

GREEN FINANCE FRAMEWORK

DECEMBER 2025



ARQUIPÉLAGO
CENTRO DE ARTES CONTEMPORÂNEAS

Index

01

Secil Group
P. 03

02

Sustainability Strategy
P. 06

03

Sustainability Governance
P. 17

04

Green Finance Framework
P. 19

05

External Review
P. 27

06

Disclaimer
P. 28

01

Secil Group



The Group’s business model is guided by principles of circular economy, innovation, and decarbonisation, aiming to contribute to a low-carbon construction sector.

Secil is a business group founded in Portugal, whose core activity is the production and sale of cement, concrete, aggregates, mortars, and hydraulic lime. It also includes companies operating in complementary areas, such as the circular economy and the use of waste as an energy source.

The Secil Group has established a strong presence in Portugal and has expanded over the last three decades into other markets. It currently operates three cement plants in Portugal (Outão, Maceira, and Pataias) and has operations abroad in Angola, Tunisia, Lebanon, Cape Verde, Spain, the Netherlands, and Brazil.

With eight cement plants across eight countries and four continents, the Secil Group ensures an annual cement production capacity of over 10.2 million tonnes.

Semapa, which holds the entire share capital of Secil, is a holding company listed on Euronext Lisbon and included in the PSI – Portuguese Stock Index. Its majority shareholder is the Queiroz Pereira family, which has strong traditions in Portuguese industrial and financial activities.

1.1 Business Model

The cement industry has a significant financial impact on European, national, and regional economies, as well as on the construction supply chain and employment. Secil Group’s businesses focus on economic performance and on the environmental and social impact of the production and use of its products, which are highly relevant to customer satisfaction.

Secil has a strong presence in the cement industry and operates as a group with various businesses in Portugal and several countries worldwide. Although cement remains its core activity, expansion into other sectors and the integration of companies offering complementary services have enabled the Secil Group to build a solid international position. The Group’s business model is guided by principles of circular economy, innovation, and decarbonisation, aiming to contribute to a low-carbon construction sector.



Where Secil operates

Secil is a major player in the cement industry, developing several operations in various countries around the world.

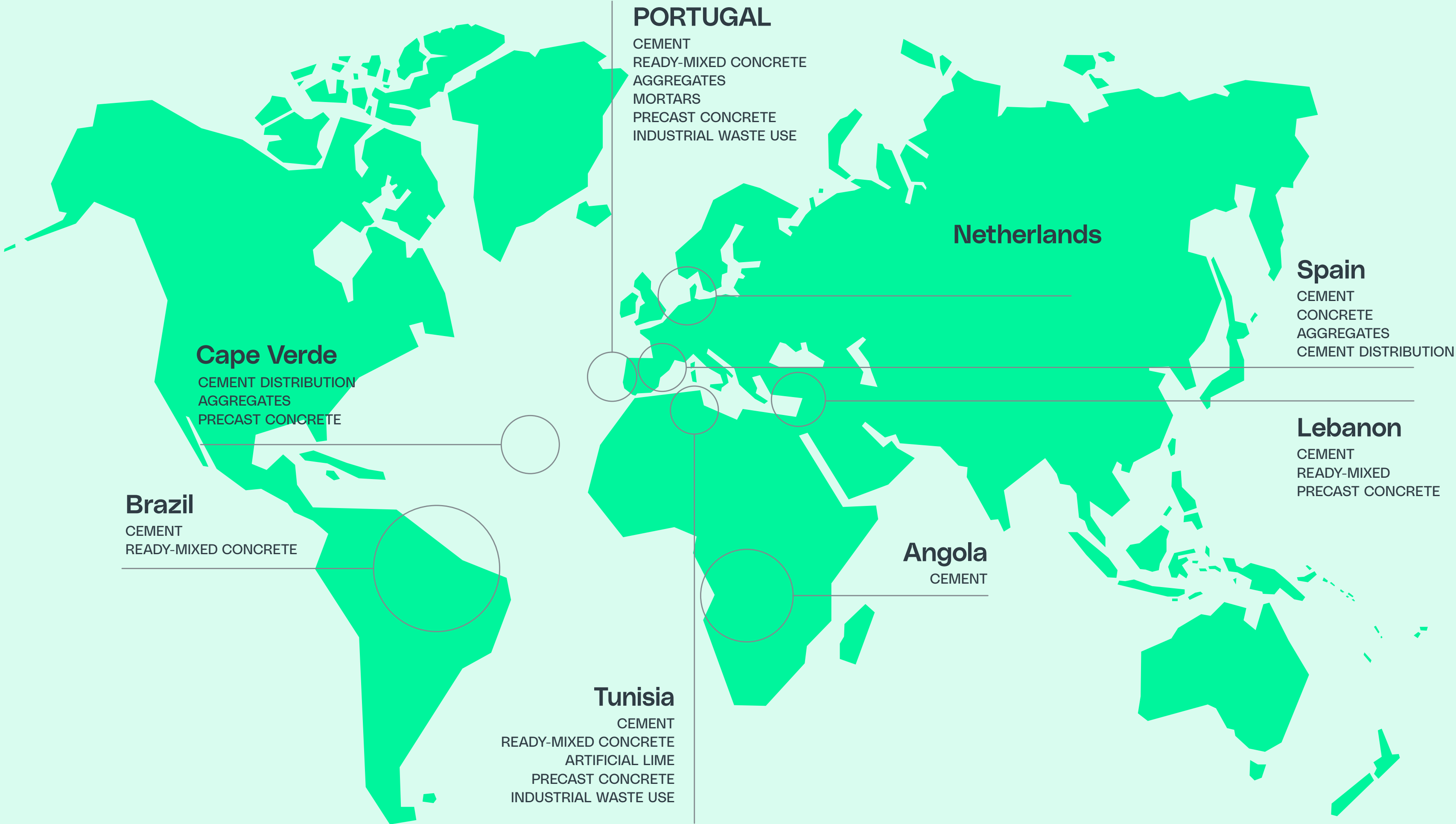


Figure 1 - Global presence of Secil Group, 2025

1.2
Business Units

Cement is the core of the Secil Group's operations, but the Group soon began to develop other construction materials that allowed it to set itself apart in the market and made it a preferred brand among its customers. With a wide range of cement, concrete, aggregates, and mortar products, Secil combines technical excellence with a strong commitment to sustainability, managing the social and environmental impacts of its production.



PRODUCTS		MARKETS
Cement Secil produces a wide range of gray and white cement grade types with applications ranging from small-scale construction to large civil engineering works. All Secil cements are certified (EN 197-1) and subject to strict and permanent quality control from the production stage to their placing on the market. By adopting the best practices and technologies available in the market, the company guarantees a high standard of quality in all its actions.		Portugal Angola Tunisia Cape Verde Spain Netherlands Brazil Lebanon
		SALES 2024 (quantity)
		5,259,000 t
PRODUCTS		MARKETS
Concrete The best-known use of cement is the production of concrete for civil engineering structures or gray, white, or colored architectural concrete. This material consists of water, cement, and aggregates. This product is essential in the seismic reinforcement of building foundations and structures. Abundant, close to consumption centers, generating employment and versatile in its use, concrete is fully recyclable after its long-life cycle. Due to its high use, low cost and ease of manufacture, this material has no alternative competitor allowing the construction of development structures essential to human dignity.		Portugal Tunisia Lebanon Brazil Spain Cape Verde
		SALES 2024 (quantity)
		1,957,000 m³
PRODUCTS		MARKETS
Mortars In the area of prefabricated products and construction materials Secil Group also produces pre-prepared dry mortars. The mixture of cement, lime, sand, and other additives serves to settle materials and waterproof, regularize and finish surfaces, whether in new works or in the renovation and rehabilitation of existing buildings.		Portugal
		SALES 2024 (quantity)
		330,000 t
PRODUCTS		MARKETS
Aggregates Industrial aggregates are raw materials for the construction of other materials. Therefore, their choice has a strong influence on the quality and behaviour of the final products. The Secil Group, through Secil Agregados, extracts and markets limestone and granite aggregates, certified for various construction uses.		Portugal Spain Cape Verde
		SALES 2024 (quantity)
		4,883,000 t

