,688	282,455,772
Appropriation of the result from 2022		—	—	—	487,073,688	(487,073,688)	—
Distribution of dividends		—	—	—	(63,440,684)	—	(63,440,684)
Distribution of group of assets classified as held for distribution to shareholders	5	—	—	—	(138,695,646)	—	(138,695,646)
Realization of fair value reserves related to group of assets classified as held for distribution to shareholders		—	—	(7,902,932)	7,902,932	—	—
Total comprehensive income for the year		—	—	3,410,053	(477,424)	21,331,956	24,264,585
Balance on 31 December 2023	14	25,641,459	5,128,292	—	52,482,320	21,331,956	104,584,027
Balance as at 1 January 2024	14	25,641,459	5,128,292	—	52,482,320	21,331,956	104,584,027
Appropriation of the result from 2023	23	—	—	—	21,331,956	(21,331,956)	—
Distribution of dividends	23	—	—	—	(51,282,918)	—	(51,282,918)
Total comprehensive income for the year		—	—	—	(325,635)	97,783,306	97,457,671
Balance on 31 December 2024	14	25,641,459	5,128,292	—	22,205,723	97,783,306	150,758,780

The accompanying notes are an integral part of the separate financial statements.

The Chartered Accountant

The Board of Directors

ALTRI, SGPS, S.A.

STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 25)
(Amounts expressed in Euro)

	Notes	31.12.2024	31.12.2023
Operating activities:			
Receipts from customers		22,685,137	35,990,415
Payments to suppliers		(1,397,883)	(4,335,172)
Payments to personnel		(2,389,920)	(3,101,426)
Other receipts/payments relating to operating activities		(2,319,831)	(2,072,814)
Income Tax (paid)/received		31,448,176	(15,137,029)
Cash flows generated by operating activities (1)		48,025,679	11,343,974
Investment activities:			
Receipts arising from:			
Dividends	12 and 19	27,000,000	98,000,000
Other financial assets	5 and 19	8,501,000	11,196,714
Interest and similar income		1,583,633	1,267,515
Payments relating to:			
Investments	10	—	(114,125,000)
Cash flows generated by investment activities (2)		37,084,633	(3,660,771)
Financing activities:			
Receipts arising from:			
Loans obtained	15	—	230,000,000
Other financing transactions		729,357	569,812
Payments relating to:			
Interest and similar expenses		(7,699,227)	(7,396,656)
Lease liabilities	9.2	(163,086)	(203,076)
Dividends	23	(51,282,918)	(63,440,684)
Loans obtained	15	(30,000,000)	(220,000,000)
Other financing transactions		(82,604)	(82,153)
Cash flows generated by financing activities (3)		(88,498,478)	(60,552,757)
Cash and cash equivalents at the beginning of the financial year	10	53,314,526	106,193,087
Changes in currency exchange rate		16,274	(9,007)
Cash and bank variation: (1)+(2)+(3)		(3,388,166)	(52,869,554)
Cash and cash equivalents at the end of the financial year	10	49,942,634	53,314,526

The accompanying notes are an integral part of the separate financial statements.

The Chartered Accountant

The Board of Directors

1. INTRODUCTORY NOTE

ALTRI, SGPS, S.A. (“Altri” or “the Company”) is a public limited company incorporated on 1 February 2005, whose headquarters is located at Rua Manuel Pinto de Azevedo, 818, in Porto, and its main activity involves managing shareholdings (Note 4), with shares listed at Euronext Lisbon.

Altri is the parent company of the group of companies named Altri Group, and its main activity is the management of investments mainly in the industrial area. The current activity of Altri Group focuses on the production of cellulosic fibers through three production units.

The Altri Group's financial statements are shown in Euro, in amounts rounded off to the nearest Euro. This is the currency used by the Group in its transactions and, as such, is deemed to be the functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 3 April 2025. Its final approval is still subject to agreement from the Shareholders' General Meeting. The Company and the Board of Directors expect the same to be approved with no significant changes.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in preparing the attached financial statements are described below. These policies were consistently applied during the periods being compared.

In addition, there were no significant changes to the main estimates used by the Company in preparing the consolidated financial statements.

2.1. BASIS OF PRESENTATION

The attached financial statements were prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union (“IFRS-EU”) in force for the fiscal year beginning on 1 January 2024. These correspond to the International Financial Reporting Standards, as issued by the International Accounting Standards Board ('IASB') and interpretations issued by the IFRS Interpretations Committee ('IFRS - IC') or by the former Standing Interpretations Committee ('SIC'), which have been adopted by the European Union on the account publication date.

The Board of Directors assessed the capacity of the Company to operate on a going concern basis, based on the entire relevant information, facts and circumstances, of a financial, commercial or other nature, including events subsequent to the financial statements' reference date, as available regarding the future. As a result of the assessment conducted, the Board of Directors concluded that it has adequate resources to keep up its operations, which it does not intend to cease in the short term; therefore, it was considered appropriate to use the going concern basis in preparing the financial statements.

The attached financial statements were prepared from the accounting books and records of the Company, in the assumption of going concern basis. The attached financial statements have been prepared on a historical cost basis, except for derivative financial instruments, which were measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Preparation of financial statements in compliance with IFRS-EU calls for the use of estimates, assumptions and critical judgements in the process of determining the accounting policies to be adopted by the Company, with significant impact on the book value of assets and liabilities, as well as on income and expenses for the period. Although these estimates are based on the best experience of the Board of Directors and on its best expectations regarding current and future events and actions, current and future results may differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas with significant assumptions and estimates are presented in Note 2.3.

In addition, for financial reporting purposes, fair-value measurement is categorised in three levels (Level 1, 2 and 3), taking into account, among others, whether the data used is observable in an active market, as well as their meaning in terms of valuing assets / liabilities or disclosing them.

Fair value is the amount for which an asset can be exchanged or a liability can be settled, between knowledgeable and willing parties, in a transaction not involving a relationship between them, regardless whether this price can be directly observable or estimated, using other valuation techniques. When estimating the fair value of an asset or liability, the Company considers the features that market participants would also take into account when valuing the asset or liability on the measurement date.

Assets measured at fair value following initial recognition are grouped into 3 levels according to the possibility of observing their fair value in the market:

Level 1: fair value is determined based on active market prices for identical assets/liabilities;

Level 2: fair value is determined based on evaluation techniques. The assessment models' main inputs are observable in the market; and

Level 3: fair value is determined based on assessment models, whose main inputs are not observable in the market.

(i) Adoption of new standards and interpretations, amendments, or reviews

Up to the date for approving these financial statements, the European Union endorsed the following accounting standards, interpretations, amendments, and revisions, mandatorily applied to the financial year beginning on 1 January 2024:

Standard / Interpretation	Applicable in the European Union in the financial years initiated in or after	
Amendments to IAS 1 - Classification of liabilities as current and non-current and Non-current liabilities with covenants	1-Jan-24	These amendments clarify the existing guidelines in IAS 1 regarding the classification of financial liabilities between current and non-current, clarifying that the classification should be measured according to an entity's right to defer payment at the end of each reporting period. In particular, the amendments (i) clarify the concept of 'settlement' by stating that if an entity's right to defer settlement of a liability is subject to compliance with future covenants, the entity has the right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period; and (ii) clarify that the classification of liabilities is not affected by the entity's expectation (based on whether or not the right exists, and should disregard any probability of exercising or not exercising such right), or by events occurring after the reporting date, such as non-compliance with a covenant. If the right to defer settlement for at least twelve months is subject to certain conditions being met after the balance sheet date, these criteria do not affect the right to defer settlement for the purpose of classifying a liability as current or non-current. This amendment applies retrospectively.

Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier finance arrangements	1-Jan-24	These amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* aim to clarify the characteristics of a supplier finance arrangement, and introduce additional disclosure requirements when such arrangements exist. The disclosure requirements are intended to help users of financial statements understand the effects of supplier finance arrangements on the entity's liabilities, cash flows and exposure to liquidity risk. This amendment applies retrospectively.
Amendments to IFRS 16 - Lease liabilities in sale and leaseback transactions	1-Jan-24	This amendment to IFRS 16 *Leases* introduces guidance on the subsequent measurement of lease liabilities related to sale and leaseback transactions that qualify as a "sale" in accordance with the principles of IFRS 15, with greater impact when some or all of the lease payments are variable lease payments that do not depend on an index or a rate. In the subsequent measurement of the lease liability, the seller-lessee must determine the "lease payments" and "revised lease payments" in such a way that they do not recognize gains/(losses) in relation to the right of use they retain. This amendment is retrospective.

There were no significant effects on the Company's financial statements for the year ended 31 December 2024, from the adoption of the above standards, interpretations, amendments and revisions.

(ii) Standards, interpretations, amendments and revisions that will have mandatory application in future economic exercises

On the approval date of these financial statements, the following accounting standards and interpretations, to be mandatorily applied in future financial years, were endorsed by the European Union:

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
Amendments to IAS 21 - The Effects of Changes in Exchange Rates: Lack of Exchangeability	1-Jan-25	This amendment aims to clarify how to assess the exchangeability of a currency, and how the exchange rate should be determined when it is not exchangeable for a long period. The amendment specifies that a currency should be considered exchangeable when an entity is able to obtain the other currency within a period that allows for normal administrative management, and through an exchange or market mechanism in which an exchange transaction creates enforceable rights and obligations. If a currency cannot be exchanged for another currency, an entity must estimate the exchange rate at the measurement date of the transaction. The objective is to determine the exchange rate that would be applicable on the measurement date for a similar transaction between market participants. The amendments also state that an entity can use an observable exchange rate without making any adjustment. Early adoption is permitted, but the transition requirements applied must be disclosed.

This amendment, although endorsed by the European Union, was not adopted by the Company in 2024, because its application is not yet mandatory. It is not expected that the future adoption of this amendment will have significant impacts on the financial statements.

(iii) New, amended or revised standards and interpretation not adopted

The following accounting standards and interpretations were issued by IASB and are not yet endorsed by the European Union:

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	1-Jan-26	These changes are essentially the result of the Post Implementation Review (PIR) of IFRS 9 *Financial Instruments* and clarify the following aspects relating to financial instruments: • It clarifies that a financial liability is derecognized on the "settlement date", i.e. when the related obligation is settled, cancelled, expires or the liability otherwise qualifies for derecognition. However, it introduces the possibility of an entity choosing to adopt an accounting policy that allows it to derecognize a financial liability that is settled through an electronic payment system before the settlement date, provided that certain conditions are met. • Clarifies how an entity should assess the contractual cash flow characteristics of financial assets that include variables relating to environmental, social and governance (ESG) factors and other similar contingent characteristics. • It requires additional disclosures for financial assets and liabilities subject to a contingent event (including ESG variables) and equity instruments classified at fair value through other comprehensive income. Early adoption is permitted. This amendment is retrospective. However, an entity is not obliged to restate the comparative period, and the potential impacts of applying this amendment are recognized in retained earnings in the year in which the amendment is applicable.
Amendments to IFRS 9 and IFRS 7 - Contracts negotiated with reference to electricity generated from renewable sources	1-Jan-26	The amendments refer specifically to renewable energy purchase agreements whose source of production is dependent on nature, so that supply cannot be guaranteed at specific times or volumes. In this sense, these amendments clarify the application of the "own use" requirements in power purchase agreements, as well as the fact that it is permitted to apply hedge accounting when these contracts are used as hedging instruments. Early application is permitted, except for the guidelines on hedge accounting which must be applied prospectively to new hedging relationships, so designated on or after the date of initial application.

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
Annual Improvements to IFRS (Volume 11)	1-Jan-26	Improvements are made on a regular basis to clarify and simplify the application of international standards, through minor changes that are not considered urgent. The main changes included in this volume are: • IFRS 1 (*Hedge accounting on first-time adoption of IFRS standards*): This amendment aims to update the cross-references in paragraphs B5 and B6 of IFRS 1 *First-time Adoption of International Financial Reporting Standards*, to the hedge accounting eligibility criteria in IFRS 9 for paragraphs 6.4.1(a), (b) and (c). • IFRS 7 (*Gain or loss on derecognition*): This amendment aims to update the language relating to unobservable market data included in paragraph B38 of IFRS 7 *Financial Instruments: Disclosures*, as well as adding references to paragraphs 72 and 73 of IFRS 13 *Fair Value Measurement*. • IFRS 7 (*Implementation guidance*): Several paragraphs relating to the implementation guidance of IFRS 7 have been amended for consistency and clarity. • IFRS 9 (*Derecognition of lease liabilities*): This amendment clarifies that when a financial liability is extinguished in accordance with IFRS 9, the lessee should apply paragraph 3.3.3 of IFRS 9 and recognize the gain or loss that results from that derecognition. • IFRS 9 (*Transaction price*): With this amendment the reference to "transaction price" in paragraph 5.1.3 of IFRS 9 is replaced by "amount determined by applying IFRS 15". • IFRS 10 (*Determination of 'de facto' agent*): Amendment made to paragraph B74 of IFRS 10, which clarifies that the relationship described in that paragraph is only one example of several possible between the investor and other parties acting as '*de facto'* agents. The aim of this amendment is to remove the inconsistency with the requirement in paragraph B73 that an entity should use its judgment in assessing whether other parties can act as *'de facto'* agents. • IAS 7 (*Cost method*): Replacement of the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the elimination of the definition of "cost method". Early application is permitted.
IFRS 18 - Presentation and disclosure in financial statements	1-Jan-27	IFRS 18 replaces IAS 1 *Presentation of Financial Statements* and comes in response to requests from investors looking for information on financial performance. With the introduction of the new requirements of IFRS 18, investors will have access to more transparent and comparable information on the financial performance of companies, with the aim of making better investment decisions. IFRS 18 essentially introduces three sets of new requirements to improve the disclosure of financial performance: • Comparability of the income statement: IFRS 18 introduces three defined categories for income and expenses - operating, investing and financing - to improve the structure of the income statement and requires all companies to provide new defined subtotals, including operating income. The new structure and subtotals will give investors a consistent starting point for analyzing companies' performance, making it easier to compare them. • Transparency of performance measures defined by management: IFRS 18 requires the disclosure of additional information on specific company performance indicators related to the income statement, known as performance measures defined by management. • Aggregation and disaggregation of items in the financial statements: IFRS 18 establishes guidelines on how items in the income statement should be aggregated. Application is retrospective and early adoption is permitted as long as the option is disclosed.

