ANNUAL REPORT

SEMAPA

MAKING IT BETTER

NON-ESEF VERSION

MAKIN
IT BETT

ANNUAL REPORT 2024

This document is a translation of a text originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

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OVERVIEW 2024

MESSAGE FROM THE CHAIRMAN AND CEO

JOSÉ FAY
Chairman of the Board of Directors

RICARDO PIRES
Chairman of the Executive Board (CEO)

Dear Stakeholders,

The year 2024 for the Semapa Group was marked by advances in the execution of the diversification and growth strategy, especially through international expansion and strengthening of exposure to business segments with good prospects that, year after year, are making an increasingly relevant contribution to consolidated revenue.

In this sense, we highlight Navigator's entry into a new geography, the United Kingdom, with the acquisition of Accrol Group Holdings plc, now called Navigator Tissue UK. This operation allowed us to expand our capacity in the Tissue sector, through a company with industrial activity spread across five units, which consolidates the Group's position in the European market, where it is increasingly a reference player.

The year was also marked by growth in key financial indicators, with the Group recording the second-best EBITDA in its history, demonstrating its ability to adapt to a challenging global economic environment while continuing to deliver very positive results.

We would therefore like to thank our most important asset, our 7 150 employees, who with their commitment and dedication led the Group to yet another exceptional year.

Talent is a strategic pillar for the Semapa Group in creating value and, for this reason, last year we reinforced our employee training programs, with several initiatives, including the VitaminAI Program, dedicated to training in Artificial Intelligence, and the Talent Lab program, for young executives at the Semapa Group. In addition, we once again held Making It Better Week, an internal event dedicated to our purpose – Making It Better – this year focused on the themes of investment, innovation and inclusion, and which was marked by the signing, by all the Group's companies, of the Charter for Diversity and Inclusion.

The Semapa Group's growth ambition was evidenced by the amount of investment that totalled 541 million euros in 2024. Navigator led this effort, with the aforementioned investment in Accrol and also with approximately 120 million euros in sustainable investment. Secil, in turn, invested 92 million euros, with emphasis on the completion of the CCL - Clean Cement Line project at the Outão unit, which will allow a 20% reduction in CO2 emissions and an equal increase in energy efficiency, producing 30% of electrical energy through heat recovery from the process itself.

ETSA continued with the construction of the new manufacturing facility in Coruche, called ETSA ProHy, focused on the production of a premium range of sustainable products, while Triangle's moved forward with the increase of the highly automated production capacity of e-bike frames.

The year was also very important for Semapa Next, with five new investments in the companies GROPYUS, Constellr, Meisterwerk, located in the DACH region, Ferovinum, in the United Kingdom, and Sonant, located in the USA, having also made follow-on investments in five companies in its portfolio.

Our commitment to innovation and sustainability has been recognized internationally, with Navigator maintaining its "A" rating on CDP Climate Change and once again being included on the A List for Climate. The company was also honoured as one of the "2025 ESG Industry Top Rated Companies" by Sustainalytics.

For 2025, the Semapa Group will remain focused on identifying growth opportunities, strengthening its presence in strategic markets and accelerating digitalization, innovation and sustainability in its business. It will be a year in which new products will be launched on the market, such as ETSA Prohy and molded cellulose (Navigator), which demonstrates the Group's ability to innovate and adapt its products to market trends. We believe that these new products, which are the result of an organic and inorganic growth strategy, will contribute to continued portfolio diversification, a path that has already yielded results over the last 3 years with the reduction of the Group's exposure to the UWF segment, from around 55% of the Group's sales in 2021 to around 42% in 2024, despite the sales growth seen in the segment during the period.

The macroeconomic scenario foresees a set of challenges, such as greater protectionism of the American economy through increased tariffs on trade relations between the United States and the rest of the world, in addition to geopolitical conflicts.

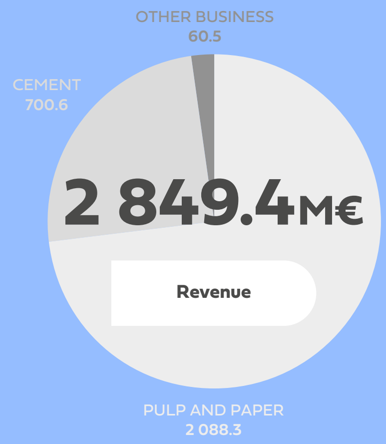
Despite this situation, we will continue to be attentive to investment opportunities, as we believe that the portfolio's growth and development strategy, combined with the resilience and talent of our teams, will continue to generate value and growth for the Group, shareholders and employees. Over the last 2 years, nearly 100 inorganic investment opportunities have been analysed, both at the holding company and at the subsidiary level, and we will continue to follow this path of investment and diversification, always guided by clear value creation objectives.

We appreciate the trust of our shareholders, employees and partners.

Together, we will continue to build a promising future under the purpose of Making it Better.

"FOR 2025, THE SEMAPA GROUP WILL REMAIN FOCUSED ON IDENTIFYING GROWTH OPPORTUNITIES, STRENGTHENING ITS PRESENCE IN STRATEGIC MARKETS AND ACCELERATING DIGITALIZATION, INNOVATION AND SUSTAINABILITY IN ITS BUSINESS. IT WILL BE A YEAR IN WHICH NEW PRODUCTS WILL BE LAUNCHED ON THE MARKET, SUCH AS ETSA PROHY AND MOLDED CELLULOSE (NAVIGATOR), WHICH DEMONSTRATES THE GROUP'S ABILITY TO INNOVATE AND ADAPT ITS PRODUCTS TO MARKET TRENDS."

LEADING INDICATORS OF THE GROUP

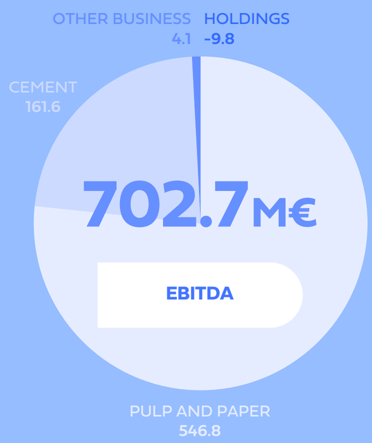


REVENUE

2 849.4M€

2023: 2 706.3 M€

+5.3%



EBITDA

702.7M€

2023: 672.1 M€

+4.6%

EBITDA MARGIN

24.7%

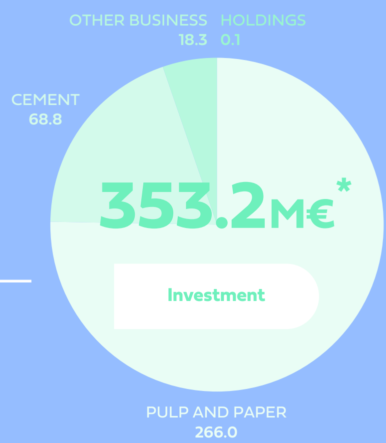
2023: 24.8%

NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS

232.7M€

2023: 244.5 M€

-4.8%



INVESTMENT IN TANGIBLE FIXED ASSETS

353.2M€

2023: 285.1 M€

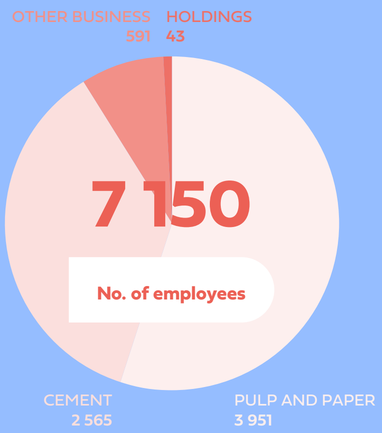
+23.9%

* Includes acquisitions made through business combinations

WORK ACCIDENTS
(per 1 000 000 hours)
15.4

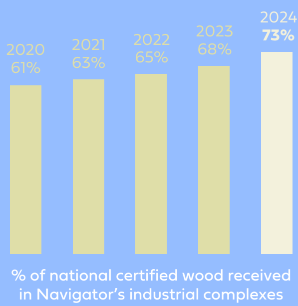
RENEWABLE ENERGY CONSUMPTION
(%total energy consumption)
59%

No. HOURS OF TRAINING/ EMPLOYEE
52.9



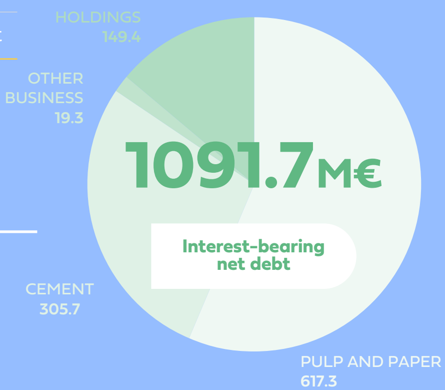
No. OF EMPLOYEES
7 150
2023: 6 549
+9.2%

KG CO_2 PER T/CEMENT
-8.6%
vs. 1990 emissions
Secil



% NATIONAL CERTIFIED WOOD
73%
2023: 68%
Navigator

Product	No.	Capacity
BEKP Pulp	3	1. 61 MtAD
Paper & Packaging	2	1.60 Mt
Cement	8	10.28 Mt



INTEREST-BEARING NET DEBT
1 091.7M€
2023: 1012.0 M€
+7.9%

BUSINESS INDICATORS

Million Euros	2020	2021	2022	2023	2024
INCOME STATEMENT					
Revenue	1 867.4	2 131.4	3 122.0	2 706.3	2 849.4
EBITDA	**419.3**	508.7	894.2	672.1	702.7
EBITDA margin (%)	22.5%	23.9%	28.6%	24.8%	24.7%
Operational results	199.2	310.1	641.8	440.1	430.9
EBIT margin (%)	10.7%	14.5%	20.6%	16.3%	15.1%
Profit for the year	142.2	250.0	422.1	335.9	310.3
Attributable to Semapa's Shareholders	106.6	198.1	307.1	244.5	232.7
PER SHARE					
Closing market price, Eur/share	9.000	11.700	12.360	13.400	14.180
Dividends per share, Eur (paid in n+1)	0.512	1.764	0.950	0.626	0.626
Basic earnings per share, Eur	1.333	2.481	3.845	3.061	2.914
CASH FLOW					
Cash Flow	362.3	448.5	674.4	567.9	582.2
INVESTMENTS					
Capital Expenditure	108.9	120.3	168.0	285.1	353.2
BALANCE SHEET					
Consolidated shareholders' equity	948.8	1 092.3	1 323.4	1 471.4	1 639.7
Total equity	1 208.0	1 345.4	1 633.6	1 806.5	1 978.1
Interest-bearing net debt	1 215.7	1 015.6	794.2	1 012.0	1 091.7
Interest-bearing net debt + IFRS 16	1 295.9	1 112.3	895.4	1 116.0	1 243.2

Note: 2024 dividends per share refers to the proposed allocation of profit presented in this report to be paid in 2025.

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THE SEMAPA GROUP

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2.4 GOVERNANCE MODEL

2.5 STRATEGIC RISK MANAGEMENT

2.1 SEMAPA IDENTITY

PURPOSE AND VALUES

PURPOSE

MAKING IT BETTER

We are an investment company dedicated to sustain growth and to long-term value creation. Our starting point is a profound respect for our legacy, but always keeping our eyes on the future. We understand that only this way can we attract the best talent to build a strong and diversified portfolio of companies.

Our goal is to have a positive impact on individuals, the community, the environment, and the future. To achieve this, we work as one, combining forces to make things happen.

SEMAPA VALUES

Integrity, ethics and honesty are non-negotiable principles in Semapa's way of being and operating. They are present in all operations and businesses within our Group, anywhere the world where have a presence, ensuring compliance with legislation and with the commitments made to all our stakeholders.

Our mode of operation is characterised by:

· Simplicity, proximity and discretion;

· Social and environmental awareness;

· Orientation to action;

· Continuous improvement with innovation and entrepreneurship.

WHO WE ARE

One of the biggest Portuguese industrial groups with a presence in

4 CONTINENTS

PORTFOLIO

that includes Pulp and Paper, Cement and Other Building Materials, Environment, Mobility, Venture Capital and Hydrogen for Energy Efficiency and Decarbonization

Listed on

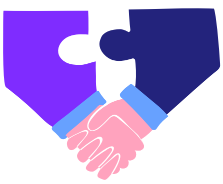
EURONEXT LISBON (PSI)

since 1995

Family

QUEIROZ PEREIRA

Reference investor



Professional, experienced and diversified

MANAGEMENT

WHAT WE DO

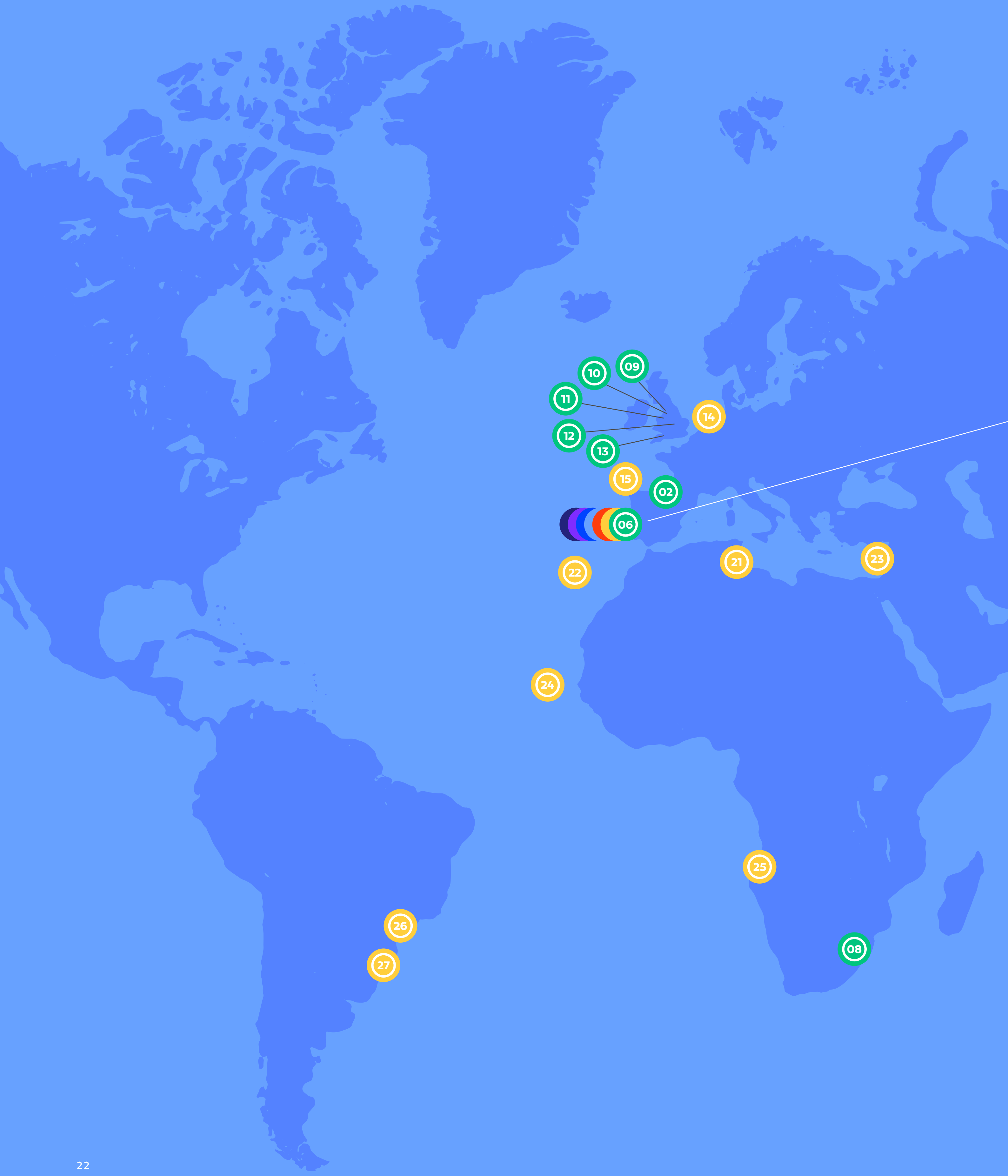
SEMAPA

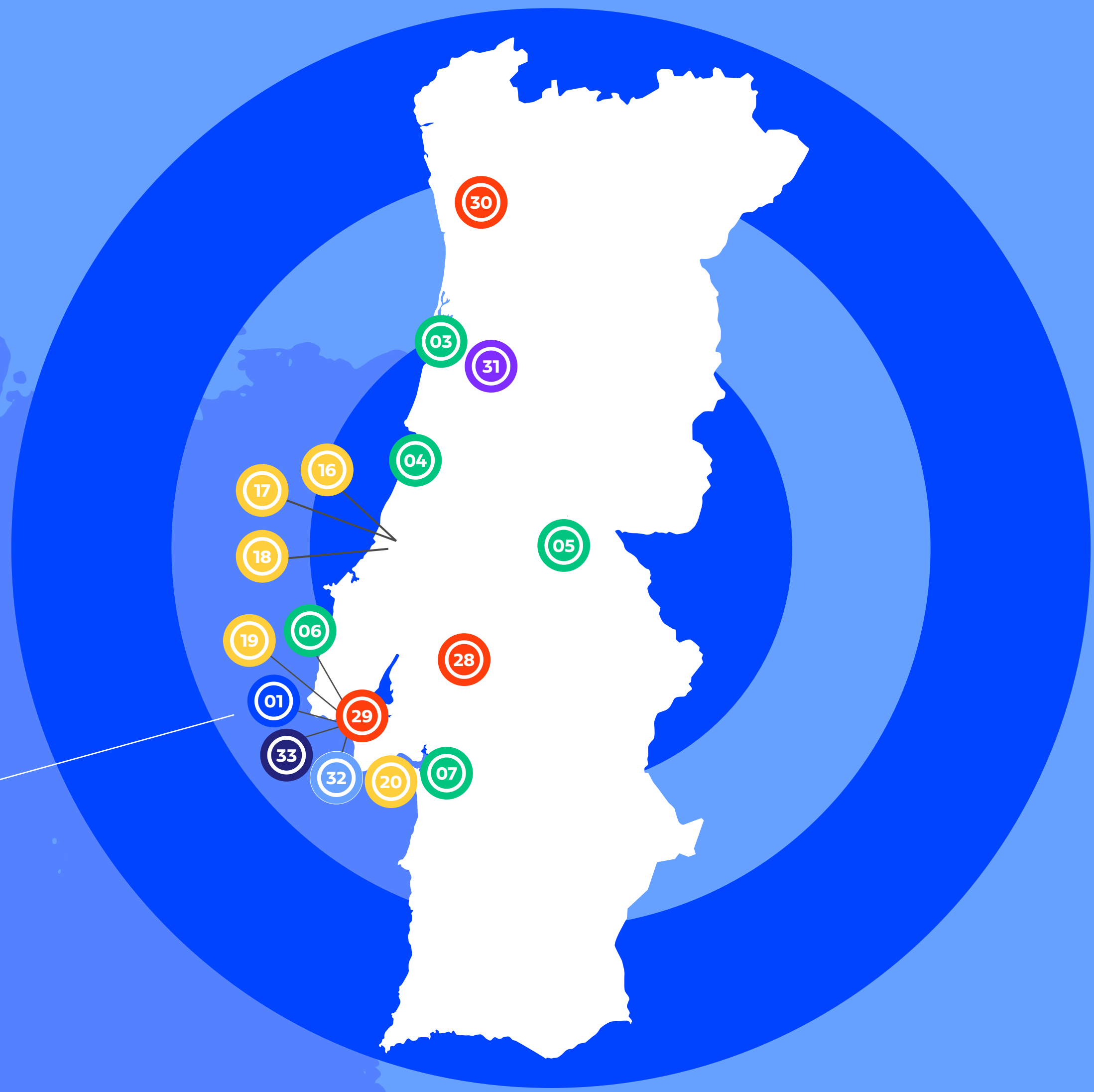
% de capital

NAVIGATOR	PULP AND PAPER	**70.03%**
SECIL	CEMENT AND OTHER BUILDING MATERIALS	**100%***
ETSA	ENVIRONMENT	**100%***
TRIANGLE'S	MOBILITY	**100%**
SEMAPA NEXT	VENTURE CAPITAL	**100%**
UTIS	HYDROGEN FOR ENERGY EFFICIENCY AND DECARBONIZATION	**50%**

* Approximate value

WHERE WE ARE





HOLDING
SEMAPA

01 Lisboa Office

PULP AND PAPER
NAVIGATOR

02 Tissue Ejea de los Caballeros Plant
03 Aveiro Plant
04 Figueira da Foz Plant
05 Tissue Vila Velha de Rodão Plant
06 Lisboa Office
07 Setúbal Plant
08 Maputo Office
09 Leyland Plant
10 Blackburn Plant
11 Flint Plant
12 Leicester Plant
13 Bridgewater Plant

CEMENT
SECIL

14 Terneuzen Terminal
15 Vigo Terminal
16 Maceira-Liz Plant
17 Cal Maceira Plant
18 Cibra-Pataias Plant
19 Lisboa Office
20 Secil-Outão Plant
21 Gabès Plant
22 Funchal Terminal
23 Sibline Plant
24 Praia Terminal
25 Lobito Plant
26 Adrianópolis PR Plant
27 Pomerode SC Plant

ENVIRONMENT
ETSA

38 Coruche Plant
29 Santo Antão do Tojal Plant
30 Vila Nova de Famalicão Plant

MOBILITY
TRIANGLE'S

31 Águeda Plant

VENTURE CAPITAL
SEMAPA NEXT

32 Lisboa Office

ENERGY EFFICIENCY
UTIS

33 São Domingos de Rana Plant

2.2 STRATEGIC LINES

Semapa is an investment holding focused on long-term value creation, supported by ambition and innovation.

We seek to add value to our portfolio companies, contributing to its sustainable growth.

INVESTMENT STRATEGY

Semapa aims to expand and diversify its portfolio of companies. For this purpose, it is actively looking for new investment opportunities, which allow long-term value creation, combining strong growth potential and a positive contribution to the environment and to communities.

In the coming investment cycle, Semapa will strengthen its portfolio, targeting investments up to EUR 500 million, in Portuguese or European companies that would benefit from the Group's competences to support their development.

Semapa will target controlling or shared control participations as this strategy excludes investments in minority stakes of a merely financial character.

The target companies should already have a relevant dimension or a high potential in their market and visible perspectives for growth, stemming from a privileged and defensible competitive position. Every investment should offer an attractive return for Semapa and a positive impact on society and on the environment.

Some of the sectors considered on the investment strategy (non-exhaustive list):

- Sustainable solutions in the packaging sector;
- Energy transition and efficiency;
- Sustainable fine chemistry;
- Industrial companies with a strong exports profile.

INVESTMENT CRITERIA

Relevant dimension in their market

Robust competitive advantages that translate into an above-average profitability

Potential to gain scale and internationalize

Strong exporting capacity

SEMAPA

Positive contribution to the environment and to society

OUR VALUE PROPOSITION

Built upon a privileged foundation, boasting a legacy and a robust portfolio of companies, Semapa leverages its experience alongside renewed ambition to fortify a winning portfolio that is future-proof and promises a positive impact for future generations.

Our aim is to assist promising companies in unlocking their potential and become excellent ones generating financial, social, and human value.

Semapa Group value proposition centres around four fundamental pillars, to which we are fully committed:

TALENT

Selection, appreciation, and recruitment of key-functions

STRATEGY

Definition, monitoring, and coordination of strategic plans

Management of the implementation of strategic initiatives

INDUSTRIAL KNOW-HOW

Experience, resources and access to clients, markets, and commodities

INTERNATIONALIZATION KNOW-HOW

Identification and penetration in key markets, experience in B2B relations, logistical management, and creation of an international network of customers and suppliers

2.3 INNOVATION

INNOVATION IN THE SEMAPA GROUP: STRATEGY, ORGANIZATION AND RESULTS

Innovation plays a fundamental strategic role in the long-term vision of the Semapa Group. With a focus on creating sustainable value, investing in talent and promoting innovation, an essential driver for the sustained growth and competitiveness of the Group's companies.

GOVERNANCE AND ORGANIZATION

The innovation governance structure at the Semapa Group was strengthened in 2024 with the consolidation of the Innovation Forum, a space dedicated to strategic and operational alignment between the Group's companies. During this period, the Forum developed two important projects:

1. Innovation Playbook: This document created a common language, based on the core, adjacent and transformational typologies, defined the main evaluation KPIs and structured an innovation model aligned with the group's objectives.

2. Innovation Report: Based on the KPIs defined in the Innovation Playbook, this report was based on the data collected throughout the year, allowing greater visibility on the Group's investments in innovation.

The main objective of these initiatives was to analyse the status of the Group's companies, create a common database and align the teams around a clear process.

2024 HIGHLIGHTS

In 2024, important steps were taken in internal alignment and in the creation of tools and processes that support strategic decisions based on data. This approach reflects Semapa's commitment to keeping innovation at the heart of its vision for the future, ensuring competitiveness and resilience in the long term.

Over the past year, Semapa has visited all of the Group's companies with a view to promoting synergies and sharing best practices. Participation in national and international conferences and events has consolidated Semapa's role in the innovation ecosystem, while fostering collaborations with universities, start-ups and research centres.

The efforts made have made it possible to strengthen innovation as an integral part of the Group's strategy, preparing companies to respond to market challenges in an agile and efficient manner.

2.4 GOVERNANCE MODEL

GENERAL MEETING

Represents all shareholders and their resolutions

STATUTORY AUDITOR

Audits and certifies the statutory accounts, besides other powers in the law

AUDIT BOARD

3 members, with 2 independentes
Oversees the management of the company, besides other powers in the law and in the articles of association

REMUNERATION COMMITTEE

3 independent members
Draws up the remuneration policy for the board of directors and the audit board, and analyses and sets the directors' remunerations

BOARD OF DIRECTORS

8 members, with 1 independent member
Manages the company's business

EXECUTIVE COMMITTEE

2 members
Executive management body exercises the powers delegated to it by the board of directors

EXECUTIVE OFFICERS COMMITTEE

5 members, including the members of the executive committee
Assists the executive committee in the exercise of its duties

CONTROL AND RISK COMMITTEE

3 members, with 1 independent director
Identifies and monitors the significant risks in the company's operations

CORPORATE GOVERNANCE COMMITTEE

3 members, with 1 non-executive director
Supervises compliance with legal, regulatory and statutory provisions applicable to corporate governance, and fosters discussion and improvement of the corporate governance model

TALENT COMMITTEE

6 members, with 4 non-executive directors
Makes recommendations and delivers advise on appointments and evaluations

INVESTOR SUPPORT OFFICE/ MARKET RELATIONS OFFICER

1 member
Responds to requests and provides information to shareholders and stakeholders

COMPANY SECRETARY

1 member
Appointed by the board of directors and has the powers defined in the law

CORPORATE BODIES

BOARD OF DIRECTORS

CHAIRMAN
José Antônio do Prado Fay

FULL MEMBERS
Ricardo Miguel dos Santos Pacheco Pires
Vítor Paulo Paranhos Pereira
Filipa Mendes de Almeida de Queiroz Pereira
Mafalda Mendes de Almeida de Queiroz Pereira
Lua Mónica Mendes de Almeida de Queiroz Pereira
António Pedro de Carvalho Viana-Baptista
Paulo José Lameiras Martins

EXECUTIVE BOARD

CHAIRMAN (CEO)
Ricardo Miguel dos Santos Pacheco Pires

FULL MEMBERS
Vítor Paulo Paranhos Pereira (CFO)

REMUNERATION COMMITTEE

CHAIRMAN
Maria Eduarda Faria e Maia de Oliveira Luna Pais

MEMBERS
João do Passo Vicente Ribeiro
Carlota Infante da Câmara Albergaria Caldeira

GENERAL MEETING

CHAIRMAN
Rui Manuel Pinto Duarte

SECRETARY
Luís Nuno Pessoa Ferreira Gaspar

AUDIT BOARD

CHAIRMAN
José Manuel de Oliveira Vitorino

FULL MEMBERS
Gonçalo Nuno Palha Gaio Picão Caldeira
Maria da Luz Gonçalves de Andrade Campos

ALTERNATE MEMBER
Marta Isabel Guardalino da Silva Penetra

STATUTORY AUDITOR

FULL MEMBER
KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A., represented by Paulo Alexandre Martins Quintas Paixão

ALTERNATE MEMBER
Vítor Manuel da Cunha Ribeirinho

COMPANY SECRETARY

FULL MEMBER
Rui Tiago Trindade Ramos Gouveia

ALTERNATE MEMBER
Joana Esperança Fernandes Lopes Luís

BOARD OF DIRECTORS

José Fay

Ricardo Pires (CEO)

Vítor Paranhos Pereira (CFO)

Filipa Queiroz Pereira

Mafalda Queiroz Pereira

Lua Queiroz Pereira

António Viana-Baptista

Paulo Lameiras Martins

SKILL MATRIX
BOARD OF DIRECTORS

ACADEMIC EDUCATION	
ENGINEERING	25%
ECONOMICS	13%
MANAGEMENT	25%
MATHEMATICS	13%
OTHER EDUCATION	75%

SKILLS	
BUSINESS ADMINISTRATION AND MANAGEMENT	100%
GOVERNANCE	100%
MERGERS AND ACQUISITIONS	63%
INTERNATIONALIZATION	63%
ENTREPRENEURSHIP/ VENTURE CAPITAL	75%
ACADEMIC	25%
TALENT MANAGEMENT	63%
INFORMATION TECHNOLOGIES	38%
SUSTAINABILITY	25%
INDUSTRY AND SERVICES	100%

EXECUTIVE OFFICERS COMMITTEE

Ricardo Pires (CEO)

Vítor Paranhos Pereira (CFO)

Hugo Pinto (CSO)

Isabel Viegas (CPO)

Tiago de Noronha (CIO)

2.5 STRATEGIC RISK MANAGEMENT

Risk management is a crucial process in the Semapa Group's activities, as it provides a structured approach to identify, assess and analyse potential risk events that may influence the Group's objectives, as well as identify mitigation measures in order to reduce the probability of occurrence and magnitude of impact of such events. The dynamic context in which the Semapa Group operates requires continuous monitoring of the main factors that influence its activity, both internal and external. These factors represent constant challenges for the fulfilment of Semapa's strategic plans and objectives. As an economic agent, Semapa is subject to risks inherent to its activity, which may have a significant impact on the value of its assets.

Semapa's performance, as a Holding Company (SGPS), is intrinsically linked to the results of the companies in which it holds shares. Semapa's approach, which promotes the autonomy and accountability of the companies in which it holds shares, results in exposure to a range of risks. These risks do not only affect each company individually but can also spread to Semapa itself and other companies in the Group. It should be noted that risk control is particularly important at the level of the main subsidiaries, where the nature of the risks and the exposure of the companies are different, which therefore have their own independent systems for controlling the risks to which they are subject.

With regard to the management of risks considered strategic, Semapa has been consolidating its risk management and control system, including processes that cover the entire life cycle of the risk, from its identification, through analysis and assessment, treatment and reporting, in accordance with the good practices and references of COSO - Committee of Sponsoring Organisations of the Treadway Commission and the ISO 31000 Standard, which follows the recommendations of the Corporate Governance Code issued by the Portuguese Institute of Corporate Governance (IPCG) and the Portuguese Securities Market Commission (CMVM).

In this context, the risk-taking policy approved by Semapa's Board of Directors qualitatively defines the level of risk that Semapa is willing to accept to achieve its business objectives and strategy, and is aligned with the main material topics for Semapa, ensuring the consistency of the risk management and control system.

The Group follows an annual risk monitoring model that involves several steps

• Collection and Completion: Detailed information is collected about each risk. This information is recorded on individual registers, which include the identification of the risk and the monitoring of existing mitigation measures, which includes an exercise to assess the effectiveness of said existing mitigation measures.

• Discussion and Approval: Risk registers are discussed and reviewed. Approval occurs to ensure that all relevant information is correct and that mitigation strategies are appropriate.

• Risk Indicators (Key Risk Indicators - KRIs): Semapa and its subsidiaries have developed Key Risk Indicators (KRIs) to enable continuous risk monitoring, as well as anticipation of events that may cause significant disruptions.

In summary, the Group is committed to proactively managing risks, ensuring that mitigation measures are effective and that adverse events are identified and dealt with in a timely manner.

The governance model defined in terms of monitoring and risk management is adapted to Semapa's structure, defining the areas of focus and the assignment of responsibilities to the different stakeholders in the risk management system. The definition of the overall risk strategy is the responsibility of the Board of Directors, with supervision by the Supervisory Board. The Control and Risk Committee (CCR) is responsible for its control and monitoring through the aforementioned system that allows the promotion, monitoring and evaluation of the risk framework and the existing and necessary measures for its mitigation.

The quantitative assessment of strategic risks, in terms of impact, is measured considering five dimensions:

• Economic-financial: the impact on Semapa's profit and loss and financial indicators (EBITDA, Net Debt/ EBITDA ratio and Net Profit)

• Reputation: the impact on stakeholder perception of Semapa and therefore of its reputation;

• Compliance: the impact of actions that result from the failure to comply with internal standards or policies, or with national or international regulations and laws;

• Human capital: the impact of damages to people or loss of knowledge and skills that are important for Semapa and its Subsidiaries;

• Environment: the internal and external impact of environmental damage.

In order to assess each of the five dimensions described above, metrics and variables were set to analyse them objectively on a qualitative scale.

It is also important to mention that risk assessment scores the probability of occurrence according to the following criteria: Historical - the probability of a risk materialising based on the history of events; Expectation - the qualitative expectation of the risk materialising; and Frequency - approximate time interval in which the risk is expected to materialise.

FINANCIAL YEAR 2024

During 2024, Semapa moved forward with another annual cycle of monitoring its strategic risks. The aim was to consolidate the existing model and increase its efficiency, making it easier for the various stakeholders involved in the process to proactively manage and report risks. In addition, work continued to be carried out with a view to incorporating Triangle's into the risk management system.

STRATEGIC RISKS IDENTIFIED AND MONITORED

The work carried out in 2024 resulted in the maintenance of risks considered strategic for the Group, with the following risks being monitored and monitored:

Risk	Description/Impact	Risk Management
Portfolio	Semapa's is an investment company, focused on sustainable growth and long-term value creation. Maintaining a diversified portfolio is vital for alleviating the degree of dependence on some sectors or activities, which, in adverse scenarios, may have a negative impact on the Group's operational and financial performance.	Continuously analysing new Investment opportunities. Diversifying investment in venture capital, through Semapa Next. Leveraging and monitoring the diversification of the Subsidiaries' activities. Assessment on an ongoing basis of the weight of each subsidiary in Semapa's total assets, EBITDA and net profit.
Business	The Group is exposed to several markets operating in a competitive environment. Maintaining the consumption levels of the Group's products in the markets where it operates and an efficient cost structure necessary for producing them is an ongoing challenge that requires continued monitoring. Changes in these components may lead to a significant reduction in revenue and income generated, and may negatively affect the Group's operational and financial performance.	Implementing measures to make companies more efficient than their competitors. Expanding the business to markets with higher sustainability and growth potential. Diversifying production and trading of products derived from those that already exist in the Group. Diversifying marketing to emerging markets. Enhancing investment in R&D for substitute products and more environmentally sustainable products.
Reputational Capital	Maintaining and strengthening the Group's reputational capital is essential to increasing the overall perception of the market and other stakeholders regarding its reputation, and to mitigating the risk of the impact caused by potential adverse events, both on its operational and financial performance and on the appreciation of its assets.	Strengthening the position and commitment to sustainability and ESG (Environment, Social and Governance). Promoting an organisational climate anchored in strong values and ethical principles. Developing own communication plans and joint communication plans with subsidiaries. Engaging with communities where the subsidiaries are located. Implementing mechanisms for preventing and detecting events that may cause the reputational capital to deteriorate.

Risk	Description/Impact	Risk Management
Investment Decision-Making	The goal of creating value by managing, investing, and divesting in shareholdings in Subsidiaries must be ensured through a robust and efficient investment management process, policy, and governance. A poor investment decision-making structure may result in inability to maximise the value of the existing portfolio and value creation.	Analysing and monitoring major investment decisions of the Group and subsidiaries by a centralised team. Implementing a governance model with delegation of powers and defining the investment decision-making process. Setting general, financial and non-financial criteria for organic and inorganic investment.
Talent	Maintaining and strengthening an effective system for monitoring and managing people is essential to ensuring the proper implementation of the Group's strategy. Limitations to the capacity to hire and retain people and strengthen knowledge skills of professionals in critical business areas may jeopardise differentiation in relation to competitors, and limit the implementation and scope of the strategies laid down for the Group.	Maintaining talent management areas for the Group in conjunction with its subsidiaries. Adopting attractive and competitive remuneration policies for critical functions. Implementing a talent development and management policy. Identifying and outlining the Group's critical human resources. Disseminating the Group's culture and values. Drawing closer to the academic and digital world. Measuring regularly organisational climate and Employee satisfaction.
Legal And Regulatory Framework In Portugal	The Group is exposed to the legal and regulatory framework in force in Portugal (and in Europe), as a significant part of its industrial sites is located in the domestic territory. Possible changes in the legal framework with the implementation of more restricted tax, environmental, labour or economic measures may have a negative impact on the Group's operational and financial performance.	Monitoring of the activity and drawing up a regulatory agenda by the subsidiaries
External Shock	The Group operates in a global context, with exports weighing significantly on its turnover. Significant or disruptive changes in the external context, with serious adverse effects on markets (demand, prices, logistics), inputs (energy, chemicals, raw materials) or on people may have a negative impact on the Group's operational and financial performance.	Continually analysing and monitoring the global macroeconomic environment and in the countries where the Group operates. Contingency plans. Insurance policy and taking out adequate insurance for the operations of the Subsidiaries. Solid technological and IT infrastructures primed for remote working.

Risk	Description/Impact	Risk Management
Access to Financing	Financial autonomy and the ability to invest in new holdings also depend on the ability to access internal and/or external financing. The unavailability of internal or external financing, in terms of amounts and/or pricing, due to endogenous causes (e.g. over-indebtedness) or exogenous causes (contraction and negative outlook for business development, reduction in liquidity in the market) reduces the Group's capacity and potential profitability. The concentration of the Group's activity in Portugal makes it highly dependent on the Portuguese financial sector context.	Diversification of external financing sources. Balanced debt leverage. Management of maturities of financing obtained in relation to expected needs. Pre-approved policies and instruments that allow permanent monitoring of their compliance.
Fraud	Due to its size, the Group interacts continuously with a wide range of external and internal entities and people, thus being exposed to situations or events likely to have a negative impact on its reputation and/or result in failure to report or asset loss.	Implementing good corporate governance practices. Implementing a Code of Ethics and Conduct. Implementing internal audit departments in Subsidiaries. Implementing policies and procedure manuals Groupwide. Implementing Whistleblower Reporting Channels.
Access to Raw Materials	The Group operates in sectors where access to raw materials is critical for pursuing its operations. Fewer raw materials available in national and international markets, their unaffordable prices given the existing cost structure, or regulatory or legal restrictions to accessing them may have a negative impact on the Group's operational and financial performance.	Continually prospecting and diversifying countries for the purchase of raw materials. Continually monitoring the Group's own raw material reserves and stock levels. Schemes to encourage good practices and support suppliers.
Cybersecurity	The Group's production processes depend on technological information systems essential for maintaining its operation. Interruptions in information systems, security breaches or events leading to data loss may have a negative impact on the Group's operations, may expose confidential information, and lead to operational, property and reputational damage.	Allocating responsibilities in the security of information management systems. Implementing cybersecurity policies and strategies in the Group. Implementing robust software to support all the information processed at Board level. Training and awareness-raising through regular training for the Group's Employees.

Risk	Description/Impact	Risk Management
Unnatural Environmental Disasters	The Group, which is essentially industrial in nature, has assets and operations that, in the event of an accident, may cause significant damage to the environment. Events from unnatural causes, whether of internal or external origin, which occur and affect the assets managed by the Subsidiaries may cause serious environmental hazards with financial and reputational repercussions.	Adequate insurance coverage policy. Emergency and protection plans (internal and external) and action in case of accident. Operational environmental control plans of the plants. Maintenance plans for plants and forest areas. Regular auditing of industrial facilities and equipment. Periodic drills for testing internal and external emergency plans. Mandatory training and awareness-raising of Employees on safety and environmental issues. Processes for identifying, monitoring and complying with regulatory and environmental obligations.
Adverse Climatic Events	The occurrence of adverse climatic events may jeopardise the Group's operations, assets and people. Such events may be chronic (e.g. extreme precipitation or drought, fires) or acute (e.g. hurricanes, floods) and directly impact the business continuity of the Subsidiaries, both in the short, medium and long term. Events such as seismic waves or severe earthquakes, especially in countries where the Group has its manufacturing facilities, can also impact the continuity of its business, in the short, medium and long term.	Identifying risks and opportunities in accordance with benchmarks that help draw up action and mitigation plans. Managing natural resources appropriately. Optimising energy dependence. Environmental management system. Insurance associated with acute environmental events. Disaster recovery plans.
ESG Performance	Sustainability issues and those linked to ESG (Environment, Social and Governance) factors have been gaining increasing visibility, and their scrutiny by the different stakeholders with whom the Group interacts is growing. Group failure to manage, adapt or mitigate the increasing regulatory and market requirements on ESG may significantly impact relationships with stakeholders, damage the reputational capital, deteriorate conditions of access to capital, reinforce competitive disadvantage or inability to attract/ retain talent.	Disclosure and external review of sustainability information. Alignment of investment decision-making and ESG reporting with global and regulatory frameworks. Debt issuance associated with sustainability criteria. Continuous improvement of the soundness and quality of the systems for collecting and monitoring sustainability and performance data.

Risk	Description/Impact	Risk Management
Climate Transition	The challenges of climate change are numerous and complex, as they involve significant changes in weather patterns, ecosystems and biodiversity on the planet. Long-term climate change and the transition to a low-carbon economy are further challenges, but also an opportunity for Governments, businesses, organisations and individuals to actively contribute to a more sustainable planet. The Group's inability to adapt to structural and long-term changes in terms of technology, public policies and customer and consumer preferences will result in loss of competitiveness, asset devaluation, deterioration of stakeholder relations and of reputational capital.	Aligning investment decision-making and reporting with global and regulatory frameworks. Debt issuance associated with sustainability factors. Continuous monitoring of climate-related risks and opportunities along value chains. Certifying assets and businesses for energy efficiency and impact on the environment.

FUTURE CHALLENGES

Semapa, together with its subsidiaries, is also developing work to analyse and map existing mitigation measures, additional mitigation measures that may be necessary, and impacts and opportunities regarding new strategic risks resulting from the Double Materiality Assessment carried out in the context of the ESRS standards, covering environmental, social and governance issues. It is therefore expected that its development will continue throughout the 2025 financial year.

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3

PERFORMANCE

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3.6 EVENTS AFTER THE BALANCE SHEET DATE

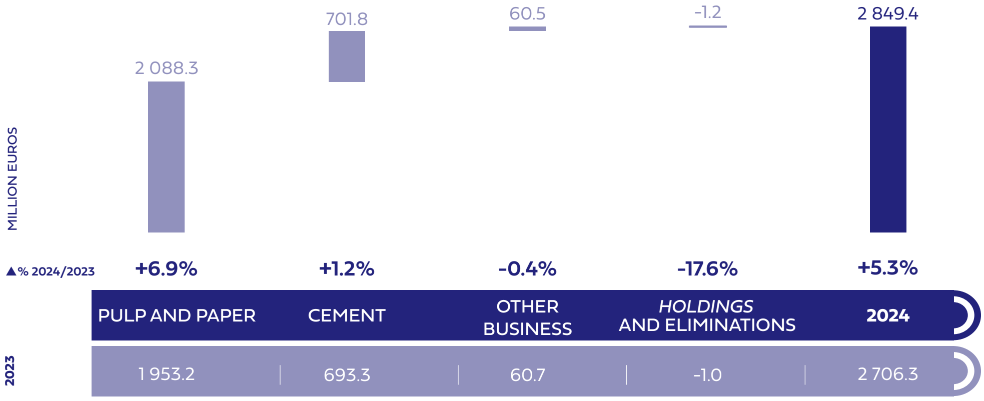
3.1 OVERVIEW OF SEMAPA GROUP OPERATIONS

LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	2024	2023	Var.
Revenue	**2 849.4**	**2 706.3**	**5.3%**
EBITDA	**702.7**	**672.1**	**4.6%**
EBITDA margin (%)	24.7%	24.8%	-0.2 p.p.
Depreciation, amortisation and impairment losses	(261.9)	(224.3)	-16.7%
Provisions	(10.0)	(7.6)	-30.6%
EBIT	**430.9**	**440.1**	**-2.1%**
EBIT margin (%)	15.1%	16.3%	-1.1 p.p.
Income from associates and joint ventures	1.3	7.8	-83.4%
Net financial results	(63.1)	(59.1)	-6.7%
Net monetary position	-	14.5	-100.0%
Profit before taxes	**369.1**	**403.3**	**-8.5%**
Income taxes	(58.8)	(67.3)	12.7%
Net profit for the period	310.3	335.9	-7.6%
Attributable to Semapa shareholders	**232.7**	**244.5**	**-4.8%**
Attributable to non-controlling interests (NCI)	77.6	91.4	-15.1%
Cash flow	582.2	567.9	2.5%
Free Cash Flow	18.0	(69.2)	126.0%
	31/12/2024	**31/12/2023**	**Dec24 vs. Dec23**
Equity (before NCI)	1 639.6	1 471.4	11.4%
Interest-bearing net debt	**1 091.7**	**1 012.0**	**7.9%**
Lease liabilities (IFRS 16)	151.5	104.0	45.7%
Total	**1 243.2**	**1 116.0**	**11.4%**
Interest-bearing net debt / EBITDA	**1.55 x**	**1.51 x**	**0.05 x**

Note: IFRS 16 Impact -> Net debt / EBITDA 2024 of 1.77x; Net debt / EBITDA 2023 of 1.66x.

REVENUE



In 2024, the Semapa Group recorded consolidated **revenue** of 2 849.4 million euros (+5.3% year on year). In the period under analysis, 2 088.3 million euros were generated in Navigator (Pulp and Paper), 701.8 million euros in Secil (Cement), and 60.5 million euros in Other Business. Exports and foreign sales for the same period amounted to 2 144.7 million euros, accounting for 75.3% of revenue.

NAVIGATOR - PULP AND PAPER: 2 088 MILLION EUROS ▲ 6.9%

In 2024, Navigator's revenue totaled 2 088.3 million euros, an increase of 6.9% compared to the same period last year. UWF paper sales represented approximately 57% of revenue (vs. 61% in 2023), packaging sales 4% (vs. 2%), pulp sales 11% (vs. 13%), tissue sales 22% (vs. 15%) and energy sales 6% (vs. 9%), which demonstrates Navigator's business diversification policy.

In this segment, growth was mainly driven by the positive evolution of paper and tissue sales volume. The significant year-on-year growth in tissue sales benefited from new capacity coming on board as a result of the integration of Accrol, now called Navigator Tissue UK, on 1 May 2024 and Navigator Tissue Ejea in Q2 2023.

SECIL - CEMENT: 702 MILLION EUROS ▲ 1.2%

In 2024, Secil's revenue reached 701.8 million euros, 1.2% above that recorded in the same period last year, which resulted in an increase of 8.5 million euros. This increase resulted from the positive evolution in the Portuguese market, which more than offset the decrease in other geographies. Exchange rate variations in currencies from different countries had a negative impact of 11.2 million euros on Secil's revenue and came mainly from the devaluation of the Brazilian real and the kwanza.

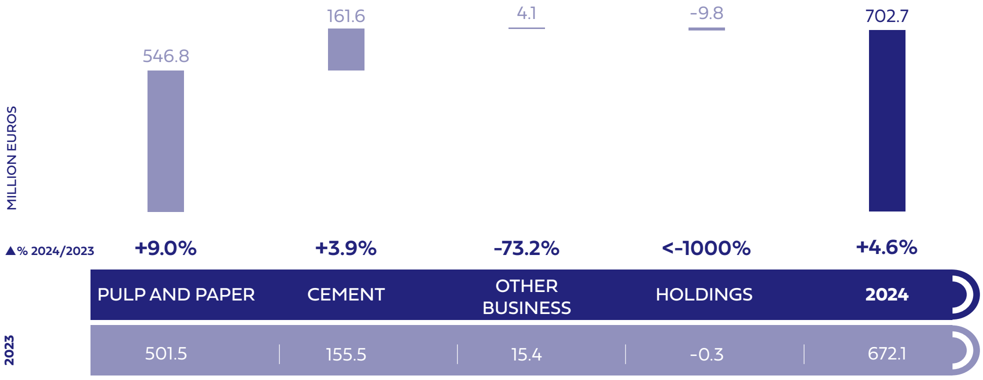
OTHER BUSINESS[1]: 60 MILLION EUROS ▼ 0.5%

In 2024, revenue totalled approximately 60.5 million euros, remaining, overall, in line with that recorded in the previous year, reflecting adverse market conditions. It should be noted that the 2024 figures incorporate 12 months of Triangle's activity acquired at the end of June 2023.

1 As at 31 December 2024, Other Business includes Triangle's and ETSA's business

EBITDA

In 2024, **EBITDA** totalled 702.7 million euros (+4.6% vs. 2023), the second highest EBITDA ever for the Semapa Group. In that period, 546.8 million euros were generated in Navigator, 161.6 million euros in Secil and 4.1 million euros in Other Business. The consolidated EBITDA margin of 24.7% was -0.2 p.p. vs. the previous year.



NAVIGATOR - PULP AND PAPER: 546.8 MILLION EUROS ▲ 9.0%

EBITDA totalled 546.8 million euros (+9.0% compared to the same period last year). The EBITDA margin was 26.2% (+0.5 p.p. compared to the same period last year). The focus on efficiency and cost management, together with the positive evolution of sales volume of printing paper, packaging and tissue paper, allowed us to achieve the good results observed.

SECIL - CEMENT: 161.6 MILLION EUROS ▲ 3.9%

EBITDA reached 161.6 million euros, an increase of 6.1 million euros (+3.9%) compared to the same period in the previous year. This evolution is fundamentally the result of the positive contribution of Portugal, Brazil and Tunisia, which offset the less positive performance in Lebanon.

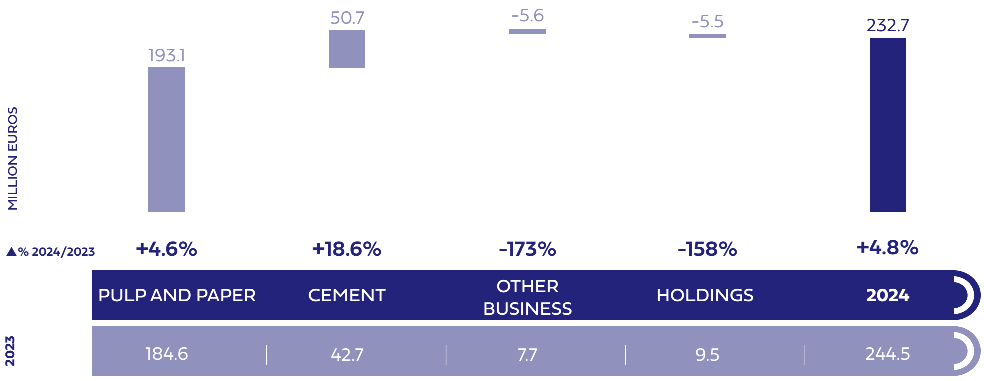
EBITDA margin reached 23.0%, which translated into a positive variation of approximately 0.6 p.p. compared the margin recorded in 2023.

OTHER BUSINESS: 4.1 MILLION EUROS ▼ 73.2%

EBITDA totalled approximately 4.1 million euros in 2024, which represented a decrease of approximately 11.3 million euros compared to the previous year. EBITDA margin reached6.8%, which translated into a negative variation of approximately 18.6 p.p. compared the margin recorded in 2023.

NET PROFIT ATTRIBUTABLE TO SEMAPA SHAREHOLDERS

Net profit attributable to Semapa shareholders at the end of 2024 stood at 232.7 million euros.



NAVIGATOR - PULP AND PAPER: 193.1 MILLION EUROS ▲ 4.6%

Net profit attributable to Semapa shareholders in the Pulp and Paper segment was 193.1 million euros, which represented an increase of 4.6% in the year (2023: 184.6 million euros).

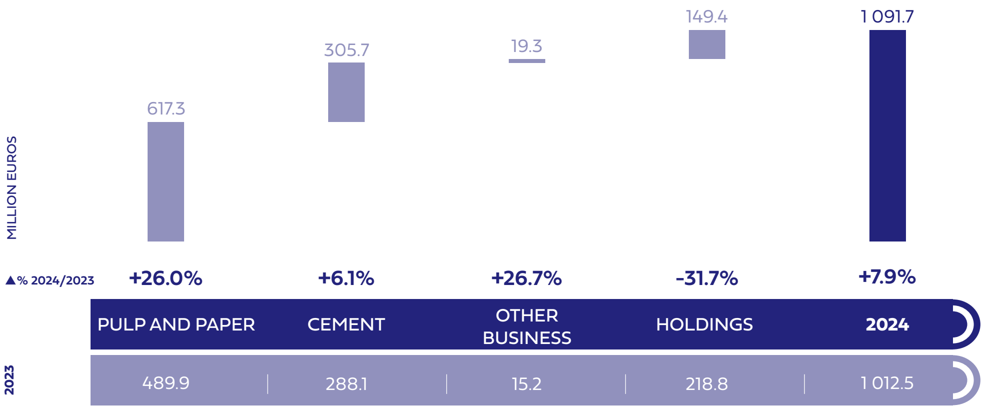
SECIL - CEMENT: 50.7 MILLION EUROS ▲ 18.6%

Net profit attributable to Semapa shareholders from the Cement and Other Construction Materials segment was 50.7 million euros, which represented an increase in the year of 18.6% (2023: 42.7 million euros).

OTHER BUSINESS: -5.6 MILLION EUROS ▼ 173%

Net profit attributable to Semapa shareholders from the Other Businesses segment totalled approximately -5.6 million euros in 2024, which represented a decrease over the year of approximately 173% (2023: 7.7 million euros).

INTEREST-BEARING NET DEBT



At the end of 2024, consolidated interest-bearing net debt stood at 1 091.7 million euros, 79.7 million euros more than that at the end of 2023, signalling the Group's strong cash flow generation considering the recent period of heavy investment. As at 31 December 2024, total consolidated cash and equivalents amounted to 501.4 million euros, in addition to committed and undrawn credit lines for the Group, thus ensuring a strong liquidity position.

3.2 OVERVIEW OF SEMAPA GROUP OPERATIONS

3.2.1 BREAKDOWN BY BUSINESS SEGMENTS

IFRS - accrued amounts (million euros)	Pulp and Paper		Cement		Other business		Holdings		Consolidated
	2024	24/23	2024	24/23	2024	24/23	2024	24/23	2024
Revenue	**2 088.3**	**6.9%**	**701.8**	**1.2%**	**60.5**	**-0.4%**	**(1.2)**	**-17.6%**	**2 849.4**
EBITDA	**546.8**	**9.0%**	**161.6**	**3.9%**	**4.1**	**-73.2%**	**(9.8)**	**<-1000%**	**702.7**
EBITDA margin (%)	**26.2%**	**0.5 p.p.**	**23.0%**	**0.6 p.p.**	**6.8%**	**-18.6 p.p.**	**-**	**-**	**24.7%**
Depreciation, amortisation and impairment losses	(183.1)	-20.9%	(63.3)	0.9%	(15.1)	-73.8%	(0.3)	-6.2%	(261.9)
Provisions	(0.0)	-103.2%	(10.0)	-11.2%	-	-100.0%	-	-100.0%	(10.0)
EBIT	363.6	3.6%	88.3	6.9%	(11.0)	-256.1%	(10.0)	<-1000%	430.9
EBIT margin (%)	**17.4%**	**-0.6 p.p.**	**12.6%**	**0.7 p.p.**	**-18.1%**	**-29.7 p.p.**	**-**	**-**	**15.1%**
Income from associates and jv	-	-	(0.4)	-726.0%	-	-	1.7	-78.0%	1.3
Net financial results	(25.8)	-33.7%	(28.4)	-5.2%	(0.8)	-201.7%	(8.0)	36.0%	(63.1)
Net monetary position	-	-	-	-100.0%	-	-	-	-	-
Profit before taxes	337.8	1.8%	59.5	-15.2%	(11.8)	-274.2%	(16.4)	-202.7%	369.1
Income taxes	**(61.8)**	**8.9%**	**(14.0)**	**7.5%**	**6.1**	**670.2%**	**10.9**	**-26.6%**	**(58.8)**
Net profit for the period	275.9	4.6%	45.5	-17.3%	(5.6)	-174.7%	(5.5)	-157.7%	310.3
Attributable to Semapa shareholders	193.1	4.6%	50.7	18.6%	(5.6)	-173.0%	(5.5)	-157.7%	232.7
Attributable to non-controlling interests (NCI)	**82.8**	**4.5%**	**(5.2)**	**-142.0%**	**(0.0)**	**69.0%**	**-**	**-**	**77.6**
Cash flow	459.1	10.8%	118.8	-7.1%	9.5	-40.7%	(5.2)	-153.2%	582.2
Free Cash Flow	22.5	-75.6%	38.2	-37.4%	2.5	22.8%	(45.3)	79.8%	18.0
Interest-bearing net debt	**617.3**		**305.7**		**19.3**		**149.4**		**1 091.7**
Lease liabilities (IFRS 16)	111.7		38.2		1.1		0.5		151.5
Total	**729.1**		**343.8**		**20.4**		**149.9**		**1 243.2**

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

3.2.2. PERFORMANCE OF THE SEMAPA GROUP BUSINESS UNITS

3.2.2.1. OVERVIEW OF NAVIGATOR ACTIVITY

73%
Revenue 2024
% of consolidated total

78%
EBITDA 2024
% of consolidated total

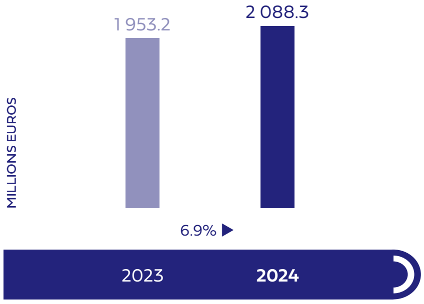
HIGHLIGHTS IN 2024 (VS. 2023)

• Navigator revenue totalled 2 088.3 million euros, up by 6.9% on the same period last year.

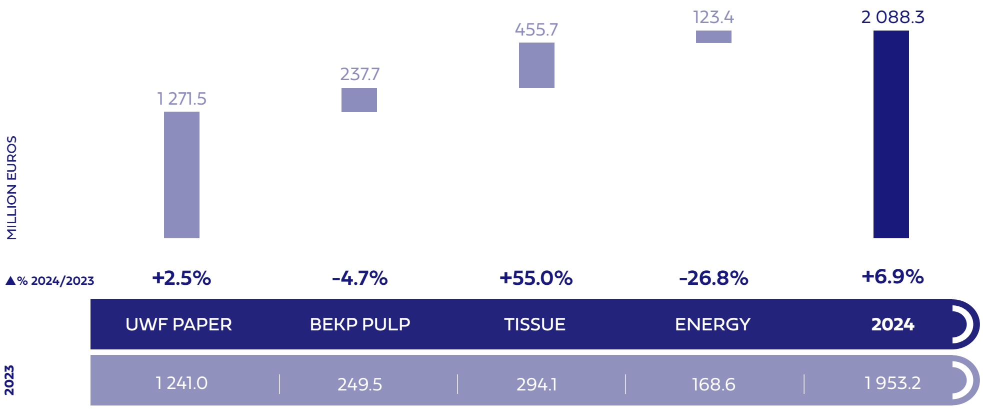
• This growth was mainly driven by the positive trend in sales volumes for paper and tissue.

• The significant year-on-year growth in tissue sales benefited from new capacity delivered through the integration of Accrol, now called Navigator Tissue UK, on 1 May 2024 and of Navigator Tissue Ejea in the 2nd quarter of 2023.

REVENUE

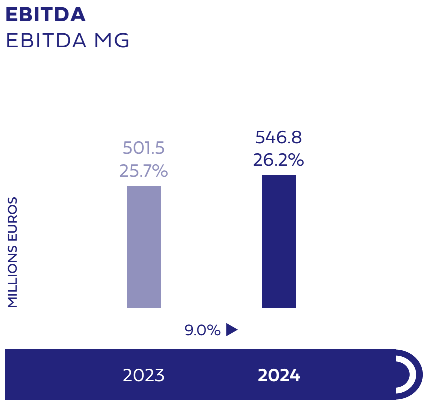


REVENUE BREAKDOWN BY SEGMENT



• EBITDA amounted to 546.8 million euros (+9.0% year on year). EBITDA margin stood at 26.2% (+0.5 p.p. year on year).

• The focus on efficiency and cost management, in addition to the positive evolution of sales for printing, packaging and tissue paper made it possible to achieve good results.



LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	2024	2023	Var.
Revenue	**2 088.3**	**1 953.2**	**6.9%**
EBITDA	**546.8**	**501.5**	**9.0%**
EBITDA margin (%)	26.2%	25.7%	0.5 p.p.
Depreciation, amortisation and impairment losses	(183.1)	(151.5)	-20.9%
Provisions	(0.0)	1.0	-103.2%
EBIT	**363.6**	**351.1**	**3.6%**
EBIT margin (%)	17.4%	18.0%	-0.6 p.p.
Net financial results	(25.8)	(19.3)	-33.7%
Profit before taxes	**337.8**	**331.8**	**1.8%**
Income taxes	(61.8)	(67.9)	8.9%
Net profit for the period	275.9	263.9	4.6%
Attributable to Navigator shareholders	**275.9**	**263.9**	**4.6%**
Attributable to non-controlling interests (NCI)	0.0	0.0	42.2%
Cash flow	459.1	414.3	10.8%
Free Cash Flow	22.5	92.3	-75.6%
	31/12/2024	**31/12/2023**	
Equity (before NCI)	1 092.1	1 062.7	
Interest-bearing net debt	**617.3**	**489.9**	
Lease liabilities (IFRS 16)	111.7	70.0	
Total	**729.1**	**559.9**	

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

LEADING OPERATING INDICATORS

in 1 000 t	2024	2023	Var.
BEKP Pulp			
FOEX – BHKP Usd/t	1 237	1 037	19.3%
FOEX – BHKP Eur/t	1 143	959	19.1%
BEKP Sales (pulp)	389	462	-15.8%
UWF Paper			
FOEX – A4- BCopy Eur/t	1 107	1 206	-8.2%
Paper Sales	1 225	1 132	8.2%
Tissue			
Total sales of tissue	220	142	54.8%

OVERVIEW OF NAVIGATOR ACTIVITY

In 2024, Navigator revenue totalled 2 088.3 million euros, UWF paper sales accounting for around 57% of the revenue (vs. 61% in 2023), packaging paper sales 4% (vs. 2%), pulp sales 11% (vs. 13%), tissue sales 22% (vs. 15%), and energy sales 6% (vs. 9%), which is demonstrative of Navigator's business diversification policy.

PAPER

In Europe, apparent demand for uncoated woodfree (UWF) paper for printing and writing recorded strong growth of 8% in 2023, led by the paper segment for the printing industry (10%), followed by office paper (8%) and reels for the paper processing industry (5%). The United States saw a small decrease in demand of 0.2% compared to 2023, while China was up by 2% (January to November).

Global apparent demand for printing and writing paper grew by 0.5% in all segments, with demand for UWF paper strongest at +0.3% and CWF paper sustaining growth of 0.5%, while mechanically produced fibre papers (coated and uncoated) grew by 1.2%.

It should be emphasised that UWF paper has remained the most resilient segment over the years, given its versatility of use. Unlike the other grades, where demand has been falling significantly since 2020, UWF has been almost stagnant (falling by 0.58% per year, compared to CWF and machine-made fibre papers - CAGR 2020-24, which peaked 4.1% and 6.9%, respectively).

The European industry's capacity utilisation (production/capacity) increased compared to 2023. Navigator operated in 2024 with an average utilisation rate of 86%, compared with the average rate of 82% for the rest of the European industry in the same period.

The office paper price benchmark in Europe – PIX A4 B-copy – at the end of December stood at 1 096 €/t, a slightly positive development compared to the index at the beginning of the year (1 092 €/t), highlighting the resilience of paper prices. The average price of the index in 2024 closed at 1 107 €/t, i.e. an increase of 31% compared to pre-pandemic values (845 €/t between 2015 and 2021).

In total Navigator sold 1 225 000 tonnes of printing and packaging paper in the year, in other words up by 8% on 2023. Sales volume in euros grew by 3% (vs. 2023). Of particular note is the robustness of the business model based on differentiation, premium products and strong mill brands in the different markets where Navigator operates.

It should be noted that mill brands accounted for 77% of sales in the period (vs. an average of 73% in the period 2018-2024). The share of premium products also remains high at 58% (vs. the average of 55% in the period 2018-2024). These are the two historically high ratios. In more difficult market contexts, own brands and higher value-added segments offer additional protection to Navigator's results.

PULP

Following the first half of 2024 featuring an increase in the hardwood pulp benchmark index in Europe – PIX BHKP in dollars – which reached historic highs at the beginning of July (1 440 USD/t), in the second half prices in China underwent a strong adjustment, ending the year at 545 USD/t. The fall in prices confirmed that the drop in 2024 was the steepest and fastest in recent years. As a result, prices in Europe also adjusted in the second half of the year, more sharply in the fourth quarter, closing the year at 1 000 USD/t.

At the end of the 4th quarter, prices in China had stabilised, driven by growing activity – improvement in downstream sectors, as the market was affected by the halt in production of a major player in the domestic market (due to continued low profitability of operations), with a higher volume of transactions at the end of the year.

In 2024, demand for short fibre (HW) in Europe was up 13% and 12% for eucalyptus pulp (EUCA). The pulp market in Europe was sustained by stable demand in some segments, such as printing and writing paper (especially UWF), tissue and packaging (UWF +8%, CWF +5%, tissue +7%).

Hardwood demand in China, on the other hand, decreased, with a correction of 9% in HW and 8% in EUCA, negatively impacted by the domestic paper market which remained depressed until the end of the 4th quarter, making it difficult for paper producers to raise prices and ease their margins.

The gradual increase in supply, especially during this period, as a result of the 2023 projects in Chile and Uruguay, and the new production capacity in Brazil and China in 2024, put negative pressure on price levels.

It should be noted that worldwide eucalyptus fibres already account for almost half of all fibres on the market and close to 80% of hardwood.

Pulp sales were 389 000 tonnes, the result of higher integration into paper products, which represents a reduction of 16% compared to 2023. The improvement in average sales prices compared to the previous year (by 13%) mitigated the drop in revenue of -5% (vs. 2023).

TISSUE

Demand for tissue paper showed good dynamics in the year, and is estimated to have increased 5.4% in 2024 in Western Europe. Such strong growth is essentially the result of the recovery in consumption in the Away-from-Home segment and the increase in household purchasing power.

Navigator's tissue business was in the spotlight this year, marked by the acquisition in Q2 of what is now Navigator Tissue UK. The integration of the new plant is part of Navigator's ambitious growth and diversification plan and reinforces its strategic position in the tissue market, with operations in Portugal, Spain and the United Kingdom.

Tissue sales showed significant resilience, with sustained growth in demand for Navigator's finished product.

Tissue sales volume (finished product and reels) reached 220 000 tonnes in 2024, which translated into a 55% volume increase compared to 2023. Such development benefited from the added capacity of the operation acquired in Spain in the 2nd quarter of 2023, and the capacity of Navigator Tissue UK on 1st May 2024, which in addition to boosting sales growth, broadened the customer base and generated significant income from integration synergies.

International sales in the tissue business continue to grow to 79 % of the total volume in this segment, the English and Spanish markets already accounting for almost two thirds of total sales (31% each) and the French market accounting for 15% of all sales. On the other hand, finished products accounted for 97% and reels for 3% of total sales, an improvement in the mix of 8 p.p. compared to 2023.

In regard to the customer segments, the weight of At Home or Consumer (retail) is growing, currently accounting for about 83% of sales (the remaining 17% represented by Away-From-Home and wholesalers).

PACKAGING

In 2024 markets made a comeback to their normal behaviour, with more regular and improved demand, confirming expectations. European deliveries of Kraft MF paper (white and brown) reported by CEPI (January to December) grew by +23.1% compared to the same period in 2023.

Revenue of the packaging segment of Navigator doubled compared to 2023. The performance of this segment has been consistent throughout the year, featuring progressive increase in sales. Currently, 70% of sales are made in Europe, especially in Iberia, Italy, France and Germany, and the remaining 30% in foreign markets (with Turkey and North Africa as the largest).

This evolution stemmed from the entry into new segments in 2023 and the early months of 2024, especially in flexible packaging. The good results of these segments confirm the effectiveness of the diversification strategy for these new uses of eucalyptus fibre packaging paper. Sales in the flexible packaging and boxes (rigid packaging) segments increased significantly in revenue terms, thus reducing dependence on the bags segment, a more competitive market which has recently seen less dynamic growth.

Navigator thus continues to expand its customer base, with more than 300 customers acquired through a marketing operation 100% based on its own brand - gKraft™. Its packaging paper offer consists of three large gKraft™ segments: BAG, FLEX and BOX, which are subdivided into 12 segments for different uses, addressing the bag, flexible packaging and box markets, respectively. The innovative introduction of the qualities of eucalyptus fiber has been decisive for the growing acceptance and recognition of these products in the market.

In 2024, the new industrial unit in Aveiro began producing moulded pulp parts. Production will kick-off with 7 single-use, fully recyclable and/or compostable products for the food industry: 22cm plate, 17cm plate (dessert), 500ml bowl, 1 litre take-away box, laminated tray (laminated for raw protein – beef, pork and poultry), fruit basket and espresso cup.

These 7 products offer production flexibility and scalability in order to exploit the various opportunities opening up for replacing single-use plastics and aluminium. At the same time, new products have been developed in partnership with national and international customers. Work continues on researching and developing new sustainable barrier property solutions and testing commercial solutions.

It is worth noting that this year Navigator's moulded fibre products, branded gKraft™ Bioshield, received certification of conformity with European Regulation (EC) No. 1935/2004 and the German recommendation BfR XXXVI on materials and articles intended to come into contact with food. The gKraft™ Bioshield products thus become the first moulded fibre products in the world to comply with the BfR XXXVIA recommendation. This certificate was issued by the prestigious German laboratory ISEGA. The certification authorises the marketing of products intended to come into contact with fatty, wet and dry foods, and applies to the entire tableware and take-away range.

ENERGY

In 2024, electricity sales amounted to 123 million euros, down by 27%, year on year. This reduction is essentially due to the shift of the combined cycle natural gas plant in Setúbal to self-consumption from January onwards, whereas last year it operated on a basis of total sale.

On the other hand, less electricity sales resulting from the plant in Setúbal operating on a self-consumption basis corresponds to less electricity purchases for the group's main paper machine.

The year was also marked by the participation of the group's industrial units in the manual Frequency Restoration Reserve (mFRR). This system service, provided to the electricity transmission network operator by the agents authorised to do so, contributes to ensure supply security of the National Electricity Grid, which has already proved fundamental to protecting domestic consumers and critical users. Navigator's units were mobilised 32 times in the year to reduce their electricity consumption under the mFRR service arrangement.

It is also worth noting that in 2024 the construction of new solar plants for self-consumption at the Figueira da Foz, Aveiro and Vila Velha de Ródão industrial sites was completed. With a total installed capacity of around 38 MW of photovoltaic solar energy, Navigator has become Portugal's largest self-consumption producer in an industrial context.

EBITDA

A significant reduction in variable costs together with the management of paper prices, particularly in the higher value-added segments during the year offered additional protection to results. These factors, combined with the commercial strategy of enhancing own brands and diversifying products and markets, drove **EBITDA** up to 546.8 million euros (vs. 501.5 million euros year on year), representing a growth of 9.0%, and an EBITDA margin of 26.2% (+0.5 p.p. year on year).

Cash costs fell by 2% to 10% in all pulp and paper segments (printing and writing, tissue and packaging). On going efforts to control costs have led to reductions in cash costs of 10 to 14 % compared to those recorded in 2022, although they remain at higher levels than those seen in the pre-pandemic period.

It should be noted that the year 2024 was marked by the Red Sea crisis, which caused maritime transport routes to change and freight charges globally to rise. Despite this situation, Navigator has maintained its trajectory of reducing logistics costs by 6% in comparison with 2023.

Navigator remains focused not only on managing variable costs, but also on maximising efficiency in the consumption of raw and subsidiary materials by reducing specific consumption, particularly of pulp and all kinds of paper, while also making efforts to contain fixed costs.

Total fixed costs ended up higher than in the same period last year, due to the incorporation of the Navigator Tissue Ejea unit in Q2 2023 and Navigator Tissue UK units in May of the current year, increase in the premium paid to employees for profit sharing, higher costs with compensation for rejuvenation and non-recurring costs related to the acquisition of Accrol. However, fixed costs excluding Personnel were well below inflation for the year.

The **financial results** amounted to -25.8 million euros (vs. -19.3 million euros year on year), a variation of -6.5 million euros year on year due to changes in foreign exchange results. Such exchange rate effects include accounting (non-cash) effects of around 6.5 million euros, including the recognition in the income statement of part of the currency conversion reserve of the subsidiary Navigator North America, to the extent that it paid dividends to its parent company in the year.

Financing costs increased slightly, since new loans with longer maturities amounting to approximately 330 million euros were underwritten in view of extending the maturities of Navigator's financing, in a context of rising interest rates on the market. However, the average global financing rate remains at a competitive level, benefiting from the interest rate risk hedging policy.

Earnings on investments amounted to 5 million euros (vs. 3.9 million compared to the same period in the previous year), as a result of optimising the management of excess liquidity, both in terms of the amounts invested and the average return levels achieved.

Net profit in 2024 **attributable to Navigator's shareholders** was 275.9 million euros (vs. 263.9 million euros in 2023).

Free cash flow generation remains high, although it was impacted by the acquisition of Accrol, now called Navigator Tissue UK. Thus, in 2024, cash flow generation totalled 23 million euros for the year, in a context of high capex in the period (241 million euros).

In 2024, the total amount of **investments** was 241 million euros (vs. 186.5 million euros year on year) of which more than half is classified as sustainable investment. This is mainly made up of investments aimed at maintaining production capacity, revamping equipment and plant facilities for improving the environmental footprint and achieving efficiency gains, and for structural and safety projects.

The following are some of the projects in which investments have been made: the new high-efficiency Recovery Boiler in Setúbal for collecting and burning smelly gases; moulded pulp in Aveiro; the new Biomass Lime Kiln in Figueira da Foz; the conversion of the Lime Kiln in Setúbal for the burning of biomass; the new Photovoltaic Power Stations in Figueira da Foz and in Vila Velha de Rodão; oxygen delignification in Setúbal; the new tower and washing presses in Aveiro; and the biomass boiler in Vila Velha de Ródão. A total of 1 358 projects, of which 31 cost more than one million euros.

The last few years have been particularly important in the development of Navigator's Decarbonisation Roadmap, the result of an investment plan that has already brought forward the intermediate direct emissions targets for the ETS by three years. Navigator will have achieved the objectives originally set for 2029 as early as 2026. By then emissions will be around 55 % below that in 2018, the Roadmap's benchmark year.

Navigator continues to press ahead with all projects which it committed to under the Recovery and Resilience Plan (RRP), according to plan. For eligible investments under the RRP, an incentive rate of around 40% is expected, which corresponds to close to 100 million euros, of which the company received around 21 million euros in 2023 and 25 million euros in 2024.

The commitment and investment in improving ESG performance is also reflected in the positive external assessment conducted by independent organisations.

Navigator's leadership in combating climate change has once again been recognized by CDP – Disclosure Insight Action, with Navigator being given an "A" rating in the CDP Climate Change questionnaire, placing the company on the A List for Climate, maintaining its leadership level.

Navigator also renewed its rating as a low-risk company for investors, achieving the "2025 ESG Industry Top Rated Company" accolade in the ESG Risk Rating by Sustainalytics, one of the world's most reputable ESG rating agencies. With a score of 11.6 in this ranking, Navigator ranks 1st in the list of 85 global companies in the Paper & Forestry industry cluster with the lowest ESG risk for investors. It is also the leader among 63 companies in the Paper & Pulp subset and among the top 5% of more than 16 200 companies worldwide in all business segments.

The Board of Directors of Navigator, taking into account the performance during 2024, informed in the disclosure of the results that it will propose to the General Shareholders' Meeting a dividend distribution, for 2024, in the amount of approximately 175 million euros. Considering the early distribution of 100 million euros made on 14 January 2025, the proposal results in an additional dividend distribution of 75 million euros, corresponding to 0.10545 euros per share.

3.2.2.2. OVERVIEW OF SECIL ACTIVITY

26%
Revenue 2024
% of consolidated total

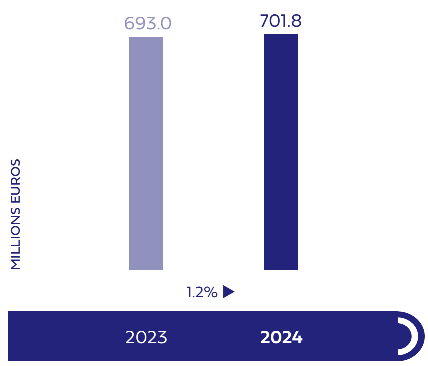
23%
EBITDA 2024
% of consolidated total

HIGHLIGHTS IN 2024 (VS. 2023)

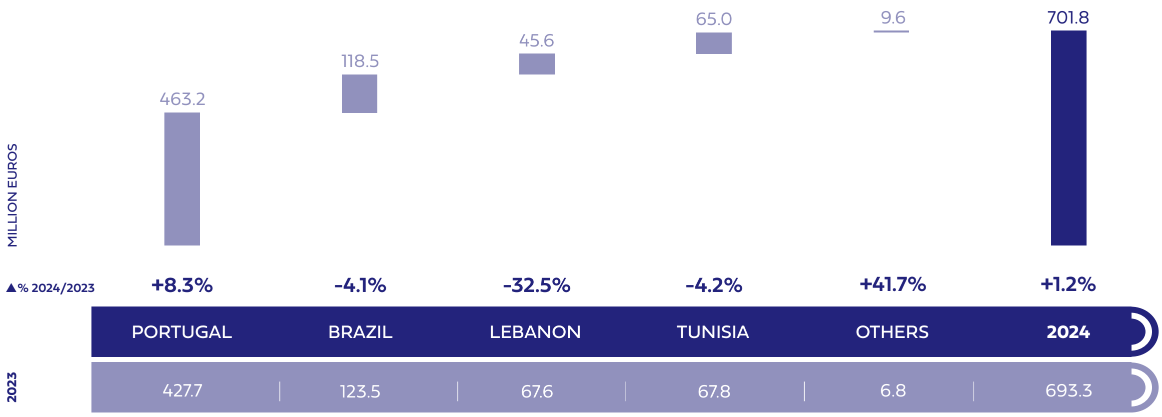
• In 2024, Secil's revenue amounted to 701.8 million euros, 1.2% over that of the previous corresponding period, which translated into 8.5 million euro increase.

• This increase is the result of positive developments in the Portuguese market, which more than offset the downward trend in the other markets. The foreign exchange variation of the currencies of the different countries had a negative effect of about 11.2 million in Secil's revenue, stemming in particular from the depreciation of the Brazilian Real and the Kwanza.

REVENUE



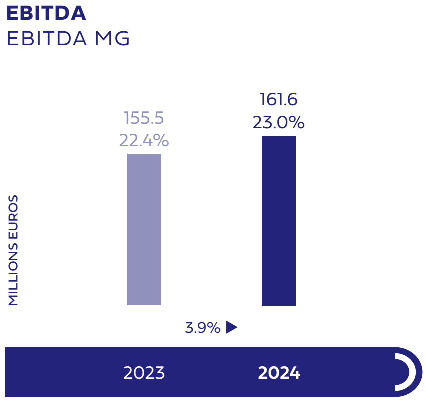
REVENUE BREAKDOWN BY COUNTRY



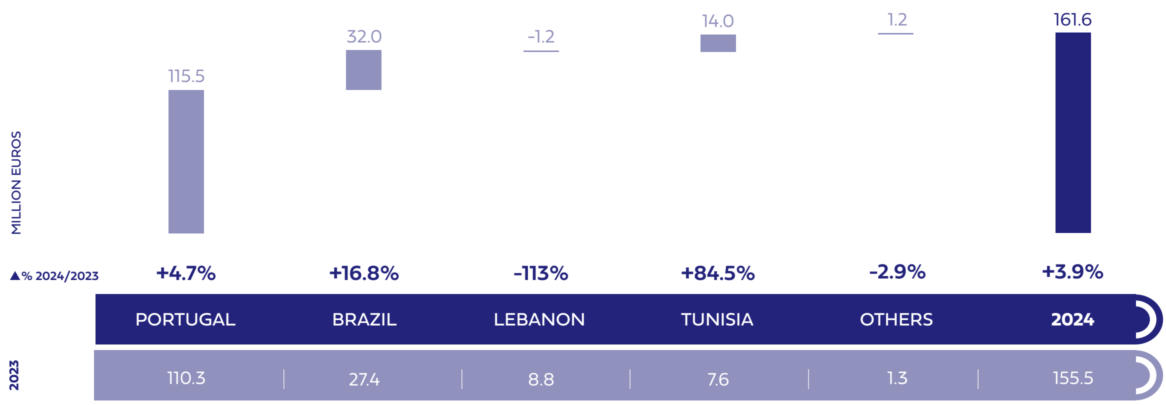
Note: Other includes Angola, Trading, Other and Eliminations.

- Consolidated EBITDA amounted to 161.6 million euros, i.e. up by 6.1 million euros (+3.9%) compared to the previous year.

- The good performance stems mostly from the very positive contribution of business in Portugal, Brazil and Tunisia, which offset the less positive performance of business in Lebanon.



EBITDA BREAKDOWN BY COUNTRY



Note: Other includes Angola, Trading, Other and Eliminations.

LEADING BUSINESS INDICATORS

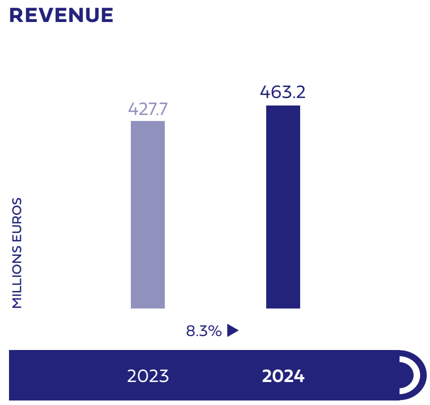
IFRS - accrued amounts (million euros)	2024	2023	Var.
Revenue	**701.8**	**693.3**	**1.2%**
EBITDA	**161.6**	**155.5**	**3.9%**
EBITDA margin (%)	23.0%	22.4%	0.6 p.p.
Depreciation, amortisation and impairment losses	(63.3)	(63.9)	0.9%
Provisions	(10.0)	(9.0)	-11.2%
EBIT	**88.3**	**82.6**	**6.9%**
EBIT margin (%)	12.6%	11.9%	0.7 p.p.
Income from associates and joint ventures	(0.4)	0.1	-726.0%
Net financial results	(28.4)	(27.0)	-5.2%
Net monetary position	-	14.5	-100.0%
Profit before taxes	**59.5**	**70.1**	**-15.2%**
Income taxes	(14.0)	(15.1)	7.5%
Net profit for the period	45.5	55.0	-17.3%
Attributable to Secil shareholders	**50.7**	**42.7**	**18.6%**
Attributable to non-controlling interests (NCI)	(5.2)	12.3	-142.1%
Cash flow	118.8	127.9	-7.1%
Free Cash Flow	38.2	61.0	-37.4%
	31/12/2024	**31/12/2023**	
Equity (before NCI)	407.1	429.0	
Interest-bearing net debt	**305.7**	**288.1**	
Lease liabilities (IFRS 16)	38.2	32.4	
Total	**343.8**	**320.5**	

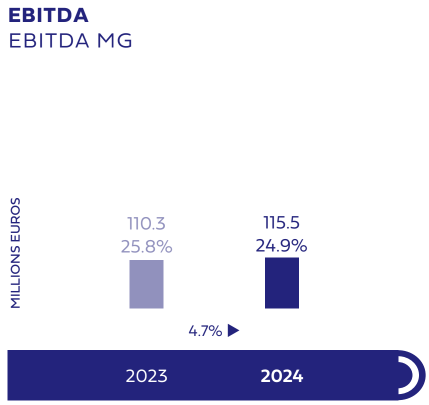
Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

LEADING OPERATING INDICATORS

in 1 000 t	2024	2023	Var.
Annual cement production capacity	**10 279**	**9 750**	**5.4%**
Production			
Clinker	3 857	3 758	2.6%
Cement	5 325	5 061	5.2%
Sales			
Cement and Clinker			
Grey cement	5 161	4 991	3.4%
White cement	70	73	-4.1%
Clinker	24	57	-58.0%
Other Building Materials			
Aggregates	4 883	4 662	4.7%
Mortars	330	297	11.1%
in 1 000 m^3			
Ready-mix	1 957	1 977	-1.0%

PORTUGAL





KEY OPERATING INDICATORS

	Unit	2024	2023	Var.
Clinker Production	**1 000 t**	**1 718**	**1 645**	**4.4%**
Cement Production	**1 000 t**	**2 181**	**2 072**	**5.2%**
Cement and Clinker Sales				
Internal Market	1 000 t	1 686	1 602	5.3%
Exports**	1 000 t	426	417	2.3%
Total	**1 000 t**	**2 113**	**2 018**	**4.7%**
Ready-mix Sales*	1 000 m3	1 635	1 626	0.6%
Aggregates Sales*	1 000 t	4 883	4 662	4.7%
Mortars Sales*	1 000 t	330	297	11.1%

Note:
* Sales volumes concern total sales of each business unit, do not exclude intragroup values.
** Includes Terminal sales in the Netherlands, Cape Verde, and Spain.

The Bank of Portugal (in the Boletim Económico, December 2024) has projected growth of 1.7% for the Portuguese economy in 2024, an improvement on the last projection, reflecting the acceleration seen in the last quarter as a result of more dynamic private consumption and an increase in exports.

According to the publication by the INE on “Production, Employment and Wage Indices in Construction”, in November 2024 the index of construction production was up 4.1% year on year, as a result of the expansion of the Construction segment (5.5%) and Civil Engineering (2.2%). Cement consumption in Portugal is estimated to have grown about 4% compared to the previous year. The indicator for the number of licensed dwellings, which began the year with negative variation year on year, had recorded a year-on-year variation of 3.4% until November.

In 2024, the **revenue** of combined operations in Portugal stood at 463.2 million euros, i.e. up by +8.3% from the same period in 2023.

Revenue in the Cement business unit in Portugal grew 8.7% (+21.1 million euros) over the same period in the previous year, resulting from the good performance of volumes sold (+5.2%) and an increase in average selling prices.

Export revenue, including to Secil’s plant terminals, was higher compared to the same period in the previous year (+12.1%), mainly as a result of higher quantities sold (+5.1%) and higher average prices.

In the other business units with operations based in Portugal (Ready-mix concrete, Aggregates and Mortars), revenue in 2024 amounted to 222.8 million euros, up by 8.7% year on year, explained primarily by the increase in Aggregates and Mortar volumes sold and the positive change in average prices in all segments including Concrete.

The **EBITDA** of the activities in Portugal amounted to 115.5 million euros, representing a growth of +4.7% year on year.

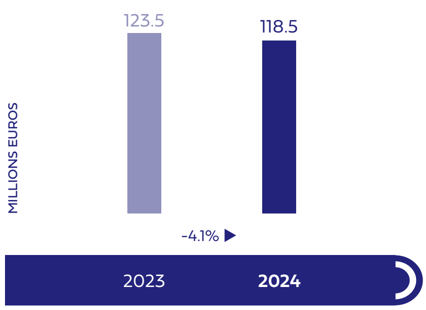
EBITDA of the Cement business unit amounted to 112.4 million euros, i.e., higher than that of the same period last year by 10.2%, positively impacted by the increase in revenue that surpassed the rise in the production costs. Overall, the activities of the Terminals presented an EBITDA of 13.8 million euros, which translates into a growth of 14.7% compared to the same period of 2023.