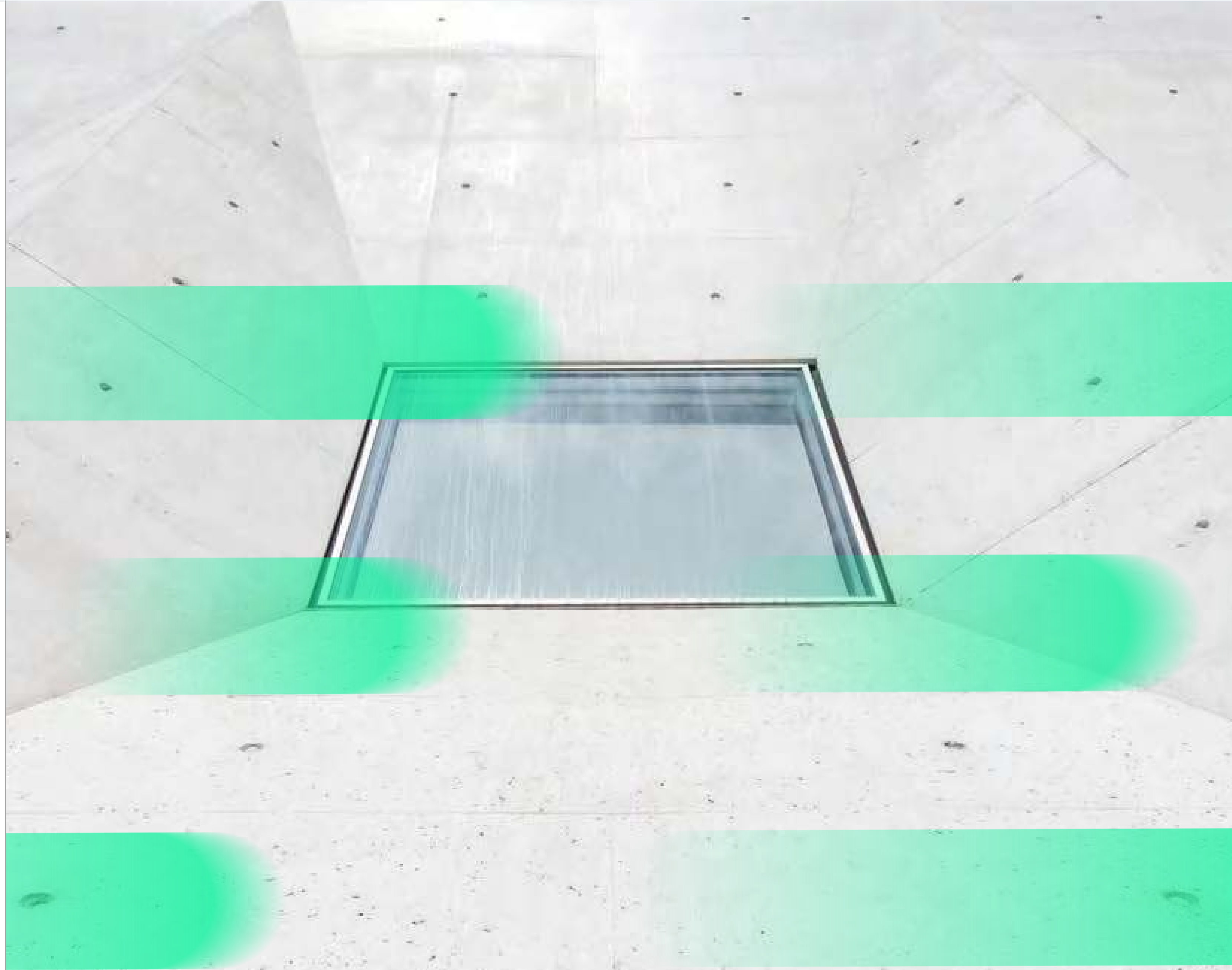
02 Sustainability Strategy



Secil is committed to Sustainability, seeking to reconcile its economic performance with environmental respect and responsible citizenship.

The response to global climate change involves the reduction of the carbon intensity of production, the circular economy and the promotion of biodiversity, challenges that are accepted and will be overcome, with continued creation of economic value in the context of globalisation.

To fulfil this design Secil has an empowered and autonomous team, being the focus of the Company its development and recognition.



It is Secil's strategy:

- To achieve carbon neutrality in the cement and concrete value chain by 2050.
- Contribute to a circular economy through the co-processing of alternative fuels and raw materials.
- Promote a health and safety culture that will allow reduction of work accidents and eliminate fatalities.
- Support equal opportunities and promote diversity in management decisions.
- In Local Communities, develop strong local synergies, giving back to our neighbors and stakeholders.

- Focus on the customer to provide him with exceptional experiences.
- Do all this Respecting Human and Labor Rights with Ethics, Integrity and Corporate Responsibility.

Secil takes part in international institutions and partnerships that also assume this same commitment, achievable through the Sustainable Development Goals. Secil wants to have a clear, transparent governance model that allows to anticipate risks and opportunities, based on ethics and integrity.

Secil's Sustainability Policy¹ defines objectives and prioritizes actions in order to contribute to a better life on a planet dedicated to all humanity.

Secil has developed an internal framework to achieve its strategy, covering Environmental, Social, Governance and Economic pillars, named ESG+E, based in the material topics:

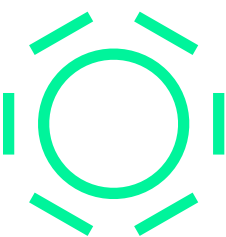
Secil's ESG+E Framework



Figure 2 - Secil's ESG+E Framework

¹ Secil's Sustainability Policy

The commitment to sustainability with several entities



Secil Group has always demonstrated its sense of responsibility for the impacts of its operations, not only on the environment, but also on communities and especially on people.

Nowadays, companies are increasingly making commitments, individually or at sectoral level, and Secil is part of this movement. In this sense, Secil aligned itself with the sector, and initiated an internal process to establish concrete objectives, with associated goals, to reduce or compensate for the impact of its operations.

Secil is a member of Global Cement and Concrete Association (GCCA), which has issued a charter of ten commitments for the sector to contribute to the achievement of the Sustainable Development Goals (SDG's) of the United Nations. Secil has subscribed these 10 commitments that intends to meet in the 2020-2030 horizon, with concrete indicators and for which it will set goals.

At the same time, Secil is committed, along with a set of national companies, to the promotion of a more sustainable development model, having signed the Manifesto promoted by the Business Council for Sustainable Development (BCSD) Portugal.



10 Commitments
2020-2030 (GCCA)

SUSTAINABLE DEVELOPMENT GOALS

PILLAR
Health and safety
Our People

- 1

Apply the GCCA guidelines for best practices in Safety

3

GOOD HEALTH AND WELL-BEING

8

DECENT WORK AND ECONOMIC GROWTH
- 2

Encourage the continued sharing of best practice in Health and Well-being

3

GOOD HEALTH AND WELL-BEING

8

DECENT WORK AND ECONOMIC GROWTH

PILLAR
The environment and nature
Protection of the Planet

- 4

Implement the Environment and Nature Guidelines

15

LIFE ON LAND
- 5

Set emission reduction targets and publish their progress

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

13

CLIMATE ACTION

PILLAR
Social responsibility
Community Involvement

- 8

Publish a Code of Conduct that integrates the international principles of human rights

8

DECENT WORK AND ECONOMIC GROWTH
- 9

Apply social impact assessment guidelines

10

REDUCED INEQUALITIES

17

PARTNERSHIPS FOR THE GOALS
- 10

Establish a systematic dialogue process with stakeholders

10

REDUCED INEQUALITIES

PILLAR
Climate change and energy
Protection of the Planet

- 3

Apply the GCCA guidelines for best practices in Safety

13

CLIMATE ACTION

PILLAR
Circular economy
Protection of the Planet

- 6

Foster circular economy principles in the value chain

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

12

RESPONSIBLE CONSUMPTION AND PRODUCTION
- 7

Implement guidelines for the use of fuels and raw materials in cement production

7

AFFORDABLE AND CLEAN ENERGY

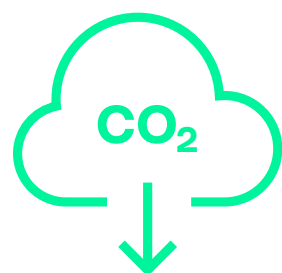
12

RESPONSIBLE CONSUMPTION AND PRODUCTION

Figure 3 - Secil's 2020-2030 Commitments

Roadmap

Secil's Path to Decarbonisation



Secil has defined its roadmap for decarbonisation - the “Secil’s Path to Decarbonisation” - based on Cembureau 5Cs methodology.