Standard / Interpretation	Applicable in the European Union in the financial years begun on or after	
IFRS 19 - Subsidiaries not subject to public reporting: Disclosures	1-Jan-27	IFRS 19 allows eligible entities to prepare IFRS financial statements with lower disclosure requirements than those required by the IFRS, while maintaining the obligation to apply all the measurement and recognition requirements of the IFRS. The reduction in disclosures defined by IFRS 19 covers most IFRS standards. Eligible entities are those that: (i) are subsidiaries of a group that prepares consolidated financial statements in IFRS for public disclosure; and (ii) are not subject to the obligation to publicly disclose financial information, because they do not have listed debt or equity securities, are not in the process of being listed, nor have as their main activity the safekeeping of assets in a fiduciary capacity. Application is optional. Early application is permitted. Early adopters must disclose and align disclosures in the comparative period with those in the current period.

These standards are yet to be endorsed by the European Union. As such, they were not applied by the Company in the fiscal year ended 31 December 2024.

Regarding these standards and interpretations, as issued by the IASB but yet to be endorsed by the European Union, it is not believed that their future adoption will entail significant impacts on the attached financial statements.

2.2 MAIN RECOGNITION AND MEASUREMENT CRITERIA

The main recognition and measurement criteria used by the Company in preparing its consolidated financial statements are as follows:

a) Intangible assets

Intangible assets are recorded at acquisition cost, net of depreciation and accumulated impairment losses. Intangible assets are recognised only if they are likely to result in future economic benefits for the Company, if they can be controlled by the Company, and if their value can be reasonably measured.

When acquired individually, intangible assets are recognized at cost, which comprises: i) the purchase price, including intellectual rights costs and fees after deducting any discounts; and ii) any cost directly attributable to its preparation for its intended use.

Research expenses incurred with new technical knowledge are acknowledged in the income statement when incurred. Development expenses for which the Company is shown as being able to complete its development and begin its sell and/or use and relative to which the created asset is likely to generate future economic benefits, are capitalised. Development expenses that do not meet these criteria are recorded as cost in the period in which they are incurred.

Internal expenses associated with software maintenance and development are recorded as costs in the income statement when incurred, except when said costs are directly associated with projects for which future economic benefits are likely to be generated for the Company. In such situations, costs are capitalised as intangible assets.

After the assets are available for use, amortisations are calculated using the straight-line method, in accordance with the estimated useful life period (generally 3 to 5 years).

b) Property, Plant and Equipment

Property, Plant and Equipment that correspond, mainly, to the property acquired in 2018 to install the Company's head office and administrative equipment are recorded at acquisition cost, net of the corresponding depreciation as well as accumulated impairment losses.

The acquisition cost includes the purchase price of the asset, expenses directly attributable to its acquisition and costs incurred in preparing the asset to be ready for its intended use. Financial costs incurred on loans obtained for the construction of qualifying tangible assets are recognized as part of the construction cost of the asset.

After the date when the assets are available for use, depreciation is calculated using the straight-line method, in accordance with the estimated useful life period for each group of assets.

Depreciation rates used correspond to the following estimated useful life periods:

	Years
Buildings and other edifications	50
Office equipment	3 to 10
Vehicles	4 to 8

Maintenance and repair expenses that do not increase the assets' useful life or result in significant upgrades or improvements to components of property, plant and equipment are recorded as an expense in the fiscal year when they are incurred.

Property, Plant and Equipment in progress represent fixed assets still under construction, and are recorded at acquisition cost net of any impairment losses. These fixed assets are depreciated from the moment the underlying assets are ready to be used.

Gains or losses resulting from the sale or write-off of the tangible fixed asset are determined as the difference between the sales price and the net book value on the disposal or write-off date. They are recorded in the income statement under the line items "Other income" or "Other expenses."

c) Rights of use

At the start of every agreement, the Company assesses whether the agreement is, or contains, a lease. That is, whether the right of use of a specific asset or assets is being transferred for a certain period of time in exchange for a payment.

The Company as lessee

The Company applies the same recognition and measurement method to every lease, except for short-term leases and leases associated with low-value assets. The Company recognises a liability relative to lease payments and an asset identified as a right of use of the underlying asset.

(i) Right-of-use assets

On the lease start date (that is, the date from which the asset is available for use), the Company recognises an asset relative to the right of use. 'Right-of-use assets' are measured at cost, net of depreciation and accumulated impairment losses, adjusted by remeasuring lease liability. The cost comprises the initial value of the lease liability adjusted for any lease payments made on or prior to the start date, on top of any initial direct costs incurred, as well as a cost estimate for dismantling and removing the underlying asset (as applicable), net of any incentive granted (as applicable).

The right-of-use asset is depreciated in twelfths, using the straight-line depreciation method, based on the lease term.

If ownership of the asset is transferred to the Company at the end of the lease period, or the cost includes a purchase option, depreciation are calculated by taking into account the asset's estimated useful life.

(ii) Lease liabilities

On the lease start date, the Company recognises a liability measured at the present value of the lease payments to be made throughout the agreement. Lease payments included in measuring lease liability include fixed payments, net of any incentives already received (where applicable) and variable payments associated with an index or rate. Where applicable, payments also include the cost of exercising a purchase option, which shall be exercised by the Company with reasonable certainty, and payments of penalties for ending the agreement, if the lease terms reflect the Company's exercising option.

The lease liability is measured at amortised cost, using the effective interest method. It is remeasured when changes occur to future payments derived from a change to the rate or index, as well as possible modifications to the lease agreements.

Variable payments not associated with any indices or rates are recognised as an expense during the financial year, in the period when the event or condition leading to the payment occurs.

To calculate the present value of future lease payments, the Company uses its incremental interest rate on the lease start date, since the interest rate implicit in the agreement cannot be readily determined. After that date, the lease liability amount is increased by adding interest and reduced by lease payments made. In addition, the amount is remeasured in the event of a change in the terms of the agreement, the in lease amounts (e.g., changes in future payments caused by a change to an index or rate used in determining said payments) or a change in the assessment of a purchase option associated with the underlying asset.

(iii) Short-term leases and low-value leases

The Company applies the recognition exemption to its assets' short-term leases (i.e., leases lasting up to 12 months and not containing a purchase option). The Company also applies the recognition exemption to leases of assets deemed to be of low value. Payments of short-term and low-value leases are recognised as an expense in the financial year, throughout the lease period.

d) Impairment of non-current assets, except Goodwill

The Company's asset impairment is assessed on the date of every statement of financial position and whenever there is an event or change in circumstances indicating that the amount for which the asset is recorded might not be recoverable.

Whenever the amount for which the asset is recorded is higher than its recoverable amount, an impairment loss is recognised and recorded in the income statement under the line item 'Provisions and impairment losses.'

The recoverable amount is either the net sales price or the value in use, whichever is higher. The net sales price is the amount that would be obtained from the asset's disposal, in a transaction between independent knowledgeable entities, net of the costs directly attributable to the disposal. The use value is the present value of estimated future cash flows that are expected to arise from the continuous use of the asset and from its disposal at the end of its useful life. The recoverable amount is estimated for each asset individually or, if not possible, for the cash-generating unit to which the asset belongs.

The reversal of impairment losses recognised in previous financial years is recorded when it is concluded that previously recognised impairment losses no longer exist or has decreased. The reversal of impairment losses is recognised in the income statement under the line item 'Provisions and impairment losses'. This reversal of the impairment loss is made up to the limit of the amount that would have been recognised (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

e) Borrowing costs

Financial expenses related to loans are generally recognised as an expense in the income statement, in accordance with the principle of accrual accounting.

Financial expenses on loans directly related to the acquisition, construction or production of property, plant and equipment are capitalised as part of the cost of the asset. The capitalisation of these expenses begins after the start of preparation of the construction or development activities of the asset and is interrupted when those assets are available for use or at the end of the construction of the asset or when the project in question is suspended.

f) Provisions

Provisions are recognised when, and only when the Company: (i) has a present obligation (legal or constructive) resulting from a past event; (ii) it is probable that an outflow of funds will be required to settle that obligation; and (iii) the amount of the obligation can be reasonably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the best estimate of the Board of Directors at that date.

Provisions for restructuring costs are recognised whenever a formal and detailed restructuring plan exists and has been communicated to the parties involved.

When a provision is determined taking into consideration the cash flows required to settle such an obligation, it is recorded at its present value.

g) Investments in subsidiaries, joint ventures and associates

Investments in equity holdings in subsidiaries, joint ventures and associates are measured in accordance with 'IAS 27 - Separate Financial Statements', at acquisition cost net of any impairment losses.

Subsidiaries are all entities over which Altri has control, that is, it has the power to control its financial and operating policies, in such a way that they are able to influence, as a result of their involvement, the return on the activities of the detained entity and the ability to affect that return (definition of control used by the Company).

Joint ventures are investments in entities that are the object of a joint agreement by all or part of their holders, with the parties that have joint control of the agreement rights over the entity's net assets. Joint control is obtained by contractual provision and exists only when the associated decisions have to be taken unanimously by the parties that share control.

In situations where the investment or financial interest and the contract entered into by the parties allows the entity to have direct joint control over the rights to hold the asset or obligations inherent in the liabilities related to that agreement, it is considered that such a joint agreement does not corresponds to a joint venture, but to a jointly controlled operation.

Associates correspond to entities over which the Company has significant influence, that is, over which the Company has the power to participate in decisions on the investee's operational and financial policies, but this power does not correspond to control or joint control over them.

Altri conducts impairment tests to financial investments whenever events or changes in the circumstances indicating that the amount for which they are recorded in the separate financial statements might not be recoverable.

The impairment analysis is based on the evaluation of the financial investments, using the discounted cash-flow method, based on the financial projections of cash-flow at five years of each and the year of perpetuity starting from the fifth year, deducted from the fair value of the liabilities of the entities.

The Board of Directors believes that the methodology described above leads to reliable results on the existence of any impairment of the investments under analysis, as they take into consideration the best information available at the time of preparation of the financial statements.

Dividends received from these investments are recorded as investment income, when attributed. Dividends are recorded in the income statement under 'Results related to investments'.

h) Financial instruments

(i) Financial assets and liabilities

Financial assets and liabilities are recognised in Altri's balance sheet when it becomes part of the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at their fair value. Transaction costs directly attributable to the acquisition or issuance of financial assets and liabilities (other than financial assets or liabilities measured at fair value through income statement) are added to or deducted from the fair value of the financial asset or liability, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or liabilities recognised at fair value through the income statement are recognised immediately in the income statement.

(ii) Financial assets

All purchases and sales of financial assets are recognised on the date of signature of the respective purchase and sale contracts, regardless of the date of their financial settlement. All recognised financial assets are subsequently measured at amortised cost or at their fair value, depending on the business model adopted by Altri and the characteristics of its contractual cash flows.

Classification of financial assets

1. Debt instruments and receivables

Fixed income debt instruments and receivables that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held taking into account a business model whose objective is to preserve it in order to receive its contractual cash flows; and
- the contractual terms of the financial asset generate, on specific dates, cash flows that are solely payments of principal and interest on the amount of principal outstanding.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the corresponding interest during its life.

For financial assets that are not acquired or originated with impairment (i.e. assets impaired on initial recognition), the effective interest rate is the one that accurately discounts estimated future cash flows (including fees and commissions paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts) over the expected life of the instrument in its gross carrying amount at the date of its initial recognition.

The amortised cost of a financial asset is the amount by which it is measured on initial recognition net of principal repayments plus the accumulated amortisation, using the effective interest rate method, of any difference between that initial amount and the amount of its repayment, adjusted for any impairment losses.

Interest-related revenue is recognised in the income statement under the line item 'Financial income', using the effective interest rate method, for financial assets subsequently recorded at amortised cost or at fair value through the income statement. Interest revenue is calculated by applying the effective interest rate to the financial asset's gross carrying amount.

Debt instruments and receivables that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the financial asset is held by considering a business model whose objective provides for both receiving its contractual cash flows and its disposal; and
- the contractual terms of the financial asset generate, on specific dates, cash flows that are solely payments of principal and interest on the amount of principal outstanding.

2. Capital instruments designated at fair value through other comprehensive income

In the initial recognition, the Company can make an irrevocable choice (on a financial instrument by financial instrument basis) to state certain investments under equity instruments (shares) at fair value through other comprehensive income when these fulfil the definition of capital provided for under IAS 32 Financial Instruments: Presentation and not held for trading. Classification is determined on an instrument-by-instrument basis.

The fair-value designation through other comprehensive income is not permitted if the investment is held for trading purposes or when resulting from a contingent consideration recognised as part of a business combination.

A capital instrument is held for trading if:

- it is acquired chiefly for the purpose of short-term disposal;
- in the initial recognition, it is part of a portfolio of identified financial instruments that the Company jointly manages and which shows an actual recent pattern of obtaining short-term gains; or
- it is a derivative financial instrument (except if attributed to a hedging transaction).

Investments in equity instruments recognised at fair value through other comprehensive income are initially measured at their fair value plus transaction expenses. Subsequently, they are measured at their fair value with gains and losses arising from their change, as recognised under other comprehensive income. At the time of its disposal, the accumulated gain or loss generated with these financial instruments is not reclassified to the income statement, but, rather, merely transferred to the line item “Retained Earnings.”

3. Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for being measured at amortised cost or at fair value through other comprehensive income are measured at fair value through the income statement. These financial assets include financial assets held for trading, financial assets designated at the time of initial recognition as measured at fair value through profit or loss, or financial assets that are mandatorily measured at fair value.