The building materials business performed better overall than in the previous year, in all segments except Concrete. The competitive pressure in the sector continues to jeopardise operating margins. Overall, EBITDA in 2024 totalled 27.2 million euros, representing an increase of 1.2 million euros (+4.8%), compared to the same period in the previous year.

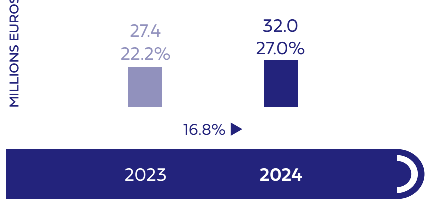
In addition, EBITDA in Portugal was positively impacted by the sale of assets in Spain (Asturias), which generated a capital gain of 4.3 million euros.

BRAZIL

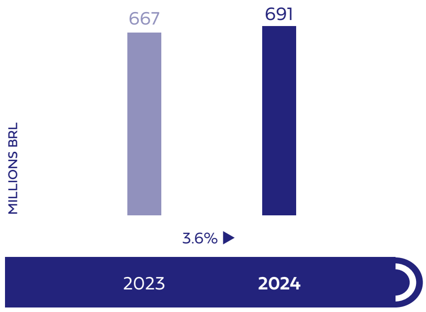
REVENUE (EUR)



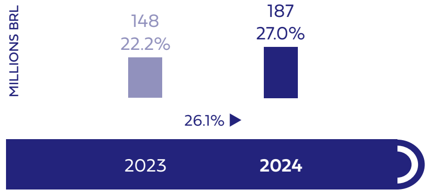
EBITDA (EUR)
EBITDA MG



REVENUE (BRL)



EBITDA (BRL)
EBITDA MG



Note: Average exchange rate EUR-BRL 2023 = 5.4011 / Average exchange rate EUR-BRL 2024 = 5.8331

KEY OPERATING INDICATORS

	Unit	2024	2023	Var.
Clinker Production	**1 000 t**	**1 126**	**1 066**	**5.6%**
Cement Production	**1 000 t**	**1 559**	**1 434**	**8.7%**
Cement and Clinker Sales				
Internal Market	1 000 t	1 560	1 430	9.1%
Total	**1 000 t**	**1 560**	**1 430**	**9.1%**
Ready-mix Sales*	1 000 m^3	195	209	-6.5%

Note:
* Sales volumes concern total sales of each business unit, do not exclude intragroup values.

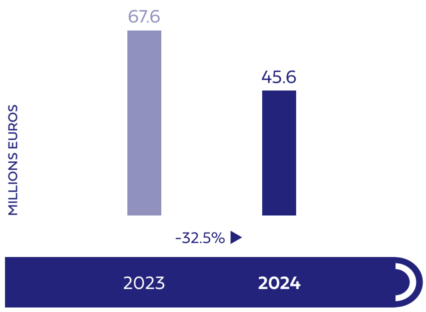
According to the estimates of the SNIC (Sector Report - December 2024) cement consumption in Brazil in 2024 was up by 3.9% against the same period in the previous year, i.e. 2.4 million tonnes more than in the previous year. Activity grew again after consecutive annual falls, namely -2.8 % in 2022 and -0.89 % in 2023. Despite the recovery, consumption in 2024 (64.7 million tonnes) is still short of record consumption in 2014 of 73 million tonnes. The positive performance is the result of the population's income growth and the positive developments in the property market.

In line with market trends, the volume of cement sales grew by 9.1 % year on year. However, due to the strong depreciation of the Brazilian real, the average price in euros fell by 7.3 %. In contrast to cement, the Concrete business sold 6.5 % less, as a result of the restructuring that began in 2023. Consequently, **revenue** of Secil's operations in this country as a whole fell by 5.0 million euros, also impacted by the depreciation of the Brazilian real to the tune of 9.5 million euros.

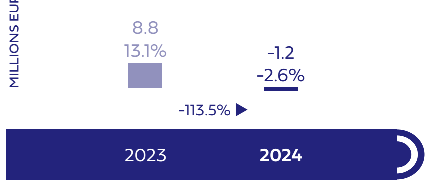
The **EBITDA** of activities in Brazil totalled 32.0 million euros in 2024, which compares with 27.4 million euros recorded year on year, i.e. +16.8% growth. In addition to the increase in cement volumes sold, the result reflects the positive impact of lower variable production costs, energy in particular, and lower prices for raw materials.

LEBANON

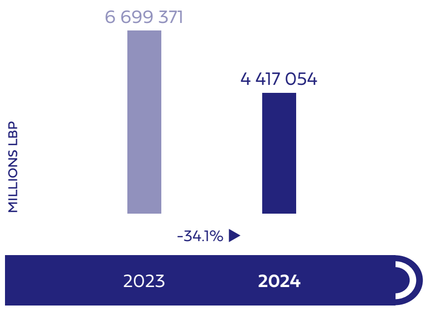
REVENUE (EUR)



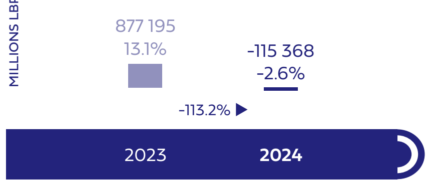
EBITDA (EUR)
EBITDA MG



REVENUE (LBP)



EBITDA (LBP)
EBITDA MG



Note: Exchange rate EUR-LBP 2023 = 99 118.5 / Exchange rate EUR-LBP 2024 = 96 847.0

KEY OPERATING INDICATORS

	Unit	2024	2023	Var.
Clinker Production	**1 000 t**	**261**	**304**	**-14.1%**
Cement Production	**1 000 t**	**614**	**581**	**5.7%**
Cement and Clinker Sales				
Internal Market	1 000 t	588	586	0.4%
Total	**1 000 t**	**588**	**586**	**0.4%**
Ready-mix Sales*	1 000 m^3	32	46	-29.1%
Precast Sales*	1 000 t	17	13	30.6%

Note:
* Sales volumes concern total sales of each business unit, do not exclude intragroup values.

Lebanon is plunged in a serious economic-financial and social crisis. Despite the efforts made by political forces to stabilise the situation, the lingering war in Ukraine and more recently the conflict in the region aggravated further an already precarious situation. In addition, the constant power cuts from 2021 onwards have negatively impacted Secil's operations in the country.

In 2024 **revenue** amounted to approximately 45.6 million euros, down by around 22 million euros against the previous year. It should be noted that revenue in 2023 was impacted by the implementation of IAS 29 in 22.5 million euros, as a result of the high rate of inflation in the local economy, a consequence of the economic, political and social crisis in the country. In 2024 there was no significant impact since the inflation rate remained constant.

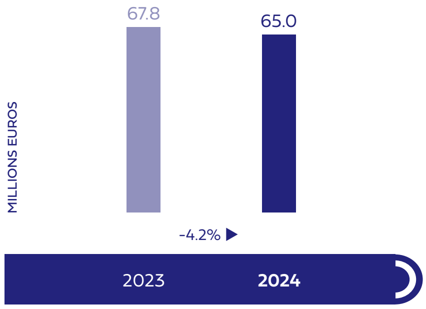
The cement segment grew by 2.7 %, the combined effect of a 0.8 % reduction in quantities sold and a 6.1 % increase in sales prices. In the Concrete segment, there was a year-on-year decrease in revenue (-33.3%), as a result of less volumes sold (-29.1%) and lower sales prices (- 2.9%).

The **EBITDA** generated from operations in Lebanon stood at -1.2 million euros, down by 10 million euros in relation to the same period last year. It should be noted that EBITDA in 2023 was impacted by the implementation of IAS 29 in 2.1 million euros, a consequence of the high inflation rate in the local economy. In 2024 there was no significant impact since the inflation rate remained constant.

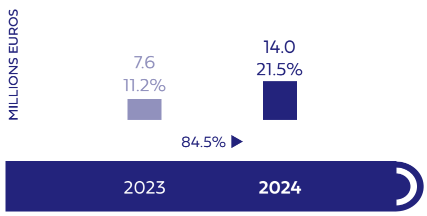
Although the average price of cement evolved positively, it was not enough to offset higher production costs, mainly due to the constraints on production caused by the power outages, which forced the purchase of clinker.

TUNISIA

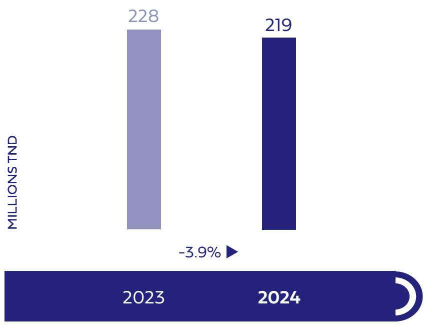
REVENUE (EUR)



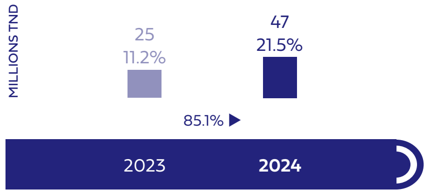
EBITDA (EUR)
EBITDA MG



REVENUE (TND)



EBITDA (TND)
EBITDA MG



Note: Average exchange rate EUR-TND 2023 = 3.3548 / Average exchange rate EUR-TND 2024 = 3.3662

KEY OPERATING INDICATORS

	Unit	2024	2023	Var.
Clinker Production	**1 000 t**	**752**	**743**	**1.2%**
Cement and Lime Production	**1 000 t**	**880**	**885**	**-0.5%**
Cement and Clinker Sales				
Internal Market	1 000 t	582	547	6.5%
Exports	1 000 t	320	453	-29.5%
Total	**1 000 t**	**902**	**1 000**	**-9.8%**
Ready-mix Sales*	1 000 m3	94	96	-2.7%

Note:
* Sales volumes concern total sales of each business unit, do not exclude intragroup values.

Tunisia is still facing significant challenges, including high foreign and fiscal deficits, increasing debt and insufficient growth to reduce unemployment. Some social unrest still persists, which may become worse, along with pressure from trade union demands. Government deficit is reflected in public works and the real estate sector faces challenges due to difficulties in obtaining funding (in connection with the fragility of the banking sector), which impacts construction output. The side effects of the war in Ukraine and the Middle East, alongside political instability have made the situation worse.

Notwithstanding the difficult context, the domestic cement market has recovered from the drop in Q1, and in accumulated terms it is 2% above that in the previous year, and is still subject to strong competition due to excess installed capacity.

The accident in October 2023 limited Cement operations practically throughout the 1st quarter of 2024, and only got back to normal in March, which impacted the performance in the country.

In 2024, **revenue** fell by 4.2% year-on-year, standing at 65.0 million euros.

The revenue of the cement segment decreased by 4.8%, standing at 61.9 million euros, versus 65.0 million euros in 2023. Quantities sold to the domestic market were 6.5% above the previous year's, while average prices in euro increased. In the foreign market, the quantities sold were down by 29.5% year-on-year, and the average price rose only slightly, as a result of the substitution of clinker for cement sales.

In the Concrete segment, revenue decreased 2.7% year on year, as a result of less quantities sold (2.7%) and the same average sales prices vis-à-vis 2023, consequently deteriorating the operating margin.

Despite the weak performance in revenue, the reduction in production costs, but above all the gain of around 7.6 million euros from the insurance compensation (vs. 0.9 million euros registered in 2023) helped Tunisia to generate 14 million euros in **EBITDA**, 6.4 million euros more than in the previous year.

SUMMARY OF SECIL'S FINANCIAL ACTIVITY

As a result of the impairment tests carried out in 2024, an impairment loss of 4.9 million euros was recognised in the goodwill and tangible fixed assets of the Lebanon Cash Generating Unit. It follows that there are no gains to be recognised in the net monetary position in 2024 (14.5 million euros in 2023) in Lebanon.

Secil's **net financial results** decreased 1.4 million euros over the same period in the previous year, from -27.0 million euros in 2023 to -28.4 million euros in 2024. This negative differential is the result of the combined effect of several factors: lower financial costs (+1.9 million euros), particularly in Brazil, due to the effect of lower interest rates, a reduction in the impairment of deposits in Lebanon (+2.5 million euros) and, in the opposite direction, a reduction in foreign exchange gains in Lebanon (-5.7 million euros).

Net profit attributable to Secil's shareholders amounted to 50.7 million euros, i.e. 7.9 million euros higher than in the same period of 2023, as a result of the increase in EBITDA.

In 2024, Secil **invested** 92.5 million euros in fixed assets (vs. 61.3 million euros in the same period of the previous year) of which we would highlight the investments in increasing the capacity of the Adrianópolis kiln in Brazil and the purchase of generators for energy self-consumption in Lebanon.

3.2.2.3. OVERVIEW OF OTHER BUSINESS ACTIVITY[2]

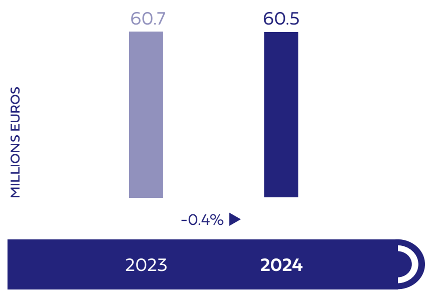
2%
Revenue 2024
% of consolidated total

1%
EBITDA 2024
% of consolidated total

HIGHLIGHTS IN 2024 (VS. 2023)

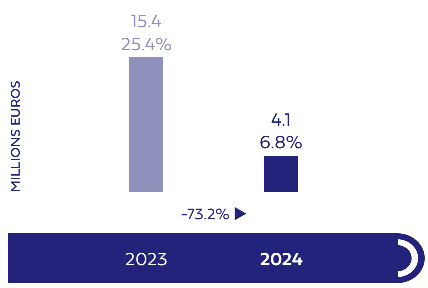
- In 2024 revenue amounted to approximately 60.5 million euros, having remained, overall, in line with that recorded in the previous year, reflecting adverse market conditions. It should be noted that these figures in 2024 already include 12 months of activity of Triangle's, which was purchased at the end of June 2023.

REVENUE



- EBITDA totalled approximately 4.1 million euros in 2024, representing a reduction of approximately 11.3 million euros in comparison with the same period in the previous year.

EBITDA
EBITDA MG



2 Other Business includes Triangle's and ETSA's business

LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	2024	2023	Var.
Revenue	**60.5**	**60.7**	**-0.4%**
EBITDA	**4.1**	**15.4**	**-73.2%**
EBITDA margin (%)	6.8%	25.4%	-18.6 p.p.
Depreciation, amortisation and impairment losses	(15.1)	(8.7)	-73.8%
Provisions	-	0.3	-100.0%
EBIT	**(11.0)**	**7.0**	**-256.1%**
EBIT margin (%)	-18.1%	11.6%	-29.7 p.p.
Net financial results	(0.8)	(0.3)	-201.7%
Profit before taxes	**(11.8)**	**6.8**	**-274.2%**
Income taxes	6.1	0.8	670.2%
Net profit for the period	(5.6)	7.6	-174.7%
Attributable to shareholders of Other business	**(5.6)**	**7.7**	**-173.0%**
Attributable to non-controlling interests (NCI)	(0.0)	(0.1)	68.8%
Cash flow	9.5	16.0	-40.7%
Free Cash Flow	2.5	2.0	22.8%
	31/12/2024	**31/12/2023**	
Equity (before NCI)	146.6	152.2	
Interest-bearing net debt	**19.3**	**15.2**	
Lease liabilities (IFRS 16)	1.1	1.1	
Total	**20.4**	**16.3**	

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

In 2024 revenue amounted to approximately 60.5 million euros, having remained, overall, in line with that recorded in the previous year.

This evolution reflects the decrease in ETSA sales, which is essentially justified by the decrease in the sales price of category 3 flour (-41%) and services rendered, partially offset by the fact that revenue in 2024 incorporate 12 months of activity from Triangle's acquired at the end of June 2023.

EBITDA totalled approximately 4.1 million euros, which represented a decrease of approximately 11.3 million euros compared to the same period in the previous year, explained essentially by the variation in ETSA's performance, which translated into a reduction in revenue, but also by the increase in supply and external service costs and in personnel costs. On the other hand, Triangle's has been facing a slowdown in orders due to the problem of excess inventory in the international market faced by its main customers in the wake of the strong acceleration in production resulting from the increase in demand instigated by the pandemic and which did not consolidate with end customers in the following years.

EBITDA margin stood at 6.8%, down by around 18.6 p.p. over the previous year.

The **financial results** deteriorated to -0.8 million euros.

In 2024, the **net profit** attributable to the shareholders of this business segment was -5.6 million euros, i.e. 13.3 million euros less compared to the same period last year, which reflects the increase in depreciation, amortisation and impairment losses.

Investment in 2024 in fixed assets totalled 18.2 million euros, 12.7 million euros of which from ETSA, reflecting the construction of the new plant in Coruche (called ETSA ProHy), which is intended to manufacture mostly premium products, at a higher end than current production, stemming from strong investment in innovation. Triangle's continued to work on the increase in its production capacity for e-bike frames.

Also in 2024, ETSA began a negotiation process with a view to acquiring the Barna Group, which was completed at the end of January 2025, as mentioned in point 3.6. Events after the balance sheet date.

3.2.2.4. OVERVIEW OF SEMAPA NEXT ACTIVITY

The year 2024 was positive overall for Semapa Next, with 4 new investments in GROPYUS, Constellr, Meisterwerk, located in the DACH region, Ferovinum in the UK and Sonant in the USA. In addition, Semapa Next made follow-on investments in 5 of its portfolio companies.

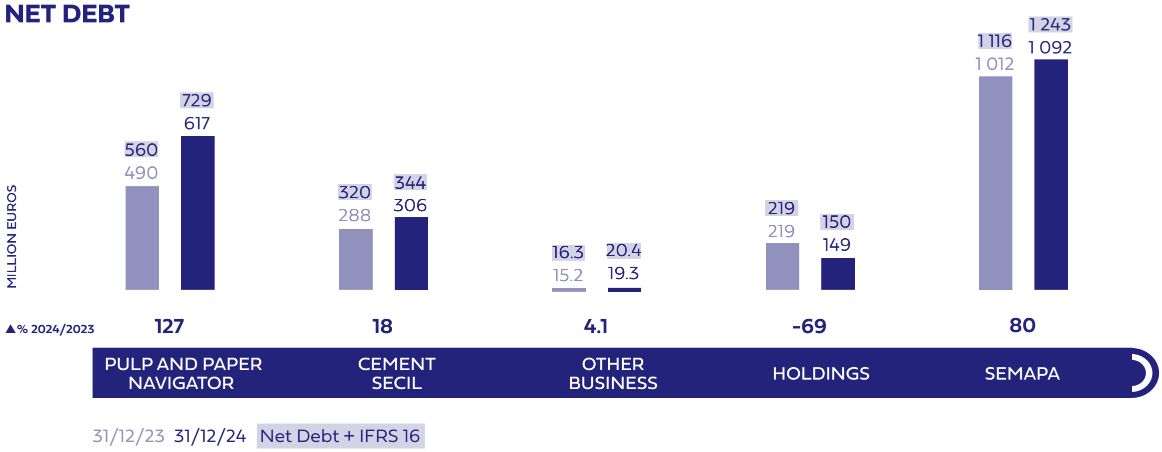
Additionally, it is worth highlighting the acquisition of Probely, a company in the Semapa Next portfolio whose Series A was co-led in 2022, by Snyk.

Besides focusing on the investment area, Semapa Next also attended various international conferences to follow up on new market trends and strengthen the Semapa Next brand.

3.3 SEMAPA GROUP – FINANCIAL AREA

3.3.1. INDEBTEDNESS

NET DEBT



On 31 December 2024, **consolidated net debt** stood at 1 091.7 million euros, representing an increase of around 79.7 million euros over the figure ascertained at the close of 2023. Including the effect of IFRS 16, net debt would have been 1 243.2 million euros, 127.2 million euros above the figure at the end of 2023. Besides the operating cash flow generated, these variations are explained by:

• Navigator: +127.5 million euros, including investments in fixed assets of about 240.6 million euros, disbursement for the purchase of Accrol in May - payment of 153 million euros for the shares and consolidation of additional debt - and distribution of 150 million euros in dividends in the 2nd quarter. On 19 December 2024, Navigator's Board of Directors agreed on the early distribution of profits to shareholders in the amount of 100 million euros, which were paid out on 14 January 2025;

• Secil: +17.6 million euros, including investments in fixed assets of about 92.5 million euros and distribution of 51 million euros in dividends;

• Other Business: +4.1 million euros, including investments in fixed assets of around 18.2 million euros. At the end of the year ETSA paid out 6.5 million euros in dividends; and,

• Holdings: -69.4 million euros, including the financial investment of 34 million euros made by Semapa Next, dividends received (Navigator: 105 million euros; Secil: 51 million euros, ETSA: 6.5 million euros, UTIS: 2.5 million euros), and Semapa dividends paid out (50 million euros).

As at 31 December 2024, total consolidated cash and cash equivalents amounted to 501.4 million euros. The Group has also committed and undrawn credit facilities, thus ensuring a strong liquidity position.

The Semapa Group has taken important steps in sustainable finance in the past years, by seeking financing options directly linked to compliance with sustainable development objectives or ESG – Environmental, Social and Governance performance indicators. The Semapa Group's green debt at the end of the year accounted for around 47% of all debt (vs. 30% at the end of 2023) and 59% of the total used (vs. 25% by the end of 2023).

3.3.2 NET PROFIT

Net profit attributable to Semapa shareholders was 232.7 million euros, which represents a decrease of 11.8 million euros vs. the previous year, due essentially to the combined effect of the following factors:

• EBITDA increased by 30.6 million euros, reflecting the increase in the Pulp and Paper and Cement segments, which more than offset the decrease in Other Businesses and Holdings. The negative value of the Holdings' EBITDA reflects the allocation of the donation, corresponding to the creation of the Semapa Foundation - Pedro Queiroz Pereira in the amount of 10 million euros, to support the activity for at least the next three years;

• Increase of 37.5 million euros in depreciation, amortisation and impairment losses;

• The appropriation of profits in associated companies totalled 1.3 million euros, down 6.5 million euros compared to the previous year. This item includes part of the results of UTIS[3], which is a 50/50 joint venture[4] between Semapa and Ultimate Cell;

• The net financial results deteriorated by about 4.0 million euros, reflecting in part developments in exchange rate results;

• The net monetary position decreased by about 14.5 million euros. As a result of the impairment tests carried out in 2024, an impairment loss of 4.9 million euros was recognised in the goodwill and tangible fixed assets of the Lebanon Cash Generating Unit. It follows that there are no gains to be recognised in the net monetary position in 2024 (14.5 million euros in 2023) in Lebanon;

• Decrease in taxes on profits of approximately 8.5 million euros, mainly as a result of the reduction in profit before taxes.

3 UTIS is a company that develops disruptive technology for optimising internal and continuous combustion processes, thus helping to reduce companies' ecological footprint and energy costs.

4 UTIS is a 50/50 joint-venture between Semapa and Ultimate Cell. As it is a "Joint Venture" under the IFRS (interests split 50/50), it is accounted for in the financial statements of Semapa (consolidated and separate) using the equity method (not incorporated "line by line") in Semapa's consolidated accounts. Thus, 50% of the results of this JV is entered in Semapa's profit and loss as "Income from associates and joint ventures", and the value of the investment is shown on the balance sheet under "Investment in associates and joint ventures".

3.4 SEMAPA SHARE PERFORMANCE

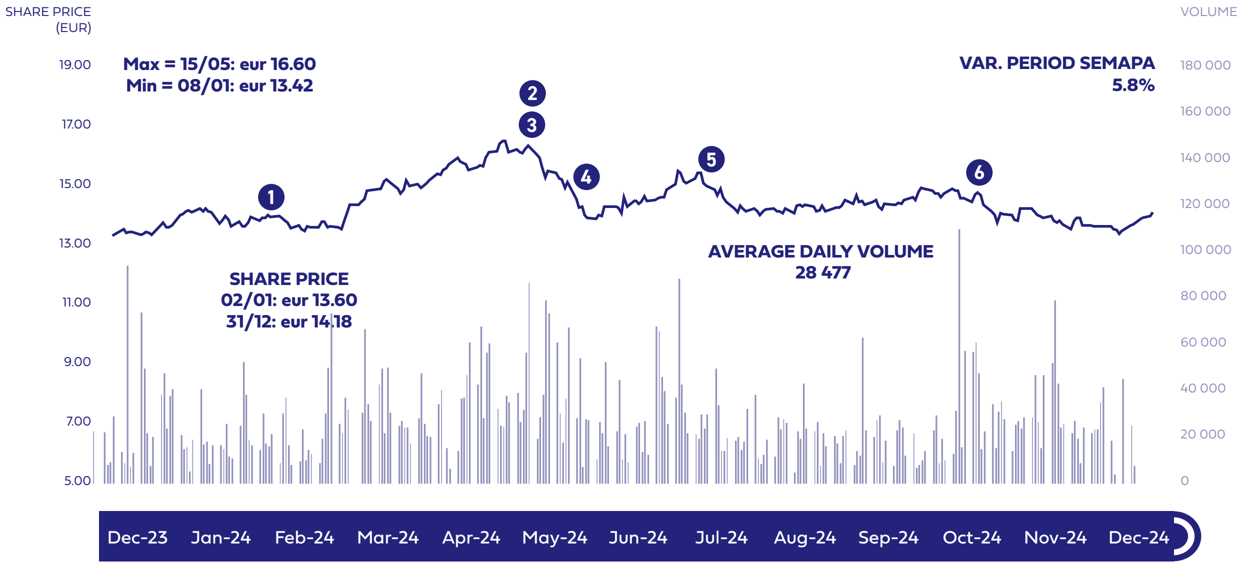
During the year 2024, several geopolitical tensions impacted the world scenario, notably the war in Ukraine and the increase in geopolitical tensions in the Middle East, adding greater global economic uncertainty. Donald Trump's victory in November 2024 raised expectations of changes in the orientation of geostrategic and trade policy in the US, the materialization of which could lead to increases in raw material prices and lower growth in world trade.

Monetary easing began in 2024, which led to adjustments in investor expectations. Disturbances in the ongoing disinflation process could interrupt the monetary policy easing. Managing this risk involves managing the balance between inflation and economic activity.

Growth remained moderate in the euro area with Spain, France and Portugal growing above average, while growth in Italy was weak and in Germany it was negative. This contrast in the eurozone partly reflects the disparity that is also observed between sectors, with services continuing to drive economic activity, while industry continues to show signs of weakness.

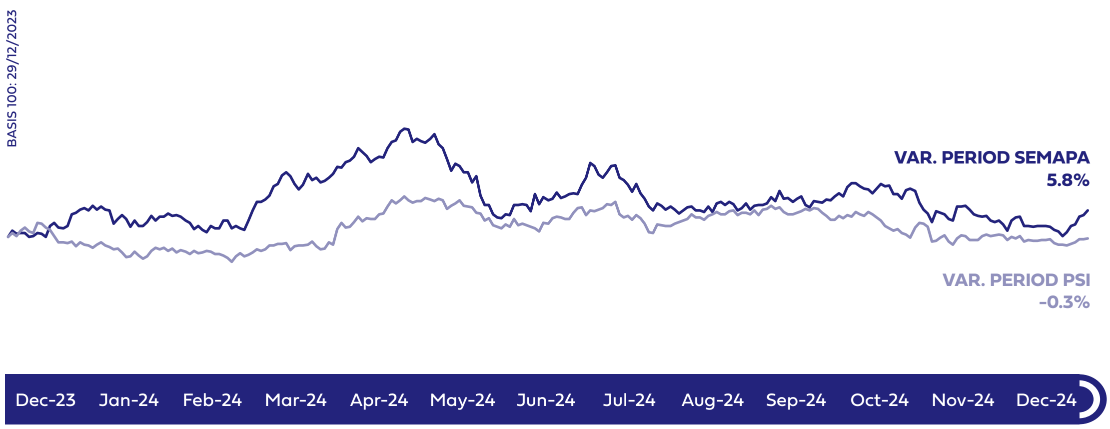
Share prices in advanced economies have rallied on expectations of more business-friendly policies in the United States. Overall, 2024 was a positive year for global stock markets and, except a few exceptional cases, most major stock indexes closed the year higher. The S&P 500 has posted two consecutive years of gains above 20%, an event not seen in more than 25 years.

In this context, during the period under analysis, Semapa shares appreciated by 5.8%. Semapa's share price registered a minimum value of 13.42 euros on 08 January, reaching its maximum value of 16.60 euros on 15 May. The average daily volume of Semapa shares traded was 28 477.



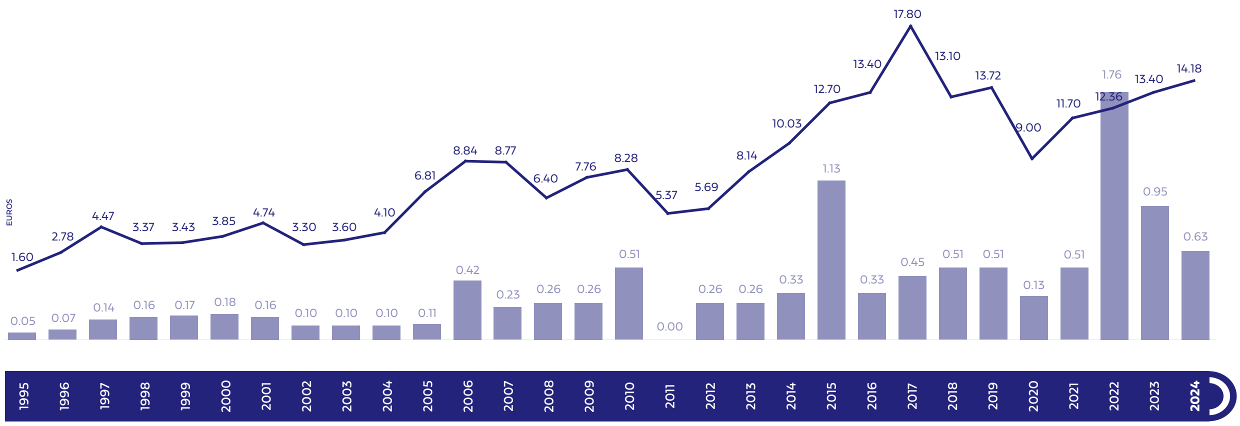
Note: Closing share prices

1 Disclosure of 2023 results
2 Announcement of payment of 2023 dividends
3 Disclosure of Q1 2024 results
4 Ex-dividend date
5 Disclosure of 2024 half-yearly results
6 Disclosure of results for the first 9 months of 2024



Note: Closing share prices

ANNUAL SHAREHOLDER RETURN = 18.4%



3.5 OUTLOOK

The global macroeconomic and geopolitical context in 2025 after the US elections and the inauguration of the new president in January 2025 opens up to a whole new outlook. Reinforced protectionism of the American economy, featuring higher tariffs in trade relations between the United States and the rest of the world, paints a scenario full of challenges and opportunities. Central banks are expected to keep a conservative monetary stance, balancing the need to control inflation with supporting economic growth.

The IMF's January 2025 projections (World Economic Outlook Update) are slightly more optimistic than those of October and point to growth in the world economy of 3.2 % in 2024 and 3.3 % in 2025. The risks of rising inflation and interest rates for an even longer period are rising in the context of escalating trade tensions and growing political uncertainty.

The GDP for the Euro Zone is expected to increase 0.8% in 2024 (in line with our projections in October) and 1.0% in 2025 (as revised downward by 0.3 p.p.). This development is linked to the recovery in real disposable income, the increase in external demand and the easing of financial conditions through lower interest rates.

The Bank of Portugal (Boletim Económico, December 2024) anticipates the growth of the Portuguese economy by 1.7 % in 2024, 2.2 % in 2025 and 2026, and 1.7 % in 2027. More dynamic activity over the next two years hints at a more favourable environment, as financial conditions improve, external demand accelerates and the European Union steps up funding. The labour market should remain robust, as employment and real wages increase and unemployment remains at low levels. GDP is expected to slow down in 2027 as we draw closer to the end of the implementation of the Recovery and Resilience Plan (RRP).

Inflation should continue its downward trajectory, falling to 2.6% in 2024, 2.1% in 2025 and 2% in 2026 and 2027. This reflects the gradual moderation of wage costs and contained external inflationary pressures. The inflation differential vis-à-visa the euro area should approach zero by 2027.

NAVIGATOR

In this context and in the sector, particularly for the **pulp** business, prices in China and Europe are expected to pick up, which is already the case. On the supply side, the ramp-up of the 2024 and 2025 projects will increase the availability of market pulp and thus influence the market balance (operating rate). On the demand side, pulp consumption levels for China are expected to improve. In Europe, demand should remain relatively stable compared to 2024.

The rate of growth of the **paper** order book has begun to accelerate. On the supply side, there is room for further temporary or permanent reductions in the installed capacity of the paper sector. In fact, in the first quarter of 2025, around 430 000 tonnes/year of UWF (close to 7% of European capacity) went off the market, as a result of the closures announced last year of a plant in Germany and a plant in Italy, accountable for 280 000 tonnes and 150 000 tonnes per year leaving the market, respectively.

New paper and tissue capacity is expected in China. However, given the low occupancy rate of the Chinese industry and the rise in pulp prices expected in the next 2 to 3-year cycle, some rationalisation of supply cannot be ruled out, as was the case at the end of the year when a major player interrupted production.

Demand in the **tissue** paper segment continues to sustain good dynamics and is expected to remain at healthy levels. Navigator has capitalised on the synergies and economies of scale associated with business growth, particularly from the acquisition of Navigator Ejea Tissue in 2023 and of Navigator Tissue UK in 2024.

The level of cash costs remains higher than pre-pandemic levels, despite the decrease over the last two years. Such resilience will continue to sustain paper price levels in Europe and in the international markets in which we operate.

Navigator continues to focus on the efficiency of its operations, managing its fixed and variable costs across the board, and increasing productivity and energy efficiency, thus ensuring the sustainability of its operations. On the other hand, business diversification and the development of new products remain the key priorities, particularly in the tissue and packaging segments.

SECIL

In **Portugal**, the Association of Construction and Public Works Industrialists (AICCOPN) expects the pace of growth of the construction sector to accelerate by 4 % in Gross Production Value in 2025.

Secil is assessing potential investment projects, with emphasis on the decarbonisation of its industrial processes and R&D in products and solutions in the sectors in which it operates, against the backdrop of the Recovery and Resilience Plan. The implementation of the Recovery and Resilience Plan is expected to help Portugal's economy recover.

After growing at the rate of 3.9 % in 2024, SNIC expects **Brazil** to grow at a slower pace in 2025. This can be explained by the following factors: an economic scenario marked by fiscal uncertainties on the part of the government, higher than expected inflation and interest rates on an upward trajectory.

According to the World Economic Outlook Update (WEO), published in October 2024, the IMF expects Brazilian economy to grow by 3.5% in 2024 and 2.2% in 2025. Projected levels of inflation (WEO October update) are 4.3% in 2024, dropping to 3.6% in 2025.

In **Lebanon**, the ceasefire agreement between the Lebanese government and Israel, including Hezbollah, has been enforced, and UN Resolution 1701 should be implemented. The election of a new president by parliament at the beginning of January 2025 put an end to more than two years of political paralysis. The election is regarded as a significant step towards restoring the functioning of public institutions and promoting economic recovery. Political stability and the implementation of structural reforms are key to recovering the Lebanese economy in 2025. Secil is closely watching developments in the country in the hope that the new leaders can lead Lebanon towards stability and sustainable growth.

The IMF World Economic Outlook released in October 2024 expects the GDP of **Tunisia** to grow 1.6% in 2024 and 1.6% in 2025. Inflation in 2024 is 7.1% (lower than that in 2023, which was 9.3%), dropping to 6.7% in 2025.

Tunisia's economy faces significant challenges in 2025, including modest growth projections and ongoing efforts to stabilise public finance. In addition, sustainable economic development continues to be challenged by the large informal economy and high unemployment, especially among young people.

OTHER BUSINESS

The year 2025 began, pursuing a growth objective, with the acquisition by **ETSA** of the Barna Group, an Iberian leader in the fish processing sector. The two state-of-the-art industrial units of the Barna Group transform marine by-products into high quality meal, hydrolysates and oils, in line with the principles of sustainability and the circular economy, as referred to in point 3.6. Events after the balance sheet date.

Despite the aforementioned macroeconomic risks, ETSA looks to the future with confidence thanks to its continued commitment to high added-value products to be placed on the international market. In this sense, the completion of the construction and respective inauguration, still during the first half of 2025, of a new manufacturing unit in Coruche, the result of the strong investment in innovation, called ETSA ProHy, is expected.

Triangle's foresees a market recovery, estimating the beginning of the normalization of stock levels among customers and a gradual recovery in volumes. Semapa's plans for the company include carrying out the capacity expansion plan (project financed by the RRP), reinforcing commercial efforts to gain new customers and market share, and positioning itself to benefit from the future growth that is envisioned for the sector.

SEMAPA NEXT

In 2025, Semapa Next will continue its investment strategy and activity, which include new opportunities under analysis and advanced discussions. In addition, Semapa Next will continue to monitor its portfolio in order to add value to its subsidiaries, while assessing follow-ons or the sale of some holdings, according to their stage of maturity.

3.6 EVENTS AFTER THE BALANCE SHEET DATE

At the end of January, ETSA acquired 100 % of the capital of the Barna Group, which operates in the circular economy of the food sector, by collecting and processing marine products for producing proteins and oils, chiefly for the animal feed sector. The Barna Group also produces and markets marine protein hydrolysates with very high nutritional value, which is embedded in ETSA's strategy.

The Barna Group currently employs more than 120 people and manages two plants, one in Mundaka, in the Basque Country, and the other near Tarifa, in Andalusia, which process over 50 thousand tonnes of fish by-products a year.

DEFINITIONS

EBITDA = EBIT + Depreciation, amortisation and impairment losses + Provisions

EBIT = Operating profit

Operating profit = Earnings before taxes, financial results and results of associates and joint ventures as presented in the Income Statement in IFRS format

Cash flow = Net profit for the period + Depreciation, amortisation and impairment losses + Provisions

Free Cash Flow = Variation in interest-bearing net debt + Variation in foreign exchange denominated debt + Dividends (paid-received) + Purchase of own shares

Interest-bearing net debt = Non-current interest-bearing debt (net of loan issue charges) + Current interest-bearing debt (including debts to shareholders) - Cash and cash equivalents

Interest-bearing net debt / EBITDA = Interest-bearing net debt / EBITDA of the last 12 months

DISCLAIMER

This document contains statements that relate to the future and are subject to risks and uncertainties that can lead to actual results differing from those provided in these statements. Such risks and uncertainties are due to factors beyond Semapa's control and predictability, such as macroeconomic conditions, credit markets, currency fluctuations and legislative and regulatory changes. Statements about the future made in this document concern only the document and on the date of its publication, therefore Semapa does not assume any obligation to update them. This document is a translation of a text originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

4

SUSTAINABILITY

INDEX

4.1 SUSTAINABILITY STATEMENT - NON-FINANCIAL STATEMENT

4.2 ADDITIONAL SUSTAINABILITY DISCLOSURE

4.1

SUSTAINABILITY STATEMENT - NON-FINANCIAL STATEMENT

PRELIMINARY NOTE

The Corporate Sustainability Reporting Directive (CSRD)[1] requires the disclosure of sustainability information in accordance with European reporting standards, with reference to the financial year beginning on 1 January 2024.

The CSRD established that Member States should proceed with its transposition by 6 July 2024, being applicable to the companies covered under the terms resulting from its transposition into their respective orders National legal entities.

The process of transposing this Directive into our legal system was not completed by the indicated date, nor by the end of 2024 and, to the best of our knowledge, it is still under assessment by the competent authorities, which is why it did not come into force until 3 April 2025.

Companies subject to the application of the CSRD, such as Semapa, are already covered by the Non-Financial Reporting Directive ("NFRD"), with the CSRD constituting a very significant evolution in terms of sustainability reporting, and the more demanding criteria contained in the European Sustainability Reporting Standards ("ESRS")[2] must be observed.

Given the failure to transpose the CSRD, the CMVM, on 9 December 2024, recommended that companies subject to its supervision and to which the new duty would apply from 1 January 2025, make their best efforts to comply with the requirements set out in this Directive, allowing for greater continuity, adaptability, transparency and comparability in the information disclosed on sustainability, in line with its objectives.

The CMVM subsequently communicated, in its 2025 annual circular, that, given the aforementioned legal context, will favour a gradual approach, seeking above all to promote the progressive adaptation of Issuers to the requirements that will result from the transposition of the CSRD.

Accordingly, Semapa, within the scope of preparing this Report and under the recommended terms, voluntarily observed the regime provided for in the CSRD, to the extent that it was in a position to do so to be able to ensure full compliance with its standards, considering the aforementioned lack of transpositionwithin the deadlines and period described above.

1 Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU with regard to corporate sustainability reporting.
2 Delegated Regulation (EU) 2023/2772

4.1.1. GENERAL INFORMATION

4.1.1.1. PREPARATION BASE – BP

GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS (BP-1)

SCOPE OF CONSOLIDATION

The Non-Financial Statement was prepared on a consolidated basis [ESRS 2.5a], with the same scope of consolidation as the financial statements [ESRS 2.5b1]. It should be noted that there are subsidiary companies included in the consolidation that are exempt from the obligation to present individual or consolidated sustainability reports[3] [ESRS 2.5b2].

Information and data aligned with the calendar year 2024, covering the period from January 1 to December 31, are included in the Non-Financial Statement. For disclosures related to greenhouse gas emissions greenhouse effect (E1-6) operational control was considered in determining the scope of consolidation [ESRS 2.5b1].

It is important to note that the Group operates in different segments and that the Holding promotes a climate of autonomy and accountability among its subsidiaries, which is reflected in their individual approaches to sustainability issues. Therefore, throughout this report, a general presentation of the Group's consolidated approach and performance is made, as well as a more specific presentation by business areas – Pulp and Paper (Navigator), Cement (Secil), Other Businesses -ETSA, Other Businesses - Triangle's and Holdings (Semapa and Semapa Next). Semapa Next, despite being a subsidiary of Semapa and being included in its consolidation perimeter, has low materiality, being integrated as part of the "Holdings".

Semapa did not use the exemption provided for in Articles 19-A, paragraph 3, and 29-A, paragraph 3, of Directive 2013/34/EU on the disclosure of imminent events or matters during negotiation for companies established in an EU Member State [ESRS 2.5e].

VALUE CHAIN

Following the principle of double materiality, relevant information on the upstream and downstream value chain was included, whenever necessary, to understand the material impacts, risks and opportunities of the Semapa Group and to provide information that meets the qualitative characteristics defined in the Corporate Sustainability Reporting Directive (CSRD) [ESRS 2.5 c].

INTELLECTUAL PROPERTY, KNOW-HOW OR RESULTS OF INNOVATION

The Semapa Group did not use the option to omit information corresponding to intellectual property, to know-how or to the results of innovation [ESRS 2.5 d].

3 Navigator is the only subsidiary of the Group required to prepare an independent report. Secil and Triangle's, although exempt from the obligation to prepare a sustainability report, have chosen to prepare their own reports.

DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES (BP-2)

TIME HORIZONS

Semapa Group selected time horizons consistent with the ESRS definitions for impacts, risks and opportunities, except for climate risks presented in the case of Navigator. The time horizons are: short term (<1 year), medium term (between 1 and 5 years) and long term (>5 years). In the case of climate risks, in line with the TCFD recommendations, the time horizons are medium term (2035) and long term (2050) [ESRS 2.9a].

VALUE CHAIN, SOURCES OF ESTIMATES AND UNCERTAINTY OF RESULTS

The report presents data on scope 3 emissions (E1-6), using estimates based on the best available information; although these are calculated based on emission factors from credible databases, they may be subject to uncertainty considering that they may not represent in the best way the specificities of the value chain [ESRS 2.10].

At Navigator, estimates are used for disclosures relating to: estimated financial impact of climate change (E1. SBM-3); energy consumption related to employee mobility (E1-5); water collection (E3-4); hours worked by non-salaried employees (S1-14).

At Secil, estimates are used for disclosures relating to: electricity consumption in some facilities for the month of December 2024 (E1-5); scope 3 greenhouse gas emissions in 2024 (E1-6); water collection in some facilities (E3-4); waste production in some facilities (E5-5).

ETSA uses estimates for disclosures relating to: components, products and secondary materials (E5-4).

At Triangle's, estimates are used for disclosures relating to: weight of products used (E5-4).

Unless otherwise stated, the metrics disclosed in the Non-Financial Statement have not been subject to validation by an external entity other than the auditor of the report [ESRS 2.11].

Information regarding uncertainty of data and estimates is presented in context in the respective sections [ESRS 2.10 | ESRS 2.11].

COMPARATIVE INFORMATION

The Semapa Group made use of the transitional provision related to section "7.1 Submission of comparative information" of the ESRS and in the case of metrics it does not present comparative information required by this section in this reporting year. Only for the defined targets, when available/applicable, are presented the comparative data.

CHANGES IN THE PREPARATION OR PRESENTATION OF SUSTAINABILITY INFORMATION

Regarding changes in the preparation and presentation of sustainability information compared to the previous reporting period, if applicable, these are identified together with the respective information. It should be noted that in the environmental indicators, as in previous years, scope 1 emissions were revised, incorporating changes in the ETS ("European Emissions Trading") verification and information not available at the time of publication of the 2023 Annual Report.

Regarding changes in the preparation and presentation of sustainability information compared to the previous reporting period, where applicable, these are identified in context together with the relevant information [ESRS 2.13].

COMMUNICATION OF ERRORS RELATED TO PREVIOUS PERIODS

No material errors were identified relating to the information reported in prior periods [ESRS 2.14].

DISCLOSURES ARISING FROM LOCAL LEGISLATION OR GENERALLY ACCEPTED POSITIONS ON SUSTAINABILITY REPORTING

Semapa's Non-Financial Statement aims to consolidate and reflect its approach and commitment to sustainability issues. It was prepared in accordance with (see "Preliminary Note" at the beginning of this chapter): the European Sustainability Reporting Standards (ESRS); and [ESRS 2.15].

Semapa also reports with reference to the GRI Standards – Global Reporting Initiative, presenting in Chapter 4.2.3., the respective index [ESRS 2.15].

INSERTION BY REMISSION

Semapa adopted the "insertion by reference" approach to improve the narrative structure of the report and has placed certain disclosure requirements throughout the annual report and in the Non-Financial Statement itself. The list of disclosure requirements incorporated by reference and their location in this report are found in Chapter 4.1.5.3. [ESRS 2.16].

4.1.1.2. GOVERNANCE – GOV

THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV-1)

The following information is included by reference to other parts of the Annual Report:

• Experience of members of the administrative, management and supervisory bodies relevant to the company's sectors, products and geographic locations (ESRS 2.21c): Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular points 16 and 19 of Chapter B. Social Bodies and Committees.

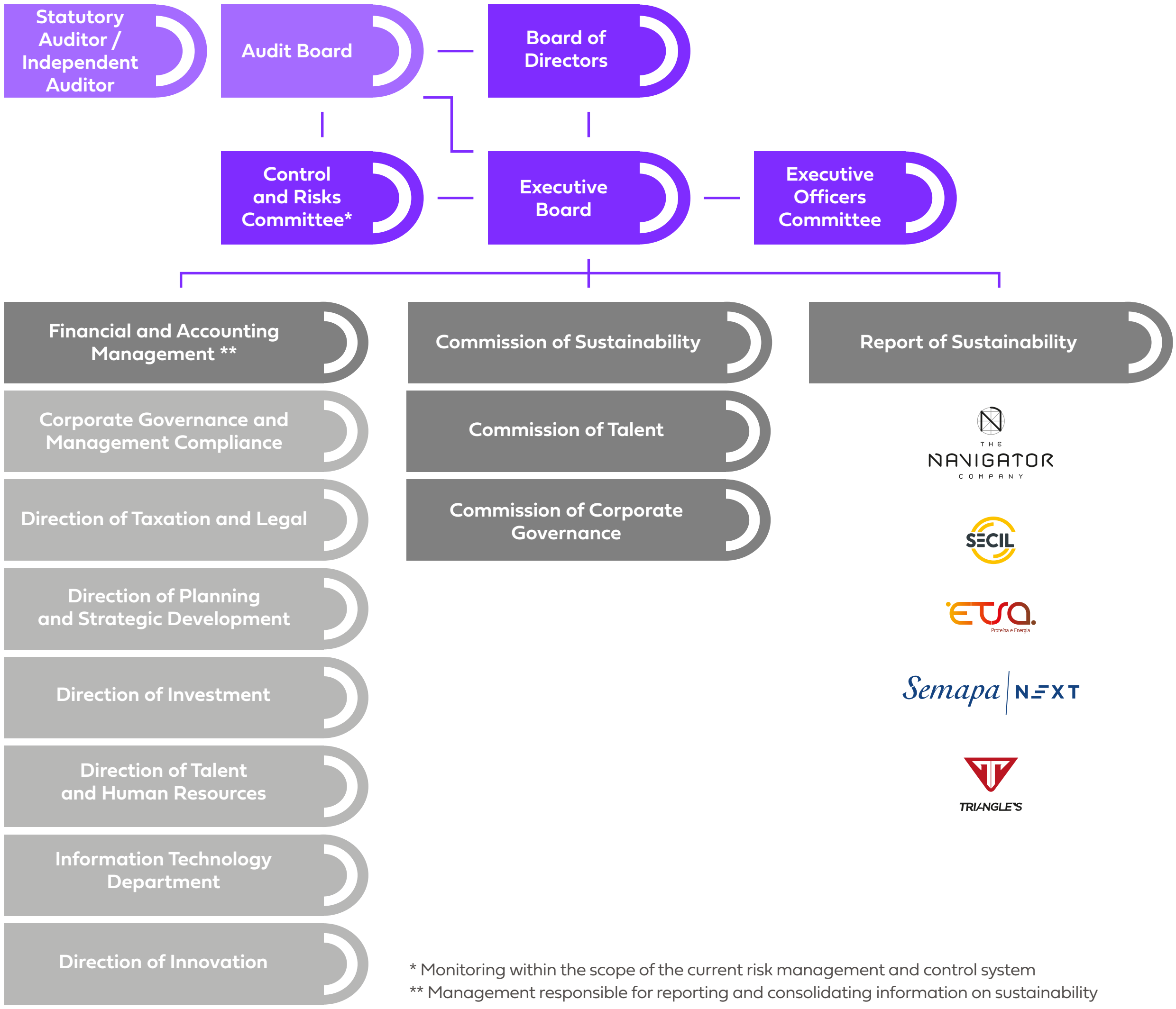
• Disclosure of the identity of the administrative, management and supervisory bodies and description of the bodies/committees responsible for implementing and monitoring the risk management system (ESRS 2.22a/c): Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular points 17, 28, 29, 31 and 39 of Chapter B. Corporate Bodies and Committees; Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular, points 50 to 55 of Chapter C. Internal Organization.

• Description of the responsibilities of each body or individual in relation to the IROs and how they are reflected in the company's terms of reference, board mandates and other related policies (ESRS 2.22b): Part I – Information on Shareholding Structure, Organisation and Corporate Governance of the Corporate Governance Report, in particular point 15 et seq. of Chapter B. Corporate Bodies and Committees.

• Information on how the administrative, management and supervisory bodies determine whether appropriate skills and expertise are available or will be developed to oversee sustainability issues (ESRS 2.23): Part I – Information on Shareholder Structure, Organisation and Corporate Governance of the Corporate Governance Report, in particular points 16 and 19 of Chapter B. Social Bodies and Committees.

• Information on the bodies' expertise on sustainability matters (ESRS 2.23a): Part I – Information on Shareholding Structure, Organisation and Corporate Governance of the Corporate Governance Report, in particular point 16 of Chapter B. Corporate Bodies and Committees

• Relationship between the sustainability expertise and expertise of the bodies and the material IROs (ESRS 2.23b): Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular point 21 of Chapter B. Corporate Bodies and Commissions.



* Monitoring within the scope of the current risk management and control system
** Management responsible for reporting and consolidating information on sustainability

Semapa adopts a classic monist model, with management composed of a Board of Directors, which has delegated and delegated, once again and in accordance with applicable legal terms, in 2022, management powers to an Executive Board. The supervision of the company is the responsibility of a Supervisory Board and the Statutory Auditor appointed at the General Meeting (as are the members of the Board of Directors). [ESRS 2.22b | ESRS 2.22d]

The Board of Directors is composed of two executive members and six non-executive members [ESRS 2.21a]. Within the Board of Directors, 62.5% of directors are male and 37.5% of directors are female [ESRS 2.21d]. It should also be noted that 0.60 is the average female to male ratio (3:5) [ESRS 2.21d]. Regarding independence, one member of the Board of Directors is considered independent, which corresponds to 13% of the Board of Directors and 16% of non-executive directors [ESRS 2.21e].

The Executive Board is composed of its Chairman, Mr. Ricardo Pires, and its Member, Mr. Vítor Paranhos Pereira, both with responsibilities in sustainability matters [ESRS 2.22b | ESRS 2.23a].

The Board of Directors has set up several Committees to support it in the exercise of its functions and in different areas, which are identified on the company's website and their respective responsibilities and duties described in the respective **Internal and operating regulations** [ESRS 2.22b].

Thus, in addition to the Executive Board, with delegated management powers and representation of the company, the Board of Directors constitutes and operates the following internal committees to support the activity of the Board of Directors: (1) Corporate Governance Committee; (2) Control and Risk Committee; (3) Talent Committee, and (4) Executive Officers Committee [ESRS 2.22b].

Internal control – which includes risk management and compliance functions – is carried out by the Board of Directors and through an internal committee with specific functions in this area, the Control and Risk Committee, which includes two members of the Board of Directors, one of whom has sustainability skills, the Administrator Dr. Vítor Paranhos Pereira, who is also responsible for the area of sustainability in the Society [ESRS 2.23b].

Additionally, within the scope of the risk management and control system implemented, and in relation to risks related to sustainability, the company has established processes to collect and process data related to these matters, with a view to alerting the management body about the risks in which it is exposed.

The company is incurring and propose strategies for its mitigation. In this context, the members of the Board of Directors, the Executive Board and the Executive Officers Committee are responsible for decision-making processes related to all sustainability issues. Internal management reports to the Executive Board on all issues related to the Group's sustainability through interactions with subsidiary areas with expertise in the relevant areas and topics of sustainability [ESRS 2.23b].

It should be noted that the internal committees include employees of the Company, such as the Executive Officers Committee, Corporate Governance Committee, Control and Risk Committee and Talent Committee. [ESRS 2.21b]

INFORMATION PROVIDED TO AND SUSTAINABILITY MATWERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV-2)

The following information is included by reference to other parts of the Annual Report:

• Information to bodies on IROs (ESRS 2.26a/b/AR6): Part I – Information on Shareholder Structure, Organisation and Corporate Governance of the Corporate Governance Report, in particular point 21 of Chapter B. Social Bodies and Committees.

Regarding the sustainability topics raised in 2024 by the administrative, management and supervisory bodies or competent committees and commissions, the most relevant ones are identified [ESRS 2.26c]:

• Presentation of the results of the study on the integration of ESG criteria into the investment process;

• Development of a new double materiality study for all Group companies and deepening knowledge of the new European Sustainability Reporting Standards;

• The IROs determined within the scope of the Double Materiality exercise conducted in 2024 and prepared in accordance with the ESRS, were approved by the Semapa Executive Board;

• Equality Plan 2025;

• Signing of the Equity, Diversity and Inclusion Plan.

INTEGRATION OF SUSTAINABILITY- RELATED PERFORMANCE IN INCENTIVE SCHEMES (GOV-3)

The following information is included by reference to other parts of the Annual Report:

• Sustainability-related incentive schemes and remuneration policies (ESRS 2.29a/b/c/e): Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular points 69 et seq. of Chapter D. Remuneration; Annex II Remuneration Policy of the Corporate Governance Report.

With regard to the proportion of variable remuneration dependent on objectives and/or impacts related to sustainability, the review of the Remuneration Policy for the period 2021-2024, which took place at the Company's Annual General Meeting in 2023, introduced a new component of variable remuneration, the multi-year component – Long-Term Incentive (LTI) – whose monitoring, calculation of the results obtained and the amounts to be paid will be assured by an independent external entity. This amount will be determined in2025 [ESRS 2.29d].

It should be noted, however, that under the terms of the Remuneration Policy in force, the annual variable remuneration includes KPIs related to the performance of the Administrator in question (specific objectives, with a weighting of 20% and behavioural indicators, with a weight of 15%). The specific objectives will always include ESG indicators, such as the result of the Annual Study of Climate in Society, which is carried out every two years. On the other hand, the multi-annual variable remuneration will consider the Emissions indicator CO_2 ≤ defined KPI [ESRS 2.29d].

STATEMENT ON DUE DILIGENCE (GOV-4)

For information on the due diligence statement, see the ESRS correspondence tables (Chapter 4.1.5.4).

RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING (GOV-5)

Semapa has a risk monitoring model, with powers assigned to the different stakeholders in the risk management and control system, in particular the Board of Directors, which is responsible for identifying the main risks and defining the overall risk strategy, the Supervisory Board and the ROC, with supervisory and inspection powers, and the Control and Risk Committee, as the internal committee responsible for detecting, controlling and managing all relevant risks in the company's activity, including risks related to environmental sustainability – including climate risk analysis – and social [ESRS 2.36a].

With regard to the management of risks considered strategic, Semapa has been consolidating its risk management and control system, comprising processes that cover the entire life cycle of the risk, from its identification, through analysis and assessment, treatment and reporting, in accordance with the good practices and references of COSO – Committee of Sponsoring Organisations of the Treadway Commission and the ISO 31000 Standard, which follows the recommendations of the Corporate Governance Code issued by the Portuguese Institute of Corporate Governance (IPCG) and the Portuguese Securities Market Commission (CMVM) [ESRS 2.36b].

The Group follows an annual risk monitoring model that involves several steps [ESRS 2.36b]:

• Collection and Completion: Detailed information is collected about each risk. This information is recorded in individual files, which include the identification of the risk and the monitoring of the existing mitigation measures.

• Discussion and Approval: Risk sheets are discussed and reviewed. Approval occurs to ensure that all relevant information is correct and that mitigation strategies are appropriate.

• Risk Indicators (Key Risk Indicators – KRIs). These indicators allow for continuous monitoring of risks and anticipation of events that could cause significant disruptions.

In summary, the Group is committed to proactively managing risks, ensuring that mitigation measures are effective and that adverse events are identified and addressed in a timely manner. [ESRS 2.36b]

In this context, the risk-taking policy approved by Semapa's Board of Directors qualitatively defines the level of risk that Semapa is willing to accept to achieve its business objectives and strategy, and is aligned with the main material topics for Semapa, ensuring the consistency of the risk management and control system. [ESRS 2.36b]

Semapa, together with its subsidiaries, is also developing a process to identify and monitor strategies to mitigate new strategic risks resulting from the Double Materiality exercise completed in 2024. This process is expected to continue throughout 2025. [ESRS 2.36a | ESRS 2.36c]

The Company approved the risk management and control system at a Board of Directors meeting carried out at the beginning of 2019. This system, which is embodied in an annual risk report, sets, in particular, the objectives and limits in terms of risk assumption and identifies the probability and impact indexes in relation to them and from which results the assessment of the degree of internal compliance and the performance of the risk management function, as well as the perspective of changing the risk framework previously defined, as well as the instruments and measures to be adopted with a view to the respective mitigation, further providing for monitoring procedures, with a view to their follow-up. [ESRS 2.36e]

The Risk and Control Committee prepares the Risk Report annually and is approved by the Executive Board. After the Supervisory Board has issued its opinion on the report, the Board of Directors approves it. It is through this report that Semapa ensures the periodic communication of the results of its risk assessment, including those presented in the sustainability report, and of the respective internal controls to the administrative, management and supervisory bodies. [ESRS 2.36d | ESRS 2.36e]

4.1.1.3 STRATEGY AND BUSINESS MODEL – SBM

STRATEGY, BUSINESS MODEL AND VALUE CHAIN (SBM-1)

The Semapa Group is an industrial group (Chap. 2.1.), which includes in its portfolio: pulp and paper; cement and other construction materials; environment; mobility; venture capital; and hydrogen for energy efficiency and decarbonization.

Among the companies in which Semapa holds a majority stake, we highlight:

a) Companies with a long history and international projection [ESRS 2.40a-1]:

- **Navigator** as an integrated producer of forestry, pulp, paper, tissue, sustainable solutions packaging and bioenergy;

- **Secil** focused on the production and marketing of cement, concrete, aggregates, mortars and hydraulic lime.

b) Companies in the accelerated growth phase [ESRS 2.40a-1]:

- **ETSA** which operates in the environmental area, in the food recycling sector, promoting the circular economy and the development of high added value solutions, such as ingredients for pet food, fertilizers and biofuels.

- **Triangle's** focused on the production of high-tech aluminium frames for electric bicycles.

c) **Semapa Next**, a venture capital firm whose goal is to promote investments in start-ups and venture capital funds with high growth potential. [ESRS 2.40a-1]

The Semapa Group operates on four continents (Chap. 2.1), with 7172 employees – 4979 in Portugal and 2193 in other geographies [ESRS 2.40a-2 | ESRS 2.40a-3].

BUSINESS MODEL AND VALUE CHAINS

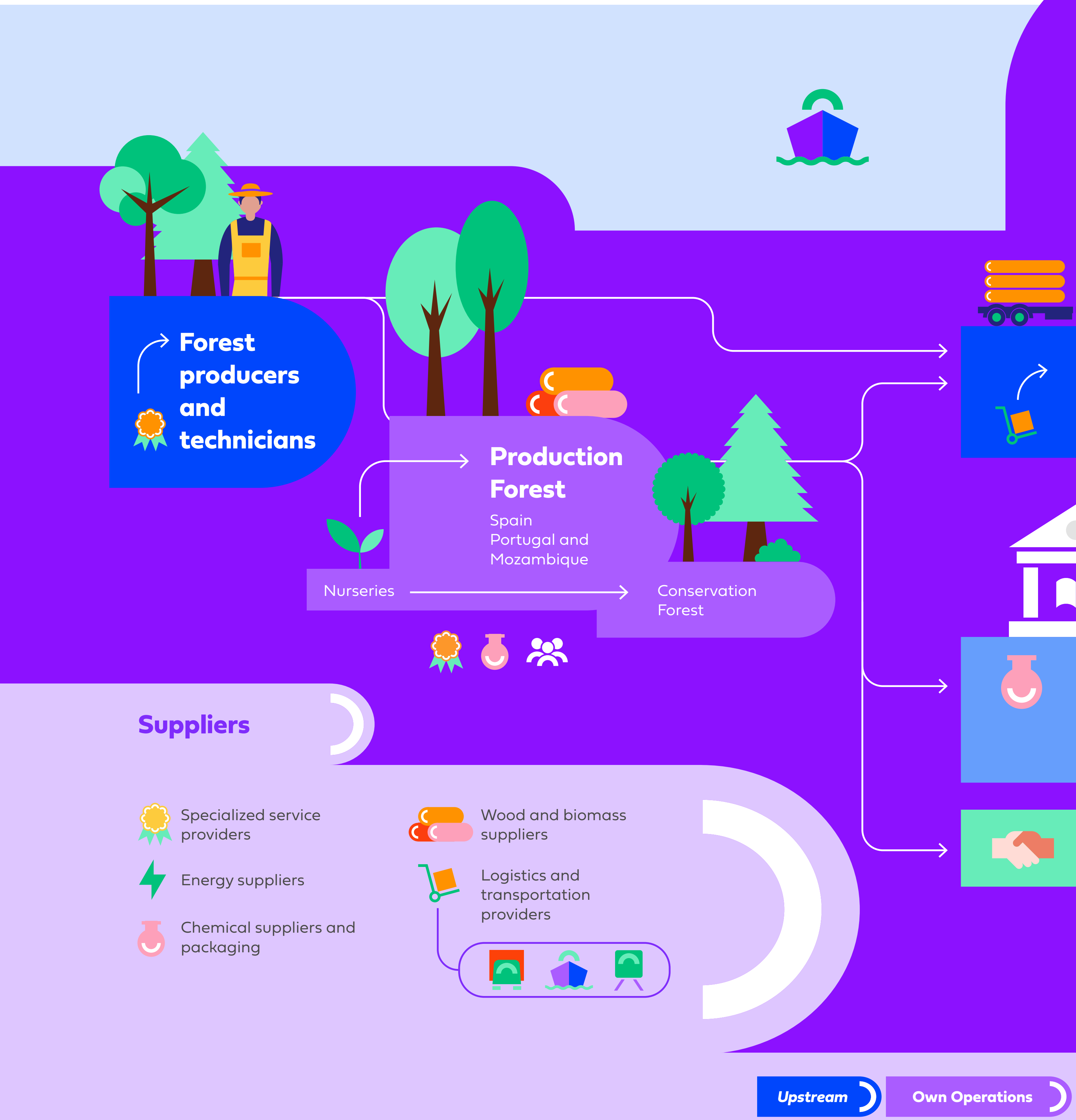
Semapa, aligned with its purpose of Making it better (Chapter 2.1), positions itself as a company focused on sustained growth, long-term value creation and a positive contribution to society.

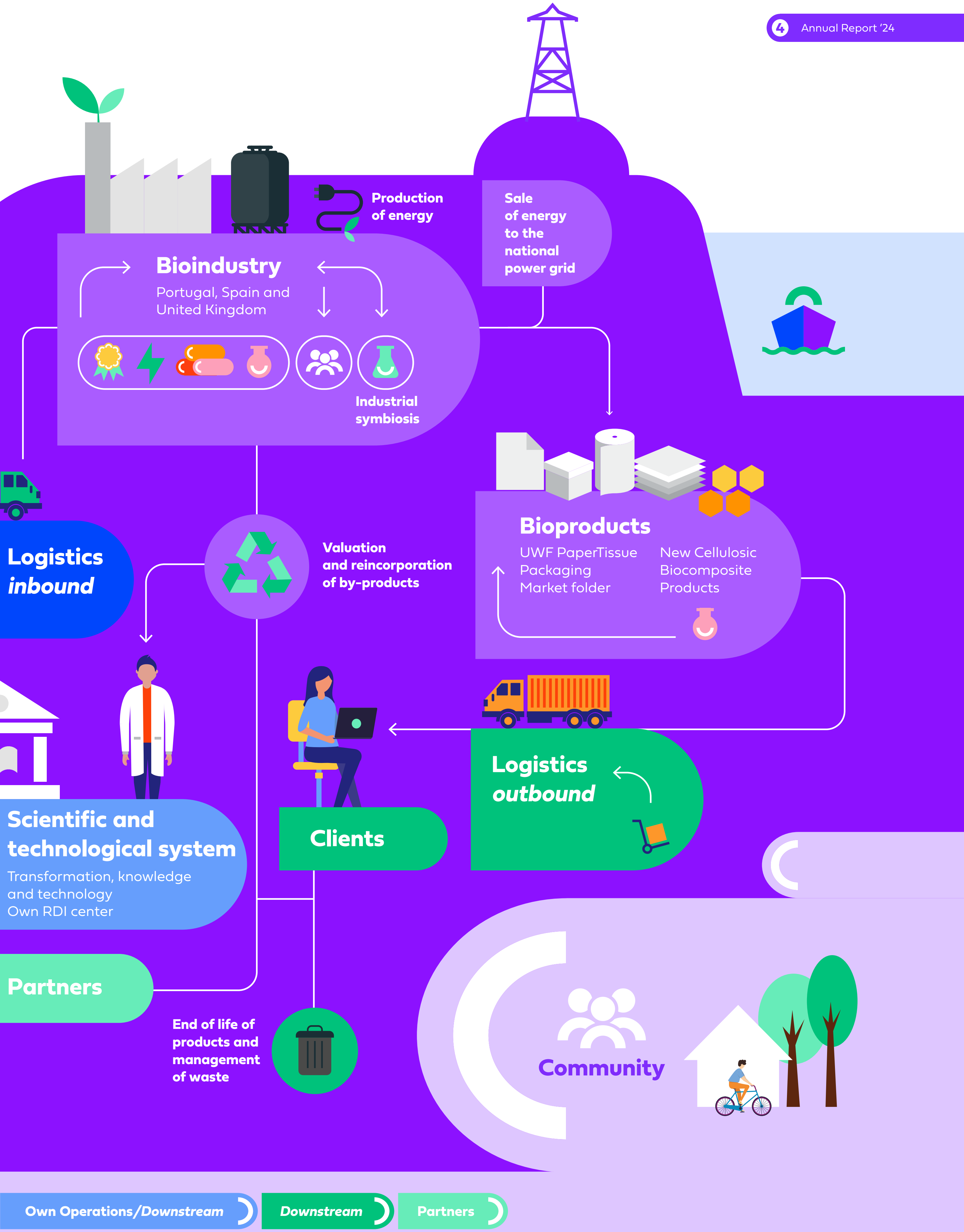
The Semapa Group, given its business diversity, operates in several value chains. In 2024, the Pulp and Paper and Cement segments represent around 98% of the Group's turnover, therefore, the value chains relating to the segments are presented below.

PULP AND PAPER SEGMENT

The following figure represents Navigator's value chain distributing the upstream activities, in own and downstream operations, as well as the connection to the main suppliers, distribution channels and customers. [ESRS 2.42c]

VALUE CHAIN


Forest producers and technicians
Production Forest
Spain
Portugal and
Mozambique
Nurseries
Conservation Forest
Suppliers
Specialized service providers
Energy suppliers
Chemical suppliers and packaging
Wood and biomass suppliers
Logistics and transportation providers
Upstream
Own Operations


Production
of energy
Sale
of energy
to the
national
power grid
Bioindustry
Portugal, Spain and
United Kingdom
Industrial
symbiosis
Logistics
inbound
Valuation
and reincorporation
of by-products
Bioproducts
UWF PaperTissue
Packaging
Market folder
New Cellulosic
Biocomposite
Products
Scientific and
technological system
Transformation, knowledge
and technology
Own RDI center
Clients
Logistics
outbound
Partners
End of life of
products and
management
of waste
Community
Own Operations/Downstream
Downstream
Partners

As an expression of its purpose, Navigator is responsible for forest-based products and solutions that contribute to sustainable development and the well-being of society. Focused on people and the planet, Navigator is going beyond the classic areas of the pulp and paper sector, aware of everything what it can do as a driver of a new circular forest-based bioeconomy. [ESRS 2.42]

Navigator manages a total of approximately 137 000 hectares of forest area, which includes production forests and areas designated for the conservation of natural values. In mainland Portugal, Navigator manages around 109 000 hectares, 100% certified by the FSC® (since 2007) and PEFC (since 2009) systems. [ESRS 2.42]

It invests in the creation of **innovative and differentiating products**, in the promotion of a **new generation of bioproducts**, alternatives to fossil-based solutions, and in the development of potential new **businesses**, aligned with sustainable development, so that **innovation and technology** are important pillars of Navigator's business, ensuring the sustainability of its products and processes. [ESRS 2.42]

It produces **pulp, printing and writing papers and tissue**, and is also positioned in the packaging solutions area, following market trends and sustainability challenges. With this new segment, Navigator contributes to accelerating the transition from single-use fossil plastic to the use of natural, sustainable, recyclable and biodegradable fibers, reinforcing its commitment to sustainability. The year 2024 will be marked by a new global pioneering initiative for Navigator, with the start of production of a new industrial unit, in Aveiro, of **moulded cellulose parts**, which provide a response to the increasingly pressing need to replace fossil-based, single-use packaging that predominates in the food sector. [ESRS 2.42]

It also has extensive experience in **generating energy from renewable sources**. [ESRS 2.42]

Customers are a strategic stakeholder for Navigator's success, which is why it invests in a close commercial relationship and in meeting their needs. [ESRS 2.42]

Managing relationships with **suppliers** is a fundamental strategic axis for Navigator, considering the significant impact of its purchasing policies on the creation and distribution of value and the relationship of dependence it has with them. Its activity involves the supply of wood, biomass, chemicals and other products essential to the industrial process, in addition to the acquisition of energy necessary for production and consumption. The shipment of products to more than 134 countries and approximately 4 170 delivery points requires complex logistics management, using sea, rail and road transport, always with the commitment to minimize the environmental footprint and optimize supply chain efficiency. [ESRS 2.42]

It should be noted that Navigator contributes to the **rural economy**, through the development of the regions where it operates and the improvement of the forest areas it manages, with an impact on the surrounding communities. Contributes to the valorisation of the entire **forestry value chain**, highlighting the potential of the national forest to produce a diverse set of products. [ESRS 2.42]

Navigator proposes to contribute to the creation of opportunities for professional growth in very important and distinct areas – from forest to industry, from research to final product – benefiting and empowering **Eucalyptus forest producers**, **suppliers and local communities**. It promotes the **employability** and **qualification** of young people and forest producers, promoting a relationship of knowledge sharing, through educational actions around the values of sustainable forest management and certification, with the aim of contributing to the valorization and protection of the forest. [ESRS 2.42]

As the pillar of all its operations, it relies on and invests in its **human capital – in qualification, recognition, motivation, health and well-being**. [ESRS 2.42]

Regarding Portucel Moçambique's operations, the process of harvesting and exporting timber from eucalyptus production from **Mozambique** is to create value that supports Navigator's operations in the country in the long term. The project's returns include, throughout the value chain, skilled employment and professional development. It is worth mentioning the creation of a **cluster of a forest-based industry for export**, based on favourable soil, climate and geographic conditions, which positions Mozambique and the Company in the international market of sustainable wood exporters. Additionally, it contributes for the development of local communities where it operates through the various aspects of its **Social Development Program**, which translates into an investment of 7.6 million dollars. [ESRS 2.42]

CEMENT SEGMENT

The following figure represents Secil's value chain distributing the upstream activities in its own and downstream operations, as well as the connection to the main suppliers, distribution channels and customers. [ESRS 2.42c]

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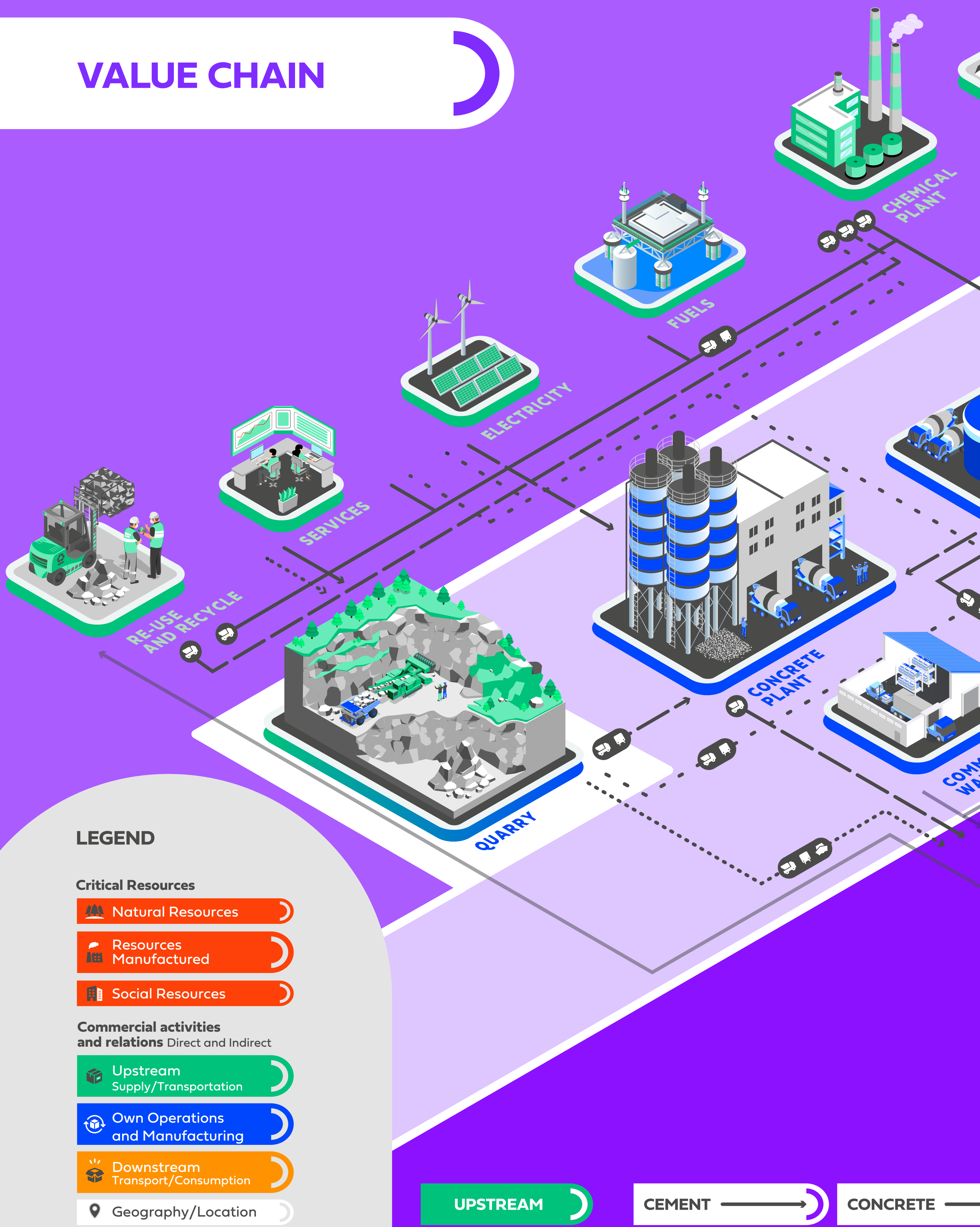
VALUE CHAIN



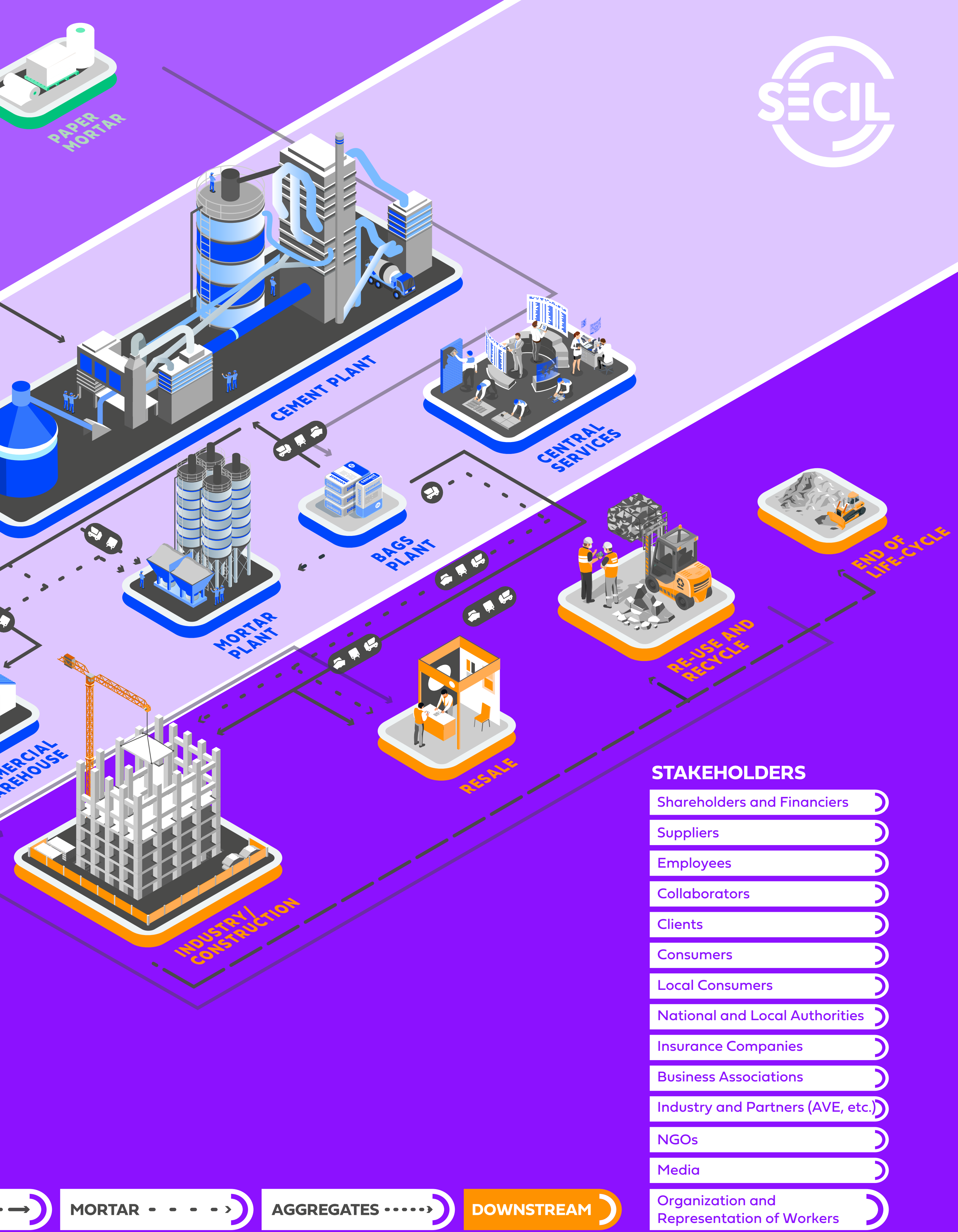
LEGEND

Critical Resources

- Natural Resources
- Resources Manufactured
- Social Resources

Commercial activities and relations Direct and Indirect

- Upstream Supply/Transportation
- Own Operations and Manufacturing
- Downstream Transport/Consumption
- Geography/Location



STAKEHOLDERS

- Shareholders and Financiers
- Suppliers
- Employees
- Collaborators
- Clients
- Consumers
- Local Consumers
- National and Local Authorities
- Insurance Companies
- Business Associations
- Industry and Partners (AVE, etc.)
- NGOs
- Media
- Organization and Representation of Workers

Secil's **business model** is based on the production and sale of essential materials for construction, such as cement, concrete, aggregates, mortars and hydraulic lime, complemented by technical support, logistics and innovation services. This integration allows synergies between the different operations, ensuring efficiency and a robust offer of innovative and high-quality solutions for customers. [ESRS 2.42]

Additionally, Secil operates in an integrated manner across several geographies, with a presence in eight countries and four continents, which reflects its ability to diversify markets and adapt to different contexts and local needs. The business strategy is based on seven elements: customer, sustainability, innovation, people, operational performance, scale and diversification, and finance, supporting long-term goals such as carbon neutrality by 2050. The combination of corporate governance, integrated production and connection between businesses consolidates the creation of sustainable value for shareholders, local communities and other stakeholders. [ESRS 2.42]

There are three flows in Secil's value chain: [ESRS 2.42]

• **Cement**: The cement plant uses upstream resources (services, electricity, fuels, chemical plant) and resources from its own operations (quarry) to produce clinker and finally cement. The cement, bagged (with bags from the Paper Bag Factory) or in bulk, is then transported to various commercial warehouses, or to construction/ industrial customers or resold directly. Concrete: Upstream resources (services, electricity, fuels and chemical plant) are used in the concrete plant in its own operations (quarry, cement factory) to produce concrete. Then, the concrete produced it is transported and sold to industry/construction or for resale. After being demolished, concrete can be recycled and reused.

• **Mortar:** In the mortar factory, upstream resources (services, electricity, fuels, chemical plant) and in-house operations (quarry, cement plant) are used to produce mortar. The mortar produced is then transported in bags or in bulk to industries/construction or for resale.

• **Aggregates:** Raw materials to produce aggregates are extracted from the quarry (own operations). The aggregates then go to industry/construction.

Secil's main **inputs** include raw materials such as limestone and clay, energy, skilled labour, advanced technologies and financial resources. These factors are fundamental to sustaining the company's integrated production, which ranges from extraction to the marketing of products such as cement, concrete, aggregates, mortars and hydraulic lime. Additionally, Secil invests in alternative fuels and recycled materials, aligning with circular economy practices and reducing dependence on non-renewable natural resources. [ESRS 2.42a]

Secil's approach to collecting, developing and securing these inputs combines technological innovation, digitalization and operational optimization. It uses a global network of suppliers and partners to ensure the continuous supply of raw materials and energy, in addition to investing in Research, Development and Innovation (RDI) projects. At the same time, the company promotes ongoing training and engagement of its employees, which reinforces the quality of work and the ability to adapt to strategic challenges. [ESRS 2.42a]

Secil's **outputs** include a wide range of products such as cement, concrete, aggregates, mortars and hydraulic lime, all produced with high quality standards and aligned with the demands of the global market.

In addition, the company provides complementary services such as technical support, labouratory services and advanced logistics solutions. These outputs ensure not only the functionality and durability of the buildings but also offer efficiency and innovation. [ESRS 2.42b]

The generated **outcomes** benefit multiple stakeholders: [ESRS 2.42b]

• **For customers**, Secil offers materials and services that not only meet your expectations but provide a reliable and innovative construction experience.

• **For investors**, the company represents a solid investment, with robust financial results and sustainable.

• **For employees**, Secil offers a motivating work environment and suitable conditions, allowing them to contribute to customer satisfaction and the company's success.

• **For communities**, Secil adopts the "do no harm" approach, minimizing negative impacts and promoting local initiatives.

• **For regulatory entities**, the company delivers reliable results that reinforce trust and transparency in complying with legal requirements.

SUSTAINABILITY RELATED INFORMATION

The business models of the current subsidiaries of the Semapa Group are aligned with some of the global sustainability challenges, in particular climate change and the circular economy.

This level refers to, as examples:

• In the Pulp and Paper segment, through Navigator: sustainable management of forests and through the production of knowledge and products that promote the growth of a bioeconomy, forest-based, circular and low fossil carbon;

• In the Cement segment, through Secil: the reduction of clinker incorporation in cement (low carbon clinker) and concrete with less cement;

• In Other Businesses: promoting the recycling of by-products from the food chain (rendering), through ETSA; and as players in the sustainable mobility value chain, through Triangle's.

As previously mentioned, the Holding promotes an environment of autonomy and accountability among its subsidiaries, which is reflected in their respective approaches to sustainability issues. Among the subsidiaries, Navigator and Secil are the companies with the greatest expression and impact – representing the majority of the Group's turnover – and each has developed specific approaches, considering its identity, positioning, sector of activity and operations. Thus, Navigator has its own Responsible Management Agenda 2030 and Roadmap 2030, with long-term objectives. Secil has aligned sustainability as an integral part of its strategic cycle Ambition 2025 – Sustainable Growth, having defined objectives and targets in the area of sustainability for 2025 and 2030, in the latter case relating to decarbonization and the circular economy.

PULP AND PAPER SEGMENT

Navigator's 2030 Responsible Management Agenda is based on the principle of "Creating Value Responsibly" and was developed to reinforce the company's long-term positive impact, contributing to sustainable growth aligned with the demands of a constantly evolving world. To manage it, a strategy was defined based on a governance structure that promotes economic success in a fair and balanced way, meeting the interests of its Stakeholders and encouraging their cooperation. [ESRS 2.40g]

It bases its management on principles of Ethics, Responsibility and Transparency and, faithful to the Purpose of the Company – focused on people, their quality of life and the future of the planet –, assumes the responsibility to develop forest-based products and solutions that promote sustainable development and social well-being, in alignment with the United Nations 2030 Agenda. [ESRS 2.40g]

Navigator adopts a positioning focused on creating long-term value, reinforcing performance, business resilience and corporate reputation, while making sustainability a strategic competitive advantage. The 2030 Agenda is structured around two strategic axes of action – for Climate and Nature, and for Society –, each with a specific orientation and aligned with the two dimensions of its purpose, People and Planet: [ESRS 2.40g]

- **For Climate and Nature – Act**: preserve and enhance natural capital, thus generating economic, environmental and social value by minimizing the ecological footprint and optimizing the efficiency in the use of resources; contribute to a circular and low-carbon economy based on innovation, technology and R&D.