This roadmap sets out Secil’s path toward the decarbonization of its cement plants, with targets established for 2030 and the goal of achieving carbon neutrality by 2050. The 2030 targets are aligned with the 1.5°C trajectory in line with the goals of the Paris Agreement and were validated in 2024 by the Science Based Targets initiative (SBTi). The roadmap is supported by the implementation of a set of actions underpinned by an internal investment

plan extending through 2050. The roadmap ensures a transition by supporting workers, suppliers, and local communities, where applicable, throughout the decarbonization process.

The Group promotes continuous training and upskilling initiatives to prepare its workforce for the technological transformation of cement production. Secil also engages with local stakeholders through environmental monitoring committees and community development projects designed to foster inclusion and minimize potencial negative social impacts arising from the transition to a low-carbon economy. These actions underpin a fair and inclusive transition, consistent with the recommendations of the Climate Transition Finance Handbook (2025).

For Scope 1 Greenhouse Gas (GHG) emissions, which are direct emissions, the reduction will be achieved through the modernization of facilities using more efficient and proven technologies. These upgrades will reduce heat consumption and increase the use of alternative fuels with CO₂-neutral content, also supported using green hydrogen. In addition, it includes the use of decarbonated raw materials in clinker production, as well as alternative raw materials with pozzolanic properties to reduce the clinker content in cement. The development of the CCL (Clean Cement Line) project was the first major

decarbonization project by Secil at the SECIL-Outão plant, carried out in Portugal. The Profuture project, currently underway at the Maceira-Liz plant, is the second major project within Secil’s decarbonisation strategy. Its main objective is to eliminate the use of fossil fuels and increase energy efficiency, thereby reducing greenhouse gas (GHG) emissions and reinforcing the company’s commitment to innovation and sustainability.

Between 2030 and 2050, Secil will assess available and emerging technologies to select those best suited to its plants. One of the options under evaluation is the use of captured CO₂, either through the forced carbonation of its materials or to produce synthetic fuels (e-fuels). The company is also identifying the infrastructure required to use or store this CO₂ safely, including geological storage.

By 2040, Secil plans to invest over 150 million euros in decarbonization projects, focusing on traditional levers, namely: alternative fuels and secondary raw materials, low-carbon clinkers, reduction of the clinker factor, and thermal energy efficiency measures.

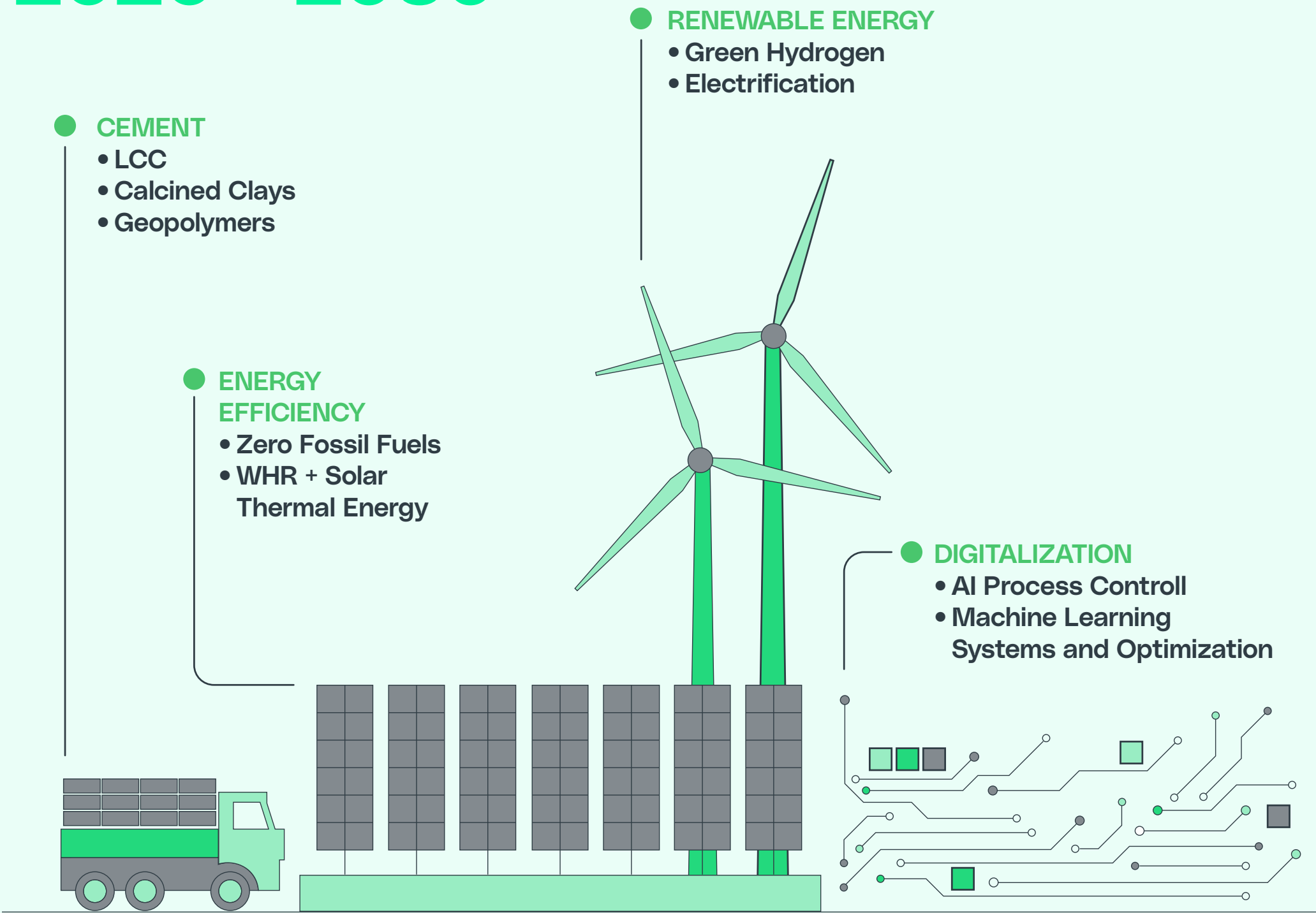
Below, in Figures 4 and 5, Secil’s roadmap for cement decarbonisation is shown for the period 2020–2030, along with plans for the period after 2030, respectively.



Roadmap

Secil's Path to Decarbonisation

2020 - 2030



2020 - 2030

Figure 4 - Roadmap to Cement Decarbonisation 2020 - 2030

Implementation of more efficient technologies

→ Enabling a **reduction in thermal energy consumption and an increase in the use of alternative fuels** with higher biomass content, associated with clinker production.

Introduction of innovative technologies

→ Derived from internal research projects aimed at achieving the complete elimination of conventional fossil fuels.

Raw Materials

→ Increased the use of **alternative decarbonated raw materials**.