Financial assets recorded at fair value through profit or loss are measured at fair value obtained at the end of each reporting period. The corresponding gains or losses are recognised in the income statement, except if they are part of a hedging relationship.

Financial asset impairment

Altri recognises expected impairment losses for debt instruments measured at amortised cost or at fair value through other comprehensive income, as well as for trade receivables and other receivables.

The expected impairment loss amount for the aforementioned financial assets is updated on every reporting date in order to reflect the credit risk changes occurred since the initial recognition of the corresponding financial assets.

Expected impairment losses for granted loans (trade receivables and other receivables parties) are estimated using the uncollectibility matrix based on Company debtors' credit history in the last few years, as well as from estimated future macroeconomic conditions.

Impairment loss of these assets is recorded according to expected impairment losses (expected credit losses) of those financial assets. The amount of expected loss is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument. The loss amount is recognised in the income statement for the financial year when this situation occurs.

According to the expected simplified approach, Altri recognises expected impairment losses for the economic life of trade receivables and other receivables parties (lifetime). Expected losses on these financial assets are estimated using an impairment matrix based on the Altri's historical experience of impairment losses, affected by specific prospective factors related to debtors' expected credit risk, by the evolving general economic conditions and by an evaluation of current and projected circumstances on the financial reporting date.

Measuring and recognising expected credit losses

Measuring expected impairment losses reflects the estimated likelihood of default, the likelihood of loss due to said default (i.e., the magnitude of loss in the event of default) and the Altri's actual general exposure to said default. Altri considers default to be 60 days after the due date.

Assessment of the likelihood of default and of loss due to said default is based on existing historical information, adjusted for future estimated information as described above.

For financial assets, exposure to default is shown as the assets' gross book value on each reporting date. For financial assets, expected impairment loss is estimated as the difference between every contractual cash flow owed to the Company, as agreed upon between the parties, and the cash flows the Company expects to receive, discounted at the original effective interest rate.

Altri recognises gains and losses regarding impairments in the income statement for every financial instrument, with the corresponding adjustments to their book value via the line item of accumulated impairment losses in the statement of financial position.

As a result of Altri's stringent credit control policy, irrecoverable debts have been nearly non-existent.

Altri evaluates expected impairment losses, in accordance with IFRS 9.

The model used to determine the impairments of accounts receivable consists of:

- Trade receivables stratification by type of associated revenue;
- Analysis of the history of irrecoverable amounts and default for stated subpopulations;
- Segregation of outstanding balances, considering the existence of credit insurance and letters of credit;
- For balances not covered by credit insurance, determining the historical rate of amounts not recovered in the last two years;
- Adjustment of the rates obtained above with a forward-looking component based on future market evolution projections;
- Application of the rates obtained to trade receivables outstanding balance on the reporting date.

The amounts given in the statement of financial position are net of accumulated impairment losses for bad debts that were estimated by Altri; therefore, they are at their fair value.

For every other situation and nature of balances receivable, the Altri applies the general impairment model approach. On every reporting date, it assesses whether there was a significant increase in credit risk from the asset's initial recognition date. If credit risk did not increase, the Altri calculates an impairment corresponding to the amount equivalent to expected losses within a 12-month period. If credit risk did increase, the Altri calculates an impairment corresponding to the amount equivalent to expected losses for every contractual cash flow up to the asset's maturity. The credit risk is assessed in accordance with the loans disclosed in the credit risk management policies.

Derecognition of financial assets

Altri derecognises a financial asset only when the asset's contractual cash-flow rights expire, or when transferring the financial asset and substantially every risk and benefit associated with its ownership to another entity. When substantially every risk and benefit arising from ownership of an asset is neither transferred nor retained, or control over the asset is not transferred, Altri keeps on recognising the transferred asset to the extent of its continued involvement. In this case, Altri also recognises the corresponding liability, the transferred asset and corresponding liability are measured on a basis that reflects the rights and obligations retained by Altri. If Altri retains substantially every risk and benefit associated with ownership of a transferred financial asset, Altri keeps on recognising said asset; in addition, it recognises a loan for the amount received in the meantime.

In derecognising a financial asset measured at amortised cost, the difference between its carrying amount and the sum of the retribution received and to be received is recognised in the income statement.

On the other hand, when derecognising a financial asset represented by a capital instrument recorded at fair value through other comprehensive income, the accumulated gain or loss in the revaluation reserve is reclassified to the profit and loss statement.

However, in derecognising a financial asset represented by a capital instrument irrevocably designated in the initial recognition as recorded at fair value through other comprehensive income, the accumulated gain or loss in the revaluation reserve is not reclassified to the income statement, but, rather, transferred to the line item “Retained Earnings” included in the caption of equity “Other reserves”.

iii) Financial liabilities and equity instruments

Classification as financial liability or as an equity instrument

Financial liabilities and equity instruments are classified as liability or as equity according to the transaction's contractual substance.

Equity

Altri considered equity instruments to be those where the transaction's contractual support shows that Altri holds a residual interest in a set of assets after deducting a set of liabilities.

The equity instruments issued by Altri are recognised at the amount received, net of costs directly attributable to their issue.

The repurchase of equity instruments issued by Altri (own shares) is accounted for at its acquisition cost as a deduction from equity. Gains or losses inherent to disposal of own shares are recorded under the line item 'Other reserves.'

Financial liabilities

After initial recognition, every financial liability is subsequently measured at amortised cost or at fair value through income statement.

Financial liabilities are recorded at fair value through income statement when:

- the financial liability results from a contingent consideration arising from a business combination;
- the liability is held for trading; or
- the liability is designated to be recorded at fair value through income statement.

A financial liability is classified as held for trading if:

- it is acquired chiefly for the purpose of short-term disposal; or
- in the initial recognition, it is part of a portfolio of identified financial instruments that the Company jointly manages and which shows an actual recent pattern of obtaining short-term gains; or
- it is a derivative financial instrument (except if attributed to a hedging transaction).

Financial liabilities recorded at fair value through income statement are measured at their fair value with the corresponding gains or losses arising from their change, as recognised in the income statement, except if assigned to hedging transactions.

Financial liabilities subsequently measured at amortised cost

Financial liabilities not designated for recording at fair value through income statement are subsequently measured at amortised cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating the corresponding interest during its life.

The effective interest rate is the one that accurately discounts estimated future cash flows (including fees and commissions paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts) over the expected life of the instrument in its gross carrying amount at the date of its initial recognition.

Types of financial liabilities

Loans in the form of commercial paper issues are classified as non-current liabilities when they are guaranteed to be placed for more than one year, and the Company's Board of Directors intends to use this source of funding also for more than one year.

The other financial liabilities basically refer to factoring transactions and lease liabilities, which are initially recorded at their fair value. Following their initial recognition, these financial liabilities are measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are settled, cancelled or have expired.

The difference between the derecognised financial liability's carrying amount and the consideration paid or payable is recognised in the income statement.

When the Company and a given creditor exchange a debt instrument for another containing substantially different terms, said exchange is accounted for as a cancellation of the original financial liability and the recognition of a new financial liability.

Likewise, the Company accounts for substantial modifications to the terms of an existing liability, or to a part thereof, as a cancellation of the original financial liability and the recognition of a new financial liability.

If the modification is not substantial, the difference between: (i) the liability's carrying amount prior to modification; and (ii) the present value of future cash flows after modification is recognised in the income statement as a modification gain or loss.

Derivative instruments

Altri uses derivative instruments in managing its financial risks as a way to ensure hedging against said risks. Derivative instruments are not used for trading purposes.

The derivative instruments used by the Company defined as cash flow hedging instruments are related to the hedging of interest rates on loans obtained, exchange rates, hedging the price of pulp, as well as hedging the price of energy.

The risk is hedged in its entirety, with no hedging of risk components, and no target hedging value is defined for these risks.

The Company designates only the spot element of forward agreements as a hedging instrument. The forward element is recognised under Other comprehensive income and accumulated in a separate equity component.

The derivative financial instruments used for economic risk hedging purposes can be classified in the accounts as hedging instruments, provided they cumulatively meet the following conditions:

(i) On the transaction start date, the hedging ratio is identified and formally documented, including identification of the hedged item, the hedging instrument and assessment of hedging effectiveness;

(ii) The hedging ratio is expected to be highly effective, on the transaction start date and over the course of its life;

(iii) The hedging effectiveness can be reliably measured on the transaction start date and over the course of its life;

(iv) For cash-flow hedging transactions, the likelihood of its occurrence has to be high.

Whenever expectations of evolving interest rates or currency exchange rates so justify, the Company seeks to put under contract transactions protecting against unfavourable operations, using derivative instruments, such as, interest rate swaps (IRS), interest rate and currency exchange rate collars or exchange rate forwards.

Selecting hedging instruments to be used basically states their features in terms of economic risks they seek to hedge. Also considered are the implications of including each additional instrument in existing derivative portfolio, namely the effects in terms of volatility of results.

The conditions established for these cash flow hedge instruments are identical to those of the corresponding loans in terms of the amount, maturity dates of the interest and repayment schedules of the loans and for these reasons they qualify as perfect hedges.

In the case of hedging instruments for exchange rate exposure, the Company contracts to hedge highly probable transactions and for a small portion of the expected total, so it is also understood that hedging strategies are highly effective.

In the case of instruments for hedging the price of pulp, the price indexes to which the futures contracts for hedging the price of pulp are indexed are those most frequently used by the Group's subsidiaries as a reference for the sale price of their pulp, which is why it is understood that they also provide perfect hedging for highly probable transactions that are expected to occur in quantities greater than those contracted.

In the case of energy price hedging instruments, the Company contracts to hedge highly probable transactions and for a portion of the total expected energy purchases and/or sales transactions, so the hedging strategies are also understood to be highly effective.

Hedging instruments are recorded at their fair value.

As long as a cash flow hedge derivative meets the qualifying criteria, the hedging relationship shall be accounted for as follows:

1. the separate component of equity associated with the hedged item (cash flow hedge reserve) is adjusted to the lower of the following (in absolute amounts):

    a. the cumulative gain or loss on the hedging instrument from inception of the hedge, and

    b. the cumulative change in fair value (present value) of the hedged item (i.e. the present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge

2. the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognised in other comprehensive income.

3. any remaining gain or loss on the hedging instrument is considered hedge ineffectiveness and is recognised in the income statement.

Amounts recognised in the cash flow hedge reserve are subsequently recognised in the income statement in the same period or periods during which the hedged item affects the income statement according to the nature of the underlying transaction. If these are of an operational nature, they are recognized under "Other income" or "Other expenses". If they are of a financial nature, they are recognized under "Financial income" or "Financial expenses". If a hedge of a forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses accumulated in equity are removed from the cash flow hedge reserve and included in the initial measurement of the cost of the asset or liability.

Hedge accounting for derivative instruments is discontinued whenever a derivative instrument can no longer be qualified as a hedging instrument, namely when the instrument matures or is sold, or when the future transaction is no longer highly probable. The fair value differences accumulated until then, which are recorded in equity under the caption "Hedging reserve", are transferred to profit or loss of the period or to the carrying amount of the asset that resulted from the hedged forecast transaction, and subsequent revaluations are recorded directly under the corresponding headings of the income statement.

In the case of hedges of highly probable future transactions, the amount accumulated in Other comprehensive income should remain if the hedged future cash flows are still expected to occur. Otherwise, the cumulative amount is reclassified immediately to the income statement as a reclassification adjustment. After the interruption, once the hedged cash flows occur, any cumulative amount remaining in equity under "Hedging reserves" should be accounted for according to the nature of the underlying transaction.

When there are derivatives embedded in other financial instruments or other agreements, they are treated as separate derivatives in situations where the risks and features are not closely related to host agreements and in situations where the agreements are not shown at their fair value with unrealized gains or losses recorded in the income statement.

In cases where the derivative instruments, despite being put under contract with the specific goal of hedging financial risks, do not fulfil the aforementioned requirements for categorising as hedging instruments, the changes in fair value directly affect the income statement, under the line items 'Financial income' and 'Financial expenses.'

Offsetting financial instruments

Financial assets and financial liabilities are offset and the corresponding net amount is shown under the balance sheet if there is a present right of mandatory fulfilment to offset the recognised amounts and with the intention of either settling on a net basis or realising the asset and simultaneously settling the liability.

i) Contingent assets and liabilities

Contingent liabilities are defined by the Company as (i) possible obligations arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not under full control of the Company, or (ii) present obligations arising from past events but that are not recognised because it is unlikely that a cash flow affecting economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the Company's financial statements and are actually disclosed unless the possibility of a cash outflow affecting future economic benefits is remote, in which case they are not disclosed at all.

Contingent assets are possible assets that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not fully under the control of the Company.

Contingent assets are not recognised in the Company's financial statements, but are only disclosed when future economic benefits are likely.

j) Income tax

Income tax for the financial year is calculated based on the taxable earnings of the Company in accordance with the tax regulations in force and considers deferred taxation.

The Company is taxed under the special taxation regime for groups, according to article 69 of the Corporate Income Tax Code ("Código do Imposto sobre o Rendimento das Pessoas Coletivas"), with Altri SGPS, S.A. being the dominant company in the Tax Group.

Deferred taxes are calculated using the financial position statement liability method and reflect the temporary differences between the amount of assets and liabilities for accounting reporting purposes and the respective amounts for tax purposes. Deferred tax assets and liabilities are calculated and annually assessed using the tax rates in force or substantially in force at the expected date of reversal of temporary differences.

The measurement of deferred tax assets and liabilities:

- It is conducted in accordance with the expected rates to be applied in the period the asset is realised or the liability settled, based on the tax rates approved at the balance sheet date; and
- It reflects the tax consequences arising from the way the Company expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised only when there are reasonable expectations of sufficient future tax profits for their use, or in situations where there are taxable temporary differences that offset the temporary differences deductible in the period of their reversal. At the end of each period a review is made of these deferred taxes, which are reduced whenever their future use is no longer likely.