- **For Society – Grow**: Apply ethical principles, demonstrate integrity and transparency in its actions, manage risk, promote respect for human rights and make commitments to its Stakeholders; develop its people, involve communities and share value with society in a fair and inclusive way.

The 2030 Roadmap is made up of several commitments, defined in collabouration with the various sustainability key-users from Navigator's various areas of activity. The commitments are associated with several objectives and targets, many of which are presented in each of the thematic standards. [ESRS 2.40g]

AGENDA 2030

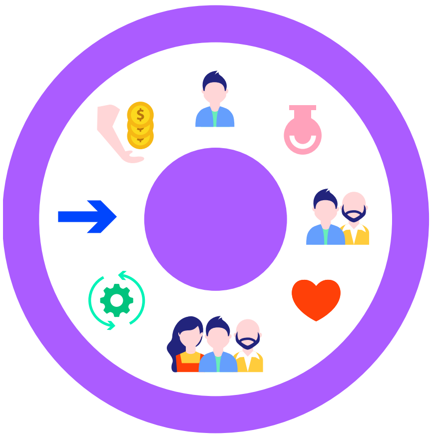
MATERIAL TOPICS

FOR SOCIETY

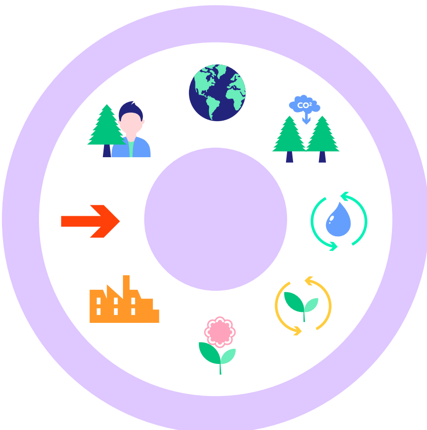
• Innovation, Technology and R&D
• People, Talent and Development of Human Capital
• Health, Safety and Wellbeing
• Relationship with Communities
• Supply Chain Management
• Responsible Business Conduct

FOR CLIMATE AND NATURE

• Climate Change
• Water Management
• Resource Use and Circular Economy
• Biodiversity Conservation
• Sustainable Forest Management



A RESPONSIBLE BUSINESS



CEMENT SEGMENT

Sustainability is a central element of the strategy, Ambition 2025, which has a very clear objective: to grow sustainably to an EBITDA value above 200 million euros. [ESRS 2.40g] Secil aims to be recognized as a responsible and sustainable company by 2025, committed to decarbonization by 2050. [ESRS 2.40g] Additionally, it aims to make its economic performance compatible with the dimensions of sustainable development, namely the environmental dimensions, social and governance (ESG).

In this line, your sustainability strategy includes several structuring points for your business, referred to below: [ESRS 2.40g]

- Achieve carbon neutrality in the cement and concrete value chain by 2050;

- Contribute to a circular economy by increasing the use of alternative fuels and secondary raw materials;

- Build a health and safety culture that enables the reduction of workplace accidents and the elimination of fatalities;

- Support equal opportunities and promote diversity in management decisions;

- Support local communities;

- Be customers' preferred solution;

- Ensure respect for human rights and workers through ethics, integrity and corporate responsibility.

There is sustainability management, which involves focusing on the customer and a close relationship with the various stakeholders, namely communities, institutions and institutional partners, with the adoption of best corporate governance practices and responding to the challenges that Secil's activity generates for the environment and society. [ESRS 2.40g]

The biggest challenge identified at Secil is decarbonization by 2050 (Chap. 4.1.2.2). [ESRS 2.40g]

GROWING SUSTAINABLY

We want to be recognized, by 2025, as a sustainable company, committed to carbon neutrality by 2050.

PROTECT THE CLIMATE AND THE ENVIRONMENT

Carbon Neutrality

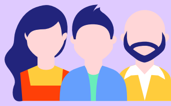
Achieving carbon neutrality in the chain of the value of cement and concrete by 2050

30% reduction in CO_2 emissions [(1)(2)]

Circular Economy

Towards a circular economy through co-processing of alternative fuels and raw materials

Achieve a rate of 49% use of alternative fuels [(3)]



Local Communities

Develop strong local synergies by giving back to our neighbours and stakeholders

Double the investments in local communities

VALUE PEOPLE AND THE COMMUNITY

Health and Safety

Achieve a health and safety culture that allows for a lower frequency rate of 1.5 and zero fatalities

75% reduction in frequency rate

Diversity, Equity and Inclusion

Support equal opportunities and promote diversity in management decisions

20% increase in the participation of women

GOVERNANCE PRINCIPLES

Respect Human and Workers' Rights with Ethics and Corporate Responsibility, creating value for all Stakeholders

(1) Targets 2030, baseline 2020
(2) Target approved by SBTi scope 1 and 2 (30.4%)
(3) Target 2030

REVENUES

In 2024, the Semapa Group's turnover reached 2 849 million euros. Its breakdown by business segments in which the Group operates is set out in note 2.1 of the Consolidated Financial Statements.

The Group is not active in the production of chemicals [ESRS 2.40d-2] and does not generate revenues associated with coal and petroleum activities [ESRS2.40d i], controversial weapons [ESRS2.40d iii] or cultivation and production of tobacco [ESRS2.40d iv].

The following information is inserted by reference to other parts of the management report and other documents:

• Describe the markets served (ESRS 2.40a-ii): note 2.1 to the Consolidated Financial Statements

• Exemption from disclosure of information referred to in Article 18(1)(a) of Directive 2013/34/EU (ESRS 2.41): note 2.1 on business segments of the Financial Statements

STAKEHOLDER INTERESTS AND VIEWPOINTS (SBM-2)

Semapa Holding seeks to invest its resources in creating a sustainable future, taking care of its performance and that of its subsidiaries and how this behaviour can impact future generations present and future. By **promoting engagement with its stakeholders**, Semapa aims to internalize best sustainability practices, your ideas and concerns in the Group's daily activities and in your decision-making process.

The relationship established between the Holding and its eight stakeholder groups materializes the Organization's **long-term vision** of creating value, increasing transparency and ensuring the best solutions to challenges and opportunities. [ESRS 2.45a]

To establish a close relationship, the Holding uses various forms of communication and involvement, the channels and frequency of which vary depending on the group of stakeholders and their needs identified. It presents **e-mails and the website** as transversal communication channels, as well as the **Channel of reporting irregularities.** [ESRS 2.45a]

It should be noted that the stakeholder groups and their respective communication and engagement channels were revalidated in the initial phase of the double materiality process, in 2023, in an internal engagement process that had the participation of the Executive Board of Semapa Holding. [ESRS 2.45a]

KEY MECHANISMS FOR ENGAGEMENT WITH STAKEHOLDERS [ESRS 2.45A]

Collaborators	Financial institutions	Business associations
• Boards Annual Meeting • Dialogue with managers • Team meetings • Internal information (e.g.: Semapa Talks, Semapa News) • Intranet • Interim and Annual Reports • Market announcements • Information, training and promotion of best practices	• Meetings • Presentation of results • Interim reports and annual • Market announcements	• Affiliation • Participation in corporate bodies, advisory boards and/or forums • Participation in public consultations • Regular meetings with key stakeholders

Relevant providers of specialized services	Official supervisory and regulatory bodies	Community	Investors and analysts
• Regular meetings with key stakeholders	• Response to legal requirements • Regular meetings with key stakeholders	• Collaboration protocols • Participation in associations • Semapa Pedro Queiroz Pereira Foundation activities	• Results Presentations • Interim and Annual Reports • General meetings • Market announcements • Investor relations officer • Visits to industrial sites

In November 2023 an online questionnaire, online interviews eliminar and an in-person workshop were carried out with four types of Stakeholders – one internal (six employees) and three external (six customers, twelve suppliers and three community members), with response rates above 65%. [ESRS 2.45b]. For the exercise of double materiality, in addition to the information collected in the questionnaire, were considered the interests and views of stakeholders.

During the reporting period, no changes were verified in Semapa's strategy and/or business model, arising from interactions with various stakeholders. [ESRS 2.45c]

It should be noted that each subsidiary has mapped its own Stakeholder groups and specific mechanisms established to ensure engagement with the respective stakeholders. Among the different existing dialogue mechanisms, the **Community Monitoring Committees** in Navigator's industrial complexes and its **Sustainability Forum**, as well as Secil's **Environmental Monitoring Committees**, are worthy of note. Semapa, as well as its subsidiaries, participate in broad forums, which include the communities involved in the companies' activities, as well as experts from the different sectors in which they operate, which often include members of the Executive Board and management of the respective companies. [ESRS 2.45d]

The double materiality analysis carried out reinforced the importance of the **workforce** itself (Chap. 4.1.3.1.), of **workers in the value chain**[4] (Chap. 4.1.3.1.) and **affected communities** (Chap. 4.1.3.3.). The interests and views of these stakeholder groups inform their operations, business model and strategy in different ways. [S1.SBM-2.12 | S2.SBM-2.9 | S3.SBM-2.7]

As far as the Holding, its strategy is based on two pillars – investment and people. Semapa has been placing special emphasis, particularly during the last term, on investing in its people, whether in training, ensuring competitive remuneration or even in career development opportunities (Chapter 4.1.3.1.). Employees are consulted, not only during performance assessments, but also when drawing up their commitment plan, ensuring that each employee's opinion is considered regarding their future path within the company. Additionally, employees are consulted through the Organizational Climate Study, which reveals the employees' opinions on a set of dimensions and the results of which substantiate improvement plans. [S1.SBM-2.12]

4 Only materials for subsidiaries, does not include *Holding*

It should also be noted that Semapa has a Human Resources policy as a structuring principle of its activity and a commitment to sustainable development (Chapter 4.1.3.1.). The strategy and model of Semapa's business is based on the following commitments and practices [S1.SBM-2.12]:

• Compliance with legislation and good practices: Semapa complies with applicable legislation and regulations and implements good governance practices, acting with respect for human and labour rights in all their activities.

• Prohibition of child and forced labour: the company does not use child, forced or coercive labour, ensuring decent working conditions.

• Freedom of association and collective bargaining: Semapa respects workers' freedom of association, promoting constructive dialogue between all parties involved.

• Dignity and respect in the workplace: the company promotes dignity and respect in the workplace, combating discrimination based on race, religion, sex, sexual orientation, disability, age, nationality, political beliefs or economic or social status. It values diversity, gender equality and inclusion.

• Prevention of harassment and violence: Semapa prevents all forms of harassment, abuse and violence in the workplace, sanctioning behaviours that aim to humiliate, threaten or intimidate.

• Decent working conditions: the company guarantees a safe and healthy working environment, fair remuneration, personal development and continuous training, respect for the privacy of personal data, rest periods, access to social protection schemes and respect for the right to parenthood, encouraging the reconciliation between professional, family and personal life.

These commitments are disclosed and included in operational procedures and there is continuous monitoring to ensure compliance and effectiveness of the measures adopted. [S1.SBM-2.12]

Regarding communities (Chapter 4.1.3.3.), it is worth highlighting the work of the Semapa Pedro Queiroz Pereira Foundation, created in 2024 with an initial allocation from Semapa. In the Education area, several consultation sessions were carried out, with the aim of gathering different perspectives on the challenges that the Portuguese education system faces, with a special focus on primary and secondary education. Likewise, studies and reports on the state of education in Portugal were analysed, cross-referencing data with direct testimonies from those who experience this reality daily. The Foundation listened to the difficulties faced by teachers, the lack of adequate resources, the need for innovative training programs adapted to current demands. The importance of developing transversal skills such as critical thinking, creativity and the ability to collabourate in children and young people was also recognized, preparing them not only for the job market, but above all for life. Based on these contributions, the Foundation defined an initial approach anchored in the dignification of the teaching career, in the training and continuous education of teachers and in the creation of activities that foster the integral development of children and young people. This project design reflects a deep commitment to the quality of Education and the well-being of communities, ensuring that each action is relevant, sustainable and, above all, transformative. [S3.SBM-2.7]

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

IMPACTS, RISKS AND OPPORTUNITIES

The Semapa Group's material impacts, risks and opportunities are directly linked to the strategies and business models of its subsidiaries [ESRS 2.48c-2], with a summary of the topics shown in the table ESRS assessed as materials and their applicability in the Group and in their respective value chains. The IRO specification is presented in context, in each thematic standard.

Theme	Sub-Theme	Sub-sub Theme	Semapa		
			IRO	Value Chain	Materiality by Company
E1 Climate change	Adaptation to climate change	-	Positive impacts, Risks	Upstream, Own Operations, Downstream	
E1 Climate change	Mitigation of climate change	-	Negative and positive impacts, Opportunities, Risks	Upstream Own Operations Downstream	
E1 Climate change	Energy	-	Negative impacts, Risk	Upstream and Own Operations	
E3 Water and marine resources	Water	Water consumption	Negative impact	Upstream	
E3 Water and marine resources	Water	Water collection	Negative impacts, Risk	Own Operations	
E4 Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Others	Positive impact	Own Operations	
E4 Biodiversity and ecosystems	Impacts on the state of the species	Species population size	Negative and positive Impacts	Upstream and Own Operations	
E4 Biodiversity and ecosystems	Impacts on the state of species	Species global extinction risk	Negative impacts	Upstream and Own Operations	
E4 Biodiversity and ecosystems	Impacts on and dependencies of ecosystem services	-	Negative impacts	Own Operations	
E5 Circular economy	Resource inflows, including resource use	-	Positive impact	Own Operations	
E5 Circular economy	Resource outflows related to products and services	-	Opportunity	Downstream	
E5 Circular economy	Waste	-	Positive impact	Downstream	
S1 Own workforce	Working conditions	Working time	Negative impacts	Own Operations	
S1 Own workforce	Working conditions	Adequate wages	Positive impact, Opportunity	Own Operations	

Theme	Sub-Theme	Sub-sub Theme	Semapa		
			IRO	Value Chain	Materiality by Company
S1 Own workforce	Working conditions	Social dialogue	Positive impact	Own Operations	
S1 Own workforce	Working conditions	Freedom of association, existence of work councils, and the information, consultation, and participation rights of workers	Positive impact	Own Operations	
S1 Own workforce	Working conditions	Collective bargaining, including rate of workers covered by collective agreements	Positive impact	Own Operations	
S1 Own workforce	Working conditions	Work-life balance	Positive impact	Own Operations	
S1 Own workforce	Working conditions	Health and safety	Negative impacts	Own Operations	
S1 Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Positive impact	Own Operations	
S1 Own workforce	Equal treatment and opportunities for all	Training and skills development	Positive impact	Own Operations	
S1 Own workforce	Equal treatment and opportunities for all	Diversity	Negative and positive Impacts	Own Operations	
S2 Workers in the Value chain	Working conditions	Health and safety	Negative impacts	Upstream and Own Operations	
S2 Workers in the Value chain	Equal treatment and opportunities for all	Training and skills development	Positive impacts	Upstream, Own Operations, Downstream	
S2 Workers in the Value chain	Other work-related rights	Water and sanitation	Positive impact	Own Operations	
S3 Affected communities	Communities economic, social and cultural rights	-	Positive impact	Own Operations	
G1 Business conduct	Corporate culture	-	Positive impact, Risk	Own Operations	

Theme	Sub-Theme	Sub-sub Theme	Semapa		
			IRO	Value Chain	Materiality by Company
G1 Business Conduct	Management of relationships with suppliers, including payment practices	-	Positive impact	Own Operations	
G1 Business Conduct	Corruption and bribery	Prevention and detection, Including training	Positive impact	Own Operations	

The following information is inserted by reference to other parts of the Non-Financial Statement, for the chapters of thematic standards, for detailed information on:

- Description of material impacts resulting from the materiality assessment (ESRS2.48a)
- Description of material risks and opportunities resulting from the materiality assessment (ESRS2.48a)
- Description of time horizons (ESRS2.48ciii)
- Specification of impacts, risks and opportunities covered by ESRS disclosure requirements (ESRS2.48h)

FINANCIAL EFFECTS

In the coming years, Semapa will carry out a quantitative analysis of risks related to sustainability and the assessment of the financial position of its assets and liabilities. [ESRS 2.48d].

In accordance with Appendix C of ESRS 1, Semapa Group has chosen not to report information on the anticipated financial effects of impacts, risks and opportunities. [ESRS 2.48e]

RESILIENCE OF STRATEGY AND BUSINESS MODEL

The Semapa Group's Responsible Management Strategy is based on Ethics, Responsibility and Transparency, with a commitment to sustainability. Navigator has defined the 2030 Responsible Management Agenda, which is structured around two strategic axes of action, which reflect the two dimensions of its Purpose, People and Planet. This Agenda, supported by an ESG framework, is a tool that allows the Company to materialize its ambitions, guide and monitor its path, over time, towards the creation of sustainable value.

In the case of Secil, sustainability is a central element of the Ambition 2025 strategy, which aims to grow sustainably. The company aims to be recognized as a responsible and sustainable company by 2025, committed not only to decarbonization by 2050, but also to it's environmental, social and governance (ESG) dimensions. [ESRS 2.48f]

The following information is inserted by reference to other parts of the Non-Financial Statement, detailed information on: climate resilience of Navigator's strategy and business model [ESRS 2.48f] (Chap. 4.1.2.2.).

CHANGES IN MATERIAL IRO COMPARED TO THE PREVIOUS REPORTING PERIOD

Not applicable. This is the first year that the Semapa Group has implemented the Double Materiality Assessment under CSRD. [ESRS 2.48g]

4.1.1.4. MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES – IRO

PROCESSES FOR IDENTIFYING AND ASSESSING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IRO-1)

The publication in the Official Journal of the European Union of the Corporate Sustainability Reporting Directive (CSRD) – Directive (EU) 2022/2464, established the sustainability reporting requirements for a wider range of companies, through the European Sustainability Reporting Standards (ESRS). The Semapa Group, already covered by the Non-Financial Reporting Directive (NFRD), chose for the voluntary implementation of the new directive – information relating to the financial year 2024, to be published in 2025. This requirement presents the various stages of implementation of the double materiality process, as well as the methodologies applied, and the results obtained.

The materiality assessment was conducted based on a comprehensive process that aims to identify, assess, prioritize and monitor potential and actual, positive and negative impacts on people and the environment in the short, medium and long term (**impact materiality, inside-out perspective**), as well as risks and opportunities that may, in turn, have a financial effect on the company (**financial materiality, outside-in perspective**). The assessment according to these two perspectives, called 'Double Materiality', was carried out in the context of each of the ESRS standards, covering environmental, social and governance issues. [ESRS2.53a]

The double materiality assessment followed a four-step methodological approach. This process framework will be reviewed at least annually (or as necessary) to ensure alignment with the latest practices. [ESRS2.53a]

1. Understanding	2. Identification	3. Evaluation	4. Determination
Understand the business, the value chain and related activities	Identify impacts, risks and opportunities (IRO)	Evaluate the IROs	Determine the material themes
• Analyse internal operations, business model and available data. • Map the value chain. • Identify relevant topics. • Stakeholder engagement.	• Conduct research and analysis to identify relevant IROs, using industry benchmarks, internal documents and stakeholder consultation. • Validate and prioritize IROs identified for evaluation	• Define the threshold applicable to impact and financial materiality. • Assess impact materiality and financial materiality.	• Identify the IROs that are above the threshold established. • Validate the final IRO list, if necessary, perform calibration
Result: Mapping the value chain; list of relevant topics resulting from stakeholder consultation	**Result:** Preliminary IRO List	**Result:** Preliminary results of the IRO assessment	**Result:** Final list of material themes

CONTEXT INFORMATION AND IRO IDENTIFICATION

The initial stage took into account the business and processes of the organization's own operations, including the geographies where the Group operates, and the upstream and downstream commercial relationships (value chain mapping). In addition, it promoted the involvement of the main stakeholders of the Semapa Group, to listen to the most relevant topics for them in terms of sustainability.

Between 6 and 24 November 2023, a questionnaire consisting of four groups of questions, with open and closed answers (with the possibility of making additional comments), was applied – via an electronic platform, online interviews and an in-person workshop – to four types of stakeholders: one internal (6 employees) and three external (6 customers, 12 suppliers and 3 community members), with response rates above 65%. [ESRS2.53a | ESRS2.53bi/ii/iii]

The identification stage for the preliminary listing of impacts, risks and opportunities involved 15 sources of information, including general resources, sustainability reports and internal resources of the Semapa Group, as well as external resources. Based on the research carried out, a list was drawn up with a total of 328 IROs, developed at the level of the ESRS sub-subtheme, and mapped considering transversally the business models of the various subsidiaries of the Semapa Group, the geographies in which their activities are developed, and their location along the value chain. [ESRS2.53a | ESRS2.53bi/ii | ESRS2.53g]

General Resources	Sustainability Report	Internal resources	Internal resources
In a phase prior to the identification of impacts, risks and opportunities, regulatory instruments and guidelines were consulted, for the application of double materiality analysis. • Delegated Regulation (EU) 2023/2772; • EFRAG IG1 Materiality Assessment; • EFRAG IG2 Value Chain; • EFRAG IG3 List of ESRS Datapoints (explanatory note + excel).	Developed a database of IRO through the review of existing reports within the Semapa Group. • Navigator – 2023 Sustainability Report; • Secil – 2023 Sustainability Report • Semapa – 2023 Sustainability Report.	Review of internal resources of the Semapa Group, with relevance for the identification of IRO and for the definition of the evaluation methodology. • Materiality analysis of subsidiaries and Semapa Group 2022 and 2023; • Semapa Group – list of identified risks and opportunities • Risk assessment methodology (ERM). • TCFD Navigator Report	Consultation of external information sources relevant to the Semapa Group's business segments. • TNFD. Draft Sector Guidance – Forestry and Paper; • TNFD. Additional Sector Guidance – Forestry and Paper; • TNFD. Draft Sector Guidance – Construction Materials; • Consulting team's IRO repository.

In addition to the internal and external resources consulted, and listed above, for carrying out the various phases of the double materiality analysis, for the identification of IROs, the inputs were also considered of the various **internal experts** who participated in the various validation and evaluation work sessions. [ESRS2.53a | ESRS2.53biii | ESRS2.53g]

DESCRIPTION OF PROCESSES FOR IDENTIFYING AND EVALUATING THEMATIC IROS

As mentioned, the Double Materiality Analysis covered all ESRS Standards, using the same methodology and criteria to determine and assess the IROs identified in each thematic standard. [E1.20a | E1.20b | E1.20c | E3.8a | E4.17a | E5.11 | G1.6].

Additionally, aspects were considered in the context of some thematic standards, particularly environmental ones, which are presented below.

In the case of **climate**, the impact assessment considered GHG emissions determined based on the calculation of carbon footprints of the Subsidiaries [E1.20a | AR9]. The assessment of climate-related risks (physical and transition) and opportunities, depending on the Subsidiaries, was informed by several sources.

Following the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), Navigator identified and assessed the main physical risks - acute or chronic - and transition risks. In this context, and in accordance with the good practices of the TCFD Scenario Guide, exploratory scenarios were used for scenario analysis, describing a diverse set of plausible future states, which were used to assess potential climate-related risks and uncertainties, as well as to test the resilience of the strategy of Navigator for the different future conditions adjacent to these same scenarios. Climate-related opportunities were also identified, with potential positive impacts for the business.

Involvement in BCSD Portugal Working Groups, including participation in a task force dedicated to the topic of climate risks and opportunities, also contributed to the identification process of risks and opportunities [E1.20b | E1.20c | E1.21]. Regarding the identification and assessment of transition risks and opportunities, transition events in the short, medium and long term were identified and the exposure of Navigator's assets and business activities to these events was analysed by assessing the variation in CO_2 prices in the short, medium and long term [AR12a].

Secil is currently in the phase of identifying climate risks and opportunities in accordance with the TCFD recommendations, with the aim of assessing potential physical risks and climate-related transition risks in accordance with the recommendations and developing appropriate adaptation strategies [E1.20b | E1.20c].

ETSA has not yet carried out a detailed analysis of its climate-related risks and opportunities [E1.20b | E1.20c].

In Triangle's case, to identify climate-related physical risks, high-emission climate scenarios were considered (such as the RCP 8.5 scenario of the Intergovernmental Panel on Climate Change - IPCC). An assessment of the Exposure and Sensitivity of Assets and Activities was also carried out, where Triangle's assessed the sensitivity of its operations to the identified risks, focusing on physical assets, infrastructure and supply chain disruptions [E1.20b | E1.21 | AR11d]. In identifying and assessing physical risks, short, medium and long-term time horizons were defined, aligned with the useful life of the company's main physical assets, its strategic planning horizons and capital allocation plans [AR11a | AR11b]. Triangle's is defining its climate change strategy and, as part of this process, will undertake a climate change strategy resilience analysis.

With regard to **water resources**, it should be noted that the screening of IROs identified by Navigator was carried out using various tools and assumptions, including the WRI Aqueduct Water Risk Atlas, which allows mapping water stress zones, the 3rd Cycle Hydrographic Region Management Plans (PGRH), the Water Footprint Indicators, which measure the water impact of products, and the ISO 14001 Certification, which guarantees sustainable practices in water management [E3.8a].

Regarding **biodiversity and ecosystems**, the identification and assessment of Navigator's IROs was informed by the organization's knowledge of their impacts on biodiversity, based on its impact assessment practices related to the Group's forestry activities and its participation in a pilot project, under the Natural Capital Protocol, carried out in 2018. In this context, it is important to highlight that biodiversity conservation is integrated into Navigator's forest management model, applying a hierarchy of impact mitigation and an assessment of the natural values present in both the managed areas and the surrounding area. From this baseline information, the compilation and analysis of additional information and mapping of areas of conservation interest contribute to the overall assessment of risks and opportunities and the definition of appropriate conservation measures. For all potentially impactful activities, pre-operational assessments are carried out to plan, at the local scale, the implementation of operations, taking into account natural values, cultural assets, social aspects and stakeholder consultation [E4.17a].

The above pilot project aimed to align existing procedures in Navigator with an internationally agreed standardised framework published in the "Forest Products Sector Guide to the Natural Capital Protocol". This exercise was conducted using data collected over the previous ten years and involved identifying dependencies based on the ESR (Ecosystem Services Review) [E4.17b].

Finally, through its participation in the WBCSD Forest Solutions Group, Navigator collabourated in defining the guidelines on sustainable forest management developed and disseminated in the document "Forest Sector Nature-Positive Roadmap", which served as an additional reference in identifying IROs related to Sustainable Forest Management. Furthermore, this document was also a relevant basis for the definition of other environmental IROs linked to forests in other topics of the standards, reinforcing the integrated approach from Navigator on IROs and their value chain [E4.17a].

In the case of Secil, in 2024 a socioeconomic impact assessment/study was carried out in Maceira and Outão, which included the recovery and biodiversity component of the quarries and a survey of the population, regarding the Outão installation, where main environmental issues were addressed. The results of this assessment contributed to the identification and assessment of IROs related to biodiversity [E4.17a | E4.17e].

It should be noted that quarrying associated with the cement industry has negative impacts on **habitats and in the fauna and flora**. The restoration of these areas is a legal obligation for cement companies in Europe. In the case of Secil, the restoration of degraded areas is even more important because it is located within the Arrábida Natural Park and in the Natura 2000 Network. The restoration of ecosystems degraded land is a considerable scientific challenge, particularly when the level of degradation is high, as is the case with quarries, requiring extensive ecological knowledge. Secil has sought to develop solutions supported by applied research projects, in partnership with universities and researchers specializing in ecosystem restoration. [E4.19a] One of the mitigation measures is the recovery of exploited areas. If the existence of birds referred to in Annexes I and II of the Birds Directive is verified, or in Annex I and species of Annex II and IV of the Habitats Directive, Secil promotes the creation of habitats in these areas, through ecological restoration, mitigating impacts and improving conditions for the occurrence of these species. Regarding Directive 2011/92/EU, when applicable, i.e. in quarries subject to an Environmental Impact Study, compliance with the mitigation measures of the Environmental Impact Statement is guaranteed. [E4.19b]

It is also important to note that, in the case of Secil, particularly in cement factories in Portugal - which have their environmental management system certified by NP EN 14001:2015 and EMAS certification - the determination of environmental aspects and impacts and the determination of risks and opportunities associated with environmental aspects in operations is carried out in accordance with these two methodologies.

Secil also has an Environmental Monitoring Committee at its cement facilities (PT and BR), which meets periodically to discuss the main environmental aspects as well as analyse environmental performance, with representatives from the manufacturing units and Secil's institutional communications. This is a regular process of listening to and accepting concerns and comments from members of local authorities and the so-called civil society, which helps to introduce improvements in factories and raise the standard of reporting and provision of information to the public. In Portugal, Secil also has the Environment, Health and Safety Committee (CASS), which meets periodically, with the participation of employee and company representatives, to analyse and discuss relevant environmental issues. Feedback from these committees was used to inform the identification and assessment of environmental IROs.

EVALUATION PROCESS OF IRO MATERIALS

The IRO assessment process was carried out through a total of **38 meetings**, attended by **116 internal experts** from all the Group's subsidiaries, representing 56 areas. During the sessions for each ESRS standard, each expert gave his/her opinion on each of the IROs, with the final assessment being the result of a consensus between the various stakeholders involved. [ESRS2.53a | ESRS2.53biii]

IMPACT MATERIALITY

When assessing the materiality of impacts, negative or positive, real or potential impacts were addressed, based on their severity (an average between scale, scope and irremediable nature (only applicable to negative impacts)) and probability (not considered for the purposes of calculating the materiality of negative impacts on human rights, in which case the severity score prevails over the probability score). Using quantitative limits for each parameter, the material impacts of Semapa Group were identified. [ESRS2.53a | ESRS2.53biv]

IMPACT MATERIALITY EVALUATION FACTORS

Applied evaluation methodology			
Scale	**Scope**	**Irremediable character**	**Probability**
5 = Very high harm or benefits for people or for the environment	5 = National or international impact and/or on a large number of people	5 = Difficult to remedy or not remediable/ irreversible	1 = Certain (<6 months) | To occur)
4 = High harm or benefits to the people or the environment	3 = Regional impact and/ or on an average number of people	3 = Temporary or easy to remedy in the medium term	0.80 = Very likely (6 months to 1 year)
3 = Average harm or benefits to the people or the environment	1= Local impact and/or on a reduced number of people	1 = Temporary or easy to remedy in a short term	0.60 = Likely (1 to 2years)
2 = Low harm or benefits to the people or the environment	0 = Not applicable	0 = Not applicable	0.40 = Unlikely (2 to 5 years)
1 = Very low harm or benefits environment			0.20 = Rare (> 5 years)

Applied evaluation methodology			
Scale	**Scope**	**Irremediable character**	**Probability**
0 = Not applicable			0.20 = Rare (> 5 years)
Time Horizon			
Short term: reporting year		Medium term: Between the reporting year and up to 5 years	Long term: More than 5 years

FINANCIAL MATERIALITY

In parallel, a process was established in which potential links between impacts, resource dependencies and relationships, and the risks and opportunities that may result from these, were considered. [ESRS2.53c]

When assessing financial materiality, using quantitative limits, the probability and magnitude of the financial effects of risks and opportunities were assessed and, consequently, the material risks and opportunities of the Semapa Group identified. [ESRS2.53c]

It should be noted that, regarding the magnitude criteria, the defined scoring scales were based on ranges corresponding to the percentage of EBITDA, with each of the subsidiaries having their respective reference values. [ESRS2.53c]

FACTORS FOR ASSESSING FINANCIAL MATERIALITY

Magnitude	×	**Probability**
Magnitude of the potential financial effect		The probability of the risk/opportunity happening

Applied evaluation methodology		
Magnitude	Probability	
5= Critical – Above 20% of EBITDA	1= Right (<6 months | THEoccur)	
5= High – Between 10% and 20% of EBITDA	0.80= Verylikely (6 months to 1 year)	
4= Average – Between 5% and 10 % of EBITDA	0.60= Likely (1 the 2years)	
3= Low – Between 1% and 5% of EBITDA	0.40 = Unlikely (2 to 5 years)	
1= Very low – Up to 1% of EBITDA	0.20 = Rare (> 5 years)	
0 = Not applicable		
Time Horizont		
Short term: reporting year	Medium term: Between the reporting year and up to 5 years	Long term: More than 5 years

CONCLUSION OF THE DOUBLE MATERIALITY PROCESS

To define the formula for consolidating results for the Semapa Group, each subsidiary was integrated according to a weighting percentage. For the weighting, the percentage that each one represents of the total turnover of the Group was established as a reference, thus giving greater visibility to the subsidiaries with the greatest financial impact. This methodology was applied to determine the consolidated results both in terms of impact materiality and financial materiality. After the assessment sessions were completed, a **threshold of 3** was defined, applied to both impact and financial materiality. The selection of this threshold was based on following the same materiality limit established by the internal risk analyses. [ESRS2.53d]

In addition to the defined quantitative threshold, a qualitative threshold was also applied, applicable to the impact perspective. An impact, positive or negative, that meets one of the following criteria is considered material for the Semapa Group [ESRS2.53d | ESRS2.53g]:

• it is material for Navigator and Secil;

• is material to three of the subsidiaries.

A sustainability issue is considered "material" when it meets the criteria defined for impact materiality or financial materiality or both – within the scope of the exercise carried out by the Semapa Group, all IROs that obtained an overall assessment equal to or greater than 3 were classified as such. After the results obtained were determined, a review was carried out by internal experts of the impacts, risks and opportunities that obtained an overall score between 2 and 3. [ESRS2.53d | ESRS2.53g]

This calibration exercise followed the same calculation formulas described previously. After this review, the final listing of material IROs presents 41 impacts (23 positive and 18 negative), 12 risks and opportunities (8 risks and 4 opportunities), with the following distribution [ESRS2.53d]:

• 4 environmental themes, corresponding to ESRS E1, E3, E4 and E5;

• 3 social themes, two corresponding to ESRS S1, S2 and S3

• 1 governance theme, with correspondence with ESRS G1.

These results were subsequently validated by the executive committees of the Group's subsidiaries and by Semapa executive board. [ESRS2.53d]

Semapa, together with its subsidiaries, is also developing analysis work and mapping of existing mitigation measures, any additional mitigation measures that may be required, and impacts and opportunities with respect to new strategic risks resulting from the Double Materiality Analysis carried out in the context of the ESRS standards, covering environmental, social and governance issues. It is therefore expected that its development will continue throughout the 2025 financial year [ESRS 2.53e].

It should be noted that, in this double materiality exercise, there was a concern that the consultation would cover a broad base of internal experts in the different companies (the participation of 116 internal experts from all the Group's subsidiary companies). Each year, the Group plans to internally analyse whether there is a need to include a new IRO or to reassess. If there are indications of such a need, it will be carried out its evaluation [ESRS 2.53h].

The following information is included by reference to other parts of the Annual Report:

• Information on the decision-making process, as well as the respective internal control procedures (ESRS 2.53d/e): Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular, points 21 and 27 to 29 of Chapter B. Corporate Bodies and Committees and points 50 to 55 of Chapter C. Internal Organization.

• Integration of the process of identifying, assessing and managing impacts and risks into the company's overall management process (ESRS 2.53f): Part I – Information on Shareholder Structure, Organization and Corporate Governance of the Corporate Governance Report, in particular point 21 of Chapter B. Corporate Bodies and Committees.

DISCLOSURE REQUIREMENTS FOR ESRS COVERED BY THE SUSTAINABILITY STATEMENT (IRO-2)

The materiality of the information was determined based on the material IROs resulting from the Semapa Group's double materiality assessment. After identifying the material thematic standards, materiality was assessed at the level of disclosure requirements and data points. The materiality assessment process and the use of thresholds are described in the previous section (IRO-1). [ESRS2.59]

The disclosure requirements to which the Semapa Group responds, through this Non-Financial Statement, as well as the list of datapoints arising from other EU legislation are identified in Chapter 4.1.5. [ESRS2.56]

4.1.2. ENVIRONMENTAL

4.1.2.1. EUROPEAN TAXONOMY

EUROPEAN TAXONOMY FRAMEWORK

The European Union Taxonomy, introduced by Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, serves as a standardised and mandatory classification system to determine which economic activities are considered "environmentally sustainable" in the European Union. According to the Taxonomy Regulation, for an economic activity to be environmentally sustainable it must:

Contribute to at least one of the six environmental objectives identified in the regulation

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

+

Do not significantly harm one of the other five objectives

An eligible activity is considered sustainable, and therefore aligned with the taxonomy, when it complies the criteria of substantial contribution to at least one objective, while not significantly detrimental to the remaining objectives

+

Comply with minimum safeguards

In addition, the organization must comply with a set of minimum safeguard requirements related to Human Rights, Corruption, Taxation and Fair Competition.

Activity aligned with taxonomy

The climate change mitigation and adaptation objectives were the first to be regulated through the Climate Delegated Act (2021). It was subsequently expanded by the Supplementary Delegated Act, with the introduction of activities related to nuclear energy and fossil gas. In 2023, the Environmental Delegated Act was published, introducing activities that can contribute to the remaining four environmental objectives (Sustainable use and protection of water and marine resources, Transition to a circular economy, Pollution prevention and control, and Protection and restoration of biodiversity and ecosystems) and updated the Climate Delegated Act.

In this fiscal year 2024, the Semapa Group reports its eligible and aligned activities for the taxonomy in relation to the activities listed in the Delegated Acts described above, in terms of turnover, capital expenditure (CapEx) and operating expenditure (OpEx).

ELIGIBILITY ANALYSIS

According to the analysis carried out on the activities of the Semapa Group, the following eligible economic activities were identified in accordance with the delegated act in the climate field, the complementary delegated act and the delegated act in the environmental field:

Activities	Code *	Semapa Segment	Description
1.3 Forest management	**CCM 1.3**	Pulp and Paper (Navigator)	Navigator manages around 109 hotels in mainland Portugal. thousand hectares of forest, including production forest and conservation. 100% of the managed area is certified by FSC and PEFC standards.
3.7 Cement production	**CCM 3.7**	Cement (Secil)	The Secil group owns seven grey cement factories: two in Portugal, one in Lebanon, one in Tunisia, two in Brazil and one in Angola. Of these seven grey cement factories two do not produce clinker (one in Brazil and Angola).
3.18 Manufacturing of automotive components and mobility	**CCM 3.18**	Other businesses (Triangle's)	Triangle's develops and manufactures aluminium frames for bicycles. It is equipped with innovative technology oriented towards the transformation of aluminium and where the welding process stands out completely robotic.
4.1 Electricity production from of solar technology photovoltaic	**CCM 4.1**	Pulp and Paper (Navigator)	Navigator has seven Photovoltaic Power Plants in self-consumption regime.
4.8 Production of electricity from of bioenergy	**CCM 4.8**	Pulp and Paper (Navigator)	Navigator owns two thermoelectric plants Biomass, which uses residual forest biomass certified by the SBP standard for electricity production.
4.20 Heat cogeneration / cold and electricity from bioenergy	**CCM 4.20**	Pulp and Paper (Navigator)	Navigator owns three Renewable Cogeneration Plants High Efficiency, which use biomass by-products arising from the production of pulp, additionally it is acquired residual forest biomass, certified by the standard SBP.
4.24 Heat production / cold from bioenergy	**CCM 4.24**	Other businesses (ETSA)	ETSA holds equipment (boilers) for the production of heat, where investments and/or costs are recorded operational elements that fall within the EU taxonomy.
4.30 Cogeneration of high efficiency of heat/cold and electricity from fuels gaseous fossils	**CCM 4.30**	Pulp and Paper (Navigator)	Navigator operates two Single Cycle Cogeneration Plants Combined with Natural Gas.
5.1 Construction, expansion and systems exploration capture, treatment and water supply	**CCM 5.1**	Pulp and Paper (Navigator)	The water used in production processes is captured and handled by Navigator's own systems in the complexes industrialists from Aveiro, Figueira da Foz and Setúbal.
5.3 Construction, expansion and systems exploration collection and treatment of waste water	**CCM 5.3**	Pulp and Paper (Navigator) Other businesses (ETSA)	The Navigator Group has collection and delivery systems wastewater treatment plant (WWTP) in all its manufacturing units in Portugal. Some ETSA companies explore this type of facilities.
6.5 Transport by motorcycle, light passenger vehicle and light commercial vehicle	**CCM 6.5**	Other businesses (Triangle's)	Triangle's holdings investments associated with its mobile fleet
6.6 Transport servicesroad freight	**CCM 6.6**	Other businesses (ETSA)	ETSA has a road freight fleet, which involves investments and/or operating costs that fall within the EU taxonomy.

Activities	Code *	Semapa Segment	Description
7.3 Installation, maintenance and repair equipped with equipment energy efficiency	**CCM 7.3**	Other businesses (ETSA)	In FY2024 ETSA installed and maintained LEDs, high-performance air conditioning equipment and low water consumption devices in your facilities.
7.4 Installation, maintenance and repair of service stations vehicle loading electric mounted in buildings (and places parking associated with buildings)	**CCM 7.4**	Other businesses (Triangle's)	Triangle's carried out investments related with the installation of electric vehicle charging stations in facilities.
7.6 Installation, maintenance and repair of energy technologies from renewable sources	**CCM 7.6**	Other businesses (Triangle's)	Triangle's has made investments associated with the production of solar energy.
9.2 Activities of investigation, development and innovation close of the market	**CCA 9.2**	Pulp and Paper (Navigator)	Through the Raiz institute, Navigator develops activities research, including applied research, and experimental development of solutions, processes, technologies and other products aimed at adaptation to climate change.

* CCM (Climate Change Mitigation); CCA (Climate Change Adaptation); CE (Circular Economy)
** Activity included in the Complementary Delegated Act (Regulation 2022/1214)

Currently, only a set of economic activities are provided for in the Delegated Acts (green energy industries and/or sectors considered enabling or in transition), which is why a relevant part of the Group's activities cannot be considered eligible under the regulation. Therefore, the following activities were excluded from the eligible activities, as they are not part of the Annexes I and II:

- Navigator's pulp and paper production activities (Pulp and Paper segment);

- The activities of production and sale of white cement, ready-mixed concrete, aggregates, mortars, pre-mixed manufactured from concrete and hydraulic lime by Secil (Cement segment); and

- Collection and recovery activities of animal by-products and used cooking oils from ETSA (Other business segment).

ALIGNMENT ANALYSIS

The assessment of alignment with the Taxonomy was carried out by the different subsidiaries of Semapa based on the best interpretation of the Taxonomy Regulation and delegated acts, as well as in the available guidelines of the European Commission.

SUBSTANTIAL CONTRIBUTION (SC) AND "DO NO SIGNIFICANT HARM" (DNSH)

Each company assessed the SC and DNSH criteria to determine the percentage of alignment of its economic activities, as well as the satisfaction of the technical assessment criteria. A detailed analysis of the alignment with the SC and DNSH criteria of Navigator, Secil and Triangle's can be found in the taxonomy reports published by each company. We would like to highlight that, over the coming years, the Semapa Group and its subsidiaries will continue to work towards improving the alignment of their activities with the regulation.

MINIMUM SAFEGUARDS

Compliance with the Minimum Safeguards is one of the essential criteria for considering that a given eligible activity is aligned with the Taxonomy. Article 18 of the Taxonomy Regulation sets out specific requirements for the Minimum Safeguards, which refer to alignment with the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

As a way of guiding companies in the implementation of Article 18 of the Taxonomy Regulation, the European Commission's Sustainable Finance Platform published, in October 2022, the Final Report on Minimum Safeguards, which identifies the four areas that companies must address to ensure compliance with the Minimum Safeguards: Human Rights, Corruption, Taxation and Fair Competition. This Report is indicated by the European Commission, in its Communication on the interpretation of the Minimum Safeguards, of June 2023, as a good practice to be observed.

In this sense, respect for human rights, including labour rights, compliance with anti-corruption practices, compliance with competition rules and an appropriate tax policy, constitute, under the terms provided for in the respective policies, structuring principles of the Semapa Group's activity, within the scope of responsible business conduct. The Group is committed to ensuring that its activities are carried out in accordance with high ethical standards, pursuing sustainable development, and in compliance with applicable legislation and regulations.

With a view to guiding the behaviour of Employees (including corporate bodies, committee members, representatives, service providers and workers), Semapa has approved a set of codes and policies, with emphasis on **Code of Ethic and Conduct**, in force since 2002, the latter constituting a guide for the actions of Employees and their relationship with interested parties, and establishing, in particular, that Employees must respect the interests of these entities, with transparency and a high level of ethics, not tolerating violations of human rights, refusing any type of harassment, discrimination, coercion, abuse, violence or exploitation, ensuring equal and non-discriminatory treatment, also refusing direct or indirect participation in any form of corruption, fraud, money laundering and financing of terrorism, bribery or extortion, and providing for commitments to fair competition.

Semapa also has available on its website the Communication Channel of Irregularities, managed by an external and independent entity, which is the privileged channel for reporting any alleged irregularity that has occurred within the company, as it guarantees, in particular, the anonymity of the authors of the communication, confidentiality of the process and information security. In addition, Semapa has a Regulation for Reporting Irregularities, which frames and regulates communication of irregularities allegedly occurring.

As part of strengthening the commitments made in terms of responsible business conduct, Semapa also promotes training for its employees, within the scope of **Policy of Human Rights**, from the **Money Laundering and Terrorism Financing Prevention Policy**, the Code of Ethic and Conduct, and other complementary policies and regulations.

HUMAN RIGHTS

Since 2023, Semapa has had a Human Rights Policy in force, the commitments of which were established in accordance with the main international guidelines, with the company undertaking, in particular, not to resort to child labour, forced or coercive labour, to respect workers' freedom of association and the right to collective bargaining, to promote dignity and respect for human beings in the workplace, not allowing discriminatory actions towards its workers, to prevent all forms of harassment, abuse and violence in the workplace, to provide access to decent employment, guaranteeing its workers a safe and healthy working environment and to respect human rights in all local communities in which its activity is located.

Semapa also addresses Human Rights in the Code of Good Conduct for the Prevention and Combat of Harassment at Work, approved in 2017 and applicable to all Semapa workers and entities that are part of the Group (unless they have a specific Code on this matter), which prohibits harassment in the workplace and establishes obligations in this area, as well as the procedure to be followed in the event of harassment practices, and the consequences of non-compliance.

The company is working on developing a Due Diligence of Humans Rights process in their value chain.

CORRUPTION

Regarding the fight against and prevention of corruption, Semapa addresses the issue in its Code of Ethic and Conduct and adopted a **Corruption Prevention Policy** which, together with the Policy for the Prevention of Money Laundering and Terrorist Financing and the **Regulation on Conflicts of Interests and Transactions with Related Parties**, define the company's position in this area.

In the Corruption Prevention Policy, Semapa and its Employees undertake, in particular, not to offer, promise or authorize advantages to any people or entities, with a view to obtaining financial or non-financial advantages for themselves or for third parties, not accepting advantages that could harm their independence and impartiality, not using donations or sponsorships as a means of exercising illicit influence to obtain decisions that confer advantages on them and not making contributions in favour of political parties.

TAXATION

The activities carried out by the companies that make up the Semapa Group make it an important contributor to State revenue and, therefore, to the fulfilment of social objectives and the sustainable and economic development of the country.

The **Tax Policy** of the Semapa Group aims to ensure full compliance with the tax obligations of the companies that make up the Group, in all jurisdictions in which they carry out their activity, always with a view to respect the spirit and letter of the applicable legislation. The policy is aligned with the principles underlying the Group's business development strategy and is therefore defined in accordance with the economic aspect of its activity.

The Semapa Group also develops an organized approach to its tax risks, particularly about their identification, management and monitoring, interconnecting with the management responsible for identifying the company's general risks and their regular monitoring with the tax department.

FAIR COMPETITION

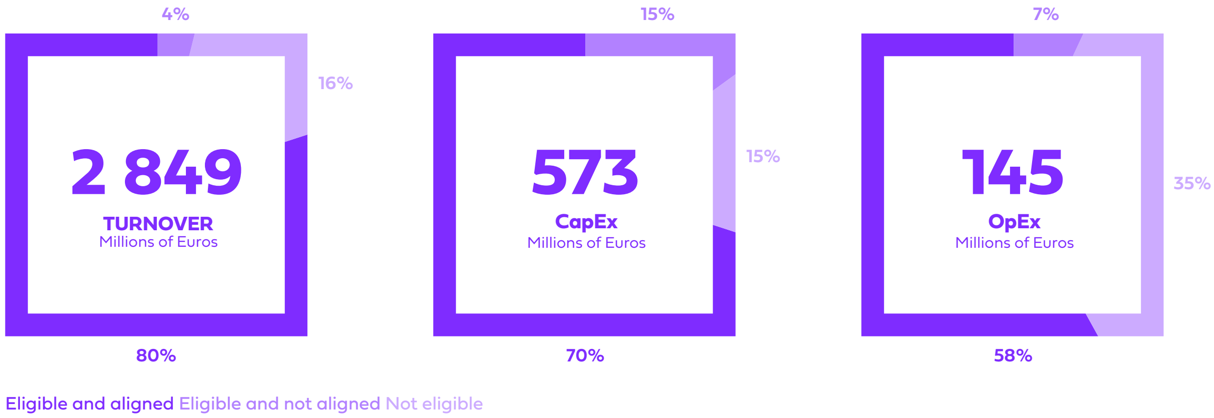
Finally, and in accordance with the Code of Ethic and Conduct, Semapa Employees must act in accordance with competition law, in accordance with market rules and criteria that are applicable and with respect for fair competition.

Semapa was not aware of any cases of violations in the Group, nor did it identify, in the year 2024 and during its activities eligible for the taxonomy, any relevant conviction in Human Rights, Corruption, Taxation or Fair Competition.

It should also be noted that the analysis of the Minimum Safeguards in relation to the subsidiaries **Navigator**, **Secil** and **Triangle's**, can be consulted in the respective taxonomy information reports.

ACCOUNTING POLICIES AND DISCLOSURE OF INDICATORS

The following are the key performance indicators (KPIs) associated with Delegated Act Article 8 of the Taxonomy: the proportion of turnover (Turnover KPI), the proportion of expenditure capital (CapEx KPI) and the proportion of operating expenses (OpEx KPI). For each of these indicators, the percentages resulting from activities that are eligible and aligned, eligible and non-aligned, and non-eligible are indicated:



As defined by the taxonomy, the reported values were calculated in accordance with Semapa's Consolidated Financial Statements for the year ended December 31, 2024, which were prepared in accordance with International Financial Reporting Standards (IFRS), adopted by the European Union.

The European Taxonomy requires companies to disclose how they have avoided duplication in the consideration of eligible economic activities (numerator), that is, in determining turnover, capital expenditure (CapEx) and operating expenses (OpEx). The Semapa Group determined eligible expenses based on their financial and analytical accounting and ensured that cost elements were considered only once in the calculation of the indicators.

In fiscal year FY2023, Navigator Group considered the activity 1.3 as eligible and aligned. However, and as explained in the company's taxonomic report, Navigator is unable to fully respond to the technical criterion of "Audit", as it is not yet audited by an independent third party in accordance with the taxonomy criteria. Therefore, activity 1.3 Forest Management is corrected in this report to non-aligned, rectifying the values in column n-1 (FY2023) to non-aligned.

TURNOVER

Economic activities (1)	Code (2)	2024 Turnover (3)	Proportion of turnover business, year N (4)
		Euros	%
A. ACTIVITIES ELIGIBLE FOR TAXONOMY			
A.1. Environmentally sustainable activities (aligned with taxonomy)			
Electricity production from bioenergy	CCM 4.8	24 726 984	1%
Cogeneration of heat/cold and electricity from bioenergy	CCM 4.20	92 812 610	3%
Volume of business activities sustainable from an environmental point of view (aligned by taxonomy) (A.1)		**117 539 594**	**4%**
Of which, enablers		0	0%
Of which, transitional		0	0%
A.2. Activities eligible for taxonomy but not sustainable from an environmental point of view (activities not aligned with the taxonomy) (g)			
Cement Production	CCM 3.7	435 013 667	15%
Manufacture of automotive and mobility components	CCM 3.18	15 579 040	1%
High efficiency cogeneration of heat/cool and electricity from fuels fossils gaseous	CCM 4.30	5 118 236	0%
Turnover of activities eligible for taxonomy but not sustainable from an environmental point of view (activities not aligned with the taxonomy) (A.2)		**455 710 943**	**16%**
A. Turnover of activities eligible for taxonomy (A.1+A.2)		**573 250 537**	**20%**
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY			
Turnover of activities not eligible for taxonomy (B)		2 276 158 699	80%
Total (A + B)		**2 849 409 236**	**100%**

Legend A.1. Environmentally sustainable activities (aligned with taxonomy) – Substantial contribution criteria:
Y — Yes, activity eligible for taxonomy and aligned with the taxonomy with regard to the environmental objective in question;
N — No, activity eligible for taxonomy, but not aligned with the taxonomy with regard to the environmental objective in question;
N/EL — Not eligible, activity not eligible for taxonomy for the environmental objective in question.

Caption A.2. Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) – Substantial contribution criteria:
EL — Eligible Activity for taxonomy for the purpose in question;
N/EL — Activity not eligible for taxonomy for the objective in question.

The turnover was determined based on the International Financial Reporting Standard IFRS 15, that is, considering the sales and provision of services within the scope of the normal activities of the Semapa Group. The total turnover (denominator for calculating the eligible activities ratio) therefore corresponds to the revenue reported in the Consolidated Financial Statements (Note 2.1 of the notes to the Consolidated Financial Statements).

From the analysis carried out, it was concluded that activities 4.8. (Production of electricity from bioenergy) and 4.20. (Cogeneration of heat/cold and electricity from bioenergy) are aligned with the Taxonomy.

As regards activity 4.30 (High-efficiency cogeneration of heat/cooling and electricity from gaseous fossil fuels), included in the complementary delegated act (Delegated Regulation 2022/1214), to date, due to the criteria applicable to its classification as a transitional activity, namely at the level of maximum emissions (gCO_2/kWh), it was considered not aligned with the Taxonomy.

Substantial contribution criteria						DNSH criteria ("do no significant harm") (h)									
Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of business volume taxonomy-aligned (A taxonomy-eligible (A. 2023 (18)	Category — enabling activity (19)	Category — transition activity (20)
Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4%		
4%	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**4%**		
0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	C	
0%						Y	Y	Y	Y	Y	Y	Y	0%		T
EL	N/EL	N/EL	N/EL	N/EL	N/EL								16%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
0%	**0%**	**0%**	**0%**	**0%**	**0%**								**18%**		
0%	**0%**	**0%**	**0%**	**0%**	**0%**								**23%**		

Regarding activity 3.7 (Cement production), this is not aligned with the Taxonomy. However, Secil has planned a set of investments, of which the CCL initiated during 2021 stands out, with a view to increasing the degree of environmental sustainability and achieving a greater degree of alignment with the requirements defined by the Taxonomy Regulation in the future.

Activity 3.18 (Manufacture of automotive and mobility components), developed by Triangles, is not yet aligned with the Environmental Taxonomy. Triangle's will continue to develop actions to respond to the technical criteria of the taxonomy.

CAPEX

Financial year 2024 Economic activities (1)	Code (a) (2)	2024 CapEx (3)	2024 Proportion of CapEx, year 2024 (4)
		Euros	%
A. ACTIVITIES ELIGIBLE FOR TAXONOMY			
A.1. Environmentally sustainable activities (aligned with taxonomy)			
Electricity production from solar photovoltaic technology	CCM 4.1	2 505 217	0%
Electricity production from bioenergy	CCM 4.8	3 202 254	1%
Cogeneration of heat/cold and electricity from bioenergy	CCM 4.20	75 769 408	13%
Construction, expansion and operation of capture and treatment systems	CCM 5.1	177 831	0%
Construction, expansion and operation of collection and treatment systems and wastewater water	CCM 5.3	3 010 995	1%
Research, development and innovation activities close to the market supply	CCA 9.2	23 020	0%
Cap Ex of environmentally sustainable activities (aligned with the taxonomy) (A.1)		**84 688 724**	**15%**
Of which, enablers		23 020	0%
Of which, transitional		0	0%
A.2. Activities eligible for taxonomy but not environmentally sustainable (non-taxonomy-aligned activities) (g)			
Forest Management	CCM 1.3	7 995 895	1%
Cement Production	CCM 3.7	69 983 613	12%
Production of heat/cold from bioenergy	CCM 4.24	1 768 606	0%
High-efficiency cogeneration of heat/cool and electricity from fuels	CCM 4.30	3 545 059	1%
Construction, expansion and exploration of capture, treatment and gaseous fossils water	CCM 5.1	1 324 717	0%
Construction, expansion and operation of collection and treatment systems supply wastewater	CCM 5.3	395 343	0%
Transport by motorcycle, light passenger vehicle and light commercial vehicle	CCM 6.5	83 563	0%
Road freight transport services	CCM 6.6	986 210	0%
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	373 978	0%
Installation, maintenance and repair of vehicle charging stations electrically mounted on buildings (and parking spaces associated with buildings)	CCM 7.4	23 300	0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	205 200	0%
Research, development and innovation activities close to the market	CCM 9.1	0	0%
CapEx of activities eligible for taxonomy but not sustainable from the point of view environmental (activities not aligned by taxonomy) (A.2)		**86 685 485**	**15%**
A. CapEx of activities eligible for taxonomy (A.1+A.2)		**171 374 209**	**30%**
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY			
CapEx of activities not eligible for taxonomy (B)		401 636 575	70%
Total (A + B)		**573 010 784**	**100%**

Legend A.1. Environmentally sustainable activities (aligned with taxonomy) – Substantial contribution criteria: Y — Yes, activity eligible for taxonomy and aligned with the taxonomy with regard to the environmental objective in question;
N — No, activity eligible for taxonomy, but not aligned with the taxonomy with regard to the environmental objective in question; N/EL — Not eligible, activity not eligible for taxonomy for the environmental objective in question.

Substantial contribution criteria						DNSH ("do no significant harm") criteria (h)									
Climate change mitigation (5)	Climate change adaptation (6)		Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-Aligned (A.1) or Taxonomy-Eligible (A.2) CapEx, Year 2023 (18)	Category — enabling activity (19)	Category — transition activity (20)
Y; N;	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	22%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2%		
N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
15%	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**26%**		
0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	C	
0%						Y	Y	Y	Y	Y	Y	Y	0%		T
EL	N/EL	N/EL	N/EL	N/EL	N/EL								4%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								14%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
15%	**0%**	**0%**	**0%**	**0%**	**0%**								**19%**		
30%	**0%**	**0%**	**0%**	**0%**	**0%**								**46%**		

Caption A.2. Caption A.2. Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) - Substantial contribution criteria:
EL — Eligible Activity for taxonomy for the purpose in question;
N/EL — Activity not eligible for taxonomy for the objective in question.

The amount presented as total CapEx in the denominator of the calculation of the eligible activities ratio corresponds to the sum of the acquisitions of tangible fixed assets, intangible assets (excluding CO_2 licenses) and assets under right of use carried out in 2024, disclosed in Notes 3.2, 3.3 and 3.5 of the notes to the Consolidated Financial Statements of Semapa. Additionally, the acquisitions of tangible fixed assets, intangible assets and assets under right of use associated with business combinations were also considered.

The CapEx amounts classified as eligible, whether considered aligned or not aligned with the Taxonomy, correspond to investments in assets or processes associated with the respective activities, namely:

• Pulp and Paper: Investments to support forest management activities, namely the acquisition of forest land; Investments associated with the Biomass Thermoelectric Power Plants of Aveiro and Setúbal; Investments associated with the Biomass Cogeneration Plants; Investments associated with the new recovery boiler in Setúbal; Investments associated with the new WWTP in Setúbal; Investments associated with to Research & Development projects within the scope of the genetic improvement program;and Investments associated with the Zambujo Recover Project.

• Cement: Clean Cement Line Project, which aims to develop and demonstrate on an industrial scale a new cement production technology. This project includes four R&D subprojects aimed at reducing dependence on fossil fuels, increasing energy efficiency, producing our own electricity, integrating it into the digitalization process and reducing CO_2 emissions. These innovations will promote the development of low-carbon clinker production and consequently the creation of a range of cements with a low ecological footprint.

• Other businesses: Investments in equipment (boilers) for heat production, investments in wastewater collection and treatment systems, investments in fleet, investments in electric vehicle charging stations, investments in energy efficiency equipment and solar panels mounted on buildings.

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OPEX

Financial year 2024 Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, Year 2024 (4)
		2024	
		Euros	%
A. ACTIVITIES ELIGIBLE FOR TAXONOMY			
A.1. Environmentally sustainable activities (aligned with taxonomy)			
Electricity production from bioenergy	CCM 4.8	1 969 444	1%
Cogeneration of heat/cold and electricity from bioenergy	CCM 4.20	2 515 784	2%
Construction, expansion and exploration of capture, treatment and water supply	CCM 5.1	820 587	1%
Construction, expansion and operation of collection and treatment systems wastewater	CCM 5.3	2 036 398	1%
Research, development and innovation activities close to the market	CCA 9.2	3 384 703	2%
Conservation, including restoration of habitats, ecosystems and species	BIO 1.1	7 597	0%
Conservation, including restoration of habitats, ecosystems and species	BIO 1.1	10 734 512	7%
OpEx of environmentally sustainable activities (aligned by taxonomy) (A.1)		**3 384 703**	**2%**
Of which, enablers		0	0%
Of which, transitional		0	0%
A.2. Activities eligible for taxonomy but not environmentally sustainable (non-taxonomy-aligned activities) (g)			
Forest Management	CCM 1.3	3 017 074	2%
Cement Production	CCM 3.7	45 245 793	31%
Manufacture of automotive and mobility components	CCM 3.18	0	0%
Production of heat/cold from bioenergy	CCM 4.24	26 338	0%
High-efficiency cogeneration of heat/cool and electricity from fuels gaseous fossils water	CCM 4.30	289 239	0%
Construction, expansion and exploration of capture, treatment and gaseous fossils water	CCM 5.1	297 932	0%
Construction, expansion and exploration of capture, treatment and light	CCM 5.3	201 374	0%
Collection and transportation of fractionated non-hazardous waste, sorted at source	CCM 5.5	0	0%
Transport in motorcycles, vehicles light of passengers and vehiclescommercials energetics	CCM 6.5	0	0%
Road freight transport services	CCM 6.6	687 275	0%
Installation, maintenance and repair of efficient equipment	CCM 7.3	7 046	0%
OpEx of activities eligible for taxonomy but not sustainable from the point of view environmental (activities not aligned by taxonomy) (A.2)		**49 772 071**	**34%**
A. OpEx of activities eligible for taxonomy (A.1+A.2)		**60 506 583**	**42%**
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY			
OpEx of activities not eligible for taxonomy (B)		84 044 792	58%
Total (A + B)		**144 551 374**	**100%**

Legend A.1. Environmentally sustainable activities (aligned with taxonomy) - Substantial contribution criteria: Y — Yes, activity eligible for taxonomy and aligned with the taxonomy with regard to the environmental objective in question;
N — No, activity eligible for taxonomy, but not aligned with the taxonomy with regard to the environmental objective in question; N/EL — Not eligible, activity not eligible for taxonomy for the environmental objective in question.

Substantial contribution criteria						DNSH ("do no significant harm") criteria (h)									
Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of OpEx that is taxonomy-aligned (A.1) or taxonomy-eligible (A.2), year 2023 (18)	Category — enabling activity (19)	Category — transition activity (20)
Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%		
N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%		
N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0%		
5%	2%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	4%		
0%	**2%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**1%**		
0%						Y	Y	Y	Y	Y	Y	Y	0%		T
0%						Y	Y	Y	Y	Y	Y	Y	0%		T
EL	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								24%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
34%	**0%**	**0%**	**0%**	**0%**	**0%**								**27%**		
40%	**2%**	**0%**	**0%**	**0%**	**0%**								**31%**		

Caption A.2. Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) - Substantial contribution criteria:
EL — Eligible Activityfor taxonomy for the purpose in question;
N/EL — Activity not eligible for taxonomy for the objective in question.

The total OpEx presented in the denominator of the calculation of the eligible activities ratio corresponds to the following expenses determined based on the Consolidated Financial Statements as of 31 December 2024:

• Non-capitalized Research and Development Expenses;

• Industrial cleaning costs

• Maintenance and repair expenses included in Note 2.3 of the notes to the Consolidated Financial Statements

• Expenses for specialized work directly related to maintenance and repairs. The analysis of these costs was broken down item by item;

• Personnel expenses associated with maintenance and repair;

• Short-term lease expenses not capitalized; and

• Other expenses directly linked to the maintenance of tangible assets.

The OpEx values presented in the previous table (numerator of the calculation of the ratio of eligible activities) correspond to the OpEx allocated to the activities classified as eligible (aligned or not aligned with the taxonomy). These values include OpEx such as:

• Pulp and Paper: Research and development costs associated with forestry, non-capitalized costs required to operate biomass cogeneration and thermoelectric plants, and other associated costs technologies and products dedicated to reducing GHG emissions;

• Cement: The costs of Secil's Cement Application Development Centre (CADC), which carries out research and development activities into new cement products and applications and innovative industrial processes for their production, with a view to developing and adopting new technologies in production processes and sustainable products, with the aim of reducing the carbon content incorporated into Secil Group solutions;

• Other businesses: Expenses associated with the activity of manufacturing aluminium bicycle frames, expenses on equipment (boilers) to produce heat, expenses associated with wastewater collection and treatment systems, expenses associated with the transportation of goods, expenses on energy efficiency equipment, electric vehicle charging stations and solar panels mounted on buildings.

STANDARDIZED MODELS FOR APPLYING COMPLEMENTARY DELEGATED ACT (ACTIVITIES RELATED TO NUCLEAR ENERGY AND FOSSIL GAS)

According to the Taxonomy Regulation, Article 8 of the Delegated Act, it is necessary to publish standardized models regarding activities related to nuclear energy and fossil gas. After analysis, the Group concluded that only Navigator has activities related to fossil gas.

MODEL 1: ACTIVITIES RELATED TO NUCLEAR ENERGY AND FOSSIL GAS

Line	Activities Related to Nuclear Energy	
1.	The company carries out, finances or has exposure to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with a minimum of fuel cycle waste.	NO
2.	The company undertakes, finances or has exposure to the construction and safe operation of new nuclear installations intended to produce electricity or industrial heat, including for purposes district heating or industrial processes such as hydrogen production, as well as for the improving your security, using the best available technologies.	NO
3.	The company carries out, finances or has exposure to the safe operation of nuclear facilities existing that produce electricity or industrial heat, including for district heating purposes or industrial processes, such as the production of hydrogen from nuclear energy, as well as the improvement of your safety.	NO

Line	Activities Related to Fossil Gas	
1.	The company carries out, finances or has exposure to the construction or operation of facilities electricity production that produce electricity from gaseous fossil fuels. combined heat/cool and power	NO
2.	The company carries out, finances or has exposure to the construction, renovation or operation of plants that use fossil fuels gaseous.	YES
3.	The company carries out, finances or has exposure to the construction, renovation or operation of heat production installations that produce heat/cold from gaseous fossil fuels.	NO

MODEL 2: ECONOMIC ACTIVITIES ALIGNED BY TAXONOMY (DENOMINATOR) – TURNOVER

		Amount and proportion of turnover					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic Activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of activity economic aligned by taxonomy referred to in section 4.26 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of activity economic aligned by taxonomy the referred to in section 4.27 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of activity economic aligned by taxonomy referred to in section 4.28 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of activity economic aligned by taxonomy referred to in section 4.29 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of activity economic aligned by taxonomy referred to in section 4.30 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
6.	Amount and proportion of activity economic aligned by taxonomy the what if refers the section 4.31of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others economic activities aligned with taxonomy not referred to in lines 1 to 6 above in the denominator of the Volume of Business**	**117 539 594 €**	**4%**	**117 539 594 €**	**4%**	**0 €**	**0%**
8.	**Total Turnover**	**117 539 594 €**	**4%**	**117 539 594 €**	**4%**	**0 €**	**0%**

MODEL 2: ECONOMIC ACTIVITIES ALIGNED BY TAXONOMY (DENOMINATOR) – CAPEX

		Amount and proportion of CapEx					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	**Economic Activities**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.26 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of CapEx	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of paligned economic activity by the taxonomy referred in the section 4.27 of the attachments I and I and II of the Delegated Regulation 2021/2139 in the denominator of CapEx	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.28 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of CapEx	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.29 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of CapEx	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of aligned economic activity by the taxonomy referred in section 4.30 of Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of CapEx	0 €	0%	0 €	0%	0 €	0%
6.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.31 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of CapEx	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others aligned economic activities by taxonomy not referred to in the lines 1 to 6 above in the denominator of CapEx**	**84 688 724 €**	**15%**	**84 665 704 €**	**15%**	**23 020 €**	**0%**
8.	**CapEx Total**	**84 688 724 €**	**15%**	**84 665 704 €**	**15%**	**23 020 €**	**0%**

MODEL 2: ECONOMIC ACTIVITIES ALIGNED BY TAXONOMY (DENOMINATOR) – OPEX

		Amount and proportion of CapEx					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic Activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.26 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of OpEx	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of paligned economic activity by the taxonomy referred in the section 4.27 of the attachments I and I and II of the Delegated Regulation 2021/2139 in the denominator of OpEx	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.28 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of OpEx	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.29 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of OpEx	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of aligned economic activity by the taxonomy referred in section 4.30 of Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of OpEx	0 €	0%	0 €	0%	0 €	0%
6.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.31 of the attachments I and II of the Delegated Regulation 2021/2139 in the denominator of OpEx	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others aligned economic activities by taxonomy not referred to in the lines 1 to 6 above in the denominator of OpEx**	**10 726 916 €**	**7%**	**7 342 213 €**	**5%**	**3 384 703 €**	**2%**
8.	**OpEx Total**	**10 726 916 €**	**7%**	**7 342 213 €**	**5%**	**3 384 703 €**	**2%**

MODEL 3 – ECONOMIC ACTIVITIES ALIGNED BY TAXONOMY (NUMERATOR) – TURNOVER

		Amount and proportion of turnover					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic Activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of activity economic aligned by taxonomy referred to in section 4.26 of the Annexes I and II of the Delegated Regulation 2021/2139 no numerator of Volume of Business	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of paligned economic activity by the taxonomy referred in the section 4.27 of the attachments I and I and II do Regulamento Delegado 2021/2139 no numerator of Volume of Business	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.28 of the attachments I and II do Regulamento Delegado 2021/2139 no numerator of Volume of Business	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.29 of the attachments I and II do Regulamento Delegado 2021/2139 no numerator of Volume of Business	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of activity economic aligned by taxonomy referred to in section 4.30 of the Annexes I and II of the Delegated Regulation 2021/2139 no numerator of Volume of Business	0 €	0%	0 €	0%	0 €	0%
6.	Amount and proportion of activity economic aligned by taxonomy the what if refers the section 4.31 of the Annexes I and II of the Delegated Regulation 2021/2139 no numerator of Volume of Business	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others economic activities aligned with taxonomy not referred to in lines 1 to 6 above in the numerator of the Volume of Business**	**117 539 594 €**	**100%**	**117 539 594 €**	**100%**	**0 €**	**0%**
8.	**Total amount and proportion of economic activities aligned with taxonomy in the numerator of the Volume of Business**	**117 539 594 €**	**100%**	**117 539 594 €**	**100%**	**0 €**	**0%**

MODEL 3 – ECONOMIC ACTIVITIES ALIGNED BY TAXONOMY (NUMERATOR) – CAPEX

		Amount and proportion of CapEx					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic Activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.26 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of CapEx	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of paligned economic activity by the taxonomy referred in the section 4.27 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of CapEx	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.28 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of CapEx	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.29 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of CapEx	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of aligned economic activity by the taxonomy referred in section 4.30 of Annexes I and II of the Delegated Regulation 2021/2139 node numerator of CapEx	0 €	0%	0 €	0%	0 €	0%
6.	Amount and proportion of aligned economic activity by the taxonomy referred in section 4.31 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of CapEx	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others aligned economic activities by taxonomy not referred to in the lines 1 to 6 above in the numerator of CapEx**	**84 688 724 €**	**100%**	**84 665 704 €**	**100%**	**23 020 €**	**0%**
8.	**Total amount and proportion of aligned economic activities by the taxonomy in the numerator of the CapEx**	**84 688 724 €**	**100%**	**84 665 704 €**	**100%**	**23 020 €**	**0%**

MODEL 3 – ECONOMIC ACTIVITIES ALIGNED BY TAXONOMY (NUMERATOR) – OPEX

		OpEx amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic Activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.26 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of OpEx	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of paligned economic activity by the taxonomy referred in the section 4.27 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of OpEx	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.28 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of OpEx	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of aligned economic activity by the taxonomy referred in the section 4.29 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of OpEx	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of aligned economic activity by the taxonomy referred in section 4.30 of Annexes I and II of the Delegated Regulation 2021/2139 node numerator of OpEx	0 €	0%	0 €	0%	0 €	0%
6.	Amount and proportion of aligned economic activity by the taxonomy referred in section 4.31 of the attachments I and II of the Delegated Regulation 2021/2139 node numerator of OpEx	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others aligned economic activities by taxonomy not referred to in the lines 1 to 6 above in the numerator of OpEx**	**10 726 916 €**	**100%**	**7 342 213 €**	**68%**	**3 384 703 €**	**32%**
8.	**Total amount and proportion of aligned economic activities by the taxonomy in the numerator of the OpEx**	**10 726 916 €**	**100%**	**7 342 213 €**	**68%**	**3 384 703 €**	**32%**

MODEL 4 – ECONOMIC ACTIVITIES ELIGIBLE FOR TAXONOMY BUT NOT ALIGNED WITH THE TAXONOMY – TURNOVER

		Amount and proportion of turnover					
		(CCM + CCA)		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.26 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.27 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.28 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.29 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.30 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	5 118 236 €	1%	5 118 236 €	1%	0 €	0%
6.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.31 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the Volume Business	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others economic activities eligible for taxonomy but not aligned by taxonomy not referred to in lines 1 to 6 above in the denominator of the Volume of Business**	**450 592 707 €**	**99%**	**450 592 707 €**	**99%**	**0 €**	**0%**
8.	**Total amount and proportion of economic activities eligible for taxonomy but not aligned by taxonomy in the Volume denominator Business**	**455 710 943 €**	**100%**	**455 710 943 €**	**100%**	**0 €**	**0%**

MODEL 4 – ECONOMIC ACTIVITIES ELIGIBLE FOR TAXONOMY BUT NOT ALIGNED WITH TAXONOMY – CAPEX

		Amount and proportion of CapEx					
		(CCM + CCA)		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.26 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the CapEx	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.27 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the CapEx	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.28 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the CapEx	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.29 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the CapEx	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.30 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the CapEx	3 545 059 €	4%	3 545 059 €	4%	0 €	0%
6.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.31 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the CapEx	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others economic activities eligible for taxonomy but not aligned by taxonomy not referred to in lines 1 to 6 above in the denominator of the CapEx**	**83 140 426 €**	**96%**	**83 140 426 €**	**96%**	**0 €**	**0%**
8.	**Total amount and proportion of eligible economic activities for taxonomy but not aligned by taxonomy in the denominator of CapEx**	**86 685 485 €**	**100%**	**86 685 485 €**	**100%**	**0 €**	**0%**

MODEL 4 – ECONOMIC ACTIVITIES ELIGIBLE FOR TAXONOMY BUT NOT ALIGNED WITH TAXONOMY – OPEX

		OpEx amount and proportion					
		(CCM + CCA)		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
Line	Economic activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.26 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the OpEx	0 €	0%	0 €	0%	0 €	0%
2.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.27 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the OpEx	0 €	0%	0 €	0%	0 €	0%
3.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.28 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the OpEx	0 €	0%	0 €	0%	0 €	0%
4.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.29 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the OpEx	0 €	0%	0 €	0%	0 €	0%
5.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.30 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the OpEx	289 239 €	1%	289 239 €	1%	0 €	0%
6.	Amount and proportion of activity economic eligible for taxonomy but not aligned by taxonomy referred to in section 4.31 of the Annexes I and II of the Delegated Regulation 2021/2139 in the denominator of the OpEx	0 €	0%	0 €	0%	0 €	0%
7.	**Amount and proportion of others economic activities eligible for taxonomy but not aligned by taxonomy not referred to in lines 1 to 6 above in the denominator of the OpEx**	**49 482 832 €**	**99%**	**49 482 832 €**	**99%**	**0 €**	**0%**
8.	**Total amount and proportion of eligible economic activities for taxonomy but not aligned by taxonomy in the denominator of OpEx**	**49 772 071 €**	**100%**	**49 772 071 €**	**100%**	**0 €**	**0%**

MODEL 5 – ECONOMIC ACTIVITIES NOT ELIGIBLE FOR TAXONOMY – TURNOVER

Line	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.26 of the attachments I and II of Regulation Delegate 2021/2139 node denominator of Turnover	0 €	0%
2.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.27 of the attachments I and II of Regulation Delegate 2021/2139 node denominator of Turnover	0 €	0%
3.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.28 of the attachments I and II of Regulation Delegate 2021/2139 node denominator of Turnover	0 €	0%
4.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.29 of the attachments I and II of Regulation Delegate 2021/2139 node denominator of Turnover	0 €	0%
5.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.30 of the attachments I and II of Regulation Delegate 2021/2139 node denominator of Turnover	0 €	0%
6.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.31 of the attachments I and II of Regulation Delegate 2021/2139 node denominator of Turnover	0 €	0%
7.	**Amount and proportion of other economic activities not eligible for taxonomy not referred to in lines 1 to 6 above in the denominator of the Volume of Business**	**2 276 158 699 €**	**80%**
8.	**Total amount and proportion of other economic activities not eligible for taxonomy in the denominator of Turnover**	**2 276 158 699 €**	**80%**

MODEL 5 – ECONOMIC ACTIVITIES NOT ELIGIBLE FOR TAXONOMY – CAPEX

Line	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.26 of the attachments I and II of Regulation Delegate 2021/2139 in the CapEx denominator	0 €	0%
2.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.27 of the attachments I and II of Regulation Delegate 2021/2139 in the CapEx denominator	0 €	0%
3.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.28 of the attachments I and II of Regulation Delegate 2021/2139 in the CapEx denominator	0 €	0%
4.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.29 of the attachments I and II of Regulation Delegate 2021/2139 in the CapEx denominator	0 €	0%
5.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.30 of the attachments I and II of Regulation Delegate 2021/2139 in the CapEx denominator	0 €	0%
6.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.31 of the attachments I and II of Regulation Delegate 2021/2139 in the CapEx denominator	0 €	0%
7.	**Amount and proportion of other economic activities not eligible for taxonomy not referred to in lines 1 to 6 above in the CapEx denominator**	**401 636 575 €**	**70%**
8.	**Total amount and proportion of other economic activities not eligible for taxonomy in the CapEx denominator**	**401 636 575 €**	**70%**

MODEL 5 – ECONOMIC ACTIVITIES NOT ELIGIBLE FOR TAXONOMY – OPEX

Line	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.26 of the attachments I and II of Regulation Delegate 2021/2139 in the OpEx denominator	0 €	0%
2.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.27 of the attachments I and II of Regulation Delegate 2021/2139 in the OpEx denominator	0 €	0%
3.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.28 of the attachments I and II of Regulation Delegate 2021/2139 in the OpEx denominator	0 €	0%
4.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.29 of the attachments I and II of Regulation Delegate 2021/2139 in the OpEx denominator	0 €	0%
5.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.30 of the attachments I and II of Regulation Delegate 2021/2139 in the OpEx denominator	0 €	0%
6.	Amount and proportion of economic activity referred to in line 1 of model 1 which is ineligible for taxonomy in accordance with section 4.31 of the attachments I and II of Regulation Delegate 2021/2139 in the OpEx denominator	0 €	0%
7.	**Amount and proportion of other economic activities not eligible for taxonomy not referred to in lines 1 to 6 above in the OpEx denominator**	**84 044 792 €**	**58%**
8.	**Total amount and proportion of other economic activities not eligible for taxonomy in the OpEx denominator**	**84 044 792 €**	**58%**

NEXT STEPS IN APPLYING TAXONOMY

During 2025, and within the scope of Semapa's strategy and its sustainability objectives, the Group will continue to develop actions to respond to the taxonomy and the application of the respective Delegated Acts. It will continue to monitor the updates by the European Commission to the taxonomy regulation resulting from the Omnibus legislative package and will monitor other simplification proposals by the Sustainable Finance Platform. In addition, it will work on the progressive development of the Human Rights Due Diligence process and strengthen applicable practices.

4.1.2.2 CLIMATE CHANGE - E1

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH BUSINESS STRATEGY AND MODEL (SBM-3)

The Semapa Group recognizes the relevance of climate challenges and the impact that its Subsidiaries can have on the environment and communities. The transition to a low-carbon economy and the need for adaptation to climate change requires a strategic approach that integrates mitigation and adaptation measures.

As part of the double materiality analysis, Semapa and its Subsidiaries identified material impacts, risks and opportunities related to climate change. These include both physical risks, associated with extreme weather events, and transition risks, resulting from regulatory developments and market changes. Additionally, strategic opportunities were identified to accelerate innovation and competitiveness in the context of the climate transition.

The table below presents the Semapa Group's IROs in the context of climate change, detailing their respective time horizons, location in the value chain and associated sub-themes. Two positive impacts, six material negative impacts, six risks and two opportunities were identified as material.

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a; E1.18]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Develop initiatives together with *stakeholders* for the adaptation to climate change		Positive impact	-	Downstream	Adaptation to climate change
Greenhouse gas emissions greenhouse (scope 3)		Negative impact	-	Downstream	Mitigation of Climate change
Greenhouse gas emissions greenhouse (scope 3)		Negative impact	-	Upstream	Mitigation of Climate change
Greenhouse gas emissions greenhouse (scope 2)		Negative impact	-	Upstream	Mitigation of Climate change
Greenhouse gas emissions greenhouse (scope 1)		Negative impact	-	Own Operations	Mitigation of Climate change
Energy consumed from non-renewable in own operations contributes to the changes climate		Negative impact	-	Upstream	Energy
Energy consumed from non-renewable in own operations contributes to the changes climate		Negative impact	-	Own Operations	Energy

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		**[ESRS2.48a; E1.18]**	**[ESRS2.48ciii]**	**[ESRS2.48a]**	**[ESRS2.48h]**
The development of bioproducts, as an alternative to other materials more polluting, contributes to the non-worsening of GHG emissions during the life cycle of use of these products (after-sales).		Positive impact	-	Downstream	Mitigation of Climate change
Physical impacts of changes climate, through events extreme weather conditions (e.g. Cyclones, heavy precipitation).		Physical Risk Acute	Medium term – Between the year reporting and up to 5 years	Own Operations	Adaptation to climate change
Change in patterns of precipitation and other factors climate leading to loss of forest productivity production		Physical Risk Chronic	Long term – More than 5 years	Upstream and Own Operations	Adaptation to climate change
Increased severity and frequency occurrence of forest fires		Physical Risk Chronic	Short-term – Year of report	Own Operations	Adaptation to climate change
The transition to more advanced technologies sustainable can, in the long term, lead to significant improvements operational efficiency and reduce overall operating costs, improve profitability and/or capture market share additional	SECIL	Opportunity	Long term – More than 5 years	Own Operations	Mitigation of Climate change
Fuel replacement fossil fuels for renewable fuels (eg biomass, solar and hydrogen)	SECIL	Opportunity	Medium term – Between the year reporting and up to 5 years	Own Operations	Mitigation of Climate change
Increased carbon price and reduced availability of licenses under the EU-ETS system (EU ETS)	SECIL	Transition Risk	Medium term – Between the year reporting and up to 5 years	Own Operations	Mitigation of Climate change
Rising energy costs associated with non-renewable sources.		Transition Risk	Medium term – Between the year reporting and up to 5 years	Own Operations	Energy

Note: The material impacts identified are real and therefore do not have a time horizon associated with them.

Among the companies in the Semapa Group, Navigator has conducted a resilience analysis to assess the robustness of its strategy and business model in the face of climate change. Triangle's plans to conduct a scenario-based resilience analysis, with the aim of assessing potential impacts, considering disruptions in production and supply, logistical impacts, risks to its own operations and consequences for customers.

PULP AND PAPER SEGMENT

Navigator assessed the resilience of its strategy to climate change by quantifying the financial impact of a transition risk, three physical risks and one material opportunity for the business, considering the time horizons of 2035 and 2050 [E1.18].

The analysis, aligned with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), followed a structured approach to strengthen business model resilience. The following are presented: (a) the scope of the analysis, (b) the methodology and period of implementation, and (c) the main results, highlighting the conclusions of the scenario analysis [E1.19].

Navigator's resilience analysis assesses financial and operational impacts of climate change, covering physical risks, transition risks and opportunities over the 2035 and 2050 time horizons. These are identified in Table E1. SBM-3 [E1.19a].

The resilience analysis was based on the definition of climate scenarios, using the IPCC models RCP 2.6, RCP 4.5 and RCP 8.5, and financially assessed the impact of four climate risks and one opportunity over two time horizons (2035 and 2050) [E1.19b].

Following the TCFD recommendations, exploratory scenarios were used to test the resilience of Navigator's strategy in the face of different future conditions. In this sense, three climate scenarios were defined considering two different time horizons: medium term (2035) and long term (2050). For this, the IPCC scenarios identified were considered, complemented with the narratives of The International Energy Agency (IEA) "Sustainable Development Scenario" and the WBCSD "Climate Scenario Tool" resulted in three scenarios: green (1.5°C), yellow (<2°C) and red (>3°C). Physical risks tend to be more severe in the red scenario, due to the increased frequency and intensity of extreme weather events. Transition risks are more significant in the green and yellow scenarios [E1.19b].

Navigator's resilience analysis has been enhanced to integrate climate risks and opportunities into its strategy. In 2022, it published its first report aligned with the TCFD recommendations, and in 2023 an update of the analysis was made, including a financial assessment and a strategic review to ensure integration into Enterprise Risk Management and alignment with the TCFD [E1.19b].

The following table systematizes the scenarios considered to analyse the resilience of Navigator's business strategy.

Scenarios	Narrative description [E1.19b | AR7a]	Time horizon [E1.19b | AR7b]	Base Model [E1.19b | AR7b]
Green	**Swift and orderly climate action** • Economy grows sustainably, with strong investment in renewable energy and low-carbon technologies. • Political and regulatory stability favours a balanced transition, with positive impacts on Navigator. • Industrial decarbonization occurs gradually, allowing the adaptation of business models, based on the electrification of processes and the use of renewable fuels based on green hydrogen • Adoption of circular economy models, reducing dependence on fossil fuels. • Consumer preference for sustainable products and certificates • Increasing use of certified biomass as a renewable fuel. • Strong investment in R&D in new forest-based products, replacing materials of fossil origin	2035-2050	• IPCC SSP 1- 2.6 (RCP 2.6) • WBCSD – 1.5°C based scenario in innovation
Yellow	**Sudden and uncoordinated climate action** • Potential recession due to abrupt measures to reduce emissions. • Rising industrial costs due to rising carbon footprint rates and strict regulation. • Negative impact on economic growth, with greater volatility in the markets. • Adoption of renewable energy occurs abruptly, increasing the transition cost. • Fossil fuel dependence declines, but no stable solutions in the short term. • Increased investment in capture technologies and carbon storage (CCS). • High adaptation costs due to regulatory pressure and the need for accelerated innovation.	2035-2050	• IPCC SSP 2- 4.5 (RCP 4.5) • WBCSD – Scenario <2°C based on planned policies
Red	**Action slow and uncoordinated climate change (lack of mitigation)** • Continuation of the Operational Maintenance traditional model, without effective decarbonization policies. • Uneven economic growth, with rising costs operational due to extreme weather events. • Supply chain failures and increased uncertainty in the financial markets. • Energy pattern continues to be dominated by fossil fuels, with weak implementation of renewables. • Significant increase in energy prices, harming industrial competitiveness. • Lack of incentives for sustainable innovation, reducing adoption of clean technologies. • Low adoption of decarbonization technologies due to lack of government incentives. • Maintenance of traditional processes, but with increase of energy and environmental costs.	2035-2050	• IPCC SSP 5-8.5 (RCP 8.5) • WBCSD – Scenario >3°C based on historical trend

The results of the climate scenario analysis show that Navigator's current strategy is resilient, enabling it to address climate-related risks and seize opportunities. However, critical areas for monitoring were identified to implement mitigation and adaptation strategies and targets that strengthen the company's resilience to climate change [E1.19c]. Going forward, Navigator intends to strengthen its analysis of climate risks and opportunities and advance in the assessment of the financial impacts of climate change, aligning with its sustainable business strategy [AR7c].