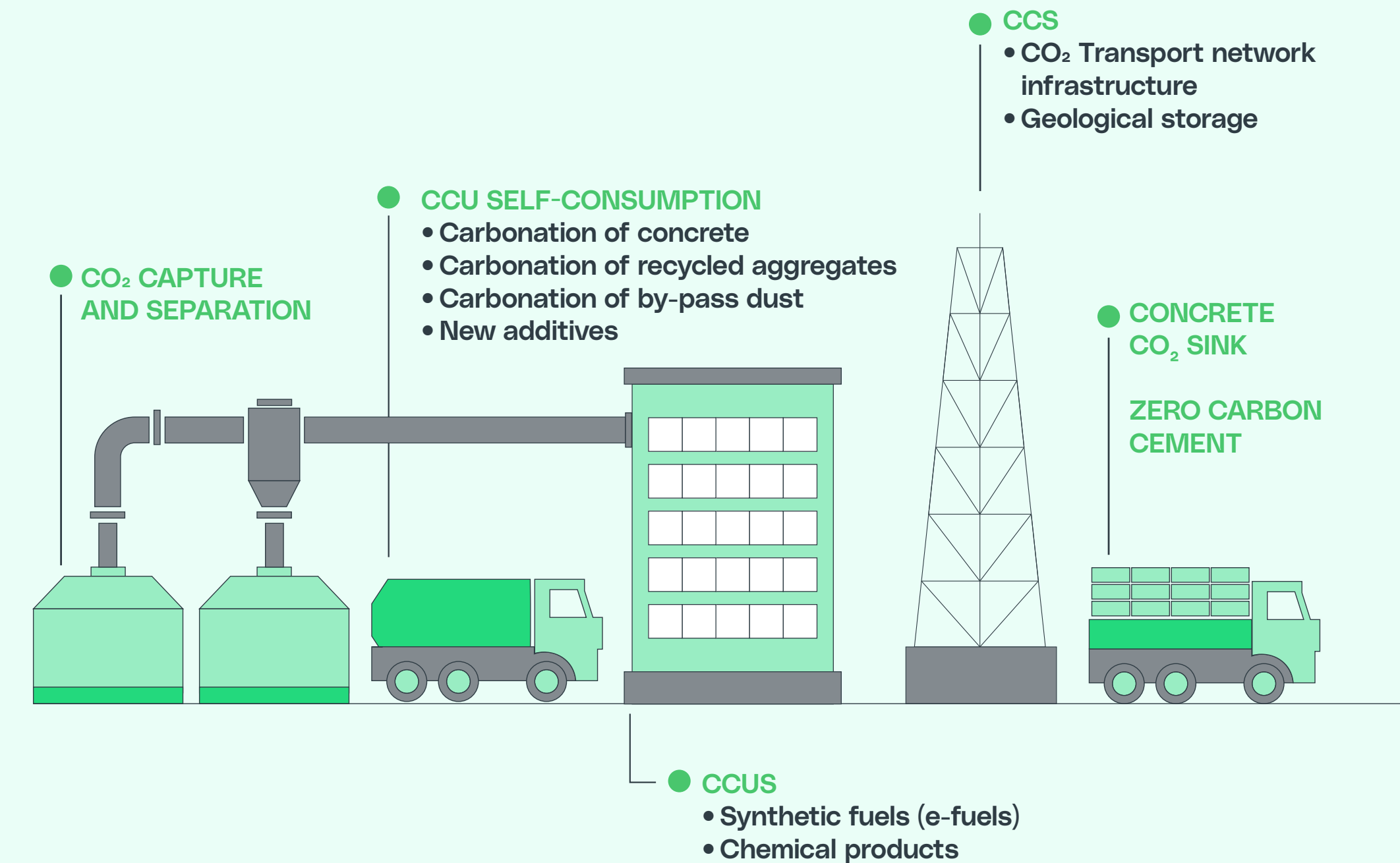
Development of low carbon cements

→ **Incorporating alternative raw materials** and using supplementary cementitious materials (SCMs) with pozzolanic properties, such as calcined clays, to achieve a lower carbon footprint.

Roadmap

Secil's Path to Decarbonisation

After 2030...



Post 2030

Figure 5 - Roadmap to Cement Decarbonisation after 2030

Technological solutions

→ In this phase, Secil is studying and analysing available and emerging **technological solutions** to identify those best suited to its facilities.

Use of captured CO₂

→ The possibility of using **captured CO₂** remains open, either for **forced carbonation** of its own materials or potentially for the production of e-fuels.

Geological storage of captured CO₂

→ Secil is also assessing the infrastructure requirements both for the **use** and for the **potential geological storage of captured CO₂**.

The 5C's

Our Decarbonisation Roadmap across the five fronts of the value chain

The Cembureau 5Cs² methodology provides a structured approach to reducing CO₂ emissions across the entire value chain. The diagram below illustrates the main decarbonisation fronts addressed by Secil through this methodology.



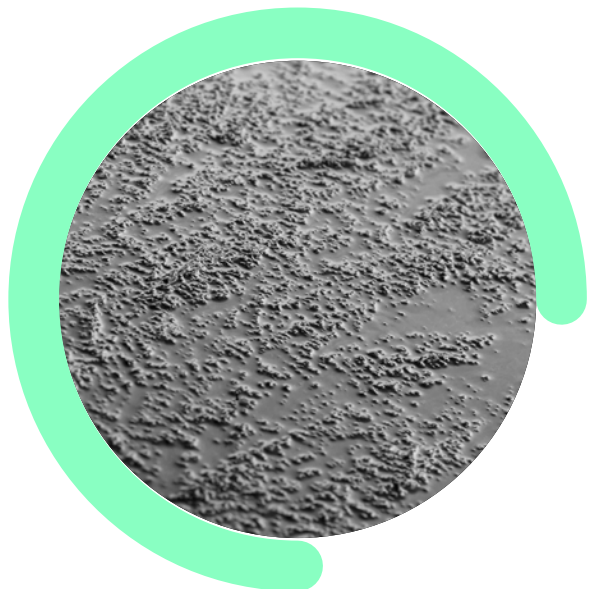
Clinker

- Energy Efficiency
- Abolition of Fossil Fuels
- Hydrogen
- CCUS-Capture, Utilisation and Geological Stockpiling of Carbon



Cement

- New additions
- Clinker content reduction/low carbon cement production



Concrete

- Cement dosage reduction
- Machine Learning
- Geopolymers
- Use of low carbon cements



(Re) Carbonation

- Buildings natural carbonation
- Forced Recarbonation on fresh concrete
- Forced Recarbonation on recycled aggregates



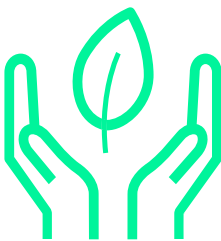
Construction

- Modular construction
- CDWs recycling
- 3D printing

Figure 6 - The 5Cs of the Cembureau Methodology applied to Secil's Decarbonisation Plan

² Clinker, Cement, Concrete, Carbonation and Construction

Environmental and Social Risk Management



In 2024 Secil initiated the process of identifying climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

The process of identifying and managing social and environmental risks at Secil is carried out through the Double Materiality Assessment (DMA)³, in accordance with the new Corporate Sustainability Reporting Directive (CSRD) and the EFRAG guidelines. Mitigation measures are established based on the impacts assessed.

Regarding climate change adaptation, in 2024 Secil initiated the process of identifying climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), with the objective of assessing potential physical and transition risks related to climate change and developing appropriate adaptation strategies. The following phases have been carried out:

- **Phase 1**
Identification of climate risks.
- **Phase 2**
Definition of climate scenarios.
- **Phase 3**
Assessment of materiality, aimed at determining material risks.
- **Phase 4**
Financial impact assessment is currently in progress.

Taxonomy

Secil is not excluded from the EU Paris Agreement-aligned benchmark indicators, and its economic activities are covered by the European Union Taxonomy Regulation. According to its internal plan, the Group expects to achieve 86% alignment by 2030, reinforcing its transition toward a sustainable economy⁴.

The sustainability commitments allow Secil to align and consolidate its internal objectives, integrate the perspectives of all stakeholders, position the company alongside its peers and contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

³ For further details, please check the 2024 Sustainability Report on [Documentation Center | Secil Group](#), which provide information on the DMA, the identified risks and opportunities (IROs) and the management process. ⁴ [Annual Report 2024](#)

SDG'S included in Secil's agenda

Secil closely monitors the challenges of sustainable development. The United Nations' SDGs are therefore included in its agenda and are periodically reviewed and confirmed. Secil decided to have three levels of SDGs: level 1 – Strategic, level 2 – Relevant and, level 3 – Support, as follows:

- Strategic SDG: 9, 12 and 13,
- Relevant SDG: 3, 8 and 11,
- Support SDG: 17.

These SDGs are identified in the following pictures and illustrated with the main initiatives that have contributed over the past two years to meet each of them.

Strategic SDGs



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.
Targets: 9.1; 9.2; 9.4; 9.5.



Ensure sustainable consumption and production patterns.
Targets: 12.2; 12.4; 12.5; 12.8.

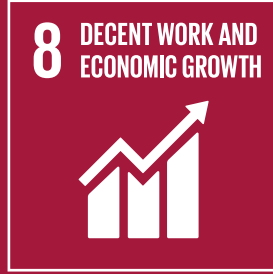


Ensure sustainable consumption and production patterns.
Targets: 13.3; 13.2; 13.3.

Relevant SDGs



Ensuring access to quality healthcare and promoting well-being for all, at all ages.
Targets: 3.4; 3.5; 3.6; 3.8; 3.9.



Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.
Targets: 8.1; 8.3; 8.4; 8.5; 8.6; 8.8.



Making cities and communities inclusive, safe, secure, resilient and sustainable.
Targets: 11.3; 11.4; 11.6.