Deferred taxes are not recognised in respect to temporary differences associated with investments in subsidiaries and associates, since the following conditions are simultaneously considered to be met:

- The Company is able to control the timing of the temporary difference reversal; and
- It is likely that the temporary difference will not be reversed in the foreseeable future.

Deferred taxes are recorded as expenses or income for the financial year, except if they result from amounts recorded directly in equity, in which case the deferred tax is also recorded under the same line item.

k) Revenue

Altri recognises revenue in accordance with IFRS 15, which sets forth that an entity recognises revenue in order to reflect the transfer of goods and services contracted by customers, in the retribution amount to which the entity expects to be entitled to receive as consideration for delivery of said goods or services, based on the five step model below:

1) contract identification with a client;
2) performance obligation identification;
3) pricing of the transaction;
4) allocation of the transaction price to performance obligation; and
5) recognition of revenue when or as the entity meets a performance obligation.

On 31 December 2024 and 2023, Altri's revenue refers entirely to corporate services rendered to the other subsidiaries. These services are billed monthly and the invoice is issued at the end of the month for services rendered in that month.

Revenue is recognised net of bonuses, discounts and taxes (e.g.: commercial discounts), and refers to the consideration received or receivable for services sold in line with the type of business identified. Revenue is recognised by the amount of the performance obligation fulfilled. The transaction price is a fixed component.

The Company considers the facts and circumstances when analysing the terms of each contract with clients, applying the requirements that determine the recognition and measurement of revenue in a harmonised way, when dealing with contracts with similar characteristics and circumstances.

l) Accrual accounting basis

The remaining income and expenses are recorded on an accrual basis, whereby they are recognised as they are generated regardless of when they are received or paid. The differences between the amounts received and paid and the corresponding income and expenses generated are recorded under the line items 'Other current assets', 'Other current liabilities', 'Other non-current assets', and 'Other non-current liabilities.'

m) Subsequent events

The events occurring after the statement of financial position providing additional evidence or information regarding conditions that existed on the date of the statement of financial position (adjusting events) are reflected in the financial statement. Events after the date of the statement of financial position that are indicative of the conditions that arose after the date of the statement of financial position (non-adjusting events), when material, are disclosed in the Notes to the financial statements.

n) Cash and cash equivalents

The amounts included under the line item 'Cash and cash equivalents' correspond to cash amounts, bank deposits, term deposits, and other treasury applications, maturing in less than three months, and are subject to insignificant risk of change in value.

In terms of statement of cash flows, the line item 'Cash and cash equivalents' also comprises bank overdrafts included under the current liability line item 'Bank loans.'

o) Statement of cash flows

The statement of cash flows is prepared according to IAS 7, using the direct method.

The statement of cash flows is categorised under operating activities (which include receipts from customers, payments to suppliers, payments to personnel and others related to operating activities), financing (which include payments and receipts related to borrowings, leasing contracts, and dividend payments), and investment (which include, acquisitions and disposals of investments in subsidiaries and receipts and payments arising from the purchase and sale of property, plant and equipment).

p) Assets held for sale or distribution and discontinued operations

This category includes assets or a group of assets whose value is realizable through a sale or distribution transaction, or jointly as a group in a single transaction, and liabilities directly associated with these assets that are transferred in the same transaction. Assets and liabilities in this situation are measured at the lowest value between their book value and fair value less costs to sell.

For this situation to occur, it is necessary that the sale is highly probable (and expected to occur within less than 12 months), and that the asset is available for immediate sale or distribution in its present condition, besides the Company having committed itself to its sale or distribution.

The amortization of assets under these conditions ceases from the moment they are classified as held for sale or distribution and are presented as current in their own asset, liability and equity lines. A discontinued operation is a component (operating units and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity) of an entity that has either been disposed of or is classified as held for sale or distribution, and:

(i) represents a separate major line of business or geographic area of operations;

(ii) is an integral part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or

(iii) is a subsidiary acquired exclusively with a goal to resale.

The income of discontinued operations are presented as a single amount in the income statement, comprising the after-tax profit or loss of the discontinued operations, plus the after-tax gain or loss recognized on the fair value measurement less costs to sell or on the disposal of assets or disposal group(s) that constitute the discontinued operation.

Balances between continuing operations and discontinued operations are eliminated in the consolidation process. Transactions between continuing operations and discontinued operations are eliminated to the extent that they represent transactions that will no longer be carried on by the Company.

Distribution of Group of assets classified as held for distribution to shareholders

When the Company resolves to distribute a dividend in kind and has an obligation to distribute said dividend to its shareholders, it must recognize a liability for the dividend payable.

The liability relating to the liability to pay a dividend must be recognized when the dividend has been duly approved and is no longer subject to the Company's discretion, which corresponds to the date on which the dividend proposal is approved at the General Meeting.

The Company shall measure the liability related to the responsibility for distributing dividends in kind to shareholders at the fair value to be distributed.

When the Company settles the dividend payable, it shall recognize in profit or loss any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable. This difference is presented in the income statement under "Profit after tax from discontinued operations".

If the distribution of net assets results in loss of control, the Company derecognizes the group of assets of the subsidiary and other Amounts recognized in other comprehensive income and accumulated in equity related to the group of assets. In the event that the Company retains any interest in the former subsidiary, such interest is measured at fair value at the date when control is lost.

2.3 JUDGEMENTS AND ESTIMATES

When preparing the attached financial statements, value judgements and estimates were made and various assumptions were used that affected the reported amounts of assets and liabilities, as well as the reported amounts of income and expenses for the year.

The underlying estimates and assumptions were determined based on the best knowledge existing at the date of approval of the financial statements of current events and transactions, as well as on previous and/or current events experience. However, there are situations that could occur in subsequent periods which, while not foreseeable on that date, were not considered in those estimates. Changes in estimates that occur after the date of the financial statements will be prospectively amended. Therefore, and given the inherent degree of uncertainty, the actual results of the transactions in question may differ from the corresponding estimates.

The main value judgements and most significant estimates conducted and used in preparing consolidated financial statements include:

a) Impairment tests of financial investments

Impairment analyses require determining fair value and / or the use value of the assets in question (or of some cash-generating units). This process calls for a high number of relevant judgements, namely estimating future cash flows associated with assets or with the corresponding cash-generating units, and determining an appropriate discount rate for obtaining the present value of the aforementioned cash flows. In this regard, the Company once again established the requirement calling for use of the maximum possible amount of observable market data. It further established calculation monitoring mechanisms based on the critical challenge of reasonability of assumptions used, their coherence and consistency (in similar situations).

b) Determining fair value of derivative financial instruments

In stating financial instruments not traded in active markets valuation techniques have been used that were based on discounted cash-flow methods or on market transaction multiples. Fair value of derivative financial instruments is generally determined by the entities for which they were hired (counterparties). The Company's Board of Directors recognises the counterparties as being competent and objective.

The estimates and underlying assumptions were determined based on the best information available at the date of preparation of the financial statements and based on the best knowledge and experience of past and / or current events. However, situations may occur in subsequent periods that, not being predictable at the date, were not considered in these estimates. For this reason and given the degree of uncertainty associated, the actual results of the transactions in question may differ from the corresponding estimates. Changes to these estimates, which occur after the date of the financial statements, will be corrected prospectively in the income statement, as provided by IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

2.4 CHANGES IN ACCOUNTING POLICY AND ERROR CORRECTION

Regarding new standards, interpretations, amendments and revisions to IFRS, see Note 2.1.

During the financial year ended 31 December 2024, there were no voluntary changes in accounting policies. Likewise, no material errors were recognised in relation to previous fiscal years.

3. FINANCIAL RISK MANAGEMENT

The Company is exposed to (a) market risk, (b) credit risk, and (c) liquidity risk. The main purpose of risk management is to reduce these risks to a level considered acceptable.

The general principles of risk management are approved by the Board of Directors, and their implementation and monitoring are overseen by the administrators and directors.

a) Market Risk

The current macroeconomic environment, marked by the geopolitical risks and uncertainties regarding its future evolution, as a result of the combination of several effects, namely the current armed conflicts, poses significant challenges to companies and their operations.

The Board of Directors is monitoring the impacts of the current macroeconomic environment in Altri's chain of operations, ensuring that mitigating measures are applied to minimize, where possible, the negative effects and uncertainty that threaten the global economic stability.

Additionally, Altri, when deemed necessary, uses derivative instruments in the management of their market risks to which it is exposed as a way to ensure their coverage, not being used derivative instruments with the objective of negotiation or speculation.

For Altri, in the management of market risk, the interest rate risk is of particular importance.

(i) Interest Rate Risk

The Company's exposure to the interest rate risk results essentially from Euribor-indexed long-term loans.

The Company's goal is to limit cash-flow volatility and results, considering the profile of its operating business by using an appropriate combination of debt to fixed and variable rate. The Company’s policy allows using interest rate derivatives in order to reduce exposure to changes in Euribor, not for speculation purposes.

Most derivative instruments used by the Company in managing interest rate risk are established as cash-flow hedging instruments, as they provide perfect hedging. The Index, calculation conventions, the interest rate hedging instruments, and interest rate hedging instrument repayment plans are altogether identical to the conditions set forth for contracted underlying loans.

In the financial years ended 31 December 2024 and 2023, the Company's sensitivity to changes in the interest rate benchmark of approximately one percentage point, measured as the change in financial results, can be analysed as follows, without considering the effect of derivative financial instrument hedging (Note 18) and the fixed rate debt:

	31.12.2024	31.12.2023
Interest expenses (Note 20)	6,928,897	2,988,107
A 1 p.p. increase in the interest rate applied to the entire debt	1,300,000	1,500,000
A 1 p.p. decrease in the interest rate applied to the entire debt	(1,300,000)	(1,500,000)

The sensitivity analysis above was calculated based on the exposure to the existing interest rate on the date ending each financial year. This analysis' basic assumption was that the financing structure (remunerated assets and liabilities) remained stable throughout the year and similar to that shown at the end of every financial year, with the rest remaining constant.

b) Credit Risk

Credit risk is defined as the probability of a financial loss occurring as a result of a counterparty defaulting on its payment contractual obligations.

Altri is a holding company, having no commercial activity beyond the normal activities of a portfolio manager of holdings and corporative services to its subsidiaries. As such, on a regular basis, the Company is only exposed to credit risk arising from financial instruments (investments and deposits with banks and other financial institutions or resulting from derivative financial instruments entered into in the normal course of its hedging operations), or from loans granted to subsidiaries (when applicable).

The outstanding amounts on loans granted, when applicable, are considered to have low credit risk and, consequently, the impairments for credit losses recognised during the period were limited to the estimated 12-month credit losses. These financial assets are considered to have 'low credit risk' when they have a reduced risk of default and the debtor has a high capacity to meet its short-term cash flow contractual responsibilities.

In order to reduce the probability of a counterparty defaulting on its payment contractual obligations, Altri follows the following principles:

– It only performs transactions (short-term investments and derivatives) with counterparties that have been selected in accordance with their prestige and recognition at national and international level, their ratings, and which take into consideration the nature, maturity and size of the transactions;

– No financial instruments shall be contracted unless they have been authorised in advance. The definition of eligible instruments for both excess availability and derivatives has been made on the basis of a conservative approach;

– Additionally, regarding cash surpluses: i) they shall preferably be used, whenever possible where it is most efficient, either to repay existing debt, or preferably invested in relationship banks, thereby reducing the net exposure to such institutions, and ii) they may only be applied in previously authorized instruments.

Given the above policies, Altri's Board of Directors does not foresee the possibility of any material breach of contractual payment obligations of its external counterparties.

In the case of loans to subsidiaries, there is no specific credit risk management policy, since the granting of loans to subsidiaries is part of the normal activity of the Company.

c) Liquidity Risk

The main objective of the liquidity risk management policy is to ensure that the Company has the capacity to liquidate or meet its responsibilities and to pursue the strategies outlined in compliance with all its commitments to third parties within the stipulated time frame.

The Company defines as an active policy (i) to maintain a sufficient level of free and immediately available resources to meet the necessary payments on maturity, (ii) to limit the probability of default on the repayment of all its investments and loans by negotiating the extent of the contractual clauses, and (iii) to minimise the opportunity cost of holding excess liquidity in the short term.

It also seeks to make the due dates of assets and liabilities compatible, through a streamlined management of their maturities.

4. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

On 31 December 2024 and 2023, 'Investments in subsidiaries and joint ventures' consisted of the following investments:

	Holding Percentage		Statement of financial position	
Company	2024	2023	31.12.2024	31.12.2023
Altri, Participaciones Y Trading, S.L.	100.00%	100.00%	142,168,546	142,168,546
Altri Abastecimento de Madeira, S.A.	100.00%	100.00%	2,050,000	2,050,000
Pulpchem Logistics, A.C.E.	50.00%	50.00%	—	—
Biogama, S.A.	90.00%	90.00%	1,845,000	1,845,000
Altri Abastecimento de Biomassa, S.A.	100.00%	100.00%	2,000,000	2,000,000
			148,063,546	148,063,546

Altri has prepared consolidated financial statements in accordance with the measurement and recognition principles of the International Financial Reporting Standards as adopted in the European Union, which present the following main financial data:

	31.12.2024	31.12.2023
Total consolidated net assets	1,322,395,943	1,314,950,013
Total consolidated equity	459,153,799	412,357,632
Consolidated profit for the year	106,500,521	41,992,497

The impairment tests conducted by Altri on its financial investments in the separate accounts allowed to determine the non-existence of impairment. Impairment tests were conducted on the basis of a diverse set of information on Altri SL's subsidiaries, namely, estimates of discounted cash flows. Those assessments were made based on historical performance and estimates of discounted cash flows based on business plans. For the subsidiaries in the pulp sector, subsidiaries of Altri SL, the business plans were carried out for 5 years (since it is the Board of Directors' understanding that this is the most appropriate period given the cyclical nature of the Group's respective operations), and was considered to be a medium and long-term paper pulp sales price, not influenced by short-term positive or negative fluctuations.