Identification		Mitigation measures implemented/planned	Time Horizon	Impact Estimate (M€/year)	Climate Scenario		
					Green	Yellow	Red
RISKS							
Physical Risks	Change in precipitation patterns and other climatic factors leading to loss of productivity of the Forest managed by Navigator	• Geographical diversification in timber supply • Use of plants from the genetic improvement program • Knowledge sharing technical on best forestry practices with forest producers • Explore other sources of raw material with the aim of ensuring continuity	2035 2050	2 – 5	••	•••	•••••
Physical Risks	Scarcity water supply at the location of Navigator's industrial complexes	• Implementation of the Water Use Reduction Program (WRP) • Assessment of the reuse of industrial effluents in industrial processes • Evaluation of new sources of fresh water	2035 2050	8 – 40	••	•••	•••••
Physical Risks	Increase from the severity and frequency of occurrence of forest fires[5]	• Geographical diversification in timber supply • Implementation of best practices • of forestry for reduction fire risk • Use of the best available technologies of fire fighting	2035 2050	2.5 – 4	•	•••	•••••
Transition Risks	Increase of cost of emission allowances under the EU-ETS system[6]	• Setting specific targets for industrial activity based on climate science • Implementing the Roadmap Decarbonization Navigator	2035 2050	3 – 12	••••	•••	•
Potencial financial impact in climate-related risks				15.5 – 61			
OPPORTUNITIES							
Opportunity	Opportunity Investment - in R&D for develop new products of forest base[7]	-	2035 2050	30 – 40	•••••	•••	•••
Potential financial impact of opportunities related to the				30-40			

Caption: • Lowest severity – ••••• Highest severity

5 Loss of wood in areas managed by Navigator due to forest fires. Annual impact calculated based on the opportunity cost associated with importing wood from outside the Iberian Peninsula and the history of burned areas over the last 10 years.

6 Impact calculated based on emissions estimated in Navigator's Decarbonisation Roadmap, allocation of free allowances until 2035 and CO_2 prices between €4/tCO_2 (red scenario) and €188/tCO_2 (green scenario).

7 The development of new forest-based products and solutions that allow the replacement of fossil plastic is an opportunity that could represent new business areas for Navigator in the short and medium term. As part of the From Fossil 2 Forest Mobilizing Agenda, Navigator estimated the potential Gross Added Value to be achieved in 2027 compared to 2020 resulting from these new products.

Navigator demonstrates an ability to adapt to climate change in the short, medium and long term, adjusting strategy, business model and investments.

Navigator is committed to developing its activity in full compliance with environmental, social and corporate governance (ESG) principles and best practices and has established this Sustainability-Indexed Financing Framework to support general financing and/or refinancing of its activities, through the issuance of Bonds or Loans indexed to sustainability indicators [AR8b].

Additionally, climate risk management is integrated into the company's financial assessments, ensuring greater stability in asset valuation and cash flow projections. In parallel, the company is implementing a robust investment program focused on decarbonization, technological modernization and energy efficiency [AR8b].

CEMENT SEGMENT

Secil is currently in the phase of identifying climate risks and opportunities in accordance with the TCFD recommendations, with the aim of assessing potential physical risks and transition risk related to climate in accordance with recommendations and develop appropriate adaptation strategies [E1.SBM-3].

Secil is committed to developing its activity in full compliance with environmental, social and corporate governance (ESG) principles and best practices and has established this Sustainability-Indexed Financing Framework to support the general financing and/or refinancing of its activities, through the issuance of Bonds or Loans indexed to sustainability indicators.

OTHER BUSINESS SEGMENT - ETSA

ETSA has not yet carried out the analysis that differentiates, for each relevant climate risk, whether these are a physical or transition risk. Furthermore, ETSA has not carried out the assessment of its resilience to climate change [E1.SBM-3].

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's faces physical risks associated with climate change, as extreme events such as storms, floods, heat waves and droughts can significantly impact its entire value chain. These phenomena can result in [E1.18]:

- **Disruptions in production and supply,** as suppliers of raw materials and components may face operational difficulties, delays or disruptions due to infrastructure damage or resource shortages.

- **Logistical impact**, since transport and distribution systems can be affected by damage to communication routes or port infrastructure, hindering the delivery of materials and final products.

- **Risks for own operations**, with facilities potentially exposed to extreme weather conditions that can impact production, such as high temperatures that affect industrial processes or floods that cause physical damage.

- **Consequences for customers**, as extreme weather events can compromise the continuity of its operations, reducing demand for Triangle's products.

Triangle's is defining its strategy in the face of climate change and, as part of this process, will carry out a study based on the analysis of potential scenarios and hypotheses, in order to anticipate risks and opportunities associated with climate change. This study will cover the following topics: a) Scope of the Resilience Analysis; b) Methodology and Timeline of the Analysis; c) Expected Results of the Resilience Analysis [E1.19].

The resilience analysis will be conducted in partnership with external experts, including academics and sustainability consultants. The methodology adopted will include three main pillars:

· **Analysis of Climate Scenarios**: Two IPCC scenarios will be considered: 1.5°C scenario (effective global actions to limit emissions), to identify transition opportunities; 3°C scenario (insufficient increase in actions), to assess extreme physical risks.

· **Value Chain Mapping**: identification of critical areas of vulnerability, covering suppliers, own operations and markets.

· **Internal Workshops and Consultations with *Stakeholders***: involvement of company leaders, suppliers and partners to validate the results.

The analysis will be integrated into Triangle's annual strategic review, ensuring that identified risks and opportunities are considered in the company's short, medium and long-term plans.

CLIMATE CHANGE MITIGATION TRANSITION PLAN (E1-1)

Climate change is one of the most relevant challenges of our time, with industry playing a key role, as it is one of the main sectors responsible for greenhouse gas emissions (GHG), after energy and logistics.

As a group with a strong industrial nature, Semapa is aware of the environmental impacts associated with GHG emissions resulting from its activities. In this sense, and within the scope of the initiatives promoted by Semapa's Sustainability Committee, the roadmap for the Group's carbon neutrality was developed. Semapa takes as a reference the carbon footprint recorded in 2020 and sets the goal of achieving carbon neutrality by 2050. To this end, it plans to reduce scope 1 and 2 CO_2 emissions by 54% by 2035 in the geographies where it operates (except Mozambique, the United Kingdom and Ejea/Spain), and reduce 71% in Portugal.

Emissions reduction will be achieved through the implementation of a set of operational measures and investment projects already identified, complemented by compensation strategies (offset), including the acquisition of CO_2 certificates and carbon capture, utilization and storage solutions. (Carbon Capture and Storage – CCS).

Furthermore, the positive contribution of the Subsidiaries' activities to decarbonization is highlighted, reinforcing the Semapa Group's commitment to the transition to a low-carbon economy and mitigating the environmental impacts of its operations.

PULP AND PAPER SEGMENT

Navigator has a climate change mitigation transition plan in place to align its strategy and business model with the 1.5°C target set out in the Paris Agreement [E1.14 | E1.16g]. The transition plan has been submitted for approval by management, oversight and supervision [E1.16i] and consists of the following key initiatives:

· **Climate scenario analysis and risk management**: the climate risk and opportunity analysis considered three scenarios, including the 1.5°C scenario (RCP 2.6) and the International Energy Agency (IEA) Sustainable Development Scenario, to assess the resilience of the strategy to regulatory and market changes, following the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD) [E1.14| E1.16a];

· **Defining a decarbonization roadmap**: The Decarbonization Roadmap sets out three targets for reducing GHG emissions from Navigator's activities. The targets were outlined based on decarbonisation trajectories at sectoral and economic level, and scope 1, 2 and 3 targets were approved by SBTi in 2022 [E1.14 | E1.16a | E1.34f];

· **Investments in renewable energy**: Navigator is investing in renewable energy, replacing fossil fuels with sustainable biomass, increasing the capacity of biomass cogeneration plants and building new solar photovoltaic plants [E1.14];

· **Stoppage of natural gas cogeneration plants**: Navigator plans to shut down two natural gas cogeneration plants (Figueira da Foz and Setúbal) that the company already owns by 2035 [E1.14];

· **Carbon Capture and Sustainable Forest Management**: In the context of industrial symbiosis, Navigator supplies CO_2 from its operations to suppliers of precipitated calcium carbonate, which use it in the production of UWF paper. In 2024, approximately 123 thousand tCO_2 were incorporated, of which 10.3% were of fossil origin, avoiding its emission into the atmosphere. In addition, the sustainable management of more than 135 thousand hectares of forest in mainland Portugal and Mozambique it guarantees a carbon stock of around 9.1 $MtCO_2e$ [E1.14].

The approach to climate scenario analysis, risk and opportunity assessment and target setting was aligned with the Forest Sector Net-Zero Roadmap of the World Business Council for Sustainable Development (WBCSD) [E1.16a]. The transition plan, based on decarbonization levers, has actions to reduce GHG emissions, aligning with the climate change mitigation goals and strategy.

The main decarbonization levers include the energy transition and adoption of renewable energy; operational efficiency; adaptation of the product and service portfolio with sustainability objectives; sustainable forest management and carbon sequestration; and initiatives in the value chain to promote low-carbon solutions [E1.16b | E1.16h].

Navigator's Roadmap involves actions across its entire value chain. Regarding scope 1 and 2 emissions, it includes 23 initiatives, of which 17 are supported by the Recovery and Resilience Plan (RRP).and one by the Innovation Fund, focusing on energy and industry. To date, the company has completed 8 initiatives, and the remaining 14 are approved and under implementation. It is estimated that the total investment in the 23 initiatives will exceed 350 million euros between 2019 and 2028. In the area of energy efficiency, investments of plus 8 million euros were made in projects that generate savings of around 100 GWh/year, avoiding the emission of 23 thousand tCO_2, with an annual saving of 6 million euros in energy costs [E1.16c].

In 2024, the execution of the New Setúbal Recovery Boiler progressed significantly, with start-up scheduled for the 2nd quarter of 2025. This equipment will optimize the production of thermal energy from sustainable biomass, reducing the operation of Natural Gas Cogeneration and emissions by more than 100 thousand tCO_2. The financing was partially secured by the European Investment Bank, under the REPowerEU program. This investment, together with improvements in Renewable Cogeneration, contributes to CapEx aligned with the criteria of the European taxonomy of activity 4.20 [E1.16c | E1.16e].

As the main investments in decarbonization, the inauguration of the Tissue Aveiro Photovoltaic Plants and the 2nd Paper Rooftop Plant in 2024 stands out, two projects supported by the PRR, with an investment of around 2.5 million euros, aligned with the criteria of the European taxonomy [E1.16e].

ESG initiatives implemented in 2024, which include investments in decarbonization projects, represented around 51% of total CapEx, corresponding to around 120 million euros [E1.16c].

Navigator has made progress in implementing its transition plan, highlighting the reduction of emissions, increased use of renewable energy and directing investments towards initiatives sustainable. By 2024, the company had reduced direct emissions under the European Emissions Trading Scheme (EU ETS) by 41% compared to 2018. Within the scope of the SBTi targets, the reduction in scope 1 and 2 emissions was 36% compared to the base year and 14% compared to 2023. These advances resulted from implementation of 8 decarbonization projects, reduction of Natural Gas Cogeneration operations, and substantially reduce the electricity emission factor in Portugal (location approach) [ESRS 2.80j].

In scope 3, which covers the supply chain and the product life cycle, there was an 10% increase compared to the base year, but an 8% reduction compared to 2023. Navigator has improved the quantification of its emissions, with more precise estimates and more complete calculation methodologies [ESRS 2.80j].

With this reduction trajectory, Navigator remains on track to achieve its 63% reduction target of scope 1 and 2 GHG emissions by 2035 [E1.16j | ESRS 2.80j].

Regarding the transition to renewable energy, in 2024, 80% of primary energy consumption came from renewable sources, matching the target set for 2030 [E1.16j | ESRS 2.80j]. Energy consumption per tonne of product produced in Portugal reduced by around 1% compared to 2023, in line with Navigator's 2030 agenda [ESRS 2.80j].

The company's climate actions were recognized in 2024 by CDP with an "A" rating, confirming its leadership in climate performance. Additionally, the company remains aligned with international frameworks, such as the SBTi initiative and the TCFD [E1.16j].

CEMENT SEGMENT

Secil has defined its decarbonization roadmap – "SECIL Path to Decarbonization" – based on the 5Cs[8] methodology, which defines SECIL's path to decarbonization in its cement plants, with targets set for 2030. This is applicable to all its geographies and was approved by the Executive Committee [E1.16i]. The targets set for 2030 are aligned with the 1.5°C trajectory and were validated in 2024 by the Science Based Targets initiative [E1.14 | E1.16a | E1.16h]. The roadmap is supported by an internal investment plan [E1.16e | E1.16h].

The roadmap defines a set of actions to be implemented by 2030, namely: reducing CO_2 emissions in clinker and cement through improving thermal energy efficiency; using alternative fuels; increasing the use of electricity from renewable sources; incorporating decarbonated alternative raw materials; the use of hydrogen in combustion; and the adoption of complementary cementitious materials [E1.16b| E1.16e | E1.16h].

For the period 2030 to 2050, Secil is evaluating the available and developing technologies to choose those that best suit its plants. One of the possibilities under analysis is the use of captured CO_2, either in the forced carbonation of its materials or for the production of synthetic fuels (efuels). The company is also identifying the infrastructure needed to be able to use or store this CO_2 safely, including geological storage [E1.16b | E1.16c].

One of the main advances in the implementation of the decarbonization roadmap was the implementation of the Clean Cement Line (CCL) project, the first major decarbonization project at the Secil Outão Cement Plant. This project aimed to eliminate the use of fossil fuels, increase energy efficiency, and generate electricity in-house, while reducing CO_2 emissions [E1.16j].

By 2040, Secil plans to invest more than 150 million euros in decarbonisation projects, with an impact on traditional levers, namely: alternative fuels and secondary raw materials, low carbon clinker, reduction of the clinker factor and thermal energy efficiency measures [E1.16c].

Secil is not excluded from the benchmarks aligned with the EU Paris Agreement [E1.16g], and its economic activities are covered by the European Union Taxonomy Regulation. According to its internal plan, the company expects to reach 86% alignment by 2030, reinforcing its transition to a sustainable economy [E1.16e].

OTHER BUSINESS SEGMENT - ETSA

ETSA's business model is based on the recycling of by-products from the food chain (rendering), which significantly contributes to reducing GHG emissions. Failure to recover these by-products would result in their disposal in landfills, where decomposition would release methane (CH4), a gas with a higher global warming potential than CO_2.

Additionally, the products resulting from this activity are used, directly and indirectly, in the production of renewable energy (biodiesel), in the formulation of food for livestock and companion animals and in the production of organic fertilizers. In this way, rendering makes it possible to avoid around 90% of the emissions that would occur through the natural composting of these by-products, while also managing to capture approximately five times the amount of CO_2e it emits.

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8 5Cs" – Clinker, Cement, Concrete, Re-Carbonation and Construction

ETSA has a roadmap towards carbon neutrality, formally approved by the Board of Directors [E1.16i]. This is mainly based on three drivers [E1.14 | E1.16b]:

Decarbonization levers	
Energy efficiency • Optimization of electricity consumption • Optimizing steam usage • Optimization of natural gas consumption	Reducing emissions from the use of fossil fuels in industrial units will be achieved through the transition to renewable energy sources. In a first phase, the replacement by biomass will be prioritized, followed, in a second phase, by the introduction of hydrogen as a fuel. In parallel, measures will be implemented to optimize the production of steam and rationalize consumption in industrial processes. The reduction in emissions associated with the use of electricity will
Replacement of the energetic mix • Replacement of fuel oil burners for natural gas and hydrogen • Installation of green hydrogen boilers • Installation of photovoltaic solar system, solar thermal and heat pumps	result, in part, from the significant increase in the participation of renewable sources in the grid, such as wind, hydro and hydrogen, mainly through optimization of energy consumption and the installation of photovoltaic plants in all the units.
Low-carbon transport • On-site vehicle electrification and light fleet • Replacement of the energy mix used in the heavy fleet	The reduction of emissions associated with the use of fossil fuels in the fleet of heavy and light vehicles will be carried out in two phases: in a first phase, through the adoption of vehicles powered by LNG and electric energy; in a second phase, with the transition to hydrogen vehicles.

ETSA has been reinforcing its commitment to the decarbonization of industrial units, investing in the reduction of fossil fuel consumption. The installation of a biomass boiler, wood chips in Loures unit and a biomass energy recovery unit (IVEB) at Coruche manufacturing facilities made it possible to reduce fossil fuel emissions by more than 80% [E1.16b].

The action plan defined by ETSA, aligned with the results of the carbon footprint inventory, foresees an investment of 31 million euros [E1.16c]. Its implementation will allow a reduction of GHG emissions (scopes 1 and 2) of 89% by 2035 and 96% by 2050, with the remaining emissions being compensated [E1.16a].

ETSA's economic activities are not covered by the European Union (EU) Taxonomy Regulation, and ETSA is excluded from the EU's benchmarks aligned with the Paris Agreement [E1.16e | E1.16g].

The implementation of ETSA's carbon roadmap has been delayed for several reasons, including the delay in the transition to an electric fleet due to the insufficient supply of heavy-duty electric vehicles and the delay in the implementation of some planned projects. [E1-16j]

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle is currently conducting a carbon footprint study, which will serve as a basis for defining its decarbonization plan. The plan is expected to be finalized by the end of the first half of 2025 and then submitted for approval by the management and executive bodies [E1.17].

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (E1-2)

The subsidiaries of the Semapa Group — Navigator, Secil, ETSA and Triangle's — adopt a set of policies aimed at ensuring mitigation and adaptation to climate change. At Navigator, the following stand out: the Environmental Policy and the Systems Management Policy; at Secil, the Sustainability Policy and the Quality, Environment, Health and Safety Policies; and, at Triangle's, the Supplier Code of Conduct, the Integrated Management System Policy and the Internal Code of Conduct.

These policies and strategies reflect a comprehensive commitment to sustainability and responding to climate change, with a particular focus on mitigating its impacts. Mitigation measures aim to reduce emissions both in our own operations and in the value chain, promoting greater efficiency, optimizing processes and encouraging the use of secondary raw materials and alternative fuels.

The policies related to climate change mitigation and adaptation are presented in detail below.

PULP AND PAPER SEGMENT

Navigator's policies and strategies reflect a comprehensive commitment to sustainability and responding to climate change, with emphasis on the Environmental Policy and the Systems Management Policy.

The **Environmental Policy**, aligned with the Company's Purpose, establishes commitments for climate and nature in line with Navigator's 2030 Agenda and contributing to the UN SDGs. It focuses on mitigating climate change, defining the commitments of [E1.25]:

- **Taking an active role in the low-carbon economy**, in line with current scientific knowledge, through the sustainable management of its forests, investment in renewable energy sources and improving the efficiency of its processes, products and services;

- **Reduce greenhouse gas emissions** to achieve carbon neutrality, in line with the climate action objectives defined in the Paris Agreement;

- **Incorporating climate risk assessment into decision-making**, in line with European recommendations and the main international frameworks;

- To guarantee, systematically, **improving energy performance** and **optimizing processes**.

The **Systems Management Policy** defines Navigator's commitments within its quality, environment, energy and safety management systems, promoting best practices to optimize environmental and energy performance. In addition, it encourages suppliers to develop products and services aligned with the company's objectives [ESRS.2.65a | E1.25].

In addition, the **Forest Policies** and **PG 80 – Management of Environmental Aspects** address adaptation to climate change, ensuring the resilience of ecosystems and the effective management of the environmental impacts of the company's activities [E1.25].

Document [E1-24 | ESRS 2.65a]	**Environmental Policy**
Key Contents and Objectives [ESRS2.65a]	• Complying with the principles of prevention, mitigation and remediation of current and potential impacts of activities, with the requirements voluntarily subscribed to and all applicable legal compliance obligations, defines Navigator's general commitments for environmental issues. It also includes specific content dedicated to: climate change and CO_2 sequestration; water management; circular economy; energy management • and raw materials; sustainable forest management and biodiversity conservation. In particular, the economics of climate change defines commitments to: • Take an active role in the low-carbon economy, in line with current scientific knowledge, through the sustainable management of its forests, investment in renewable energy sources and improving the efficiency of its processes, products and services. • Reduce greenhouse gas emissions with a view to achieving carbon neutrality, in line with the climate action objectives defined in the Paris Agreement. • Incorporate climate risk assessment into the decision-making process, in line with the European recommendations and the main international frameworks.
Scope [ESRS2.65b]	It targets own operations and has an impact upstream and downstream of the value chain, in suppliers and local communities. Covers all geographies and business areas from Navigator.
Most senior level responsible for implementation [ESRS2.65c]	Executive Committee
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	UN Fundamental Right to Access to a Clean Environment.
Availability [ESRS2.65f]	Available via Intranet and Internet.

Document [E1-24 | ESRS 2.65a]	Decarbonization Roadmap
Key Contents and Objectives [ESRS2.65a]	Roadmap establishing the goals and objectives for mitigating climate change in Navigator's industrial activities.
Scope [ESRS2.65b]	It targets its own operations, has internal *stakeholders* as its *stakeholders* and covers Portugal.
Most senior level responsible for implementation [ESRS2.65c]	Administrator with Energy portfolio.
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	SBTi – Science Based Targets initiative.
Availability [ESRS2.65f]	Available in Navigator's Annual Report.

CEMENT SEGMENT

Secil implements policies focused on mitigating climate change, such as the Sustainability Policy and the Quality, Environment, Health and Safety Policies, implemented in each geography [E1.24 | ESRS 2.65a]. The objective of these policies is to reduce operational emissions by promoting greater efficiency, optimizing processes and encouraging the use of secondary raw materials and alternative fuels.

The definition of these policies takes into account the interests of various stakeholders, including direct and indirect employees, customers, suppliers, business partners and service providers and community [ESRS 2.65e].

Document [E1-24 | ESRS 2.65a]	Sustainability Policy
Key Contents and Objectives [ESRS2.65a] [E1.25]	Secil's Sustainability Policy includes the ambition of achieving carbon neutrality by 2050, promoting: the use of alternative fuels and secondary raw materials; the development of low-carbon products and solutions; energy efficiency and technological innovation; and the responsible management of natural resources, encouraging circularity.
Scope [ESRS2.65b]	Own operations and value chain. Covers all business units and geographies from Secil.
Most senior level responsible for implementation [ESRS2.65c]	Sustainability Management.
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	This policy aims to comply with the following standards: ISO 14001, ISO 9001, ISO 45001 and EMAS. Adherence to the Roadmap to achieve carbon neutrality by 2050, developed for the global cement sector by the Global Cement and Concrete Association (GCCA) and, in Europe, by Cembureau – European Cement Association.
Availability [ESRS2.65f]	Website da Secil

Document [E1-24 | ESRS 2.65a]	Policy of Quality, Environment and Health and Safety
Key Contents and Objectives [ESRS2.65a] [E1.25]	Secil frames the Sustainable Development of its activities through this Policy, committing itself to continually improving its performance in line with its benchmarks, to respond to the expectations of all *stakeholders* in its activities. Environmental Responsibility and Protection is one of the themes of this Policy, in which Secil undertakes: • Mitigate the impacts of your actions, through the adoption of the best technologies and good practices available practices and adequate training of its Employees; and • Reduce the carbon impact of its activity, namely by promoting the use of secondary raw materials and alternative fuels.
Scope [ESRS2.65b]	Own operations and value chain. Covers all business units and geographies from Secil.
Most senior level responsible for implementation [ESRS2.65c]	Management Systems Manager
Third party standards or initiatives that the company undertakes to respect [ESRS2.65d]	Requirements of the standards ISO 14001, ISO 9001, ISO 45001 and EMAS
Availability [ESRS2.65f]	Available via Intranet and Internet

OTHER BUSINESS SEGMENT - ETSA

ETSA's main guidelines related to climate change are: the Code of Conduct of Suppliers, the Code of Conduct and the Criteria for Sustainable Performance.

ETSA aims to pursue a profitable business in the long term throughout its value chain and its own operations, in an ethical and responsible manner, taking into account environmental factors.

Likewise, all ETSA suppliers must comply with environmental regulations and standards applicable to their operations and observe environmentally conscious practices in all locations where they operate. Thus, ETSA promotes a policy of sustainable management of natural resources and mitigation of environmental impacts.

Document [S2-16 e ESRS 2.65a]	Criteria for Sustainable Action
Key Contents and Objectives [ESRS2.65a]	It aims to reinforce its commitment to employees through matters of labour rights, association and health and safety; the exploration of all circular economy opportunities in the company's value chain; the progressive extension of the rights and principles contained in this Sustainable Action to the respective value chain and its products and services; insertion in the surrounding communities, promoting the improvement of their quality of life; among others.
Scope [ESRS2.65b]	Own operations and value chain
Most senior level responsible for implementation [ESRS2.65c]	Board of Directors
Availability [ESRS2.65f]	-

The following information is inserted by reference to other parts of the Non-Financial Statement (MDR-P, ESRS2, § 65 a/b/c/d/f):

• Presentation of the Code of Conduct for Suppliers: Chap. 4.1.4.1.

• Presentation of Code of Ethic and Conduct: Chap. 4.1.4.1.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's main policies covering climate change are: the Suppliers Code of Conduct, the Integrated Management System Policy and the Code of Conduct.

These policies address climate change mitigation by promoting the reduction of energy consumption and associated emissions, as well as the efficient use of resources, both in the company's own operations and throughout the supply chain [E1.25]. Their design took into account the interests of various stakeholders, including shareholders, service providers and internal employees. [ESRS 2.65e].

Document [E1-24 | ESRS 2.65a]	Integrated Management System Policy
Key Contents and Objectives [ESRS2.65a]	The Integrated Management System Policy aims to adopt the best environmental protection practices, promoting the prevention of pollution and environmental accidents. To this end, it focuses on reducing energy consumption and associated emissions, on the efficient use of resources, on the adoption of sustainable mobility practices and on the management responsible for waste, thus minimizing the environmental footprint. Furthermore, it aims to ensure adequate financial returns for shareholders, continually improve environmental performance, guarantee the well-being of employees and generate value, maintaining an active commitment to the community in which Triangle is located.
Scope [ESRS2.65b]	This Policy applies to Triangle's entire value chain, covering the geographical units of Europe and Asia. This Policy covers a wide range of *stakeholders*, including shareholders, customers, employees (internal and external), regulatory bodies, certification bodies, official bodies (Social Security, Tax Authority), universities, technology centres, research centres, suppliers, service providers, government, competitors, the surrounding community and other institutions.
Most senior level responsible for implementation [ESRS2.65c]	Director of People and Sustainability
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	Aligned with the requirements of the ISO 14001:2015 standard, with the SDGs of the 2030 Agenda of United Nations and the principles of the UN Global Compact.
Availability [ESRS2.65f]	Triangle's Website Made available to workers and suppliers

The following information is inserted by reference to other parts of the Non-Financial Statement (MDR-P,ESRS2, § 65 a/b/c/d/f):

- Presentation of the Supplier Code of Conduct: Chap. 4.1.4.1.

- Presentation of Code of Conduct: Chap. 4.1.4.1.

ACTIONS AND RESOURCES RELATED TO CLIMATE CHANGE POLICIES (E1-3)

The Semapa Group's subsidiary companies — Navigator, Secil and ETSA — have developed strategic initiatives to ensure compliance with established targets, responding to impacts, risks and material opportunities associated with climate change.

Actions focused on reducing GHG emissions stand out, through the optimization of energy efficiency, the transition to renewable energy sources and the adoption of innovative technologies. In addition, initiatives are promoted for the use of sustainable raw materials, the improvement of industrial processes and the implementation of circular economy solutions.

Below, we present in detail the actions and resources related to climate change, highlighting the initiatives implemented and planned for the future, as well as their contribution to achieving the strategic objectives and targets in each of the Semapa Group Subsidiaries.

PULP AND PAPER SEGMENT

Navigator implements actions and allocates resources to climate initiatives. These initiatives include reducing GHG emissions, increased energy efficiency, transition to renewable sources and adoption of innovative technologies, which aim to contribute to achieving the targets established by Navigator, validated by SBTi, in accordance with the Paris Agreement [ESRS 2.68a | E1.29a]. The following table presents the main actions.

Main actions [E1.28; ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a | E1.29b]
ACTIONS AIMED AT REDUCING SCOPE 1 EMISSIONS				
Suitability of burners for hydrogen	Carried out	Own Operations (Figueira da Foz)	2024	Reduction of 7.5 thousand tCO_2/year
Installation of a Reboiler for Steam Production in Ródão	Carried out	Own Operations (Vila Velha de Ródão)	2024	3.8GWh/year. Reduction of 793 tCO_2/year
New Recovery Boiler in Setúbal	Planned	Own Operations (Setúbal)	2025	Reduction of 101 thousand tCO_2/year
ACTIONS AIMED AT REDUCING SCOPE 2 EMISSIONS				
Tissue Aveiro Photovoltaic Power Plant (CFV)	Carried out	Own Operations (Aveiro)	2024	Production of 2.5 GWh/year; Reduction of 260 tCO_2/year
CFV Coverage Fig Tree 2	Carried out	Own Operations (Figueira da Foz)	2024	Production of 3.7 GWh/year; Reduction of 384 tCO_2/year
Figueira Solo Photovoltaic Power Plant	Carried out	Own Operations (Figueira da Foz)	2024	Production of 26.3 GWh/year; Reduction of 2.7 mil tCO_2/year
VFD Installation Aveiro	Carried out	Own Operations (Aveiro)	2024	Production of 0.5 GWh/year; Reduction of 53 tCO_2/year
LED Lighting Installation Figueira da Foz	Carried out	Own Operations (Figueira da Foz)	2024	Reduction of 109 tCO_2/year
CFV Tissue Ródão	Planned	Own Operations (Vila Velha de Ródão)	2025	Production of 5.9 GWh/year; Reduction of 606 tCO_2/year
New Tissue Steam Turbine Aveiro	Planned	Own Operations (Aveiro)	2025	Reduction of 11.2 mil tCO_2/year
New Steam Turbine Papel Figueira	Planned	Own Operations (Figueira da Foz)	2025	Reduction of 2.8 mil tCO_2/year

The execution of the seven actions already carried out implied an investment in capital expenditure (CapEx) of €7.7 million. The planned actions scheduled for completion in 2025 represent a multi-year CapEx investment of over €164 million. [ESRS 2.69b].

CEMENT SEGMENT

Secil has implemented measures to reduce its carbon footprint and generate impact in the value chain, with the aim of achieving the established targets [E1.29b]. The decision to implement any action is preceded by a rigorous assessment of its technical and economic feasibility, as well as the availability of financial resources to guarantee its execution, also considering the local context and applicable regulations [AR21].

The actions taken and planned contribute to meeting the policy objectives and targets. The targets validated by the SBTi are aligned with the trajectory to limit global warming to 1.5°C, and with international commitments such as the Paris Agreement and the European Green Deal [ESRS 2.68a]. These actions, associated with the main decarbonisation levers, are part of the roadmap to carbon neutrality [E1.29a].

Main actions	Status	Scope of action	Time horizon	Results
[E1.28; ESRS 2.68a]	**[ESRS 2.68a]**	**[ESRS 2.68b]**	**[ESRS 2.68c]**	**[ESRS 2.68a | E1.29b]**
Clean Cement Line (CCL)	Carried out	Own Operations – Portugal	-	Reduction of termal and eletrical energy and CO_2 emissions
Power Purchase Energy (PPA)	Carried out	Upstream and Own Operations – Tunísia	-	Guarantee the consumption of electricity from renewable sources and the reduction of CO_2 emissions
Installation of a solar plant with 10MW capacity	Carried out	Own Operations – Líbano	-	Increase the capacity of energy production from renewable sources and reduce CO_2 emissions
Increase the energetic optimization in transport of raw materials	Carried out	Own Operations – Líbano	-	Increase the efficiency of transport, resulting in less consumption of electric energy
Storage Capacity Expansion and Alternative Fuel Analysis	Carried out	Own Operations – Brazil	-	Increase the rate of replacement of alternative fuels
Secil Profuture Project Maceira-Liz	Planned	Own Operations – Portugal, Macieira	Medium term (1-5 years)	Reduction of energy consumption; reduction of CO_2 emissions by at least 30%; ZERO Fossil Fuels
Drying and Processing of Cementitious Materials	Planned	Own Operations – Portugal, Outão and Macieira	Short term (less than a year)	Reduce the percentage of clinker in cement production

Secil's environmental investments are generally financed through green instruments, such as the Outão CCL project, financed by two green bond loans [ESRS 2.69a]. At the end of 2024, sustainable financing lines (Green Bonds, Sustainability-Linked Bonds and Sustainability-Linked Loans) represented 57% of the total financing contracted. Secil also has financing linked to KPIs and sustainability targets, including the reduction of CO_2 emissions, in Portugal, Brazil and Tunisia [ESRS 2.69a].

OTHER BUSINESS SEGMENT - ETSA

In order to reduce its carbon footprint (scope 1 and 2), respond to the identified impacts and risks, and meet the established targets, ETSA has adopted and is planning several actions [E1.29b | ESRS 2.68d]. These actions are aligned with the three drivers defined in ETSA's carbon neutrality roadmap and targets [E1.29a | E1.29b | ESRS 2.68d].

ETSA has been committed to decarbonizing its industrial units by investing in reducing fossil fuel consumption. The installation of a biomass boiler at the Loures unit and a biomass energy recovery facility at the Coruche manufacturing facilities have enabled ETSA to reduce by more than 80% emissions from fossil sources [ESRS 2.68a | ESRS 2.68e].

Energy management and energy efficiency are also a company commitment. In this sense, ETSA has implemented a set of projects to make its facilities more efficient, such as the optimization of the management of the operation of biomass boilers, the replacement of lighting with LED, the acquisition of more efficient equipment, preventive maintenance and raising awareness among employees for efficient energy use practices [ESRS 2.68a | ESRS 2.68e].

The planned actions will optimize the energy efficiency of industrial operations, reducing resource consumption and increasing process sustainability. Modernizing the automation of manufacturing processes will improve equipment control, reducing electricity and steam consumption. The installation of photovoltaic plants in self-consumption mode will allow for the internal production of a significant part of the energy needed by manufacturing units, reducing dependence on external sources. In addition, ITS IVEB revamping will increase the thermal efficiency of the installation, reducing fuel consumption and making the process more efficient and sustainable [ESRS 2.68a].

Among the actions carried out by ETSA, the following stand out, as shown in the following table.

Main actions [E1.28; ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Replacing ITS manufacturing process automation	Carried out	Manufacturing process – Coruche	2024 and 2025	Reduction in steam and electrical energy consumption
Revamping – Biomass Energy Recovery Installation (IVEB) ITS	Planned and Carried out	Manufacturing process – Coruche	2024 – 2025	Increased thermal efficiency
Replacement of automation in the manufacturing process at Sebol Loures	Planned	Manufacturing process – Loures	2025 – 2026	Reduction in steam and electrical energy consumption
Installation of photovoltaic plants in manufacturing units	Planned	Manufacturing process – Loures and Coruche	2025 – 2026	Reduction of emissions associated with electrical energy

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's is currently outlining its actions based on the analysis of double materiality, the study of the carbon footprint (both corporate and product), the decarbonization plan and compliance with the taxonomy. These initiatives aim to guide the company's strategies, promoting sustainability and the reduction of its emissions throughout its value chain [ESRS 2.62].

TARGETS AND METRICS

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (E1-4, MDR-T, MDR-M)

The Semapa Group's subsidiaries — Navigator, Secil and ETSA — have defined strategic targets to manage negative impacts, enhance positive impacts and address material risks and opportunities in the face of climate change. These targets reflect the Group's commitment to promoting sustainability and drive the transition to a low-carbon economy.

For each business segment, the established targets, respective objectives, reference values, base year, metrics used, current performance and projected targets are detailed.

These actions not only contribute to the achievement of the individual targets of each Subsidiary, but also to the implementation of the Semapa Group's carbon neutrality roadmap. In this sense, the Group is committed to achieving carbon neutrality by 2050, with a 54% reduction in scope 1 and 2 CO_2 emissions by 2035 in the geographies where it operates (excluding the United Kingdom, Spain and Mozambique) and 71% in Portugal, compared to 2020.

PULP AND PAPER SEGMENT

Navigator has defined six targets for climate change mitigation, three focused on climate and three on reducing GHG emissions. The targets established are aligned with the impacts identified in the 2024 double materiality analysis, ensuring a strategic and integrated approach to climate change management [E1.33].

With regard to climate, it is committed to optimising energy intensity, ensuring that 80% of total primary energy consumption comes from renewable sources and developing improved clonal and seed plants, capable of increasing productivity by between 30% and 50% and strengthening resilience to climate change.

Regarding GHG emissions, by 2035, it intends to reduce direct CO_2 emissions in its industrial complexes in Portugal by 86%, reduce scope 1 and 2 GHG emissions by 63% and reduce scope 2 emissions by 37.5% scope 3 GHG emissions as shown in the following table.

Objective and target	Scopes covered	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80 | E1.34]	[E1.34b | AR24]	[ESRS2.80d | E1.34c]	[ESRS2.75| ESRS2.80b]	[ESRS2.80j | E1.34b]	[ESRS2.80j | E1.34b]	[ESRS2.80j | E1.34b]	[ESRS2.80e | E1.34b]
GHG RELATED TARGETS							
Reduce by 86% direct emissions of CO_2 from scope of CELE	89% scope 1	774464 t CO_2 Base year: 2018	Emissions of CO_2 Scope 1– CELE	-28.6% 552 587 tCO_2	-41% 457 990 tCO_2	-41% 454 234 tCO_2[9]	-86% Year: 2035
Reduce in 63% scope 1 and 2 emissions	91% scope 1 and 96% scope 2 (approach of location) *	937 710 tCO_2e Base year: 2020	Emissions of Scope 1 and 2 GEE	Objective defined in 2022	-26% 698 715 tCO_2e	-36% 599 397 tCO_2e	-63% Year: 2035
Reduce by 37.5% scope 3 emissions	76% scope 3**	958 266 tCO_2e Base year: 2020	Emissions of GEE Scope 3	Objective defined in 2022	+6.8% 1 142 275 tCO_2e	+9.6% 1 050 577 tCO_2e	-37.5% Year: 2035
Optimize the energetic intensity, year after year	-	Base year: 2020	Energetic intensity	12.0 GJ/t	12.9 GJ/t	12.7 GJ/t	Year: 2030
Increase the use of renewable energy in the total consumption of primary energy	-	70% Base year: 2020	-	76%	80%	80%	80% Year: 2030
Develop genetically improved clonal and seed plants, with productivity gains and resilient to climate change	-	-	Gain in volume and paste (%), Genetic diversity (number of crosses, number of clones delivered or other diversity indicator)	New clonal varieties delivered for production. The selection of clones had impacts on eucalyptus disease resistance in nursery and in the field. Incorporation of new genetic materials into the program (rescue of more)	Incorporation of 29 seed lots relating to 24 species by import and harvesting in the Portuguese arboretum "Escaroupim", for increasing the diversity of the Genetic Improvement Program long term via hybridization with *E. globulus.*	3 new clones delivered to Viveiros Aliança's portfolio with a genetic gain of 41% (volume and paste), all with resistance to *Neopestalotiopsis*, and two with known resistance to *Ophelimus.*	Maintain volume and paste gains (30-50%) and/or enrich genetic diversity (for biotic and abiotic factors).

* Target related to activities in Portugal. Excluded from the scope1 the following emission sources: i) emissions associated with fluorinated gases; ii) own fleet; iii) CH4 and N2O associated with the use of fertilizers, representing around 4% of the inventory.
** The following categories were considered: Category 1, excluding emissions associated with the acquisition of PCC, pulp, services, wood and residual forest biomass; and categories 3, 4, 9, 10 (emissions related to the transformation of pulp into UWF and tissue) and 12 (50% of emissions associated with landfill disposal).

9 Value corrected by CELE verification (previous value 456 689 tCO_2)

The targets set for reducing emissions are directly related to Navigator's Decarbonization Roadmap and Environmental Policy [ESRS 2.80a]. The targets were defined considering Navigator's own operations in Portugal and Spain and resulted from a participatory process that involved internal stakeholders, the Environmental Council, Community Monitoring Committees, the Faculty of Science and Technology (FCT) of the Universidade Nova de Lisboa and the SBTi initiative [ESRS 2.80c |ESRS 2.80g | ESRS 2.80h].

As part of the objective of reducing CELE emissions by 86% by 2035, an intermediate target of a reduction of 31.5% by 2027 was set. This target was exceeded in 2 consecutive years, 2023 and 2024, so Navigator considers [ESRS 2.80e] as completed.

The methodology for calculating the targets followed internationally recognized references. The reduction of direct CO_2 emissions from industrial complexes was defined in accordance with the European Emissions Trading Directive. The GHG emission reduction targets in scopes 1, 2 and 3 were established based on the principles of the GHG Protocol and aligned with the SBTi initiative [ESRS 2.80f | AR26 | E1.34e]. The targets validated by SBTi cover all of Navigator's activities [E1.34b].

The company has set its decarbonization targets taking into account future factors such as changing consumer preferences, regulatory developments and new technologies [E1.34e].

The base years of 2018 and 2020 were selected because they reflect representative periods of Navigator's operation, with production levels aligned with the average of the last five years [AR25a].

Compared to the previous reporting period, the target and calculation methodology remain unchanged [ESRS 2.80j]. Progress achieved prior to the current reporting year is documented in the Detailed Roadmap to 2030 [E1.34c].

CEMENT SEGMENT

In 2024, SBTi approved Secil's short-term decarbonisation targets. Secil's Roadmap was verified and aligned with SBTi's scientific criteria, namely with the requirements and guidelines for the cement sector for short-term targets, classifying the 2030 targets, for scopes 1 and 2, as being aligned with a 1.5°C trajectory, the most ambitious limit stipulated by the Paris Agreement [ESRS 2.80g | AR26 | E1.34e | E1.34f].

Secil is committed to reducing gross scope 1 and 2 GHG emissions by 30.4% per tonne of cement by 2030, compared to the base year of 2020. Secil is also committed to reducing gross scope 3 GHG emissions from purchased goods and services by 25.3% per tonne of clinker and cement within the same period[10].

The scope 1 and 2 emissions reduction target covers 98.7% of GHG emissions from Secil's own operations [E1.34b]. Achieving this target is based on the implementation of several actions set out in the decarbonisation roadmap, based on the strategic levers for reducing carbon emissions [E1.34f].

The formalization of this commitment involved the participation of internal stakeholders, namely those responsible for each geography, directly involved in the topic of CO_2 emissions, top management and consultants who supported the target validation process.

Targets were defined based on the CO_2 reduction potential of each action in the roadmap, adapted to each cement operation according to the local context and planned projects [ESRS 2.80f | E1.34e]. Cement production projections for 2030 were considered, predicting market stability in Europe, moderate growth in Tunisia and Lebanon and more pronounced growth in Brazil [E1.34e].

10 The target boundary includes emissions and removals in the land use category associated with bioenergy feedstocks.

Objective and target	Scopes Covered	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80 | E1.32 | E1.34]	[E1.34b | AR24]	[ESRS2.80d | E1.34c]	[ESRS2.75 | ESRS2.80b]	[ESRS2.80j | E1.34b]	[ESRS2.80j | E1.34b]	[ESRS2.80j | E1.34b]	[ESRS2.80b | ESRS2.80e | E1.34d]
GHG RELATED TARGETS							
Gross scope 1 and 2 emissions per tonne of cement	Scope 1 and 2 (market approach)	781 kg CO_2 e/t cement Base year: 2020	Gross emissions of scope 1 and 2 per tonne of cement	-	721	689	544 kg CO_2e / t cement Year: 2025

Note1: The target boundary includes emissions and removals in the land use category associated with bioenergy feedstocks. Note 2: The boundary includes the Outão, Maceira, Adrianópolis, Pomerode, Gabès and Sibline plants.
Note 3: The 2024 performance only includes CO_2 emissions.
Note 4: There was a change in the target value published in the previous report. The SECIL Roadmap was verified and aligned with the SBTi scientific criteria, classifying the 2030 targets, for the scopes1 and 2, as being aligned with a 1.5°C trajectory, the most ambitious limit set by the Paris Agreement. [ESRS 2.80i | AR25b].

OTHER BUSINESS SEGMENT - ETSA

ETSA is committed to reducing its gross scope 1 and 2 GHG emissions by 96%, by 2050, taking 2020 as the base year [ESRS 2.80c]. To achieve this objective, intermediate targets of 5 425 tCO_2e (-55%) were defined for 2030 and 1 317 t CO_2e (-55%) for 2035, which is equivalent to an 89% reduction in scope 1 and 2 emissions [ESRS 2.80e]. The achievement of this target is allocated to the actions defined in ETSA's carbon neutrality roadmap, based on three decarbonization vectors [E1.33 | E1.34f].

ETSA did not consider climate scenarios or future developments in setting its emissions reduction target [E1.34e | E1.34f | AR25a]. The formalization of this commitment did not involve stakeholder participation [ESRS 2.80h], nor has it been externally validated [E1.34e]. Since its formalization, the target and methodology remain unchanged [ESRS 2.80i | AR25b].

Objective and target	Scopes Covered	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80 | E1.32 | E1.34]	[E1.34b | AR24]	[ESRS2.80d | E1.34c]	[ESRS2.75 | ESRS2.80b]	[ESRS2.80j | E1.34b]	[ESRS2.80j | E1.34b]	[ESRS2.80j | E1.34b]	[ESRS2.80b | ESRS2.80e | E1.34d]
GHG RELATED TARGETS							
Reduce scope 1 and 2 GHG emissions by 96%	Scope 1 and 2	12 058 t CO_2e Base year: 2020	GHG Emissions – Scope 1 and 2 (market approach)	12 002 tCO_2e	10 779 tCO_2e	13 043 tCO_2e	470 tCO_2e Year: 2050

Triangle's is currently defining GHG emissions reduction targets based on ongoing analyses and the decarbonization strategy under development [ESRS 2.81a].

ENERGY CONSUMPTION AND ENERGY COMBINATION (E1-5)

As part of the Semapa Group's commitment to sustainability and energy efficiency, the results of the Subsidiary companies and the Semapa Group itself regarding energy consumption and their respective energy mix are presented. The analysis includes the distribution of consumption between renewable and non-renewable sources, as well as electricity production, allowing the assessment of the transition to a more sustainable energy model.

PULP AND PAPER SEGMENT

In 2024, Navigator's total energy consumption was 12 652 651 MWh, distributed across 77.9% renewable sources, 21.2% fossil sources and 1.0% nuclear sources [AR34 | E1.37].

In the reporting year, Navigator produced 1 373 621 MWh, of which 1 070 207 MWh (77.9%) came from renewable and 303 414 MWh (22.1%) from fossil sources [E1.39].

The company produces renewable electricity from biomass in highly efficient cogeneration plants in its three pulp mills and in two thermoelectric plants dedicated to the sale of electricity (Aveiro and Setúbal). In addition, it has seven photovoltaic plants for self-consumption in the industrial complexes of Aveiro, Figueira da Foz and Setúbal, as well as in the Instituto Raiz and Herdade de Espirra. In Setúbal and Figueira da Foz, it operates there are also two combined cycle natural gas power plants, with the one in Figueira da Foz currently in backup mode.

Energy consumption in own operations – 2024 (MWh) [E1.37a;b;c | E1.38a;b;c;d;e | AR33 AR34]	
Fuel consumption from coal and coal products	0.0
Consumption from crude oil and petroleum products	240 756.9
Energy consumption of natural gas	2 050 397.5
Fuel consumption from other fossil sources	39 973.2
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil fuel sources	346 078.8
Total energy consumed from fossil sources	**2 677 206.4**
Total energy consumed from nuclear sources	**123 061.4**
Consumption of fuel of sources renewable, including biomass	8 943 195.0
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	898 250.6
Consumption of self-produced non-fuel renewable energy	10 937.8
Total energy consumed from renewable sources	**9 852 383.5**
Total Energy Consumption	**12 652 651.3**

Note: Methodology – Reported energy consumption includes primary energy and electrical energy consumed in all geographies, including Navigator Tissue UK, incorporated in May 2024. Electrical energy consumption related to international offices is excluded, due to its low materiality. Energy consumption in industrial facilities represents 99.9% of Navigator's total, with the remainder distributed between forestry activity, offices in Portugal and employee mobility. Electrical energy consumption and natural gas are measured using dedicated meters managed by the network operator. Fuel and biomass consumed are measured using scales located in industrial complexes. Black liquor is quantified based on flow meters at the recovery boiler inlet. The lower calorific value (LCV) of the fuels consumed is considered in accordance with the EU ETS Regulation. Energy consumption related to employee mobility is estimated based on mileage records on dedicated platforms or estimated from invoiced costs. In 2024, the most significant changes include the energy associated with a full year of activity of Navigator Tissue Ejea, as well as the energy consumed at Navigator Tissue UK, incorporated from May 2024.

Navigator operates in High Climate Impact Sectors (HCIS), and the energy intensity of the company's activity in these sectors in 2024 was 6 059 MWh/million euros of net revenue, in which there was a consumption of 12 652 652 MWh of energy, which corresponds to Navigator's total consumption [E1.38 | E1.40 | E1.41].

CEMENT SEGMENT

Energy and energy efficiency are fundamental in the cement industry, impacting costs, competitiveness, sustainability and legal compliance. Despite the challenges, the opportunities for cost reduction, emissions reduction and innovation justify the efforts. In this context, Secil has been investing in increasing the incorporation of energy from renewable sources, in the increase of alternative fuels, as well as in investing in energy efficiency in factories.

Regarding energy consumption, in 2024, 5 065 447 MWh were consumed. The distribution of energy consumption in Secil's operations was composed of 86.7% fossil fuels, 12.8% renewable sources and 0.5% nuclear sources [AR34 | E1.37]. It should be noted that, regarding energy consumption by business area, the cement sector is the one that occupies the largest representation, being responsible for around 97.5% of total energy consumption.

In terms of energy production, Secil produced exclusively non-fuel renewable energy, totalling 2 522 MWh in 2024 [E1.39], which is used for consumption in its operations.

Consumption of energy in own operations – 2024 (MWh) [E1.37a;b;c | E1.38a;b;c;d;e | AR33 AR34]	
Fuel consumption from coal and coal products	192 801.6
Fuel consumption from crude oil and petroleum products	3 280 493.5
Energy consumption of natural gas	16 636.7
Fuel consumption from other fossil sources	640 424.5
Consumption of purchased or acquired electricity, heat, steam and cooling from sources fossils	260 272.0
Total energy consumed from fossil sources	**4 390 628.6**
Total energy consumed from nuclear sources	**25 654.1**
Consumption of fuel of sources renewable, including biomass	358 470.5
Consumption of purchased or acquired electricity, heat, steam and cooling from sources renewables	288 171.2
Consumption of self-produced non-fuel renewable energy	2 522.3
Total energy consumed from renewable sources	**649 163.9**
Total Energy Consumption	**5 065 446.6**

Note 1: Electricity consumption at the Madeira Cimentos, Madeira Agregados and Madeira Betão (Portugal) facilities in December 2024 was estimated based on consumption recorded in the same period in 2023.
Note 2: The electricity consumption of the Aridos facility (Spain) corresponds to the sum of the quarries of Berducido (Galicia) and Latores (Asturias). The electricity from the Latores quarry (Asturias) was accounted for up to April 2024 and was sold at the beginning of May 2024.
Note 3: The energy consumption from nuclear sources only refers to the operations in Portugal and Terneuzen (Netherlands).

OTHER BUSINESS SEGMENT - ETSA

In 2024, the total energy consumption from ETSA was 142 752 MWh. The energetic consumption in ETSA's operations came mainly from renewable sources (74.1%), while fossil sources accounted for 25.9% of the total [AR34 | E1.37]. The Subsidiary does not have any energy production activity [E1.39], nor does it operate in HCIS.

Consumption of energy in own operations – 2024 (MWh) [E1.37a;b;c | E1.38a;b;c;d;e | AR33 AR34]	
Fuel consumption from coal and coal products	0.0
Fuel consumption from crude oil and petroleum products	0.0
Energy consumption of natural gas	1 071.0
Fuel consumption from other fossil sources	33 819.0
Consumption of purchased or acquired electricity, heat, steam and cooling from sources fossils	2 113.2
Total energy consumed from fossil sources	**37 003.2**
Total energy consumed from nuclear sources	0.0
Consumption of fuel of sources renewable, including biomass	97 296.0
Consumption of purchased or acquired electricity, heat, steam and cooling from sources renewables	8 452.8
Consumption of self-produced non-fuel renewable energy	0.0
Total energy consumed from renewable sources	**105 748.8**
Total Energy Consumption	**142 752.0**

OTHER BUSINESS SEGMENT – TRIANGLE'S

In 2024, Triangle's total energy consumption was 4 199 MWh, distributed by 70% fossil fuels, 27.2% renewable sources and 2.9% nuclear sources [AR24 | E1.37]. In that year, the company produced 526 MWh of renewable energy through photovoltaic panels, of which 62% was consumed internally [E1.39]. Triangle's does not operate in HCIS.

Consumption of energy in own operations – 2024 (MWh) [E1.37a;b;c | E1.38a;b;c;d;e | AR33 AR34]	
Fuel consumption from coal and coal products	0.0
Fuel consumption from crude oil and petroleum products	306.3
Energy consumption of natural gas	1 616.4
Fuel consumption from other fossil sources	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from sources fossils	1 016.0
Total energy consumed from fossil sources	**2 938.7**
Total energy consumed from nuclear sources	**120.0**
Consumption of fuel of sources renewable, including biomass	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from sources renewables	812.0
Consumption of self-produced non-fuel renewable energy	328.1
Total energy consumed from renewable sources	**1 140.1**
Total Energy Consumption	**4 198.7**

HOLDING SEGMENT

In 2024, the Holding's total energy consumption was 147 MWh, 48% of which came from renewable sources, 42.6% from fossil fuels and 9.4% from nuclear sources [AR24 | E1.37]. The Holding does not have any energy production [E1.39], nor do they operate in HCIS.

Consumption of energy in own operations (MWh) [E1.37a;b;c | E1.38a;b;c;d;e | AR33 AR34]	
Fuel consumption from coal and coal products	0.0
Fuel consumption from crude oil and petroleum products	0.0
Energy consumption of natural gas	55.4
Fuel consumption from other fossil sources	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from sources fossils	7.3
Total energy consumed from fossil sources	**62.7**
Total energy consumed from nuclear sources	**13.8**
Consumption of fuel of sources renewable, including biomass	0.0
Consumption of purchased or acquired electricity, heat, steam and cooling from sources renewables	70.6
Consumption of self-produced non-fuel renewable energy	0.0
Total energy consumed from renewable sources	**70.6**
Total Energy Consumption	**147.0**

SEMAPA GROUP

In the analysed period, 2024, total energy consumption in the Semapa Group's operations was 17 865 196 MWh, distributed between fossil, nuclear and renewable sources [AR24 | E1.37].

Energy consumption from fossil fuels totalled 7 107 840 MWh, representing approximately 39.8% of total consumption. Within this group, fuels derived from petroleum (19.7%) and natural gas (11.6%) stand out [AR34 | E1.37].

Energy consumption from renewable sources was 10 608 507 MWh, corresponding to 59.4% of the total. The main renewable source used was biomass and other renewable fuels (52.6%), complemented by electricity, heat, steam and cooling purchased from renewable sources (6.7%) [AR24 | E1.37].

Energy consumption from nuclear sources represented a small share of the total, totalling 148 828.9 MWh, approximately 0.8% of global consumption [AR24 | E1.37].

Regarding the distribution of energy consumption among the Semapa Group Subsidiaries, Navigator reported 70.8% of the group's total consumption, Secil 28.4%, and the remaining Subsidiaries (ETSA, Triangle's and Holding) totalled 0.8%.

The data demonstrates a significant commitment by the Semapa Group to the energy transition, since around 59% of the energy consumed comes from renewable sources. The predominance of biomass reinforces the importance of energy recovery from sustainable natural resources within the Group's operations.

However, dependence on fossil fuels is still significant, especially in petroleum-derived fuels and natural gas.

In 2024, the Semapa Group produced a total of 1 376 669.7 MWh of energy, distributed between renewable and non-renewable sources. The production of energy from renewable sources was 1 073 255.7 MWh, representing approximately 78% of the total. On the other hand, the production of energy from non-renewable sources was 303 414.0 MWh, which corresponds to approximately 22% [E1.39]. Regarding energy production, Navigator was responsible for 99.8% of the energy produced by the Group.

Consumption of energy in own operations (MWh) [E1.37a;b;c | E1.38a;b;c;d;e | AR33 AR34]	
Fuel consumption from coal and coal products	192 801.6
Fuel consumption from crude oil and petroleum products	3 521 556.7
Energy consumption of natural gas	2 069 776.9
Fuel consumption from other fossil sources	714 216.7
Consumption of purchased or acquired electricity, heat, steam and cooling from sources fossils	609 487.7
Total energy consumed from fossil sources	**7 107 839.6**
Total energy consumed from nuclear sources	**148 849.3**
Consumption of fuel of sources renewable, including biomass	9 398 961.5
Consumption of purchased or acquired electricity, heat, steam and cooling from sources renewables	1 195 757.2
Consumption of self-produced non-fuel renewable energy	13 788.2
Total energy consumed from renewable sources	**10 608 506.9**
Total Energy Consumption	**17 865 195.7**

Note 1 – **Navigator**: Reported energy consumption includes primary energy and electrical energy consumed in all geographies, including Navigator Tissue UK, incorporated in May 2024. Electrical energy consumption related to international offices is excluded, due to its low materiality. Energy consumption in industrial facilities represents 99.9% of Navigator's total, with the remainder distributed between forestry activity, offices in Portugal and employee mobility.
Note 2 – **Navigator**: In 2024, the most significant changes include the energy associated with a full year of Navigator activity Tissue Ejea, as well as the energy consumed in Navigator Tissue UK, incorporated from May 2024.
Note 3 – **Secil**: Electricity consumption by Madeira Cimentos, Madeira Agregados and Madeira Betão (Portugal) facilities in December 2024 was estimated based on consumption recorded in the same period in 2023.
Note 4 – **Secil**: The electricity consumption of the Aridos facility (Spain) corresponds to the sum of the Berducido (Galicia) and Latores (Asturias) quarries. The electricity from the Latores quarry (Asturias) was accounted for until April 2024, this was sold at the beginning of May 2024.

GROSS GHG EMISSIONS OF SCOPE 1, 2, 3 AND TOTAL GROSS GHG EMISSIONS (E1-6)

As part of the Semapa Group's commitment to transparency and effective management of GHG emissions, the data reported by the Subsidiaries and the Group's consolidated value are presented. This report covers GHG emissions in scopes 1, 2 and 3, reflecting the impact of the Subsidiaries' operations and the progress of their efforts to reduce their carbon footprint.

The detailed presentation of data allows us to assess progress towards decarbonization targets and alignment with the Semapa Group's strategic objectives, ensuring clear communication of performance.

PULP AND PAPER SEGMENT

Navigator's scope 1 emissions in 2024 totalled 509 037 tCO_2e from fossil sources and 3 551 724 tCO_2e from biogenic sources [E1.44a | E1.50a]. The GHG Protocol methodology was followed, and emissions of CO_2, CH4, N2O and fluorinated gases [AR39b] were accounted for. Fossil emissions include 454 234 tCO_2 covered by the EU ETS, representing 89% of the total scope 1 emissions in 2024. This figure has not yet been subject to EU ETS verification [E1.44a | E1.48b | E1.50b].

The calculation of scope 1 emissions includes direct emissions associated with the activities carried out by Navigator. This includes the activities of Portucel Mozambique, Navigator Tissue Ejea, Navigator Tissue UK (from May to December 2024), and excludes international offices, due to their low materiality. Emissions related to industrial, forestry and R&D activities are included, as well as emissions associated with employee travel in their own fleet.

Scope 1 CO_2 emissions of biogenic origin result from the combustion of black liquor and other biomass fuels for energy production and are considered carbon neutral, as they are part of the natural carbon cycle [AR39b].

In terms of gross scope 2 emissions, Navigator will have emitted a total of 140 633 tCO_2e considering the location-based approach, or 126 020 tCO_2e considering the market approach [E1.44b | E1.49 | E1.52]. Scope 2 emissions, calculated according to the GHG Protocol, were obtained from the most recent IEA emission factors (location approach) and from emission factors of traders (market approach). It is worth noting that supplies of 100% renewable energy under PPA – Power Purchase Agreement contracts [AR39] were considered.

In 2024, the most relevant changes include emissions associated with a full year of activity of Navigator Tissue Ejea, as well as emissions associated with Navigator Tissue UK, incorporated from May 2024 [E1.47].

Navigator's scope 3 emissions in 2024 were 1 388 985 tCO_2e, with these mostly allocated to category 1 – acquisition of goods and services (61.7%), followed by category 12 – end-of-use treatment of life of products sold (10.6%) and category 10 – transformation of products sold (7.4%). For this scope, categories 2, 5, 6 and 7 are excluded due to their low materiality, as identified in the materiality analysis carried out in 2022. In addition, categories 8, 11, 13, 14 and 15 are also excluded as not applicable to Navigator's business [AR46i].

For the calculation of Scope 3 emissions, the GHG Protocol was also followed, adopting a hybrid methodology that combines average activity data and expenditure-based data [AR46h]. The emission factors used come from recognized databases, mainly Ecoinvent and DEFRA (Department for Environment, Food & Rural Affairs – UK), and emission factors made available by suppliers [AR39 | AR46g].

In 2024, improvements were implemented in the scope 3 calculation methodology, with the aim to incorporate more comprehensive and higher quality data. The scope of raw materials has been expanded to include Portugal, Spain and Mozambique, although emissions from Navigator Tissue UK have not yet been integrated due to the complexity of data collection. In category 1, packaging materials, chemicals and other raw materials not previously quantified have been included. For category 4, timber transport distances have been estimated based on the municipality of origin of the raw material.

The total GHG emissions in 2024 associated with Navigator's activity (scope 1 – fossils, scope 2 and 3) were of 2 038 655 tCO_2e based on the location approach or of 2 024 042 tCO_2e according to the market approach [E1.44b | E1.52].

In 2024, there was a reduction of around 5% in the corporate emissions inventory compared to 2023. Scope 1 emissions remained stable, although the Navigator Tissue Ejea and Navigator Tissue UK operations were added. Compared to the 2018 base year, Scope 1 emissions decreased by 41%, almost reaching half of the 2035 target.

In industrial activities in Portugal, direct emissions per tonne of product fell by around 5% compared to 2023, due to operational efficiency and lower fuel consumption. Scope 2 emissions fell significantly by 39% (location approach) and 60% (market approach) compared to 2023, impacted by the reduction in emission factors and the greater incorporation of renewable energy in the national mix. Emissions according to the market approach were influenced by renewable energy supply contracts, including a 115 GWh PPA with Endesa and physical PPAs with photovoltaic power plants. It is also worth noting that the electricity purchased by Navigator Tissue UK is 100% renewable [E1.45d]

In terms of GHG emissions intensity, in 2024, Navigator recorded 0.000976 tCO_2e/€ of net revenue (0.976 $kgCO_2e$/€) based on the location approach and 0.000969 tCO_2e/€ (0.969 $kgCO_2e$/€) based on the market approach [E1.53 |E1.54].

In 2024, the stock of biogenic CO_2 retained in Navigator products totalled 2.6 million tonnes of CO_2 [MDR-M]. This value represents the carbon embedded in the bio-based materials used in products, contributing to the mitigation of atmospheric emissions by remaining stored throughout its life cycle.

[AR48]	Retrospective				Intermediate objectives and target years		
	Base year 2020	Comparative (2023)	2024	% N/N-1	2035	2050	% annual target / base year
SCOPE 1							
Gross emissions – fossil (tCO_2e)	741 188	508 833	509 037	-	*	-	-
Percentage of GHGs emissions from regulated regimes of trading emission licenses (%)	95%	90%	89%	-	-	-	-
SCOPE 2							
Gross emissions based on location (tCO_2e)	223 356	230 642	140 633	-39%	*	-	-
Gross emissions based on the market (tCO_2e)	281 701	312 942	126 020	-60%	-	-	-
SCOPE 3							
Category 1 – Goods and services acquired (tCO_2e)	934 752	792 005	856 601	8%	-	-	-
Category 3 – Activities related to the fuels and electricity (tCO_2e)	125 528	100 052	90 324	-10%	-	-	-
Category 4 – Transport and upstream distribution (tCO_2e)	46 513	90 208	95 383	6%	-	-	-
Category 9 – Transport and downstream distribution (tCO_2e)	114 549	116 597	96 808	-17%	-	-	-
Category 10– Transformation of products sold (tCO_2e)	112 948	154 224	102 467	-34%	-	-	-
Category 12 – End of Life Treatment of the life of the products sold (tCO_2)	157 996	144 667	147 402	2%	-	-	-
Total gross emissions of scope 3 (tCO_2e)	1 492 286	1 397 752	1 388 985	-1%	598 916	-	2.5%

[AR48]	Retrospective				Intermediate objectives and target years		
	Base year 2020	Comparative (2023)	2024	% N/N-1	2035	2050	% annual target / base year
TOTAL GHG EMISSIONS							
Gross emissions based on location (tCO_2e)	2 456 830	2 137 228	2 038 655	-5%	1 895 976**	-	3.3%**
Gross emissions based on the market (tCO_2e)	2 515 175	2 219 528	2 024 042	-9%	-	-	-

Note 1: The following were followed: *GHG Protocol guidelines* [AR39b |AR46d]
Note 2: The sum of total GHG emissions does not include emissions from biogenic sources in the scopes1 and 2
Note 3: Categories 2, 5, 6 and 7 of scope 3 are excluded because they have low materiality. In addition, categories 8, 11 and 13, 14 and 15 are also excluded because they are not applicable to Navigator's business.
Note 4: Scope 1, 2 and 3 emissions include emissions associated with all Navigator activities across all geographies, except emissions associated with international offices due to their low materiality (<0.02%). Emissions from Navigator Tissue UK, which became part of Navigator in May 2024, have been included in scopes 1 and 2, with an extension to scope 3 planned for next year.
Note 5: Scope 3: category1 excludes PCC, Wood, Services and fiber; category 4 excludes fiber and biomass transportation; category 10 considers only the transformation of pulp into UWF and Tissue; category 12 considers only 50% of emissions.
Note 6: The 2023 data, including emissions under the EU ETS, fluorinated gases, methane and nitrous oxide, have been updated to incorporate the EU ETS verification that occurred after the publication of the 2023 Sustainability Report, information not previously available. The materiality of the update is less than 0.2%
Note 7: *The objectives set by Navigator for scope emissions1 and 2 are integrated into joint targets.
Note 8: ** considering the SBTi target for scope 1 and scope 2

CEMENT SEGMENT

Cement production is responsible for around 7% of global CO_2 emissions, according to the Global Cement and Concrete Association (GCCA), due to the calcination of limestone and the combustion of fossil fuels. In addition to its impact on global warming, this process generates other atmospheric pollutants, affecting the quality of air and human health.

In 2023, Secil's carbon footprint was carried out, covering all business areas, with the main objective of quantifying GHG emissions (CO_2, CH_4, N_2O and others) in scopes 1, 2 and 3. Scope 1 emissions represented the largest share, 65% of the total, followed by scope 3, with 31% [AR39b].

From scope 3, the categories of purchase of goods and services, activities related to fuel and energy and downstream transport stood out. [AR46d]. It is also important to note that, within scope 3, categories 8.13 and 14 are not applicable to Secil's activity. Category 11 was not included in the calculation due to the high uncertainty of the estimate; however, associated emissions are expected to be residual [AR46i].

It should also be noted that Secil is covered by the European Emissions Trading Scheme, namely the cement and lime installations in Portugal.

Regarding the cement and lime business, Secil's gross scope 1 emissions in 2024 were 3 259 964 tCO_2 from fossil sources and 46 959 tCO_2 from biogenic sources [E1.44a | E1.50a]. Emissions from fossil fuels include 1 365 943 tCO_2 covered by the ETS, representing 42% of the total in 2024 [E1.44a | E1.48b | E1.50b].

In relation to gross scope 2 emissions, in 2024 Secil emitted a total of 96 472 tCO_2 considering the location-based approach, or 122 697 tCO_2 considering the market approach [E1.44b | E1.49 | E1.52]. During the period under analysis, 14 tonnes of biogenic CO_2 emissions were recorded, resulting from the combustion and biodegradation of electricity.

Thus, regarding 2024, and specifically in the cement and lime business area, the issuance was recorded 3 356 436 tCO_2scope 1 and 2 (location approach), or 3 382 661 tCO_2 (market approach).

The 2024 scope 1 and scope 2 data reported only concerns CO_2 emissions and consider only the cement and lime business area in the geographies of Portugal (Maceira, Outão and Pataias Branco), Angola (Lobito), Brazil (Adrianópolis and Pomerode), Lebanon (Sibline) and Tunisia (Gabès). Scope 1 and 2 emissions relating to the other business areas and scope 3 emissions are not yet available and were therefore not included for the purposes of this report.

Secil is a member of the GCCA and uses the respective "Cement CO_2 and Energy Protocol ", developed specifically for the cement sector, for the calculation of its scope 1 and 2 emissions, which are validated annually by an external and independent entity. The emission factors used are based on the 2006 Guidelines of the IPCC, the IEA and those made available by the contracted electricity suppliers [AR39b | AR46h].

[AR48]	Retrospective				Goals and target years		
	Base year 2020	Comparative 2023	2024	% N/N-1	2030	2050	% annual target / base year
SCOPE 1							
Gross scope 1 emissions - fossils (tCO_2)	3 642 864.0	3 241 793.0	3 259 963.9	1%	*	-	-
Percentage of regulated GHG from scope 1 from emission permit emissions from electricity trading schemes (%)	38%	41%	42%	-	-	-	-
SCOPE 2							
Gross emissions based on location (tCO_2)	163 490.7	129 783.9	96 472.3	-26%	-	-	-
Gross emissions based on the market (tCO_2)	185 371.8	140 045.1	122 696.9	-12%	*	-	-
SCOPE 3							
Category 1 - Goods and services acquired (tCO_2)	559 203.9	760 895.88	696 911.77	-8%	-	-	-
Category 2 - Capital goods (tCO_2)	10 804.5	21 940.00	66 406.39	203%	-	-	-
Category 3 – Activities and electricity related to fuels (tCO_2)	408 417.0	342 652.7	378 401.15	10%	-	-	-
Category 4 - Transport and upstream distribution (tCO_2)	62 050.5	78 003.6	69 072.68	-11%	-	-	-
Category 5 - Waste generated operations (tCO_2)	1 476.6	1 982.3	4 273.46	116%	-	-	-
Category 6 - Travel in service (tCO_2)	199.5	630.1	637.78	1%	-	-	-
Category 7 - Daily commutes of workers between home and the workplace (tCO_2)	5 729.8	6 345.5	6 883.58	8%	-	-	-
Category 9 - Transport and downstream distribution (tCO_2)	196 762.6	159 279.0	173 453.42	9%	-	-	-
Category 10 - Transformation of products sold (tCO_2)	27 618.6	19 432.7	19 580.55	1%	-	-	-
Category 12 - End of Life Treatment of the life of the products sold (tCO_2)	19 272.6	13 490.0	13 603.57	1%	-	-	-
Category 15 – Investments (tCO_2)	10 593.1	16 164.1	16 586.56	3%	-	-	-
Total gross emissions of scope 3 (tCO_2)	**1 302 129.8**	**1 420 815.88**	**1 445 810.91**	**2%**	*****	**-**	**-**

[AR48]	Retrospective				Goals and target years		
	Base year 2020	Comparative 2023	2024	% N/N-1	2030	2050	% annual target / base year
TOTAL GHG EMISSIONS							
Gross emissions based on location (tCO_2)	4 673 705.7	4 792 392.78	4 802 247.11	0%	-	-	-
Gross emissions based on market (tCO_2)	4 683 966.9	4 802 653.98	4 828 471.71	1%	*	-	-

Note 1: * The objectives defined by Secil, and in accordance with the validation by SBTi, were established in specific terms (kg CO_2/t cement – scope 1 and 2; kg CO_2/t clinker and cement – scope 3), rather than absolute values.
Note 2: ** Secil carried out its total carbon footprint for the first time, including scope 3 emissions in 2020 and 2022. The calculation process has been improving and becoming increasingly structured, with a focus on primary data and fewer estimates, despite difficulties due to geographical dispersion, the complexity of the business and the number of facilities. However, there is a one-year delay and it was only possible to complete the emissions inventory for 2023. During 2025, Secil will be able to overcome this situation and start reporting the previous year of its scope 3 emissions.
Note 3: The data reported only consider the Cement Business Area in the geographies of Portugal (Maceira, Outão and Pataias Branco), Angola (Lobito), Brazil (Adrianópolis and Pomerode), Lebanon (Sibline) and Tunisia (Gabès) and Hydraulic Lime in Portugal.
Note 4: For the calculation of scope 2 emissions under the market-based approach, location-based emission factors were used at the Sibline, Gabès and Lobito facilities, as specific emission factors provided by the respective electricity suppliers are not available.
Note 5: The sum of total CO_2 emissions does not include emissions from biogenic sources in the scopes 1 and 2.
Note 6: There were no significant changes in the definition of what constitutes the reporting company and its value chain [E1.47].

OTHER BUSINESS SEGMENT - ETSA

In 2024, ETSA emitted 10 901 tCO_2e of gross scope 1 emissions from the combustion of fuel oil and diesel (fossil sources), and 680 tCO_2e of biogenic emissions, associated with the combustion of ITS flour, wood chips and wood pellets [E1.44a | E1.50a | AR43c | AR39b]. ETSA is not covered by the EU ETS [E1.44a | E1.48b | E1.50a].

In relation to gross scope 2 emissions, ETSA in 2024 emitted a total of 1 084 tCO_2e considering the location-based approach, or 2 142 tCO_2e considering the market-based approach [E1.44b | E1.49 | E1.52]. In the same period, it was not registered any emissions of CO_2e of biogenic sources of scope 2 [AR45e].

Scope 2 emissions are quantified based on electricity consumption, determined from supplier invoices. This consumption is then multiplied by the corresponding emission factor, considering the market (supplier) approach and the location approach (IEA, 2023) [AR39b].

ETSA does not have specific contracts that include contractual instruments such as Guarantees of Origin or Renewable Energy Certificates [AR45d].

ETSA has not quantified emissions associated with Scope 3 [E1.44c | E1.51].

Total GHG emissions in 2024 associated with ETSA activity (scope 1 – fossil sources, and scope 2) were 11 985 tCO_2e based on the location approach or 13 043 tCO_2e under the market approach [E1.44b | E1.52]. Total emissions in 2024 increased compared to 2023 due to a largest volume of raw material collected and processed by ETSA.

In terms of GHG emissions intensity (scope 1 and 2), in 2024, ETSA recorded 0.000268 tCO_2e/€ of net revenue (0.268 $kgCO_2e$/€) based on the location approach and 0.000292 tCO_2e/€ (0.292 $kgCO_2e$/€) based on the market approach [E1.53 |E1.54].

[AR48]	Retrospective				Intermediate objectives and target years		
	Base year 2020	Comparative (2023)	2024	% N/N-1	2030	2050	% annual target / base year
SCOPE 1							
Gross scope 1 emissions - fossils (tCO_2e)	9 827	8 734	10 901	25%	*	*	-
Percentage of regulated GHG from scope 1 from emission permit emissions from electricity trading schemes (%)	N/a	N/a	N/a	-	-	-	-
SCOPE 2							
Gross emissions based on location (tCO_2e)	1 507	1 039	1 084	4%	-	-	-
Gross emissions based on market (tCO_2e)	2 231	2 045	2 142	5%	*	*	-
TOTAL GHG EMISSIONS							
Gross emissions based on location (tCO_2e)	11 334	9 773	11 985	23%	-	-	-
Gross emissions based on market (tCO_2e)	12 058	10 779	13 043	21%	5 425	470	6.4%

Note 1: The sum of total GHG emissions does not include emissions from biogenic sources in scopes 1 and 2.
Note 2: There have been no significant changes in the definition of what constitutes a reporting company and its value chain [E1.47]
Note 3: * The targets set by ETSA for scope 1 and 2 emissions are integrated into a joint goal.

OTHER BUSINESS SEGMENT – TRIANGLE'S

In 2024, Triangle's carried out its first carbon footprint calculation exercise, based on the Greenhouse Gas Protocol methodology, covering scopes 1, 2 and 3 [AR39b | AR46h].

In the year 2024, Triangle's recorded a total of 367 tCO_2e in gross scope 1 emissions, resulting from direct sources under their control [E1.44a | E1.50a]. Natural gas consumption was responsible for 80% of emissions in this scope, followed by the automobile fleet with the remaining 20%. In the same reporting period, there were no biogenic emissions recorded in scope 1 [AR43c]. Scope 1 corresponds to 2.4% of Triangle's total emissions.

Triangle´s is not covered in CELE [E1.44a | E1.48b |E1.50a].

Triangle's emitted 336 tCO_2e in gross scope 2 emissions in 2024, considering the location-based approach, or 271 tCO_2e, according to the market approach [E1.44b | E1.49 | E1.52]. Similarly of scope 1, there were no scope 2 biogenic emissions [AR45e]. Scope 2 corresponds to 1.8% of total emissions, representing Triangle's electricity consumption.

Triangle's does not have specific contracts that include contractual instruments such as Guarantees of Origin or Renewable Energy Certificates [AR45d].

Scope 3 emissions reflect Triangle's value chain performance. In 2024, Scope 3 was revealed to be the most representative, corresponding to 96% of the company's total GHG emissions. Contributions from upstream and downstream value chain activities were not used to calculate emissions [AR46g].

The main scope 3 emissions are associated with the category of Acquisition of Products and Services and Capital Goods (75%), followed by Capital Goods (18%), Upstream Transport and Distribution (2%) and Travel of employees (2%) [AR46d]. Categories 8, 10, 11, 12, 13, 14 and 15 were excluded, as they do not reflect Triangle's activity [AR46i].

Triangle's total GHG emissions (scope 1, 2 and 3) in 2024 were 15 052.9 tCO_2e based on the location approach or 14 988.4 tCO_2e based on the market [E1.44b | E1.52].

In 2024, Triangle's carbon intensity was 0.0008 t CO_2e/€, i.e. 0.8 kg CO_2e/€ invoiced, (0.8 $kgCO_2e$/€), in both the location and market approaches [E1.53 |E1.54].

[AR48]	Retrospective			Intermediate objectives and target years		
	Comparative (2023)	2024	% N/N-1	2030	2050	% annual target / base year
SCOPE 1						
Gross scope 1 emissions - fossils (tCO_2e)	-	366.7	-	TBD	TBD	-
Percentage of regulated GHG from scope 1 from emission permit emissions from electricity trading schemes (%)	-	N/a	-	-	-	-
SCOPE 2						
Gross emissions based on location (tCO_2e)	-	335.9	-	TBD	TBD	-
Gross emissions based on market (tCO_2e)	-	271.4	-	TBD	TBD	-
SCOPE 3						
Category 1 – Goods and services acquired (tCO_2)	-	10 825	-	-	-	-
Category 2 – Goods of capital (tCO_2e)	-	2 560.0	-	-	-	-
Category 3 – Activities and electricity related to fuels (tCO_2)	-	66.7	-	-	-	-
Category 4 – Transport and upstream distribution (tCO_2e)	-	310.2	-	-	-	-
Category 5 – Waste generated operations (tCO_2e)	-	89.2	-	-	-	-
Category 6 – Travel in service (tCO_2)	-	127.9	-	-	-	-
Category 7 – Daily commutes of workers between home and the workplace (tCO_2)	-	294.2	-	-	-	-
Category 9 – Transport and downstream distribution (tCO_2)	-	77.2	-	-	-	-
Total gross emissions of scope 3 (tCO_2e)	-	14 350.3	-	TBD	TBD	-
TOTAL GHG EMISSIONS						
Gross emissions based on location (tCO_2e)	-	15 052.9	-	TBD	TBD	-
Gross emissions based on market (tCO_2e)	-	14 988.4	-	TBD	TBD	-

Note 1: The sum of total GHG emissions does not include emissions from biogenic sources of scopes 1 and 2.
Note 2: 2024 was Triangle's first carbon footprint calculation exercise.
Note 3: Categories 8, 10, 11, 12, 13, 14 and 15 have been excluded as they do not reflect Triangle's activity.
Note 4: Triangle's is currently setting GHG emission reduction targets.
Note 5: There have been no significant changes in the definition of what constitutes a reporting company and its value chain [E1.47]
TBD: *to be defined*

HOLDING SEGMENT

In 2024, the Holding issued approximately 86 tCO_2e in emissions gross node Scope 1 [E1.44a |E1.50a].

The calculation was based on emissions resulting from the combustion of the fleet, applying the emission factors from the National Emissions Inventory (NIR) of Portugal (2024) [AR39b]. In the same period there were no biogenic scope 1emissions [AR43c].

The Holding is not covered by the CELE regime [E1.44a | E1.48b | E1.50a].

In terms of scope 2, the Holding emitted a total of 15 tCO_2e considering the location-based approach, or 25 tCO_2e according to the market-based approach [E1.44b | E1.49 | E1.52]. As in scope 1, there were no scope 2 biogenic emissions [AR45e]. The Holding does not have specific contracts that include contractual instruments such as Guarantees of Origin or Renewable Energy Certificates [AR45d].

For the calculation, the energy consumption values throughout the reporting period were collected, based on the records provided by the supplier. From this data, it was possible to discriminate the consumption according to its source. In quantifying GHG emissions, different emission factors were used: in the location-based approach, the total coefficient for 2023, made available by the IEA, was applied, while in the market-based approach, the coefficient broken down by type of source (natural gas, oil, coal) for the same year, also made available by the IEA, was considered [AR39b].

The Holding did not quantify emissions associated with Scope 3 [E1.44c | E1.51].

The Holding's total GHG emissions in 2024 (scope 1 – fossils, and scope 2) were 101 tCO_2e based on location approach or 110 tCO_2e based on the market approach [E1.44b | E1.52].

[AR48]	Retrospective			Intermediate objectives and target years		
	Base year/ Comparative 2023	2024	% N/N-1	2035	2050	% annual target / base year
SCOPE 1						
Gross scope 1 emissions - fossils (tCO_2e)	99	85.6	-14%	-	-	-
Percentage of regulated GHG from scope 1 from emission permit emissions from electricity trading schemes (%)	-	-	-	-	-	-
SCOPE 2						
Gross emissions based on location (tCO_2e)	25	15.1	-40%	-	-	-
Gross emissions based on market (tCO_2e)	-	24.5	-	-	-	-
TOTAL GHG EMISSIONS						
Gross emissions based on location (tCO_2e)	124	100.7	-19%	-	-	-
Gross emissions based on market (tCO_2e)	-	110.1	-	-	-	-

Note 1: The sum of total GHG emissions does not include emissions from biogenic sources in scopes 1 and 2.
Note 2: There have been no significant changes in the definition of what constitutes a reporting company and its value chain [E1.47]

SEMAPA GROUP SEGMENT

In 2024, the Semapa Group recorded emissions of 5 422 230 tCO_2e (according to the location approach) or 5 434 845 tCO_2e (according to the market approach). These figures include scope 1 and 2 emissions from all the Group's subsidiaries, as well as scope 3 emissions from Navigator and Triangle's.

In Scope 1, gross GHG emissions from fossil fuels increased slightly. In 2024, it is worth noting that the report that 48.2% of these emissions are associated with regulated emissions trading schemes, reinforcing the Group's commitment to market-based instruments for climate mitigation.

Regarding Scope 2, the Group has achieved significant reductions: -34% in location-based emissions and -45% in market-based emissions. These reductions are associated with the Subsidiaries' efforts to implement energy efficiency initiatives, purchase electricity with less carbon intensity or increase the incorporation of more renewable energy.

In 2024, the carbon intensity of the Semapa Group was 0.0019 tCO_2e/€ invoiced (1.9 $kgCO_2e$/€), considering the emissions of its subsidiaries: Navigator (scopes 1, 2 and 3), Secil (scopes 1 and 2), ETSA (scopes 1 and 2) and Triangle's (scopes 1, 2 and 3). This value was consistent in both the location and market approaches [E1.53 | E1.54], being largely influenced by the characteristics of Secil's activity, with a greater emission intensity per billing unit.

In 2024, the subsidiary Navigator contributed to the retention of 2.6 million tonnes of CO_2 through its products [MDR-M].

	Retrospective		
	2023	**2024**	**% N/N-1**
SCOPE 1			
Gross scope 1 emissions – fossils (tCO_2e)	3 759 459.4	3 780 354.3	1%
Percentage of regulated GHG from scope 1 from emission permit emissions from electricity trading schemes (%)	47.5%	48.2%	-
SCOPE 2			
Gross emissions based on location (tCO_2e)	361 490.0	238 540.0	-34%
Gross emissions based on market (tCO_2e)	455 032.4	251 151.1	-45%
SCOPE 3			
Category 1 - Goods and services acquired (tCO_2e)	1 552 900.88	1 564 337.77	1%
Category 2 - Goods of capital (tCO_2e)	21 940	68 966.39	214%
Category 3 - Activities and electricity related to fuels (tCO_2)	442 704.7	468 791.85	6%
Category 4 - Transport and upstream distribution (tCO_2)	168 211.6	164 765.88	-2%
Category 5 - Waste generated operations (tCO_2)	1 982.3	4 362.66	120%
Category 6 - Travel in service (tCO_2)	630.1	765.68	22%
Category 7 - Daily commutes of workers between home and the workplace (tCO_2)	6 345.5	7 177.78	13%
Category 9 - Transport and downstream distribution (tCO_2)	275 876	270 338.62	-2%
Category 10 - Transformation of products sold (tCO_2)	173 656.7	122 047.55	-30%
Category 12 - End of Life Treatment of the life of the products sold (tCO_2)	158 157	161 005.57	2%
Total gross emissions of scope 3 (tCO_2e)	**2 802 404.78**	**2 832 559.75**	**1%**
TOTAL GHG EMISSIONS			
Gross emissions based on location (tCO_2e)	**6 923 354.18**	**6 851 454.05**	**-1%**
Gross emissions based on market (tCO_2e)	**7 016 896.58**	**6 864 065.15**	**-2%**

Note 1: The total emissions presented in this table result from the sum of the emissions reported by the Subsidiaries, assuming that there is no overlap of activities between them. The values include emissions as known and calculated by each Subsidiary, and different quantification methodologies may have been used, depending on the reality and the data available for each entity. For more details on the methodology and underlying data, see disclosure E1-6 of each Subsidiary.
Note 2: 2024 Scope 3 emissions represent the sum of Navigator, Secil and Triangle's subsidiaries due to the low materiality of the remaining components, namely ETSA and Holding. See following notes for details on methodologies used.
Note 3: For the year 2023, only scope 3 emissions from Navigator and Secil are available.
Note 4: The sum of total GHG emissions does not include emissions from biogenic sources in scopes 3 and 4.1 and 2.
Note 5 – **Navigator**: Calculation of scope emissions1 includes direct emissions associated with activities carried out by Navigator. This includes the activities of Portucel Mozambique, Navigator Tissue Ejea, Navigator Tissue UK (from May to December 2024), and excludes international offices, due to their low materiality. Emissions related to industrial, forestry and R&D activities are included, as well as emissions associated with employee travel in their own fleet.
Note 6 – **Navigator**: For scope 3, categories 2, 5, 6 and 7 are excluded as they have low materiality. In addition, categories 8, 11, 13, 14 and 15 are also excluded as they are not applicable to Navigator's business.
Note 7 – **Navigator**: Scope 2 and 3 emissions include emissions associated with all Navigator activities across all geographies, except emissions associated with international offices due to their low materiality (<0.02%). Emissions from Navigator Tissue UK, which became part of Navigator in May 2024, have been included in scopes1 and 2, with an extension to scope 3 planned for next year.
Note 8 – **Navigator**: 2023 data, including EU ETS emissions, fluorinated gases, methane and nitrous oxide, have been updated, incorporating the CELE verification that occurred after the publication of the 2023 Sustainability Report, information not previously available. The materiality of the update is less than 0.2%.
Note 9 – **Secil**: Scope 1 emissions refer only to CO_2 emissions, as per the sectoral methodology published by the WBCSD, aligned with The GHG Protocol.
Note 10 – **Secil**: Scope emissions1 and 2 consider only the Cement Business Area in the geographies of Portugal (Maceira, Outão and Pataias Branco), Angola (Lobito), Brazil (Adrianópolis and Pomerode), Lebanon (Sibline) and Tunisia (Gabès) and Hydraulic Lime in Portugal, due to the low materiality of the remaining activities and the integrated nature of the Secil Group's activity.
Note 11 – **Secil**: Scope 3 emissions were estimated from 2024 consumption and changes in purchases of goods and services and sales by country compared to 2023, as well as the turnover of associates and the evolution of the number of employees. Emission factors obtained from external databases widely used in the market were applied to the estimated consumption.
Note 12 – **Triangle´s**: 2024 was Triangle's first carbon footprint calculation exercise.
Note 13 – **Triangle´s**: Scope 3 categories 8, 10, 11, 12, 13, 14 and 15 have been excluded as they do not reflect Triangle's activity.
Note 14 – **Holding**: Gross market-based scope 2 emissions from 2023 are not included in the total presented.