ODS Support



Strengthening the means of implementation and revitalising the Global Partnership for Sustainable Development.
Targets: 17.16; 17.17.

Figure 7 - SDGs included in Secil's agenda

Secil's key contributions to achieve the SDGs

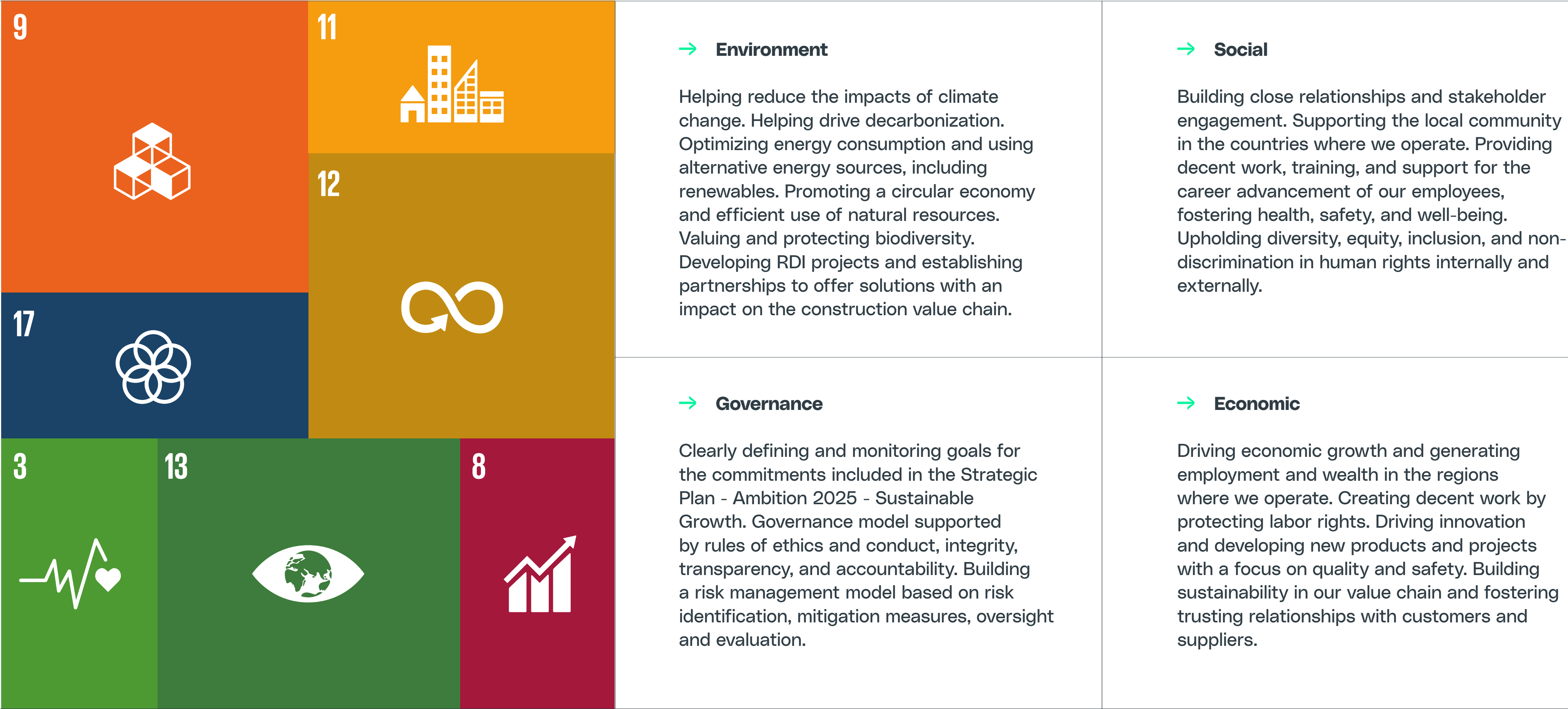


Figure 8 - Secil's key contributions to achieve the SDGs

03

Sustainability Governance

Constitution of the Board of Directors

Areas of Responsibility

Secil has a two-tier Board of Directors (BoD), with 4 executive directors (Executive Committee) and 4 non-executive directors. Secil’s Chief Executive Officer (CEO) is responsible for promoting sustainability topics in the business, namely Governance topics, as well as approving related strategic objectives, strategic initiatives and priority actions. There is an Executive Director that is responsible for environmental and climate-related issues. Since 2025, there is an Executive Director that is responsible for the social topics.

Information on the corporate sustainability management structure⁵ and responsibilities is updated annually and available in Secil’s Annual Report, published on our website⁶.

In 2021, when defining the strategic plan, one of the seven key elements identified was Sustainability, which led to the creation of the ESG+E project (Environmental, Social, Governance and Economic). The ESG+E project team coordinated the entire sustainability area up to 2025 and beyond, with the aim of consolidating its management and ensuring compliance with all current ESG+E requirements.

In 2023, the Sustainability Department was established, and the ESG+E project was incorporated into its functions and responsibilities. Since then, the Sustainability Manager has overseen all topics under the Sustainability Framework, supported by the ESG+E Pillar Leads and all Managers involved in the Sustainability Committee.

The **Sustainability Committee**, created in 2018, was extended in 2023 to all areas and geographies, with meetings on a quarterly basis. This Sustainability Committee is composed by all elements involved in the various topics of Sustainability (for topics see internal framework above, Figure 2), both at a corporate and at the local level:

- a) Corporate ESG+E pillars managers
- b) Corporate technical experts
- c) Local ESG+E pillars managers

⁵ [Órgãos sociais da Secil | Grupo Secil](#)
⁶ [Welcome to Secil | Secil Group](#)

Responsible Business Conduct

The Group's culture is based on values such as Integrity and Responsibility, which are expressed in the way Secil operates daily. The principles of ethics, compliance and respect for human rights are integrated into the Governance model in the Groups’ culture, extending to all geographies where it operates.

It was in this sense that Secil’s Code of Conduct⁷ was developed, as one of the hand-held members of the construction of the ‘This Is Us’ identity, which mirrors the set of principles on which the Group's responsible conduct is based.

In 2024, Secil developed a group of Policies to increase the robustness and clarity of the principles of ethics and compliance, such as: Corruption Prevention Policy, Policy on the Prevention of Money Laundering and Terrorist Financing, Fair Competition Policy, Stakeholder Engagement Policy and Human and Labour Rights Policy⁷.

⁷ Code of Conduct and Policies section of [Documentation Center](#) | Secil Group

Involvement with stakeholders

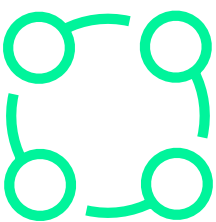
Stakeholders are a key part of the way Secil manages the Group's business model. Secil has been promoting the opening of channels that make it possible to involve more the different actors that are impacted by its operations, which should be heard and involved in Secil's decision-making process. In that sense, in 2024, Secil developed a Stakeholder Engagement Policy⁷ and put in place a Stakeholder Engagement Program, aimed mostly at:

- Strengthening dialogue with stakeholders, enhancing the creation of partnerships and promoting the exchange of experiences, resources, knowledge, skills and efforts.
- Integration of stakeholder expectations.
- Promotion of intervention and continuous identification of possible impacts on the communities surrounding the areas where Secil carries out its activity.
- Enrichment of surrounding communities through job creation, local hiring and community involvement.

- Contribution to improving the well-being of populations and promoting initiatives to support the development not only of communities, but also of the places where the Group is located.
- Refrain from any undue interference in local political activities.
- Access to relevant corporate information and the development of the Group's activity by stakeholders.
- Inclusion of relevant contributions identified by stakeholders in the Group’s strategy.
- Encourage the reporting of operations suspected of breaching the standards and good practices set out through the usual reporting procedures or, alternatively, through the Secil Group Integrity Channel.