The main assumptions used in the calculation of Altri SL subsidiaries with reference to 31 December 2024 and 2023 were as follows:

	31.12.2024	31.12.2023
Inflation rate	2.00%	2.18%
Discount rate	6.45%	6.74%
Growth rate in perpetuity	2.00%	2.00%

The discount rate net of tax (because the cash flows used in the financial projections are also net of tax) used in the financial year ended 31 December 2024 was 6.45% (6.74% in 2023), which was calculated based on the WACC (Weighted Average Cost of Capital) methodology, considering the following assumptions:

	31.12.2024	31.12.2023
Risk-free interest rate	2.36%	2.03%
Equity risk premium	4.33%	4.60%
Debt risk premium	3.50%	3.50%

From the analysis carried out, the Company concluded that there was a comfortable margin in relation to the point at which investments would be at risk of impairment.

5. DISCONTINUED ACTIVITIES

Following the reorganisation operation that led to the separation of Altri's two autonomous business units (the cellulosic fiber sector and the electricity generation sector) and the consequent distribution of Greenvolt shares to shareholders, the remaining interest in Greenvolt was recognised at fair value through other comprehensive income.

During the year ended 31 December 2023, the Altri Group carried out a distribution of Greenvolt shares to its shareholders, followed by a private placement of the remaining shares. Following the conclusion of these operations and as of 31 December 2023, the Altri Group did not hold any interest in Greenvolt's share capital.

In 2023, until the date of completion of these operations in relation to the remaining participation, an increase of 3.4 million Euro was recognized in the fair value through other comprehensive income of the financial participation that Altri held in Greenvolt.

6. CURRENT AND DEFERRED TAXES

According to current legislation, tax returns are subject to review and correction by the tax authorities during a period of four years (five years for Social Security), except when there have been tax losses, tax benefits granted, or when inspections, complaints or challenges are in progress, in which cases, depending on the circumstances, the deadlines are extended or suspended. Thus, the Company's tax returns since 2021 may still be subject to review.

The Company's Board of Directors considers that any corrections resulting from reviews/inspections by the tax authorities to those tax returns will not have a material effect on the financial statements as of 31 December 2024 and 2023.

The Company is subject to the special taxation regime for groups (RETGS). Altri is the dominant company of the Tax Group which, as of 31 December 2024, was comprised of the following entities:

– Altri Florestal, S.A.;

– Altri Abastecimento de Madeira, S.A.;
– Caima, S.A.;
– Captaraíz Unipessoal, Lda.;
– Biotek, S.A.;
– Celbi, S.A.;
– Inflora – Sociedade de Investimentos Florestais, S.A.;
– Soc. Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.;
– Viveiros do Furadouro Unipessoal, Lda.;
– Florestsul, S.A.;
– Biogama, S.A.;
– Altri Abastecimento de Biomassa, S.A..

Each of the companies taxed through RETGS records the income tax in its separate accounts under the line item 'Subsidiaries' (Notes 12 and 16). Where subsidiaries contribute with losses, the amount of tax corresponding to the losses that will be offset against the profits of the other companies covered by this regime is recorded in the separate financial statements (Note 21). If deferred tax assets relating to tax losses generated are recorded, the amount is recorded in the subsidiary as an account receivable from the parent company of the tax Group.

Deferred tax assets and liabilities recorded during the fiscal year are essentially related to the fair value of interest rate hedging derivatives, and, as such, were recorded under 'Other comprehensive income'.

In accordance with the legislation in force in Portugal, for the fiscal years ended 31 December 2024 and 2023 the base income tax rate in force was 21%. The Company is also subject to a municipal surtax at the rate of 1.5% on taxable income.

Additionally, in accordance with the legislation in force in Portugal during the financial year ended 31 December 2024 and 2023, the state surtax corresponds to the application of an additional rate of 3% on the taxable income between 1.5 and 7.5 million Euro, 5% on the taxable income between 7.5 and 35 million and Euro 9% on the taxable income above 35 million Euro.

Under the terms of Article 88 of the Corporate Income Tax Code, the Company is subject to autonomous taxation on a number of fees at the rates set out in the aforementioned article.

The reconciliation of the profit before income tax to the income tax for the financial year is as follows:

	31.12.2024	31.12.2023
Profit before income tax	99,937,340	21,853,616
Tax rate	22.5%	22.5%
	22,485,902	4,917,064
Non-taxable dividends	(20,700,000)	(4,050,000)
Autonomous taxes	243,459	92,367
State surtax	194,031	34,130
Others	(69,359)	(471,901)
	2,154,034	521,660

The deferred tax assets were recorded to the extent that it is the Board of Directors expectation that, as in recent years, the RETGS will generate future taxable income that allows its recovery.

The movement in deferred tax assets and liabilities as of 31 December 2024 and 2023 was as follows:

	31.12.2024		31.12.2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Opening balance	375,555	(136,162)	210,047	(274,769)
Effects on income statement:				
Others	(138,587)	—	165,508	—
Effects on equity:				
Fair value of derivative instruments	—	96,616	—	138,607
Closing balance	236,968	(39,546)	375,555	(136,162)

7. CLASSES OF FINANCIAL INSTRUMENTS

In accordance with the accounting policies described under Note 2.2.h), financial instruments were classified as follows:

Financial assets:

31 December 2024	Financial assets recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Total
Non-Current assets			
Derivative financial instruments	—	—	—
	—	—	—
Current assets			
Trade receivables	127,995	—	127,995
Other receivables	107,960,895	—	107,960,895
Other current assets	3,559,834	—	3,559,834
Other financial assets	11,087,750	—	11,087,750
Derivative financial instruments	—	1,259,967	1,259,967
Cash and cash equivalents	49,942,634	—	49,942,634
	172,679,108	1,259,967	173,939,075
	172,679,108	1,259,967	173,939,075

31 December 2023	Financial assets recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Total
Non-Current assets			
Derivative financial instruments	—	409,117	409,117
	—	409,117	409,117
Current assets			
Trade receivables	558,420	—	558,420
Other receivables	26,743,445	—	26,743,445
Other current assets	6,576,200	—	6,576,200
Other financial assets	19,588,750	—	19,588,750
Derivative financial instruments	—	1,669,656	1,669,656
Cash and cash equivalents	53,314,526	—	53,314,526
	106,781,341	1,669,656	108,450,997
	106,781,341	2,078,773	108,860,114

Financial liabilities:

31 December 2024	Financial liabilities recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Total
Non-current liabilities			
Other loans	79,742,546	—	79,742,546
Lease liabilities	119,725	—	119,725
Derivative financial instruments	—	1,715	1,715
	79,862,271	1,715	79,863,986
Current liabilities			
Other loans	51,698,113	—	51,698,113
Lease liabilities	109,988	—	109,988
Trade payables	56,503	—	56,503
Other payables	17,031,694	—	17,031,694
Other current liabilities	2,409,405	—	2,409,405
Derivative financial instruments	—	—	—
	71,305,703	—	71,305,703
	151,167,974	1,715	151,169,689

31 December 2023	Financial liabilities recorded at amortised cost	Derivative financial instruments designated as hedging instruments	Total
Non-current liabilities			
Other loans	139,519,299	—	139,519,299
Lease liabilities	127,098	—	127,098
Derivative financial instruments	—	—	—
	139,646,397	—	139,646,397
Current liabilities			
Other loans	22,394,612	—	22,394,612
Lease liabilities	155,926	—	155,926
Trade payables	58,552	—	58,552
Other payables	8,346,078	—	8,346,078
Other current liabilities	9,158,524	—	9,158,524
Derivative financial instruments	—	2,462,048	2,462,048
	40,113,692	2,462,048	42,575,740
	179,760,089	2,462,048	182,222,137

Financial instruments measured at fair value

The following table shows the financial instruments that are measured at fair value after initial recognition, grouped into three levels according to the possibility of observing its fair value in the market:

	31.12.2024			31.12.2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value: Derivatives (Note 18)	—	1,259,967	—	—	2,078,773	—
Financial liabilities measured at fair value: Derivatives (Note 18)	—	1,715	—	—	2,462,048	—

As at 31 December 2024 and 2023, there are no financial assets whose terms have been renegotiated and which, if not, would fall due or impaired.

8. PROPERTY, PLANT AND EQUIPMENT

During the financial years ended 31 December 2024 and 2023, the movement occurred in the value of property, plant and equipment, as well as in the corresponding depreciation and accumulated impairment losses, was as follows:

	31 December 2024				
	Asset gross value				
	Land and natural resources	Building and other edifications	Vehicles	Office equipment	Total
Opening balance	1,863,806	5,591,419	50,700	421,636	7,927,561
Additions	—	—	—	—	—
Disposals	—	—	—	—	—
Write-offs	—	—	—	—	—
Transfers	—	—	—	—	—
Closing balance	1,863,806	5,591,419	50,700	421,636	7,927,561

	Accumulated depreciation				
	Land and natural resources	Building and other edifications	Vehicles	Office equipment	Total
Opening balance	—	670,969	50,700	388,767	1,110,436
Additions	—	111,830	—	14,011	125,841
Disposals	—	—	—	—	—
Write-offs	—	—	—	—	—
Transfers	—	—	—	—	—
Closing balance	—	782,799	50,700	402,778	1,236,277
	1,863,806	4,808,620	—	18,858	6,691,284

	31 December 2023				
	Asset gross value				
	Land and natural resources	Building and other edifications	Vehicles	Office equipment	Total
Opening balance	1,863,806	5,591,419	50,700	421,636	7,927,561
Additions	—	—	—	—	—
Disposals	—	—	—	—	—
Write-offs	—	—	—	—	—
Transfers	—	—	—	—	—
Closing balance	1,863,806	5,591,419	50,700	421,636	7,927,561

	Accumulated depreciation				
	Land and natural resources	Building and other edifications	Vehicles	Office equipment	Total
Opening balance	—	559,141	50,700	374,756	984,597
Additions	—	111,828	—	14,011	125,839
Disposals	—	—	—	—	—
Write-offs	—	—	—	—	—
Transfers	—	—	—	—	—
Closing balance	—	670,969	50,700	388,767	1,110,436
	1,863,806	4,920,450	—	32,869	6,817,125

9. RIGHT-OF-USE

9.1. RIGHT-OF-USE ASSET

During the financial years ended 31 December 2024 and 2023, the movement that occurs in the amount of right-of-use assets, as well as the corresponding depreciation, was as follows:

	31 December 2024		
	Asset gross value		
	Buildings and other edifications	Vehicles	Total
Opening balance	244,598	471,037	715,635
Additions	—	106,542	106,542
Write-offs and decreases	—	(85,731)	(85,731)
Closing balance	244,598	491,848	736,446

	Accumulated depreciation		
	Buildings and other edifications	Vehicles	Total
Opening balance	189,454	246,531	435,985
Additions	55,144	103,412	158,556
Write-offs and decreases	—	(85,731)	(85,731)
Closing balance	244,598	264,212	508,810
	—	227,636	227,636

	31 December 2023		
	Asset gross value		
	Buildings and other edifications	Vehicles	Total
Opening balance	203,662	471,037	674,699
Additions	40,936	—	40,936
Write-offs and decreases	—	—	—
Closing balance	244,598	471,037	715,635

	Accumulated depreciation		
	Buildings and other edifications	Vehicles	Total
Opening balance	96,019	142,298	238,317
Additions	93,435	104,233	197,668
Write-offs and decreases	—	—	—
Closing balance	189,454	246,531	435,985
	55,144	224,506	279,650

The line item 'Vehicles' refers to contracts for the lease of vehicles for periods of 4 years.

The item "Buildings and other edifications" related to a facility rental contract for a term of 3 years, which ended in the current year.

9.2. LEASE LIABILITIES

During the financial year ended 31 December 2024 and 2023, the movement in lease liabilities was as follows:

		31.12.2024	31.12.2023
Opening balance		283,024	439,078
Additions		106,542	40,936
Accrued interest		3,233	6,086
Payments		(163,086)	(203,076)
Closing balance		229,713	283,024
	Current	109,988	155,926
	Non-current	119,725	127,098

In addition, the following amounts were recognised in 2024 and 2023 as expenses related to right-of-use assets:

	31.12.2024	31.12.2023
Depreciation of right-of-use assets	158,556	197,668
Interest expenses related to lease liabilities	3,233	6,086
Expenses related to leases associated with short-term leases and/or low-value assets	32,196	—
Total amount recognised in the income statement	**193,985**	**203,754**

The maturity of the lease liabilities is as follows:

	31.12.2024					
	2025	2026	2027	2028	>2028	Total
Lease Liabilities	109,988	69,476	26,978	23,271	—	229,713
	109,988	69,476	26,978	23,271	—	229,713

	31.12.2023					
	2024	2025	2026	2027	>2027	Total
Lease Liabilities	155,926	83,570	43,528	—	—	283,024
	155,926	83,570	43,528	—	—	283,024

10. CASH AND CASH EQUIVALENTS

As at 31 December 2024 and 2023, the detail of 'Cash and cash equivalents' was as follows:

	31.12.2024	31.12.2023
Cash	56	82
Bank deposits	49,942,578	53,314,444
	49,942,634	53,314,526

On 31 December 2023, the payments related to financial investments refer to the payment for the acquisition of Greenvolt shares previously held by a subsidiary of the Altri Group, and to the incorporation of the subsidiary Altri Abastecimento de Biomassa, S.A..