EXPECTED FINANCIAL EFFECTS OF PHYSICAL AND TRANSITION MATERIAL RISKS AND POTENTIAL CLIMATE-RELATED OPPORTUNITIES (E1-9)

PULP AND PAPER SEGMENT

In 2023, Navigator conducted a financial impact analysis in accordance with the TCFD recommendations, quantifying the impact of four risks and one opportunity (as disclosed in ESRS 2 SBM-3 table). However, in accordance with Appendix C of ESRS 1, Navigator chose not to report additional information about this analysis.

CEMENT SEGMENT

In accordance with Appendix C of ESRS 1, Secil has chosen not to report information on the expected financial effects of climate change-related impacts, risks and opportunities in this first year of reporting.

OTHER BUSINESS SEGMENT - ETSA

In accordance with Appendix C of ESRS 1, ETSA has chosen not to report information on the anticipated financial effects of climate change-related impacts, risks and opportunities in this first year of reporting.

OTHER BUSINESS SEGMENT – TRIANGLE'S

In accordance with Appendix C of ESRS 1, Triangle's has chosen not to report information on the anticipated financial effects of climate change-related impacts, risks and opportunities in this first year of reporting.

HOLDING SEGMENT

In accordance with Appendix C of ESRS 1, Semapa has chosen not to report information on the anticipated financial effects of climate change-related impacts, risks and opportunities in this first year of reporting.

4.1.2.3 WATER AND MARINE RESOURCES - E3

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Raw material suppliers in the value chain significantly contribute to a significant consumption of water, which can have negative outcomes for ecosystems and local communities		Negative impact	-	Upstream	Water consumption
Water collection in areas of water scarcity and/or stress (intensive use of shared resources)		Negative impact	-	Own Operations	Water collection
Risk of water stress		Risk	Short Term– Year of report	Own Operations	Water collection

Note: the material impacts identified are real and therefore do not have a time horizon associated with them.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO WATER AND MARINE RESOURCES (E3-1, MDR-P)

Water is an essential resource for several phases of the industrial processes of the Semapa Group's Subsidiaries. Given the volume of water used, the Group is committed to the efficient management of this resource. Given the impact on this essential asset, water intakes and the discharge of industrial effluents from the Subsidiaries are subject to strict monitoring, as well as specific licensing.

In this way, companies adopt measures to reduce water consumption and improve the quality of treated effluents, promoting the optimization of the circularity of this natural resource.

The Semapa Group promotes and monitors the policies of its Subsidiaries, which address water management in different ways. Navigator integrates water management into its **Environmental Policy**, **Systems Management Policy** and **Forestry Policy**. Secil has developed the **Sustainability Policy** and the **Quality, Environment, Health and Safety Policy**. Triangle's has included the topic in its **Integrated Management System Policy**, and it is equally important to mention the **Code of Conduct** and the **Code of Conduct for Suppliers**, which indirectly contribute to water management. [E3.11 | ESRS 2.65a] ETSA does not currently have a defined water policy, however, it is working on the topic for the future.

PULP AND PAPER SEGMENT

Navigator has developed and formalized a set of policies that address water issues, including **Environmental Policy**, **Systems Management Policy** and **Forestry Policy**. [E3.9] The Environmental Council, the Sustainability Forum and the Local Community Monitoring Committees, as bodies within the Sustainability Governance structure that include external stakeholders, participate in defining Navigator's policies, contributing with scientific knowledge and the most relevant concerns for the surrounding communities. [ESRS 2.65e]

Navigator's **Environmental Policy** addresses issues of water use and supply, effluent treatment and product and service design, establishing clear commitments to invest in the best available technologies, continuous optimization of industrial processes and promotion of water efficiency and ecodesign in product design. The **Systems Management Policy**, being a more general policy that supports the Environmental Management

System in accordance with ISO 14001, expresses the commitment to mitigate and minimize the environmental impacts associated with Navigator's activity, also promoting the adoption of the best available techniques to improve environmental performance, which includes water (and effluent) management. [E3.11 | E3.12c | ESRS 2.65a]

The **Forest Policy** integrates water management into the sustainable forest management model, aligned with legislation and PEFC and FSC® standards. To ensure the preservation of water resources, a specific strategy focused on water quality and availability, biodiversity conservation and protection of aquatic ecosystems was created. [E3.11 | ESRS 2.65a] This strategy is implemented through the Forest Management System and Technical Standard 08, which defines good practices for protection, requalification and water maintenance.

The Industrial Complexes of Aveiro, Figueira da Foz, Setúbal and Ejea face high levels of water stress (>40%), while Vila Velha de Ródão and factories in the United Kingdom have levels below 20%.

[E3.13 | AR28] The company undertakes to work in collabouration with authorities and communities for the sustainable management of water in the affected areas. [E3.11 | E3.12c | ESRS 2.65a | AR17] Navigator is clearly committed to contributing to the knowledge and maintenance of the ecological requirements of the river basins where it operates, especially those experiencing water stress, working in close collabouration with local authorities and communities. [E3.11 | E3.12c | ESRS 2.65a | AR17]

The following information is entered by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of Environmental Policy: Chap. 4.1.2.2.
- Presentation of the Systems Management Policy: Chap. 4.1.2.5.
- Presentation of the Forest Policy: Chap. 4.1.2.4.

CEMENT SEGMENT

Secil's policies are the **Sustainability Policy** and the **Quality, Environment, Health and Safety Policy**. [E3.9] Within the scope of these policies, an environmental management system has been implemented in all geographies where it operates (except in Brazil), with special emphasis on Portugal, where the Environmental Policy is consolidated and mature.

The **Sustainability Policy** promotes responsible practices that contribute to the preservation of natural resources, including water. It follows rigorous standards, such as ISO 14001, EMAS, ISO 9001, ISO 18001, GCCA and ATIC, which guarantee responsible environmental management, ensuring the monitoring and optimization of water use. [E3.11 | ESRS 2.65a]

The **Quality, Environment, Health and Safety Policy** addresses Sustainable Development, committing to act responsibly in the management of natural resources, including water, promoting practices that aim at their efficient use. In line with the highest international standards, SECIL adopts the ISO 14001, ISO 9001 and ISO 18001 standards, ensuring quality, safety and sustainability practices. [E3.11 | ESRS 2.65a]

In 2024, Secil began the process of identifying climate risks and opportunities in accordance with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), with water stress being one of the risks identified as a result of this analysis. In Phase 1, identification of climate risks, phase 2, definition of climate scenarios and phase 3, assessment of materiality in order to define the material risks. Only after validation of this exercise will Secil move forward with a water management policy. [E3.13 | ESRS 2.62] In the context of this assessment for the cement business, in the current scenario, through the analysis of the projections of the Aquaductol tool, it is found that in Portugal, the Outão Factory is located in a location with a very high susceptibility to water stress, and the Maceira-Liz and Cibra-Pataias factories are located in an area of high susceptibility. In Tunisia, the Gabès Factory is in a location with a high susceptibility to water stress and in Lebanon, the Sibline Factory, is in a location with a very high susceptibility to water stress.

OTHER BUSINESS SEGMENT – ETSA

ETSA does not currently have a formally defined water management policy; however, this is a topic under development with a view to its future implementation. None of the ETSA Group's industrial sites are in areas of high water stress. ETSA recognises also the relevance of the Single Environmental Title (TUA) for water management.

Additionally, the company has been investing in water consumption monitoring systems, ensuring the progressive implementation of a management policy that incorporates metrics and guidelines for the efficient use of this resource. All ETSA operational units have Wastewater Treatment Plants (WWTP), ensuring compliance with the established emission limit values.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's has a set of policies that reflect its commitment to sustainability and environmental responsibility, of which the **Integrated Management System Policy** stands out. [E3.11]

The **Integrated Management System Policy** defines a clear commitment to environmental protection, preventing pollution and reducing Triangle's ecological footprint. It includes principles such as energy efficiency, optimizing the use of resources, promoting sustainable mobility and proper waste management. This policy covers the company's entire value chain, with geographical presence in Europe and Asia. [ESRS 2.65a/b]

Additionally, it is important to mention the **Code of Conduct** and the **Code of Conduct for Suppliers**, which indirectly also contribute to Triangle's commitments in water and marine resources.

Triangle is currently developing a specific policy for the management of water and marine resources, with the aim of structuring good practices and commitments in this area. [E3.14 | ESRS 2.62]

Triangle's operations are not located in regions of high water stress.

The following information is entered by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Integrated Systems Management Policy: Chap. 4.1.2.2.

- Presentation of the Supplier Code of Conduct: Chap. 4.1.4.1.

- Presentation of the Code of Conduct: Chap. 4.1.4.1.

ACTIONS RELATED TO WATER AND MARINE RESOURCES (E3-2, MDR-A)

PULP AND PAPER SEGMENT

Navigator uses water throughout its value chain, especially in industrial processes, where it plays an essential role in steam production, material transport and cooling. Water is predominantly collected from surface and groundwater sources, with occasional use of water from the municipal public network.

Since 2017, the company has been implementing the PRUA – Water Usage Reduction Program, with the goal of reducing specific water consumption by 33% by 2030 (compared to 2019). In 2024, 14 strategic actions were completed, representing a potential annual reduction of 2.4 million m^3 of water. Among the initiatives, the following stand out: Aveiro, with an upgrade of the vacuum circuit and reuse of hot water in the pulp drying machines, Figueira da Foz and Setúbal, where secondary condensates are reused, and Setúbal (Paper Machine 4), where clarified water is reused, reducing 450 thousand m^3 of annual capture. [E3.18b/c]

Another milestone was the installation of an ultrafiltration system (MBR) at Setúbal's ETAR 2, reducing the organic load by more than 80%, which allowed the reuse of 720 m^3/day of treated effluent in paper production, with an expansion planned in the coming years. [E3.18c]

The main investments include €3.6M in PRUA (Aveiro, Figueira da Foz and Setúbal) and €0.2M in reuse of treated effluent from ETAR 2 in Setúbal. [ESRS 2.69b]

The company will continue to develop new water optimization actions, especially in the bleaching, drying and pulp transfer stages to the paper machines. [ESRS 2.68 | ESRS 2.69]

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68 a]	[ESRS 2.68 a]	[ESRS 2.68 b]	[ESRS 2.68 c]	[ESRS 2.68 a] [ESRS 2.68e]
PRUA Aveiro	Carried out	Own Operations, Aveiro	2022-2024	Reduction of water use in 85 000 m^3/year
PRUA Figueira da Foz	Carried out	Own Operations, Figueira da Foz	2022-2024	Reduction of water use in 950 000 m^3/year
PRUA Setúbal	Carried out	Own Operations, Setúbal	2022-2024	Reduction of water use in 1 400 000 m^3/year
Direct reuse of effluent from the ETAR 2 of Setúbal	Planned	Own Operations, Setúbal	2025	Reuse of 500 000 m^3/year

Note: PRUA – Water Use Reduction Program. Reported measures were completed in 2024. Capex executed during the period 2022-2024. Results associated with measures estimated based on 1 full year of operation. Note: For more information on Capex – Chap. 7 - Consolidated Financial Statements present in Semapa's non-financial statement.

CEMENT SEGMENT

In the context of the use of water and marine resources, four actions were developed, specified in the table below. The Group's manufacturing facilities comply with the national legislation applicable to the management and protection of water resources in the geographies in which they are located. Additionally, cement factories in Portugal comply with Water Resource Use Titles (TURH) and have an environmental management system certified by NP EN ISO 14001:2015 and EMAS (Community Eco-Management System) and Audit. Within the scope of the Environmental Management System, environmental aspects and impacts, as well as risks and opportunities associated with water resources, are identified. In addition, an environmental roadmap was drawn up describing the actions to be developed by geography regarding the use of water resources. The water network plan was also updated, covering the consumption network, the industrial network, the discharge points and the consumption points. [E3.17 | E3.18b/c]

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68 a]	[ESRS 2.68 a]	[ESRS 2.68 b]	[ESRS 2.68c]	[ESRS 2.68 a]
Water consumption	Carried out	Own Operations, Gabès na Tunísia, and Beirute in Líbano	Medium Term	There was a 40% reduction water consumption in Tunisia, since 2020 and a reduction of 37% water collection in Lebanon since 2019.
Reuse of água	Carried out	Own Operations, Pomerode and Adrianópolis, in Brazil	Medium Term	Increase water reuse in Pomerode. Evaluate implementation of water reuse in Adrianópolis.
Environmental Roadmap	Carried out	Own Operations, Portugal	Short Term	Correct functioning of ETARs, including the replacement of UV lamps and filters in some ETARs
Water consumption	Carried out	Own Operations, Outão in Portugal	Short Term	Network plan update of waters, covering the network consumption, the industrial network, the discharge points and the points of consumption.

OTHER BUSINESS SEGMENT – ETSA

For ETSA, rationalizing water use is extremely important for several reasons, which include economic, environmental and social aspects, since optimizing this resource not only benefits the environment, but also promotes operational efficiency, cost reduction and improvement of the corporate image. [E3.16] This is an essential approach for the Group's sustainable development and corporate responsibility and, as such, the following actions have been developed:

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68 a]	**[ESRS 2.68 a]**	**[ESRS 2.68 b]**	**[ESRS 2.68 c**	**[ESRS 2.68 a]**
Reduce water use and of marine resources	Carried out and Planned	Own Operations, Coruche	2023-2025	Better control of water consumption
Reuse and repurposing of water	Planned	Own Operations, Loures	2025-2027	Reduction in consumption and increased circularity of water

ETSA is concluding an investment cycle in the ETARs of its manufacturing units in Loures and Coruche, integrating water efficiency measures, such as the implementation of a water management system in Coruche and wastewater reuse projects in Loures. [E3.18b/c | ESRS 2.68a/e] These initiatives will enable real-time monitoring of water consumption, promoting more efficient management and reducing water abstraction from boreholes. [ESRS 2.68a]

The main investments include 20 thousand euros of CapEx (executed between 2023 and 2024) in Coruche. For the planned action in Loures the CapEx value is yet to be defined. [ESRS 2.69b]

TARGETS AND METRICS

WATER RESOURCES TARGETS (E3-3, MDR-T)

PULP AND PAPER SEGMENT

Navigator's commitment to responsible water resource management aims at the amount captured, as also the quality of the discharged water, materialized through three targets of the 2030 Roadmap

[ESRS 2.80c]. These are aligned with the 2030 Agenda and the Sustainable Development Goals (SDGs), specifically SDG 6 (Clean Water and Sanitation), SDG 9 (Industry, Innovation and Infrastructure) and SDG 12. (Sustainable Consumption and Production). [ESRS 2.80f]

Objective and target	***Baseline*** **(reference value and base year)**	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS 2.75 ESRS 2.80b]**	**[ESRS2.80J]**	**[ESRS2.80J]**	**[ESRS2.80J]**	**[ESRS2.80e]**
Decrease by less 33% usage specific water by 2030 (Covers own industrial operations in Portugal)	Value of reference: 22.4 m^3/t Base year: 2019	m^3 of water per tonne of product produced	Decrease of 14.7%. (19.1 m^3/t)	Decrease of 5.1%. (21.2 m^3/t)	Decrease of 8.5%. (20.5 m^3/t)	Result to achieve: 15.1 m^3/t Year: 2030
Reduce the load by 10% organic in effluents Navigator Industrials by 2030, compared to 2022 (Covers own industrial operations in Portugal)	Value of reference: 4.6 kg CQO/t Base year: 2022	Kg CQO/ tonne of product produced	(4.6 kg CQO/t)	Increase of 2% (4.6 kg CQO/t)	Increase of 12% (5.1 kg CQO/t)	Result to achieve: 4.1 kg CQO/t Year: 2030

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	[ESRS2.80d]	[ESRS 2.75 ESRS 2.80b]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80e]
Study the reduction potential and water consumption in the Espirra nursery with a decrease of at least 10%/year of water use by 2030 (Covers own forestry operations in Portugal)	Value of reference: 363 756 m³/year Base year: 2022	m³ of water/year	-	Decrease of 15% (310 000 m³/year in comparison 2022)	Decrease of 21% (288 279 m³/year in comparison 2022)	Result a reach: 260 000 m³/year Year: 2030

Note: The method of calculating the metrics remained unchanged from the previous year [ESRS 2.13], and no errors were identified for previous periods for the first two targets; in the case of the 3rd target, this is the first reporting year [ESRS 2.14]. These metrics are subject to external verification as part of this report and are not verified by other entities [ESRS 2.77 b]. No interim targets were developed [ESRS 2.80e]

The first two targets are associated with the Systems Management Policy, by mitigating and minimizing the environmental impacts of the company's activity, in line with the requirements of the ISO 14001 Environmental Management System. These are also associated with the Environmental Policy by promoting the reduction of water use in industrial processes and the minimization of environmental impacts resulting from industrial effluents in natural watercourses, implementing whenever possible the best available technologies (BAT), namely in reuse and circuit closing processes, as well as removal and treatment of pollutants. Similarly, Target 3 is related to Environmental Policy. [ESRS 2.80a]

The actions that Navigator has taken in terms of water resource use contribute to the company achieving its target of reducing specific water use by 33%. In 2024, specific water use in the industrial context in Portugal was 20.5 m³/t, around 8.5% below the base year of 2019 (22.4 m³/t). In absolute terms, total water withdrawal was around 11.6% lower than the 2019 value, representing around 8 hm³, the equivalent of 1.5 months of operation of factories in Portugal. [ESRS 2.80j | E3.22]

The Company operates in regions with water pressure and has implemented measures to reduce the organic load in its effluents, such as MBR ultrafiltration at the Setúbal WWTP and oxygen delignification at pulp mills, ensuring compliance with Emission Limit Values (ELVs). Established in 2023, it was based on an integrated strategy, considering European guidelines, including the Industrial Emissions Directive.

It considers the organic load, measured in kg of chemical oxygen demand, of the effluents treated in the ETARs of Navigator's industrial complexes. Continuous monitoring ensures that progress is assessed, and measures are adjusted as necessary. To reduce water use, reuse has been adopted internal flows, reuse of condensates and optimization of industrial processes, minimizing capture in areas of greatest scarcity. The identification of strategic investments, such as the installation of ultrafiltration systems in ETARs or oxygen delignification in pulp mills, allow us to achieve the established target, contributing to significant reductions in the pollutants discharged. [E3.23 | ESRS 2.80f]

The goal of studying the potential for reducing water consumption in the nursery corresponds to a study that evaluates the potential for reducing water consumption in the Espirra nursery, with the aim of promoting responsible management of this natural resource in an area identified as being under water stress, according to the WRI tool [E3.23]. The strategy is based on the full implementation of drip irrigation in the nursery, minimizing water losses and reducing consumption, as well as continuous monitoring and control of the irrigation system [ESRS 2.80c/f/g]. In 2024, there was a 21% decrease compared to the base year and a reduction of 7% compared to 2023. These results reflect the effectiveness of the actions and measures implemented to achieve the defined objective [ESRS 2.80j].

CEMENT SEGMENT

Secil has not yet developed specific targets for this material topic. However, it monitors the effectiveness of its policies and actions through the Environmental Roadmap 2025, which defines actions related to water management in each geography where it operates. In addition, it monitors progress achieved through the KPIs set out in the ESRS and GCCA guidelines, using 2020 as the reference period. In the future, the company plans to set a specific target for reducing water consumption. [ESRS 2.81b]

OTHER BUSINESS SEGMENT – ETSA

ETSA has not yet developed specific targets for this material topic, however, the company tracks and monitors all water consumption and discharges in all industrial units and logistics. [E3.22 | ESRS2.81b]

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's is committed to reducing water consumption in its own industrial operations in Portugal, setting a concrete goal to optimize the use of resources.

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	[ESRS2.80d]	[ESRS 2.75 ESRS 2.80b]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80e]
Amount of water consumed (network and hole) per unit produced (Covers own industrial operations in Portugal)	Value of reference: 0.06 m^3/unit produced Base year: 2023	m^3 of water consumed/ unit produced	-	0.06 m^3/unit produced	Decrease of 5% (0.057 m^3/ unit produced)	Targets: 0.057 m^3/unit produced Year: 2024

Note: This is the first reporting year for the target [ESRS 2.14]. This metric is subject to external verification as part of this report, is not verified by other entities and is not mandatory under existing legislation. [ESR 2.77 b | ESRS E3.25] The target is related to an existing policy on resource management. [ESRS 2.80a] Triangle's has not yet developed new metrics and targets.

METRICS RELATED TO WATER RESOURCES (E3-4, MDR-M)

	Water collection and consumption (m^3)	2024
Navigator	Water collected	63 033 315
	Water consumed	12 783 425
Secil	Water collected	1 845 241
	Water consumed	1 601 413
ETSA	Water collected	119 454
	Water consumed	52 386
Triangle's	Water collected	10 065
	Water consumed	9 494
Semapa Holding	Water collected	500
	Water consumed	50
Semapa	Water collected	65 008 575
	Water consumed	14 446 768

Note 1 – **Navigator**: Data on water abstraction in the localities of Aveiro, Rodão, Figueira, Setúbal, Ejea and in the forestry sector in Portugal and Spain are obtained exclusively through direct measurement, representing 100% of the source of information. In the case of the forestry sector in Mozambique, 99.8% of the data result from direct measurement, while 0.2% correspond to extrapolations. For the United Kingdom, information on data quality is not available. [E3.AR29]
Note 2 – **Navigator**: In industrial activities, flow meters calibrated in accordance with validated metrology standards are used. The values are reported to the competent authorities [E3.28e] In forestry activities, flow meters are used in each borehole and an annual analysis is carried out per borehole. [E3.28e]
Note 3 - **Navigator**: Total water withdrawal is calculated considering two components: consumption in the forest and consumption in infrastructures. Water consumption in the forest includes water used in plant production, measured by meters, and an estimate of consumption per planted or replanted plant, assuming 2.1 irrigations per plant, with 5 liters of water per irrigation, for an area total of 47.82 hectares. Water consumption in infrastructures corresponds to use in offices, and is measured by meters and aligned with billing data. It is assumed that all water collected is consumed, considering 0% losses, since there is no measurement system to assess waste. The water collection value for the United Kingdom was not reported since the set of industrial complexes was acquired in 2024.
Note - **Secil**: Data on water intake in cement and materials installations are obtained mainly through direct measurement (<0.1% correspond to estimates). [E3.AR29]
Note - **ETSA**: Data relating to water collection are obtained exclusively through direct measurement, representing 100% of the information

source [E3.AR29] All water collection and discharge points are equipped with flow meters, which allows water consumption to be recorded directly.
Note - **Triangle's**: Data relating to water collection are obtained exclusively through direct measurement, representing 100% of the information source [E3.AR29] All water collection and discharge points are equipped with flow meters, which allows water consumption to be recorded directly.
Note – **Holding**: Data on water collection are obtained exclusively through direct measurement, representing 100% of the information source [E3.AR29] Data on effluent discharge are estimated. In the case of effluents for treatment by third parties, the water collection value was used as a basis, which was affected by a network inflow coefficient of 0.90 (proportion considered by the municipal management entities where the organization's facilities are located), in accordance with Regulatory Decree No. 23/95, of August 23. [E3.28e]

Water consumption in water stress zones (m^3)	2024
Navigator	12 372 154
Secil	246 129
ETSA	52 386
Triangle's	0
Semapa Holding	0
Semapa	12 670 669

Note –**Navigator**: Areas of high water stress are considered regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) in the tool *Aqueduct Water Risk Atlas* from the World Resources Institute (WRI).

	Water intensity (m^3/M€)	2024
Navigator	Total water consumption (m^3)	12 783 425
	Turnover (million euros)	2 088
	Water intensity (m^3/M€)	**6 122**
Secil	Total water consumption (m^3)	1 601 413
	Turnover (million euros)	702
	Water intensity (m^3/M€)	**2 282**
ETSA	Total water consumption (m^3)	52 386
	Turnover (million euros)	45
	Water intensity (m^3/M€)	**1 172**
Triangle's	Total water consumption (m^3)	9 494
	Turnover (million euros)	16
	Water intensity (m^3/M€)	**601**
Semapa Holding	Total water consumption (m^3)	50
	Turnover (million euros)	S.S
	Water intensity (m^3/M€)	**0**
Semapa	Total water consumption (m^3)	14 446 768
	Turnover (million euros)	2 850
	Water intensity (m^3/M€)	**5 069**

Note – **Navigator**: The total volume of water collected, and the total consolidated business volume are considered in calculating water intensity.

EXPECTED FINANCIAL EFFECTS OF IMPORTANT RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES (E3-5)

In accordance with Appendix C of ESRS 1, Semapa Group has chosen not to report information on the anticipated financial effects of impacts, risks and opportunities related to water and natural marine resources in this first year of reporting.

4.1.2.4 BIODIVERSITY AND ECOSYSTEMS - E4

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2 SBM-3)

The genetic diversity of fauna and flora species and the interrelationships they establish between them are basic elements for the balance of ecosystems. Healthy ecosystems produce a diverse set of services that support the needs for raw materials and services essential to human life and activities, positively influencing well-being, health and the generation of wealth for communities.

Additionally, biodiversity conservation activities are an important ally in mitigating and adapting to the effects of climate change. The following table describes the impacts identified in the Semapa Group, although it should be noted that, in the case of ETSA, no material issues related to the standard on biodiversity and ecosystems were identified.

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
The activities of the suppliers and services in the value chain can cause loss of biodiversity.		Negative impact	-	Upstream	Species population size
Promoting preservation and habitat restoration, in areas of conservation interest, contributing for protection and recovery of biodiversity and to resilience to climate change.		Positive impact	-	Own Operations	Species population size
Impact on species with threat status due to degradation of ecosystems caused by upstream activities.		Negative impact	-	Upstream	Species global extinction risk
Impact on species with threat status due to degradation of ecosystems caused by own activities.		Negative impact	-	Own Operations	Species global extinction risk
Exploitation and/or mismanagement of natural resources by the company can lead to a negative impact on the ecosystem services		Negative impact	-	Own Operations	Impacts and dependencies on the ecosystem services
The development of partnerships with academies and/or other entities in development of scientific studies can contribute to the promotion and conservation of biodiversity and in restoration methodologies.		Positive impact	-	Own Operations	Factors of direct impact in the loss of biodiversity

Note: the material impacts identified are real and therefore do not have a time horizon associated with them.

PULP AND PAPER SEGMENT

In mainland Portugal, Navigator manages around 109 thousand hectares of forest areas, including production forests and areas designated for the conservation of relevant natural values - Areas of Conservation Interest (ZiC). The forest assets located in mainland Portugal have been certified according to the FSC® system (license no. FSC®-C010852) since 2007 and PEFC (license no. PEFC/13-23-001) since 2009. This is an activity considered eligible by the taxonomy. [E4.16a]

It is worth noting that 35% of this forest heritage intersects classified areas, such as the National Network of Protected Areas (RNAP) and Natura 2000 Network (RN2000) - Special Conservation Areas and Special Protection Areas -, RAMSAR sites (Wetlands of International Importance) and UNESCO Biosphere Reserve. 64.7% of the forest space that intersects the sensitive areas is used for eucalyptus production. [E4.16a]

In the heritage managed by Navigator, in mainland Portugal, ZiC are areas managed with conservation objectives, serving as an important habitat for diverse flora and fauna, including species with different conservation and protection statuses and endemic species. Within these areas, the High Conservation Value Areas (HCVA), an exclusive concept of FSC® certification, are the most relevant, due to the presence of exceptional environmental, social and cultural values, which are thus safeguarded.

In Galicia (Spain), 1 111 hectares of forest are managed and 28% of the heritage is located within sensitive areas (mostly in Biosphere Reserves), with 82.2% of this area being used to produce eucalyptus. [E4.16a]

In Mozambique, approximately 26 932 hectares are managed, with no operations in sensitive or classified. [E4.16a]

It is worth mentioning the existence of a Forest Management Plan (PGF) for owned and leased areas within the scope of operations in mainland Portugal, which complies with the requirements transposed from the technical regulations of the Institute for Nature Conservation and Forests, issued by order based on DL No. 15/2009. It includes the Biodiversity Management Programmes (PGB) for forest properties that overlap with areas designated for nature conservation or biodiversity, within the scope of RN2000 and RNAP. The objective of these programmes is to ensure the compatibility and contribution of the interventions proposed in the PGF to the conservation of protected species and habitats, whose favourable conservation status depends on forest management. These programmes take into account the applicable provisions contained in the RN2000 Sector Plan and in other relevant plans and regulations (e.g. plans or regulations for the management of protected areas and land use planning). [E4.16a]

Mozambique has its own Forest Management Plan (PGF), which does not yet have all the information from Portugal's PGF and is not included in local regulations, given its lack thereof. This guiding document is aligned with forest certification standards, characterizing the physical environment, the socioeconomic environment and the company's actions in the areas under management. In addition to structuring the management of forest assets, it provides an integrated view of the company's approach, facilitating understanding of the overall process and contributing to improving individual and organizational performance. [E4.16a]

In Galicia (Spain), checklists of requirements are drawn up and delivered to Service Providers, containing the necessary conditions to prevent or mitigate potential negative impacts of operations, including those affecting biodiversity and ecosystem services. Whenever necessary and applicable, environmental impact studies are carried out and local stakeholders and competent authorities are consulted. Each area exploration project is subject to a process of specific assessment. [E4.16a]

It is important to note that although Navigator's operations affect some endangered species, this impact is mitigated. The Sustainable Forest Management system includes detailed measurements for the assessment of environmental and social impacts, recommending integrated mitigation measures. [E4.16c]

CEMENT SEGMENT

Quarrying has recognized impacts on the landscape, altering the relief, removing soil and vegetation cover, which consequently result in threats to local biodiversity, especially in areas considered sensitive in terms of biodiversity, namely through: loss and fragmentation of habitat, direct mortality and disturbance, as well as the spread of invasive alien species. For this reason, SECIL has been working to minimize the impacts on biodiversity and accelerate the natural colonization process of its quarries. This objective has been achieved through programs that promote the recovery of the structure and functioning of the floristic and faunal communities, and of the original ecosystems. [E4.16b | E4.16c]

Secil's activities take place, in some cases, in **ecologically sensitive areas**. All areas where quarries are operated — in the cement and aggregates businesses — are subject to special attention, especially those located in conservation areas. The company currently owns six quarries located in the following protected areas:

- Sesimbra (Arrábida Natural Park and Natura 2000 Network)
- Outão Property (Arrábida Natural Park and Natura 2000 Network)
- Madeira (Madeira Natural Park, partially); [E4.16a]

TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN THE STRATEGY AND BUSINESS MODEL (E4-1)

Recognizing the importance of biodiversity and ecosystems, the Group's companies incorporate commitments and activities related to the preservation of biodiversity and ecosystems into their corporate strategies. Navigator has a greater responsibility in this regard, since its activities have a direct and indirect impact on areas of territory, some of which have significant ecological value.

PULP AND PAPER SEGMENT

In the case of Navigator, its activities directly linked to the forest have a relationship of dependence and potential direct impact on these ecosystems and thus, since 2008, it has had a **biodiversity strategy integrated into the forest management model**, essential for the **resilience of the business**. This strategy is based on the assessment of natural values and impacts of our operations, in collabouration with experts and local communities, in monitoring biodiversity and ecosystem services, as well as in collection of information on species and habitats for mapping and conservation.

In planning and executing activities, we seek to **balance productivity, resource conservation and community well-being**. To this end, natural, landscape and heritage resources are identified and sociocultural aspects, ensuring their preservation and improvement. **Prior assessment of environmental and social impacts and risks associated with operations** is an essential practice, allowing for the adoption of more responsible management.

The evolution of this strategy responds to the challenges imposed by international initiatives, such as the EU Biodiversity Plan 2030, COP15 and the Kunming-Montreal Agreement, as well as **ESG requirements and the** Nature Restoration Law. We seek to clarify the governance model for biodiversity, aligning objectives and efforts with regulatory and social requirements, especially in reporting and certification.

To strengthen biodiversity conservation, **targets have been set for 2030 and 2050**, including **demonstrating positive impacts on biodiversity and creating biodiversity credits** in partnership with Academies. At the same time, investment was made in internal training in biodiversity, ecosystem services and restoration, ensuring greater **qualification of employees**.

Navigator actively participates in the **definition of environmental policies through discussion forums** and develops **assessment and monitoring programs** to quantify the ecosystem services provided and measure the biodiversity gains of restoration projects.

The assessment of direct and indirect impacts, risks and dependencies on biodiversity and ecosystem services is a priority. The company maintains responsible **forest management certification** and regularly reviews practices to minimize negative impacts, especially in areas of high conservation value.

In Mozambique, there are investments in **environmental awareness**, in the **development of technology for monitoring soil and water resources** and in **partnerships with organizations such as the Wildlife Conservation Society (WCS) and Biofund**. A **Biodiversity Action Plan** and a **Social Development Program** have also been implemented, focusing on improving food security, increasing income and community well-being, thus reducing pressure on natural resources.

With this integrated approach, Navigator reinforces its commitment to biodiversity conservation and sustainable development, contributing to the ecological regeneration and enhancement of the ecosystems where it operates. [E4-1.13]

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO THE CONSERVATION OF BIODIVERSITY AND ECOSYSTEMS (E4-2, MDR-P)

Biodiversity and the preservation of ecosystems are fundamental to the sustainability of the operations of the Semapa Group's subsidiaries. The Group's policies and strategies reflect a commitment with sustainability and response to the conservation of biodiversity and ecosystems. To this end, companies adopt and develop impact monitoring and mitigation practices, with the aim of complying with applicable regulatory requirements. In addition, initiatives are developed to restore affected ecosystems and promote nature-based solutions, reinforcing the integration of the principles of biodiversity in business strategy.

Below, the policies related to biodiversity and ecosystems are presented in detail for Navigator, Secil and Triangle's, highlighting the guidelines and strategies adopted to promote efficiency in resource management, waste recovery and the transition to a more sustainable model. [E4.22 ESRS 2.65a]

PULP AND PAPER SEGMENT

Navigator's policies and strategies reflect a comprehensive commitment to sustainability and the response to the conservation of biodiversity and ecosystems. The Environmental Policy and Forestry Policies focus on promoting the responsible management of our plantations and agroforestry spaces with the aim of producing tangible and intangible goods, while respecting the conservation of natural and sociocultural values.

Through the sequestration and storage of carbon in the forest and in the raw materials and products resulting from it, the plantations and agroforestry spaces that are managed contribute to a circular bioeconomy and play a relevant role in mitigating the effects of climate change, in alignment with the Sustainable Development Goals. It should be noted that, as an expression of its commitments, Navigator is one of the initial signatories of the act4nature Portugal initiative, promoted by BCSD. [ESRS2.65a | E4-2_AR13]

Among the defined commitments, the following stands out: **Environmental Policy**, which refers to the promotion of Sustainable Forest Management, maintaining the conservation of biodiversity and ecosystem services as an integral part of the forest management model. It also defines commitments to Climate Change and CO_2 sequestration – an important driver of biodiversity loss – and energy management, water management, raw materials and the circular economy. [ESRS2.65a| E4-23a | E4-2_AR4]

The **Forest Policy** highlights the awareness of the importance of the heritage managed by Navigator and the adoption of a forest management model that aims to contribute to the maintenance and continuous improvement of the economic, ecological and social functions of forest areas, both at the stand level and at the forest landscape scale, assuming a long-term commitment. Among the defined commitments, directly associated with the conservation of biodiversity and ecosystems, are [ESRS2.65a | E4-23a | E4-2_AR4 | E4-24a/b/d]:

- Actively contribute to **preventing illegal logging** and to **controlling the origin of the timber purchased**.

- Maintain and improve the **responsible management of forest areas**, in balance with their natural and social surroundings, developing and promoting actions, including with third parties, that guarantee the avoidance of **deforestation, degradation and/or conversion of the forest**.

- Develop and promote the concept of forest plantations which, through the way they are managed, can contribute positively to maintaining the **integrity of ecosystems and protecting high conservation values**, and ensure **effective stakeholder engagement processes**, fostering economic growth and employment.

• Implement a forest management model whose good practices are documented in a **Forest Management System**, are informed by knowledge arising from **Research and Development**, and include measures to mitigate potential environmental and social impacts.

• Maintain the conservation of biodiversity and ecosystem services as an integral part of the forest management model, seeking to ensure that the planning and execution of forestry activities result, at least, in **maintaining the biodiversity values existing in the heritage ("no net loss")**, or implementing initiatives, such as restoration, leading to a **gain in biodiversity ("net positive gain").**

• Promote the adoption of **best practices by suppliers** and encourage them to carry out their activities in compliance with the guiding principles of responsible forest management, through support, knowledge transfer, monitoring and sharing of experiences.

• Maintain and promote a **proactive attitude towards other entities in the forestry sector**, such as owners, forest producers and other stakeholders, including raw material suppliers, developing strategic partnerships and actively working to improve the performance and global competitiveness of the forest and to encourage initiatives for its certification, as a way of promoting responsible management and, thus, **counteracting the factors that induce deforestation, forest degradation and/or conversion of natural ecosystems.**

Navigator's Environmental and Forestry Policies set out their guidelines in key documents of the Forest Management System, in particular in the **Technical Standards, in the Biodiversity Assessment Techniques Manuals (MTAB) and in the Conservation Action Plans (CAP)** of the Company.

These policies are directly linked to the mitigation of **impact factors that contribute to biodiversity loss** and the **IROs identified in the double materiality analysis**, covering not only impacts related to biodiversity and ecosystems but also the existing dependence on ecosystem services, physical risks, traceability of the origin of wood from the supply chain, among others [E4-23a/b/c/d/e | E4-2_AR4], translating into targets and actions presented in the following sections. Aware of the importance of heritage, a **forest management model** is adopted that aims to contribute to the maintenance and continuous improvement of the economic, ecological and social functions of forest areas, both at the population level and at the forest landscape scale, assuming **long-term commitments.**

With **forest certification and support to producers**, Navigator manages its forest assets in mainland Portugal in accordance with the **legal requirements applicable** to the activity and other **regulations and standards to which Navigator voluntarily subscribes**, pan-European criteria for sustainable forest management in accordance with the Portuguese standard NP 4406 for Sustainable Forest Management and in accordance with the Principles and Criteria of the Forest Stewardship Council®, with which its policies are aligned. Forest management certification ensures that the wood used in products – pulp and paper – **comes from responsibly managed forests**. [ESRS 2.65d | E4-2_AR12]

Through the Forest Policy, commitment to **production, supply and consumption of raw materials** follow principles of sustainability and biodiversity protection. The acquisition of wood and fibers is limited to suppliers who demonstrate responsible practices, avoiding negative impacts on protected areas; compliance with the European Timber Regulation (EUTR) is required and FSC® and PEFC™ certifications are prioritized, ensuring that there is no conversion of natural forests or violation of human rights traditional. [E4-23d/e]

Continuous investment is made in **monitoring and evaluation, protection and active conservation actions** – such as the requalification and restoration of natural habitats and ecosystems – benefiting the species that use them to perform their ecological functions of feeding, shelter or reproduction. They also serve as ecological corridors, favouring the natural dispersion of species and genetic exchange between populations. [E4.23e]

The aim is to **integrate biodiversity conservation and ecosystem services into corporate strategy**, aligning it with the most up-to-date scientific knowledge and voluntary commitments. To systematize the assessment of biodiversity impacts and dependencies, a simplified framework will be defined, inspired by the key elements of the Natural Capital Protocol, and the approach will be tested in a pilot project. [E4.23e]

Additionally, **training and raising awareness** among internal and external employees is reinforced through actions that address biodiversity conservation and the implementation of good business practices, ensuring more effective involvement aligned with the principles of sustainability. E4-2_23 [E4-23e]

Document [ESRS 2.65a]	Forest Policy
Key Contents and Objectives [ESRS2.65a]	Navigator's Forest Policy is committed to the sustainable management of its forest resources, promoting responsible practices that ensure the sustainable production of tangible and intangible assets. This Policy defines general objectives and principles for forest management activities that the company uses for decision-making.
Scope [ESRS2.65b]	It targets own operations and has an impact upstream and downstream of the value chain, on suppliers and local communities, in operations in the Iberian Peninsula.
Senior level responsible by implementation [ESRS2.65c]	Executive Committee
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• FSC® wood certification standards • Portuguese Standard NP 4406 for Sustainable Forest Management in accordance with the Principles and Criteria of the Forest Stewardship Council®
Most relevant supplementary documentation	General Procedure Management of Environmental Aspects (PG80).
Availability [ESRS2.65f]	This document is communicated to all employees, business partners and interested parties through Intranet and Internet sites.

The following information is included by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of Environmental Policy: Chap. 4.1.2.2

These policies aim to promote the preservation of natural values and ecosystems, contributing for soil formation and combating erosion, for protecting forests against fires and for the regulation of the water cycle, valuing land use that stimulates territorial cohesion and the creation of wealth.

CEMENT SEGMENT

Secil recognizes the importance of biodiversity and ecosystems in the regions where it operates, integrating its preservation in its business strategy. As an extractive industry, it is aware of the environmental and social impacts of its activities and, for more than four decades, has made commitments to improve environmental performance.

To minimize impacts and promote the natural regeneration of quarries, Secil develops ecosystem recovery programs, aligned with best environmental practices. In addition, it adopts specific policies for the conservation of biodiversity and ecosystems, expressed in its Biodiversity Policy and in the guidelines of the Quality, Environment and Health and Safety management systems. [E4-2.65a]

The table below presents the main aspects of Secil's policy for biodiversity and ecosystems conservation.

Document [ESRS 2.65a]	Biodiversity Policy
Key Contents and Objectives [ESRS2.65a]	It is aligned with global best practices, reinforcing Secil's commitment to biodiversity and sustainability for future generations. The policy defines Secil's responsibilities and goals regarding biodiversity.
Scope [ESRS2.65b]	Own operations. Covers all Secil business units and geographies.
Senior level responsible by implementation [ESRS2.65c]	Environment and biodiversity manager and quarry managers.
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• ISO14001 – Environmental Management System • ISO 9001 – Quality Management System • GCCA – Global Cement and Concrete Association (Biodiversity Policy) • Cembureau Biodiversity Roadmap
Availability [ESRS2.65f]	This document is communicated to all employees, business partners and interested parties through the Secil Website.

Secil adopts biodiversity and ecosystem management policies focused on the recovery of degraded areas, promoting ecological restoration. These initiatives help mitigate the impact of climate change, reduce soil erosion and create habitats for fauna and flora, also contributing to the recovery of endangered species. Additionally, in some locations, Secil monitors fauna and flora populations, as well as identifies, manages and implements actions to control invasive species. [E4.23a] [AR4]

Secil's approach to biodiversity focuses on measuring and managing impacts at the level of each site, including manufacturing facilities, quarries and surrounding areas, with a special focus on its own operations and taking into account the specific characteristics of each area. The Biodiversity Policy establishes that the net impact on biodiversity should be assessed across Secil, with particular attention to locations of high conservation value. The aim is to understand these impacts to enable effective management and the implementation of measures that promote positive results for nature. Secil recognizes the importance of preserving biodiversity and ecosystems in the places where it operates. As an extractive industry, it is aware of the environmental and social impacts resulting from its activities, particularly on the balance of ecosystems and the diversity of plant and animal life, which are fundamental elements for human health and well-being. [E4.23b] [E4.23d] [E4.23f]

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's policies are global, incorporating biodiversity issues. However, they do not have specific policies in this area, only policies that contain convergent points such as the **Shopping** Policy, the **Code of Conduct of Suppliers** and the **Integrated Management System Policy**. [E4.22]

The **Code of Conduct of Suppliers** sets out guidelines for all suppliers, service providers and subcontractors operating on Triangle's behalf, ensuring that their practices are in line with the company's values of sustainability and social responsibility. [ESRS 2.65a] [ESRS 2.65b]

The **Integrated Management System Policy** establishes a commitment to environmental preservation, preventing pollution and reducing Triangle's ecological footprint. This policy encompasses principles such as energy efficiency, resource optimization, and the promotion of alternative and sustainable mobility and appropriate waste management. [ESRS 2.65a]

The **Code of Conduct** reflects Triangle's dedication to ethical and responsible conduct, guiding employees and stakeholders in the adoption of sustainable practices. The document emphasizes compliance with environmental legislation and standards, promoting the prevention of negative impacts and efficient management of natural resources. It also encourages workers to be aware of the environmental effects of the materials used, ensuring safe and responsible handling. [ESRS 2.65a]

All Triangle's policies are made available on the company's website and communicated internally to employees and suppliers. [ESRS 2.65f] Their implementation and supervision are the responsibility of the of the Director of People and Sustainability, ensuring compliance with environmental and social recognized standards. [ESRS 2.65c]

These policies were developed with the participation of shareholders, service providers (including lawyers) and employees of the company. They reinforce the requirement for compliance with international standards, such as ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, as well as with global initiatives including the United Nations Global Pact, Sustainable Development Goals (SDGs) of the 2030 Agenda, Aluminium Stewardship Initiative (ASI) and the United Nations International Bill of Human Rights. [ESRS 2.65d]

Currently, Triangle's has not yet adopted targets or monitored the effectiveness of policies and actions in relation to biodiversity and ecosystems. However, it will begin to define a biodiversity plan and adjust the policies at the same time to monitor the process. [ESRS 2.62]

ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS (E4-3, MDR-A)

Semapa and some of its subsidiaries, namely Navigator and Secil, have implemented and/or are committed to implementing a set of actions related to the preservation of biodiversity and ecosystems, with the aim of contributing to the achievement of the objectives and targets established in their agendas and roadmaps. A greater responsibility for this topic lies with Navigator and Secil, since their activities – mainly in the production/extraction of raw materials – have a direct impact on and indirectly in areas of territory, some with relevant ecological value, with the aim of contributing to the achievement of established objectives and targets [ESRS2.68a | E4.27].

PULP AND PAPER SEGMENT

At Navigator, work focuses on **monitoring biodiversity**, as well as **promoting biodiversity and ecological restoration**, with the aim of maintaining or improving the conservation status of natural and semi-natural habitats, many of which are long-term actions. This work is part of the integrated and sustainable forest management.

It should be noted that Navigator is one of the initial signatories of the **act4nature Portugal** initiative, promoted by BCSD Portugal, of which it is a member of the Advisory Board. This is an initiative that aims to mobilize and encourage companies to protect, promote and restore biodiversity and ecosystem services, contributing to halting and reversing their loss by 2030 – thus enabling a better integration of natural capital into companies' business models and value chains. [E4.23e] In 2023, commitments to this initiative were renewed, updating and establishing new targets with the goal of generating a positive impact, or a net gain, on biodiversity. These targets are focused on the implementation of **annual species and habitat monitoring plans**, as well as on **carrying out actions to maintain, improve the conservation status and restore Biodiversity and Ecosystem Services (B&ES)** in the forest heritage under its management. This approach covers the aspects of conservation, requalification and ecological restoration. [E4.23e]

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Zambujo reCover	Carried out and planned	Own Operations in Portugal, Idanha-a-Nova	2022-2050	40 hectares of eucalyptus converted to holm oak + 70 hectares with improvement actions to the conservation status of the holm oak habitat 9340 Forests of *Quercus ilex* and *Quercus rotundifolia*. Collection of 50 kg of acorns *Q. rotundifolia* on the Zambujo property for germination in nurseries and subsequent planting on the property.
Recovery of the oak-Monchique	Carried out and planned	Own Operations, upstream and downstream in Southwest of Portugal	2023-2030	Molecular studies have resorted to whole genome resequencing (WGS) of 80 individuals from the nine populations, followed by bioinformatic analysis of the structure of populations. The results showed a pattern geographic hybridization towards the nuclei of Monchique with the peripheral populations of Mira and Ribeiras de Aljezur valleys to present strong degrees of introgression with oak-Portuguese. However, the presence of pure individuals in Monchique and in the valleys of Seixe river, even when compared with the populations of Southern Spain (Algeciras). In turn, the collection of acorns allowed the germination of about 1558 plants obtained of *Q. canariensis*, *Q. faginea* and *Q. lusitanica*, from 8 different origins and with rates of germination that varied between 20.8% and 87.5%. These will serve restoration and creation actions of meta-collections in different botanical gardens and arboreta. Additionally, the grafting process has been successful in oak rootstocks-alvarinho (*Q. robur* subsp. *broteroana*)
FORCE Project – Forestry Certification (FC) in Plantations of Eucalyptus	Carried out and planned	Own Operations upstream and downstream in the Centre of Portugal and in Brazil	2022-2026	Results yet to be determined – Session of presentation of some provisional results by part of the Faculty of Sciences of the University from Lisbon.
Seedings for pollinators at the Estate of Espirra	Carried out and planned	Own Operations in Portugal	2023 – 2026	In a study in 2023, the sown portion presented a greater number of individuals and almost twice as many species as the unseeded plot, which indicates that the sowing of floral species increased considerably the biodiversity in the area.
Integration in the Network of Sanctuaries for Birds	Planned	Own Operations, upstream and downstream in Portugal	2025 – 2026	Establish a network of areas across the country where birds and their habitats are protected and monitored, in partnership with their owners, involving the general population and considering both endangered species and common. The goal is to reverse the tendency for several species to decline of birds considered common, which has been occurring in recent decades, contributing simultaneously for the conservation of biodiversity, as a whole and for the environmental awareness of the population. Specifically: Census the populations of birds that occur in Herdade de Espirra and Alfebrinho according to the different land uses of the property, establish a management plan with the purpose of favouring these populations, and regularly monitor bird populations and the effects of management actions on its demographics and how they use different habitats.

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Annual plan of monitoring and evaluation of impacts before each operation of forestry.	Carried out and planned	Own Operations in Iberian Peninsula and Mozambique	Continuous	Monitoring is carried out using specialists hired and their results allow adapting measures and strategies conservation to be adopted during the following year. In 2024, the following were monitored by experts (flora, fauna and vegetation), 19 properties from North to South of mainland Portugal and monitored 7 places of nesting of threatened species.
Pilot Programs of Forestry Restoration	Carried out and planned	Own Operations in Mozambique	2023 – 2026	Collection of areas only for conservation. Identification of associated costs to the restoration. Ability to involve the community with the aim of preservation. Engagement and development of meetings with potential partners (nursery farmers, acquisition from other experiences in the region, etc.).
LIFE Serras do Porto	Carried out and planned	Upstream, Own Operations, Downstream in Portugal	2022-2027	Navigator Forest Portugal, SA, is a partner of LIFE project of Parque das Serras in Porto. In this project, the Company has about 55ha (total area) to carry out ecological restoration interventions of some of its areas included in this Landscape Protected Region. By 2025, 6.34 ha of "retanchas" are planned (replacement of trees that did not survive to the plantation), maritime pine and arbutus and 1.22 there is of devitalization chemical of stumps and manual planting of arbutus, totalled 7.11 ha (12% of the project area). They will be executed 16.42ha of court of the rods with devitalization of stumps and manual planting of cork oaks and arbutus (densifications). In addition, the material is being placed woody cut in the form of a palisade like this such as localized brush clearing. In Ribeira de Silveirinhos there's in progress 0.98 ha of manual cutting and peeling/ pulling of acacias, totalling 17.40 ha (31% of project area). In 2023, value monitoring was carried out natural and, in 2024, water analyses were carried out to understand the ecological state of the riparian galleries.
Multicriteria Spatial Analysis to prioritize areas for Biodiversity protection	Planned	Own Operations in Mozambique	2025	Map and prioritization of conservation areas/ protection under Portucel management Map of areas with potential for fundraising (and only) conservation purposes Increase partnership relationship with WCS
Alignment of the Biodiversity strategy with LEAP approach from the TNFD	Planned	Own Operations (Iberian Peninsula)	2025	Strategy alignment is expected for all Navigator forestry activities to the LEAP approach by the end of 2025.

The **mitigation hierarchy is applied to the conservation of biodiversity and ecosystems**. In Portugal, these practices are integrated into the forest management model, ensuring the protection of biodiversity based on impact assessment, the use of Geographic Information Systems (GIS) and the implementation of conservation and ecological restoration plans. Operations are monitored by internal and external audits, ensuring compliance with FSC and PEFC standards. In Mozambique, prevention, minimization and restoration measures are implemented to reduce the environmental impact of forestry operations. These include mapping of sensitive areas, maintenance of ecological corridors, protection of critical habitats and the limitation of interventions during nesting periods. Additionally, actions are promoted to minimize the fragmentation of ecosystems, reduce pressure on natural resources and restore degraded areas through the reintroduction of native species.

Sustainable planning is adopted that balances production and conservation, following principles of precaution and mitigation of impacts. Environmental assessments include the identification of priority conservation areas, where specific measures are applied for the maintenance and requalification of habitats, such as the creation of protection strips around watercourses and the implementation of buffers for threatened species. In addition, strategic partnerships with experts and local communities are promoted to strengthen environmental monitoring and the implementation of good practices. As a signatory to the act4nature Portugal initiative, Navigator is committed to integrating biodiversity into its business models and contributing to the protection and restoration of ecosystems by 2030. [E4.28a] [AR19]

Before starting any forest installation and exploration activities, as well as in the operations of application of plant protection products, a comprehensive site assessment is carried out, which includes the identification of water points, water bodies, watercourses and habitats. Buffer strips are established around watercourses with the aim of reducing soil disturbance, preserving riparian galleries, conserving habitats and improving water quality. In this sense, the forest management practices adopted by Navigator follow two strands – protection/requalification/restoration and maintenance – both based on the **precautionary principle**. [AR20d]

The company annually allocates an **internal budget for Biodiversity Conservation**, with a view to achieving the objectives of its annual program for monitoring present natural values, for developing partnerships in projects within the scope of biodiversity conservation, consultancy and training. The company also has a budget dedicated to habitat maintenance and improvement actions, requalification and restoration. It should be noted that the recovery of *Quercus canariensis* is part of the project "Genetic improvement and forest reproductive materials – TransForm Agenda Project" of the PRR, for genetic conservation and ecosystem recovery, *Quercus canariensis* (Monchique oak), and is co-financed by this program. The LIFE Serras do Porto project is also the target of co-financing Project 101074476 — LIFE21 CCA-PT-LIFE SERRAS DO PORTO. [ESRS 2.69a]

CEMENT SEGMENT

Secil's target is to adopt practices that minimize impacts on biodiversity and accelerate the natural colonization process of its quarries. This target has been achieved through restoration programs that promote the recovery of the structure and functioning of the flora and fauna communities, and of the original ecosystems. This commitment aims to reverse the loss of biodiversity and promote sustainable use of natural resources in accordance with the initiatives: United Nations Decade for Recovery and Ecosystems (2021-2030), being one of the central axes of the European Green Deal launched in 2019 (Green Deal), the 2030 Biodiversity Strategy, the recently approved Restoration Law EU Nature (2024) and the Kunming-Montreal Global Biodiversity Framework. [ESRS 2.68a]

Secil incorporates funds into its annual budget for actions aimed at minimizing the impacts in biodiversity.

In the context of preserving biodiversity and ecosystems, specific actions were developed. In Portugal and Brazil, the following initiatives stand out:

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Definition of a general policy for biodiversity with definition of the main responsibilities and goals	Carried out	Aims at own operations in all geographies, having affected Communities as *stakeholders*.	Short Term	Publication of policy
Rehabilitation of quarries	Carried out and planned	Aims at own operations in Portugal and Brazil, having affected Communities as *stakeholders*.	Long Term	Execution of recovery plans from quarries (Cement and aggregates) and consequently recovery of these areas
Monitoring of the flora	Carried out and planned	Aims at own operations in the quarries of Outão and Sesimbra, in Portugal, having affected Communities as *stakeholders*.	Medium Term	Preparation and compliance with the new flora monitoring protocol
Monitoring of the fauna	Carried out and planned	Aims at own operations in the Sesimbra quarry, in Portugal, having as affected *stakeholders* the Communities.	Medium Term	Compliance with protocol fauna monitoring
Internal guide of biodiversity	Carried out and planned	Aims at own operations in all geographies, having affected Communities as *stakeholders*.	Medium Term	Development and implementation of internal guidelines about restoration/ rehabilitation and management of biodiversity to promote the development of standard tools with applicability to the Secil universe.
Recovery Plan of quarries in Brazil	Carried out	Aims at own operations in Brazil, having as affected *stakeholders* the Communities.	Short Term	Development and approval of the recovery plan from quarries in Brazil

TARGETS AND METRICS [MDR-M; MDR-T]

BIODIVERSITY AND ECOSYSTEM-RELATED TARGETS (E4-4, MDR-M)

Aware of the impacts of its activities and as a reflection of the importance of biodiversity conservation for its activity and business model, the Semapa Group establishes strategic targets for the conservation of biodiversity and ecosystems, specifically in Navigator and Secil. These targets reflect the commitment to create a common approach to protect and enhance biodiversity, ecosystems and the services they provide. For each segment, the established targets, the metric used for their evaluation, as well as the reference value, the base year (baseline), the results achieved in 2024 and the value of the target set for 2030, demonstrating awareness of the impacts of its activities and reflecting the importance of biodiversity conservation for its activity and business model.

In Triangle's case, no targets have yet been adopted nor has the effectiveness of policies and actions in relation to biodiversity and ecosystems been monitored, however, this will be a future process. [ESRS 2.81b]

PULP AND PAPER SEGMENT

Within the scope of Navigator's 2030 Roadmap, several objectives/goals are outlined related to the conservation of biodiversity and ecosystems (indicated in the table).

The targets are aligned with targets 2, 4, 10, 11 of the **Kunming-Montreal Global Biodiversity Framework**, relevant aspects of the **EU Biodiversity Strategy to 2030** and **other national policies and legislation** related to biodiversity and ecosystems. [E4-32b] They also aim to contribute to some of the **SDGs**, such as SDGs 15 and 17. [ESRS 2.80f]

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	[ESRS2.80d]	[ESRS2.75] [ESRS2.80b]	[ESRS2.80j]	[ESRS2.80j]	[ESRS2.80j]	[ESRS2.80j]
Create positive impact (or net gain) in biodiversity through actions framed within the commitments assumed by Navigator through the act4nature Portugal initiative	Value of reference: Not applicable Base year: 2020		View Progress Report in the Realization of the Act4nature Portugal 2022 Commitments (see online)	View Progress Report in the Realization of the Act4nature Portugal 2023 Commitments (see online)	Results are in the table Actions and resources related to biodiversity and ecosystems (E4-3, MDR-A) and Progress Report on the Implementation of Act4nature Portugal Commitments	Results to be achieved: By 2024: complete the approach to integrating B&SE conservation into corporate strategy, in line with available scientific knowledge and voluntarily assumed commitments By 2026: define a simplified, online framework with the key elements of global frameworks references (e.g., Protocol of Natural Capital), to systematize the assessment of impacts and dependencies of B&SE, testing the approach in a pilot project By 2030: Implement the annual plans of monitoring species and habitats and carry out maintenance actions, improvement of the conservation status and restoration of the B&SE in forest heritage managed by the company, in the following areas: (i) conservation; (ii) requalification; and (iii) ecological restoration By 2030: in terms of ecological restoration, initiate and/or maintain actions in at least 110 hectares By 2030: maintain the remaining maintenance activities and improve the conservation status (actions in at least less than 30 ha/year) By 2030: create at least a project to recover an endangered species and support another By 2030: training actions with content related to the theme of B&SE conservation and awareness of good business practices, for internal and external employees.

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	[ESRS2.80d]	[ESRS2.75] [ESRS2.80b]	[ESRS2.80j]	[ESRS2.80j]	[ESRS2.80j]	[ESRS2.80j]
Consolidate the Biodiversity project by The Naviga-tor Company	Value of reference: Not applicable Base year: 2022				About 24 700 Followers on social media; 14 299 new followers; More than 96 000 visitors on the website; 156 000 visitors on the website since launch; Around 210 digital contents.	By 2025: Carry out 4 partnerships Base year: 2022 Intermediate target by 2025: Increase visibility on the biodiversity conservation strategy of Navigator, with urban adults and national NGOs Base year: 2022

Note: The first two defined objectives have a geographical scope of mainland Portugal, the rest and the information being available online have a cross-border expression, although some of the associated initiatives are carried out in Portugal [ESRS 2.80c | E4.32d]. The method of calculating the targets/metrics remained unchanged compared to the previous year [ESRS 2.80i]

The targets set for the conservation of biodiversity and ecosystems are then related to the policies identified and described above, in the case of creating a positive impact (or net gain) in biodiversity through actions framed within the commitments assumed by Navigator through the initiative act4nature Portugal, observing a direct link to the Forest Policy and Environmental Policy, in which is assumed by Navigator [ESRS 2.80a | ESRS 2.80f]. In the case of commitments made to Act4Nature, it should be noted that these were analysed by the Advisory Board of BCSD Portugal [ESRS 2.80h].

The target of the Biodiversity by The Navigator Company project was defined based on continuous engagement, over the years, with various groups of stakeholders in the forestry sector and the Communities. [ESRS 2.80h].

CEMENT SEGMENT

Secil has established two measurable targets related to material sustainability issues defined to assess progress made. They are not science-based and there were no stakeholders involved in setting these targets [ESRS 2.80g] and cover Secil's own operations in all geographies [ESRS 2.80c] [ESRS 2.80h]

As already mentioned, these targets are aligned with the various political initiatives in this context, such as the United Nations Decade for Ecosystem Recovery (2021-2030), being one of the central axes of the European Green Deal launched in 2019 (Green Deal), the 2030 Biodiversity Strategy, the recently approved EU Nature Restoration Act (2024) and the Kunming-Montreal Global Biodiversity Framework [E4.15]. One of the main mitigation measures is the recovery/restoration of ecosystems in Secil's exploration areas. [E4.32b] The aim is to have recovery plans in place in all Secil quarries, to guarantee measures to mitigate the impact of the quarries on biodiversity and ecosystems. [E4.32c]

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS2.75] [ESRS2.80b]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**
All the quarries with recovery plans	Value of reference: 77% Base year: 2020	% of quarries with recovery plan	83%	83%	90%	100% in 2025
High value areas of Biodiversity with Plans of biodiversity management	Value of reference: 40% Base year: 2020	% of areas of high biodiversity value with management plans	33%	33%	83%	100% in 2025

Note: The method of calculating targets/metrics remained unchanged from the previous year [ESRS 2.80i]

The targets presented are directly related to the company's Biodiversity Policy. This policy establishes Secil's commitment to the protection and promotion of biodiversity, covering all geographies where it operates. The targets operationalize this policy through concrete and measurable actions, such as the development of internal guidelines for the restoration, rehabilitation and management of biodiversity, applicable throughout Secil; the promotion of strategic partnerships with local communities, NGOs and the academic sector, in line with the principle of collabourative action; the requirement that all quarries have a rehabilitation plan in place and biodiversity management plans whenever the sites present high ecological value; and the encouragement of the production of scientific knowledge and innovation, reinforcing the company's role in the active conservation of biodiversity. [ESRS 2.80a]

IMPACT METRICS RELATED TO CHANGES IN BIODIVERSITY AND ECOSYSTEMS (E4-5, MDR-M)

PULP AND PAPER SEGMENT

	Sites owned, leased or managed within or near protected areas of key biodiversity zones [E4_35]
Number (sites)	383
Area (hectares)	37 901

In Mozambique, there are no intervened areas within or near protected areas, key areas for biodiversity.

Additionally, entity-specific metrics are reported. The data below are audited as part of the annual audit of compliance with responsible forest management standards. [ESRS2.77b]

Name	Performance 2024
Metric 1 – Total hectares not owned, leased or managed, restored or conserved in mainland Portugal	123.54 ha
Metric 2 – % of total owned, managed or leased area allocated for restoration or conservation in mainland Portugal	11.8%
Metric 3 – % of total area owned, managed or leased which is voluntarily designated for restoration and conservation in mainland Portugal	1.8%
Metric 4 – Number of species of Fauna and Flora in Mainland Portugal	268 fauna (n.º) 1 195 flora (n.º)
Metric 5 – Number of species identified on the red list in mainland Portugal	5 are classified as Critically Endangered, 17 Endangered, 46 Vulnerable and 30 Near Threatened, according to the classification of the International Union for Nature Conservation.
Metric 6 –Habitats protected or recovered (ha)	Protected habitats (ha): 4 474 Recovered habitats (ha): 123
Metric 7 – Facilities in or near protected areas or areas with high biodiversity value	**National Network of Protected Areas (RNAP):** Hectares: 7 608 % compared to total assets managed: 7.0 **Natura 2000 Network Classified Sites:** Hectares: 26 996 % compared to total assets managed: 24.8 **Special Protection Zones (SPA) of the Natura 2000 Network**: Hectares: 20 359 % compared to total assets managed: 18.7

As methodological notes, refer to [ESRS2.77a]:

• The 1st metric results from the sum of the hectares in the plots where the actions for ecological requalification and restoration took place (maintenance and improvement of the conservation status of the habitats), whose information of the execution on the ground is confirmed by the Department of Production and Forestry Exploration in the Forest Management System – INFLOR;

• The 2nd, 3rd, 6th and 7th metrics, percentages and hectares of classified or protected areas are carried out from the GIS database containing the area effectively managed by the company up to December 31st of 2024.
In particular, ZiC are catalogued in the GIS database, in the attribute table which allows the calculation of this area vs the total. Forest management certification requires a minimum of 10% ZiC.

• In the case of identified species (4th and 5th metrics), the fauna species are mapped in GIS (Geographic Information Systems) by property where they were identified by experts.

and catalogued according to their threat status; the same applies to threatened flora. The calculation covers species existing on properties that are being managed up to 31 December 2024. It refers only to native fauna and flora.

CEMENT SEGMENT

	Sites owned, leased or managed within or near protected areas of key biodiversity zones [E4_35]
Number (sites)	6
Area (hectares)	499

Some of the areas where Secil operates are ecologically sensitive. Secil has 499 hectares of property that are located within protected areas or areas of high biodiversity value, namely in the Arrábida Natural Park and the Madeira Natural Park in Portugal. Although this value has remained relatively constant over the years (since no new quarries have been acquired in protected areas), Secil has, on the contrary, increased its efforts to restore its quarries, with the aim of reestablishing natural habitats. [E4.35]

Secil currently has Quarry Rehabilitation Plans implemented in 93% of quarries and Biodiversity Management Plans in 67% of quarries with high ecological value.

SEMAPA GROUP SEGMENT

The table below shows the sites owned, leased or managed within or near protected areas of key biodiversity zones. The information covers the subsidiaries of Semapa, respectively Navigator and Secil.

Sites owned, leased or managed within or near protected areas of key biodiversity zones [E4_35]		
Company/Subsidiary	**Description**	**2024**
Navigator	Number (sites)	383
	Area (hectares)	37 901
Secil	Number (sites)	6
	Area (hectares)	499
Semapa	**Total Number (sites)**	**389**
	Total Area (hectares)	**38 400**

EXPECTED FINANCIAL EFFECTS OF IMPORTANT RISKS AND OPPORTUNITIES RELATED TO BIODIVERSITY AND ECOSYSTEMS (E4-6)

The Semapa Group and its Subsidiaries are still evaluating the expected financial effects of the material risks and opportunities related to biodiversity and ecosystems, for this reason and in accordance with Appendix C of ESRS 1, chose not to report the information in the first year of preparing their sustainability statements [E4.45abc]

4.1.2.5 CIRCULAR ECONOMY - E5

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

The relevance of the circular economy theme on the Semapa Group's agenda is evident in the diversity of projects that the subsidiary companies have implemented, as well as in the investment made in research, development and innovation. As the Group is mainly industrial, its subsidiaries seek to promote circularity through new products, services and efficiency in resource consumption.

The table below presents the four IROs of the Semapa Group, including three positive impacts and one opportunity, detailing their respective time horizons, location in the value chain and associated subtheme.

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Use of raw materials from renewable resources		Positive impact	-	Own Operations	Resource inflow including resource use
Development of techniques, processes, procedures and products in order to allow the balance in the availability of resources and avoid shortages in short/medium and long term term (e.g. Navigator ecological; cement type B; flour fuel of flesh and bone).		Positive impact	-	Own Operations	Resource inflow including resource use
Creation of industrial symbioses in material flow.		Positive impact	-	Downstream	Waste
Strengthening the competitive position in response to preferences of customers and the end consumer for low circular products carbon with a high recycling rate.		Opportunity	Medium Term – Between the reporting year and up to 5 years	Downstream	Resource outflow related to products and services

Note: the material impacts identified are real and therefore do not have a time horizon associated with them.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY (E5-1, MDR-P)

The Semapa Group has encouraged the sharing of best practices among companies, with emphasis on the definition and standardization of guidelines and KPIs for reporting information, ensuring the consolidation of information from the entire Group. In addition, we seek to consolidate synergies between the different companies – e.g. incorporation of waste generated by one company as raw material in the processes of another company, as is the case with the use of Navigator ash that is incorporated into the clinker and mortars from Secil. It should be noted that at the Semapa Group level there are several practices implemented within the scope of the circular economy.

The Semapa Group promotes and monitors the policies of its subsidiaries, which address the use of resources and the circular economy in different ways. Navigator integrates this theme into its **Environmental Policy** and **Systems Management Policy**. Secil, has two policies dedicated to this theme: the **Sustainability Policy** and the various **Quality, Environment and Health and Safety Policies** in place in its geographies. Triangle's includes this topic in its **Integrated Management System Policy**, and it is also important to highlight the **Purchasing Policy** and the **Code of Conduct for Suppliers**, which indirectly contribute to the efficient use of resources and the circular economy. ETSA has not yet implemented a specific policy for the use of resources and the circular economy, given that the latter forms the basis of its operation, and the commitment is fully integrated into its activity.

[E5-1.15]

Below, the policies related to the use of resources and the circular economy for each Semapa business segment are presented in detail, highlighting the guidelines and strategies adopted to promote efficiency in resource management, waste recovery and the transition to a more sustainable model.

PULP AND PAPER SEGMENT

Navigator has several complementary policies and documents that structure its approach related to the use of resources and the circular economy, which ensure a responsible development model, promoting the replacement of virgin raw materials with renewable resources and a sustainable supply. [E5-1.15] Among the most relevant are **Environmental Policy** and **Systems Management Policy**. These policies are complemented by environmental aspects management (PG80) and waste management (PG27) procedures. [E5-1.14] To ensure compliance with best environmental practices, the company follows recognized standards, including ISO 14001, and the legal requirements applicable at national and European level. Also noteworthy is ISO 9706, which guarantees that the paper does not lose its properties over 100 years (on display) or 200 years (in dark storage). [ESRS 2.65d]

Navigator's **Environmental Policy** establishes commitments to sustainable action, with a focus in the circular economy. The company is committed to promoting the circular bioeconomy, valuing waste and by-products in a logic of industrial symbiosis, applying ecodesign in products and packaging to ensure recyclability and biodegradability and encourage recycling among consumers. In addition, it reinforces the importance of using wood from sustainable sources, improving the efficiency of its industrial use and replacing hazardous chemicals with safer alternatives whenever possible. [ESRS 2.65a]

The company's **Systems Management Policy** focuses on mitigating environmental impacts, promoting the circularity of waste and the adoption of best available techniques. It encourages suppliers to develop products aligned with environmental criteria, highlighting the use of renewable materials. In addition, it reinforces compliance with FSC and PEFC standards for forest sustainability and prioritizes the use of renewable resources over non-renewable ones. [E5-1.15]

The company adopts a comprehensive approach to environmental management, prioritizing waste prevention according to the established hierarchy. Its policies promote process efficiency, loss minimization and resource recirculation to reduce waste generation. PG27 defines guidelines for correct separation and classification, ensuring a suitable and low-impact destination. The strategy follows the order: prevention, reuse, recycling, recovery and, as a last resort, elimination. In addition, it encourages synergies with partners within the circular economy, promoting the efficient use of raw materials and the reduction of waste at its source. [E5-1.AR9a/b]

Document [ESRS 2.65a]	Systems Management Policy
Key Contents and Objectives [ESRS2.65a]	Defines Navigator's general commitments within the scope of its management systems quality, environment, energy and safety.
Scope [ESRS2.65b]	It targets its own operations, has internal and external *stakeholders* as interested parties (e.g. Suppliers, Industrial Synergies) and covers Portugal and Spain.
Senior level responsible by implementation [ESRS2.65c]	Executive Committee.
hird-party standards or initiatives that the company commits to respect [ESRS2.65d]	• Product Safety Standards (BRC and IFS, for food use). • ISO 9706 (Guarantee that the paper does not lose its properties over time)100 years (on display) or 200 years (in dark storage). • FSC and PFC standards, which certify the origin of fibrous materials.
Most relevant supplementary documentation	General Procedure Management of Environmental Aspects (PG80).
Availability [ESRS2.65f]	This document is communicated to all employees, business partners and interested parties through Intranet and Internet sites. Posted in workplaces.

The following information is entered by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

• Presentation of Environmental Policy: Chap. 4.1.2.2

In addition to the aforementioned policies, Navigator also mentions the **Forest Policy** and **Code of Conduct for Suppliers**, which indirectly also contribute to their commitments in the scope of resource use and the circular economy.

CEMENT SEGMENT

Secil adopts policies related to the use of resources and the circular economy, namely in the **Sustainability Policy** and in the various policies of the **Quality, Environment and Health and Safety** management systems, as presented in the following tables. [E5-1.14 | ESRS 2.65a] The policies promote circularity, upstream through the use of secondary raw materials and alternative fuels and downstream through efficient waste management. [E5-1.15]

Its policies seek to ensure efficient waste management through its collection and storage in a segregated manner, in specific flows and in specific locations within their facilities. Whenever possible, waste recovery solutions are prioritized, respecting the principle of waste hierarchy. [AR9b] The Sustainability Policy falls within the third level of the waste hierarchy, corresponding to recycling, through the use of secondary raw materials. The Quality, Environment and Health and Safety Policies are situated at the fourth level, corresponding to other types of recovery, through the co-processing of alternative fuels. [AR9a]

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

• Presentation of the Sustainability Policy: Chap. 4.1.2.2

• Presentation of Quality, Environment and Health and Safety Policies: Chap. 4.1.2.2

OTHER BUSINESS SEGMENT – ETSA

ETSA's activity is focused on the circular economy, promoting the full valorisation of animal by-products and their transformation into recycled products with high added value, such as protein for animal feed and fat for the production of biofuels. Since the circular economy is the basis of ETSA's operations, the implementation of a specific policy would be redundant and unnecessary since this commitment is already fully integrated into its activity.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's does not have policies that directly affect the circular economy, only policies that contain convergent points such as the **Purchasing Policy**, the **Supplier Code of Conduct** and the **Integrated Management System Policy**. However, it will develop new policies and actions in this area (scheduled for 2025).

All policies mentioned have applicability to the company's operations in Europe and Asia [ESRS 2.65b]and are aligned with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 standards, as well as the UN Sustainable Development Goals (SDGs) and AS certification. [ESRS 2.65d] All are available on the website https://triangles.eu. [ESRS 2.65f]

The **Purchasing Policy** applies in upstream operations, with the primary stakeholders affected being agents, consultants, representatives and business partners acting on behalf of the enterprise. [ESRS 2.65a] The person responsible for its implementation is the Director of Supply Chain and Continuous Improvement. [ESRS 2.65c/ESRS 2.65e]

The **Supplier Code of Conduct** also applies in upstream operations, and includes as main stakeholders, suppliers, subsidiaries and subcontractors, as well as other direct or indirect stakeholders in the relationship with the company [ESRS 2.65a]. In addition to common standards, it adopts the Global Compact and the UN Charter of Human Rights. The person responsible for its implementation is the Director of Supply Chain and Continuous Improvement. [ESRS 2.65c/ESRS 2.65e]

The **Integrated Management System Policy** applies to the entire value chain, covering a wider audience such as shareholders, customers, internal and external workers, regulatory and certification bodies, official authorities (social security and tax authorities), universities, technology and research centres, suppliers, service providers, government, competitors and the surrounding community. [ESRS 2.65a]

It is implemented by the Director of People and Sustainability (in charge of compliance), with the involvement of shareholders, service providers (lawyers) and internal workers. [ESRS 2.65c/ESRS 2.65e]

ACTIONS AND RESOURCES RELATED TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY (E5-2, MDR-A)

Below, the actions related to the use of resources and the circular economy present in each Semapa business segment are presented in detail, highlighting the initiatives implemented, investments made, and strategies adopted to promote efficiency in the use of materials, waste reduction and the recovery of waste throughout the value chain.

PULP AND PAPER SEGMENT

In line with its goals of reducing industrial waste disposal and developing sustainable, value-added applications for industrial process by-products (see "Targets and metrics" section), Navigator has adopted a set of strategic actions. The actions implemented aim to promote circularity in the use of resources and to this end we are increasingly investing in innovative solutions, prioritizing the reduction of waste generation, maximizing its recycling and the valorisation of the resulting by-products. These initiatives not only improve the company's environmental efficiency, but also generate solutions for the communities involved, reducing the material impacts of its operations. [ESRS 2.68]

The implementation of the valorisation of CTB ash, the installation of a Figueira lime kiln, the change of the ash discharge system for dry processing required, in 2024, capital expenditure (CapEx) of EUR 0.8 million, EUR 30 million and EUR 0.1 million, respectively. [ESRS 2.69b]

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Valorisation of carbonate sludge	Carried out	Own Operations, External Partners, Portugal	Continuous action	51.3 thousand tonnes valued in 2024
Biological sludge valorisation	Carried out	Own Operations, External Partners, Portugal	Continuous action	59.0 thousand tonnes valued in 2024
Sand Valuation	Carried out	Own Operations, External Partners, Portugal	Continuous action	40.0 thousand tonnes valued in 2024
Waste management in forestry activity	Carried out	Own Operations, Portugal and Espanha	Continuous action	61% reduction in waste generated that are not intended to elimination, compared to 2023
Ash recovery from CTB	Planned	Own Operations, External Partners, Portugal	Start 2025	Potential appreciation of 15 000 tonnes of ash at 5 years
Lime Kiln Installation Figueira	Planned	Own Operations, External Partners, Portugal	Start 2025	90% reduction in production of carbonate sludge
Change in system ash discharge to dry route	Planned	Own Operations, External Partners, Portugal	Start 2025	Ash drainage in dry will allow to identify new applications for valorisation of this residue
Soil cement production	Planned	Own Operations, External Partners, Portugal	Start 2025	Valorisation of fly ash of biomass boilers in Low Carbon production Clinker

Note: No negative material impacts associated with Resource Use and Circular Economy were identified, only positive impacts, so no remediation actions were identified. [ESRS2.68d]

Navigator promotes the circular economy through the valorisation of waste and by-products, in partnership with RAIZ and other economic operators. Carbonate sludge resulting from the causticization process of pulp mills is reused in the production of cement and precipitated calcium carbonate (PCC) for paper. Biological sludge from effluents is used as fuel in the production of expanded clay (Leca). Sand from biomass boilers is used to produce construction materials. [E5-1.19]

The action plan has specific financial resources, including an annual budget for waste management, ensuring its referral to OGR. In addition, annual budgets are provided for environmental improvements, which may include optimization projects in waste management and the circular economy. [ESRS 2.69a]

CEMENT SEGMENT

In the context of resource use and the circular economy, four specific actions were developed. In Portugal, two initiatives stand out: the Clean Cement Line Project in Outão and the Profuture Clean Cement Line Project in Maceira (Chapter 4.1.2.2). Regarding the increase in the consumption of alternative fuels, two other actions were implemented, one in Adrianopolis, Brazil, and another developed simultaneously in Sibline, Lebanon, and Gabès, Tunisia. Apart from the Clean Cement Line project, which has already been carried out, all the others are still in planning. [E5-2.19]

Secil invested 86 million euros in CapEx in the Clean Cement Line Outão Project and 63 million euros in the Profuture Clean Cement Line Maceira Project, recorded as fixed assets and reflected in the financial statements. [ESRS 2.69b] The Outão Project, initiated in 2016, will reduce CO_2 emissions by around 20%, enable the transition to "zero fossil fuels" and increase the use of alternative fuels. The Maceira Project, initiated in 2019, will achieve "zero fossil fuels" (90% alternative fuels and 10% green hydrogen) and reduce energy consumption by around 20.8% and CO_2 emissions by 30.3%. [ESRS 2.68a]

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Expected results/effects [ESRS 2.68a] [ESRS 2.68e]
Project *Clean Cement Line*, Outão	Carried out	The scope of action covers Outão, in Portugal, having an impact on employees, customers, sector and business associations, official entities, financial and insurance entities, the community, and academies.	Short Term	Eliminate consumption of fossil fuels, 20% reduction in CO_2 emissions and 20% reduction in thermal energy, 30% own electrical energy production originating from heat recovery. Alternative fuels rate CCL Outão in 2024: 49.3%
roject Profuture Clean Cement Line, Maceira	Planned	The scope of action covers Maceira, in Portugal, having an impact on employees, customers, sector and business associations, official entities, financial and insurance entities, the community, academies.	Medium Term	Eliminate consumption of fossil fuels (90% alternative fuels + 10% H2), reduce 30% of CO_2 emissions and reduce energy consumption by 21%.
Increased consumption of alternative fuels in Brazil (Project BR-CEM-0216), Lebanon and Tunisia	Planned	THE scope of action covers Adrianópolis, in Brazil, encompasses Sibline, in Lebanon, and Gabès, in Tunisia, having impact on employees, customers, industry associations and business, official entities, financial and insurance entities, community, academies.	Medium Term	Achieve 40% rate of Alternative fuels.

OTHER BUSINESS SEGMENT – ETSA

Within the scope of resource use and the circular economy, two strategic actions were developed: the construction of a new manufacturing unit for the production of hydrolysed protein and the construction of a logistics centre in the Azores.

The Coruche Manufacturing Unit [ESRS 2.68b] represents a CapEx investment of 20 million euros [ESRS 2.69b], with implementation scheduled between 2022 and 2025 [ESRS 2.68c], and aims to produce new products with higher added value. [ESRS 2.68a] The unit is in the final phase, with all equipment already assembled and commissioning underway. The start of commercial activity is expected in the second half of 2025. [ESRS 2.68e]

The Logistics Centre in the Azores [ESRS 2.68b], with a CapEx investment of 1.6 million euros [ESRS 2.69b] and planned execution for 2025 [ESRS 2.68c], aims to avoid the deposition of waste in landfills [ESRS 2.68a], benefiting economic agents and the population. [ESRS 2.68b] The centre is in completion, with the start of the operation planned for March 2025. [ESRS 2.68e]

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Manufacturing Unit	Carried out e Planned	Coruche	2022 a 2025	Production of new products with higher added value
Logistics Centre	Carried out e Planned	Azores, Economic Agents and Population	2025	Avoid waste disposal in landfill

OTHER BUSINESS SEGMENT – TRIANGLE'S

As part of the reduction of plastic use and resource optimization, four specific actions were implemented, aligned with Triangle's sustainability and circular economy principles. The first action consisted of replacing adhesive tape with paper tape, applied in its own operations, with a direct impact on suppliers and customers [ESRS 2.68b], resulting in a reduction in plastic consumption. [ESRS 2.68a]

The second action involved changing the micron rating of the stretch film used to wrap pallets, reducing it from 0.23 to 0.17, also in our own operations and with a direct impact on suppliers.

[ESRS 2.68b]. This change contributed to the reduction of plastic used. [ESRS 2.68a]

The third action focused on the return and reuse of pallets with a supplier, being implemented upstream in the value chain. [ESRS 2.68b] The result obtained was the reduction of waste and the reuse of raw materials. [ESRS 2.68a] Finally, the fourth action consisted of replacing bottled water with filtered water, made available at various points in Triangle's, was implemented in its own operations and directly benefited the company's employees. [ESRS 2.68b]

As planned actions, the company plans to replace bubble wrap with TNT in the packaging of frames, contributing to the reduction of plastic consumption. In addition, it is planned to replace cardboard separators with kraft paper, aiming at better packaging of bicycle frames. The company also intends to reduce the weight of cardboard boxes used for packaging, promoting a reduction in paper and cardboard consumption. Finally, a "pallet pooling" system will be implemented, encouraging customers to reuse pallets. [ESRS 2.68a] All these actions will be implemented in Portugal [ESRS 2.68b] and with a short-term time horizon. [ESRS 2.68c]

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68a]	**[ESRS 2.68a]**	**[ESRS 2.68b]**	**[ESRS 2.68c]**	**[ESRS 2.68a]**
Replacing adhesive tape with paper tape	Carried out	Own Operations, Suppliers and Customers	-	Plastic reduction
Stretch film for packaging of pallets was changed at the level of micron age from 0.23 to 0.17	Carried out	Own Operations, Suppliers	-	Plastic reduction
Return and reuse of pallets with a supplier	Carried out	Upstream, Suppliers	-	Reduction and rea-utilization of matter
Replacing bottled water for filtered water made available at various points in Triangle's	Carried out	Own Operations, Contributors	-	Not available
Packaging of frames – replacing bubble wrap with TNT	Planned	Own Operations, Customers, Portugal	Short term	Plastic reduction
Packaging of frames – replace card separators by paper *kraft*	Planned	Own Operations, Customers, Portugal	Short term	Better conditioning
Replacing the film with a tape plastic	Planned	Own Operations, Customers, Portugal	Short term	Plastic reduction
Reduction of grammage per m^2 from the cardboard box for packaging	Planned	Own Operations, Customers, Portugal	Short term	Reduction of paper/cardboard
Pallet *pooling*	Planned	Own Operations, Customers, Portugal	Short term	Reuse of pallets for the customersuse

TARGETS RELATED TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY (E5-3, MDR-T)

The Semapa Group establishes strategic targets for the efficient use of resources and the promotion of the circular economy in its different business segments. These targets reflect the companies' commitment to optimizing processes, reducing waste and valuing waste, in line with the principles of sustainability and the transition to a more circular economy. For each segment, detailed the established targets, the metric used for their evaluation, as well as the reference value and the base year (baseline). Additionally, the results achieved in 2024 and the value of the target set for 2030 are presented, reinforcing the company's commitment to efficiency in the use of materials, the reduction of waste and the valorisation of waste throughout the value chain.