04 Green Finance Framework

Rationale for Green Finance

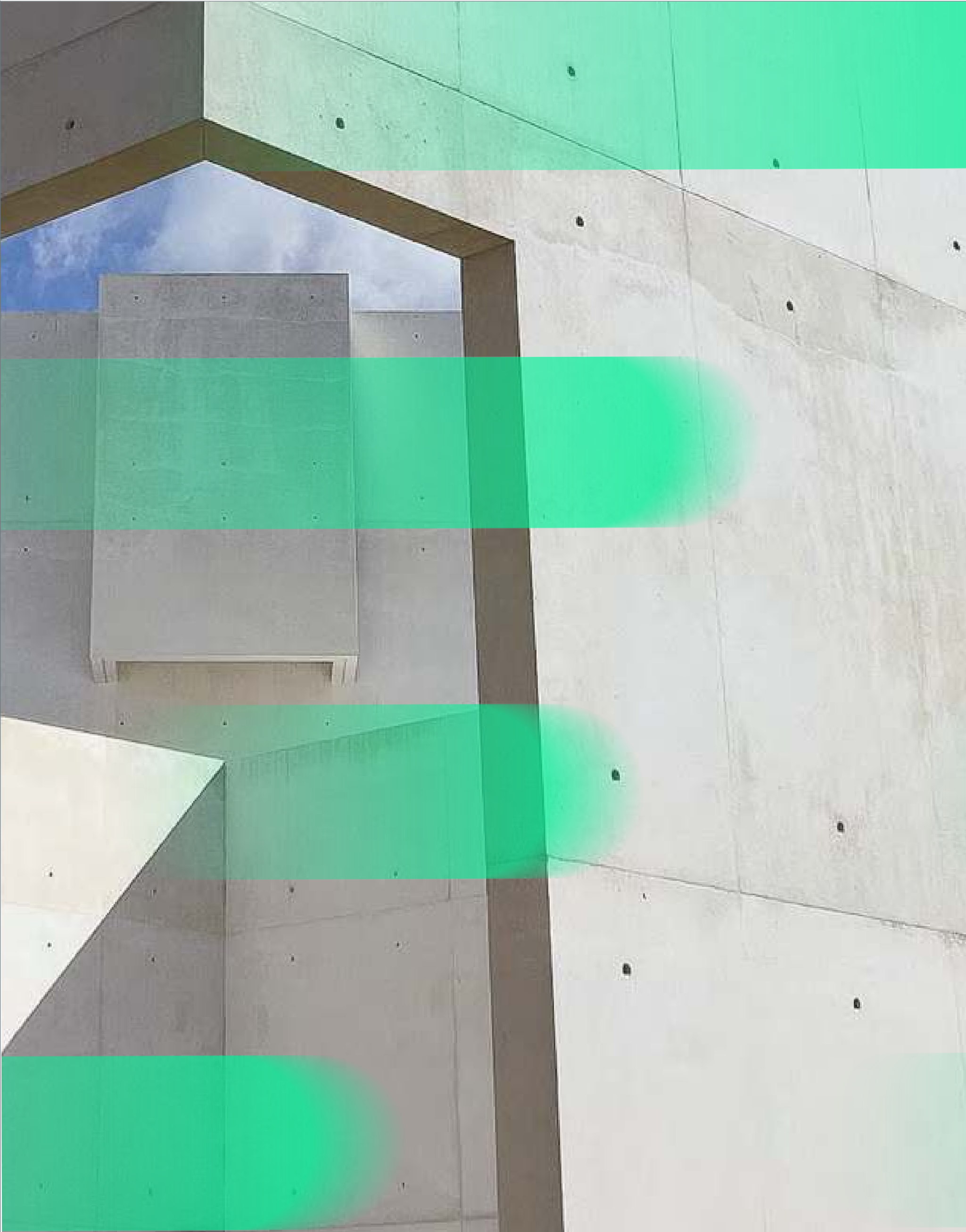


Sustainability is a core element of Secil’s long-term strategy and fundamental to its ambition of contributing to the decarbonisation of the construction value chain.

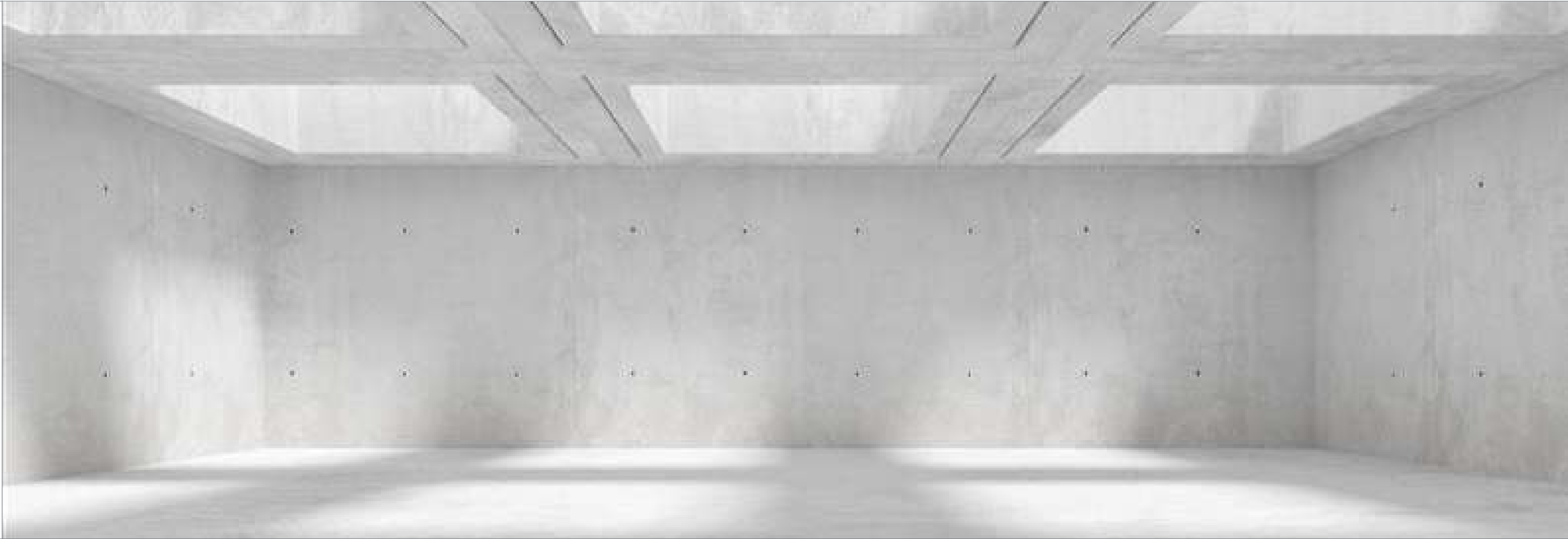
The company seeks to reduce the environmental footprint of its operations and products while supporting the transition towards a low-carbon and circular economy.

Secil believes that green financing instruments are effective tools to channel investments into projects with tangible climate and environmental benefits. In doing so, they contribute to the achievement of the United Nations Sustainable Development Goals (“UN SDG”) and are aligned with the Green Bond Principles published by the International Capital Market Association (ICMA) and with the Green Loan Principles published by the Loan Market Association (LMA). Through this Framework, Secil intends not only to align its funding with its sustainability roadmap, but also to expand access to a broader investor community, strengthen relationships with responsible investors, and actively contribute to the development of the green finance market.

This Green Finance Framework intends to execute financings, which may include, but are not limited to, debt securities, including green bonds, loans and/or commercial paper programmes (Green Finance Instruments), whose proceeds will be used exclusively to finance and/or refinance, in part or in full, new and/or existing eligible green assets as defined in this Framework.



Basis of the Framework



Secil has established this Framework under which it or any of its subsidiaries in Portugal can issue finance instruments.

The framework defined by Secil is aligned with the four core components of the International Capital Markets Association’s (ICMA) Green Bond Principles (GBP) of June 2025⁸ and of the Loan Market Association (LMA)’s Green Loan Principles (GLP) of March 2025⁹.

These principles are voluntary guidelines that support transparency and credibility in the green bond and loan markets.

The Framework is divided into four core components:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting

Secil may review and update this Framework from time to time to reflect the industry’s best practices, evolving market standards and investor expectations (e.g., future changes to the ICMA Green Bond Principles or LMA Green Loan Principles and/or developments related to sustainable finance regulations).

Any future version of this Framework will either maintain or further enhance the current level of transparency and reporting, including the corresponding review by an independent external party. Updated versions of the Framework, if any, will be made publicly available on Secil’s corporate website¹⁰.

⁸ [Green-Bond-Principles-GBP-June-2025.pdf](#)
⁹ [Green_Loan_Principles_-_26_March_2025.pdf](#)
¹⁰ <https://www.secil-group.com/en/home>

4.1 Use of Proceeds

Eligibility Criteria

An amount equivalent to the net proceeds from Green Finance Instruments issued under this Framework will be allocated to finance and/or refinance, in whole or in part, Eligible Green Projects as defined in this Framework (see Table 1 below).