11. STATE AND OTHER PUBLIC ENTITIES

On 31 December 2024 and 2023 these assets and liabilities were comprised as follows:

Debit balances:	31.12.2024	31.12.2023
Income tax	—	22,332,909
Total income tax	—	22,332,909
Value-added tax	—	211,196
Other taxes	3,842	3,842
Total other taxes (Note 12)	3,842	215,038

Credit balances:	31.12.2024	31.12.2023
Income tax	26,850,005	—
Total income tax	26,850,005	—
Value-added tax	317,545	—
Personal income tax withholding	35,776	24,486
Tax withholding	—	—
Social Security contributions	35,407	24,943
Other taxes	—	—
Total other taxes (Note 16)	388,728	49,429

As of 31 December 2024, the credit balance "Income tax" includes income tax for the year payable by the tax group over which the Company is dominant (Note 6), less the respective payments on account and additional payments on account.

As of 31 December 2023, the debit balance "Income tax" includes the payments on account and additional payments on account to be received by the tax group of which the company is the dominant company (Note 6), less the income tax payable for the year.

12. OTHER RECEIVABLES

In the years ended 31 December 2024 and 2023 the line item 'Other receivables' was composed as follows:

	31.12.2024	31.12.2023
Subsidiaries (Note 21)		
Special Taxation Regime for Groups	24,735,805	5,459,777
Other receivables from Group companies	83,102,535	20,045,340
Other debts	122,555	1,238,328
Receivables from the State and other public entities (Note 11)	3,842	215,038
	107,964,737	26,958,483

As of 31 December 2024 and 2023, the balance under the caption "Other receivables from Group companies" is mainly related to dividends from subsidiaries, the amount of which has already been approved. The amounts outstanding at 31 December 2023 were received during the 2024 financial year. As of 31 December 2024 and 2023, this caption also includes receivables from subsidiaries of the Altri Group related to derivative instruments (Note 21).

On 31 December 2024 and 2023, the balance in the caption "Other debts" is related to amounts receivable from third parties relating to derivative instruments.

13. OTHER CURRENT ASSETS

On 31 December 2024 and 2023, the detail of 'Other current assets' is as follows:

	31.12.2024	31.12.2023
Accrued income:		
Interest receivable	253,584	443,604
Other gains to be invoiced (Note 21)	3,306,250	6,132,596
Deferred costs:		
Other prepaid expenses	44,397	47,818
	3,604,231	6,624,018

As at 31 December 2024, “Other gains to be invoiced” includes accrued income related to services already rendered but not yet invoiced.

As at 31 December 2023, the line item “Other gains to be invoiced” includes the accruals charged to the Altri Group manufacturing units, as provided for in the Wood Pulp Production Agreement. This amount has no impact on the Company's income statement, given that the Company operates as a billing agent on behalf of the other subsidiaries of the Group, which is why it recorded an accrued expense for the same amount (Notes 17 and 21). On 31 December 2024, as a result of the activity and the application of the mechanisms of the contract in force, no accrued expenses or income were recorded.

14. SHARE CAPITAL AND RESERVES

Share capital

On 31 December 2024 and 2023, the Company's share capital was fully subscribed and paid up and consisted of 205,131,672 nominative shares with a nominal value of 12.5 cents of an Euro each.

As of 31 December 2024 and 2023, there were no legal entities with a subscribed capital interest of at least 20%.

Legal reserve

Portuguese commercial legislation establishes that at least 5% of the annual net profit must be allocated to the 'Legal Reserve' until it represents at least 20% of the share capital. This reserve is not distributable, except in the event of liquidation of the Company, but may be used to absorb losses, after all other reserves have been exhausted, and for incorporation into capital.

Other reserves

On 31 December 2024 and 2023, the line item 'Other reserves' was composed as follows:

	31.12.2024	31.12.2023
Hedging reserves	144,387	470,022
Other reserves and retained earnings	22,061,336	52,012,298
	22,205,723	52,482,320

The line item 'Hedging reserves' relates to the fair value of derivative financial instruments classified as cash flow hedging instruments in the effective hedge component, net of accrued interest and respective deferred taxes (Notes 6 and 18).

The line item 'Other reserves and retained earnings' corresponds to retained earnings and free reserves, which in accordance with current legislation are distributable to the Company's shareholders, after consideration of the net income for the year and advances on profits. As a result, as at 31 December 2024, distributable reserves amounted to 119,844,642 Euro.

15. OTHER LOANS

On 31 December 2024 and 2023, the detail of 'Other loans' was as follows:

		31.12.2024			
		Nominal value		Book value	
		Current	Non-current	Current	Non-current
Other loans:					
Bond loans		50,000,000	80,000,000	51,698,113	79,742,546
Commercial paper		—	—	—	—
	Total	50,000,000	80,000,000	51,698,113	79,742,546

		31.12.2023			
		Nominal value		Book value	
		Current	Non-current	Current	Non-current
Other loans:					
Bond loans		20,000,000	130,000,000	22,244,805	129,519,299
Commercial paper		—	10,000,000	149,807	10,000,000
	Total	20,000,000	140,000,000	22,394,612	139,519,299

Expenses incurred with the issuance of loans were deducted from their nominal value and are recognised as interest expense over the life of the loans (Note 20).

Commercial paper

As of 31 December 2024, the Company has contracted, individually and jointly with other Altri Group entities, renewable commercial paper programs with placement guarantee in the maximum amount of 160,000,000 Euro (190,000,000 Euro as of 31 December 2023). These contracts bear interest at an interest rate corresponding to the Euribor of the respective issue term (between 7 and 364 days) plus spread. Of this amount, on 31 December 2024, 90,000,000 Euro were available for use by the Company or other Altri Group entities (90,000,000 Euro on 31 December 2023). On 31 December 2024, no amount was being used by the Company (on 31 December 2023, the total amount used by the Company amounted to 10,000,000 Euro).

On 31 December 2023, these issues included the amount of 10,000,000 Euro classified as non-current debt, relating to programs that did not allow early termination by the counterparty and there was a firm underwriting of the issues by the financial institution. In this sense, the Board of Directors classified this debt based on the duration of the issue of these commercial papers.

Additionally, as of 31 December 2024, the Company has contracted, individually and jointly with other Altri Group entities, commercial paper programs without placement guarantee, in the maximum amount of 45,000,000 Euro (95,000,000 Euro as of 31 December 2023), which bear interest at an interest rate defined by indirect placement with investors and/or defined by subscription proposal presented by the financial intermediary, with an issuance period of up to 90 days. Of this amount, as of 31 December 2024, 45,000,000 Euro were available for use by the Company or other Altri Group entities (95,000,000 Euro on 31 December 2023). On 31 December 2024 and 2023, the Company was not using any amount.

Bond loans

In April 2014, Celbi, S.A. issued a bond loan in the amount of 50,000,000 Euro with a term of 6 years. On 20 February 2015, Altri SGPS took over the contractual position held by its subsidiary Celbi, and the bond loan became 'ALTRI 2014/2020.' In July 2017, Altri SGPS made an early repayment of this loan, issuing, on the same date, a second one for the same amount, for a period of 8 years, called 'ALTRI 2017/2025.'

In 2017, on 6 March, Altri SGPS issued a bond loan in the amount of 70,000,000 Euro, for a period of 7 years, under the title 'ALTRI 2017/2024'. In 2021, on April 19, Altri SGPS made an early repayment of 50,000,000 Euro of this bond loan, with the remaining 20,000,000 Euro being repaid on the date of the last interest payment (March 2024). During the year ended 31 December 2024, the remainder of this bond loan was repaid.

On 15 July 2019, Altri SGPS issued a bond loan in the amount of 55,000,000 Euro, under the title 'ALTRI 2019/2024', bearing interest at a rate equal to Euribor 6M plus spread. On January 2023, Altri SGPS made an early repayment of this loan, having issued, on the same date, another loan for the same amount, for a period of 5 years, called “ALTRI 2023/2028”.

On 29 April 2022, Altri SGPS issued a bond loan amounting to 25,000,000 Euro, with a term of 5 years and a coupon rate of 2.53%, called "ALTRI 2022-2027".

As of 31 December 2024 and 2023, the reconciliation of the change in gross debt to cash flows is as follows:

	31.12.2024	31.12.2023
Balance as at 1 January	161,913,911	150,369,514
Payments of loans obtained	(30,000,000)	(220,000,000)
Receipts of loans obtained	—	230,000,000
Change in expenses incurred with the issuance of loans	(473,252)	1,544,397
Change in debt	(30,473,252)	11,544,397
Balance as at 31 December	131,440,659	161,913,911

The repayment term for the other loans is as follows:

	31.12.2024					
	2025	2026	2027	2028	>2028	Total (nominal value)
Bond loans	50,000,000	—	25,000,000	55,000,000	—	130,000,000
Commercial paper	—	—	—	—	—	—
	50,000,000	—	25,000,000	55,000,000	—	130,000,000

	31.12.2023					
	2024	2025	2026	2027	>2027	Total (nominal value)
Bond loans	20,000,000	50,000,000	—	25,000,000	55,000,000	150,000,000
Commercial paper	—	—	—	10,000,000	—	10,000,000
	20,000,000	50,000,000	—	35,000,000	55,000,000	160,000,000

16. OTHER PAYABLES

As of 31 December 2024 and 2023, the item “Other payables” can be detailed as follows:

	31.12.2024	31.12.2023
Subsidiaries (Note 21)		
Special Taxation Regime for Groups	383,910	4,101,868
Other payables to Group companies	16,431,427	4,197,352
Other payables	216,357	46,858
Payables to the State and other public entities (Note 11)	388,728	49,429
	17,420,422	8,395,507

As of 31 December 2024 and 2023, the balance under the caption “Other payables to Group companies” essentially refers to amounts payable to subsidiaries of the Altri Group referring to derivative instruments (Note 21).

As of 31 December 2024 and 2023, the balance in the item "Other payables" is related to amounts payable to third parties relating to derivative instruments.

17. OTHER CURRENT LIABILITIES

On 31 December 2024 and 2023, the line item 'Other current assets' can be detailed as follows:

	31.12.2024	31.12.2023
Accrued expenses		
Remuneration to be settled	1,274,964	1,994,757
Other charges to be settled	1,134,441	7,163,767
	2,409,405	9,158,524

As of 31 December 2023, the line item 'Other charges to be settled' includes the accrual for expenses charged to the Altri Group manufacturing units, as provided for in the Wood Pulp Production Agreement (Notes 13 and 21). On 31 December 2024, as a result of the activity and the application of the mechanisms of the contract in force, no accrued expenses or income were recorded.

18. DERIVATIVE FINANCIAL INSTRUMENTS

On 31 December 2024 and 2023, the Company had in force derivative financial instrument contracts associated with hedging changes in interest rate, exchange rate, pulp price and energy price. All these instruments are recorded at fair value.

The Company only uses derivatives to hedge cash flows associated with operations generated by its activity and those of its subsidiaries.

On 31 December 2024 and 2023, the detail of derivative financial instruments was as follows:

	31.12.2024				31.12.2023			
	Asset		Liability		Asset		Liability	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Interest rate derivatives	227,475	—	—	1,715	336,390	409,117	—	—
Exchange rate derivatives	—	—	—	—	—	—	—	—
Pulp price derivatives	125,139	—	—	—	1,333,266	—	—	—
Energy price derivatives	907,353	—	—	—	—	—	2,462,048	—
	1,259,967	—	—	1,715	1,669,656	409,117	2,462,048	—

The movement in the fair value of financial instruments during the years ended 31 December 2024 and 2023 can be detailed as follows:

2024	Pulp price hedging derivatives	Interest rate derivatives	Exchange rate derivatives	Energy price hedging derivatives	Total
Opening balance	1,333,266	745,507	—	(2,462,048)	(383,275)
Change in fair value					
Effects on equity	—	(422,251)	—	—	(422,251)
Effects on the statement of financial position	(1,208,127)	(699,915)	—	3,369,401	1,461,359
Effects on the income statement	—	602,419	—	—	602,419
Closing balance	125,139	225,760	—	907,353	1,258,252

2023	Pulp price hedging derivatives	Interest rate derivatives	Exchange rate derivatives	Energy price hedging derivatives	Total
Opening balance	(2,378,050)	1,138,569	—	2,467,185	1,227,704
Change in fair value					
Effects on equity	—	(616,031)	—	—	(616,031)
Effects on the statement of financial position	3,711,316	(392,058)	—	(4,929,233)	(1,609,975)
Effects on the income statement	—	615,027	—	—	615,027
Closing balance	1,333,266	745,507	—	(2,462,048)	(383,275)

(i) Interest rate derivatives

In order to reduce its exposure to interest rate volatility, the Company has entered into interest rate swaps. These contracts were valued at their fair value on 31 December 2024 and 2023, and the corresponding amount was recognised under 'Derivative financial instruments'.

On 31 December 2024 and 2023, the Company had in force interest rate derivative contracts whose total amounts are as follows:

Type	Amount	Maturity	Interest	Fixing	Fair value	
					31.12.2024	31.12.2023
Interest rate swap	5,000,000	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.820%	56,240	186,362
Interest rate swap	5,000,000	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.806%	56,603	186,280
Interest rate swap	5,000,000	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.818%	56,301	185,390
Interest rate swap	5,000,000	16/04/2025	Pays a fixed rate and receives 6M Euribor rate	0.805%	56,616	187,475
					225,760	745,507

In accordance with the accounting policies adopted, these derivatives comply with the requirements to be classified as interest rate hedging instruments (Note 2.2 h)).

The fair value of the derivatives contracted by the Company was calculated by the respective counterparties (financial institutions with whom such contracts were entered into). The valuation model of these derivatives, used by the counterparties, is based on the discounted Cash Flow method, i.e., using the Swap Par Rates, which are listed on the interbank market and available on the Reuters and/or Bloomberg websites, for the relevant maturities, calculating the respective forwards rates and discount factors which can be used to discount fixed (fixed leg) and variable (variable leg) cash flows. The sum of the two instalments results in the Net Present Value of the future cash flows or fair value of the derivatives.

(ii) Exchange rate derivatives

As of 31 December 2024 and 2023, there were no exchange rate derivative contracts in effect.