PULP AND PAPER SEGMENT

Navigator's 2030 Roadmap has two defined targets that focus on waste. The target to reduce industrial landfilling is aligned with national and European objectives for sustainable waste management. It contributes to SDG 12 – Sustainable Consumption and Production, by promoting the recovery of materials and is in line with national targets established for waste management and with European Directive 2018/850, which imposes stricter restrictions and encourages recycling and energy recovery. In addition, it follows the principle of waste hierarchy, prioritizing reduction and recovery before final disposal, and supports the General Waste Management Regime (RGGR) by promoting the circular economy, reducing the environmental footprint of industry and encouraging technologies for recovery of waste. [ESRS 2.80f] The target for developing sustainable, value-added applications for by-products of industrial processes fits within the waste hierarchy, in other types of valorisation. [E5-3.25]

Both targets cover Navigator's own operations in Portugal. They are not science-based and ecological threshold values were not considered. Their definition is not a legal requirement, it is voluntary and resulted from the involvement of internal Stakeholders, the Environmental Council and the Community Monitoring Committees. The defined targets are aligned with the Environmental Policy and Systems Management Policy, and respective complementary documentation. [E5-3.25 | ESRS 2.80a| ESRS 2.80g| E5-3.26 | E5-3.27]

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	[ESRS2.80d]	[ESRS2.80]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80b]
Reach, until 2030, a rate of waste disposal in industrial landfill less than 10%.	Value of reference: 14% Base year: 2021	Waste landfilled (t) / Waste generated (t)	Objective reformulated in 2022	12%	12%	< 10% in 2030
To develop sustainable applications, and added value, for by-products of the industrial process (sludge, ash and other inorganic waste).	N/A	N/A	991t Sludge of carbonate 28 395 t of sand for incorporation	4 800t Sludge of valued carbonates in production of PCC 35 624 t of sand (by-product) recovered for the construction sector	1 355t Ashes valued in concrete artifacts 1 260 t Carbonate sludges valued in PCC production 39 995 t of sand (by-product) valued for the construction sector	N/A

Note: No changes were made to the values, year, calculation methodology, assumptions, sources or limitations of the targets [ESRS 2.80i | ESRS2.13], and no errors were identified for prior periods. [ESRS2.14] These metrics are subject to external verification within the scope of this report and are not verified by other entities. [ESRS2.77b]

CEMENT SEGMENT

Secil has defined two measurable targets to be achieved by 2030, which, although not mandatory according to current legislation [E5.27], are results-oriented, time-bound and aligned with the material sustainability issues established to monitor progress achieved. These targets presented in the table below remained unchanged from the previous reporting year. [ESRS 2.80i] The measurable targets established are not science-based [ESRS 2.80g] and have been defined as: alternative fuels (target 1) and clinker factor (target 2). These targets cover own operations in Portugal, Brazil, Lebanon and Tunisia. [ESRS 2.80c]

The targets were defined based on the company's strategic objectives, considering the availability of alternative fuels and sectoral benchmarks. [ESRS 2.80h] Target 1 focuses on replacing fossil fuels to reduce CO_2 emissions and promote circularity [E5.24], while target 2 aims to reduce the clinker factor by using secondary raw materials to minimize energy consumption and emissions from cement production. [ESRS 2.80f]

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	[ESRS2.80d]	[ESRS2.80]	[ESRS2.80j]	[ESRS2.80j]	[ESRS2.80j]	[ESRS2.80b]
Alternative fuels	Value of reference: 26.2% Base year: 2020	Percentage of alternative fuels (%)	25.9%	21.7%	25.3%	49% Alternative fuels and 5% Sustainable Biomass
Clinker factor	Value of reference: 80.2% (Portugal) and 79.3% (Other geographies) Base year: 2020	Percentage of clinker incorporation (%)	79.3% (Portugal) 76.9% (Other geographies)	80.4% (Portugal) 78.1% (Other geographies)	79.5% (Portugal) 78.9% (Other geographies)	65% (Portugal) 74% (Other geographies)

Methodological note: The performance results were presented with the same frontier as the roadmap decarbonization of Secil (Cement factories: Maceira, Outão, Sibline, Gabès, Adrianópolis and Pomerode).
Note: No changes were made to the values, year, calculation methodology, assumptions, sources or limitations of the targets [ESRS 2.80i | ESRS2.13], and no errors were identified for prior periods. [ESRS2.14]

OTHER BUSINESS SEGMENT – ETSA

Although ETSA has not set specific targets for resource use and the circular economy, the company monitors the effectiveness of its policies and actions in this area. This monitoring is carried out through the analysis of operational indicators (KPIs), focusing on the collection of different types, categories and subcategories of animal by-products. [ESRS 2.81b]

OTHER BUSINESS SEGMENT – TRIANGLE'S

While Triangle has not yet set specific targets for resource use and the circular economy, the company is developing an action plan and KPIs to monitor effectiveness of its policies and actions in this area.

RESOURCE INFLOW (E5-4)

PULP AND PAPER SEGMENT

Navigator adopts a sustainable and resource-efficient industrial model, promoting the circular economy and the valorisation of by-products.

In the production and packaging of products, Navigator uses renewable materials, such as cardboard boxes, packaging paper and wooden pallets, as well as other materials, such as stretch or shrink film, plastic straps and wire for bale wrapping. In the production of paper pulp, the main raw material is Eucalyptus Globulus wood, which comes from sustainably managed forests, whether produced in-house or acquired. This process also involves the use of chemicals such as sodium hydroxide, sodium chlorate, sulphuric acid, oxygen and hydrogen peroxide, as well as additives such as calcium carbonate precipitant (PCC) and sizing agents. To complement the fibre, recycled fibres and mechanically or thermally bleached fibres are also used. [E5-4.30]

In the production of UWF and tissue paper, additives such as starch and optical brightening agents are used. In the case of tissue paper, agents that provide wet strength are included. Eucalyptus pulp can be supplemented with purchased long fibres. Water is a fundamental resource in the industrial process, being used in the cooking, bleaching and paper sheet formation stages. The company ensures that around 80% of the water used is properly treated before being returned to the environment. [E5-4.30]

Regarding energy and fuels, Navigator uses renewable sources such as black liquor and eucalyptus bark to produce forest biomass, ensuring greater energy efficiency. In addition, fossil fuels are used, including natural gas, fuel oil, diesel and propane. [E5-4.30]

Resource input data are calculated based on measurements of the weights of the most relevant raw materials at the factory entrance. There are properly calibrated weighbridges in industrial complexes to the measurement of wood, chemicals, fiber, fuels, packaging materials, among others. Additionally, for materials that are quantified in units, namely packaging materials, their unit weights were considered for conversion into tonnes. The materials consumed in all Navigator activities, in all geographies, were quantified, except for Navigator Tissue UK. [E5-4.32]

CEMENT SEGMENT

For Secil, the circular economy plays a crucial role in the cement industry, due to its potential positive impacts on waste reduction and efficient use of resources. The integration of industrial waste and alternative materials reduces dependence on finite natural resources and the carbon footprint and increases competitiveness by reducing operating costs and mitigating risks associated with the availability of raw materials. The consumption of these resources varies according to geography, the period analysed and the scale of the projects under development. [E5-4.30]

Secil uses several resources throughout its operations and the downstream value chain, ensuring the efficiency of production processes and the reduction of environmental impact. The main resources consumed include raw materials such as limestone, marl, clay, sand, gravel and gypsum, which are essential to produce cement, mortars and concrete. In addition, additives such as lubricating oils and grinding adjuvants are used, which contribute to the optimization of industrial processes. [E5-4.30]

OTHER BUSINESS SEGMENT – ETSA

As part of the resource input, ETSA incorporates animal by-products from the meat and fish production chain. These materials are collected from a variety of sources, including farms, slaughterhouses, cutting rooms, butchers, modern distribution and other meat and fish outlets. Regarding water consumption, the company supplies its operational units through underground wells and the public supply system. [E5-4.30]

OTHER BUSINESS SEGMENT – TRIANGLE'S

The company ensures the input of several essential resources for its operations and for the downstream value chain. Regarding products, components and packaging materials are used, including bicycle frames, bubble wrap, cardboard separators and honeycombs, boxes, paper adhesive tape, film and pallets, which guarantee the protection and adequate transportation of the products.

In terms of materials, the highlights are aluminium profiles and components, bicycle components, paints and varnishes, welding wire, finishing compounds and chemical products, as well as specific tools for jigs and templates, which are essential for production processes. Water supply is carried out both through the public network and underground wells, ensuring an adequate supply for operational needs.

Finally, the facilities and equipment include a unique installation (rubber), consisting of CNC, lathes, benders, presses, robotic liquid and powder painting workshops, hydroforming press, welding robots, polishing robots in addition to technologies for heat treatments and thermal laser cutting treatments. [E5-4.30]

The tables below show the resource inputs across all Semapa's subsidiaries, covering both its own operations and the value chain. The first table provides detailed information on the weight of products used, including the weight of biological and technical materials [E5-4.31a], as well as components, products and secondary materials. [E5-4.31c] The second table focuses exclusively on the weight of biological materials, allowing a more detailed view of the weight of sustainably sourced materials. [E5-4.31b]

[5.31a/5.31c] Resource Inflow		
Company/ Subsidiary	**Description**	**2024 (t)**
Navigator	Weight of the products used [E5-4.31a]	5 241 400.00
	Renewable	4 569 007.00
	Non-Renewable	672 361.00
	Recycled	32.00
	Weight of the biological materials used [E5-4.31a]	4 503 929.00
	Weight of the technical materials used [E5-4.31a]	737 472.00
	Components, products and secondary materials [E5-4.31c]	5 241 400.00
Secil	Weight of the products used [E5-4.31a]	8 094 238.01
	Renewable	IU
	Non-Renewable	IU
	Recycled	IU
	Weight of the biological materials used [E5-4.31a]	NA
	Weight of the technical materials used [E5-4.31a]	16 468 109.28
	Components, products and secondary materials [E5-4.31c]	24 562 347.29
ETSA	Weight of the products used [E5-4.31a]	145 255.8
	Renewable	IU
	Non-Renewable	IU
	Recycled	IU
	Weight of the biological materials used [E5-4.31a]	145 255.8
	Weight of the technical materials used [E5-4.31a]	NA
	Components, products and secondary materials [E5-4.31c]	8 468.00
Triangle's	Weight of the products used [E5-4.31a]	385.00
	Renewable	IU
	Non-Renewable	IU
	Recycled	IU
	Weight of the biological materials used [E5-4.31a]	IU
	Weight of the technical materials used [E5-4.31a]	IU
	Components, products and secondary materials [E5-4.31c]	IU

[5.31a/5.31c] Resource Inflow		
Company/ Subsidiary	**Description**	**2024 (t)**
Semapa	Weight of the products used [E5-4.31a]	13 481 278.84
	Renewable	4 569 007.00
	Non-Renewable	672 361.00
	Recycled	32.00
	Weight of the biological materials used [E5-4.31a]	4 649 184.83
	Weight of the technical materials used [E5-4.31a]	17 205 581.28
	Components, products and secondary materials [E5-4.31c]	29 812 215.29

IU: Information unavailable.
NA: Not applicable.
Note 1 – **Navigator:** Resource input data are calculated based on measurements of the weights of the most relevant raw materials at the factory entrance. There are properly calibrated weighbridges in the industrial complexes for measuring wood, chemicals, fibre, fuels, packaging materials, among others. Additionally, for materials that are quantified in units, namely packaging materials, their unit weights were considered for conversion into tonnes. The materials consumed in all Navigator activities, in all geographies, were quantified, with the exception of Navigator Tissue UK. [E5-4.32]
Note 1 – **Secil:** Regarding the data presented by Secil, the "weight of products used" corresponds to the sum of the products of cement and construction material products, while the "weight of technical materials used" results from the sum of the materials of cement with construction materials. It is important to note that, when accounting for the weight of products and technical and biological materials used in own operations, fuels were not considered.
Note 2 – **Secil**: "Components, products and secondary materials" correspond to alternative materials, resulting from the total of alternative materials used in the various Secil factories.
Note 1 – **ETSA**: Regarding the data presented by ETSA, the weight of the collected animal by-products is determined by weighing the collection vehicles, the data is saved in the ERP system. [E5-4.32]
Note 2 – **ETSA**: The "Components, products and secondary materials" which represents 3% of the total weight of products used [E5-4.31c], refer to the process of monitoring and evaluating the use of flour produced at the Coruche facilities as a sustainable fuel, used in the IVEB combustion plant. ETSA monitored this process through direct measurements, including the amount of flour used and the reduction in emissions, complemented by estimates to calculate the environmental impact. [E5-4.32]
Note 1 – **Triangle's**: Regarding the data presented by Triangle's, the weight of the products used comes from estimates of the total number of frames sold per model (weight x quantity).

[E5-4.31b] Biological Materials			
Company/Subsidiary	**Description**	**2024 (t)**	**2024 (%)**
Navigator	Weight of sustainably sourced biological materials	4 441 366.00	99.00%
	Weight of other biological materials	62 563.00	1.00%
Secil	Weight of sustainably sourced biological materials	NA	NA
	Weight of other biological materials	NA	NA
ETSA	Weight of sustainably sourced biological materials	145 255.83	100.00%
	Weight of other biological materials	NA	NA
Triangle's	Weight of sustainably sourced biological materials	IU	IU
	Weight of other biological materials	IU	IU
Semapa	Weight of sustainably sourced biological materials	4 586 621.83	
	Weight of other biological materials	62 563.00	

IU: Information unavailable.
NA: Not applicable.
Note 1 – **ETSA**: Regarding the data presented by ETSA, the by-products collected and processed by ETSA are 100% organic. [E5-4.32]

RESOURCE OUTFLOW (E5-5)

Aware of the impacts of their activities and the opportunities inherent in their sectors, the companies of the Semapa Group have implemented business strategies focused on circularity, reuse and recycling of materials. This approach contributes to a more efficient use of resources, resulting in significant economic benefits.

The table below, after the different business segments, shows the resource outflows, detailing the total waste generated by type and treatment flow. The information covers all Semapa's subsidiary companies, including the Group's operations. [E5.37a | E5.37b | E5.37c | 5.39]

PULP AND PAPER SEGMENT

Navigator develops products aligned with the circular economy, ensuring that pulp, paper and *tissue* are designed with a focus on durability, recyclability and recirculation in the biological cycle. [E5-5.35]

BEKP pulp is a renewable and biodegradable material, sourced from FSC and PEFC certified plantations, and can be used in the production of new papers or recycled fibers. [E5-5.35] UWF paper stands out for its high durability and quality even after multiple recycling cycles, being 100% recyclable and reusable before final recycling. [E5-5.36c. In 2024, the production of moulded cellulose packaging began at the Aveiro industrial complex, allowing the replacement of fossil-based plastic packaging. [E5-5.35]

All products produced by Navigator are bio-based and biodegradable. The volumes of products and by-products produced by Navigator are all calculated based on direct measurements. UWF paper is 100% recyclable and is designed according to circular principles. [E5-5.40]

The waste generated by Navigator's activities is mostly non-hazardous, representing 99.8% of the total waste generated in 2024. [E5-5.38]

In industrial activities, the waste streams with the largest volume are WWTP sludge generated in the treatment of effluents, ash from biomass boilers and carbonate sludge from the causticization process of pulp mills. The waste management hierarchy principle is used, applying the highest level whenever possible, as recommended in the company's policies and procedures. [E5-5.38]

In forestry activities, the most relevant waste streams are characterized as packaging, packaging waste and used tires, the latter coming from illegal dumping by third parties in areas managed by the Company. The materials present in the waste include plastics, chemical waste with hazardous and non-hazardous properties, and wood. [E5-5.38]

CEMENT SEGMENT

Aware of its impacts and the potential of its sector of activity, Secil has been adopting corporate strategies for circularity, reuse and recycling of materials. This approach allows Secil to increase efficiency in resource consumption and, consequently, achieve economic gains. [E5.37a | E5.37b | E5.37c]

The waste generated by Secil's activities varies depending on the business and is mostly non-hazardous, representing 99.5% of the total waste generated in 2024. [E5-5.38]

In cement, the most representative waste is packaging mix, wood and scrap. In concrete, the most representative waste is concrete slurry, concrete and construction and demolition waste.

The waste management hierarchy principle is used, applying the highest level whenever possible, as recommended in the company's policies and procedures. [E5-5.38]

OTHER BUSINESS SEGMENT – ETSA

The waste generated by ETSA's activities is mostly non-hazardous, representing 91.9% of the total waste generated in 2024. [E5-5.38]

The unpacking process of by-products from commerce (modern distribution and other points of sale) results in plastic, glass and metal packaging that is sent for recovery or landfill disposal. [E5-5.38] The combustion of category 1 proteins, whose use in the food chain is not permitted, results in slag that can be used as fertilizer and ash that is deposited in landfill. [E5-5.38]

OTHER BUSINESS SEGMENT – TRIANGLE'S

By 2024, most of the waste generated by Triangle's activities was classified as hazardous, representing 58% of the total. [E5-5.38]

Triangle's industrial activities result in several waste streams, including aqueous suspensions of paints or varnishes containing organic solvents or other hazardous substances, as well as non-ferrous metal shavings and filings. [E5-5.38]

[5.37a/5.37b/5.37c/5.39] Total waste generated (t)

Company/Subsidiary	Description	2024 (Hazardous)	2024 (Non-harzardous)	2024 (Total)
Navigator	**Total waste generated**	**979.00**	**445 622.00**	**446 601.00**
	Valued	**620.00**	**300 307.00**	**300 927.00**
	Preparation for reuse	93.00	-	93.00
	Recycling	137.00	184 852.00	184 988.00
	Other recovery operations	391.00	115 456.00	115 847.00
	Elimination	**359.00**	**145 315.00**	**145 674.00**
	Incineration with energy recovery	-	88 759.00	88 759.00
	Landfill	113.00	56 335.00	56 448.00
	Other disposal operations	246.00	221.00	467.00
Secil	**Total waste generated**	**495.77**	**102 676.27**	**103 172.04**
	Valued	**328.17**	**101 464.11**	**101 792.28**
	Preparation for reuse	87.16	3.45	90.61
	Recycling	50.42	86 958.33	87 008.75
	Other recovery operations	190.59	14 502.33	14 692.92
	Elimination	**167.60**	**1 212.16**	**1 379.76**
	Incineration with energy recovery	-	-	-
	Landfill	1.91	1 137.28	1 139.19
	Other disposal operations	165.69	74.88	240.57
ETSA	**Total waste generated**	**440.00**	**4 997.00**	**5 437.00**
	Valued	**-**	**1 410.00**	**1 410.00**
	Preparation for reuse	-	-	-
	Recycling	-	1 410.00	1 410.00
	Other recovery operations	-	-	-
	Elimination	**440.00**	**3 587.00**	**4 027.00**
	Incineration with energy recovery	-	-	-
	Landfill	440.00	3 587.00	4 027.00
	Other disposal operations	-	-	-

[5.37a/5.37b/5.37c/5.39] Total waste generated (t)				
Company/Subsidiary	**Description**	**2024 (Hazardous)**	**2024 (Non-harzardous)**	**2024 (Total)**
Triangle's	**Total waste generated**	**231.41**	**167.04**	**398.45**
	Valued	**8.71**	**166.08**	**174.79**
	Preparation for reuse	-	-	-
	Recycling	-	-	-
	Other recovery operations	-	-	-
	Elimination	**222.70**	**0.96**	**223.66**
	Incineration with energy recovery	-	-	-
	Landfill	-	-	-
	Other disposal operations	-	-	-
Semapa	**Total waste generated**	**2 028**	**553 462.31**	**555 608.49**
	Valued	**945**	**403 347.19**	**404 304.07**
	Preparation for reuse	172	3	176
	Recycling	184	268 695	268 880
	Other recovery operations	580	129 958.33	130 539.92
	Elimination	**1 083**	**150 115**	**151 198**
	Incineration with energy recovery	-	88 759	88 759
	Landfill	555	61 059	61 614
	Other disposal operations	306	296	602

Note 1 – **Navigator**: The methodology used for the calculation is based on direct measurements taken on properly calibrated scales located in industrial complexes, with the information recorded on the e-GAR platform. [E5-5.40]
Note 1 – **Secil**: Regarding the data presented by Secil, for the total amount of hazardous and non-hazardous waste, the following assumptions were considered: other recovery operations (off-site and on-site), preparation for reuse
(outside(on and off premises) and recycling (on and off premises).
Note 2 – **Secil**: The methodology used for the calculation is based on direct measurements taken on properly calibrated scales located in industrial complexes, with the information recorded on an electronic platform in the case of Portugal and Brazil and, in the case of other geographies, on the registration of the entities. [E5-5.40]
Note 3 – **Secil**: The values presented for other recovery operations, other than reuse and recycling, within the scope of the cement business in Brazil and concrete in Lebanon, correspond to estimates.
Note 1 – **ETSA**: In accordance with the circular economy principle, ETSA companies produce animal fat and protein, which are fully reused in the production of biofuels and animal feed, ensuring that animal by-products processed in the factories are 100% recycled. [E5-5.35]
Note 2 – **ETSA**: The process of unpacking by-products from commerce (modern distribution and other points of sale) results in plastic, glass and metal packaging that is sent for recovery or landfill disposal.
From the combustion of proteins of the category1, whose use in the food chain is not permitted, results in slag that can be used as fertilizer, and ash that is deposited in landfill. [E5-5.38]
Note 3 – **ETSA**: The tonnes of waste produced are accounted for by weighing when dispatched to waste management operators. [E5-5.40]
Note 1 – **Triangle's**: Waste quantification is carried out through direct measurements. [E5-5.40] Hazardous waste types include, among others, paints and varnishes containing solvents (08 01 11*), filter cakes and sludges (11 01 09*), oil-containing water from oil/water separators (13 05 07*) and packaging contaminated with hazardous substances (15 01 10*). Non-hazardous waste includes, among others, paper and cardboard packaging (15 01 01), ferrous metal shavings and filings (12 01 01), wood (19 12 07) and packaging
plastic (15 01 02). [E5-5.38]
Triangle's does not yet have a specific categorization for the distribution of waste according to its destination, namely incineration, landfill or other forms of disposal.

EXPECTED FINANCIAL EFFECTS OF IMPACTS, RISKS AND OPPORTUNITIES RELATED TO THE USE OF RESOURCES AND THE CIRCULAR ECONOMY (E5-6)

In accordance with Appendix C of ESRS 1, Semapa has chosen not to report information on the anticipated financial effects of impacts, risks and opportunities related to the use of resources and the circular economy in this first reporting year.

4.1.3 SOCIAL

4.1.3.1. OWN LABOUR – S1

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3, ESRS 2)

Description	Materiality by Company	Impact, Risk or Opportunity	Time Horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a; S1.14d]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Working in shifts impacts the quality of life and physical and mental health.		Negative impact	-	Own Operations	Working time
Paying attractive salaries (monetary benefits) and granting non-monetary benefits promotes employee satisfaction.		Positive impact	-	Own Operations	Adequate wages
Paying attractive salaries (monetary benefits) and granting monetary benefits promotes employee satisfaction, boosting employee retention and productivity.		Opportunity	Short Term – Year of report	Own Operations	Adequate wages
Promoting social dialogue between management and workers facilitates the engagement of workers in common interests, which may have an impact on their working conditions		Positive impact	-	Own Operations	Social dialogue
		Positive impact	-	Own Operations	Freedom of Association, the existence of works councils, and the information, consultation, and participation rights of workers
Greater negotiating capacity for workers covered by collective bargaining.		Positive impact	-	Own Operations	Collective bargaining, including rate of workers covered by collective agreements

Description	Materiality by Company	Impact, Risk or Opportunity	Time Horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a; S1.14d]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Work-life balance contributes to health and well-being.		Positive impact	-	Own Operations	Work-life balance
Workforce training and continuous assessment Contribute to professional and personal growth of workers.		Positive impact	-	Own Operations	Training and skills development
We ensure equal pay for work of equal value across the geographies where we operate.		Positive impact	-	Own Operations	Gender equality and equal pay for work of equal value
At Navigator there is currently a regrowth program that allows collabourators from the age 57 to interrupt their cycle at the company. It can offer a more rewarding economic situation in comparison to their current one by allowing workers to interrupt their professional activity before the legal age of retirement.		Positive impact	-	Own Operations	Diversity
The lack of gender represen-tation and age diversity creates less inclusive and equative environments, reducing the sense of belonging and innovation.		Negative impact	-	Own Operations	Diversity
Work accidents or occu-pational diseases can lead to fatalities, injuries or other pathologies.		Negative impact	-	Own Operations	Health and safety
Failure to comply with safety rules and procedures affect negatively the health and safety of workers		Negative impact	-	Own Operations	Health and safety

Note: The material impacts identified are real and therefore do not have a time horizon associated with them.

PULP AND PAPER SEGMENT

Navigator places human capital as a strategic priority, continually investing in its development, evolution and satisfaction. Talent Management is directly supervised by the CEO, while the Human Resources area is the responsibility of a member of the Executive Committee, reflecting the importance of employees for the sustainability of the business and the social and economic impact on local communities where it operates.

Navigator's people management approach focuses on stable employment relationships, recognition of merit, professional growth and the creation of safe working environments for approximately 4 000 employees. The company seeks to be an employer of choice, with actions that increase productivity, attract young talent and retain qualified professionals, positively influencing its reputation [S1.14d | S1.13b].

Navigator's workforce is comprised of employees with contractual ties and temporary workers, the latter being divided between temporary employment agency workers and independent workers, who were not included in this earnings release [S1.14a].

The company invests in the safety, health and well-being of its employees, recognizing the importance of these areas for quality of life and productivity. It is committed to creating a safe and healthy environment, minimizing risks and reducing workplace accidents, which also contributes to reducing costs and risks for workers, communities and the environment [S1.13a | S1.14d].

Negative material impacts include systemic impacts such as individual incidents. Issues such as shift work, which affects physical and mental health, and the lack of gender and age diversity, which can hinder innovation and organizational culture. In addition, workplace accidents caused by non-compliance with safety standards compromise the health and safety of employees [S1.14b].

On the other hand, Navigator adopts practices that positively impact the well-being and development of its employees, such as attractive salaries, benefits, ongoing training and work-life balance, which is particularly felt by its salaried employees in the various regions where Navigator operates. [S1.14c] The company also promotes social dialogue, collective bargaining and equal pay for work of equal value, reinforcing its commitment to equity and inclusion. Safety in the workplace employment, when changing fixed-term contracts to no-term contracts, also contributes to employee satisfaction and stability.

Although Navigator's workforce is predominantly male, due to the physical demands of some roles, the company is committed to fostering a culture of equity and inclusion, with equal opportunities for all employees [S1.13a | S1.14d].

Following an internal assessment, Navigator did not identify any employees exposed to elevated risks of harm, based on the impacts and opportunities identified in the materiality assessment [S1.15]. The rejuvenation program, aimed at older workers, aims to improve well-being and human resource management [S1.16].

The company reaffirms its commitment to Human Rights in all its operations and value chain, ensuring decent and exploitative working environments. No risks of forced, compulsory or child labour were identified in its operations [S1.14f | S1.14g]. As a company, it assumes and recognizes the impact of its operations on society and assumes the responsibility to promote positive change. Material impacts related to human capital vary according to location and can be influenced by the creation of safe and equitable working conditions and are not directly linked to environmental transition or climate neutrality plans [S1.14 | S1.14e].

CEMENT SEGMENT

The material risks and opportunities identified at Secil cover the entire workforce [S1.16] and the material impacts identified within the scope of the own workforce theme do not result from transition plans to reduce negative impacts on the environment. [S1.14e | S1.14f | S1.15]

Secil is aware that its strategy and business model have a direct impact on its employees, since the decisions made, and practices adopted either promote or negatively affect the conditions provided to its workforce. Therefore, it prioritizes social dialogue as part of its commitment to employee well-being, aligning management practices with the needs and concerns of the workforce. Regular meetings with unions and employee representatives to negotiate working conditions and benefits reinforce organizational cohesion and are one of the ways in which it materializes this concern.

It is focused on increasing employee satisfaction and motivation through the adoption of well-being-promoting policies that encourage flexibility, such as the Flexwork Policy, as well as supporting employees at different stages of their lives. It provides benefits programs, such as health insurance and medical support services, which go beyond occupational medicine, as well as parental support, reflecting the care it has for its employees.

Additionally, it focuses on improving the qualifications of its direct employees by investing in ongoing training and professional development programs. Secil's strategic vision of providing a fair and inclusive work environment with guaranteed pay equity is embodied in the annual management of remuneration and the periodic review of salary structures, in order to eliminate internal inequities of any nature. As it is aware that the business model, due to its origin,favors the concentration of employees in technical areas historically dominated by men, limiting diversity, establishes partnerships with technical schools as a way of attracting female employees, as well as reviews recruitment policies to include more female candidates and promotes awareness-raising actions that promote inclusion. [S1.13a |S1.13b]

The inherent risks of the sector and the industrial nature of operations imply an increase in occupational risks, namely the requirement for continuous operations in some areas, which involve shift work, which Secil seeks to mitigate in several ways. This is a systemic or widespread impact, common in the cement industry. The various negative impacts and risks are mitigated not only through social dialogue, but also by encouraging practices that promote health and well-being. The "Zero Harm" policy, safety training programs and rigorous monitoring of working conditions act to significantly reduce these risks. In addition, each accident is analysed as an individual event to identify the cause and prevent recurrences.

Additionally, programs such as "Leading with Safety" enable employees and leaders to prioritize safety and implement continuous improvements to limit potential deviations in compliance with safety standards and procedures that could result in incidents, such as accidents or avoidable risk situations. For this reason, ongoing training on these topics, as well as rigorous monitoring, aims to reinforce the safety culture and ensure compliance with the rules.

Self-employed workers, namely independent service providers who collabourate directly with the company in specialised areas or specific projects; workers provided by third-party companies, namely temporary workers or workers provided by employment agencies, generally allocated to short- or medium-term operational or administrative functions, are covered as value chain workers [S1.14a].

Secil's strategy and business model have an impact on its own workforce. Most of the opportunities and material impacts related to this are integrated into the Social (S) pillar of the sustainability framework, a pillar that reflects Secil's commitment to ensuring safe working conditions, promoting employee well-being, ensuring inclusive practices and strengthening relationships with stakeholders. [SBM-3 | S1.13a | S1.13b]

All employees in the company's own workforce who may be materially affected by the company's operations or value chain are included in the scope of the disclosures, in line with the comprehensive and inclusive approach to managing and monitoring impacts related to its workforce adopted, ensuring that both salaried and independent employees, as well as those hired by labour supply companies (as defined by NACE code N78), are covered by the materiality assessments and related disclosures. [SBM-3 | S1.14 | S1.14b; S1.14c]

Secil understands that certain groups of employees may be more vulnerable to specific risks due to their personal characteristics, work context or nature of their activities, adopting measures to mitigate negative impacts and ensure the safety and well-being of all. [S1.15] However, it also considers that, since forced labour and child labour are regulated nationally in each geography where it operates, it does not have operations with a significant risk of forced labour. [S1.14e | S1.14f | S1.15]

OTHER BUSINESS SEGMENT – ETSA

ETSA adopts a people-centric strategic approach, recognizing that human capital is a fundamental pillar for the sustainability and competitiveness of its business model. The company systematically integrates the impacts, risks and opportunities associated with its workforce into its internal policies, operational practices and decision-making processes. This integration reflects an ongoing commitment to social responsibility, employee appreciation and the creation of shared value.

Negative impacts, such as those associated with shift work, lack of diversity or risks of workplace accidents, are managed through preventive and corrective measures. These include health and wellbeing programmes, strengthening workplace safety standards, promoting inclusion and diversity, and creating effective channels for employees to safely report concerns. By proactively identifying and mitigating these risks, ETSA protects not only its employees but also the operational resilience of the organisation. [S1.13a]

At the same time, ETSA invests in material opportunities that promote the motivation, retention and productivity of its employees. Paying attractive salaries, granting non-monetary benefits, focusing on continuous training and promoting a work-life balance are part of a solid organizational culture focused on development. These investments not only strengthen the company's competitiveness but also position ETSA as a leading employer, capable of attracting and retaining talent in a demanding sector. By aligning these practices with its strategic objectives, ETSA ensures sustainable growth, based on respect for people and the creation of fair, inclusive and innovative work environments. [S1.13b]

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's recognizes that the actual and potential impacts on its workforce are key elements in defining its strategy and business model. The company acts proactively in identifying and managing these impacts, ensuring that its operations promote not only efficiency and sustainable growth, but also the appreciation and well-being of its employees. The way in which Triangle's organizes its value chain, establishes its objectives and structures its processes has a direct impact on the working conditions and quality of life of its employees. [S1.13a]

Integrating material workforce risks and opportunities is essential to ensuring operational resilience. Risks such as lack of skills, inadequate working conditions or non-compliance with labour standards can compromise productivity, increase absenteeism and lead to legal or reputational implications. In contrast, opportunities such as investing in training, offering benefits (monetary and non-monetary), and promoting inclusive work environments contribute to employee satisfaction, retention and motivation, reinforcing Triangle's attractiveness as a responsible employer. [S1.13b]

The company shall ensure that all workers materially affected by its activities – regardless of their employment status – are considered in its practices and disclosures. This includes both salaried and non-salaried workers, such as service providers or subcontracted workers. [S1.14a]

Specific measures are also implemented to protect more exposed groups, such as workers in high-risk roles or located in areas with weak legal protection. In addition, the company's environmental transition plans consider the impact on employment, providing for retraining and support actions whenever necessary. This approach ensures a fair transition, based on the principles of equity, inclusion and sustainable development. [S1.14e | S1.14f | S1.16]

HOLDINGS SEGMENT

Semapa adopts a strategic approach focused on enhancing its human capital, recognizing that employees are an essential element for innovation, sustainability and long-term performance. The company integrates into its corporate vision practices that promote the well-being, development and motivation of its employees, reflecting an organizational culture focused on social responsibility, excellence and collective progress.

Among the most relevant positive impacts is the payment of attractive salaries, which contribute directly to the satisfaction and motivation of employees. This policy represents not only an internal appreciation measure, but also a strategic opportunity to increase retention and productivity, fundamental elements for the stability and competitiveness of the business. At the same time, Semapa focuses on the balance between professional and personal life as a differentiating factor, promoting a healthy environment that favours mental health, well-being and sustainable performance of its professionals. [S1.13a | S1.14c]

Continuous workforce development is another key aspect of Semapa's strategy. The company invests in training and regular skills assessment, providing opportunities for personal and professional growth and preparing its teams for future challenges. This commitment to people development ensures not only individual development, but also the organization's ability to adapt and innovate. By integrating these impacts and opportunities into its business model, Semapa reinforces its commitment to responsible management, focused on creating sustainable value for all its stakeholders. [S1.13a | S1.13b | S1.14c]

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO OWN WORKFORCE (S1-1, MDR-P)

There are several policies common to all companies in the Semapa Group, namely, Human Rights Policy; Code of Ethic and Conduct; Commitment to Diversity, Equity and Inclusion; Code of Good Conduct for the Prevention and Combat of Harassment at Work.

Additionally, the channels used to monitor the application of policies are common to all companies, namely the **whistleblower channel** and the **study of the organizational climate**, with regular analysis of the results. [S1.24d]

All have policies that aim to eliminate harassment and discrimination, in all its forms, promoting equal opportunities, diversity and inclusion, namely through Human Rights Policies and the Commitment to Diversity, Equity and Inclusion, signed by all companies of Semapa Group. [S1.24 | S1.24b| S1.24a] Semapa has commitments specific related with inclusion, as well as positive action with people from groups particularly exposed to a risk of vulnerability in their own workforce, fostering a sense of belonging, non-discrimination, gender equality at different levels of leadership, freedom of thought, gender equity, and particular needs. [S1.24c]

Additionally, all subsidiaries have policies related to the **prevention of workplace accidents**, except for Holdings. The latter has a low risk rate regarding workplace accidents. However, it has contracted a health and safety service to an external company as a way of fulfilling the commitment established with employees. The holding company is audited annually to monitor compliance with corrective measures, compared to the previous year, implement prevention plans (if applicable), identify new situations of non-compliance and define corrective measures, such as verifying the occurrence of workplace accidents [S1.23].

PULP AND PAPER SEGMENT

The company assumes the importance of respect for Human and Labour Rights, as well as the commitment to value diversity, gender equity and inclusion as an integral part of the global development of its business activity, through the adoption and implementation of several internal instruments, highlighting: the **Code of Ethic and Conduct**, the **Human Rights Policy** and the **Equality Plan**. Additionally, regarding the promotion of health and safety at work, the **Major Accident Prevention Policy** (PPAG) stands out, aligned with the objectives established in the **Systems Management Policy**. The company seeks, whenever possible, to adjust and align its practices in the different geographies where it operates, ensuring coherence and alignment with its principles and strategic objectives. [S1.20 | S1.23 | S1.24a | S1.24c | S1.24d]

The **Code of Ethic and Conduct** reflects the values and commitments that guide its actions, promoting integrity, transparency and accountability. This Code ensures decent working conditions for employees and expressly prohibits child and forced labour, in alignment with the ILO Conventions and the Universal Declaration of Human Rights. [ESRS 2.65d | S1.20 | S1.21 | S1.22] It is complemented by the **Code of Conduct for Suppliers** and the company's **Internal Regulations and Good Practice Guides for Casual Workers and Service Providers** [AR13].

In terms of non-discrimination, the **Code of Ethic and Conduct** establishes that employees must not act in a discriminatory manner towards other employees or any person, in particular based on race, religion, sex, sexual orientation, ancestry, age, language, territory of origin, political or ideological beliefs, economic situation, social context or contractual relationship. It promotes respect for human dignity as one of the basic principles of the culture and policy followed by the company and is complemented by the **Code of Good Conduct for the Prevention and Combating of Harassment at Work**. [S1.24a]

The company is committed to respecting Human and Labour Rights, implementing measures to identify and mitigate risks and ensure compliance through due diligence processes. The Human Rights Policy defines clear responsibilities and ensures efficient management of related activities. The Policy defines a matrix of responsibilities associated with its governance model, which determines the specific attributions of each area, department and committee involved and ensures clear and efficient management of activities provided. [S1.20 | S1.21 | S1.24d]

The company adopts the principles of the International Bill of Human Rights, the OECD, the ILO and the United Nations, and is a signatory to the "CEO Guide on Human Rights" of the WBCSD and BCSD Portugal, with other companies. [S1.20 | S1.21 | S1.22 | S1.24c]

The Policy prohibits child labour, forced labour and other forms of modern slavery, and ensures the promotion of diversity, gender equity and inclusion, ensuring equal opportunities and prohibiting discrimination. Measures for gender equality are included in the plans for 2024 and 2025. [S1.22 | S1.24a |[S1.24b | S1.24c]

Document [S1-19 and ESRS 2.65a]	**Plan for Equality**
Key Contents and Objectives [ESRS2.65a]	Its main objective is to promote and guarantee equitable conditions within the company, with the aim of eliminating any type of discrimination, especially regarding gender. In addition, it aims to create an inclusive environment that recognizes and values diversity, providing equal opportunities for all employees.
Scope [ESRS2.65b]	It targets its own operations and has an impact on employees in Portugal.
Senior level responsible by implementation [ESRS2.65c]	Executive Committee
Availability [ESRS2.65f]	This document is shared with all Employees through Intranet and **Internet**.

Document [S1-19 and ESRS 2.65a]	Serious Accident Prevention Policy
Key Contents and Objectives [ESRS2.65a]	This policy highlights the commitment to preventing serious accidents involving hazardous substances, promoting continuous improvement, compliance with legal requirements, operational safety, training of interested parties and protection of human and environmental health.
Scope [ESRS2.65b]	Targets own operations, in Portugal, and has impact on collaborators, stakeholders (essentially service providers and external collaborators) and local communities.
Senior level responsible by implementation [ESRS2.65c]	Executive Committee
Availability [ESRS2.65f]	This document is communicated to all Employees, business partners and interested parties through Intranet sites and **Internet**. It is also posted in workplaces.

In addition to these, Navigator has a set of practices, reflected in the **remuneration policy**[11] for its Employees based on the career model structured in functional families, aiming to promote salary equity, competitiveness and talent retention, aligning professional progression with merit and organizational growth. It also has a program – Career Plan for Operational Technicians – which aims to ensure that teams continually acquire skills and develop their professional potential.

Its Occupational Health and Safety Management System (OHSMS) is governed by ISO 45001 and covers internal and external employees. It systematizes the commitment to providing a safe and healthy work environment, which is complemented by its Major Accident Prevention Policy (MAPP), which addresses the management of risks associated with the handling of hazardous substances. The interconnection between these instruments is based on the commitment to continuous improvement, with the health and safety of employees and ensuring the protection of communities and the environment. [S1.23]

Additionally, a Health and Wellbeing Policy [ESRS 2.62] is being developed to reinforce employee well-being.

CEMENT SEGMENT

At Secil, there is a set of policies related to its workforce, including the Health and Safety Policy, Human Rights Policy, Flexwork Policy, Sustainability Policy, Code of Conduct and Stakeholder Engagement Policy. The policies and codes presented below apply across Secil, to all geographies where it operates. [ESRS 2.65b].

In defining the Health and Safety and Human Rights policies, several internal stakeholders from all geographies were involved. The legal department and health and safety experts were also consulted. [ESRS 2.65e].

Secil's Health and Safety Policy clearly reflects its commitment to achieving zero harm to its workers, contractors and communities. It is part of Secil's strategy for preventing workplace accidents and responds to the ISO 18001 Health and Safety Standard and the IROs identified in this document. [ESRS 2.23 | ESRS 2.65d].

11 Set of practices that, although not formalized, are in force.

Document [S1-19 and ESRS 2.65a]	Health and Safety Policy
Key Contents and Objectives [ESRS2.65a]	This policy is based on 5 pillars: Leadership, Operational Safety, Management Systems, Communication and Training. It aims for the highest level of awareness, promoting the continuous improvement of its processes, through the implementation of an effective management system and strong leadership. In the commitment to zero harm to employees, contractors and communities, all employees are trained to perform their work in the safest way, in which each person is carried out accountable for adopting safe behaviour in all activities.
Scope [ESRS2.65b]	It covers the entire value chain, with an impact on members of corporate bodies, committee members, Secil employees and representatives. It covers all Secil's geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	CEO of Secil and its respective Geographies (Country CEO)
Availability [ESRS2.65f]	Communicated to all employees, contractors and subcontractors, managers and supervisors, regulatory bodies, customers, suppliers, unions, local communities and through publication on **website**.

Secil has made adaptations in line with its commitment to promoting an inclusive and safe environment for all people [AR17d].

Secil's **Human Rights Policy** expresses the commitment to protect and promote respect for Human and Labour Rights. This establishes a solid and clear commitment to Human Rights, in line with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises [S1.20; S1.21].

Secil adopts a zero-tolerance approach to any form of discrimination, whether due to ethnic or racial origin, colour, sex, sexual orientation, gender identity, disability, age, political beliefs, nationality, social origin or other. It conducts its activities in accordance with applicable legislation and regulations, ensuring respect for Human and Labour Rights in all Secil operations [S1.24b]. It also undertakes to ensure equal opportunities for all employees [S1.24a].

There are specific mechanisms to ensure that discrimination is prevented [S1.24d], detected and corrected, such as regular training on harassment at work, or awareness-raising actions on the issues in question. In addition, Secil undertakes to continuously monitor the impact of its diversity, inclusion and anti-discrimination practices, ensuring that its principles are respected [S1.24d].

The detection of cases is guaranteed through the provision of the **Integrity Channel**, where any employee can report, confidentially and securely, any situations of discrimination or harassment. Their correction is ensured by the serious and impartial investigation of all complaints, guaranteeing protection for the victim and the application of corrective and remedial measures, whenever necessary [S1.24d].

This policy explicitly addresses the issues of human trafficking, forced or compulsory labour and child labour, ensuring that these practices are not tolerated anywhere in its value chain [S1.22]

Secil has specific commitments related to inclusion and/or positive action for people from groups particularly exposed to a risk of vulnerability in its own workforce. In addition to the aforementioned, it is worth mentioning the subscription to the Portuguese version of the CEO Guide to Human Rights of the World Business Council for Sustainable Development (WBCSD), which commits to promoting human rights issues in its operations and value chains. It goes beyond risk management and legal compliance, seeking positive transformations in people's lives and ensuring a safe, equitable and respectful working environment in all its operations. It has also assumed other specific commitments in terms of Respect for Human Rights and Labour Rights, ensuring compliance with the applicable legislation and regulations in the development of its activity. It also ensures the existence of freedom of association and collective bargaining, recognizing the importance of constructive dialogue between all parties; diversity and equal opportunities, with the promotion of an inclusive, safe and healthy work environment, both physically and psychologically, providing continuous training and access to social protection schemes. It rejects any type of child and forced labour, fully complying with the conventions of the International Labour Organization (ILO) and ensures respect for the communities in the places where it operates, adopting measures to minimize negative impacts and promote their sustainable development. [S1.24c]

Secil expresses the importance of integrity, ethics, responsibility and honesty in the development of its business and activities, which encompass all geographies where it operates, and which also translate into a set of Policies, mechanisms and instruments, which aim to guarantee this transparency and integrity of Secil's practices and the internalization of the values of business ethics at all levels and by all of Secil's employees, like the **Code of Conduct**.

Its **Stakeholder Engagement Policy** encourages open communication between parties to provide a fair and safe environment. This policy aims to demonstrate recognition of and commitment to its stakeholders. Consulting them to define the way in which Secil's business is managed is a structuring principle of its activity and allows for increasing involvement of the different actors impacted by its operations.

The **Flexwork Policy**, defined by internal stakeholders [ESRS 2.65e] and whose scope is the company's own operations in Portugal [ESRS2.65b], aims to support work-life balance, through flexible working hours to promote a better balance between professional and personal life and meet the expectations of new generations.

Document [S1-19 and ESRS 2.65a]	**Flexwork Policy**
Key Contents and Objectives [ESRS2.65a]	It aims to promote a balance between personal and professional life, inspired by the Standard of organizational well-being and happiness
Scope [ESRS2.65b]	Covers employees and their families in Portugal.
Senior level responsible by implementation [ESRS2.65c]	Human Resources Department
Availability [ESRS2.65f]	Communicated to employees by email.

The **Sustainability Policy**, aimed at Secil's own and upstream operations, for the entire Secil ecosystem, [ESRS 2.65e], impacts employees, contractors and subcontractors, regulatory bodies, financial institutions, customers, investors and shareholders, suppliers, unions and local communities [ESRS 2.65b]. It aims to translate Secil's strategy in terms of sustainability and respond to a set of standards and initiatives that Secil undertakes to respect, namely: Commitments with industry associations, such as GCCA, Cembureau, ATIC, compliance with Standards NP EN 14001; EMAS, NP EN 18001.

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Ethic and Conduct: Chap. 4.1.4.1.
- Presentation of the Human Rights Policy: Chap. 4.1.4.1.
- Presentation of the Stakeholder Engagement Policy: Chap. 4.1.4.1.
- Presentation of the Sustainability Policy: Chap. 4.1.2.2.

OTHER BUSINESS SEGMENT – ETSA

ETSA aims to pursue a profitable business in the long term throughout its value chain and its own operations, in an ethical and responsible manner, taking into account human and social factors.

Therefore, ETSA promotes a policy of commitment to its employees:

- Respect for labour rights, particularly with regard to the rejection of any form of forced work and child labour;

- Full respect for the right of association and representation;

- Promotion of prevention, health and safety for all employees, as well as their physical and psychological well-being;

- Continuous training programs that allow each employee to explore their potential;

- Monitoring and preparing employees to adapt to the demands of future jobs.

ETSA respects universal human rights, as defined in the United Nations Universal Declaration of Human Rights, in its operations and promotes their implementation within its sphere of influence. [S2-1.16 |S2-1.19]

Like the other subsidiaries of the Group, ETSA makes specific commitments on human rights that are essential for workers in the value chain. These commitments include: rejecting child labour and protecting young workers, prohibiting forced labour and modern slavery, combating harassment and discrimination, investing in training and development, respecting freedom of association and collective bargaining, and safeguarding occupational health and safety. [S2-1.17 | S2-1.18].

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Conduct for suppliers: Chap. 4.1.4.1.

- Presentation of the Criteria for Sustainable Action: Chap. 4.1.3.2.

- Presentation of the Human Rights Policy: Chap. 4.1.4.1.

OTHER BUSINESS SEGMENT – TRIANGLE'S

The company is committed to human rights, which is reflected in its business practices, internal policies and its relationship with its employees. Following the principles of the UN, ILO and OECD, it implements monitoring and compliance processes to ensure that human and labour rights are respected. [S1.20 | S1.21]

The company ensures fair working conditions, safety and equal treatment, including non-discrimination, freedom of association, equal pay, the right to rest and protection against abuses such as forced or child labour. It also promotes a culture of open dialogue, allowing workers to express their concerns safely. When it identifies negative human rights impacts, it takes proactive steps to correct them, offering compensation or adjustments to its labour policies. It also provides confidential reporting mechanisms to ensure protection of workers. [S1.20 | S1.21 | S1.22 | S1.23]

Shareholders, service providers (lawyers) and workers were involved in defining these internal policies. [ESRS 2.65e]

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Conduct: Chap. 4.1.4.1.

- Presentation of the Human Rights and Working Conditions Policy: Chap. 4.1.4.1

HOLDINGS SEGMENT

Semapa strictly complies with applicable legislation and regulations, assuming a firm commitment with the implementation of good corporate governance practices. The company acts in a way that fully respects human rights, including labour rights, in the development of its activity, namely with its employees, collaborators, partners, suppliers, customers, other counterparties and local communities.

Semapa does not use child labour or forced or coercive labour in any form and prioritizes respect for workers' freedom of association and the right to collective bargaining. The company recognizes the importance of maintaining a constructive and beneficial dialogue between all parties involved, promoting dignity and respect for human beings in the workplace. In this sense, it does not tolerate discriminatory practices based on race, religion, sex, sexual orientation, disability, age, nationality, political beliefs or economic or social status. It values diversity, gender equality and inclusion as ways of ensuring true equality of opportunities, especially with regard to people with disabilities. Semapa also rejects all forms of harassment, abuse and violence in the workplace, adopting a firm stance against any behaviour that has the purpose or effect of humiliating, threatening or intimidating employees.

The company is committed to providing access to decent employment, guaranteeing its workers a safe and healthy working environment, both physically and psychologically. It also guarantees fair and equitable remuneration, personal development and continuous training, respect for the privacy of personal data, compliance with rest times, access to applicable social protection schemes, respect for the right to parenthood and encourages work-life balance.

Additionally, Semapa respects human rights in all local communities where it operates, adopting measures to minimize any negative impacts of its activities, always respecting the values, culture and traditions of these communities, which is reflected in its Human Rights Policy, which covers the entire value chain. [S1.20; S1.21; S1.22]

Document [S1-19 and ESRS 2.65a]	Internal Mobility Policy
Key Contents and Objectives [ESRS2.65a]	The main objective of Semapa's Internal Mobility Policy is to promote the professional and personal development of its employees, encouraging career progression within the Group. This policy aims to reinforce talent retention and enhance knowledge sharing between different business areas. Through internal mobility, Semapa seeks to align the skills and aspirations of its employees with the strategic needs of its companies, fostering a culture of continuous growth, collaboration and appreciation of human capital.
Scope [ESRS2.65b]	It applies upstream, own and downstream operations, in all geographies and to Semapa workers.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Availability [ESRS2.65f]	Available on the mobility platform

Document [S1-19 and ESRS 2.65a]	Commitment to Diversity, Equity and Inclusion
Key Contents and Objectives [ESRS2.65a]	This proposal aims to include members with different academic qualifications and professional experience in diverse areas, appropriate and relevant to the position to be carried out; to promote gender diversity; to include members of different ages, combining acquired experiences with new perspectives; to include members with diverse experiences or geographical origins.
Scope [ESRS2.65b]	It applies upstream, own and downstream operations, in all geographies, but adjusted to their specificities and to Semapa workers.
Senior level responsible by implementation [ESRS2.65c]	CE and DE
Availability [ESRS2.65f]	Available on the Semapa website

Document [S1-19 and ESRS 2.65a]	Code of Good Conduct for Preventing and Combating Harassment at Work
Key Contents and Objectives [ESRS2.65a]	The Code of Good Conduct for the Prevention and Combating of Harassment at Work establishes specific rules with the aim of reinforcing the prevention and combating of any and all types of harassment in the workplace, in compliance with Law No. 73/2017, of August 16, which amended article 127 of the Labour Code, which now imposes as a duty on the employer the adoption of codes of good conduct for the prevention and combating of harassment at work, whenever the company has seven or more employees.
Scope [ESRS2.65b]	It applies to own operations, at the workplace (Semapa Group), and to workers of the Semapa Group
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Availability [ESRS2.65f]	Available on the Semapa website

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Ethic and Conduct: Chap. 4.1.4.1.
- Presentation of the Human Rights Policy: Chap. 4.1.4.1.

PROCESSES FOR DIALOGUE WITH THE WORKFORCE AND WORKER REPRESENTATIVES ABOUT IMPACTS (S1-2)

As part of managing the material impacts on its own workforce, the Semapa Group has been integrating the perspectives of its employees into decisions and activities related to improving the work environment. In 2023, the **Semapa Group's Organizational Climate Study** was implemented, with the aim of assessing various impacts on its employees. This study, carried out every two years, allows the identification of the most severe factors and the implementation of continuous improvement processes, thus contributing to the effective management of real and potential material impacts on the Semapa Group's own workforce. This procedure is transversal to the subsidiaries [S1.27; S1.27b].

PULP AND PAPER SEGMENT

Open and transparent social dialogue has always been a concern for Navigator and this has been reinforced in recent years through the promotion of regular communication with the different structures representing workers, with the aim of establishing greater proximity and, consequently, achieving the objectives advocated by both parties in the employment relationship [S1-27a]. Thus, not only has a proximity been created between these structures and the different operational areas and the Human Resources (HR) Department of Navigator, but direct dialogue with the Executive Committee itself has also been encouraged, in addition to the Administrator responsible for HR [S1-27].

An example of this type of initiative is the Labour Forum, which is attended by the Executive Committee and Workers' Representative Organizations (ORT) from all Navigator sites and business areas, as well as all Industrial Directors, Human Resources Management, Legal and Security Services Management. This forum shares perspectives on the evolution of different businesses, current and future challenges and developments in the global context. Issues related to labour issues of interest to Workers are discussed. It should be noted that social dialogue has been highlighted in the scope of labour negotiation processes, which resulted in a multi-year agreement covering the period from 2022 to 2023 and its renegotiation for 2024/2025 [S1-27]. To this end, in addition to the conclusion of atypical **negotiation agreements**, the following **collective regulation instruments** were also amended [S1-27a]:

- Navigator agreement signed with Fetese;

- Navigator agreement signed with Fiequimetal;

- Collective agreements between Navigator Tissue Ródão and Navigator Tissue Aveiro, signed with the Fiequimetal and Fetese unions.

Regular meetings are carried out with the TSOs, through monthly or bimonthly meetings, in all their manufacturing units, promoted by the manufacturing management and Human Resources Management. These meetings cover topics related to business development, safety of facilities and people, and various human resources issues, such as career plans, working hours, social benefits, labour negotiations, among others. [S1-27b].

In Mozambique, the company holds annual meetings with employees and service providers, during which it communicates the progress of the project and gathers opinions from employees. In addition to these general meetings, it also organizes meetings with second-line management, with the aim of discussing in an inclusive manner relevant topics for the project [S1-27a]. The responsibility for ensuring this dialogue lies with the Managing Director [S1-27c].

The effectiveness of dialogue can be assessed through the voluntary turnover rate – which is quite low (4.7%) – and is one of the ways of demonstrating employee satisfaction in working in the organization [S1-27e]. There is also a **Whistleblower channel**, which allows you to report all types of irregularities and infractions, and workers are regularly consulted through **organizational climate studies**. [S1-27]

CEMENT SEGMENT

Secil values the perspectives of its employees and actively integrates their contributions into decisions and activities aimed at managing real material impacts on its workforce. This commitment is evidenced through various practices and policies that promote two-way communication and employee involvement in decision-making processes. This is achieved not only through communication mechanisms but also through internal communications across the entire Semapa Group, as well as newsletters aimed at leaders – InfoLeader –, information screens, local Newsletters and Town Hall Meetings. In addition, its Sustainability Policy and stakeholder engagement covers other communication formats, which aim to foster value creation in the communities where it operates. Although there are no indications of global framework agreements, the company has entered into specific agreements that promote the well-being of its employees and reflect the integration of workers' perspectives in decision-making. [S1.27a | S1.27c | S1.27d | S1.27e]

Mechanisms have been implemented to assess the effectiveness of interaction with employees, ensuring that the perspectives of its workforce influence the company's decisions and activities, such as action plans resulting from organizational climate surveys, monitoring of the eNPS (employee Net Promoter Score) target, or the Systematic Dialogue Process with Stakeholders. As part of its commitments for 2020-2030, Secil aims to implement a systematic dialogue process with the various groups of stakeholders, including employees. This commitment aims to ensure that employees' opinions and concerns are regularly collected and considered in business decisions. Additionally, there is a continuous assessment and improvement of social dialogue, which results from the recognition of the importance of monitoring and continuously improving the effectiveness of this dialogue and which materializes Secil's commitment to aligning with international best practices, which recommend regular assessments of the impact of social dialogue institutions on socioeconomic decisions, which reflect the proactive approach in this area of assessment and continuous improvement of the effectiveness of dialogue with employees. Secil seeks to understand the perspectives of its employees, including those who may be particularly vulnerable or marginalized. It implements several measures to ensure that the voices of all employees are heard and considered in its decisions and activities, namely through the specific role of Human Resources Business Partners (HRBPs), which ensures proximity to leaders and their teams. [S1.27e | S1.28]

Additionally, there are other practices that promote bilateral communication and the integration of employees' points of view, particularly those who find themselves in vulnerable situations:

- Internal Communication and Active Participation – Secil promotes internal communication, recognizing the geographic and cultural diversity of its teams. The company uses multiple channels to ensure that all employees, regardless of their location or role, have access to information and opportunities to participate. This includes newsletters, information screens, face-to-face meetings and training sessions. These initiatives allow employees to share their opinions and concerns, contributing to company decisions.

- HR proximity – Explanatory sessions and open to employees' questions, every month and on the company's respective operations in Portugal. [S1.28]

OTHER BUSINESS SEGMENT – ETSA

ETSA has an organizational culture focused on valuing its employees, recognizing that the company's success depends directly on the commitment and well-being of its teams. In this sense, it carries out regular performance evaluations that not only allow monitoring individual progress but also identify opportunities for growth and professional development. This process is essential to ensure that the company's strategic objectives are aligned with the skills and motivations of its employees.

In addition to the assessment aspect, ETSA is strongly committed to creating open and effective communication channels between management and employees. This dialogue is essential to foster a collaborative, transparent and inclusive work environment, where each person feels heard and valued. [S1.27a | S1.27b]

By integrating social responsibility into its strategy, the company reinforces its role as an active agent in the development of its employees and in the promotion of fair working conditions. Performance evaluations and dialogue reflect this vision, as they allow areas for improvement to be identified and internal policies that respect the rights, dignity and aspirations of its employees. [S1.27a | S1.27b]

OTHER BUSINESS SEGMENT – TRIANGLE'S

In this segment, dialogue takes place directly with the workforce itself, as there is no worker or union representation at Triangle's. The perspectives of the workforce itself play a fundamental role in the company's decisions and activities, especially with regard to managing the actual and potential material impacts on its workers. The company recognizes the importance of involving workers, listening to their concerns and suggestions, to ensure that impacts on the labour are minimized and managed effectively.

There are several practices to ensure that employees' perspectives influence their decisions:

• Consultation and Dialogue with Workers: The company maintains open and regular communication channels with its workers, such as periodic meetings, satisfaction surveys and discussion forums. These mechanisms allow workers to share their concerns, identify potential risks or problems and suggest solutions to improve working conditions.

• Participation in Decision-Making Processes: Workers' perspectives are integrated into decision-making processes, especially in areas related to occupational safety, well-being and health. The company involves workers, ensuring that their opinions and experiences can be considered in the management of material impacts (e.g. testing of protective footwear, in which a group of workers tested different models and voted on their preference).

• Impact Assessment and Remedial Measures: The company conducts regular assessments and audits to identify and assess actual and potential impacts on its workforce, using input from workers themselves to improve processes. If negative impacts are identified, workers' perspectives are used to develop appropriate remedial measures with the aim of improving working conditions.

• Training and Awareness: The company offers ongoing training programs to employees, addressing issues of occupational health and safety, the environment, among others, with the purpose of informing and including feedback from employees to adjust the content and approach of these programs. Active participation of workers in training also enables them to help identify and manage risks.

In this way, the company ensures that the views of its workforce not only contribute to improving working conditions, but also directly influence strategic and operational decisions, ensuring that material impacts are effectively managed. This dialogue is planned, implemented and monitored, including face-to-face and virtual meetings, at least two to three times a year. The responsibility for ensuring that dialogue with the workforce takes place effectively falls primarily on the People & Sustainability department, which coordinates internal communication policies.

Additionally, the company has global framework agreements with workers' representatives, which include commitments to respect the human rights of its own workforce. These agreements enable the company to establish a formal platform through which workers' views are regularly shared. For example, these agreements provide for annual meetings and consultation forums with workers' representatives, ensuring that their concerns, suggestions and views on issues such as workplace safety, gender equality and working conditions are heard and integrated into company decisions. [S1.27 | S1.27a | S1.27b | S1.27c | S1.27d]

The company takes several measures to ensure that the perspectives of vulnerable or marginalized people are heard. These include:

• Specialized Support: For workers who may face discrimination or marginalization (such as minorities, women or workers with dis-abilities), the company ensures that there are specific channels of communication, such as a psychologist, occupational nurse or even legal support;

• Yearnymous Consultations: To ensure that the most vulnerable workers feel comfortable expressing their concerns, the company offers anonymous feedback mechanisms, such as online surveys;

• Inclusion Programs: The company organizes training and awareness-raising sessions on labour rights and gender equali-ty, specifically addressing the needs and rights of vulnerable groups. These initiatives are complemented with the support of the occupational nurse and company psychologist;

• Regular Assessments: The company conducts regular as-sessments of the working conditions of these groups, ensuring that they are adjusted whenever areas of vulnerability or risk are identified. [S1.28]

HOLDINGS SEGMENT

The dialogue takes place, directly and indirectly, with the employees themselves. In the first case, feedback is collected via an Organizational Climate Study, while in the second, employee representatives are consulted. The responsibility for ensuring this dialogue lies with the Executive Management, with special emphasis on *Chief People Officer*.

Additionally, Semapa Holding prioritizes a close relationship with its employees. Given the small size of its headcount, it has a one-to-one communication channel (HR Technique) that acts as a bridge with employees in potentially vulnerable situations. As a rule, it meets with employees who require support, subsequently referring the situation to the Executive Board for analysis and definition of a support plan. Whenever necessary and depending on the matter under analysis, the confidentiality of the employee reporting the issue can be guaranteed, to avoid, for example, situations of power imbalance. [S1.AR25]

At the Holding level, there is no collective labour agreement, nor is there any expectation that it will exist, which is related to respect for the human rights of one's own workforce. [S1.27a | S1.27c | S1.27d | S1.27e]

To date, Semapa Holding had no record of any conflicts of interest. [AR25d]

PROCESSES TO CORRECT NEGATIVE IMPACTS AND CHANNELS FOR THE WORKFORCE TO EXPRESS CONCERNS (S1-3)

The existence of a **Reporting Irregularities channel** is a mechanism common to all subsidiaries of the Semapa Group, as is the **Climate Study**, which allows the identification of concerns and possible negative impacts. A culture of open dialogue is also fostered, in which employees are encouraged to talk and express concerns. In addition to these, there are some particularities for the various segments of the Group.

PULP AND PAPER SEGMENT

In this segment, when conducting its activities and interactions with the various Stakeholders, it is considered essential to have mechanisms that facilitate the identification, communication and investigation of concerns related to illicit behaviour or behaviour that is contrary to the Code of Ethic and Conduct or other internal regulations [S1.32a | S1.32d]. **Whistleblower Channel** and the following complementary channels, allow employees to express concerns or needs [S1.32b]. Of these, the following stand out, in addition to the Study of Organizational Climate, transversal to Navigator, the **CRESCER Project**, which aims to improve the "commitment and sense of achievement" of employees, with a page available on the intranet and with the possibility of interactions in the various contents, including space for new suggestions, feedback or comments; the **communication channels and transversal documents** applicable in Portugal to improve the response to employees' doubts and questions, namely:

1. Employee Guide, with a summary of the main HR policies and processes in force, distributed in paper form to all Employees and with an e-book version available on the intranet (pub-lished in 2024);

2. RHesolve Portal, with customized interlocutors for the topics where employees have questions for a more agile and rapid response, capable of monitoring KPIs for continuous improvement.

3. Implementation of chat bot to answer questions from employ-ees (prepared in 2024, to be released in 2025);

Additionally, there is a **process** specifically defined for disagreements with the outcome of the **Performance Evaluation**, in which the complaint is made on the RHesolve Portal or by email, within 15 days of receiving the assessment, and the process is analysed by the Performance and Careers (P&C) area in partnership with the Talent Business Partner, the manager and the Director of the area covered. Navigator undertakes to provide a written response to the Employee and, whenever justified, the assessment is changed [S1.32c | S1.32e].

In Mozambique, there are **boxes where complaints can be filed**, distributed at strategic points in its offices, in order to ensure that Employees can submit their complaints in a safe and confidential manner. In the case of occasional workers in the field, complaints can be forwarded through technicians or Community Liaison Officers – through the complaints management mechanism for local communities, with workers being people living in local communities – who, in turn, forward them to the Company through Communications Technicians, for analysis and resolution at Management level. [AR30 | S1.32c]

Additionally, it understands that, for a correct implementation of these structuring instruments, in order to promote a culture of Compliance based on ethical and integrated action, it is essential to train its Employees. In this sense, **training actions** are provided on Compliance matters, namely Reporting Irregularities and Internal Policies. [S1.33]

The following information is inserted by reference to other parts of the Sustainability Statement: further information on the follow-up and monitoring of issues raised and addressed and ensuring the effectiveness of the Whistleblower Channel. (Chap. 4.1.4.1.)

CEMENT SEGMENT

In the case of Secil, it takes a proactive approach to correcting negative impacts that may affect its own workforce, ensuring that its employees have structured processes in place to mitigate and repair adverse impacts. In addition, the company establishes multiple communication channels so that employees can express concerns safely and effectively.

Secil structures its approach to mitigating and repairing adverse impacts through preventive measures and corrective measures, in accordance with its **Human Rights Policy** and international best practices. [S1.32a]

Secil provides several internal communication and whistleblower channels, such as the Integrity Channel, social dialogue, climate studies, "Town Hall Meetings", ensuring transparency, confidentiality and protection against retaliation. It promotes a culture of open dialogue, keeping employees informed and involved through newsletters, information screens and face-to-face meetings. The Integrity Channel is a confidential platform accessible to all employees, where they can report situations of non-compliance, harassment, discrimination or human rights violations, with investigation and eventual correction guaranteed. These initiatives reinforce the company's commitment to ensuring effective mechanisms for communicating concerns, also encouraging direct dialogue with leaders and Human Resources. [AR30 | S1.32b | S1.32d | S1.32c | S1.32e | S1.33]

Whenever the company identifies a material negative impact, corrective actions are evaluated, such as adjustments to labour policies, strengthening safety practices and fair compensation. Monitoring processes, such as internal audits and gathering feedback from workers, are also implemented to ensure the effectiveness of the measures. [S1.32a]

Secil promotes effective internal communication and protects its employees by adopting practices that reinforce this concern, such as the Retaliation Protection Policies, which guarantee the protection of whistleblowers, particularly when they use the Integrity Channel, where situations of non-compliance can be reported. [S1.33]

OTHER BUSINESS SEGMENT – ETSA

ETSA demonstrates a clear commitment to continuous improvement by implementing structured processes to identify and correct potential negative impacts, whether environmental, social or organizational. These mechanisms, such as the Whistleblower Channel, allow the company to act whenever situations arise that may compromise the well-being of employees, the quality of the work environment or the ethical principles that guide its actions. Correcting failures is seen as an opportunity for growth, reinforcing a culture of responsibility and transparency. [S1.32a | S1.32b | S1.32c]

OTHER BUSINESS SEGMENT – TRIANGLE'S

In Triangle's case, the company takes a proactive and transparent approach to providing redress whenever it identifies that it has caused or contributed to a material negative impact on its own workforce. The process includes several stages, ranging from **Identification** and **Impact Assessment**; **Corrective Action**; **Monitoring and Follow-up** and, finally, **Evaluation of the Effectiveness** of corrective measures. This is assessed regularly, using tools such as satisfaction surveys, internal audits and meetings with workers' representatives. The company also holds follow-up sessions with affected workers to assess whether the remediation was satisfactory and whether the situation was resolved effectively. At the identification stage, the company has specific channels, including the Whistleblower Channel and internal mechanisms, which allow direct communication to management of concerns. These channels were created in partnership with internal entities, aiming to ensure transparency and impartiality in the handling of communications. [S1.32a; S1.32b]

It is ensured that all workers, both direct and externally contracted, regardless of their location or type of contract, are clearly and continuously informed about the channels and how they can use them from the first day of work (onboarding). It is also ensured that these channels are accessible for any reporting of concerns and claims related to material impacts. These channels include:

· Hotlines: where workers can communicate directly with management about issues related to material impacts, such as working conditions, safety or any other topics that affect your well-being.

· Company or Third Party Operated Grievance Mechanisms: In addition to internal channels, the company also provides grievance mechanisms that may be managed by third parties. This includes, for example, external whistleblower channels (such as the current whistleblower channel), consultations with the psychologist and/or occupational health nurse who guarantee confidentiality and impartiality in the handling of complaints.

In addition, the company monitors the effectiveness of these channels to ensure that concerns are resolved efficiently and that all employees can use these mechanisms safely and without fear of confidentiality. There is a complaints/grievance handling mechanism in place to issues related to workers. This mechanism is managed through the external entity's whistleblower channel, which ensures the independent and confidential management of issues reported by workers. [AR 30; 31.32c; 31.32d]

The company follows the following processes to record and monitor issues raised and addressed, from the formal recording of complaints in the incident management system, their structured follow-up, through to the final resolution, with defined deadlines for the implementation of corrective actions. This process involves the participation of interested parties, including employees or their representatives, in monitoring complaints and being regularly informed of the progress in resolving the issues. There are also follow-up meetings to assess the effectiveness of the actions taken. The effectiveness of the channels is assessed through performance indicators, such as the time taken to resolve issues, employee satisfaction and analysis of the improvements implemented. [S1.32e]

The level of awareness and trust of employees regarding their reporting and problem-solving channels is regularly assessed through anonymous Satisfaction Surveys, to measure employees' confidence and awareness of the whistleblower channels available, as well as to gather feedback on the effectiveness of these mechanisms; Feedback Meetings with employees, to assess whether the channels are being used effectively and whether employees feel safe using them. In addition, the company has strict anti-retaliation policies, which ensure that no employee will be harmed for using the whistleblower channels. These policies are communicated to all employees and ensure that any retaliatory action is treated seriously and thoroughly investigated. [S1.33]

HOLDINGS SEGMENT

At the level of Semapa Holdings, there are currently no repair processes, as there are not and have not been any need up to the date of this report. [S1-32a]

In addition to the one-to-one meetings promoted by Semapa to resolve identified issues, there is also a **Communication Channel for Irregularities**, available to employees. Through this, the workforce can express their concerns or needs to the company, so that they can be met. This is managed by an external and independent entity, Deloitte, on behalf of Semapa, which ensures its availability.

The whistleblower can make a report through the Irregularity Whistleblower channel website, using the form provided[12].

Regardless of the means used, all communications will be recorded and processed through constant website platform.

The channels through which it is possible to make a complaint are available 24 hours a day, with the exception from the telephone line, which is available from 9 am to 6 pm. [S1.32b | AR 29 | AR 30 | S1.32c | S1.32d]

The way in which issues raised are recorded and monitored, as well as their effective treatment, namely through the participation of interested parties, is detailed in Part C. "Internal Organization", Chapter II. "Reporting of Irregularities", of the Corporate Governance Report of Semapa, for the financial year ending 2024, point 49, which describes how the company records and monitors reports made. This Regulation for Reporting Irregularities is available at website of the Society. [S1.32e]

Semapa, in its Irregularity Whistleblower channel, namely in the Irregularity Reporting Regulation, provides for a principle of non-retaliation, clarifying that "The reporting of the irregularity may not imply, under any circumstances, any prejudicial treatment of the reporting Employee by the Company or other Employees." This principle ensures that its own workforce has knowledge of and trust in the structures or processes as a way of expressing their concerns or needs and resolving them [S1.33].

TAKE ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE AND APPROACHES TO MITIGATE MATERIAL RISKS AND SEARCH FOR MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AS WELL AS THE EFFECTIVENESS OF THOSE ACTIONS (S1-4)

Each subsidiary takes the most appropriate measures within its own workforce, in its various segments. However, every 2 years, and within the scope of the various companies of the Semapa Group, an organizational climate study is carried out for all Employees. [S1.38b | S1.38c | S1.38d]

PULP AND PAPER SEGMENT

Navigator has a strong commitment to the appreciation and well-being of its Employees, recognizing that responsible management of its own workforce is essential to ensuring a safe working environment, inclusive and productive work.

Continuously develops initiatives to strengthen organizational culture, train, improve working conditions and promote safety and work-life balance for employees. In this way, it ensures the implementation of actions to prevent, mitigate or correct negative material impacts on the workforce itself, while also promoting positive impacts and opportunities identified as material for Navigator [S1.38a | S1.38c | S1.40b].

12 By telephone line by calling +351 210 427 838, by email, through the address **semapadenuncias@deloitte.pt**; and in person, and to schedule an in-person session the complainant must call +351 210 427 838.

The company ensures that its own practices do not cause or contribute to negative material impacts on its own workforce, through policies and practices that ensure a healthy, safe and inclusive work environment. It ensures that working conditions comply with legal standards and best practices, promoting the well-being of employees and preventing any form of exploitation or discrimination. [S1.41]

On the other hand, the definition of goals and the analysis of the associated metrics (see section "Targets and metrics") allows Navigator to monitor the evolution of its performance and the effectiveness of the actions implemented, enabling the adjustment of the strategies adopted. [S1.38d]

Among the main initiatives implemented throughout 2024, the actions developed and underway within the scope of the CRESCER Project, Health Month and the Mission Zero Strategy stand out. We also highlight the adhesion to the UN Global Compact and participation, during the first half of 2024, in the Business & Human *Rights Accelerator Program*, which allowed a first-level assessment to be carried out of the actual and potential impacts on the workforce, the value chain and the communities affected by its activity, identifying priorities for action. [S1.37 | ESRS 2.68]

Talent management and human capital development

Aligned with the purpose, "It is people, their quality of life and the future of the planet that inspire and move us", Navigator created an internal, mobilizing and organizational transformation project, transversal to its entire ecosystem – **CRESCER project** [ESRS 2.68a]. Under the motto "May all Navigator people lead the Organization's future, committed and fulfilled", the CRESCER project has 3 objectives:

1. Encouraging a Sense of Belonging
2. Improving Ways of Working
3. Preparing Current and Future Leaders

The diagnosis resulted in a Roadmap of initiatives, to be implemented over a period of 3 years. The work teams were given autonomy to implement the solutions, create a mobilizing work dynamic that would also bring together Employees from different areas, functions, generations and geographies. [ESRS 2.68a]

In 2024, in addition to the Climate Study, a survey – Pulse – was carried out to further explore topics that required evolution or clarification, where, once again, all employees were involved. [S1.38b | S1.38c | S1.38d]

Within the scope of the CRESCER Project, several actions implemented to prevent, mitigate or correct negative material impacts on the workforce itself stand out [S1.38a], such as the Leading with Purpose Manual + Lead Program – a guide to behaviours consolidated in a training program; Employee Guide, with a compilation of HR policies; Reference Program; Support tools; Digital forum, to stimulate digital literacy; Family Navigator Tour, for visits to industrial complexes; Straight to the Top – STW2.0, to collect ideas for improvement and operational efficiency.

Climate study allows reinforcing and updating the roadmap of the CRESCER project.

Health Month, dedicated to the theme of Diversity and Inclusion, allowed special attention to be given to some of the impacts, risks and opportunities identified as priorities, namely, the negative impact associated with the lack of gender representation and age diversity associated with the creation of less inclusive and equitable environments, resulting in a reduction in innovation and the sense of belonging of Employees. [ESRS 2.68a | S1.38a]

Health, safety and well-being

As part of the **Mission Zero** strategy, defined for the three-year period 2023-2026, an ambitious action plan was established – based on the five pillars of the strategy: Monitoring and Control; Operational Excellence; Leadership; Skills; Behavioural programme – which responds to the identified material impacts and opportunities, acting not only at the level of mitigating negative impacts, but, above all, in their prevention and in the promotion of opportunities. [ESRS 2.68a | S1.38a | S1.38c | S1.40b]

Several actions were developed, planned and implemented within the scope of Mission Zero with the aim of predicting, cooperating and supporting the provision of solutions for Employees directly impacted by the material impacts identified. These actions were fundamental to mitigate the adverse effects and promote the recovery and well-being of injured workers.

For 2025 (in addition to continuing the actions of 2024), the following initiatives stand out [ESRS 2.68a]:

- Carry out certification of Security leaders;
- Extend the recognition program to collective initiatives and service providers;
- Develop a security management platform;
- Carry out the project to improve the winders/rewinders;
- Implement Near Miss campaigns, sharing good practices and in-cidents with employee testimonies.

The results obtained are presented in the following table [ESRS 2.68d | ESRS 2.68e].

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a| ESRS 2.68d | ESRS 2.68e]
TALENT MANAGEMENT AND HUMAN CAPITAL DEVELOPMENT				
Implementation of the CRESCER Project – a program for the evolution of organizational culture	Carried out and planned	Own operations, in all units, except for new factories in the United Kingdom	Continuous, since 2022	Contributed to the creation of relationships among Employees, considered a success factor in retention of people in the organization and to strengthen and empower Navigator leaders. It also helps to stimulate a sense of belonging and achievement of Collaborators.
Consolidation of the results of the initiatives already implemented by the CRESCER Project	Planned	Own operations, in all units, except for new factories in the United Kingdom	2025	Consolidate project results by creating new habits and practices in the organization
Health Month, dedicated to the theme of Diversity and Inclusion	Carried out	Own operations in Portugal	Continuous, since 2018	Promote participation and sharing of good practices in the field of health and well-being, as well as disseminate the various ongoing programs. In 2024, it was dedicated to the theme of Diversity, Equity and Inclusion, where several workshops and webinars were made available to employees, highlighting: • Workshops of Kitchen a place of inclusion: Cuisine from different countries • Creation of an E-BOOK compiling recipes/ingredients used in the cooking workshops for health month. • Webinar Stereotype with inclusive dynamics – The (Pre) Concepts • Workshop Obstacles to Inclusion: The Stereotypes. • Daily intranet phrases:

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a| ESRS 2.68d | ESRS 2.68e]
Implementation of measures provided for in the Plan Equality 2024	Carried out and planned	Own Operations	Started in 2024, to continue	Strengthening gender equality in its different dimensions and Navigator's practices in this domain, as well as to give continuity to policy development facilitating the reconciliation between the personal, family and professional life.
DEI Project Launch	Carried out and planned	Own Operations	Started in the last quarter of 2024, and will continue in 2025	Promoting a culture of Diversity, Equity and Inclusion.
HEALTH, SAFETY AND WELL-BEING				
Mission Zero: Development of initiatives, focusing on the areas of psychology, nutrition and physiotherapy, to provide tools that help covered Employees improve their quality of life and adapting to shift work schedules	Carried out and planned	Own operations in Portugal (Industrial and Forestry)	Started in 2022, to continue	**Personalized psychological, nutritional and physiotherapy support** Results: Improvement of the quality oflife and the ability to adapt to work demands, with particular attention to Employees working shifts. **Strengthening skills to adapt to work challenges** Results: Reduction in complaints related to fatigue and muscle problems, improving theproductivity and well-being. **Investigation and immediate response to accidents** Results: Improvement in security procedures and reinforcement of employees' confidence in Navigator's response. **Direct involvement of workers in identifying and solving problems** Results: Implementation of solutions aligned with the real needs of employees, strengthening the feeling of belonging and appreciation. Planned metric: Implementation rate of actions proposed by employees from 2024 onwards. **Recognition and encouragement for safe practices** Results: Increased motivation and commitment to policies of security, contributing to create a safer organizational culture. Number of Employees Recognized: 133 Reduction in the number of accidents resulting in sick leave: 47 (2024) vs 57 (2023) **Training to avoid future impacts:** Number of participations: 13 405 **Overall result of all actions:** A significant reduction in incidents over the period, with a direct impact on achieving the Frequency Index target = 4. Casualties Avoided: 277 / Total Recoveries: 321 / Partial Recoveries: 137
Mission Zero: Sharing hobbies and leisure activities	Carried out and planned	Own operations in Portugal (Industrial and Forestry)	Started in 2023, to continue	
Mission Zero: Implementation of actions with the objective to reduce the occurrence of work accidents or occupational diseases	Carried out and planned	Own operations in Portugal (Industrial and Forestry)	Started in 2022, to continue	
Mission Zero: Implementation of a penalty regime and recognition associated with compliance with workplace safety rules and procedures	Carried out and planned	Own operations in Portugal (Industrial and Forestry)	Started in 2023, to continue	
Mission Zero: Empowerment of the workers	Carried out and planned	Own operations in Portugal (Industrial and Forestry)	Started in 2023, to continue	
Mission Zero: Implementation of programs and policies to promote a safe work environment	Carried out and planned	Own operations in Portugal (Industrial and Forestry)	Started in 2021, to continue	

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a| ESRS 2.68d | ESRS 2.68e]
Extent of implementation from the Mission Zero Strategy to all industrial units and forestry in Iberia	Planned	Iberia (Industrial and Forestry)	2026	The extension of the Mission strategy Zero aims to strengthen physical health and mental health of Employees, promoting your well-being and safety in the workplace. A reduction in accidents is expected and occupational diseases, as well as greater compliance with the rules and safety procedures. Additionally, the initiative contributes to the training and skills development, creating a working environment safer and more qualified.
Action plan 2025	Planned	Iberia (Industrial) and Forestry)	2025 – 2026	Improve health and safety
OTHER ACTIONS				
Participation in Business & *Human Rights Accelerator Program* – a program of the UN Global Compact that encourages businesses of all the sectors to adopt actions concrete in the protection of Human rights and rights labour.	Carried out	Transversal	2024	Through participation in the program, Navigator carried out the analysis and identification of the main risks relating to their workforce, to value chain and communities affected by their activity. In this sequence, a plan was developed focusing on one of the silent issues identified – Security and Health at Work – with the aim to ensure due diligence continuous in Human Rights, aligned with the main risks identified at a later stage. Furthermore, the plan aims in the future also strengthen skills internal and establish a basis solid for future analysis, as well as for implementation of mitigation strategies and risk remediation.

The implementation of actions under the Mission Zero strategy and the CRESCER Project required the allocation of significant financial and human resources for their implementation [ESRS 2.69a | S1.43]. Mission Zero was allocated 5.56 million euros in capital expenditure (CapEx) and 2.14 million euros in operating expenditure (OpEx). In addition to the financial resources allocated, 19 internal employees and 23 external employees (including healthcare teams) contributed to the implementation of these actions [ESRS2.69a | S1.43]. For 2025, 6.4 million euros in CapEx and 2.5 million euros in OpEx are expected to be allocated [ESRS2.69a | S1.43].

In the CRESCER Project, in 2024, 400 thousand euros were allocated (including CapEx and OpEx). The implementation of the Project also involved an internal team of 3 people and more than 100 employees, at different levels of the organization's hierarchy. For 2025, the allocation of 576 thousand euros is expected (including CapEx and OpEx) [ESRS2.69 a | S1.43].

CEMENT SEGMENT

Secil values all its employees, regardless of their similarities and differences, encouraging equal opportunities and non-discrimination. It has developed measures and actions aimed at material impacts identified in the workforce itself. These can be grouped into the categories below:

1. **Health and Safety;**

2. **Talent Retention and Organizational Engagement;**

3. **Promotion of Equity and Diversity;**

4. **Continuous Development and Training.**

Within these four themes, some actions taken to mitigate or correct negative material impacts are highlighted in the labour force itself [S1.38a]:

Main actions [MDR-A_01; ESRS 2.68a]	Status [MDR-A_02; ESRS 2.68b]	Scope of action [MDR-A_03; ESRS 2.68c]	Time horizon [MDR-A_01; ESRS 2.68a	Results [MDR-A_01; ESRS 2.68a]
Security Framework and maturity assessment	Carried out and Planned	Secil	2024-2025 In 2025 the external evaluation will be carried out, with the support of an external consultant, to ensure objective and aligned measurement of safety performance across all geographies	Established Secil Security Framework and evaluated it internally.
"Stay interviews" with high potential employees – HiPo employees – carried out by the HRBP – Human Resources Business Partner team. (Global)	Carried out	Secil collaborators, at a global level	2024	Voluntary turnover and involuntary employee turnover: 12.2% Allows for aligning retention strategies and strengthening the company-employee relationship. [S1.38b]
% Women: **Pay Equity** – Review the salary structure and adjust the salary gap between men and women. (PT and LB)	Carried out	Secil collaborators in Portugal and Lebanon	2024	Review of wage structures to correct disparities between men and women
Training and development – Average amount spent per FTE: Partnering with online platforms; developing partnerships with online course platformsin order to give employees autonomy to choose different courses available at any time and in any place.	Carried out	Secil collaborators in Portugal	2024	**Training and development** – Average amount expense per FTE
Implementation of the Stakeholder engagement plan	Carried out	All the stakeholders mentioned in the plan, at a Global level	2024	Implementation of the Stakeholder engagement plan

1. Health and Safety

The Secil Safety Framework and Continuous Assessment, which aims to assess and achieve a safety culture, is intended to be the internal reference point for assessing this culture, with 37 elements organized into three phases: Development, Implementation and Time. Each element is assessed and classified into five categories, according to its state of completion, allowing the identification of opportunities for continuous improvement and progress towards excellence in safety. [S1.46 | ESRS2.80f | ESRS 2.77a | ESRS 2.68e]

In addition to this framework, a focus was also placed on **continuous training and development**, both for leaders and the security team, on these topics.

External consultancy and continuous improvement, another resource used, allowed the support of external consultants to update knowledge on best practices, updating knowledge and procedures, and ensuring the monitoring of initiatives in the geographies, through site visits. Additionally, a strategic security plan was also defined, with annual details, monitored monthly by geography, to ensure consistency and alignment with security objectives. Security and management are also monitored in quarterly meetings, for updates, sharing of best practices and resolution of obstacles, favouring the exchange of learning between geographies. Monthly meetings between security managers from all geographies to share knowledge, updates and best practices. [2.68d]. These actions demonstrate the commitment to the proactive, collaborative and excellence-oriented security culture of the entire organization [S1.38a] that aims to address security risks, improve the security culture and enhance both technical and behavioural practices at all levels. [S1.38b] Aim to foresee, cooperate with or support people harmed by the negative and real material impacts resulting from Secil's activity identified in the double materiality process. [2.38b]

These actions together have resulted in strengthened trust, improved incident response, and a more resilient security culture. [2.68d]

Budgeting in geographies is done through the annual submission of financial budget proposals, by the safety departments and corporate team, for their planned initiatives. These are analysed and approved by management after a thorough process of discussion and evaluation. Secil has contracted general sustainable financing lines, which depend on sustainability KPIs, two of which are LTIR (Lost time Injury Frequency Rate) and the percentage of women (women in total workforce). This information is detailed in the document "sustainability linked-financing" available at website.[2.69a | 2.69b]

2. Talent Retention and Organizational Engagement

Secil aims to offer working conditions that foster a sense of belonging and commitment, that bring closer the dialogue between management and the workforce and promote attractive conditions that promote employee satisfaction, particularly in terms of work-life balance [S1.38a | S1.38b].

Stay Interviews with HiPo Employees allow for the collection of strategic feedback from high-potential employees, ensuring adjustments in internal practices to increase retention, allowing for alignment of retention strategies and strengthening of the company-employee relationship. [S1.38b]

Other measures were taken, such as **financial incentives**, to promote employee loyalty and reduce turnover [S1.38b], **reinforce the sense of belonging**, **review the dismissal process**, **contribute to strategic objectives**, **update benefits** and **remote work after maternity leave**.