Eligible Category	Reasons for Eligibility	Secil’s Potencial Projects	Environmental benefits expected	Correspondence to UN SDGs	Contribution to EU Environmental Objectives ¹¹
Pollution prevention and control	Projects that prevent, reduce or control emissions (whether air or greenhouse gas) and other environmental impacts across Secil’s operations. This may include the use of low-carbon fuels and raw materials, technologies to reduce air pollutants such as SOx, NOx and particulate matter, improvements in emissions monitoring systems, water treatment and waste management measures. These projects are consistent with Secil’s publicly disclosed climate commitments, validated by the SBTi, including the reduction of Scope 1 and 2 GHG emissions by 30.4% per ton of cement by 2030 compared to a 2020 baseline (equivalent to a reduction from 781 kg CO₂/t cement in 2020 to 544 kg CO₂/t cement in 2030).	ProFuture project in Maceira – modernization of Line 6 with advanced low-carbon technologies, including alternative fuels and green hydrogen integration.	Replace Fossil fuels with Alternative Fuels Reduce SOx and other gaseous emissions; improve compliance with BAT-AEL emission limits	SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action	Substantial contribution to the sustainable use and protection of water and marine resources (Article 12) especially with regards but not limited to: 1.(c) Improving water management and efficiency, including by protecting and enhancing the status of aquatic ecosystems, by promoting the sustainable use of water through the long-term protection of available water resources, inter alia, through measures such as water reuse, by ensuring the progressive reduction of pollutant emissions into surface water and groundwater, by contributing to mitigating the effects of floods and droughts, or through any other activity that protects or improves the qualitative and quantitative status of water bodies. Substantial contribution to pollution prevention and control (article 14) especially with regards but not limited to: 1.(a) Preventing or, where that is not practicable, reducing pollutant emissions into air, water or land, other than greenhouse gases. 1.(b) Improving levels of air, water or soil quality in the areas in which the economic activity takes place whilst minimizing any adverse impact on human health and the environment or the risk thereof.
Energy efficiency	Implementation of technologies and measures aligned with Best Available Technologies (BAT) and other innovations that aim to improve efficiency and reduce thermal and electrical energy consumption across clinker production and other operations.	Digitalisation of kiln operations and advanced monitoring systems at Secil plants.	Improve energy efficiency	SDG 9 – Industry, Innovation and Infrastructure SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action	Climate Change Mitigation (Article 10), especially with regards but not limited to: 1.(b) Improving energy efficiency, except for power generation activities as referred to in Article 19(3).
Renewable energy	Projects that integrate renewable and low-carbon energy sources into Secil’s operations, which may include the use of renewable electricity, green hydrogen or other biogenic fuels, as well as recovery and reuse of residual energy flows.	Increase the use of alternative fuels through the installation of a dryer and enabling the use of more biogenic fuel streams. Pilot integration of green hydrogen in clinker production in the ProFuture Project.	Replace fossil fuels with renewable-based green hydrogen; enable full decarbonization of thermal energy supply	SDG 7 – Affordable and Clean Energy SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action	Climate Change Mitigation (Article 10), especially with regards but not limited to: 1.(a) Generating, transmitting, storing, distributing or using renewable energy in line with Directive (EU) 2018/2001, including through using innovative technology with a potential for significant future savings or through necessary reinforcement or extension of the grid. Transition to a Circular Economy (Article 13), especially with regards but not limited to: 1.(a) Uses natural resources, including sustainably sourced bio-based and other raw materials, in production more efficiently, including by: (i) reducing the use of primary raw materials or increasing the use of by-products and secondary raw materials; or (ii) resource and energy efficiency measures.

¹¹ Regulation (EU) 2020/852 of the European Parliament and of The Council of 18 June 2020

Eligible Category	Reasons for Eligibility	Secil’s Projects	Benefits	UN SDGs	Contribution to EU Environmental Objectives ¹¹
Circular economy adapted products, production technologies and processes	Projects that promote circular economy and resource efficiency across Secil’s operations. This may include adapted production technologies and processes that enable the substitution of virgin raw materials with secondary or recycled inputs, the use of supplementary cementitious materials (e.g., pozzolanic or other suitable materials), the incorporation of industrial by-products, the development of low-carbon cement and concrete, and the valorization of construction and demolition waste.	Increased use of pozzolanic and silico-aluminous materials as clinker substitutes; expansion of alternative fuels co-processing. Development and industrial deployment of calcined clays for clinker substitution at Pataias plant.	Promote industrial symbiosis Reduce clinker factor and embodied CO ₂ Extend lifecycle of cement-based materials	SDG 9 – Industry, Innovation and Infrastructure SG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action	Transition to a Circular Economy (Article 13), especially with regards but not limited to: 1.(a) Uses natural resources, including sustainably sourced bio-based and other raw materials, in production more efficiently. 1.(e) Prolongs the use of products, including through reuse, design for longevity, repurposing, disassembly, remanufacturing, upgrades and repair, and sharing products. 1.(g) Preventing or reducing waste generation, including the generation of waste from the extraction of minerals and waste from the construction and demolition of buildings.
Circular economy / energy efficiency	Projects that improve resource and energy efficiency through the recovery and reuse of residual energy and materials. This may include waste heat recovery for internal process use, the preparation and drying of alternative fuels and raw materials, or other technologies that enable more efficient use of resources across Secil’s operations.	Integration of recovered process heat to enable the use of alternative fuels and the thermal activation of supplementary cementitious materials (SCMs), supporting clinker substitution and improved energy efficiency.	Increase system-wide energy recovery Enable substitution of high-moisture AFs with biogenic alternatives	SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action	Transition to a Circular Economy (Article 13), especially with regards but not limited to: 1.(a) Uses natural resources, including sustainably sourced bio-based and other raw materials, in production more efficiently. 1.(g) Preventing or reducing waste generation, including the generation of waste from the extraction of minerals and waste from the construction and demolition of buildings. 1.(e) Prolongs the use of products, including through reuse, design for longevity, repurposing, disassembly, remanufacturing, upgrades and repair, and sharing products.
Sustainable Water and wastewater management	Projects that enhance water efficiency and sustainable water use across Secil’s cement, concrete, and aggregates operations. This may include initiatives to reduce freshwater consumption in industrial processes, optimise water recycling and reuse, and improve water management systems. Expenditures may also cover the development, upgrading, or installation of technologies to improve wastewater treatment and effluent quality, the deployment of efficient water-related equipment, and investments in systems for wastewater recycling, recovery, and safe discharge.	Implement water-efficient technologies and reuse/ recycling systems Improve water management systems.	Continuously reduce freshwater consumption across operations Ensure all wastewater is treated before discharge	SDG 6 - Clean Water and Sanitation SDG 9 – Industry, Innovation and Infrastructure SDG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action	Substantial contribution to the sustainable use and protection of water and marine resources (Article 12) especially with regards but not limited to: 1.(a) Protecting the environment from the adverse effects of urban and industrial waste water discharges, including from contaminants of emerging concern such as pharmaceuticals and microplastics, for example by ensuring the adequate collection, treatment and discharge of urban and industrial waste waters; 1.(b) protecting human health from the adverse impact of any contamination of water intended for human consumption by ensuring that it is free from any micro-organisms, parasites and substances that constitute a potential danger to human health as well as increasing people’s access to clean drinking water. 1.(c) Improving water management and efficiency, including by protecting and enhancing the status of aquatic ecosystems, by promoting the sustainable use of water through the long-term protection of available water resources, inter alia, through measures such as water reuse, by ensuring the progressive reduction of pollutant emissions into surface water and groundwater, by contributing to mitigating the effects of floods and droughts, or through any other activity that protects or improves the qualitative and quantitative status of water bodies.

Table 1 - Use of Proceeds

¹¹ Regulation (EU) 2020/852 of the European Parliament and of The Council of 18 June 2020

4.1

Use of Proceeds
(Cont.)

Eligible Green Projects may include capital expenditures (CapEx), operating expenditures (OpEx) related to implementation, and Research and Development (R&D) expenditures, and may be carried out by Secil or its subsidiaries in Portugal, provided they meet the Eligibility Criteria. In defining and assessing Eligible Green Projects, Secil also considers the EU Taxonomy as a key reference framework and is committed to progressively align its investments with its objectives, including the technical screening criteria, the DNSH (Do No Significant Harm) requirements and the Minimum Safeguards.