(iii) Pulp price hedging derivatives

In order to reduce its exposure to the volatility of the pulp price, Altri contracted derivatives to hedge the pulp price in order to transfer this position to its subsidiary Celbi, so that this company can hedge future cash flows and manage the risk associated with the price of pulp to which it is exposed in its operations.

The need for the Company to act as an intermediary results from its greater weight and visibility in the financial markets. Thus, on 31 December 2024 and 2023 was made the transfer to Celbi of the position in derivatives contracted in the amount of 125,139 Euro (debit position) and 1,333,266 Euro (debit position), respectively.

These contracts were valued according to their fair value at 31 December 2024 and 2023, and the corresponding amount was recognized in the caption "Derivative financial instruments".

At 31 December 2024 and 2023, the following pulp price hedging derivative contracts were in force:

Quantity covered	Start date	Maturity	31.12.2024		31.12.2023	
			Asset	Liability	Asset	Liability
1,000 ton/month	01/01/2025	31/12/2025	125,139	—	—	—
3,000 ton/month	01/01/2024	31/12/2024	—	—	1,333,266	—
			125,139	—	1,333,266	—

The calculation of the fair value of derivatives to hedge the pulp price contracted by the Company was made by the respective counterparts (financial institutions with whom such contracts were signed). The derivative evaluation model, used by the counterparts, is based on the Discounted Cash Flows Method, i.e., the difference between the estimated pulp price (PIX) and the price fixed for the relevant periods is calculated, which is subsequently updated to the evaluation date.

(iv) Energy price hedging derivatives

In order to mitigate exposure to the increasing volatility of energy prices, Altri hired derivatives to hedge the price of energy, in order to transfer this position to its subsidiary Celbi, so that the company can hedge future cash flows and manage the risk associated with the price of energy that is exposed in its operations.

As in the case of pulp price hedging derivatives, the need for the Company to act as an intermediary results from its greater weight and visibility in the financial markets. Thus, on 31 December 2024 and 2023, was made the transfer to Celbi of the position in derivatives contracted in the amount of 907,353 Euro (debit position) and 2,462,048 Euro (credit position), respectively.

These contracts were evaluated according to their fair value on 31 December 2024 and 2023, and the corresponding amount was recognized in the caption "Derivative financial instruments".

At 31 December 2024 and 2023, the following energy price hedging derivative contracts were in force:

Quantity covered	Start date	Maturity	31.12.2024		31.12.2023	
			Asset	Liability	Asset	Liability
6,000 MWh/month	01/01/2025	31/12/2025	907,353	—	—	—
18,000 MWh/month	01/01/2024	31/12/2024	—	—	—	(2,462,048)
			907,353	—	—	(2,462,048)

The calculation of the fair value of energy price hedging derivatives, contracted by the Company, was performed by the respective counterparts (financial institutions with whom such contracts were signed). The derivative evaluation model, used by the counterparts, is based on the Discounted Cash Flows Method, i.e., the difference between the estimated energy price and the fixed price for the relevant periods is calculated, and then discounted to the evaluation date.

19. RESULTS RELATED TO INVESTMENTS

The income statement caption “Results related to investments” for the years ended 31 December 2024 and 2023, can be detailed as follows:

	31.12.2024	31.12.2023
Dividends (Note 21)	92,000,000	18,000,000
	92,000,000	18,000,000

The amount booked in the caption refers to dividends distributed by the subsidiary companies (Note 21).

20. FINANCIAL RESULTS

The financial results for the years ended 31 December 2024 and 2023 are as follows:

	31.12.2024	31.12.2023
Financial expenses:		
Interest expenses	6,928,897	8,493,978
Other financial expenses and losses	303,039	475,007
	7,231,936	8,968,985
Financial income:		
Interest income	1,176,819	828,160
Other financial income and gains	1,417,884	1,758,952
	2,594,703	2,587,112

On 31 December 2024 and 2023, 'Other financial expenses and losses' refers mainly to costs incurred with bond loans and commissions related to banking services (Note 15).

On 31 December 2024 and 2023, 'Other financial income and gains refers mainly to financial income, resulting from Celbi’s bonds held by Altri SGPS (Note 21). Additionally, on 31 December 2024 and 2023, the same caption also includes gains on interest rate derivative instruments (Note 18).

21. RELATED PARTIES

Altri Group companies have relationships with each other that qualify as transactions with related parties. All these transactions are performed at market prices.

The main balances with related entities as of 31 December 2024 and 2023 are detailed as follows:

31 December 2024	Debt balances				
	Trade receivables	Special taxation regime for groups (Note 12)	Other current financial assets	Other receivables (Note 12)	Other current assets (Note 13)
Caima	—	4,702,540	—	—	322,500
Biotek	—	2,846,776	—	—	511,667
Celbi	—	11,508,770	11,087,750	102,535	2,439,167
Altri Florestal	3,075	3,066,466	—	—	32,500
Inflora	15,375	297,070	—	—	—
Viveiros do Furadouro	72,058	—	—	—	—
Altri Abastecimento de Madeira	513	1,757,158	—	—	416
Florestsul	30,237	—	—	—	—
Altri SL	—	—	—	83,000,000	—
Altri Abastecimento de Biomassa	6,737	557,025	—	—	—
	127,995	24,735,805	11,087,750	83,102,535	3,306,250

31 December 2024	Credit balances			
	Trade payables	Special taxation regime for groups (Note 16)	Other payables (Note 16)	Other current liabilities (Note 17)
Caima	—	—	555,625	—
Biotek	—	—	5,319,623	—
Celbi	8,222	—	10,556,179	—
Captaraíz	—	432	—	—
Viveiros do Furadouro	—	53,070	—	4,583
Sociedade Imobiliária Porto Seguro	—	6,403	—	—
Biogama	—	312,337	—	—
Florestsul	—	11,668	—	4,583
Altri Abastecimento de Biomassa	—	—	—	55,248
	8,222	383,910	16,431,427	64,414

31 December 2023	Debt balances				
	Trade receivables	Special taxation regime for groups (Note 12)	Other current financial assets	Other receivables (Note 12)	Other current assets (Note 13)
Caima	375,150	1,187,783	—	—	6,093,740
Celbi	—	—	19,588,750	2,045,340	—
Altri Florestal	70,725	2,892,121	—	—	—
Inflora	15,375	297,685	—	—	—
Viveiros do Furadouro	66,420	—	—	—	—
Altri Abastecimento de Madeira	6,150	1,071,067	—	—	—
Florestsul	24,600	11,121	—	—	—
Altri S.L.	—	—	—	18,000,000	—
Altri Abastecimento de Biomassa	—	—	—	—	38,856
	558,420	5,459,777	19,588,750	20,045,340	6,132,596

31 December 2023	Credit balances			
	Trade payables	Special taxation regime for groups (Note 16)	Other payables (Note 16)	Other current liabilities (Note 17)
Biotek	—	3,555,133	224,475	3,390,730
Celbi	680	371,150	3,972,877	2,833,010
Captaraíz	—	250	—	—
Viveiros do Furadouro	—	17,709	—	—
Sociedade Imobiliária Porto Seguro	—	5,413	—	—
Biogama	—	152,213	—	—
	680	4,101,868	4,197,352	6,223,740

On 31 December 2024 and 2023, the current assets line item 'Other current financial assets' refers to Celbi's bonds acquired in the market by Altri SGPS that mature in July 2027 (amounting to 5,892,250 Euro), and May 2028 (amounting to 5,195,500 Euro) whose book value is similar to its fair value. As of 31 December 2023, the item also included bonds which matured in February 2024 (in the amount of 8,501,000 Euro).

On 31 December 2024 and 2023, the caption “Other receivables” includes a receivable amount from Celbi related to the transfer of the position in pulp price and energy price hedging derivatives (Note 18).

As at 31 December 2024 and 2023, the main transactions with related parties are as follows:

	31.12.2024			31.12.2023		
	Services rendered	External supplies and services	Payroll expenses	Services rendered	External supplies and services	Payroll expenses
Caima	2,770,000	—	—	2,180,000	—	—
Biotek	3,500,000	—	—	3,200,000	—	—
Celbi	13,100,000	6,131	3,144,012	11,590,000	8,729	1,763,141
Altri Florestal	60,000	—	—	70,000	—	—
Viveiros do Furadouro	—	—	—	5,000	—	—
Altri Abastecimento de Madeira	5,000	—	—	5,000	—	—
Florestsul	5,000	—	—	5,000	—	—
Altri Abastecimento de Biomassa	—	—	—	38,856	—	—
	19,440,000	6,131	3,144,012	17,093,856	8,729	1,763,141

During 2024, the subsidiary Altri S.L. distributed reserves as dividends amounting to 83,000,000 Euro (18,000,000 Euro in 2023) and the subsidiary Altri Abastecimento de Madeira distributed reserves as dividends amounting to 9,000,000 Euro.

During 2024, financial income related to Celbi’s bonds acquired on the market by Altri SGPS was recognized in the amount of 799,191 Euro (1,143,925 Euro in 2023).

On 31 December 2023, the Company proceeded to the specialization of the amounts, as provided in the Pulp Production Agreement. These amounts have no impact on the Company's income statement, since the Company acts as an agent invoicing on behalf of other Group subsidiaries, which is why it recorded an accrued income and accrued expense for the same amount (Notes 13 and 17). On 31 December 2024, as a result of the activity and the application of the mechanisms of the contract in force, no accrued expenses or income were recorded.

22. PAYROLL EXPENSES

During the years ended 31 December 2024 and 2023 the average number of employees working for the Company was 6 and 7, respectively.

23. ALLOCATION OF NET PROFIT

In relation to the year 2023, the Board of Directors proposed in its annual report that the individual net profit of Altri, SGPS, S.A. in the amount of 21,331,956 Euro was distributed as dividends. In addition, it proposed to distribute as dividends an additional amount of reserves in the amount of 29,950,962 Euro, which corresponded to a total distribution of dividends of:

Dividends	51,282,918	Euro

The proposed distribution of profits for the year and reserves entailed the payment of a gross dividend of 0.25 Euro per share.

In relation to the year 2024, the Board of Directors proposes in its annual report that the individual net profit of Altri, SGPS, S.A. in the amount of 97,783,306 Euro, is allocated as follows:

Dividends	61,539,501.60	Euro
Free reserves	36,243,804.40	Euro

The proposed distribution of profits for the year and reserves will entail the payment of a gross dividend of 0.30 Euro per share.

24. SUBSEQUENT EVENTS

Since 31 December 2024 to the date of issue of this report, there were no other relevant facts that could materially affect the Company's financial position and future results.

25. TRANSLATION NOTE

These financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

The Board of Directors

Alberto João Coraceiro de Castro

Paula Simões de Figueiredo Pimentel Freixo Matos Chaves

Paulo Jorge dos Santos Fernandes

José Armindo Farinha Soares de Pina

João Manuel Matos Borges de Oliveira

Carlos Alberto Sousa Van Zeller e Silva

Domingos José Vieira de Matos

Vítor Miguel Martins Jorge da Silva

Laurentina da Silva Martins

Miguel Allegro Garcez Palha de Sousa da Silveira

Pedro Miguel Matos Borges de Oliveira

João Carlos Ribeiro Pereira

Ana Rebelo de Carvalho Menéres de Mendonça

Sofia Isabel Henriques Reis Jorge

Maria do Carmo Guedes Antunes de Oliveira

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Statutory and Auditor's Report



Shape the future with confidence

Ernst & Young
Audit & Associados - SROC, S.A.
Avenida da Boavista, 36, 3º
4050-112 Porto
Portugal

Tel: +351 226 002 015
Fax: +351 226 000 004
www.ey.com

(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Altri, SGPS, S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 31 December 2024 (showing a total of 1,322,395,943 euros and a total equity of 459,153,799 euros, including a net profit for the year of 106,500,521 euros), the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Altri, SGPS, S.A. as at 31 December 2024, and of its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors' code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. **Goodwill impairment**

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As at 31 December 2024, Goodwill amounts to 265,630,973 euros (2023: 265,630,973), representing 20% (2023: 20%) of the total assets of the Group. The risk of Goodwill impairment was considered a key audit matter due to the significance of the amount and due to the fact that the impairment assessment process is complex, including the use of estimates and assumptions, namely in what regards future	Our audit approach included the following procedures: ▸ The examination of the cash flow projections used in the valuation models prepared by Management. We tested the basis of preparation of projections taking into consideration the reliability of the previous projections and the historical information about the main assumptions; ▸ The assessment of the underlying assumptions used in the valuation models approved by Management, namely the cash flow projections, the discount rate, the inflation rate, the

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
economic forecasts, production capacity in the market, revenue and margin evolution.	perpetuity growth rate and the sensitivity analysis, supported by internal specialists in business valuations; and ► We evaluated the clerical and arithmetic accuracy of the models used and assessed the impact that possible deviations in the key assumptions would have in the Goodwill impairment testing. We verified the compliance with the applicable disclosure requirements (IAS 36), included in Note 9 of the notes to the consolidated financial statements.