3. Promoting Equity and Diversity

The focus on creating a culture of equity and inclusion, promoting equal opportunities among employees and in the communities where it operates, motivated the macro objective of providing equal opportunities and promoting diversity in management decisions, at the level of the Secil ecosystem, established in 2023. It is one of the Ambition 2025 objectives and is also part of the sustainability strategy. The actions aim to **pay and benefits equity**, to reduce gender gaps and ensure a level playing field for all, by preventing inequalities and enhancing equity in the workplace. [S1.38b]

4. Continuous Development and Training

Collaboration with Universities and Online Platforms aims to facilitate access to higher and continuing education, training employees in different areas, promoting the continuous development of employees and reducing dissatisfaction with growth opportunities, generating positive impacts [S1.38b; S1.38c]

The investment made in education and training prepares employees for future challenges, increasing the company's competitiveness. Additionally, the emphasis on innovation and belonging ensures that Secil remains competitive and sustainable. [2.68a | 2.68b | 2.68c]

Secil adopts a systematic approach to monitor and evaluate the effectiveness of actions and initiatives aimed at its own workforce, such as the consequence management procedure, created to encourage the adoption of safe practices, the effectiveness of which is monitored and evaluated in several ways, such as **employee involvement and feedback**, data from the **Recognition and Reward Program** and **Management Reviews and Audits**. These are in addition to those already detailed earlier in this report, such as Continuous Feedback (Stay Interviews); Internal Communication Channels; Performance Indicators; Voluntary/Involuntary Turnover Rate – Assessment of changes in retention rates after specific actions (bonuses, appreciation of ideas, etc.); Equity Indicators; Satisfaction and Engagement Surveys; Partnership Impact Assessment; Internal Audits and Reviews to ensure that the actions implemented are aligned with the company's strategic objectives and values; Continuous Recognition and Adjustments to actions based on feedback collected and recognition of positive results of the initiatives. [AR 38| AR 39 | AR 42 | S1.38d]

Following the material opportunities identified, Secil adopted several actions with a view to exploiting them, including the Secil Academy Training Plan with the various schools. [S1.40b]

In order to identify necessary and appropriate actions in response to real or potential negative impacts on its workforce, Secil uses a structured set of processes. In identifying the actions that target these real or potential negative impacts, proactive assessments, involvement and collaborative and continuous improvement mechanisms.

In the area of health and safety, it adopts a series of fundamental processes to identify and mitigate risks. Conducts regular risk assessments to identify potential hazards to the workforce, and fosters close collaboration between departments and units, facilitating the exchange of ideas, identification of weaknesses, and development of solutions. The company encourages employees to share their insights on safety practices, challenges, and needed improvements. It also utilizes employee feedback and suggestion channels and performs root cause analyses in case of incidents or near misses. Training and awareness programs are implemented based on identified gaps or negative impacts.

Secil also seeks to continually improve its health and safety practices by participating in industry associations such as the Global Cement and Concrete Association (GCCA) and engaging in safety committees to gain insights into best practices. The company also uses external experts and consultants to ensure that its strategies are aligned with industry standards and evolving safety regulations. Secil's internal and collaborative practices help identify impacts early, preventing them from becoming significant problems. [S1.39]

Regarding the use of data from its employees, customers and partners, Secil acts in accordance with the General Data Protection Regulation (GDPR). [S1.41] Additionally, its material risk management processes related to its own workforce are integrated into its existing risk management processes, namely the Risk Management process of Secil. [AR47]

5. Involvement with the stakeholders

A plan was defined, with a quarterly monitoring objective. [S1.47]

This plan is related to the Stakeholder Engagement Policy and seeks to address several issues, such as Social Dialogue. [S1.46; ESRS2.80a]

OTHER BUSINESS SEGMENT – ETSA

ETSA recognises that material impacts on its workforce have a direct impact not only on organisational performance but also on the quality of life of its employees. Issues such as shift work, whilst essential to the continued operation of the company, are carefully managed due to their impact on physical and mental health. To mitigate this impact, the company implements time management measures, regular medical check-ups and wellbeing support programmes. In addition, the prevention of workplace accidents and strict compliance with safety standards are top priorities, with regular training and on-site inspections ensuring safer and healthier environments. [S1.37 | S1.38a]

At the same time, ETSA invests in measures that reinforce positive impacts and create sustainable material opportunities for its employees. Paying competitive salaries, complemented by non-monetary benefits – such as training support, health insurance, recognition programs, and work-life balance initiatives – are key strategies for promoting team satisfaction, retention, and productivity. The company understands that satisfied and valued employees tend to develop a greater sense of belonging, contribute innovative ideas, and maintain a stronger commitment to organizational goals. [S1.37 | S1.38c | S1.40b]

Furthermore, ETSA is attentive to issues of inclusion, diversity and personal development. At the same time, the continuous training of the workforce is seen as a strategic opportunity, allowing employees to develop in their roles and prepare for new challenges. In this way, the company not only mitigates material risks but also transforms these challenges into opportunities for shared growth between employees and the organization. [S1.37 | S1.40b]

OTHER BUSINESS SEGMENT – TRIANGLE'S

The company implements a set of **actions** and measures that are designed to achieve its objectives and goals, with a special focus on mitigating negative impacts and strengthening practices that favour the well-being of its workforce and stakeholders. The actions adopted are accompanied by performance metrics that help to assess progress towards the established goals and evaluate their effectiveness. The company establishes clear progress indicators, which are regularly monitored and adjusted as necessary.

The execution of planned actions contributes to the achievement of objectives by:

• Strengthen Impact Management: The measures adopted help reduce negative material impacts, such as those related to working condi-tions, safety and human rights, aligning the company's operations with stakeholder expectations and relevant regulations.

• Comply with External Standards and Expectations: Actions aim not only to comply with legal requirements, but also to align with global and local goals on sustainability and human rights, promoting responsible practices at all levels of operation.

• Foster Organizational Culture: The implementation of actions strengthens the company's culture around workers' rights and social responsibility, ensuring that decisions are made in line with ethical principles and societal expectations. [ESRS 2.68a]

Triangle's discloses to various stakeholders progress towards actions and action plans through quantitative data, such as KPIs, and qualitative data or employee testimonials. [ESRS 2.68e]

Additionally, and in order to mitigate the negative impacts, it allocated substantial financial and human resources to the action plan, such as investment in a new certification: ASI (Aluminium Stewardship Initiative). [ESRS 2.69a] These investments are reflected in the two financial statements, through the investment allocations [ESRS 2.69b]

Main actions [MDR-A_01; ESRS 2.68a; 2.68d]	Status [MDR-A_02; ESRS 2.68b]	Scope of action [MDR-A_03; ESRS 2.68c]	Time horizon [MDR-A_01; ESRS 2.68a	Results [MDR-A_01; ESRS 2.68a; 2.68d]
TALENT MANAGEMENT AND HUMAN CAPITAL DEVELOPMENT				
Whistleblowing and complaints channel	Carried out	Own Operations	-	Establishing direct communication channels with workers so they can report negative impacts, such as unsafe working conditions or discrimination, ensuring that their concerns are addressed effectively.
Partnerships with Human Rights Organizations	Carried out	Own Operations	-	Collaborative work with NGOs and other entities specializing in human rights, offering resources and solutions to support the recovery and rehabilitation of victims
Psychosocial Support (Hiring a psychologist)	Carried out	Own Operations,	-	The company has created a psychological support and compensation program for workers affected by accidents or abuse in the workplace. This program is designed to ensure that victims are adequately compensated and receive the support they need to overcome difficulties.

Actions have been planned or taken to address negative material impacts, including preventing – such as training programmes on OSH, inclusion and workers' rights – mitigating – creating psychological support programmes for workers affected by accidents or psychosocial risks – or correcting – new safety measures, adjusting working practices based on feedback from workers, and reviewing employment contracts to ensure better conditions. [S1.38a] Measures have also been implemented to address real impacts, such as financial compensation for workers who have suffered injuries in work accidents, psychological and rehabilitation support in the case of adverse working conditions or situations of abuse and improving working conditions to improve safety and well-being. [S1.38b]

Triangle's also sought to provide better conditions for its employees through professional development programs, well-being benefits, and inclusion and diversity policies, for a more representative environment. It offers flexible working hours and the possibility of teleworking, to foster a greater balance between personal and professional life. The effectiveness of these actions is monitored through employee satisfaction surveys, performance indicators such as turnover and productivity, career development analyses, and internal and external audits. [S1.38c | S1.38d] The company is taking steps to explore opportunities that benefit the organization and employees, through the implementation of new technologies to increase efficiency, partnerships for professional development, promotion of diversity and inclusion, and expansion of health and well-being benefits to improve quality of life and productivity. [S1.40b] These actions are identified through ongoing monitoring, consultations with employee representatives, and risk analysis and planning of corrective actions. [S1.39] Responsible hiring practices, codes of conduct and internal audits, as well as personal data protection policies, ensure that no negative impacts are caused to the employee's own workforce. [S1.41] In addition, the necessary resources are allocated to adequately manage the identified material impacts. [S1.43] The identified material risks arising from risk management processes related to employees in the value chain are integrated into the company's existing risk management processes in a systematic manner, including assessment, auditing and monitoring, and appropriate mitigation measures are taken, resulting from the transition to a greener economy. [AR 47 | AR 43]

HOLDINGS SEGMENT

At the level of Semapa Holding, the actions taken, planned or underway to prevent, mitigate or correct material negative impacts on the company's own workforce are related to recruitment and training aligned with the company's needs and skills, respectively, and competitive compensation compared to the market. [S1.38a] In addition, it has taken measures to provide or enable solutions in relation to an actual material impact on recruitment, development, training and compensation. [S1.38b]

To positively impact its own workforce, Semapa Holding has adopted measures such as salary surveys, which ensure its competitiveness, as well as individual development plans that ensure the necessary skills in the future. [S1.38c and S1.38d]

TARGETS AND METRICS

TARGETS RELATED TO THE MANAGEMENT OF NEGATIVE MATERIAL IMPACTS, THE PROMOTION OF POSITIVE IMPACTS AND THE MANAGEMENT OF MATERIAL RISKS AND OPPORTUNITIES (S1-5; MDR-M)

The definition of targets by each of the Subsidiaries, below, aims to implement solutions for negative impacts, promote positive impacts and manage material risks and opportunities that result from the double materiality analysis of the Semapa Group. [S1.46]

PULP AND PAPER SEGMENT

As part of its 2030 Roadmap, and aware of the importance of responsibly managing the impacts and opportunities related to its Employees, the company has established a set of strategic commitments that allow it to guide and monitor its path. These commitments translate into specific targets that reinforce the promotion:

• Safe and responsible behaviours that contribute to a true culture of safety and well-being, improving working conditions, reducing work-related musculoskeletal disorders (WMSDs) and, conse-quently, occupational accidents and illnesses, ensuring a safe and healthy environment for its Employees and culminating in its am-bition to achieve zero accidents associated with its operations [AR49a].

• The development and training of human capital, aligned with current and future needs, and con-tributing to the qualification and employability of young people in the regions where it operates.

In general, its targets are set through benchmarking exercises, considering the best practices in the sector and, in specific cases (such as the percentage of accidents due to non-compliance with rules and procedures and interventions in workplaces, for example), it considers the evolution of the results obtained over the last three years, in relation to the established action plan (which brings together several initiatives and actions) [S1.46 | ESRS 2.80f | S1.47]. The opinions of different internal and external stakeholders are also taken into account, through different forums and structured dialogue mechanisms, such as the Sustainability Forum, seeking to ensure transparency and alignment with the expectations of communities, authorities and experts.

In developing its targets, it seeks, on the one hand, to ensure focus on the continuous development of its Employees, in alignment with Navigator's strategic objectives and, on the other, to consider the local context of the geographies where it operates, contributing to the employability and qualification of young people in those geographies. [S1.46 | ESRS 2.80f]

To monitor performance against established targets, the company carries out regular assessments, daily, monthly or quarterly, depending on the specificity of each indicator [S1.47]. Several internal initiatives, such as Safety Moments, Weekly Meetings and quarterly industrial meetings, ensure an integrated performance analysis. The results are presented and discussed in local and corporate Steering Committees and OSH Committees, where corrective and improvement measures are also defined [S1.47]. In addition, lessons learned are widely disseminated, reinforcing the safety culture and the application of prevention and penalty measures, when necessary [S1.47].

The Zero Accidents Target and ergonomic interventions in workstations were developed in line with the Safety policy in management systems, with the aim of ensuring safe working and healthy conditions. These targets have been defined with the participation of stakeholders and include training on rules, procedures and the penalty regime for non-compliance. [S1.46 | ESRS2.80a]

The Corporate Management Roadmap is not static and is adjusted annually, allowing for readjustments in targets, establishing intermediate or new targets. Recently, in response to the ESRS Standards, adjustments have been made, including the definition of metrics and results to be achieved. [S1.46 | ESRS2.80i]

Objective and target	Scope	*Baseline* (reference value and base year)	Associated metric
	[ESRS2.80c]	[ESRS2.80d]	[ESRS2.75 | ESRS 2.80b]
HEALTH, SAFETY AND WELL-BEING			
Achieving the Zero Accidents Target through continuous improvement in safety, with the new OSH Strategy 2021-2025: • Frequency index ≤2in 2030	Own operations, Iberia. Includes internal employees and external workers	Reference value: 7.3 Base year:2022	Frequency index
Achieve a Work Accident Frequency Rate ≤0.3 by 2025	Own operations in Mozambique. Includes internal employees and external workers	Reference value: 2.5 Base year: 2022	
< 10% accidents ruled out due to non-compliance with rules and procedures	Own operations, Iberia Includes internal employees and external workers	Reference value: 49% Base year: 2022	% Uncharacterized accidents for non-compliance with rules and procedures
Develop the Ergonomics Axis: 100 jobs intervened by 2030.	Own Operations, Iberia	Reference value: 52 Base year: 2022	Workstations intervened (cumulative) – ergonomics project
Develop the Occupational Health program by 2030: • Work Capability Index (WCI): 45% in 2030; • Assessment of Employee Satisfaction with the program: > 95%	Own operations, covers all geographies except Navigator Tissue Ejea and Navigator Tissue UK	Reference value: – Base year: 2020	Work capacity index Employee Satisfaction Assessment
TALENT MANAGEMENT AND HUMAN CAPITAL DEVELOPMENT			
Have partnerships with educational institutions in all regions where it operates in the national territory (universities and technical schools) and internship programs contributing to the development of skills and the employability of young people.	Own Operations, Portugal	Reference value: – Base year: 2020	Number of actions in universities and technical schools Number of internship programs.

Performance 2022 [ESRS2.80j]	Performance 2023 [ESRS2.80j]	Performance 2024 [ESRS2.80j]	Targets [ESRS2.80e]
7.3	5.8	4.1	Value to achieve: Frequency Index (FI) ≤2.0(Collaborators internal and external) Year: 2030 Intermediate goal: Achieve an Index of Frequency= 2.6 in 2025.
2.5	1.6	0.36	Frequency Index: ≤ 0.3 Year: 2025
-	-	-19% (new target 2024)	Value to achieve: <10% Year: 2030
52 (cumulative value)	72 (cumulative value)	202 (cumulative value)	Value to achieve: 100 posts of work intervened Year: 2030
Monitoring this index carried out every 4 years, the ICT reassessment will take place in 2025. 97%	Being monitoring of this index carried out every 4 years, the ICT reassessment will occur in 2025. 97%	Monitoring this index carried out every 4 years, the reassessment of the ICT will occur in 2025. 97%	Value to achieve: 45% >95% Year: 2030
Participation at 19 job fairs (in-person and virtual). 6 pitch sessions. 10presentations about the Company and Junior Recruitment Programs. 6 seminars/workshops on themes related to the Company's activity. 3 open sessions for final year students Master's degree at FCTUC, NOVA FCT and ISA. 11 meetings between representatives of Navigator and teachers from educational institutions to deepen synergies. 2 Merit Scholarships awarded at NOVA FCT. Joint protocol with Altri, Corticeira, Amorim and Sonae Arauco for full funding of 22 scholarships in forestry engineering at the universities of UTAD/FEUP, ISA and ESAC. 8 visits by groups of students to factories (242 students). 104 internships, of which: • 49 professional internships for Executives (47%); • 55 professional internships for operational technicians (53%); • 35 summer internships. 9 long-term trainees (program of 24 months) welcomed.	Participation in 26 initiatives in universities (fairs, pitches and presentations). 31 curricular internships/ dissertation projects. 3 open sessions for students Masters finalists at FCTUC, NOVA FCT and UA. 8 scholarships awarded. 23 visits by groups of students to factories Navigator (636 students). 109 professional internships, of which: • 51 professional internships for graduates and masters, with 27.4% of these being integrated into the workforce; • 58 professional internships for future operators, with 67.2% integration of these as operational technicians. Around 50% integration of professional internships. 3 long-term trainees (24-month program); 48 summer internships	Number of actions in universities and technical schools Average plan execution rate above 90%: 100% in 2024 (considering only the number of job fairs). Number of internship programs Execution of the internship plan in 2024 80.85% 291 Internships 172 professional internships: • 47 professional internships for graduates and masters (27%); • 125 professional internships Operational technicians (73%).	Value to achieve: - Year: 2030 Intermediate goals: – Integrate 20% of professional internships aimed at managers – Integrate 50% of professional internships of Operational Technicians

Objective and target	Scope	*Baseline* (reference value and base year)	Associated metric
	[ESRS2.80c]	[ESRS2.80d]	[ESRS2.75 | ESRS 2.80b]
Cover 80% of Employees with individual development plans (IDPs) customized to their needs and professional projects, in alignment with Navigator's succession needs, by 2030	Own operations, covers all geographies except Ejea and Tissue UK	Reference value: - Base year: 2020	%of Collaborators with development plans customized to their needs and professional projects
Create awareness among teams about good practices and commitments ESG sustainability until 2026	Portugal	2023	N/A
Continuously monitor the main motivational stimuli of Employees to achieve better adaptation of management practices, policies and processes implemented.	Own operations in Portugal, International Offices and Mozambique	2020 N/A	TO GROW Climate Study Nº of Open Days

PERFORMANCE IN RELATION TO TARGETS

Health, safety and well-being

Among the various actions carried out (see section S1-4), efforts in areas such as continuous training, with more than 37 000 hours of safety training, and the introduction of innovative methodologies, such as gamification and Role-Play [S1.46 | ESRS2.80j | S1.47], stand out. The promotion of healthy practices, such as *Ergocoaching* and well-being activities, combined with the structuring of transversal procedures for critical issues, have contributed to an increasingly present safety culture. Initiatives such as Safety Walks, the Supervisors' Forum and Safety Talks have been decisive in involving all levels of the organization in identifying risks and implementing solutions [S1.46 | ESRS2.80j | S1.47].

It is also worth highlighting the early achievement of the target set for 2030 regarding the number of jobs intervened in ergonomics. In 2024, the company reached a total of 202 jobs intervened, exceeding the target of 100 [S1.46 | ESRS2.80j | S1.47].

In Mozambique, since 2020, the company has been monitoring the **Frequency Index (FI)**, observing a continuous improvement in safety. Investment in community awareness and education of service providers resulted in a reduction in the Frequency Index from **2.5 in 2022 to 0.36 in 2024**. In 2024, a Combined Safety Indicator was adopted, which integrates the Frequency Index (60%) and the Severity Index (40%), allowing a more complete assessment of accidents. It is important to note that there were no fatalities in Portucel Mozambique's operations.

Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80j]	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80e]**
37% of the total number of Employ-ees with PDI 76% of Technicians/Specialists/ Managers with PDI	26% of the total Contributors with PDI 38% of Technicians/ Specialists/Managers with PDI	31% of total employees with PDI 53% of Technicians/Specialists / Managers with PDI	Value to achieve: 80% Year:2030 Intermediate targets adjusted in 2024: -45% of total employees with PDI in 2025 (Base year 2021); -60% of Technicians / Specialists/Managers with PDI in 2025 (Year basis2022).
		S-pertise Program Created and structured contents of training programs in Sustainability and ESG starting in 2025. Internal platform launched *Sustainability Hub* with sustainability content for employees.	Until 2026, carry out actions of periodic awareness and provide training to 80% of Collaborators.
Straight to the Top Program. Employer Branding Actions: Onboarding, Semapa event. Open days, in a total of 69 sessions intended for new employees and people already integrated into the Organization, with a view to fostering the transversality of knowledge between the various areas. Launch of the CRESCER project included holding sessions of auscultation with the involvement of about 200 people, whose inputs will give rise to a roadmap of initiatives and actions to be implemented gradually and consistently.	Straight To The Top Program covered 4 complexes industrial, with the following results: 35 ideas submitted; 1 idea awarded. Climate study organizational obtained a participation fee of 73% (highest value us studies carried out in the Navigator).	GROW – 45% of roadmap implementation of initiatives suggested by collaborators. Climate Study – Result average of the indicators refer-ring to satisfaction and engagement: 65.4 (2023); We carried out 69 Open Days in 2024 – 34 in the 1st semester and 35 in the 2nd semester	GROW: implementation of 100% of the roadmap in 2030. Climate Study: Average > 70% in the related indicators with satisfaction and engagement of the climate study.

Talent management and human capital development

In 2024, several measures were implemented to promote and reinforce the construction of Individual Development Plans (IDP), consolidating a culture of continuous growth. After four years of achieving this objective and in view of all the actions implemented in the year under analysis and previous years, the need was identified to review and adjust the intermediate target for [S1.46 | ESRS2.80i]:

- 45% of total Employees with PDI in 2025 (Base year 2021);

- 60% of Technicians/Specialists/Managers with PDI in 2025 (Base year 2022).

The commitment to increasing youth employability is reflected in the completion of 172 professional internships in 2024. Whenever possible, these are carried out under the IEFP state program, contributing to youth employability policies. In 2024, the integration rate of operational technicians after internships was 73%, which means the intermediate target was exceeded by 23%. In the case of Executives, the integration rate was 27%, which means we are 7 p.p. above the intermediate target [S1.46 | ESRS2.80j].

CEMENT SEGMENT

The targets defined for Secil's own operations involved internal stakeholders and have not been changed since they were defined. They aim to support the monitoring of related IRO materials. In the case of the stakeholder engagement plan, the impact is reflected throughout the value chain. [ESRS2.80c | 280g | 2.80h | 2.80i | S1.46]

Objective and target	Baseline (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
	[ESRS2.80d]	[ESRS2.75]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80e]
HEALTH AND SAFETY						
Reduce the rate of frequency of accidents	Base Value: 7.5 Base Year: 2020	Rate of frequency of accidents	5.5	5.1	Rate of frequency of accidents Secil:5.5 Monitoring monthly progress in all geographies.	3.8 Year: 2025
To accompany the point of situation of Framework Security	Base Value: – Base Year: 2024	*To have 2 elements of the Framework Security implemented*	-	Framework security defined.	The works started in the factories of cement Portugal in end of 2024.	52% Year: 2025
Involvement of stakeholders	N/A	Stakeholder Involvement Program	-	Plan starting to be defined	Defined plan to Portugal, Brazil and corporate level.	Have a plan of Involvement of stakeholders defined Year: 2025
DIVERSITY						
Percentage of Women	Base Value: 12% Base Year: 2020	% women	13%	13.7%	13.5%	14.50% Year: 2025
TRAINING AND SKILLS DEVELOPMENT						
Training	Base Value: 650 Base Year: 2020	Training & Development (€/FTE)	-	357€/FTE	498.44€/FTE	700€/FTE Year: 2025
TALENT RETENTION AND ORGANIZATIONAL ENGAGEMENT						
Turnover of workers	Base Value: 12.80% Base Year: 2020	Turnover of workers volunteer/ involuntary (%)	-	10%	11.6%	9.2% Year: 2025
Satisfaction of Employees	Valor base: 35 Base Year 2021	eNPS	-	24	34	Between 36 and 44 Year: 2025

Over the past three years, Secil has maintained a clear focus on ensuring a successive reduction in Accident Frequency Rates (FR). This is a common metric used to measure the frequency of incidents or accidents in the workplace in relation to the amount of work performed. It is often expressed as the number of incidents (such as injuries or accidents) per million hours worked and helps to assess an organization's safety performance and track trends over time.

These improvements come from implemented initiatives and targeted training programmes, as well as from the support of external consultants. [S1.46; ESRS2.80f; ESRS 2.77a]

The stakeholder engagement plan is related to the Stakeholder Engagement Policy and seeks to address several issues. In the case of the percentage of women, the negative impact identified in terms of diversity can be monitored, since it is related to the Sustainability Policy (social pillar). The remaining targets of the Safety Framework are not related to existing policies. [S1.46; ESRS2.80a]

The indicators for **training and skills development (€/FTE) and voluntary/involuntary turnover (%)** allow for the monitoring of topics related to **employee training and development**, while the eNPS allows for the assessment of employee satisfaction at various levels. For the remaining defined metrics, no intermediate targets were developed for the identified targets, resulting from a management decision based on the metric baseline. [S1.46 | ESRS2.80e | 2.80f]

The first three **Health and Safety** targets, monitored monthly, were defined following a common process in which the safety team in each geography collaborates with their respective operational teams to develop proposals that require the reduction of targets compared to the same period in the previous year, for final approval by Secil management. The overall target is then calculated based on the approved targets for each geography.

PERFORMANCE IN RELATION TO TARGETS

Performance against safety targets is monitored through a structured approach that includes monthly site follow-up meetings, weekly site-specific meetings, annual site visits by the safety manager, monthly meetings to share results with senior management, including the geographies' CEOs, and quarterly meetings for management and safety teams to share updates, learnings, and improvements. The first three targets defined in this theme, as they are common KPIs in this area, are externally validated and audited. [ESRS 2.77b]

In the case of the **two elements of the Security Framework**, the Security Manager analyses incidents from previous years, focusing on serious cases, meeting with security managers from all geographies to discuss the results and ensure alignment. Based on these discussions, recommendations are presented to the Secil Executive Committee for review and approval, after which they are submitted to the Board for final discussion and approval. [S1.47] From 2025 onwards, these assessments will be carried out by an external consultant to ensure impartiality and full coverage in assessing the maturity of the security framework in all geographies.

Health and Safety targets take into account the sustainable development and local impacts of the company, reducing accident-related disruptions and aligning with the local context of promoting well-being and economic stability in the communities impacted by the company [S1.46 | ESRS2.80f]

These targets aim to monitor material impacts related to Health and Safety and relate to the Policy defined to achieve zero harm to the workforce, contractors and communities. [S1.46; ESRS2.80a]

The Secil Safety system protects the workforce and aligns with environmental, social and economic objectives. Its structure, which includes leadership, training and management of key issues, ensures sustainable initiatives that are adaptable to local conditions. The company promotes a culture of safety, health and well-being, while fostering continuous improvement and transparency in communication, involving stakeholders to address impacts on communities.

Secil monitors the percentage of women on a quarterly basis, promoting equality and diversity; the Training and Development metric, which contributes to employability and competitiveness, as well as the reduction of turnover, which aims at stable work environments. The eNPS annually assesses the level of employee engagement and satisfaction, which would affect their productivity and Secil's reputation as an employer. [S1.46; ESRS2.80f; S1.47]

OTHER BUSINESS SEGMENT – ETSA

ETSA is committed to pursuing the principles of corporate social responsibility, legal compliance and continuous improvement, which are core elements of its corporate and management culture. These principles have been embedded within ETSA and its corporate culture since its creation. The company has not adopted targets related to the management of negative material impacts, the promotion of positive impacts and the management of material risks and opportunities, but in 2025, it will work on defining them [ESRS2.81a]

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's has several metrics and targets to track material IROs, which are reflected in the tables below:

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
	[ESRS2.80d]	[ESRS2.75]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80e]
TRAINING AND SKILLS DEVELOPMENT						
Training hours	Base Value: 22:25h Base Year: 2024	Training hours /total number of active Collaborators in a month (includes temporary workers)	-	-	-	>40h Year: 2025
Hours of OSH training	Base Value: 5:23 h Base Year: 2024	Training hours in SST /total number of active Collaborators (includes TW)	-	-	-	>10h Year: 2025
DIVERSITY						
Percentage women	Base Value: 37% Base Year: 2024	Total women /Total collaborators	-	-	-	50% Year: 2025
WORKING CONDITIONS						
Employee Advocacy Index (eNPS)	Not measured in 2024	eNPS = number of detractors / total number of responses x 100	-	-	-	Without information
HEALTH AND SAFETY						
Wellness consultation rate	Base Value: 98% Base Year: 2024	Number of consultations carried out in the month / total number of employees	-	-	-	100% Year: 2025

HOLDINGS SEGMENT

In 2023, a target was implemented to monitor and promote the individual development of Semapa's employees (CP), as well as to reinforce the culture of continuous growth "Making it Better".

The **Commitment Plans (CP)** target is defined in the following table:

Objective and target	Scope	Baseline (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
	[ESRS2.80c]	[ESRS2.80d]	[ESRS2.75]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80J]	[ESRS2.80e]
TALENT MANAGEMENT AND HUMAN CAPITAL DEVELOPMENT							
Creation of individual Commitment Plans for employees customized to their needs and professional projects	Own Operations	Base year: 2024	% of Employees with customized development plans to their needs and professional projects	-	-	100%	100%

CHARACTERISTICS OF THE COMPANY'S SALARIED WORKERS (S1 – 6)

The Semapa Group has over 7 000 employees, distributed across the Group's various companies. The main characteristics of these employees are presented below.

	Gender	Navigator Number of employees (staff numbers)
S1-6-002	Male	3 213
S1-6-003	Female	752
S1-6-004	Others	0
S1-6-005	Not disclosed	0
S1-6-001	**Total Employees**	**3 965**

	Gender	Secil Number of employees (staff numbers)
S1-6-002	Male	2 226
S1-6-003	Female	347
S1-6-004	Others	0
S1-6-005	Not disclosed	0
S1-6-001	**Total Employees**	**2 573**

	Gender	ETSA Number of employees (staff numbers)
S1-6-002	Male	256
S1-6-003	Female	73
S1-6-004	Others	0
S1-6-005	Not disclosed	0
S1-6-001	**Total Employees**	**329**

	Gender	Triangle's Number of employees (staff numbers)
S1-6-002	Male	164
S1-6-003	Female	98
S1-6-004	Others	0
S1-6-005	Not disclosed	0
S1-6-001	**Total Employees**	**262**

[S1.50a]		Holding
	Gender	Number of employees (staff numbers)
S1-6-002	Male	16
S1-6-003	Female	27
S1-6-004	Others	0
S1-6-005	Not disclosed	0
S1-6-001	**Total Employees**	**43**

		Semapa Group
	Gender	Number of employees (staff numbers)
S1-6-002	**Male**	5 875
S1-6-003	**Female**	1 297
S1-6-004	**Others**	0
S1-6-005	**Not disclosed**	0
S1-6-001	**Total Employees**	**7 172**

	Total number of employees, broken down by country/region			
	Company/Subsidiary		Country	2024
S1-6-006	**Navigator**	**Number of employees**	Portugal	3 180
S1-6-007			Spain	176
S1-6-008			Mozambique	128
S1-6-009			Other countries	481
S1-6-001			**Total**	**3 965**
S1-6-006	**Secil**	**Number of employees**	Portugal	1 166
S1-6-007			Spain	17
S1-6-008			Tunisia	269
S1-6-009			Angola	88
S1-6-010			Brazil	566
S1-6-011			Lebanon	435
S1-6-012			Other countries	32
S1-6-001			**Total**	**2 573**
S1-6-006	**ETSA**	**Number of employees**	Portugal	328
S1-6-007			Spain	1
S1-6-008			Mozambique	
S1-6-009			Tunisia	
S1-6-010			Angola	
S1-6-011			Brazil	
S1-6-012			Lebanon	
S1-6-013			Other countries	
S1-6-001			**Total**	**329**

	Total number of employees, broken down by country/region			
	Company/Subsidiary		**Country**	**2024**
S1-6-006	**Triangle's**	**Number of employees**	Portugal	262
S1-6-007			Spain	
S1-6-008			Mozambique	
S1-6-009			Tunisia	
S1-6-010			Angola	
S1-6-011			Brazil	
S1-6-012			Lebanon	
S1-6-013			Other countries	
S1-6-001			**Total**	**262**
S1-6-006	**Holdings**	**Number of employees**	Portugal	43
S1-6-007			Spain	
S1-6-008			Mozambique	
S1-6-009			Tunisia	
S1-6-010			Angola	
S1-6-011			Brazil	
S1-6-012			Lebanon	
S1-6-013			Other countries	
S1-6-001			**Total**	**43**
S1-6-006	**Semapa Group**	**Number of employees**	Portugal	4979
S1-6-007			Spain	194
S1-6-008			Mozambique	128
S1-6-009			Tunisia	269
S1-6-010			Angola	0
S1-6-011			Brazil	566
S1-6-012			Lebanon	435
S1-6-013			Other countries	601
S1-6-001			**Total**	**7172**

Navigator Note: It should be noted that Interns/Scholarship holders and corporate bodies are not considered in these values.
The 2024 data refer to the number of employees on 31 December and includes all employees with a contractual relationship with Navigator, including employees of Navigator Tissue Ejea and Navigator Tissue UK.
The total number of employees includes the 14 members of the Board of Directors [S1.50d].
Secil Note: Sustainability Report figures, reported by each Geography, based on payroll processing systems and cross-referenced with the figures compiled by the Reporting areas. The total number of employees includes the 8 members of the Board of Directors. [S1.50d]
Triangle's Note: Full-time workers were considered, with some being part of the staff and some being temporary employees. The data considered were the final real number of workers on 31 December. Includes the 4 members of the Board of Directors. [S1.50d]
ETSA Note: Includes the 6 members of the Board of Directors. [S1.50d]
Holdings Note: All employees of Holdings, active on 31 December 2024, with a direct contract with the company, who are not corporate bodies or who are not covered by an internship program were considered. Excludes the 8 members of the Board of Directors. [S1.50d]

No estimates were used. [AR60]

[S1.50b and S1.52]	Total number of employees, by type of contract, broken down by gender			
	Company/Subsidiary	**Contract Type**	**Gender**	**2024**
S1-6-003, S1-6-002, S1-6-004, S1-6-005, S1-6-001	**Navigator**	**Number of workers**	Male	3 213
			Female	752
			Other	0
			Not disclosed	0
			Total	**3 965**
S1-6-014, S1-6-013, S1-6-015, S1-6-016, S1-6-012		**Number of permanent workers**	Male	3 021
			Female	696
			Other	0
			Not disclosed	0
			Subtotal	**3 717**
S1-6-021, S1-6-020, S1-6-022, S1-6-023, S1-6-019		**Number of temporary workers**	Male	192
			Female	56
			Other	0
			Not disclosed	0
			Subtotal	**248**
S1-6-028, S1-6-027, S1-6-029, S1-6-030, S1-6-026		**Number of workers non-guaranteed working hours**	Male	0
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**0**
			Total	**3 965**
S1-6-003, S1-6-002, S1-6-004, S1-6-005, S1-6-001	**Secil**	**Number of workers**	Male	2 226
			Female	347
			Other	0
			Not disclosed	0
			Total	**2 573**
S1-6-014, S1-6-013, S1-6-015, S1-6-016, S1-6-012		**Number of permanent workers**	Male	1 982
			Female	316
			Other	0
			Not disclosed	0
			Subtotal	**2 298**
S1-6-021, S1-6-020, S1-6-022, S1-6-023, S1-6-019		**Number of temporary workers**	Male	215
			Female	31
			Other	0
			Not disclosed	0
			Subtotal	**246**
S1-6-028, S1-6-027, S1-6-029, S1-6-030, S1-6-026		**Number of workers non-guaranteed working hours**	Male	29
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**29**
			Total	**2 573**

[S1.50b and S1.52]	Total number of employees, by type of contract, broken down by gender			
	Company/Subsidiary	**Contract Type**	**Gender**	**2024**
S1-6-003, S1-6-002, S1-6-004, S1-6-005, S1-6-001	**ETSA**	**Number of workers**	Male	256
			Female	73
			Other	0
			Not disclosed	0
			Total	**329**
S1-6-014, S1-6-013, S1-6-015, S1-6-016, S1-6-012		**Number of permanent workers**	Male	256
			Female	73
			Other	0
			Not disclosed	0
			Subtotal	**329**
S1-6-021, S1-6-020, S1-6-022, S1-6-023, S1-6-019		**Number of temporary workers**	Male	0
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**0**
S1-6-028, S1-6-027, S1-6-029, S1-6-030, S1-6-026		**Number of workers non-guaranteed working hours**	Male	0
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**0**
			Total	**329**
S1-6-003, S1-6-002, S1-6-004, S1-6-005, S1-6-001	**Triangle's**	**Number of workers**	Male	192
			Female	114
			Other	0
			Not disclosed	0
			Total	**306**
S1-6-014, S1-6-013, S1-6-015, S1-6-016, S1-6-012		**Number of permanent workers**	Male	164
			Female	98
			Other	0
			Not disclosed	0
			Subtotal	**262**
S1-6-021, S1-6-020, S1-6-022, S1-6-023, S1-6-019		**Number of temporary workers**	Male	28
			Female	16
			Other	0
			Not disclosed	0
			Subtotal	**44**
S1-6-028, S1-6-027, S1-6-029, S1-6-030, S1-6-026		**Number of workers non-guaranteed working hours**	Male	0
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**0**
			Total	**306**

[S1.50b and S1.52]	Total number of employees, by type of contract, broken down by gender			
	Company/Subsidiary	**Contract Type**	**Gender**	**2024**
S1-6-003, S1-6-002, S1-6-004, S1-6-005, S1-6-001	**Holdings**	**Number of workers**	Male	16
			Female	27
			Other	0
			Not disclosed	0
			Total	**43**
S1-6-014, S1-6-013, S1-6-015, S1-6-016, S1-6-012		**Number of permanent workers**	Male	16
			Female	27
			Other	0
			Not disclosed	0
			Subtotal	**43**
S1-6-021, S1-6-020, S1-6-022, S1-6-023, S1-6-019		**Number of temporary workers**	Male	0
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**0**
S1-6-028, S1-6-027, S1-6-029, S1-6-030, S1-6-026		**Number of workers non-guaranteed working hours**	Male	0
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**0**
			Total	**43**
			Subtotal	**0**
S1-6-003, S1-6-002, S1-6-004, S1-6-005, S1-6-001	**Semapa Group**	**Number of workers**	Male	5 903
			Female	1 313
			Other	0
			Not disclosed	0
			Total	**7 216**
S1-6-014, S1-6-013, S1-6-015, S1-6-016, S1-6-012		**Number of permanent workers**	Male	5 439
			Female	1 210
			Other	0
			Not disclosed	0
			Subtotal	**6 649**
S1-6-021, S1-6-020, S1-6-022, S1-6-023, S1-6-019		**Number of temporary workers**	Male	435
			Female	103
			Other	0
			Not disclosed	0
			Subtotal	**538**
S1-6-028, S1-6-027, S1-6-029, S1-6-030, S1-6-026		**Number of workers non-guaranteed working hours**	Male	29
			Female	0
			Other	0
			Not disclosed	0
			Subtotal	**29**

Note: The data reported were not estimated and refer to the number of salaried employees as of December 31, 2024. [S1.50d | AR60]
Navigator Note: The 2024 data refer to the number of employees as at 31 December and include all employees with a contractual relationship with Navigator, including employees of Tissue from Ejea and Tissue from United Kingdom . [S1.50d] Temporary employees are recruited based on explicit contracts with stipulated hours and place. These contracts are essentially made to fill the lack of human capital and/or specialties needed to carry out temporary projects or events. [S1.AR56]
Triangle's Note: Full-time workers were considered, with some being staff and others being hired. temporary. The data considered refer to the final actual number of workers on 31 December. [S1.50d]
The number of temporary workers was due to the adjustment of human resources to specific needs, while maintaining a balance between efficiency and cost control. It made it possible to assist in: (i) production peaks and seasonality; (ii) replacement of employees; (iii) recruitment in a fast, effective and flexible manner. [S1.AR56]
Holdings Note: Data taken from ERP system as of 31 December 2024. Holdings have no temporary employees. [S1.50d | AR56]

[S1.50b, S1.51 and S1.52]	Total number of employees, by type of contract, broken down by region			
	Company/Subsidiary	Contract Type		2024
S1-6-010, S1-6-011, S1-6-001	**Navigator**	**Number of workers**	**Portugal**	**3 180**
			Outside Portugal	**785**
			Total	**3 965**
S1-6-017, S1-6-018, S1-6-012		Number of permanent workers	Portugal	2 950
			Outside Portugal	767
			Subtotal	**3 717**
S1-6-024, S1-6-025, S1-6-019		Number of temporary workers	Portugal	230
			Outside Portugal	18
			Subtotal	**248**
S1-6-031, S1-6-032, S1-6-026		Number of workers non-guaranteed working hours	Portugal	0
			Outside Portugal	0
			Subtotal	**0**
			Total	**3 965**
S1-6-010, S1-6-011, S1-6-001	**SECIL**	**Number of workers**	**Portugal**	**1 215**
			Outside Portugal	**1 358**
			Total	**2 573**
S1-6-017, S1-6-018, S1-6-012		Number of permanent workers	Portugal	1 008
			Outside Portugal	1 290
			Subtotal	**2 298**
S1-6-024, S1-6-025, S1-6-019		Number of temporary workers	Portugal	201
			Outside Portugal	45
			Subtotal	**246**
S1-6-031, S1-6-032, S1-6-026		Number of workers non-guaranteed working hours	Portugal	6
			Outside Portugal	23
			Subtotal	**29**
			Total	**2 573**
S1-6-010, S1-6-011, S1-6-001	**ETSA**	**Number of workers**	**Portugal**	**328**
			Outside Portugal	**1**
			Total	**329**
S1-6-017, S1-6-018, S1-6-012		Number of permanent workers	Portugal	328
			Outside Portugal	1
			Subtotal	**329**
S1-6-024, S1-6-025, S1-6-019		Number of temporary workers	Portugal	0
			Outside Portugal	0
			Subtotal	**0**
S1-6-031, S1-6-032, S1-6-026		Number of workers non-guaranteed working hours	Portugal	0
			Outside Portugal	0
			Subtotal	**0**
			Total	**0**

[S1.50b, S1.51 and S1.52]	Total number of employees, by type of contract, broken down by region			
	Company/Subsidiary	Contract Type		2024
S1-6-010, S1-6-011, S1-6-001	**Triangle's**	**Number of workers**	**Portugal**	306
			Outside Portugal	0
			Total	**306**
S1-6-017, S1-6-018, S1-6-012		Number of permanent workers	Portugal	262
			Outside Portugal	0
			Subtotal	**262**
S1-6-024, S1-6-025, S1-6-019		Number of temporary workers	Portugal	44
			Outside Portugal	0
			Subtotal	**44**
S1-6-031, S1-6-032, S1-6-026		Number of workers non-guaranteed working hours	Portugal	0
			Outside Portugal	0
			Subtotal	**0**
			Total	**306**
S1-6-010, S1-6-011, S1-6-001	**Holdings**	**Number of workers**	**Portugal**	**43**
			Outside Portugal	**0**
			Total	**43**
S1-6-017, S1-6-018, S1-6-012		Number of permanent workers	Portugal	43
			Outside Portugal	0
			Subtotal	**43**
S1-6-024, S1-6-025, S1-6-019		Number of temporary workers	Portugal	0
			Outside Portugal	0
			Subtotal	**0**
S1-6-031, S1-6-032, S1-6-026		Number of workers non-guaranteed working hours	Portugal	0
			Outside Portugal	0
			Subtotal	**0**
			Total	**43**
S1-6-010, S1-6-011, S1-6-001	**Semapa Group**	**Number of workers**	**Portugal**	**5 072**
			Outside Portugal	**2 144**
			Total	**7 216**
S1-6-017, S1-6-018, S1-6-012		Number of permanent workers	Portugal	4 591
			Outside Portugal	2 058
			Subtotal	**6 649**
S1-6-024, S1-6-025, S1-6-019		Number of temporary workers	Portugal	475
			Outside Portugal	63
			Subtotal	**538**
S1-6-031, S1-6-032, S1-6-026		Number of workers non-guaranteed working hours	Portugal	6
			Outside Portugal	23
			Subtotal	**29**
			Total	**7 216**

Navigator Note: The 2024 data relates to the number of employees as at 31 December and includes all employees employed by Navigator, including employees of Navigator Tissue Ejea and Navigator Tissue UK. [S1.50d]
Secil Note: The geography Portugal is including the total number of workers from Portugal, Spain, the Netherlands and Cape Verde.
The value relative to BetoTrans in Portugal (197 workers) was estimated, since management is not centralized and, as such, it is not possible to distinguish all Employees by type of contract. [AR 60]
Triangle's Note: Full-time workers were considered, with some being employed by the staff and others being temporary employees. The data considered refer to the actual final number of workers on 31 December. [S1.50d].
The number of temporary workers was due to the adjustment of human resources to specific needs, maintaining the balance between efficiency and cost control. It made it possible to assist in: (i) production peaks and seasonality; (ii) replacement of employees; (iii) recruitment in a fast, effective and flexible manner. [S1.AR56].
Holdings Note: Data taken as of 31 December 2024. Holdings have no temporary employees [S1.50d | AR56].

[S1.50c]	Employee turnover rate		
	Company/Subsidiary		2024
S1-6-047	Navigator	Number of workers who left the company	355
		Number of employees in the reporting period	3 965
S1-6-048		**Employee turnover (%)**	**9.0%**
S1-6-047	Secil	Number of workers who left the company	314
		Number of employees in the reporting period	2573
S1-6-048		**Employee turnover (%)**	**12.2%**
S1-6-047	ETSA	Number of workers who left the company	0
		Number of employees in the reporting period	329
S1-6-048		**Employee turnover (%)**	**0**
S1-6-047	Triangle's	Number of workers who left the company	46
		Number of employees in the reporting period	306
S1-6-048		**Employee turnover (%)**	**15.0%**
S1-6-047	Holdings	Number of workers who left the company	3
		Number of employees in the reporting period	43
S1-6-048		**Employee turnover (%)**	**7.0%**
S1-6-047	Semapa Group	Number of workers who left the company	718
		Number of employees in the reporting period	7 216
S1-6-048		**Employee turnover (%)**	**10.0%**

Navigator Note: For 2024, all outputs throughout the year were accounted for, including from the Tissue units in Ejea and Tissue in the UK [AR56 | AR60 | S1.50d], [AR59 | S1.50d].
Secil Note: The denominator for turnover was based on the total number of Employees. [AR59].
Triangle's Note: Triangle's registered employee departures, including two due to abandonment, one due to retirement, two due to termination of the probationary period, seventeen due to termination of the contract at the employee's initiative, twenty-three at the initiative of the organization and one by mutual agreement. It did not consider estimates [AR56| AR59].
Holdings Note: Data taken as of 31 December 2024. Holdings have no temporary employees [S1.50d | AR56 |AR59].

CHARACTERISTICS OF UNSALARIED WORKERS IN THE COMPANY'S OWN WORKFORCE (S1-7)

[S1.55c]	Number of non-employees		
	Company/Subsidiary		2024
S1-7-001	Navigator	Portugal	124
S1-7-002		Angola	0
S1-7-003		Brazil	0
S1-7-004		Lebanon	0
		Mozambique	182
		Spain	17
		Tunisia	0
		Others Countries	0
		Total	**323**
	Secil	Portugal	1 085
		Angola	42
		Brazil	181
		Lebanon	68
		Mozambique	0
		Spain	45
		Tunisia	442
		Others Countries	14
		Total	**1 877**

[S1.55c]	Number of non-employees		
	Company/Subsidiary		2024
	ETSA	Portugal	0
		Angola	0
		Brazil	0
		Lebanon	0
		Mozambique	0
		Spain	0
		Tunisia	0
		Others Countries	0
		Total	**0**
	Triangle's	Portugal	7
		Angola	0
		Brazil	0
		Lebanon	0
		Mozambique	0
		Spain	0
		Tunisia	0
		Others Countries	0
		Total	**7**
	Holdings	Portugal	0
		Angola	0
		Brazil	0
		Lebanon	0
		Mozambique	0
		Spain	0
		Tunisia	0
		Others Countries	0
		Total	**0**
	Semapa Group	Portugal	1 216
		Angola	42
		Brazil	181
		Lebanon	68
		Mozambique	182
		Spain	62
		Tunisia	442
		Others Countries	14
		Total	**2 207**

Navigator Note: Mozambique has non-salaried workers, both in the service provision system and hired through employment agencies. These workers perform their duties independently, without a direct link to a fixed employer, and are remunerated according to the services provided or the contracts established.
The number of non-salaried workers is reported in permanent numbers. These correspond to Temporary Workers (TWs) working full-time at the end of 2024 [S1.55b-1 | S1.55b-2], considering only temporary employment agency workers or self-employed workers. [S1.55b-2]. The data presented do not include information on geographies where there are fewer than 50 employees.
Secil Note: The number of non-salaried workers is reported in headcount and refers to the end of the reporting period. No value has been estimated [S1.55b-1; S1.55b-2; S1.57]
ETSA Note: ETSA has no self-employed workers.
Holdings Note: Semapa did not have any permanent non-salaried employees at the time of the report. [S1.56] There was no need to use estimates. [S1.55b-1; S1.55b-2; S1.57]

COVERAGE OF COLLECTIVE BARGAINING AND SOCIAL DIALOGUE (S1-8)

[S1.55c]	Collective labour conventions		
	Company/Subsidiary	Coverage of collective labour conventions (%)	
S1-8-002	**Navigator**	**Within the EEA**	98.1%
S1-8-003		Portugal	99.6%
		Spain	88.6%
S1-8-007		**Outside the EEA**	**0.0%**
S1-8-008		Mexico	0.0%
		Mozambique	0.0%
		USA	0.0%
		United Kingdom	0.0%
		South Africa	0.0%
		Morocco	0.0%
S1-8-009		Turkey	0.0%
S1-8-001		**Total**	**83.8%**
S1-8-002	**Secil**	**Within the EEA**	**100.0%**
S1-8-003		Portugal	100.0%
		Outside the EEA	**91.6%**
		Tunisia	99.6%
		Angola	98.9%
		Cape Verde	0.0%
		Brazil	99.3%
S1-8-007 S1-8-008		Lebanon	81.4%
S1-8-001		**Total**	**95.5%**
	ETSA	**Within the EEA**	**5.2%**
		Portugal	5.2%
		Outside the EEA	**n.a.**
		Total	**5.2%**
	Triangle's	**Within the EEA**	**0.0%**
		Portugal	0.0%
		Outside the EEA	**0.0%**
		Total	**0.0%**
	Holdings	**Within the EEA**	**0.0%**
		Portugal	0.0%
		Outside the EEA	**0.0%**
		Total	**0.0%**
	Semapa Group	**Within the EEA**	**86.2%**
		Portugal	93.0%
		Outside the EEA	**91.6%**
		Total	**80.3%**

Navigator and Secil Note: Only countries with a significant number of employees, defined as a minimum of 50 workers, representing at least 10% of the total number of workers, were considered.
Navigator Note: In the case of Navigator, workers from Spain were included.
Secil Note: Although all Employees are covered by collective bargaining, there are more structured working conditions (e.g. general increase), which are determined by a broader collective agreement (and more favourable to workers). Non-salaried workers are usually hired by service providers and are therefore not covered by these contracts (collective bargaining). [S1.61; S1.62]
In the case of Secil, workers from the Netherlands and Spain are excluded
ETSA Note: The number of workers who are covered by collective bargaining social dialogue agreements – 17 (Tribérica company).
Triangle's Note: Triangle's does not contemplate collective agreements
Holdings Note 1: Semapa employees are not covered by collective labour agreements.

	Social dialogue		
	Company/Subsidiary	Social dialogue (%)	
S1-8-010	**Navigator**	**Within the EEA**	**98.1%**
		Portugal	99.6%
		Spain	88.6%
		Total	**83.8%**
	Secil	**Within the EEA**	**100.0%**
		Portugal	100.0%
		Total	**89.5%**
	ETSA	**Within the EEA**	**0.0%**
		Portugal	0.0%
		Total	**0.0%**
	Triangle's	**Within the EEA**	**0.0%**
		Portugal	0.0%
		Total	**0.0%**
	Holdings	**Within the EEA**	**0.0%**
		Portugal	0.0%
		Total	**0.0%**
	Semapa Group	**Within the EEA**	**85.9%**
		Portugal	**99.7%**
		Total	**78.0%**

Note: The scope of this datapoint includes only countries in the European Economic Area (EEA) where there is significant employment (i.e. at least 50 workers, representing at least 10% of their total workforce).
Navigator Note: In the case of Navigator, workers from Spain were also included.

[AR70]	Reporting model to cover collective bargaining and social dialogue				
	Company/ Subsidiary	Coverage rate (%)	Collective bargaining coverage		Social dialogue
			Employees – EEA (for countries with >50 employees representing >10 % of total Workers)	Employees – Outside the EEA (estimate for regions with >50 employees representing >10 % of total Workers)	Workplace representation (EEA only) (for countries with >50 employees representing >10 % of total Workers)
	Navigator	0 - 19%	n/a	United Kingdom and Mozambique	n/a
		20 - 39%	n/a	n/a	n/a
		40 - 59%	n/a	n/a	n/a
		60 - 79%	n/a	n/a	n/a
		80 - 100%	Portugal and Spain	n/a	Portugal and Spain
	Secil	0 - 19%	n/a	n/a	n/a
		20 - 39%	n/a	n/a	n/a
		40 - 59%	n/a	n/a	n/a
		60 - 79%	n/a	n/a	n/a
		80 - 100%	Portugal	Brazil, Tunisia, Lebanon	Portugal
	ETSA	0 - 19%	Portugal and Spain	n/a	n/a
		20 - 39%	n/a	n/a	n/a
		40 - 59%	n/a	n/a	n/a
		60 - 79%	n/a	n/a	n/a
		80 - 100%	n/a	n/a	n/a

[AR70]	Reporting model to cover collective bargaining and social dialogue				
	Company/ Subsidiary	Coverage rate (%)	Collective bargaining coverage		Social dialogue
			Employees – EEA (for countries with >50 employees representing >10 % of total Workers)	Employees – Outside the EEA (estimate for regions with >50 employees representing >10 % of total Workers)	Workplace representation (EEA only) (for countries with >50 employees representing >10 % of total Workers)
	Triangle's	0 - 19%	Portugal	n/a	n/a
		20 - 39%	n/a	n/a	n/a
		40 - 59%	n/a	n/a	n/a
		60 - 79%	n/a	n/a	n/a
		80 - 100%	n/a	n/a	n/a
	Holdings	0 - 19%	n/a	n/a	n/a
		20 - 39%	n/a	n/a	n/a
		40 - 59%	n/a	n/a	n/a
		60 - 79%	n/a	n/a	n/a
		80 - 100%	n/a	n/a	n/a
	Semapa Group	0 - 19%	n/a	United Kingdom and Mozambique	n/a
		20 - 39%	n/a	n/a	n/a
		40 - 59%	n/a	n/a	n/a
		60 - 79%	n/a	n/a	n/a
		80 - 100%	Portugal	Brazil, Tunisia and Lebanon	Portugal and Spain

Secil Note: Although all Employees are covered by collective bargaining, there are more structured working conditions (e.g. general increase), which are determined by a broader collective agreement (and more favourable to workers). Temporary employees are usually hired by service providers and are therefore not covered by these contracts (collective bargaining). [S1.61; S1.62; S1.63b]
ETSA Note: The number of workers who are covered by a collective bargaining agreement are 17 (Tribérica company). There are no workers' representatives in any of the ETSA companies.
Triangle's Note: Triangle's employees are not covered by collective bargaining agreements. [S1.63b]
Holdings Note: Semapa employees are not covered by collective bargaining agreements. [S1.63b]

DIVERSITY METRICS (S1-9)

[S1.66a]	Gender distribution at senior management level (number)		
	Company/Subsidiary	Employees at senior management level (number)	2024
S1-9-002	**Navigator**	Male	870
S1-9-003		Female	535
S1-9-004		Others	0
S1-9-005		Not disclosed	0
S1-9-001		**Total**	**1 405**
S1-9-002	**Secil**	Male	121
S1-9-003		Female	26
S1-9-004		Others	**0**
S1-9-005		Not disclosed	**0**
S1-9-001		**Total**	**147**
S1-9-002	**ETSA**	Male	**5**
S1-9-003		Female	1
S1-9-004		Others	0
S1-9-005		Not disclosed	0
S1-9-001		**Total**	**6**

[S1.66a]	Gender distribution at senior management level (number)		
	Company/Subsidiary	Employees at senior management level (number)	2024
S1-9-002	**Triangle's**	Male	**16**
S1-9-003		Female	7
S1-9-004		Others	0
S1-9-005		Not disclosed	0
S1-9-001		**Total**	**23**
S1-9-002	**Holdings**	Male	9
S1-9-003		Female	8
S1-9-004		Others	0
S1-9-005		Not disclosed	0
S1-9-001		**Total**	17
S1-9-002	**Semapa Group**	Male	1 021
S1-9-003		Female	577
S1-9-004		Others	0
S1-9-005		Not disclosed	0
S1-9-001		**Total**	1 598

Navigator Note: In the data presented, employees in qualified roles were considered as senior managers, excluding all operational technicians and supervisors working on the factory floor [AR71].
Secil Note: In the data presented, employees with this designation were considered as senior staff (Senior Management) and Managers (Managers) [AR71].
Triangle's Note: The two levels below the management positions (i.e., N1, N2 and N3) were considered. [AR71].
Holdings Note: The same CSRD definition of "senior management level" was used. [AR71]

[S1.66a]	Gender distribution at senior management level (number)		
	Company/Subsidiary	Gender distribution at senior management level (%)	2024
S1-9-006	**Navigator**	Male	61.92%
S1-9-007		Female	38.08%
S1-9-008		Others	0.0%
S1-9-009		Not disclosed	0.0%
S1-9-006	**Secil**	Male	82.30%
S1-9-007		Female	17.70%
S1-9-008		Others	0.0%
S1-9-009		Not disclosed	0.0%
S1-9-006	**ETSA**	Male	83.33%
S1-9-007		Female	16.67%
S1-9-008		Others	0.0%
S1-9-009		Not disclosed	0.0%
S1-9-006	**Triangle's**	Male	83.33%
S1-9-007		Female	16.67%
S1-9-008		Others	0.0%
S1-9-009		Not disclosed	0.0%
S1-9-006	**Holdings**	Male	69.57%
S1-9-007		Female	30.43%
S1-9-008		Others	0.0%
S1-9-009		Not disclosed	0.0%
S1-9-006	**Semapa Group**	**Male**	**63.89%**
S1-9-007		**Female**	**36.11%**
S1-9-008		**Others**	**0.00%**
S1-9-009		**Not disclosed**	**0.00%**

[S1.66b]	Distribution of workers by age group		
	Company/Subsidiary	**Number of workers**	**2024**
S1-9-010	**Navigator**	< 30 years of age	559
S1-9-011		30-50 years old	2 448
S1-9-012		> 50 years old	958
S1-9-010	**Secil**	< 30 years of age	294
S1-9-011		30-50 years old	1 446
S1-9-012		> 50 years old	833
S1-9-010	**ETSA**	< 30 years of age	37
S1-9-011		30-50 years old	175
S1-9-012		> 50 years old	117
S1-9-010	**Triangle's**	< 30 years of age	72
S1-9-011		30-50 years old	148
S1-9-012		> 50 years old	42
S1-9-010	**Holdings**	< 30 years of age	6
S1-9-011		30-50 years old	29
S1-9-012		> 50 years old	8
S1-9-010	**Semapa Group**	**< 30 years of age**	**968**
S1-9-011		**30-50 years old**	**4 246**
S1-9-012		**> 50 years old**	**1 958**

Triangle's Note: No information on temporary workers or interns was included in the information on age groups, since that these employees are not directly part of the permanent staff.

ADEQUATE WAGES (S1-10)

At Navigator, in all countries where it operates, it ensures that the wages paid are fair and adequate, ensuring that they are above the minimum wage established in each country [S1.69].

In the case of Secil, all employees earn above the national minimum wage in each geography. [S1.69] This information does not consider non-salaried workers, since it has no control over their wages. However, Secil is confident that legal compliance by its providers is ensured, namely through respect for the national minimum wage.

ETSA and Triangle's pay a salary above the national minimum wage. This is appropriate to the role, training and experience of each employee, subject to annual salary reviews.

In the case of Holdings, all salaried employees receive an adequate salary, in accordance with the *benchmark* from Mercer. [S1.69]

TRAINING AND SKILLS DEVELOPMENT METRICS (S1-13)

	Percentage of employees who participated in regular performance and career development reviews (%)		
	Company/Subsidiary	**Gender**	**2024**
S1-13-002	**Navigator**	Male	92%
S1-13-003		Female	89%
S1-13-004		Others	0%
S1-13-005		Not disclosed	0%
S1-13-002	**Secil**	Male	95%
S1-13-003		Female	99%
S1-13-004		Others	0%
S1-13-005		Not disclosed	0%

	Percentage of employees who participated in regular performance and career development reviews (%)		
	Company/Subsidiary	**Gender**	**2024**
S1-13-002	**ETSA**	Male	100%
S1-13-003		Female	100%
S1-13-004		Others	0%
S1-13-005		Not disclosed	0%
S1-13-002	**Triangle's**	Male	100%
S1-13-003		Female	100%
S1-13-004		Others	0%
S1-13-005		Not disclosed	0%
S1-13-002	**Holdings**	Male	100%
S1-13-003		Female	100%
S1-13-004		Others	0%
S1-13-005		Not disclosed	0%
S1-13-002	**Semapa Group**	Male	83%
S1-13-003		Female	84%
S1-13-004		Others	0%
S1-13-005		Not disclosed	0%

Navigator Note: The data presented for 2024 regarding the Performance Evaluation relates to 2023, since the 2024 Performance Management Cycle has not yet been finalized. All Employees in Portugal, Mozambique and International Offices were considered, excluding the Tissue units in Ejea, nor Tissue in the United Kingdom.
Employees who had their performance evaluated in 2023 were appraised once in the relevant year [AR77a], in accordance with the agreed number of revisions [AR77b].
Secil Note: Annual bonuses are linked to performance assessments. Therefore, all eligible employees are subject to this review. The percentage of employees who are not assessed is explained by the fact that they are not eligible for bonuses, which is due to the date they joined Secil, or the type of contract signed. [AR77a | AR77b]
Holdings Note: The ratio of reviews to the agreed number of reviews is 2 per year [AR77b]

	Average number of training hours per employee		
	Company/Subsidiary	**Gender**	**2024**
S1-13-049	**Navigator**	Male	100
S1-13-050		Female	64
S1-13-051		Others	0
S1-13-052		Not disclosed	0
		Total average number of training hours per worker	**93**
S1-13-049	**Secil**	Male	18.34
S1-13-050		Female	30.22
S1-13-051		Others	0
S1-13-052		Not disclosed	0
		Total average number of training hours per worker	**19.94**
S1-13-049	**ETSA**	Male	n.a.
S1-13-050		Female	n.a.
S1-13-051		Others	0
S1-13-052		Not disclosed	0
		Total average number of training hours per worker	**26.33**

	Average number of training hours per employee		
	Company/Subsidiary	**Gender**	**2024**
S1-13-049	**Triangle's**	Male	18.9
S1-13-050		Female	12.18
S1-13-051		Others	0
S1-13-052		Not disclosed	0
		Total average number of training hours per worker	**15.54**
S1-13-049	**Holdings**	Male	73.83
S1-13-050		Female	108
S1-13-051		Others	0
S1-13-052		Not disclosed	0
		Total average number of training hours per worker	**95.29**
S1-13-049	**Semapa Group**	Male	52.77
S1-13-050		Female	53.6
S1-13-051		Others	0
S1-13-052		Not disclosed	0
		Total average number of training hours per worker	**52.92**

Navigator Note: Navigator Note: The data presented represents the total training hours for 2024, considering the number of employees on the last day of the corresponding year. For the year 2024, a total of 3 519 Employees were considered, 684 female and 2 835 male, which corresponds to all national and international Employees except the Tissue unit in the United Kingdom.
In the case of the Tissue unit in Ejea, only e-learning training registered on the Learning Center portal was considered, excluding training hours carried out locally.
Secil Note: For these values, a total of 2 573 employees were considered, of which 2 226 were men and 347 were women, and a total of 51 314 hours of training were provided. In the case of men, 40 828 and in the case of women, 10 486.
ETSA Note: Recorded 8 663 hours of training, however these records are not differentiated between men and women.

HEALTH AND SAFETY METRICS (S1-14)

[S1.88a]	Percentage of workers covered by a health and safety management system		
	Company/Subsidiary		**2024**
S1-14-001	**Navigator**	Labour	75%
S1-14-002		Employees	78%
S1-14-003		Non-employees	28%
S1-14-001	**Secil**	Labour	100%
S1-14-002		Employees	100%
S1-14-003		Non-employees	100%
S1-14-001	**ETSA**	Labour	100%
S1-14-002		Employees	100%
S1-14-003		Non-employees	100%
S1-14-001	**Triangle's**	Labour	100%
S1-14-002		Employees	100%
S1-14-003		Non-employees	0%
S1-14-001	**Holdings**	Labour	100%
S1-14-002		Employees	100%
S1-14-003		Non-employees	0%
S1-14-001	**Semapa Group**	Labour	**88%**
S1-14-002		Employees	**88%**
S1-14-003		Non-employees	**89%**

Navigator Note: The data presented refer to the OHS Management System in Portugal and Navigator Tissue Ejea, certified in accordance with the ISO 45001 standard. It should be noted that the organization has a set of activities, namely Forest Management, Timber Supply and RAIZ, which are not within the scope of the ISO 45001 standard. However, the activities developed in these areas follow the same principles and procedures. This indicator does not include the geographies of Mozambique and the United Kingdom.
ETSA Note: A health and safety management system is not implemented in the company, so the percentage of workers covered by this is 0%.

It should be noted that, at Navigator, there is a set of activities, namely Forest Management, Wood Supply and RAIZ, which are not covered by the ISO 45001 standard. However, the activities carried out in these areas follow the same principles and procedures.

During the period under review there were no fatalities to be recorded in the operations of any of the subsidiaries. [S1.88b]

[S1.88c and AR83]	**Work-related accidents**		
	Company/Subsidiary		**2024**
S1-14-017	**Navigator**	**Portugal and Spain**	
S1-14-018		Labour	159
S1-14-019		Employees	149
		Non-employees	10
S1-14-017		**Mozambique**	
S1-14-018		Labour	25
S1-14-019		Employees	15
		Non-employees	10
	Secil	Labour	62
		Employees	39
		Non-employees	23
	ETSA	Labour	23
		Employees	21
		Non-employees	2
	Triangle's	Labour	7
		Employees	7
		Non-employees	0
	Holdings	Labour	2
		Employees	2
		Non-employees	0
	Semapa Group	Labour	**278**
		Employees	**233**
		Non-employees	**45**

Note: During the period under review there were no fatalities to be recorded in the operations of any of the subsidiaries. [S1.88b].

[S1.88c]	**Work accidents (by 1 000 000 hours)**		
	Company/Subsidiary		**2024**
S1-14-020	**Navigator**	**Portugal and Spain**	
S1-14-021		Labour	28.6
S1-14-022		Employees	27.8
		Non-employees	50.6
S1-14-020		**Mozambique**	
S1-14-021		Labour	12.15
S1-14-022		Employees	8.67
		Non-employees	30.56

[S1.88c]	Work accidents (by 1 000 000 hours)		
	Company/Subsidiary		**2024**
S1-14-020	**Secil**	Labour	6.84
S1-14-021		Employees	7.96
S1-14-022		Non-employees	5.52
S1-14-020	**ETSA**	Labour	30.88
S1-14-021		Employees	35.98
S1-14-022		Non-employees	12.42
S1-14-020	**Triangle's**	Labour	13.36
S1-14-021		Employees	13.36
S1-14-022		Non-employees	0.0
S1-14-020	**Holdings**	Labour	27.45
S1-14-021		Employees	27.45
S1-14-022		Non-employees	0.0
S1-14-020	**Semapa Group**	Labour	15.42
S1-14-021		Employees	17.69
S1-14-022		Non-employees	9.27

Navigator Note: The data presented refer to activities carried out in Portugal, Spain and Mozambique, while in the remaining geographies the company is still in the information integration phase.
For Portugal and Spain, the number of hours worked for salaried workers was considered from the records in the company's information system. The hours worked for non-salaried workers are estimated based on the number of employees who enter the reception areas and whose access is recorded in the computer system, if they work an average of 8 hours per day. In the case of forestry areas, there is a register and control dedicated to this information collection. The Project Management has its own information collection system, which is recorded by local teams [AR90].
In Mozambique, the accounting of hours worked was carried out in a disaggregated manner for the three groups considered: Number of employees; Individual Service Providers (ISP) and Occasional Work. For each of these groups, the methodology applied was the following [AR90]:
• Staff: (Number of working days per month x 8h) x number of staff – days of absence of employees in this category
• Individual Service Providers: Number of working hours per month x number of PSIs
• Worksheets (days worked) collected by the operational team and which give rise to payment.
ETSA Note: The number of hours worked considers the potential hours worked, plus overtime and subtracting vacations and hours not worked.

	Number of confirmed occupational diseases		
	Company/Subsidiary	**Gender**	**2024**
	Navigator	**Work-related illnesses**	
S1-14-023		Employees	4
S1-14-024		Non-employees	0
	Secil	**Work-related illnesses**	
S1-14-023		Employees	5
S1-14-024		Non-employees	0
	ETSA	**Work-related illnesses**	
S1-14-023		Employees	1
S1-14-024		Non-employees	0
	Triangle's	**Work-related illnesses**	
S1-14-023		Employees	1
S1-14-024		Non-employees	0
	Holdings	**Work-related illnesses**	
S1-14-023		Employees	0
S1-14-024		Non-employees	0
	Semapa Group	**Work-related illnesses**	11
S1-14-023		Employees	11
S1-14-024		Non-employees	0

Navigator Note: The data presented relate to activities in Portugal and Mozambique, with no work-related illnesses recorded in the latter region.

	Number of days lost due to work-related injuries and deaths due to work-related accidents, work-related health problems and deaths from illness in employees		
	Company/Subsidiary	**Gender**	**2024**
	Navigator	**Portugal and Spain**	
S1-14-025		Employees	2187
S1-14-026		Non-employees	0
		Mozambique	
S1-14-025		Employees	0
S1-14-026		Non-employees	20
S1-14-025	**Secil**	Employees	1 990
S1-14-026		Non-employees	880
S1-14-025	**ETSA**	Employees	489
S1-14-026		Non-employees	34
S1-14-025	**Triangle's**	Employees	441
S1-14-026		Non-employees	0
S1-14-025	**Holdings**	Employees	27
S1-14-026		Non-employees	0
S1-14-025	**Semapa Group**	Employees	5 134
S1-14-026		Non-employees	934

Navigator Note: In Mozambique, the 20 days of sick leave indicated for the year 2024 were the result of one (the only) accident with sick leave that occurred in 2024 involving an external worker (from a forestry service provider).
Secil Note: The figure for the number of days lost due to work-related injuries and deaths due to work-related accidents does not include work-related health problems for both salaried and non-salaried workers.
ETSA Note: The days lost are due to work accidents.

WORK-LIFE BALANCE METRICS (S1-15)

	Percentage of workers entitled to family leave (%)		
	Company/Subsidiary		**2024**
S1-15-001	**Navigator**	Employees	100%
S1-15-001	**Secil**	Employees	92%
S1-15-001	**ETSA**	Employees	100%
S1-15-001	**Triangle's**	Employees	100%
S1-15-001	**Holdings**	Employees	100%
S1-15-001	**Semapa Group**	Employees	97%

	Percentage of workers entitled to and using family leave (%)		
	Company/Subsidiary		**2024**
S1-15-003	**Navigator**	Male	6%
S1-15-004		Female	8%
S1-15-005		Others	0%
S1-15-006		Not disclosed	0%
S1-15-002		**Total**	**7%**
S1-15-003	**Secil**	Male	3%
S1-15-004		Female	5%
S1-15-005		Others	0%
S1-15-006		Not disclosed	0%
S1-15-002		**Total**	**3%**

	Percentage of workers entitled to and using family leave (%)		
	Company/Subsidiary		**2024**
S1-15-003	**ETSA**	Male	0%
S1-15-004		Female	10%
S1-15-005		Others	0%
S1-15-006		Not disclosed	0%
S1-15-002		**Total**	**2%**
S1-15-003	**Triangle's**	Male	0%
S1-15-004		Female	0%
S1-15-005		Others	0%
S1-15-006		Not disclosed	0%
S1-15-002		**Total**	**0%**
S1-15-003	**Holdings**	Male	0%
S1-15-004		Female	7%
S1-15-005		Others	0%
S1-15-006		Not disclosed	0%
S1-15-002		**Total**	**5%**
S1-15-003	**Semapa Group**	Male	5%
S1-15-004		Female	7%
S1-15-005		Others	0%
S1-15-006		Not disclosed	0%
S1-15-002		**Total**	**5%**

Navigator Note: The information presented concerns employees of companies in Portugal, Mozambique and Ejea, and parental, paternity, maternity and family assistance leave were considered for the calculation. 100% of these employees are entitled to family assistance leave.
Secil Note: The information presented concerns Secil employees from all geographies. Family support leave starting in 2024 was considered for the calculation.

COMPENSATION METRICS (PAY GAP AND TOTAL COMPENSATION) (S1-16)

	Gender pay gap (%)		
	Company/Subsidiary		**2024**
S1-16-001	**Navigator**	Total	2%
S1-16-001	**Secil**	Total	29%
S1-16-001	**ETSA**	Total	20%
S1-16-001	**Triangle's**	Total	28%
S1-16-001	**Holdings**	Total	67%
S1-16-001	**Semapa Group**	Total	15%

Navigator Note: To calculate the pay gap between men and women, only regular monthly remuneration as of 31/12/2024 was considered (which includes base pay, remuneration for exemption from working hours (IHT), additional remuneration, shift allowance and performance of duties) [S1.97c].
Secil Note 1: To calculate the pay gap between men and women, only regular monthly remuneration as of 31/12/2024 was considered (which includes base pay, remuneration for exemption from working hours (IHT), additional remuneration, shift allowance and performance of duties) [S1.97c].
Secil Note 2: All geographies were considered, except for the Netherlands, where it was not possible to determine the values of the 3existing employees.
ETSA Note: For the calculation, the items base salary and exemption from working hours were considered.
Triangle's Note: All categories are being considered. The night shift allowance, time bank payment and meal allowance are being considered as complementary or variable components included.

INCIDENTS, COMPLAINTS AND SERIOUS IMPACTS AND INCIDENTS OF DISRESPECT FOR HUMAN RIGHTS (S1-17)

	Incidents, complaints and serious impacts and incidents of disrespect for human rights		
	Company/Subsidiary		**2024**
[S1.103a] S1-17-001	**Navigator**	Total number of work-related discrimination incidents, including harassment in the reporting period	1
[S1.103b] S1-17-002		Number of complaints submitted by Employees through the grievance reporting channels	37
[S1.103c] S1-17-003		Fines, sanctions and compensation for damages (€)	0
[S1.104a] S1-17-04		Number of serious human rights incidents related to the Company's workforce	0
[S1.104b] S1-17-05		Total amount of fines, sanctions and compensation for damages caused by serious human rights incidents related to the Company's workforce (€)	0
[S1.106] S1-17-06		Number of serious human rights incidents in which the Company played a role in ensuring redress for those affected	0
[S1.103a] S1-17-001	**Secil**	Total number of work-related discrimination incidents, including harassment in the reporting period	5
[S1.103b] S1-17-002		Number of complaints submitted by Employees through the grievance reporting channels	13
[S1.103c] S1-17-003		Fines, sanctions and compensation for damages (€)	0
[S1.104a] S1-17-04		Number of serious human rights incidents related to the Company's workforce	0
[S1.104b] S1-17-05		Total amount of fines, sanctions and compensation for damages caused by serious human rights incidents related to the Company's workforce (€)	0
[S1.106] S1-17-06		Number of serious human rights incidents in which the Company played a role in ensuring redress for those affected	0
[S1.103a] S1-17-001	**ETSA**	Total number of work-related discrimination incidents, including harassment in the reporting period	0
[S1.103b] S1-17-002		Number of complaints submitted by Employees through the grievance reporting channels	0
[S1.103c] S1-17-003		Fines, sanctions and compensation for damages (€)	0
[S1.104a] S1-17-04		Number of serious human rights incidents related to the Company's workforce	0
[S1.104b] S1-17-05		Total amount of fines, sanctions and compensation for damages caused by serious human rights incidents related to the Company's workforce (€)	0
[S1.106] S1-17-06		Number of serious human rights incidents in which the Company played a role in ensuring redress for those affected	0

	Incidents, complaints and serious impacts and incidents of disrespect for human rights		
	Company/Subsidiary		**2024**
[S1.103a] S1-17-001	**Triangle's**	Total number of work-related discrimination incidents, including harassment in the reporting period	0
[S1.103b] S1-17-002		Number of complaints submitted by Employees through the grievance reporting channels	0
[S1.103c] S1-17-003		Fines, sanctions and compensation for damages (€)	0
[S1.104a] S1-17-04		Number of serious human rights incidents related to the Company's workforce	0
[S1.104b] S1-17-05		Total amount of fines, sanctions and compensation for damages caused by serious human rights incidents related to the Company's workforce (€)	0
[S1.106] S1-17-06		Number of serious human rights incidents in which the Company played a role in ensuring redress for those affected	0
[S1.103a] S1-17-001	**Holdings**	Total number of work-related discrimination incidents, including harassment in the reporting period	0
[S1.103b] S1-17-002		Number of complaints submitted by Employees through the grievance reporting channels	0
[S1.103c] S1-17-003		Fines, sanctions and compensation for damages (€)	0
[S1.104a] S1-17-04		Number of serious human rights incidents related to the Company's workforce	0
[S1.104b] S1-17-05		Total amount of fines, sanctions and compensation for damages caused by serious human rights incidents related to the Company's workforce (€)	0
[S1.106] S1-17-06		Number of serious human rights incidents in which the Company played a role in ensuring redress for those affected	0
[S1.103a] S1-17-001	**Semapa Group**	Total number of work-related discrimination incidents, including harassment in the reporting period	6
[S1.103b] S1-17-002		Number of complaints submitted by Employees through the grievance reporting channels	50
[S1.103c] S1-17-003		Fines, sanctions and compensation for damages (€)	0
[S1.104a] S1-17-04		Number of serious human rights incidents related to the Company's workforce	0
[S1.104b] S1-17-05		Total amount of fines, sanctions and compensation for damages caused by serious human rights incidents related to the Company's workforce (€)	0
[S1.106] S1-17-06		Number of serious human rights incidents in which the Company played a role in ensuring redress for those affected	0

Navigator Note: The total number of incidents of work-related discrimination, including cases of harassment and complaints, reported by the Compliance Area, result from the Whistleblower Channel (see section S1-3). The channel is intended for reporting irregularities by Employees, Suppliers, Customers, Service Providers, Local Communities or any other interested parties, and is accessible via the website and Intranet [S1.103d]. Portucel Moçambique has a specific document for managing complaints from communities: the Complaints Management Mechanism [S1.103d]. The total number of incidents of work-related discrimination, including harassment, corresponds to the substantiated complaints received by the Compliance Area through the Whistleblower Channel during 2024. The number of complaints filed by employees through the channels for reporting concerns reflects the total number of complaints received by the same Channel throughout 2024, which includes issues other than those relating to Human Rights.
There were no confirmed cases of serious human rights incidents in 2024.
Triangle's Note: There were no complaints to the company or through the whistleblower channel, nor were any discriminatory behaviours identified.
Holding Note: To our knowledge, there were no incidents of work-related discrimination, including harassment, reported in the reporting period. To our knowledge, there were no fines, penalties and damages awards resulting from violations of work-related discrimination and harassment. To our knowledge, there were no serious human rights incidents related to the company's workforce.

4.1.3.2 WORKERS IN THE VALUE CHAIN - S2

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2 SBM-3)

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Failure to comply with workplace safety rules and procedures can negatively impact the health and safety of workers.		Negative impact	-	Own Operations and upstream	Health and Safety
The training and improvement of the skills of workers have a positive impact on their income.		Positive impact	-	Own Operations, upstream and downstream	Training and skills development
Ensuring all workers have access to hygiene, sanitation and drinking water has an impact on health of workers in the value chain.		Positive impact	-	Own Operations	Water and sanitation

Note: the material impacts identified are real and therefore do not have a time horizon associated with them.

The industrial nature of the Semapa Group subsidiaries entails risks to Occupational Health, Safety and Well-being (OSH), affecting various types of workers in the value chain, including direct employees, workers of suppliers, service providers and partners. [SBM-3-S2.11a] Aware of this reality, the Group's companies invest in safe working conditions, prevention and training, promoting a culture of safety.

These companies do not operate in geographies or for products where there is a significant risk of child, forced, or compulsory labour among workers in the company's value chain. Nevertheless, Triangle's conducts rigorous assessments and periodic audits of its suppliers to ensure that it does not contribute to this risk. [SBM-3-S2.11b]

The material negative impacts identified in the various subsidiaries are, for the most part, of a widespread or systemic nature, except in the case of Triangle's, where only widespread impacts are observed. [SBM-3-S2.11c]

Triangle's also identifies several opportunities for the company, resulting from the impacts and dependencies on workers in the value chain. In the short term, it identifies in its own workforce the opportunity to improve working conditions and remuneration, through the payment of attractive salaries and the granting of non-monetary benefits. These measures contribute to employee satisfaction, promoting their retention and increasing productivity. In the long term, it identifies consumers and end users, downstream, regarding access to quality information given the certification of products and/or services that can reinforce the credibility, commitment and reputation of the company. [SBM-3-S2.11e]

Secil and Triangle's, unlike Navigator, identified workers with specific characteristics or inserted in a particular context who, when performing functions in the value chain, face an increased risk of harm, according to the impacts and risks determined in the materiality assessment. [SBM-3-S2.12]

In addition, subsidiaries such as Navigator and Secil are committed to implementing and certifying OSH Management Systems in accordance with the ISO 45001 standard, while occupational health and well-being practices are reinforced within the various companies. Since 2017, the Sustainability Committee has set up a Working Group dedicated to OSH, with the aim of monitoring trends, defining priorities and aligning practices. between companies. This Group was initiated by the Health and Safety at Work managers of Secil and Navigator, with the integration of ETSA in 2020, UTIS in 2023 and Triangle's in 2024.

The real impacts, identified in the table presented and which affect workers in the value chain– particularly regarding safety – are intrinsically linked to the strategy and business model of the Semapa Group companies. To mitigate these risks, the Group's subsidiaries establish strict criteria and specific policies, implementing a monitoring system, providing Personal Protective Equipment (PPE) and promoting safety certifications and training. These measures ensure the identification, management and mitigation of impacts, protecting the workforce, both direct and indirect workers.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO VALUE CHAIN WORKERS (S2-1, MDR-P)

The subsidiaries Navigator, Secil, Triangle's and ETSA of the Semapa Group have a set of policies aimed at ensuring the well-being and protection of workers in the value chain. The main policies, common to various companies, are the **Human Rights Policy**, the **Code of Conduct for Suppliers** and **Systems Management Policy**. [S2-1.16] [S2-1. ESRS2.65a] [S2-1.19]

These policies ensure compliance with the principles, rights and duties established by international instruments such as the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. [S2-1.19]

PULP AND PAPER SEGMENT

In line with the principles by which Navigator is governed, it is committed to promoting responsible conduct throughout its value chain. Navigator's main policies that cover workers in the value chain are: **Human Rights Policy**; **Supplier Codes of Conduct**; **Serious Accident Prevention Policy**; **Systems Management Policy**; **Forestry Policies**. These documents apply to all those who carry out their activity along the value chain. In addition, as a complementary document, there is the **Good Practice Guide for Service Providers and Occasional Workers**, which establishes the principles, rights and duties duly aligned with ILO Performance Standard 2 – on the elimination of forced or compulsory labour, specifically aimed at Forestry Service Providers and occasional employees recruited in the communities where Portucel Mozambique operates. [ESRS2.65a] [S2.16]

In developing these policies, intergovernmental reference documents were considered, including the United Nations Guiding Principles on Business and Human Rights, the Fundamental Conventions of the International Labour Organization and the OECD Guidelines for Multinational companies, in addition to the ISO standards that support the company's Systems Management Policy. [ESRS2.65d] [S2.19]

The **Human Rights Policy** assumes specific commitments aimed at workers in the value chain, namely: encouraging the different levels of The Navigator Company's value chains to observe human rights and labour rights, namely through appropriate contractual standards that encourage the adoption of necessary preventive and corrective measures and the transparent treatment of information regarding possible violations of human or labour rights, as well as the assessment of respective compliance in these matters. This commitment is also included in the matrix of responsibilities associated with the governance model of the Human Rights Policy.

Also the **Supplier Code of Conduct** refers to workers in the value chain, in particular [ESRS2.65a] [S2.16] [S2.17]:
(1) compliance with applicable laws and regulations; (2) respect for and promotion of human rights;
(3) non-discrimination; (4) working hours; (5) health and safety; (6) freedom of association and collective bargaining; (7) environmental practices.

Regarding the respect and promotion of Human Rights, it is worth highlighting that Navigator respects universal Human Rights in its operations and promotes their implementation within its sphere of influence and therefore expects its suppliers to do the same. The Code expresses the prohibition of child or forced labour of any kind, respect for the personal dignity, privacy and personal rights of everyone must be respected and also states that all workers of Navigator suppliers must not be subject to physical punishment or physical, sexual, psychological or verbal abuse or harassment. [S2.17]

In order to reinforce this commitment, Navigator has implemented a **Third Party Integrity Verification System**, now including Compliance clauses in contracts signed with Suppliers, through which it ensures the adoption of various criteria – namely in matters prevention of corruption and related offences, prevention of money laundering and terrorist financing, compliance with international sanctions and which includes, among others, the protection of Human Rights.

In this context, it is important to highlight that during 2024, no cases of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises involving workers in the value chain were reported through the channels available for this purpose. [S2.19]

The following information is included by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Human Rights Policy and Supplier Code of Conduct: Chap. 4.1.4.1.
- Presentation of the Systems Management Policy: Chap. 4.1.2.5.
- Presentation of the Serious Accident Prevention Policy: Chap. 4.1.3.1.
- Presentation of Forest Policies: Chap. 4.1.2.4.

CEMENT SEGMENT

Secil has a **Health and Safety Policy**, designed to ensure the well-being and protection of all workers, including workers in the value chain, a **Human Rights Policy** and a **Supplier Code of Conduct** that addresses issues such as worker safety, precarious work, the traffic of beings humans, the work forced and the work childish. [S2-1.16] [S2-1.ESRS2.65a] [S2-1.19]

The **Health and Safety Policy** adopted by Secil, which covers all workers in the value chain, including contract workers [S2.16] [S2-1ESRS2.65], has been developed to ensure the well-being and protection of all involved. This policy includes comprehensive safety procedures, clear guidelines for the use of PPE, regular safety training and strict adherence to regulatory requirements.

The company ensures that its **Health and Safety Policy** is accessible and understood by all stakeholders through various communication channels, including face-to-face interactions and the support of employee representatives, who facilitate the dissemination of information. The policy is also prominently displayed in various locations throughout the premises to ensure visibility and easy access to all employees. In addition, and to ensure that there are no barriers to understanding, the policy is translated into relevant languages, allowing employees of different nationalities to effectively understand its implications. [S2-1.AR16]

Additionally, there is a **Policy of Human Rights** which is aligned with internationally recognized instruments, such as the United Nations Guiding Principles on Business and Human Rights (UNGPs), in various ways (Chap. 4.1.4.1.).