4.2

Process
of Project
Evaluation
and Selection

Secil has established a structured decision-making process to determine the eligibility of Green Projects in accordance with the Eligibility Criteria set out in the Use of Proceeds section of this Framework.

The selection of the Eligible Green Projects is carried out by Secil’s Executive Committee (“Committee”), based on prior assessments and recommendations from the Finance, Sustainability, Technical and other relevant business teams, as necessary, in line with the Eligibility Criteria defined in this Framework.

The allocation of proceeds, whether for financing or refinancing Eligible Green Projects, will be authorized by Secil’s Group CFO, following the projects’ selection by the Committee who ensures and guarantees that the allocation of funds complies with the principles and requirements established in this Framework.

In addition to ensure that the assets financed and/or refinanced under this Framework are evaluated and selected based on compliance with the Eligibility Criteria, Secil complies with

applicable national, European and international environmental and social standards and regulations (including, amongst others, the United Nations Principles for Human Rights and the ILO core labor conventions), to ensure stringent management of potential negative environmental and social impacts associated with the Eligible Green Assets. Secil also signed the CEO Guide for Human Rights of the World Business Council for Sustainable Development (WBCSD).

4.3 Management of Proceeds

All cash flows and balances will be performed through and accounted for in Secil's accounts and will be monitored by the Financial teams of the company.

Secil will allocate proceeds to Eligible Green Projects selected in accordance with the Eligibility Criteria within up to 36 months of issuance of the Green Finance Instruments. As of this date, it is not yet possible to estimate the amounts that will be financed or refinanced. This information will be reflected in the Allocation and Impact Report.

Eligible Green Assets will be registered at their IFRS balance sheet value, updated annually to reflect investments and depreciation. Eligible Green Assets may include both new financing and refinancing of existing projects. If a look-back period applies for refinancing, such will be disclosed in Secil's annual Allocation and Impact reporting.

Secil intends to allocate an amount equivalent to the net proceeds from each Green Finance Instruments to Eligible Green Projects as soon as reasonably practicable. Pending allocation or reallocation, unallocated proceeds will be managed in line with Secil's standard

liquidity management practices, in cash, cash equivalents, or other liquid instruments that are consistent with this Framework. If any asset ceases to be eligible, Secil will make its best efforts to replace it with another Eligible Green Project as soon as practicable.

The principal and interest payments of the Green Finance Instruments under the Framework will be made from Secil's general funds and will not be directly linked to the performance or execution of Eligible Green Projects.

Secil will provide annual updates on the activities related to its issuance of Green Finance Instruments. In these updates, Secil will seek to provide information on the allocation of proceeds as well as relevant impact metrics, which will provide the assessment of the associated environmental impacts, as further described in section 4.4 Reporting.



4.4 Reporting

Secil will prepare and maintain readily available reporting on the allocation of the proceeds to the Eligible Green Projects and, wherever feasible, reporting on the impact of these projects. Reporting may take place in line with Secil’s general annual reporting cycle at least until the proceeds from the Green Finance Instruments have been fully allocated, through an annual Allocation and Impact Report (please refer to sections 4.4.1 and 4.4.2 for further details on the content of these reports). Once full allocation has been achieved, allocation reporting will only be provided in the event of material changes, while impact reporting may continue throughout the life of the Green Finance Instruments.

In addition, Secil will consider the EU Taxonomy as a reference in its allocation and impact reporting. The company is committed to progressively embedding Taxonomy principles - including technical screening criteria, Do No Significant Harm (DNSH) requirements and Minimum Safeguards - into its reporting practices. Further details on Secil’s EU Taxonomy eligibility and alignment are disclosed annually in the company’s Annual Report.

These updates may include information on the allocation of the proceeds as well as relevant impact metrics.

The report may be available via Secil’s corporate website¹² and will always be accessible to interested parties. Additionally, a summary of Secil’s Allocation and Impact Report may also be published in Secil’s Annual Report.

The information provided may include a more detailed description of the activities financed and/or refinanced and an impact report, based on the proposed metrics outlined in section 4.4.2. below.

¹² [Welcome to Secil | Secil Group](#)

4.4.1. Allocation Reporting

The Allocation Report will include:

- The total amount of Eligible Assets.
- Portion (amount or percentage) of financing and refinancing.
- Breakdown of what is financed/refinanced.
- The balance of unallocated proceeds.

4.4.2. Impact Reporting

Furthermore, additional KPIs may also be reported in the annual Allocation and Impact Report, where relevant, to better reflect the status and progress of the Eligible Green Projects as of the reporting date.

Secil intends to align the Green Finance impact reporting with the approach described in the “*Handbook - Harmonized Framework for Impact Reporting June 2024*”.

Depending on availability and subject to confidentiality obligations, Secil might seek to complement above indicators with relevant case studies.

Secil may appoint specialized consultants to develop a methodology for the estimation and calculation of the impacts that were made publicly available.

The annual Allocation and Impact Report may provide:

- A brief description of the Eligible Projects and their contribution to Environmental Objectives;
- The environmental impact indicators and metrics, per Eligible Green Project as detailed in the tables below:

GBP/GLP category for cement production

Pollution prevention and control

Potential impact indicators

CO₂ Emissions [tCO₂]
Total Energy Consumption Reduction [toe]
Alternative Fuel Substitution Rate [%]

GBP/GLP category for concrete and/or aggregates

Sustainable Water and wastewater management

Potential impact indicators

Total water withdrawal reduction (l/t of finished product)

05
External
Review

5.1 Independent
Limited Assurance
on the Green Finance
Framework
(pre-issuance)

Secil has appointed KPMG to provide independent assurance on the alignment of this Green Finance Framework with the four core components of the ICMA Green Bond Principles (June 2025) and the LMA Green Loan Principles (March 2025). The Independent Limited Assurance Report and the Green Finance Framework may be made available on Secil’s website at www.secil-group.com.

5.2 Limited
Assurance on the
Allocation and
Impact Reporting
(post-issuance)

An independent external party, appointed by Secil, will provide an annual Independent Limited Assurance on Secil’s Allocation and Impact Report until full allocation of proceeds from the Green Finance Instruments. This review will cover the internal tracking method, the allocation of proceeds to Eligible Green Projects, the remaining balance of unallocated proceeds, and the compliance of allocated resources with the Eligible Categories defined in this Framework.

The annual Allocation and Impact Report, together with the corresponding Independent Limited Assurance report, may be made publicly available on Secil’s corporate website¹³.

The impacts and environmental benefits of Eligible Green Projects may arise throughout their operational lifetime.

¹³ [Welcome to Secil | Secil Group](#)



06 Disclaimer

This Framework is intended to provide general and non-exhaustive information. It has not been approved by any securities regulatory authority.

Secil has and undertakes (i) no obligation to update, modify, amend or correct this Framework, nor the statements contained herein; and (ii) no obligation to notify any Addressee if any information or statement changes or becomes inaccurate.

This Framework is not intended to be and should not be construed as providing legal or financial advice. It also does not constitute an offer or invitation to sell or any solicitation of any offer to subscribe, purchase or any other kind of recommendation regarding Secil's Green Finance Instruments. Each potential purchaser should determine for themselves the relevance of the information contained or referred to in this Framework or the relevant documentation for such Green Finance Instruments and their purchase should be based on such investigation, as they deem necessary. Nothing contained herein shall form the basis of any contract or commitment whatsoever and it will not be an event of default or breach of any contractual obligations

under the Terms and Conditions of the relevant Green Finance Instruments if Secil fails to adhere to this Framework in any respect.

Any decision to purchase the Green Finance Instruments issued by Secil should not be made solely based on the information contained in the respective Terms and Conditions. Prospective investors are required to make their own investigations and assessments of the business and financial condition of Secil and the nature of the Green Finance Instruments before taking any investment decision.

The distribution of this Framework and of the information it contains may be subject to legal restrictions in some countries. Anyone who might come into possession of it must inquire as to the existence of such restrictions and comply with them.

The Addressee is solely liable for any use of the information contained herein and Secil shall not be responsible for any damages, direct, indirect or otherwise, arising from the use of this Framework by the Addressee.



Companhia Geral de Cal e Cimentos, S.A.
Sede, Outão. Apartado 71
2901-864 Setúbal

T. +351 212 198 100/+351 265 534 766
F. +351 265 234 629

www.secil.pt