2. Fair value of biological assets

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As at 31 December 2024, non-current Biological assets total 117,827,391 euros (2023: 114,772,851 euros), representing 9% (2023: 9%) of the Group's total assets. Biological assets comprise essentially eucalyptus, which are scattered through a vast area in land which is property of the Group or rented. After being harvested, the wood is used as the main raw material for the cellulosic fibers ("pulp") production. Biological assets are measured at fair value, as prescribed by IAS 41 and as disclosed in Note 2.3 i) of the notes to the consolidated financial statements. The fair value was calculated by an external entity from the data base maintained by the Group, which contains a significant volume of information with several characteristics. Taking into account that an observable market amount does not exist, the fair value computation is based on significant and complex judgments used in the cash flow models. These models, in turn, are based on several assumptions, computations and allocations between the plant species of the estimated costs to be incurred until the forests are prepared for harvesting as well as the expected sale price, which explains why this matter was considered a key audit matter.	Our audit approach included the following procedures: ► Understanding of the key controls implemented by the Group to ensure the reliability of the information available regarding the forest area details; ► Analysis of the information included in the forest data base through an analysis of a sample of agreements with the owners of the land being explored by the Group and physical inspection of some of those properties; ► Substantive procedures performed on the capitalization of plantation expenses and rental costs and on the harvest of the period; ► Assessment of the credentials of the external party contracted to determine the fair value of the Biological assets; ► Analysis of the valuation report issued by the external entity, including the verification of the consistency of the financial and non-financial information used with the accounting records. In particular, we analysed the main assumptions used in the computation of the fair value, including the discount rate, expected wood sale price and costs to incur until the plantations are ready for harvesting; ► Test of the calculations used in the model used by the external entity; ► Involvement of valuation internal specialists in order to assess the reasonableness of the discount rate used; and ► Assessment of the reasonableness of the wood selling price, taking into account the Group's historic data, and estimated expenses to incur until the assets are ready for use. We also assessed the split of the total estimated expenditures between the different species by comparison to those incurred in the current period.

	We also assessed the adequacy of the applicable disclosures (IAS 41 and IFRS 13), included in Notes 2.3 i) and 11 of the notes to the consolidated financial statements.

Responsibilities of management and the supervisory board for the consolidated financial statements

Management is responsible for:

- the preparation of consolidated financial statements that present a true and fair view of the Group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union;
- the preparation of the Management Report, the Corporate Governance Report, the consolidated statement of non-financial information and the remunerations report in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- plan and execute the audit to obtain sufficient and appropriate audit evidence about the financial information of the entities or business activities within the Group as a basis to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance for the purposes of the group audit and we remain solely responsible for our audit opinion;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- from the matters communicated with those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- we also provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility includes the verification of the consistency of the Management Report with the consolidated financial statements, and the verification under nr. 4 and nr. 5 of article 451 of the Commercial Companies Code regarding corporate governance matters, and the verification that the statement of non-financial information and the remunerations report were presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment of the Group, we have not identified any material misstatement. Pursuant to article 451, nr. 7 of the Commercial Companies Code, this opinion is not applicable to the non-financial Information included in the Management Report.

On the Corporate Governance Report

Pursuant to article 451, nr. 4, in our opinion, the Corporate Governance Report includes the information required of the Group in accordance with article 29-H of the Securities Code, and we have not identified any material misstatements of the information provided therein in compliance with paragraphs c), d), f), h), i) and l) of nr. 1 of the said article.

On the Statement of non-financial information

Pursuant to article 451, nr. 6, of the Commercial Companies Code, we inform that the Group has included in its Management Report the statement of non-financial information as per article 508-G of the Commercial Companies Code.

On the remunerations report

Pursuant to article 26-G, nr. 6 of the Securities Code, we inform that the Group has included in the Corporate Governance Report, on a separate chapter, the information required in the nr. 2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were appointed as auditors of Altri SGPS, S.A. (Group's parent company) for the first time in the shareholders' General Meeting held on 26 April 2017 for a mandate from 2017 to 2019. We were reappointed as auditors Altri SGPS, S.A. in the shareholders' General Meeting held on 28 April 2023 for a new mandate covering the years of 2023 to 2025. Therefore, in the year ended 31 December 2024, we completed the eighth year as auditors of the Group;
- Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the consolidated financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work we have not identified any material misstatement in the consolidated financial statements due to fraud;
- We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the supervisory body of the Group as of 3 April 2025; and
- We declare that we have not provided any prohibited services as described in article 5 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and that we have remained independent of the Group in conducting the audit.

European Single Electronic Format (ESEF)

The accompanying consolidated financial statements of Altri, SGPS, S.A. for the year ended 31 December 2024 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included, among others:

- obtaining an understanding of the financial reporting process, including the submission of the annual report in valid XHTML format; and
- the identification and evaluation of the risks of material distortion associated with the marking-up of the information of the financial statements, in XBRL format using iXBRL technology. This evaluation was based on the understanding of the process implemented by the Group to mark-up the information.

In our opinion, the accompanying consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Oporto, 3 April 2025

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Pedro Miguel Borges Marques - ROC nr. 1801
Registered with the Portuguese Securities Market Commission under license nr. 20161640

Shape the future with confidence

Ernst & Young
Audit & Associados - SROC, S.A.
Avenida da Boavista, 36, 3º
4050-112 Porto
Portugal

Tel: +351 226 002 015
Fax: +351 226 000 004
www.ey.com

(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Altri, SGPS, S.A. (the Entity), which comprise the Statement of Financial Position as at 31 December 2024 (showing a total of 329,206,748 euros and a total equity of 150,758,780 euros, including a net profit for the year of 97,783,306 euros), the Income Statement by Nature, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of Altri, SGPS, S.A. as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors´ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. Measurement/impairment of financial investments in subsidiaries and joint ventures

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As at 31 December 2024, "Investments in subsidiaries and joint ventures" amount to 148,063,546 euros (2023: 148,063,546 euros) representing 45% (2023: 52%) of the total assets of the Entity. The risk of impairment in "Investments", measured at cost, was considered a key audit matter due to the significance of the amount and due to the fact that the impairment assessment process is complex, including the use of estimates and assumptions, namely in what regards future economic forecasts,	Our audit approach included the following procedures: ▸ Assessment of the existence of any impairment indicators in the measurement of investments in subsidiaries and joint ventures; ▸ Review of the underlying assumptions used in the valuation models approved by Management, namely the cash flow projections, the discount rate, the inflation rate and the perpetuity growth rate; ▸ Evaluation of the clerical and arithmetic accuracy of the models used; and

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
production capacity in the market, revenue and margin evolution.	▸ Sensitivity analysis, focused on possible changes in the most significant variables, such as the sales price, the discount rate and the perpetuity growth rate. We verified the compliance with the applicable disclosure requirements (IAS 36), included in Note 4 of the notes to the separate financial statements.

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for:

- the preparation of financial statements that presents a true and fair view of the Entity´s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union;
- the preparation of the Management Report, the Corporate Governance Report and the remunerations report in accordance with the laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Entity´s ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- from the matters communicated with those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- we also provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our responsibility includes the verification of the consistency of the Management Report with the financial statements, and the verifications under nr. 4 and nr. 5 of article 451 of the Commercial Companies Code regarding corporate matters and the verification that the remunerations report was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment over the Entity, we have not identified any material misstatement. Pursuant to article 451, nr. 7 of the Commercial Companies Code, this opinion is not applicable to the non-financial information included in the Management Report.

On the Corporate Governance Report

Pursuant to article 451, nr. 4, in our opinion, the Corporate Governance Report includes the information required of the Entity in accordance with article 29-H of the Securities Code, and we have not identified any material misstatements of the information provided therein in compliance with paragraphs c), d), f), h), i) and l) of nr. 1 of the said article.

On the remuneration report

Pursuant to article 26-G, nr. 6 of the Securities Code, we inform that the Entity has included in the Corporate Governance Report, on a separate chapter, the information required in the nr. 2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were appointed as auditors of the Entity for the first time in the shareholders' General Meeting held on 26 April 2017 for a mandate from 2017 to 2019. We were reappointed as auditors of the Entity in the shareholders' General Meeting held on 28 April 2023 for a new mandate covering the years of 2023 to 2025. Therefore, in the year ended 31 December 2024, we completed the eighth year as auditors of the Entity;
- Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the financial statements due to fraud. As a result of our work we have not identified any material misstatement to the financial statements due to fraud;

- We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the supervisory body of the Entity as of 3 April 2025; and
- We declare that we have not provided any prohibited services as described in article 5 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Entity in conducting the audit.

European Single Electronic Format (ESEF)

The accompanying financial statements of Altri, SGPS, S.A. for the year ended 31 December 2024 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included obtaining an understanding of the financial reporting process and the verification of the submission of the annual report in valid XHTML format.

In our opinion, the accompanying financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Oporto, 3 April 2025

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Pedro Miguel Borges Marques - ROC nr. 1801
Registered with the Portuguese Securities Market Commission under license nr. 20161640

06

Report And Opinion of the Statutory Audit Board



REPORT AND OPINION OF THE STATUTORY AUDIT BOARD
(Translation of a Report and Opinion originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails)

To the Shareholders of
ALTRI, SGPS, S.A.

In compliance with the applicable legislation and in fulfilment of the mandate entrusted to us, we hereby submit for your consideration the Report and Opinion of the Statutory Audit Board, on its analysis of the Management Report and the other documents in the separate and consolidated annual report of ALTRI, SGPS, S.A. ("Company") for the year ended 31 December 2024, the preparation of which is the responsibility of the Board of Directors.

1. Report over the developed activity

During the year 2024, the Statutory Audit Board accompanied regularly the operations of the Company and its subsidiaries. It analysed with the necessary detail the activity of the Board of Directors and respective committees, including the evolution of the business, the quality of the process of preparation and disclosure of financial information, the accounting policies and the measurement criteria, and monitored the regularity of accounting records, the compliance with statutory and legal requirements and the effectiveness and integrity of the risk management and internal control systems.

During the year of 2024, the Statutory Audit Board, has held six meetings. The Statutory Audit Board meetings, were held in person and by telematic means, with previously defined agendas and information circulated in advance. Whenever deemed necessary, other members of the Company's bodies or directorates were present, such as members of the Board of Directors of the Company and of the departments of Internal Audit, Risk, Sustainability or other departments, in order to obtain all the information necessary for enlightened debates and informed decisions.

The Statutory Audit Board developed its activity in permanent interaction with the other governing bodies and departments of the Company, in compliance with the applicable legal rules and recommendations. The Statutory Audit Board has not received any reports from the Statutory External Auditor regarding irregularities or difficulties in carrying out its duties. In particular, within the scope of its powers, the Statutory Audit Board has obtained the necessary information from the Board of Directors to carry out its supervisory duties and has carried out the necessary iterations in order to be able to fully exercise the powers assigned to it by law.

In compliance with article 29º-S, paragraph 1 of the Portuguese Securities Code, in its current version, on 23 May 2023, the Statutory Audit Board issued a binding and favourable prior opinion on the internal transaction policy with related parties and conflicts of interest, which, based on this favourable prior opinion, was subsequently approved by the Board of Directors at a meeting held on 5 June 2023 and it is currently in force in the Company.

During the year, transactions with related parties or qualified shareholders were within the scope of the Company´s current activity, were carried out under market conditions, complying with the applicable legal and regulatory requirements.

In the exercise of its competences, the Statutory Audit Board held regular meetings with the Statutory External Auditor's representatives in order to monitor the audit work carried out and its conclusions, and also to assess its independence. In this matter, the Statutory Audit Board also analysed the

proposals submitted to it for the provision of services other than auditing by that Statutory External Auditor, having approved them, first and foremost because (i) they respect to permitted services, (ii) do not affect in any way the independence of the respective Statutory External Auditor and (iii) comply with other legal requirements.

As part of its duties, the Statutory Audit Board examined the Management Report (which includes the Non-Financial Information Report), the Corporate Governance Report (which includes the Remuneration Report) and the other documents of the separate and consolidated accounts, namely the Separate and Consolidated Financial Statements of the Financial Position, Income Statements, Statements of Comprehensive Income, Changes in Equity and Cash Flows for the period ended 31 December 2024 and the corresponding notes, prepared by the Board of Directors, considering that the information disclosed meets the applicable legal standards, is appropriate for understanding the financial position and results of the Company and the consolidation perimeter, and also proceeded to the assessment of the respective Statutory and Auditor's Report, issued by the Statutory External Auditor, documents which were issued with an unmodified opinion and which deserve their agreement.

The Statutory Audit Board also appreciated the Corporate Governance Report and the Non-Financial Information Report (integrated in the Management Report), under the terms and for the purposes of article 420 (5) of the Portuguese Companies Code, having analysed that they contain the elements referred to in article 29º-H of the Portuguese Securities Code.

In the meeting held on 3 April 2025, the Company's Board of Directors approved the annual report for the year and the other documents that comprise it. The Statutory Audit Board had access to all the information it deemed necessary or merely useful for carrying out its supervisory duties.

The Statutory Audit Board also analysed the Additional Report to the Statutory Audit Board and other documentation issued by the representative of Ernst & Young Audit & Associados – SROC, S.A., Statutory External Auditor of the Company.

2. Declaration of Responsibility

In accordance with the provisions of subparagraph c) of number 1 of article 29-G of the Portuguese Securities Code, the Statutory Audit Board declares that, to their knowledge and conviction, the documents of the separate and consolidated accounts above mentioned, were prepared in accordance with applicable accounting standards, giving a true and fair view of the assets and liabilities, financial position and the results of ALTRI, SGPS, S.A. and the Group it leads, and that the Management Report adequately describes the business, performance and financial position of the Group, containing an adequate description of the major risks and uncertainties it faces.

3. Opinion

Considering the above, the Statutory Audit Board is of the opinion that the conditions are fulfilled for the Shareholders' General Meeting to approve:

a) The Management Report;

b) The Corporate Governance Report;

c) The Separate and Consolidated Financial Statements and the corresponding notes, for the period ended 31 December 2024;

d) The proposal of net profit appropriation presented by the Board of Directors.

The Statutory Audit Board would like to express appreciation to the Board of Directors and the various departments and teams of the Company and its subsidiaries for all their collaboration.

Oporto, 3 April 2025

The Statutory Audit Board

_____

João Manuel de Sousa Marrão
Statutory Audit Board President

_____

Pedro Pessanha
Statutory Audit Board Member

_____

Ana Paula dos Santos Silva e Pinho
Statutory Audit Board Member

altri

altri.pt

Rua Manuel Pinto de Azevedo, 818
4100-320 Porto, Portugal

T: +351 22 8346502
F: +351 22 8346503
E: sede@altri.pt

Tax Identification number: 507 172 086
Share Capital 25.641.459€