In 2024, no cases of non-compliance in the value chain were reported based on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. [S2-1.19]

The **Supplier Code of Conduct**, which covers suppliers' workers [S2.16] [ESRS 2.65], clearly sets out provisions, aligned with several international principles, that address workers' health and safety, precarious work, human trafficking, forced and/or child labour, freedom of association and non-retaliation, non-discrimination, management of environmental impacts, compliance with environmental regulations, and transparency and integrity. [S2-1.17] [S2-1.19] Although not is explicitly mentioned, the code is considered to be in line with the ILO Declaration on Fundamental Principles and Rights at Work. [S2-1.19]

The **Supplier Code of Conduct** requires suppliers to ensure safe and healthy working conditions and workplaces for their employees and contractors, and to comply fully with local and national laws and regulations on occupational health and safety. They must also hold all permits, licenses and permissions required by the competent authorities and ensure that adequate safety measures are in place to protect workers operating on their premises. The Code also reinforces the importance of ensuring fair and decent working conditions: workers must be paid at least the minimum wage established by national law and have access to social security schemes in accordance with applicable legal standards. In countries where there is no legal minimum wage, suppliers are encouraged to remunerate workers taking into account the general level of wages, the cost of living, social security benefits and relative living standards. [S2-1.17] [S2-1.19]

This code expressly prohibits any form of forced or involuntary labour under threat of sanctions, including imposed overtime, human trafficking, debt bondage, forced prison labour, slavery, or servitude. Additionally, suppliers may not withhold identification documents from migrant workers, and the employment of children under compulsory school age is prohibited, and minors under the age of 18 or below the legal minimum age are not hired. [S2-1.17] [S2-1.19]

Finally, the code of conduct is sent to all suppliers together with purchase orders and, since the end of 2024, active acceptance of the code has become mandatory for all suppliers responding to requests for quotations. With these measures, Secil ensures that its suppliers comply with the stipulated rules. [S2-1.17]

Secil's **Health and Safety Policy** clearly reflects its commitment to achieving zero harm to its workers, contractors and communities. It is part of Secil's strategy for preventing accidents at work and responds to the ISO 18001 Health and Safety Standard and the IROs identified in this context [[ESRS 2.23; ESRS 2.65d].

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Supplier Code of Conduct Policy: Chap. 4.1.4.1.

- Presentation of the Health and Safety Policy: Chap. 4.1.3.1.

- Presentation of the Human Rights and Working Conditions Policy: Chap. 4.1.4.1.

OTHER BUSINESS SEGMENT – ETSA

ETSA aims to pursue a profitable business in the long term throughout its value chain and its own operations, in an ethical and responsible manner, considering human and social factors.

Likewise, all ETSA suppliers must comply with applicable regulations and standards to their operations and observe conscious practices in all locations where they operate. Thus, ETSA promotes a policy of commitment to employees:

- Respect for labour rights, particularly regarding the rejection of any form of forced work and child labour;

- Full respect for the right of association and representation;

- Promotion of prevention, health and safety for all employees, as well as their physical well-being and psychological;

- Continuous training programs that allow each employee to explore their potential;

- Monitoring and preparing employees to adapt to the demands of their jobs of the future.

ETSA also seeks to promote the progressive extension of the rights and principles contained in these points to the respective value chain and to their products and services. The two tables below illustrate the policies from Semapa specifically related to workers in the value chain.

Document [S2-16 e ESRS 2.65a]	Criteria for Sustainable Action
Key Contents and Objectives [ESRS2.65a]	Aims to reinforce its commitment to employees through labour rights, association and health and safety; the exploration of all circular economy opportunities in the company's value chain; the progressive extension of rights and principles contained in this Sustainable Action and the respective value chain and its products and services; insertion in the surrounding communities, promoting the improvement of your quality of life; among others...
Scope [ESRS2.65b]	Own operations and value chain
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Availability [ESRS2.65f]	-

ETSA respects universal human rights, as defined in the United Nations Universal Declaration of Human Rights, in its operations and promotes their implementation within its sphere of influence. [S2-1.16] [S2-1.19]

Like the other subsidiaries of the Group, ETSA has specific commitments on human rights, which are fundamental for workers in the value chain. These include the rejection of child labour and protection of young workers, prohibition of forced labour and modern slavery, combat harassment and discrimination, investment in training and development, respect for freedom of association and collective bargaining, as well as the safeguarding of safety and health at work. [S2-1.17] [S2-1.18]

The following information is included by reference to other parts of the Non-Financial Statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Human Rights Policy: Chap. 4.1.4.1.
- Presentation of the Code of Conduct for Suppliers: Chap. 4.1.4.1.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's also adopts the policies common to the other subsidiaries of the Semapa Group, which coverall workers in the value chain, including the **Supplier Code of Conduct**, the **Code of Conduct** and the **Human Rights and Working Conditions Policy**. [S2-1.16] [S2-1. ESRS2.65a]

These policies apply to the entire value chain in which Triangle's operates and were developed with the participation of various stakeholders, such as shareholders, service providers (lawyers) and internal employees. [S2-1. ESRS2.65e]. By implementing these policies, Triangle's undertakes to comply with various third-party standards and initiatives, namely ISO 9001:2015 – ISO 14001:2015 – ISO 45001:2018 – Sustainable Development Goals – United Nations 2030 Agenda – ASI. [S2-1. ESRS2.65d].

These policies are aligned with internationally recognized instruments, namely the United Nations (UN) Guiding Principles on Business and Human Rights. [S2-1.16] [S2-1.19]

Like the Group's other subsidiaries, Triangle's makes specific commitments on human rights that are essential for workers in the value chain. In the case of Triangle's, these commitments include: rejecting child labour and protecting young workers, prohibiting forced labour and modern slavery, combating harassment and discrimination, promoting inclusion, diversity, equity and a sense of belonging, ensuring fair wages and benefits, investing in training and development, respect for freedom of association and collective bargaining, working hours standards, as well as the safeguarding of safety and health at work. [S2-1.17] [S2-1.18]

The following information is included by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Conduct for Suppliers: Chap. 4.1.4.1.

- Presentation of the Code of Conduct: Chap. 4.1.4.1.

- Presentation of the Human Rights and Working Conditions Policy: Chap. 4.1.4.1.

PROCESSES FOR DIALOGUE WITH VALUE CHAIN WORKERS ABOUT IMPACTS (S2-2)

Dialogue processes with workers in the value chain, on real and potential impacts, are relevant as their perspectives can contribute to companies' decisions and initiatives in managing these impacts.

PULP AND PAPER SEGMENT

Engagement with workers across the value chain is essential to ensure actions that generate positive impacts and mitigate potential negative impacts. This engagement becomes particularly relevant when workers perform functions comparable to Navigator's operations, such as industrial and/or forestry operations. [S2-2]

Occupational Health and Safety issues are a priority for Navigator. The company's internal health and safety (OSH) program includes engagement with workers across the value chain. These workers must adopt the company's established occupational safety practices and comply with established standards and regulations. In addition, they must participate in Navigator safety training that addresses the company's specific safety requirements, as well as external training. [S2-2.22a]

Currently, Navigator does not have any global framework agreements or agreements with global trade union federations. [S2-2.22d]

Additionally, there is a **Whistleblower Channel** and consultations with workers are carried out (see next section). [S2-2.22a]

PROCESSES TO ADDRESS NEGATIVE IMPACTS AND CHANNELS FOR VALUE CHAIN WORKERS TO EXPRESS CONCERNS (S2-3)

The companies of the Semapa Group, Navigator, Triangle's and Secil, act diligently to correct the negative impacts caused by them, especially regarding health and safety. This approach aims not only to contribute to the remediation of these impacts, but also to provide various channels of communication so that workers in the value chain can express their concerns effectively.

PULP AND PAPER SEGMENT

The identified negative material impacts for workers in the value chain are related with health and safety. The overall approach to providing or contributing to the remediation of these material adverse impacts is based on a structured process of accountability and continuous improvement, in which the following processes are implemented: [S2-3.27a] [S2-3.33a]

- **Procedure for penalizing and declassifying accidents**: Whenever a service provider causes or contributes to a significant negative impact, a corrective action plan is required, which must be implemented by that service provider and monitored by the Navigator team. [S2-3.33b] [S2-3.23]

- **Monitoring and evaluation of implementation**: The Navigator team monitors the implementation of corrective measures to ensure that the causes of the incident are properly addressed and do not recur. [S2-3.33b] [S2-3.23]

- **Assessment of the effectiveness of the corrective measure**: if the implemented action does not prove to be effective, the provider may be suspended or excluded from the list of qualified providers, ensuring that only partners committed to safety are part of the value chain. [S2-3.33b] [S2-3.23]

In Mozambique, the first approach implemented is to ensure that all external workers, especially casual workers – whether hired by service providers or hired directly – have inclusive, fast and efficient communication channels with Navigator and vice versa.

Navigator has a complaints management mechanism that allows for individual monitoring and analysis of each situation, with a complaint only being considered resolved when the complainant signs their agreement with the solution presented. In the case of occasional field workers, complaints may be forwarded through technicians or Community Liaison Officers (Chap. 4.1.3.3.) – through the complaints management mechanism for local communities, since these workers are people residing in local communities – who, in turn, forward them to the Company through Communications Technicians, for analysis and resolution at Management level. This ensures that negative impacts are remedied, and the effectiveness of the processes implemented is assessed. [S2.27a] [S2.23]

In Portugal, an annual consultation is carried out with external workers on aspects of health and safety at work where, through a digital and anonymous questionnaire, strengths and development needs are identified in Navigator's SST [S2.27a] [S2.22e].

Additionally, Navigator has a **Whistleblower Channel** (Chap. 4.1.4.1.) which allows workers in the value chain to communicate all questions or concerns they may have. Personal data is treated confidentially and anonymously, ensuring protection against any type of reprisals that may arise. [S2.23]

The following information is included by reference to other parts of the non-financial statement: further information on the follow-up and monitoring of issues raised and addressed and ensuring the effectiveness of the Whistleblower Channel (Chapter 4.1.4.1.).

CEMENT SEGMENT

Secil's approach to health and safety in cases of material negative impact, such as an accident involving a contracted worker, follows a structured process that encompasses the treatment of the damage and the implementation of preventive measures. For each situation, different strategies are applied – from incident reporting, investigations, emergency response protocols, work permits, grievance mechanisms, safety audits and ongoing training – ensuring rapid corrective action, continuous improvement and incident reduction, with faster response times in emergencies and greater employee engagement in safety. By monitoring and improving these processes, the company reinforces a strong safety culture and ensures the well-being of internal and external workers. [S2-3.27a] [S2-3.33c]

The processes for providing or contributing to the repair of a material negative impact caused by the company vary, adopting different approaches depending on the situations that have occurred, such as: [S2-3.27a] [S2-3.33c]

· **First aid and immediate medical attention**: In case of an accident, first aid is provided and immediate medical attention to the affected contracted worker. Secil has established protocols to ensure that emergency services are activated when necessary, ensuring that workers receive appropriate care to minimize the impact of the injury.

· **Investigation and analysis of the cause of the accident**: A detailed investigation is conducted to determine the cause of the accident. This process involves analysing the safety procedures, equipment, training received and the actions that led to the incident. If the accident is attributed to failures in the company's health and safety practices or systems, corrective actions are implemented.

· **Remediation and compensation**: Depending on the severity of the incident, appropriate compensation or benefits, such as workers' compensation or medical support, are provided to the affected contract worker, ensuring that they receive the necessary support for their recovery and for any work-related loss of income.

· **Implementation of corrective measures**: To prevent future incidents, corrective measures are implemented, such as updating safety protocols, improving training or maintaining equipment. Contract workers and other employees are retrained if necessary and additional safety measures are introduced.

· **Communication with the affected worker**: Ongoing communication is maintained with the affected contract worker to ensure that their needs are met and that they receive the necessary support during the recovery process. If they are unable to return to work immediately, alternatives such as reassignment of duties or remote working may be considered.

· **Integrity Channel**: Managed by an external and independent entity, it allows irregularities occurring within the company to be reported (Chapter 4.1.4.1.). After receiving a report via the Integrity Channel, it is analysed confidentially and anonymously, initiating a process that may result in an investigation and the application of corrective measures. The whistleblower is notified of receipt and, within a reasonable period, informed of the developments. If it involves members of the integrity committees, the report is forwarded to the competent committee.

The efficiency of Secil's approach to Health and Safety is assessed based on the overall strategy and processes adopted and is monitored through the following actions: [S2-3.27a]

· **Monitoring recovery and reintegration**: Secil monitors the progress of the recovery of the affected contracted worker and their reintegration into work, ensuring that they are physically and mentally fit to resume their duties and their well-being is continuously monitored during this process.

· **Review of implementation of corrective actions**: After implementing corrective actions, Secil evaluates the effectiveness of these measures in reducing the risk of similar incidents in the future. This process is carried out through regular safety audits, worker feedback and metrics monitoring of security.

· ***Feedback* mechanism**: Contract workers are encouraged to provide feedback on the effectiveness of corrective actions and any other safety-related concerns. This ensures that remediation is not only reactive, but also proactive, helping to prevent recurrences.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's has been taking a proactive and transparent approach to addressing negative impacts materials about workers in its value chain. Where a company is identified as having caused or contributed to a negative impact, the company follows a structured process to remediate the situation, ensuring that remedial measures are implemented effectively, and that the effectiveness of these measures is continually evaluated. The process is structured in two parts, the **General Approach to Remediation** and the **Evaluation of the Effectiveness of Remedial Measures**. [S2-3.27a]

Triangle's General Approach to Repair follows these principles and steps:

i. **Identification of negative impact**: The company conducts continuous assessments of risks and impacts along the value chain through audits, consultations with workers, partners and suppliers, as well as monitoring working conditions. Negative impacts are identified as soon as a risk is detected, either through internal reports or through feedback from workers or partners.

ii. **Assessment and determination of the cause**: Once a negative impact has been identified, Triangle's conducts a detailed analysis to identify the source or cause of that impact, whether it is related to operational practices, safety issues or inadequate working conditions. This assessment includes investigation of specific circumstances, consultation with affected parties and review of practices in force.

iii. **Immediate corrective action**: The company takes immediate action to minimize or eliminate the negative impact identified. These actions may include:

   - **Improvements in working conditions**: Modification of working conditions or environments, such as improvements in ergonomics, provision of appropriate protective equipment, or changes in operational practices.

   - **Support for affected workers**: If workers have suffered negative impacts, the company offers support measures, including medical treatment, psychological support or even compensation, depending on the impact identified.

   - **Adjustments to production or safety processes**: If the impact is related to failures in safety processes or systems, Triangle's implements changes, such as the introduction of new safety protocols, additional training or equipment reviews.

   - **Communication and Transparency**: The company ensures that all relevant stakeholders, including workers, suppliers and interested parties, are informed of corrective actions taken. Transparency in communicating impacts and corrective actions is essential to ensure trust and continued commitment to workers' rights.

   - **Training and Awareness**: Triangle's reinforces ongoing training and awareness raising among workers and managers about the importance of health and safety, ethical practices and the responsibilities that everyone has in ensuring a safe working environment.

To ensure that the actions are truly effective and result in sustainable improvements, the company follows a structured process for Evaluating the Effectiveness of Corrective Measures:

i. **Continuous monitoring**: Triangle's maintains a system of continuous monitoring of the impacts and implementation of corrective measures. This includes conducting periodic audits, reviewing health and safety reports, and speaking with workers and suppliers to verify that the changes implemented are producing the desired results.

ii. **Feedback of the workers**: The company actively seeks feedback from affected workers and parties involved in the remediation process to assess the effectiveness of the measures. This can be done through interviews, satisfaction surveys or dialogue forums.

iii. **Performance indicators**: Triangle's develops key performance indicators (KPIs) to measure the effectiveness of corrective actions, such as reducing safety incidents, improving working conditions, and of work, or an increase in worker satisfaction and well-being.

iv. **External audits and consultancy**: In certain cases, Triangle's employs external audits to ensure an impartial assessment of the effectiveness of corrective measures. Specialist health, safety and wellbeing consultants may be engaged to conduct an independent review of working conditions and suggest further improvements if necessary.

v. **Additional adjustments**: If the assessment reveals that corrective measures were not sufficiently effective, Triangle's adjusts the approach, implementing new actions or modifying existing ones to ensure that the negative impacts are properly resolved.

ACTIONS RELATED TO WORKERS IN THE VALUE CHAIN (S2-4, MDR-A)

In 2024, the business segments of the Semapa Group, Navigator and Secil, implemented several measures related to the material impacts on workers in the value chain, as well as approaches to manage material risks and identify opportunities associated with these workers, evaluating the effectiveness of the adopted strategies. In the Pulp and Paper segment, the actions stand out for training, dissemination of good practices, awareness-raising actions and inspections. In the Cement segment, safety strategies play a fundamental role, contributing directly to the achievement of the policy's objectives and targets and promoting a structured, responsible and proactive safety culture.

In the year 2024, no serious human rights issues or incidents related to its upstream and downstream value chain were reported in any of the subsidiaries. [S2-4.36]

Navigator, Secil and Triangle's companies have taken steps to avoid causing or contributing to negative material impacts on workers in the value chain through their own practices [S2-4.35], and in the case of Secil and Triangle's they have allocated various human and financial resources to manage their material impacts. [S2-4.38] The actions and resources, human and financial, related to workers in the value chain in each business segment of the Semapa Group, highlighting the initiatives implemented.

PULP AND PAPER SEGMENT

Navigator focuses its work on carrying out training activities and disseminating good practices and in carrying out workplace inspections (see table on next page) with the aim of preventing, remedying or correcting negative material impacts on workers in the value chain. [S2-4.32b] [S2-4.32a] [S2-4.32c] [S2-4.32d]

"On-the-Job Training (forestry activity)" is carried out at the workplace for external workers, addressing environmental and social aspects. The mitigating measures to be adopted in relation to the surrounding environment are disclosed, as well as the occupational health and safety requirements applicable to the operations in question. [S2.31] [S2.22e] [S2.35]

The actions to disseminate good practices for logging and transport companies are co-organised with external partners, including forest producer organisations and forest certification and chain of custody groups. These initiatives are related to safety in the execution of forest logging and transport operations, including timber supply companies. [S2.31] [S2.35]

The "Work Inspections at Work Fronts" action consists of visits to the various work fronts, with the main objective of managing Safety risks. These are monitoring visits to the different work fronts in forestry operations, to assess compliance with regulations and the use of equipment (emergency and others), culminating in awareness-raising/training for work groups – mostly workers from the surrounding communities – on various health and safety matters [S2.31] [S2.33a] [S2.33c] [S2.22e] [S2.35].

For the development of the actions presented in the table on the next page, in 2024, capital expenditures (CapEx) and operating expenses (OpEx) do not apply, except for the SAFEPRO Florestal action where the Corporate SST Budget was allocated. [S2-4. ESRS2.69b].

Main actions [ESRS 2.68a]	Status [ESRS 2.68 and ESRS 2.69]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Training *On-the-Job* (forestry activity)	Carried out and planned	Aims at own operations, upstream, with impact on collaborators of Service providers of forestry activity. (Portugal and Mozambique)	Continuous	In 2024, they were covered 185 workers of Service providers in forestry activity, corresponding the 264 hours of training.
Promotion actions of good practices OHS for Companies of Exploration and Transportation	Carried out and planned	Aims at downstream, with impact in the collaborators of wood suppliers. (Portugal)	Continuous	In 2024, they were covered 120 workers of company suppliers of wood, corresponding to 420 hours of training.
Work Inspections to the work fronts	Carried out and planned	Aims at downstream, with impact in the collaborators of Service providers of forestry activity. (Mozambique)	Continuous	Visits to work fronts to evaluate potential "Non-Conformities" of various forestry operations (within the scope of Security). In 2024, were carried out 450 evaluations on the fronts of work. 164 hours of training were carried out covering about 2 300 people.
SAFEPRO Forestry	Planned	Own operations, upstream, with impact in the collaborators of the Service providers of plant production and forest activity. Will cover Portugal	2025-2026	The action foresees that 100% of external workers be trained for the activity to be developed in Navigator. This is also the action predicted by Navigator for the provision of solutions for injured parties by material impacts reais. [ESRS 2.68d]
Awareness raising for security issues of suppliers and workers of logistics and transportation *inbound*	Planned	Upstream and Own operations in Portugal	2025	Awareness at the level the use of PPE and of compliance with the safety procedures at the factory gates, woods and wooden parks.

In addition to the actions identified above, other projects were developed with the same objective of training all those who work in the forest, including: the II Seminar on Safety in Forestry Work (Spain and Portugal), organized in partnership by Navigator, ACT – Authority for Forestry Conditions of Labour and the ACF Minho Lima Certification Group; the "Advance Forest" Project for advanced training of technicians, producers and owners, by BIOND, in partnership with "Ascendum Máquinas", in which they were carried out. [S2-4.32c] [S2-4.32d] [S2-4.33c]

With the implementation of the adopted actions, referred to above, and the action planned "SAFEPRO Florestal" among others already implemented or to be implemented within the scope of Mission Zero, the aim is to reduce the probability of incidents occurring, with the aim of eliminating workplace accidents and occupational diseases. [S2-4. ESRS2.68a] [S2-4.33c]

No serious human rights concerns or incidents related to the upstream and downstream value chain. [S2-4.36]

The following information is included by reference to other parts of the Report and Accounts:

• Further information on the relationship between current financial resources allocated to actions or action plans and the most relevant amounts presented in the financial statements: Consolidated income statement of the Annual Report. [S2-4. ESRS2.69b]

CEMENT SEGMENT

Regarding workers in the value chain, by 2024, the company has implemented six main actions, within the scope of safety, through its Procurement department, as well as approaches to manage material risks and identify material opportunities related to these workers and the effectiveness of these actions. [S2-4.27a] [S2-4. AR43] [S2-4.35]

Action 1 – Mandatory security induction for contractors and visitors: By requiring all external contractors and visitors to undertake a safety induction, Secil ensures that everyone entering its facilities is properly informed about safety risks and procedures. This proactive approach minimises the risk of accidents, reducing the likelihood of harm. In the event of an incident, the induction serves as an essential basis for establishing awareness and compliance, supporting corrective actions and promoting improvements in safety behaviour.

Action 2 – Daily safety dialogues: Holding regular safety dialogues for internal and external workers raises awareness of hazards and risk mitigation strategies.

These discussions provide an opportunity for workers to express safety concerns, report near misses, and suggest improvements. This mechanism promotes transparency and allows systemic problems to be identified, leading to corrective actions that address real material impacts on worker health and safety. [S2-4. ESRS2.68d] [S2-4.32a9] [S2-4.27a]

Action 3 – Mandatory work permit for non-routine tasks: Implementing a work permit system for specific tasks ensures that potential risks are assessed before the activity begins. This process includes identifying hazards, defining control measures and authorizing steps, reducing the likelihood of incidents. Should any harm occur, the process authorization documents provide documentation that facilitates investigations and ensures that appropriate corrective measures—such as procedural changes, requalification, or safety improvements—are adopted to avoid recurrences.

Action 4 and 5 – Supplier Code of Conduct: Quotation and acceptance – the implementation of a supplier code of conduct reinforces Secil's commitment to social, environmental and health standards and safety throughout its value chain. It promotes responsible and sustainable relationships, aligned with the company's values. Secil therefore expects its suppliers to follow the same standards and comply with applicable legislation. This approach generates mutual value and stronger partnerships.

Action 6 – ESG Questionnaire: The implementation of an ESG questionnaire for suppliers makes it possible to assess Secil's suppliers on their environmental, social and governance performance, promoting greater transparency and accountability. It facilitates the identification of risks, alignment with company values and the development of more sustainable and conscious partnerships.

Different human and financial resources were allocated to these actions. The Secil health and safety manager (each geography also has its own manager and team) and, in the Procurement area, the Strategy and Transformation department and Procurement Cost Management are, in part, allocated to the management of these material impacts. [S2-4.38. Regarding financial resources, for the implementation of these actions, the budget and the investment plan are the internal management tools to finance these initiatives where the actions to be executed are outlined [S2-4. ESRS2.69a]. On the other hand, based on KPIs related to security, general lines of sustainable financing were contracted, which are based on sustainability KPIs, one of these KPIs being the LTIR (Lost Time Injury Frequency Rate). For more information, see the document "Sustainability Linked- Financing" available on the website. [S2-4. ESRS2.69a]

The actions adopted and planned for Secil involved financial resources for personnel expenses and suppliers, justified by operational activities and respective payments. In the case of actions 1, 2 and 3, the resources were allocated to payments to staff, while in actions 4, 5 and 6, they were directed for external supplies and services, also within the scope of operational activities and payments to suppliers. [S2-4. ESRS2.69b]

The implementation of these strategic actions related to suppliers and their code of conduct directly contributes to achieving the policy's objectives and targets, promoting a culture of transparency between Secil and its suppliers. [ESRS 2.68a] On the other hand, by sending the code of conduct together with purchase orders and by requesting the supplier to actively accept its code of conduct, the company is ensuring that it works with suppliers who comply with best practices in safety and social responsibility. [S2-4.32a]

From a safety perspective, the main actions implemented at Secil are aligned with the principles of provision for repair, ensuring that damage is prevented and mitigated, in addition to promoting accountability and the taking of corrective action whenever incidents occur. These actions contribute to remediation in several ways (Chap. 4.1.3.1.) [S2-4. ESRS2.68d] [S2-4.32a] [S2-4.27a]

More details on the main actions taken for the health and safety of contracted workers (external workers at Secil facilities) are described in the table below: [S2-4. ESRS2.68d]

The main actions taken for the health and safety of contracted labour (external workers at Secil facilities) are described in the table below: [S2-4. ESRS2.68d]

Main actions [ESRS 2.68a]	Status [ESRS 2.68 e ESRS 2.69]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Action 1 Induction All contractors and visitors who enter the premises of Secil must carry out an induction of security.	Carried out	Covers own operations and has an impact on collaborators, contractors and visitors. Covers Secil.	2024	Inductions of security in force.
Action 2 DDS Security dialogues are carried out daily and/or weekly for all internal workers and external, addressing risks and hazards on site of work.	Carried out	Covers the own operations and has an impact on collaborators and contractors. Covers Secil.	2024	Conversations on security daily/ weekly in force.
Action 3 – AT (Work Authorization) There is an established procedure which requires obtaining a work permit before to initiate specific tasks, independently of the workers involved are internal or external.	Carried out	Covers the own operations and has an impact on collaborators and Contractors. Covers the entirety of Secil.	2024	Processing procedural.

The main actions taken for the health and safety of suppliers (Sustainable Procurement) are described in the table below: [S2-4. ESRS2.68d]

Main actions [ESRS 2.68a]	Status [ESRS 2.68 e ESRS 2.69]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Action 4 – Code of Conduct To participate in the Secil quote requests or to become a supplier from Secil, the supplier has to obligatorily accept the code of conduct of suppliers.	Carried out	Covers own operations and has an impact in suppliers and Procurement area. Covers only the Secil activities in Portugal.	2025	Increase in % of Critical Suppliers in terms of ESG linked to Secil by Purchasing Policy and by the Code of Conduct of the Suppliers (relative*).
Action 5 – Code of Conduct– acceptance The code of conduct is sent together with all the purchase orders.	Carried out	In the value chain, covers the own operations and upstream, has an impact on suppliers. Covers Secil.	2025	Increase in % of Critical Suppliers in terms of ESG linked to Secil by Purchasing Policy and by the Code of Conduct of the Suppliers (relative**).
Action 6 – ESG Questionnaire The company sends questionnaires ESG for suppliers critics, with questions on current regulations and the policies adopted in the three pillars: environmental, social and governance.	Planned	Covers own operations, upstream of the value chain, and has an impact on Suppliers Area *Procurement*. Covers only the activities from Secil in Portugal.	2026	Best rating about the conduct of supplier.

Note: The objectives of Actions 4 and 5 were achieved before the deadline initially set for 2025.
*Regarding the unit of target 3. See table of targets and metrics
**Regarding the unit of target 3. See table of targets and metrics

The implementation of these strategic security actions directly contributes to achieving the policy's objectives and goals, promoting a structured, responsible and proactive security culture. Establishing KPIs for essential proficiency in the key components of the security framework (Chapter 4.1.3.1.) ensures measurable progress towards critical security standards. Visible safety leadership training equips leaders with the skills needed to model and reinforce safe behaviours, while technical training for safety staff enhances their ability to effectively address operational risks. In 2024, hiring an external consultant to provide an impartial perspective and expert guidance to integrate best security practices into the organizational culture. Finally, the development, regular updating and monitoring of the strategic security plan ensures continuous alignment with safety objectives, promoting sustained improvement and compliance with safety requirements. [S2-4. ESRS2.68a]

The identification of necessary and appropriate actions in response to real or potential negative impacts on workers in the value chain is done through a systematic analysis of accidents with and without time off work, near misses, safety observations, nonconformities, and serious incidents. [S2-4.33a]

The actions mentioned above exemplify Secil's commitment to ensuring the safety of all external people entering its facilities. These initiatives are designed to minimize the risk of accidents, both for internal and external employees, promoting a safer work environment. As such, the company is beginning to implement a supplier assessment process with ESG parameters to create mitigation actions for critical suppliers in the future (action 6 – future). [S2-4.33a]

In the year 2024, no serious human rights concerns or incidents related to its upstream and downstream value chain were reported. [S2-4.36]

OTHER BUSINESS SEGMENT – ETSA

ETSA has not implemented strategic actions regarding material impacts on workers in the value chain, as well as approaches to manage material risks and identify opportunities associated with these workers.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's is currently developing an action plan to address material impacts. [S2-4.32a] It is currently planning to implement a systematic approach to identify and act on actual or potential negative impacts that may affect workers in its value chain, based on the due diligence process. This process is structured in several steps: [S2-4.33a]

· **Continuous monitoring and identification of impacts**: Periodic assessments, stakeholder engagement and audits and certifications to ensure the identification and effective management of impacts.

· **Severity Assessment and Prioritization**: Analysis of the severity and scope of impacts, establishing priorities for the implementation of actions.

· **Corrective Action Planning**: Definition of concrete actions, deadlines and objectives to mitigate the negative impacts identified.

· **Mitigation and Repair**: Implementation of preventive actions and repair mechanisms.

· **Monitoring and Evaluation**: Continuous monitoring and preparation of regular reports to assess the effectiveness of the actions implemented.

· **Integration into the Sustainability Strategy**: Updating policies and establishing criteria for selecting new suppliers, ensuring consistency with sustainability principles.

Thus, by having this process structured, Triangle's will ensure that its value chain is aligned with the highest standards of social responsibility, protecting workers' rights and promoting a culture of continuous improvement. [S2-4.33a]

To avoid or minimize adverse impacts, Triangle's implements Responsible Procurement, Monitoring and Evaluation, Training and Dialogue, Promotion of Fair and Decent Working Conditions, Collaboration and Partnerships, and Continuous Monitoring of Impacts through Early Warning Systems and Corrective Action Plans. These initiatives reinforce the company's commitment to an ethical and sustainable work environment. [S2-4.35]

At the same time, Triangle has outlined a systematic and comprehensive approach to ensure that its processes for anticipating and remediating negative material impacts are effective and accessible. This approach includes: Establishing Remediation Mechanisms, Continuous Monitoring and Evaluation, Collaboration and Dialogue, Transparency and Reporting and Commitment to International Standards. [S2-4.33c]

TARGETS AND METRICS

VALUE CHAIN WORKER-RELATED TARGETS (S2-5, MDR-T, MDR-M)

The companies Navigator and Secil, part of the Semapa Group, have defined strategic targets to manage negative impacts, enhance positive impacts and address material risks and opportunities. For each business segment, the established targets, the respective objectives, the reference value, the base year, the metric adopted, the current performance and the projected target for 2025 or 2030, depending on the context and objectives, of the subsidiary.

PULP AND PAPER SEGMENT

In the 2030 Sustainability Roadmap, Navigator has defined several targets that aim to reduce negative impacts on workers and promote positive impacts identified with materials: [S2-5.39] [S2-5. ESRS2.80h]

- **Reducing the frequency rates of workplace accidents in Iberia and Mozambique**, with target values that include Navigator employees and external workers;

- The **reduction of accidents caused by non-compliance with rules and procedures**, with a target value that covers Navigator employees and external workers;

- The **provision of ongoing training courses** on OHS in forestry activities for service providers, suppliers and agents in the sector.

In the broader context of sustainability, it is worth highlighting that these targets contribute to SDGs 8 and 3, which aim to promote safe and healthy working conditions, reinforcing the well-being of workers of the value chain. [ESRS2.80f]

These targets are aligned with the Integrated Security Policy in Navigator's Management Systems, namely with the commitments to promote, from a perspective of continuous improvement, conditions safe and healthy work environments, preventing occupational injuries and illnesses and encouraging consultation and worker participation, simultaneously promoting their personal and professional development. In alignment with the Serious Accident Prevention Policy, it defines functions, responsibilities and skills, ensuring the provision of information and/or training to internal employees, suppliers, service providers and other interested parties. It is also associated with the Forest Policy within the scope of the commitment to "Ensure the health and safety of its employees, including employees of third-party entities that provide forestry services, guaranteeing them training/information adequate for the assessed risks". [S2-5. ESRS2.80a]

It should be noted that external workers receive training and information on the rules and procedures and are covered by a penalty regime in the event of non-compliance with rules, standards and/or procedures (cardinal rules).

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS2.75]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80 b)] [ESRS2.80e]**
Take courses in a continuous way in SST forestry activities for service providers, suppliers and agents in the sector, seeking to carry out more than 600 hours per year	Value of reference: 628h 457 workers Base year: 2021	No. of hours of training No. of people involved	544 hours 432 workers	698 hours 567 workers	655 workers of service providers and suppliers and agents of the sector, totalling 2434 hours of training/sessions to disseminate good practices (Portugal) 1382 service provi-ders and occasional workers, completing a total of 89 hours of training in safety (includes classroom sessions, field ses-sions and awarenes-s-raising sessions during safety inspec-tions carried out at work sites). (Mozam-bique) Total: 2037 workers and 2523 hours of training	Results to be achieved: 600h/year Year: 2030

There was no involvement of stakeholders in defining the target. [ESRS2.80h]

The target is monitored based on the number of training hours and the number of participants involved (absolute values). [ESRS2.80b] Its scope is the continuous provision of training courses in OSH in forestry activities, aimed at service providers, suppliers and agents in the sector [ESRS2.80c], encompassing: [ESRS .80f]

• Number of employees of forestry service providers (in Portugal) and respective hours of training given on the work front;

• Number of workers of timber suppliers, forestry exploration and transport activities (in Portugal), and respective hours of actions to disseminate good practices;

• Number of agents in the sector (technicians and owners in Portugal) and respective hours of outreach of good practices, demonstration and innovation in forestry;

• Number of service providers and occasional workers in forestry activities (in Mozambique) and respective hours of training given.

Additionally, it is important to note that these actions are developed in collaboration with external partners, with the contents defined by the company to ensure the promotion and dissemination of good practices aligned with its sustainability principles and commitments. [S2-5. ESRS2.80f]

In 2024, the method of calculating the metric associated with the target underwent changes, now including workers who received training/awareness-raising and the hours of training provided by Portucel Mozambique. These changes provided greater visibility to the training/awareness-raising carried out in Mozambique, without compromising comparability between reporting years. The factor that impacted this comparability was the increase in the number of workers from suppliers and industry agents who participated in the actions to disseminate good practices. [ESRS2.80i]

The assessment of the effectiveness of the target is carried out based on management indicators, with a base period of three years. These indicators are elements that support the characterization of the Forest Management Unit (FMU) in its various aspects. To this extent, the indicators constitute basic information for the establishment of objectives, subject to a process of continuous evaluation and improvement, and to forest management planning, for the preparation of the Forest Management Plan (FMP). [S2-5. ESRS2.81b]

In 2024, there was a significant increase in participation in actions to disseminate good practices, which resulted in a significant increase in the number of workers from suppliers and agents in the sector covered, as well as in the total number of training hours. This trend may have future implications for setting new targets, requiring an analysis to determine whether this is a permanent change or a one-off effect.

The following information is inserted by reference to other parts of the non-financial statement MDR-T, ESRS 2, §80:

- More information on targets for reducing attendance rates (Iberia and Mozambique) and percentage of accidents not characterized by non-compliance with rules and procedures: Chap. 4.1.4.1.

CEMENT SEGMENT

Secil has established a set of targets and metrics to be achieved by 2025 in terms of health and safety, for its own employees and contracted workers working at the facilities, and related with the Procurement area that affect the material impacts of the S2 workers in the value chain.

None of the defined targets have changed in relation to the previous reporting year, except Target 1. For Target 1, there was a change in the value, in 2020 a frequency rate below 1.5 was established for this target, later being changed to 3.8. [S2-5. ESRS2.80i]

Target 1 corresponds to the rate of accidents at work. This target applies to Secil's own operations, involving several stakeholders in defining the objectives and covering all Secil's geographies and includes its own employees and contracted employees working at the facilities. [S2-5. ESRS2.80c] [S2-5. ESRS2.80g] [S2-5. ESRS2.80h] Furthermore, this target is aligned with the Policy Health and Safety, aiming to achieve zero harm to the workforce, contractors and communities. [S2-5.ESRS2.80a]

In the process of setting all targets there is involvement of stakeholders. [ESRS 2.80h] For Target 1, the security team in each geography collabourates with the respective operational teams.in the preparation of proposals, which are subsequently analyzed and approved by top management. Each geography, then presents and defends its proposal to Secil management for final approval. [S2-5. ESRS2.80h]

Finally, with the definition of this Target 1, we intend to reduce the frequency rate, contributing to sustainable development by prioritizing safer workplaces, minimizing disruptions due to accidents, and aligning with the local context to promote well-being and economic stability incommunities impacted by the company. [S2-5. ESRS2.80f]

Alongside Target 1, three more targets were established – **Target 2, Target 3** and **Target 4** – relating to procurement, the definition process for which was conducted by Secil's Procurement area in collaboration with the Finance Department. [S2-5. ESRS2.80h] Target 2, relating to the % of ESG-critical suppliers assessed; Target 3, the % of critical suppliers, according to the Purchasing Policy and the Code of Conduct of Suppliers; and Target 4, the % of Secil companies that have implemented a process to identify these critical suppliers in terms of ESG. The three targets apply to suppliers contracted within the scope of the Procurement area – upstream and downstream of the value chain – as well as to Secil's own operations, covering all geographies. These targets are expressed in relative terms, reflecting the evolution in percentage points, [S2-5. ESRS2.80c] [S2-5. ESRS2.80g] [S2-5. ESRS 2.80h] and except for Target 3, associated with the supplier code of conduct, are not linked to any policy. [S2-5. ESRS2.80a]

These three targets presented above also contribute to sustainable development. When assessing suppliers (Target 2), considering the three aspects — environmental, social and governance — Secil obtains a comprehensive view of how they manage and value their employees. This analysis allows for the direct assessment of social aspects such as human rights, health and safety of workers, and the indirect assessment of the existence of mechanisms for controlling and monitoring compliance with these rights. Based on this assessment and taking into account the relationship established with each supplier, it will be possible, in the future, to assign specific improvement actions, directly impacting the conditions of workers throughout the value chain. [S2-5. ESRS2.80f]

Target 3, relating to the Supplier Code of Conduct, contributes to sustainable development by defining essential requirements to ensure safe and fair working conditions. For further details on this code, see the policies section of the Cement business segment in Chapter 4.1.4.1. [S2-5. ESRS2.80f]

In the case of Target 4, the methodology created to identify and prioritize the evaluation of critical suppliers for Secil is based on the classification of impact – high or low, according to GCCA guidelines – having taken into account the supply category and the costs associated with each supplier. This approach aims to implement mitigation actions in the future, if necessary, contributing to sustainable development. [S2-5. ESRS2.80f]

The table below shows the target set by Secil for the health and safety of the workforce (external workers on own premises):

Objective and target	***Baseline* (reference value and base year)**	**Associated metric**	**Performance 2022**	**Performance 2023**	**Performance 2024**	**Targets**
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS2.75]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80e]**
Target 1 – Frequency index of occupational accidents (FR)	Value of reference: 7.5 Base year: 2020	The number of incidents or injuries due to a set number of hours worked per million hours worked.	5.3	6.0	Index of accident frequency = 6.8	3.8 Year: 2025

The main targets defined for the health and safety of suppliers (Sustainable Procurement) are described in the table below:

Objective and target	***Baseline* (reference value and base year)**	**Associated metric**	**Performance 2022**	**Performance 2023**	**Performance 2024**	**Targets**
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS2.75]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80e]**
Target 2- % of Critical Suppliers in terms of ESG Assessed (relative)	Value of reference: 0 Base year: 2022	Percentage of critical suppliers according to the Secil methodology that were evaluated in terms of ESG Score (actual or predictive).	0%	0%	% of ESG-critical suppliers assessed = 66%	100% Year: 2025
Target 3 – % of Critical Suppliers in terms of ESG linked to Secil by Policy of Purchases and by code of conduct of suppliers (relative)	Value of reference: 0 Base year: 2022	Percentage of critical suppliers according to the Secil methodology who passively or actively accepted the code of conduct.	0%	50% (passive was for all companies made in 2023, the code next along with purchase orders, actively was at 0% (accepted code) by them actively))	% of ESG-critical suppliers linked to Secil by the purchasing policy and the supplier code of conduct =50%	100%
Target 4 – % Secil companies that developed a process to identify ESG-critical Suppliers (relative)	Value of reference: 0 Base year: 2022	Percentage of Secil companies that have developed a methodology to identify critical suppliers.	0%	25%	-	100% Year: 2025

The metrics associated with the targets resulted from different methodologies, each with its own limitations [S2-5. ESRS2.77a], and were all externally audited by GCCA, except for targets 2, 3 and 4. [S2-5. ESRS2.77b] Metrics 1 and 3 were calculated based on precise formulas, without assumptions. Metric 2 considered the supplier's industry, the country in which it is headquartered and its turnover. Finally, metric 4 followed the guidelines of the Global Cement and Concrete Association (GCCA), considering spending per supplier, without considering the actions that the supplier may implement. [S2-5. ESRS2.77a]

With these targets, Secil aims to achieve several benefits for workers in the value chain. Target 1 is aligned with internationally recognized commitments and various standards and policies, such as the Health and Safety Policy, the Safety Framework, local OSH regulations, the International Labour Organization (ILO) Convention on Occupational Safety and Health (C155), ISO 45001, the United Nations Global Compact and Industry Codes of Practice. Their main purpose is to raise awareness about health and safety. [S2-5.39] [S2-5.AR45c]

Secil aims to reduce injuries and fatalities in the workplace, reinforce worker protection through better training practices and PPE, consolidate a culture of safety and create a safer work environment. All of this ultimately aims to promote well-being, increase satisfaction and at work and ensure long-term career sustainability. [S2-5.39] [S2-5.AR45a] The definition and methodology for setting these health and safety targets have been consistent since 2020, enabling effective comparison and ensuring continuity of efforts over time. [S2-5.39] [S2-5.AR45b]

OTHER BUSINESS SEGMENT – ETSA

ETSA has not defined strategic targets to manage negative impacts, enhance positive impacts and address material risks and opportunities.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's has not yet established targets and related metrics for managing material negative impacts, promoting positive impacts, and addressing material risks and opportunities. [S2-5]

4.1.3.3 AFFECTED COMMUNITIES - S3

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2 SBM-3)

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
Promotion of the local economy, territorial cohesion and the settlement of populations (for example within countries) by generating decent jobs, improving infrastructure, investing in social well-being and ensuring respect of the cultural and environmental rights of communities, contributing to better living conditions and balanced development in the regions.		Positive impact	-	Own Operations	Economic, social and cultural rights of the communities

Note: The material impact identified is real and therefore does not have an associated time horizon.

Semapa, in line with its "Making in Better" purpose, recognizes the importance of the impacts that its activities can have on the communities where it operates. These communities, being the first link in the value chain to receive the effects associated with the various industrial and forestry operations, among others, play an essential role in the acceptance and integration of the activities of Semapa and its Subsidiaries, which seek to develop a social responsibility policy that ensures that their presence has a positive impact on the quality of life of their employees and the surrounding communities.

Following the double materiality analysis, Semapa and its Subsidiaries identified a positive material impact on the communities covered by their operations. This impact is aligned with its strategy and business model of long-term value creation, contributing to the local economy, territorial cohesion and population retention. It is achieved directly and indirectly through the various value chains, through the creation of jobs, improvement of infrastructure and the multiple benefits generated by the development of activities in the sectors in which the Group is present, including its own operations, supply chains, research, development and innovation activities, work in partnership with different stakeholders, among others.

Companies adopt an integrated and cross-cutting approach, ensuring that material impacts on these communities are monitored and managed responsibly and include them in their disclosures all communities materially affected by its operations or its value chain. [S3.9a]

Furthermore, the companies maintain a transparent dialogue and a close approach with communities, strengthening the relationship of trust and reinforcing their connection with them.

It should be noted that in the materiality analysis, no risks were considered material and opportunities for Semapa and its Subsidiaries arising from impacts and dependencies on affected communities [S3.8b | S3.9d | S3.11], nor associated negative impacts. [S3.9b]

PULP AND PAPER SEGMENT

Navigator has a significant presence in several regions, with industrial operations in Portugal, Spain and the United Kingdom and a forestry base in Portugal, Galicia (Spain) and Mozambique. Aligned with its purpose, it assumes the responsibility of creating effective mechanisms for sharing value with its stakeholders, with special attention to local communities. These play a fundamental role in their interaction with companies, as they are the first link in the chain to experience the impacts of forestry and industrial activities.

Following the double materiality analysis, the company identified several positive material impacts on the communities covered by its operations, and which are aligned with its strategy and business model, in which it proposed to create long-term value, contributing to the rural economy, through the development of the regions where it operates and the improvement of the forest areas it manages. [ESRS2.48a] [S3.8a-i] No material risks and opportunities were identified for Navigator arising from the impacts and dependencies on affected communities. [S3.9d]

By investing in infrastructure and focusing on hiring and qualifying talent from communities, as well as in development programs, it reinforces social well-being and the development of regions. [ESRS2.48a] [S3.8a-i]

At the same time, the implementation of sustainable management initiatives – such as forest conservation, the promotion of active participation by communities, free technical support and training for forestry producers, the contracting of local services for forestry activities, the continuous maintenance of infrastructure (network of forest paths) and the prospecting and development of business opportunities in the context of multiple use of the forest, among others – allow for improved management practices, increasing the productivity of products extracted from the forest. These factors strengthen the local economy, generating employment and creating conditions that encourage populations to settle in rural areas, while respecting local cultural and environmental values, contributing to sustainable development of regions. [ESRS2.48a] [S3.8a-i]

Navigator believes that sharing with society is not limited to its results, but also to its knowledge, experience and resources. Strategic partnerships with academic, institutional and community entities promote knowledge transfer and innovation, which are important factors in strengthening territorial cohesion, as well as creating economic value by integrating the community into the circular bioeconomy value chain, improving the quality of life and the resilience of local populations. [ESRS2.48a] [S3.8a-i]

Through a robust strategy of dialogue and direct involvement with communities, it seeks to create close ties, in all their dimensions, striving to consolidate and strengthen them, ensuring that its contribution to local development is always significant and positive.

In the case of forestry operations in Mozambique, which are related to positive impacts associated with SDGs 1 and 2 (Sustainable Development Goal - No Poverty and Sustainable Development Goal - No Hunger) and access to drinking water, one of the objectives is for the sustainable development of communities to accompany the evolution of the project, given the great interaction that exists originating from the Mosaic Model, where plantations "coexist" with communities and everything related to them, such as areas of high conservation value, agricultural areas, housing, places of worship, among others. Thus, only with an intrinsic and interconnected relationship is it possible to maintain the development of the project, ensuring respect for the expectations and needs of communities. In Mozambique, the Social Development Program has been adapted, where new lines of action have emerged, based on the impacts and methods of implementing activities that lead to changes or adaptations of development strategies. An example of this was the repair of existing water holes (carried out by other entities) that had not been foreseen at the start of the Program and arose due to requests from communities, which after analysis was considered to have a major impact on improving their well-being. [ESRS2.48a] [S3.8a-i]

The company identifies and assesses the impacts on the communities in which it operates, using this information to adjust its strategy and business model, promoting the creation of shared value and ensuring that its operations are aligned with the needs of the communities, through initiatives that enhance social and environmental benefits. [S.38a-ii]

The dissemination of this report is focused on the affected communities: **(i)** in the vicinity of forestry operations in the Iberian Peninsula – local communities and entities that benefit from the impacts generated by forestry activity; **(ii)** in the vicinity of forestry operations in Mozambique – local communities and local entities that benefit from the impacts generated by forestry activity (employment generated by the need for labour) and by the implementation of the Social Development Program, where there are family and community benefits, namely water holes and improvement and construction of paths and infrastructures; **(iii)** in the vicinity of factories – local population, municipalities, parish councils, local entities, non-governmental organizations and universities. [S3.9a]

CEMENT SEGMENT

The extractive nature of Secil's industrial activity provides for a spectrum of social action that encompasses both the people who actively collaborate with the company and the surrounding communities. As one of the main employers in many regions where it operates, Secil plays a relevant role in local economic development. Its business model, which ranges from the extraction of raw materials to the production and sale of cement, concrete, mortars and aggregates, depends directly on a qualified, diverse and safe workforce, as well as sustainable relationships with local suppliers.

In this way, Secil promotes local hiring, ensuring fair working conditions, adequate remuneration and professional development opportunities for employees from local communities. This approach generates a real and positive impact on the communities where it operates, reflected in **(i)** quality jobs, **(ii)** reduction of inequalities and **(iii)** stimulating local economic growth.

Additionally, Secil invests in technical and professional training for employees and members of local communities and in the inclusion of local suppliers in the production chain, strengthening the economy of the communities where it is present. [S3.8a-i] [S3.9c] This investment aims to increase skills and improve employability in communities near their operations. [S3.9c] In addition, professional development, which not only benefits employees with different levels of qualification, also allows the company to take advantage of human capital during strategic adaptations or restructuring, which generates goodwill in local communities and among strategic partners. This contributes to a positive perception of Secil, in addition to facilitating the understanding of extractive, productive and commercial practices. [S3.8a-ii]

Secil also stands out for implementing social responsibility initiatives, which include social, cultural and environmental projects in partnership with local communities. These initiatives aim to improve quality of life, being particularly relevant in areas closest to the company's operations. [S3.9c]

The company considers several communities to be materially affected[13] by its operations and its supply value chain. These include:

vi. Local communities in the vicinity of operations, who live and/or work near quarries, factories and other company facilities. Secil prioritizes local hiring and the creation of economic opportunities in these regions, promoting decent work and economic development;

vii. Communities established along the value chain, such as local suppliers and partners integrated into the supply chain, who benefit from sustainable and long-term business relationships;

viii. Communities at the ends of the value chain, which include end consumers of Secil products and suppliers of raw materials, both impacted by sustainable demand and policies the responsibility of the company. [S3.9a]

Although no risks associated with the affected communities have been identified, the company recognizes that some communities located in the vicinity of operations may be exposed to greater risk associated with air emissions, noise, vibrations and changes in land use. To mitigate these risks, Secil implements strict environmental control measures, carries out continuous monitoring and maintains a transparent dialogue with communities. [S3.10] In fact, Secil was a pioneer in creating the Environmental Monitoring Committee (CAA) in 2003, with the aim of informing society, through its representatives, about its practices, the processes involved and its commitment to environmental responsibility, promoting an environment of total transparency and open dialogue with stakeholders.

The company also takes precautions against the potentially vulnerable socioeconomic context, particularly because there may be excessive economic dependence on these communities, creating risks when activities are reduced or ceased. In view of this risk, Secil focuses on promoting local economic diversification and invests in community development projects, aiming to reduce vulnerability and strengthen the region's economy. The company also recognizes the risk to communities with specific activities, such as agriculture, that may rely heavily on natural resources. Changes in soil, water or ecosystems can affect these essential activities. Secil, in turn, adopts responsible environmental management practices to minimize impacts on natural resources essential to these communities. [S3.10]

13 In the context of Secil's operations, no directly affected indigenous communities were identified [S3.9]

Therefore, Secil understands that these communities require special attention and adapts its strategies and initiatives to mitigate risks and promote sustainable development. By adopting this approach, the company seeks to establish a responsible and long-term relationship with the communities in which it is inserted. [S3.10]

OTHER BUSINESS SEGMENT – ETSA

Sustainability is an essential value in ETSA's identity, which assumes its social responsibility towards the communities where it carries out its business activities, seeking to contribute to their progress and well-being.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's, focused on producing high-tech aluminium e-bike frames, considers sustainability a fundamental aspect of its organizational development. This commitment is reflected in several initiatives, especially at the social level, aimed at promoting the local economy, strengthening territorial cohesion and support the settlement of populations.

Through the development of green mobility, by focusing on the production of bicycle frames, Triangle's contributes to the transition to more sustainable modes of transport, reducing carbon emissions and improving the quality of life of communities. Furthermore, by generating local jobs in the production and maintenance of its products, the company boosts the local economy, promoting the settlement of populations, particularly in regions where the development of sustainable infrastructure can improve living conditions and strengthen territorial cohesion. [S3.8a-i] [S3.9c]

Triangle's also invests in technical training and qualification for its employees and partners throughout the value chain, promoting professional growth and skills development. This contributes to social inclusion and balanced development in communities. The company also promotes training programs and supports social, educational and cultural projects, creating development opportunities and ensuring that the local needs of communities are met, reinforcing territorial cohesion and social inclusion. [S3.8a-i] [S3.9c]

The dialogue established with local communities makes it possible to identify the effects of their operations and adopt strategic adjustments to minimize potential negative impacts and maximize benefits. This feedback is integrated into strategic planning and operations management. In addition, the impacts observed in communities encourage Triangle's to reinforce its commitments to sustainability, adjusting its business model to incorporate more responsible practices, such as the use of recycled materials, local capacity building programs and partnerships with community organizations. In this way, continuous impact assessment not only helps prevent and mitigate risks but also contributes to strategic decisions that ensure sustainable and socially responsible growth. [S3.8a-ii]

Communities affected by Triangle's operations include[14]:

i. Communities living or working directly in the vicinity of the company's exploration sites, factories, facilities or other physical operations or more remote communities affected by activities carried out in these places;

ii. Communities along the value chain;

iii. Communities at both ends of the value chain. [S3.9a]

Although there are no identified risks, Triangle's adopts sustainable practices to mitigate potential threats such as emissions, consumption of natural resources and generation of waste, which can affect local communities in terms of quality of life, health and access to essential resources. The company involves communities in the development of sustainable solutions and the creation of shared value. In addition, collaborate with local suppliers and partners to ensure fair labour practices, training opportunities and decent working conditions. [S3.8b | S3.9d | S3.10]

Triangle's commitment fosters initiatives that promote social inclusion and development of local economy, while strengthening its value chain and promoting innovation.

14 In the context of Triangle's operations, no indigenous communities were identified as directly affected. [S3.9]

In 2024, Semapa created the Semapa Pedro Queiroz Pereira Foundation with the main mission of promoting Education and Social Protection, pillars that the company supports through its strong commitment to sustainability and long-term value creation, as reflected in the "Making it Better" initiative. [S3.8a-i]

In terms of Education, the Foundation intends to direct its action towards two specific dimensions:

i. Training of primary and secondary school teachers and strengthening the reputation of the teaching profession – several studies show that teachers are the most important factor in the academic results and life prospects of students, especially for those from more disadvantaged socio-economic backgrounds, and are, in many cases, reference figures for many children and young people. The profession has been suffering significant declines in attractiveness, a factor that poses enormous challenges to the long-term sustainability of the entire Portuguese education system. The Foundation believes that it can play a mobilizing and transformative role in this context and, therefore, it will focus its efforts on:

- Teacher training and development programs, through support for training initial professional initiatives and throughout the teaching career;

- Activate and promote collective social awareness about the importance of recognizing the profession as a central element of the educational system and the development of a more capable society.

ii. Development of transversal and complementary skills in children and young people aged 0-18 – the development of transversal skills, such as communication, creativity, critical thinking, innovation, problem-solving, technological literacy and collaboration, is fundamental for the cognitive development of children and young people, increasing the likelihood of success in the job market and in adult life. In this sense, the Foundation will prioritize innovative projects in the following areas:

- STEAM[15]: an educational approach centered on science, technology, engineering, art and mathematics;

- Literacy for inclusion, sustainability, citizenship, among others.

Within the scope of Social Protection, the Foundation also intends to guide and develop activities for two specific areas:

i. Child and youth development, with a special focus on children and young people at risk of exclusion – the promotion of healthy lifestyle habits is a key factor for the development of a more sustainable and resilient society. In this context, the Foundation will work on activities focused on the following social areas:

- Health promotion and disease prevention from early childhood, through programs and initiatives that provide, on the one hand, awareness of the importance of a healthy development and growth and, on the other hand, that provide physical and human resources to support and monitor children and young people, especially those from more vulnerable contexts, in particular through the provision of physical health care and mental health support;

- Physical and mental health literacy for young people, with the aim of consolidating self-knowledge strategies, strengthening individual resilience and promoting civic and social awareness.

ii. Preparation for independent living for people with physical or cognitive disabilities – the Foundation recognizes that there is a long way to go in terms of inclusion, both in promoting conditions integration and mobility for citizens with disabilities, allowing a daily life integrated, as well as in the training and preparation of these people for the job market. In this area, the Foundation will give priority to activities and projects of:

- Training of people with physical or cognitive disabilities;

- Support for programs that promote the employability of people with physical or cognitive disabilities;

15 STEAM – Science, Technology, Engineering, Arts and Mathematics

• Activation and promotion of a collective social awareness of the need to create responses that enable the effective inclusion and integration of these people. [S3.9c]

To achieve these objectives, the Foundation works closely with other entities in the social sector, aligning itself with Semapa's strategy of establishing close partnerships with its Subsidiaries and other organizations, thus strengthening the Group's social impact network. [S3.8a-ii]

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

POLICIES RELATED TO AFFECTED COMMUNITIES (S3-1, MDR-P)

Semapa and its Subsidiaries adopt a set of policies that reflect their commitments to the communities involved in their operations, with special attention to the rights of local populations. Among these policies, the transversality of practices in all the Group's companies stands out, the Code of Conduct and Human Rights Policy.

Through the Code of Conduct, companies undertake to recognise their responsibility towards the communities in which they are present and with which they interact, contributing to their progress and well-being. Likewise, the Human Rights Policy establishes that respect for these rights constitutes a structuring principle for the Group, being an integral part of its commitment to sustainable development. Companies ensure compliance with applicable laws and regulations when carrying out their activities, particularly with local communities. In addition, when necessary, they adopt measures to minimize any negative impacts of their activities, meeting their values, culture and traditions.

Additionally, Navigator and Secil, considering the specificities of their respective segments, adopt other policies that complement and reinforce the commitment to the communities where they operate (Pulp and Paper Segment and Cement Segment).

In defining these policies, Semapa and its Subsidiaries ensured alignment with widely recognized international instruments, such as the United Nations (UN) Guiding Principles on Business and Human Rights, which guide business actions in respecting and promoting Human Rights. Thus, its practices are in accordance with these principles, implementing actions that ensure the protection and respect for communities and their rights, including consultation and the involvement active of the populations places in the management of the impacts of the activities. [S3-1.17-1]

Finally, it is worth highlighting that, during the reporting year, there were no significant changes to the policies adopted by Semapa and its Subsidiaries [S3-1.AR9], except for the case of ETSA, which approved its Human Rights Policy in early 2024.

PULP AND PAPER

Navigator adopts a set of policies that reflect its commitment to the communities involved in its operations, with special attention to the rights of local populations. The following stand out: the **Code Ethics and Conduct and Human Rights Policy** - applicable across the organization and extendable to the counterparts with which it interacts; the **Forestry Policies** of Portugal and Mozambique; and in the context of Portucel Mozambique, the **Community Involvement Policy** and the **Social Development Program** from Portucel Mozambique.

These policies are aligned with widely recognized international instruments, such as the United Nations (UN) Guidelines on Business and Human Rights Principles, which guide business actions in respecting and promoting Human Rights. In this way, the company ensures that its practices are following these principles, implementing actions that ensure the protection and respect for communities and their rights, including consultation and active involvement of local populations in managing the impacts of their activities. [S3-1.17-1]

With this focus, Navigator assumes its social responsibility towards the communities where it operates, in order to contribute to their progress and well-being, as stipulated in article 18. Social Responsibility and Sustainable Development, of **Code of Ethic and Conduct** (Chap. 4.1.4.1.).

It has implemented a **Human Rights Policy** (Chap. 4.1.4.1.), where it expresses its commitment to: **(i)** promote the involvement of communities to obtain feedback on human rights and labour rights, recognizing the importance of listening to them and ongoing dialogue to integrate their concerns into internal decision-making processes; and **(ii)** act in a manner that respects the human rights of local communities, including, where applicable, indigenous peoples, in particular by taking measures to minimize negative impacts and protect their values, culture and traditions. [S3-1. ESRS2.65a] [S3-1.15]

It is important to highlight that, as forests are the main source of resources, the company also has Forest Policies in Portugal and Mozambique. One of the priorities defined is to promote knowledge about their benefits and the importance that the sustainable use of forest-based products has for society. These policies include two principles that reinforce the commitment to: **(i)** to maintain and improve the responsible management of forest areas, in balance with their natural and social surroundings, developing and promoting actions, including with third parties, that guarantee the non-deforestation, degradation and/or conversion of the Forest; and, **(ii)** make available to receive and respond to questions posed by Interested Parties, disseminating the Forest Policy, promoting a relationship of high social and environmental responsibility with the surrounding communities and observing the principles of the International Work Organization. These commitments are guaranteed in Portugal through the application of the processes DGF N8 – Land Use, DGF S9 – Communication with Stakeholders and DGF S10 – Procurement of Goods and Services and in Mozambique, by the Relationship Management Mechanism and the Social Development Program, developed further below. Through the application of the Forest Policy in Portugal, Navigator commits to respect the PAN-European Criteria for sustainable forest management in accordance with the Portuguese Standard NP 4406 for Sustainable Forest Management and the FSC® Principles and Criteria (FSC®-C010852) [ESRS2.65d], allowing to contribute to the preservation of natural values and ecosystems, soil formation and the fight against erosion, protection of forests against fires and regulation of the water cycle, valuing a land use that stimulates territorial cohesion and the creation of wealth.

The **Community Involvement Policy** developed for Mozambique, constitutes a fundamental pillar of the company's Corporate Social Responsibility. This policy reflects its commitment to cooperate, dialogue and support communities in areas close to forest areas, in order to build inclusive and long-lasting relationships, based on transparency and mutual respect between the parties involved, in a context in which it aims to contribute to their sustained socio-economic development. [S3-1.ESRS2.65] Portucel Mozambique's relationship with communities is based on dialogue and the regular implementation of the following principles: **(i)** proactively ensure regular engagement of all key stakeholders; **(ii)** respect all rights, traditions and cultural heritage of communities, always within the framework of national legislation and respect for human rights; **(iii)** ensure proactive engagement, with a view to effective communication, based on informed and participative consultations; **(iv)** create opportunities for socioeconomic development in communities, through employment generated in forestry operations and activities of the Social Development Program;**(v)** respect labour legislation, as well as promote gender equality in access to job opportunities; **(vi)** promote a culture of health and safety at work; **(vii)** defend the interests of the community against any corrupt practices; **(viii)** provide a Relationship Management Mechanism so that any person or entity can be heard, ensuring their protection from any reprisals; and, **(ix)** raise awareness in communities about the benefits of adopting good environmental practices.

Document [S1-19 e ESRS 2.65a]	Community Involvement Policy
Key Contents and Objectives [ESRS2.65a]	Portucel Moçambique's relationship with communities is based on dialogue and the implementation of a relationship that seeks to be inclusive and long-term, based on transparency and mutual respect between the parties involved, in a context in which it aims to contribute to their sustained socioeconomic development.
Scope [ESRS2.65b]	It targets Navigator's own operations and the entire value chain, involving employees, *stakeholders* (government) and local communities. It covers the geography of Mozambique.
Senior level responsible by implementation [ESRS2.65c]	Executive Committee from Portucel Mozambique
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• Universal Declaration of Human Rights • ILO Conventions
Availability [ESRS2.65f]	Made available to all materially relevant employees and *stakeholders* and in all consultation processes. Available through the Intranet pages and Internet Employees are also given training in this matter.

Thus, Portucel Mozambique, committed to the involvement of communities in the development ofyour project, developed the **Social Development Program (SDP)** in order to contribute to the sustainable socio-economic development of communities. [S3-1. ESRS2.65] The SDP responds in part to the specific risks to communities identified in the Environmental Impact Assessment and Social (EIAS), between 2011 and 2013. The EIAS identified a baseline scenario where the approximately 24 thousand families present in the project implementation areas have high levels of food insecurity, low income, low agricultural productivity (e.g. cassava, corn), low access to drinking water, among others. The EIAS provided the objective basis for establishing the three SDP priorities that seek to minimize these risks – strengthening food security, encouraging income generation and improving the well-being of communities.

FOOD SAFETY

• Technical assistance, with technical support, seeds and fields demonstration, as well as vegetative material (cassava stems and sweet potato branches)

INCREASE OF INCOME

Beekeeping promotion:
• Providing beehives to families for honey production

Livestock and fish farming promotion

IMPROVE WELL-BEING

Health:
• Health infrastructure improvement, with support from construction of the operating block at Ile Hospital, Zambezia

Access to drinking water:
• Opening and rehabilitation of water holes

• Water quality testing for human consumption

• Supply of solar lamps to families

• Improvement of roads and other infrastructures

Document [S1-19 e ESRS 2.65a]	Portucel Mozambique Social Development Program
Key Contents and Objectives [ESRS2.65a]	Portucel Moçambique is committed to involving communities in the development of its project in Mozambique, in a context in which it intends to contribute to its sustainable and inclusive socioeconomic development.
Scope [ESRS2.65b]	It targets Navigator's own operations and the entire value chain, involving employees, *stakeholders* (government, local communities and civil society). Covers the geography of Mozambique.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• Universal Declaration of Human Rights • ILO Conventions
Availability [ESRS2.65f]	Made available to all Employees and materially relevant *stakeholders* and in all consultation processes. Available through the Intranet pages and Internet Employees are also given training in this matter.

It should be noted that, during the reporting year, there were no significant changes to the policies adopted. [S3-1. AR9]

The following information is entered by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Ethic and Conduct: Chap. 4.1.4.1.;

- Presentation of the Human Rights Policy: Chap. 4.1.4.1.;

- Presentation of the Forest Policy: Chap. 4.1.2.4.

CEMENT SEGMENT

In addition to the Code of Conduct and the Human Rights Policy, Secil adopts the Sustainability Policy (Chap. 4.1.2.2.) and the Stakeholder Engagement Policy (Chap. 4.1.4.1.).

Through its Sustainability Policy, Secil reaffirms its commitment to balancing economic performance with environmental respect and responsible citizenship. This policy defines clear objectives and prioritizes actions that seek to contribute to a better life and a more sustainable planet for all. In the social aspect, Secil is dedicated to enriching the communities where it operates, promoting job creation, local hiring and community involvement. In addition, it values talent, equal opportunities and diversity among its employees, encouraging merit and offering fair remuneration and equitable.

For Secil, stakeholders are a key element in the development of the activity, including shareholders, employees, customers, suppliers, surrounding communities, authorities and partners. In this way, the company recognizes that its stakeholders are essential to conducting business, therefore promoting channels that allow for increasing involvement of the different actors impacted by its operations, who should be listened to and involved in decision-making processes. The consultation of the different stakeholders to define the way in which Secil will manage its activity constitutes, under the terms set out in the Stakeholder Involvement Policy, a structuring principle of its activity and integrates its commitment to sustainable development. In this policy, Secil assumes several commitments in its engagement with stakeholders. Specifically about communities, it establishes: **(i)** the promotion of intervention and continuous identification of possible impacts on the surrounding communities of the areas where it carries out its activity; **(ii)** the enrichment of surrounding communities through job creation, local hiring and community involvement; and, **(iii)** contributing to improving the well-being of populations and promoting initiatives whose objective is to support the development not only of communities, but also of the places where Secil is located.

TAKE ACTION ON MATERIAL IMPACTS ON AFFECTED COMMUNITIES AND APPROACHES TO MANAGE MATERIAL RISKS AND SEARCH FOR MATERIAL OPPORTUNITIES RELATED TO AFFECTED COMMUNITIES, AS WELL AS THE EFFECTIVENESS OF THOSE ACTIONS (S3-4)

Semapa and some of its subsidiaries, namely Navigator and Secil, have implemented and/or are committed to implementing a set of actions to enhance dialogue and reinforce positive impacts on the communities involved in their operations, with the aim of contributing to the achievement of the established objectives and goals. [S3-1. ESRS2.68a] [S3-1.32c]

PULP AND PAPER SEGMENT

Navigator has committed to implementing a set of actions to enhance dialogue and reinforce positive impacts on the communities involved in its operations and, in this way, contribute to the achievement of the objectives and goals defined (see following section). [S3-1. ESRS2.68a] [S3-1.32c]

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68 a]	[ESRS 2.68 a]	[ESRS 2.68 b]	[ESRS 2.68 c}	[ESRS 2.68 a]
COMMITWEES FOR MONITORING COMMUNITIES IN PORTUGAL				
Monitoring Committees of Communities	Carried out and Planned	They are carried out in Aveiro, Figueira da Foz, Vila Velha de Ródão and Setúbal, with the presence of representatives of local stakeholders (e.g. public entities, local authorities, NGOs, schools). They have an impact downstream of the value chain.	Continuous	In 2024, in meetings were presented environmental issues of each industrial unit, and ongoing investments. Issues related to Human Resources and Forest Fires that occurred in the 2nd half of the year were also addressed – causes, what happened and how to mitigate them.
FORESTRY ACTIVITY IN PORTUGAL AND SPAIN				
Communication with Stakeholders	Carried out and Planned	Aims at own operations and involves every stakeholder in Portugal and Spain.	Continuous	Carrying out regular contact with *Stakeholders* to collect points of view regarding the impacts (social and environmental) of the activity. During 2024, an initial analysis was carried out incorporating positive and negative impacts, and the adoption of an approach that allows the centralization of information is being analysed.
Take advantage of it-land management	Carried out and Planned	Downstream It involves third parties in Portugal and Spain.	Continuous	Prospecting and development of business opportunities in the multiple use of the forest, through the use of agroforestry spaces: • Sale of 4 360 arrobas of cork (revenue: €145 224) • Sale of pasture for grazing in 1 142 ha (revenue: €8 666) • Assignment of 9 393 ha for hunting (revenue: €37 128) • Transfer of 2 868 ha for instalments (income: €162 555) • Sale of eucalyptus branches on 564 ha (revenue: €48 746)

Main actions [ESRS 2.68 a]	Status [ESRS 2.68 a]	Scope of action [ESRS 2.68 b]	Time horizon [ESRS 2.68 c}	Results [ESRS 2.68 a]
COMMUNITY RELATIONS MANAGEMENT MECHANISM IN MOZAMBIQUE				
Community Meetings	Carried out e Planned	Aims at own operations and the entire chain of value. It involves the communities and entities places in Mozambique.	Continuous	In 2024, were carried out 41meetings of prior consultation and information to the communities.
Door-to-door visits	Carried out e Planned	Aims at own operations and the entire chain of value. It involves the local communities of Mozambique.	Continuous	Family consultation visits about your needs and assessment of the level of satisfaction.
Visits to fronts of work	Carried out e Planned	Aims at own operations and the entire value chain. It involves the local communities and service providers in Mozambique.	Continuous	In 2024, 307 visits were made by Liaison Agents to the work fronts, with the aim of verifying compliance of hiring rules, good practices and human rights, based on forms established.
SOCIAL DEVELOPMENT PROGRAM IN MOZAMBIQUE				
Reinforcement of the security and feeding diversity	Carried out and Planned	Own Operations and the entire value chain. It involves the local communities of Mozambique.	Continuous	It included agricultural extension, through delivery of seeds, branches of sweet potato and cassava cuttings, and the monitoring of the production process, with a team of technicians who supported the families as well as in fields of several families, who showed which cultures are the best and most adaptable practices. Help was give on the construction of barns, for consumption or commercialization and the construction of 15 gardens in the schools, both in dry and irrigated conditions, with a view to improving knowledge of young people on best practices agricultural and induce improvements to the food security and diversity, as well as the means to increase the performance (Targets and Metrics).
Increase in means to increase the performance	Carried out and Planned	Own Operations and entire value chain. It involves the local communities of Mozambique.	Continuous	It includes beekeeping, fish farming, goat breeding. In all these actions Portucel Moçambique supported the start of the activity, with materials and assistance technique, while the beneficiaries also assumed some obligations, within the scope of the commitment to develop the respective activity autonomously (Targets and Metrics).
Improvement of well-being	Carried out and Planned	Own Operations and entire value chain It involves the local communities of Mozambique.	Continuous	It included actions such as access to drinking water, renewable energy, rehabilitation of schools (investment of 21 thousand euros), the support for the construction of infrastructure hospitals, construction and rehabilitation of access roads and bridges. It was carried out also, to the improvement/ construction of hydraulic passages (bridges and aqueducts) for a total value of 65 thousand euros (Targets and Metrics).

Note: No material negative impacts associated with the Community's Economic, Social and Cultural Rights were identified, only positive impacts [S3.32c], therefore no remediation actions were identified. [ESRS2.68d]

In 2024, the company carried out the Community Monitoring Committee meetings in Aveiro, Figueira da Foz, Vila Velha de Ródão and Setúbal. The focus of the debate was immigration and the need to integrate foreigners, both in communities and in companies, creating effective conditions for inclusion. The presence of representatives from local school groups was crucial in an informed debate on the mechanisms to be developed to integrate immigrants, namely through learning the Portuguese language and national culture and customs, as well as respect for women's rights. This topic was particularly highlighted in the CAC of Vila Velha de Ródão, an inland region with greater difficulties in attracting talent and labour. [S3-1.22] This year, a questionnaire was carried out to find out which environmental, social and economic issues community representatives considered most relevant. Given this active listening, the company also took Forest Management into consideration in 2024, publicizing Navigator's good practices. Thus, in the 4th quarter, forest fires were addressed, the events of September 2024, demonstrating that the problem is not in the species planted, but in the good forest management practiced, which increases the resilience of territories by investing in fire prevention. Additionally, social issues were introduced at the CAC meetings, namely recruitment, training and integration programs for specialized technicians in the industrial area. [S3-1.21d]

Regarding forestry activities in Portugal and Spain, Navigator maintained regular contact with stakeholders to gather their views on impacts (social and environmental) and to prospect and develop business opportunities in the context of multiple forest use, to take advantage of agroforestry spaces. Only the implementation of this action – Land Use – required significant operating expenses (current and future), through the Land Use area Budget. [S3-1. ESRS 2.68] [S3-1. ESRS 2.69b]

The Social Development Program in Mozambique has three priority areas of intervention – **(i)** strengthen food security and diversity, **(ii)** increase the means to increase income and **(iii)** improve well-being – which continued during the reporting year. It is worth highlighting the encouragement of the adoption of conservation agriculture techniques as a widespread practice in this process, with a view to improving production and productivity and promoting access to drinking water for local communities in Mozambique. The water protocol being implemented by Portucel Mozambique reveals that water upstream of operations already has levels of microbiological contamination due to the intensive use of this resource for hygiene and cleaning. To mitigate this problem, community environmental awareness initiatives were created where, among other topics addressed, the need for water protection is called for, including safety distances to the river for certain activities as well as the need to boil water intended for their consumption. These actions are associated with the Social Development Program focused on conservation agriculture, promoting better use of soil moisture and resilience to extreme climate events (torrential rains and extreme droughts).

In the future, the company intends to invest in Community Monitoring Committees, promoting greater involvement of municipalities in Portugal in strategic regions for Navigator's industrial activities. In Mozambique, Village Meetings, door-to-door visits and visits to work fronts will be the main initiatives to be implemented.

Regarding the type of financial and other resources, current and future, allocated to the action plan, it is worth noting that Navigator has adopted additional measures and initiatives with the main objective of producing positive impacts for affected communities, such as promoting forest and biodiversity literacy, tracking these projects through metrics in its 2030 roadmap. [S3-1.32c] [S3-1.32d] [S3-1.38]

Evaluating the effectiveness of the initiatives developed is an ongoing process, which is proven, among others indicators, due to the absence of negative feedback. Within the scope of these actions, a comprehensive consultation with Stakeholders is promoted, including the local community and experts from various areas with potential impact on them.

Additionally, multiple communication channels are made available for stakeholders to express their opinions and concerns, such as The Navigator Company website and the whistleblower channel.

In forestry operations in Portugal, Spain and Mozambique, contact can be made in person, with employees, by email or telephone.

In Mozambique, there are also Community Liaison Officers, who play an essential role in maintaining fluid communication between the community and the company. There is also a relationship management mechanism that systematizes all requests — information, complaints, questions, among others — seeking to provide a timely assessment and response. [S3-1. ESRS3.32d]

Current financial resources are applied to actions or action plans with community impact mainly in the form of personnel expenses and payments to suppliers, as well as through the Social Development Program. [S3-1. ESRS2.69b]

CEMENT SEGMENT

Secil, due to its influence in the regions where it operates, in 2024, reaffirmed its commitment to investing in communities and partnering with local suppliers, prioritizing its purchases locally, and commits to maintaining the actions in the future. [S3-1. ESRS2.68a]

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c}	Results [ESRS 2.68a]
Investment in the communities	Carried out and planned	It aims at its own operations and all the value chain. Involves local communities and Secil.	2025	In 2024, €790 300 were invested in local communities.
Recruitment of local suppliers	Carried out and planned	It targets the company's own operations and those upstream of the value chain. It involves suppliers and Secil.	Continuous	In 2024, 70.2% of purchases made were to local suppliers.

Note: No negative material impacts associated with the Community's Economic, Social and Cultural Rights were identified, only one positive impact, therefore no remediation actions were identified. [ESRS2.68d]

The implementation of the actions adopted and planned contribute to the economic growth that is driven by the development of communities, the strengthening of the local economy and the dynamism of the job market. This enables Secil to consolidate its position as an agent of social and economic transformation, promoting sustainable development in the regions where it operates. [S3-1. ESRS2.68a]

As the impacts on the economic, social and cultural rights of the community are positive, no actions have been taken to anticipate and cooperate or support the provision of solutions for those harmed by the actual material impacts. [S3-1. ESRS2.68d] Investment in communities has remained central to mitigating the impacts of Secil's industrial operations. Over the past few years, the company has been focused on the path set out in 2020 with a view to doubling investment in communities by 2025, namely by strengthening local counterparts such as support for associations, donations and collaboration protocols. [S3-1. ESRS2.68e] Thus, three types of resources have been allocated, namely financial contributions, employee volunteering and in-kind donations. [S3-1. ESRS 2.69a] On the other hand, purchases from local suppliers have been fluctuating due to factors such as fluctuations in demand, supply and market conditions. [S3-1. ESRS2.68e]

In relation to the resources allocated to the management of the identified impact, Secil allocates monetary funds for the execution of the proposed objectives. [S3-1.38] The current financial resources allocated to the actions are related to the most relevant amounts presented in the financial statements, namely: investment in communities in other operating expenses and losses; contracting local suppliers in external supplies and services – operating activities/payments to suppliers; and, contracting local employees in personnel expenses – operating activities/payments to personnel. [S3-1. ESRS2.69b]

SEGMENT *HOLDING*

The Semapa Pedro Queiroz Pereira Foundation is developing the Study on Teaching and the Teaching Career in Portugal, in partnership with Universidade Nova SBE and Universidade do Minho, with the aim of defining future actions that will promote quality teaching and reduce educational inequalities in Portugal. [S3-1. ESRS2.68a] The emphasis on Education and Social Protection reflects the belief that true social advancement can only be achieved through the construction of a more capable, supportive and humane society. [S3-1.32b]

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68a]	**[ESRS 2.68a]**	**[ESRS 2.68b]**	**[ESRS 2.68c}**	**[ESRS 2.68a]**
Study on Teaching and the Teaching Career in Portugal	Planned	Own operations of the Semapa Pedro Queiroz Pereira Foundation.	2025	Carrying out the Study on Teaching and the Teaching Career in Portugal in partnership with Nova SBE University and University of Minho.

Note 1: No material negative impacts associated with the Community's Economic, Social and Cultural Rights were identified, only one positive impact, and therefore no action was taken to address these impacts. [S3.33b | S3.35] Therefore, as no material negative impacts, risks or opportunities were identified, no action was taken to address them. [S3.32c | S3.32d | S3.33a | S3.33c | S3.34a | S3.34b | ESRS2.68d]
Note 2: As this is a pioneering action for the Foundation, there is no quantitative and qualitative information on the progress achieved in previous periods. [ESRS2.68e]

The Foundation has an initial endowment of 10 million euros [S3-1. ESRS2.69a] [S3-1.38], recognised in the 2024 financial statements as a donation. [S3-1. ESRS2.69b]

In the absence of serious human rights issues and incidents related to affected communities, there is no need to report situations of this nature. [S3-1.36]

TARGETS AND METRICS

TARGETS RELATED TO THE MANAGEMENT OF NEGATIVE MATERIAL IMPACTS, THE PROMOTION OF POSITIVE IMPACTS AND THE MANAGEMENT OF MATERIAL RISKS AND OPPORTUNITIES (S3-5, MDR-M)

The commitment to the development of local communities has been a priority for the Semapa Group, with emphasis on companies such as Navigator and Secil[16 17]. Based on the actions they have defined, have integrated targets and metrics to promote social impact in their areas of activity, having allocated approximately three million euros to initiatives in communities.

PULP AND PAPER SEGMENT

As part of Navigator's 2030 Roadmap, eight meetings of the Community Monitoring Committees are planned to be carried out annually in the areas surrounding the industrial units of Aveiro, Figueira da Foz, Setúbal and Vila Velha de Ródão. [S3-1. ESRS2.80] This target is in line with SDG 12 – Sustainable Consumption and Production, as it fits into target 12.8 – By 2030, ensure that all people, everywhere, have access to relevant information and awareness to sustainable development and lifestyles in harmony with nature. [S3-1.AR35]

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS2.75 ESRS2.80b]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80e]**
Carry out, annually, eight Committee meetings of Monitoring of Communities, in industrial units of Aveiro, Figueira da Foz, Setúbal and Vila Velha de Ródão.	Meetings of the CAC of the base year: 3 Base year: 2022	No. of meetings of the CAC	3 meetings of the CAC	8 meetings of the CAC	8 meetings of the CAC	8 meetings of CAC/year Target year: 2030

Note: No interim targets have been developed [ESRS2.80e], nor have there been any changes to the target value and year, calculation or data collection methodology, assumptions, sources, or limitations as these are new targets for Navigator. [ESRS2.80i] None of the metrics have been validated by an external body. [ESRS 2.77b]

The target covers the downstream value chain in Portugal [S3-1. ESRS2.80c] and is not directly related to the policies previously described. [S3-1. ESRS2.80a] It was defined based on the following qualitative assumptions:

16 Triangle's has not yet established targets or metrics as it is in the process of developing its 2025 action plan.
17 Semapa Holding, through the Semapa Pedro Queiroz Pereira Foundation, did not establish targets or metrics in this report, as these depend on the results of the Study on Teaching and the Teaching Career in Portugal.

holding a meeting in the 2nd quarter and another in the 4th quarter of each year at Navigator's four industrial units in Portugal – Aveiro, Figueira da Foz, Setúbal and Vila Velha de Ródão – with the participation of representatives of the main stakeholders of the regions where the company develops its operations. Meetings are scheduled according to the availability of the President of the CAC, an independent personality, and the members of Navigator. For each meeting there is an agenda of environmental and social topics relevant to Navigator and the communities. The model and frequency were agreed between the parties – Navigator, President of the Commission and stakeholders involved, and are determined based on the minutes of the meetings carried out. [S3-1. ESRS 2.80f/h and ESRS 2.77a/c.] In 2024, Navigator met the target by holding the eight planned meetings.

ENTITY-SPECIFIC METRICS

Metrics	2024
INVESTMENT IN INFRASTRUCTURE AND SERVICES FOR COMMUNITIES	
Donation on paper, in Portugal	41.9 t Over 50 000€
Donation of nursery plants, in Portugal	875 plants
Supports monetary, in Portugal	37 096 €
Investment, in euros, in community initiatives	1.6 million €
Social development program in Mozambique[18]	**2024**
Families covered	7 000
Seeds improved and distributed	1.153 t
Barns improved	2 465
Orange-fleshed sweet potato branches	111 928 kg
Seedlings and stakes of cassava	1 113 982 Cassava seedlings (96 738) and cuttings (1 017 244)
Goats attributed	2 922
Fish tanks	65
Beehives distributed	1 757
Honey produced	6 326 kg
Water holes constructed	38
Rehabilitated water holes	64
Solar lanterns delivered	4 203
Vaccines given to birds against Newcastle disease	949 201
People involved in environmental awareness	15 175 (45% women)
Investment, in dollars, in the Program's initiatives of Social Development in Mozambique	8.2 M USD

Note: None of the metrics have been validated by an external body. [ESRS2.77b]

In 2024, investment in the Mozambique Social Development Program amounted to approximately 600 thousand euros. It is also important to mention that with this Program the company has responded to requests from various stakeholders, in emergency situations resulting from natural disasters and extreme weather events such as cyclones, floods and similar, contributing resources, equipment and essential goods. In 2024, these contributions totalled approximately 16 thousand euros in the provinces of Manica and Zambezia. Portucel Mozambique also supplies construction materials and eucalyptus poles to health, education and public administration institutions. [S3-1. ESRS 2.77a]

18 As of 12/31/2024, accumulated since the beginning of the Social Development Program in Mozambique.

NAVIGATOR TOUR

With a view to getting closer to the communities, the company carried out 112 visits within the scope of Navigator *Tour* in 2024, with one total of 2855visitors:

- 48 school visits (includes higher education), with 1539 participants;

- 56 visits institutional, with 760 participants;

- 7 visits of Collaborators, with 556 participants.

CEMENT SEGMENT

Secil has set a target related to affected communities: by 2025, it aims to double the monetary value of investment in local communities. [S3-1. ESRS2.80] This investment is accounted for in three ways: **(i)** investment in communities in cash, **(ii)** investment in communities in goods/kind and **(iii)** volunteering carried out by employees. Considering the history of support granted in recent years, the target was set within the scope of growth in support granted. [S3-1. ESRS2.80f]

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS2.80]	**[ESRS2.80d]**	**[ESRS2.75 ESRS2.80b]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80j]**	**[ESRS2.80e]**
Investment in local communities	Value Invested in the communities locations: 500 000 € Base year: 2020	Value Invested in the communities locations (in €)	565 173 € of investment in the community (+121% face the 2020)	638 200 € of investment in the community (+137% face to 2020)	790 300 € of investment in the community (+170% face to 2020)	Value Invested in the communities locations: duplicate the value in relation to the 2020 year Target year: 2025

Note 1: No intermediate targets have been developed. [ESRS2.80e]
Note 2: There were no changes to the target value and year, calculation or data collection methodology, assumptions, sources or limitations. [ESRS2.80i]
Note 3: This metric is subject to external verification within the scope of this report and is not verified by other entities. [ESRS2.77b]

The target covers the upstream and downstream value chain and Secil's own operations [S3-1. ESRS2.80c]and is directly related to the Sustainability Policy and Stakeholder Engagement Policy previously described. [S3-1. ESRS2.80a] Its definition did not involve local communities [S3-1. ESRS2.80g], only the Executive Committee, Human Resources and Institutional Communication of Secil. [S3-1. ESRS2.80h]

The company's performance in relation to the target in the reporting year was €790 300, corresponding to 79% of the target to be achieved in 2025. Secil continues to monitor and regularly review progress, keeping open the possibility of achieving the target by 2025. [S3-1. ESRS 2.80j]

In addition to the metric associated with the target referred to, an entity-specific metric was also defined relating to purchases made from local suppliers. [S3-1. ESRS 2.77c]

Metrics	2024
Purchases made to local suppliers (%)[19]	70.2%

Note: This metric is subject to external verification within the scope of this report and is not verified by other entities. [ESRS2.77b]

19 The percentages correspond to the values presented by the Department of *Procurement*.[ESRS 2.77a]

4.1.4. GOVERNANCE

4.1.4.1 BUSINESS CONDUCT - G1

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

Description	Materiality by Company	Impact, Risk or Opportunity	Time horizon	Location in the value chain	Sub-theme or related sub-sub-theme
[ESRS2.48a]		[ESRS2.48a]	[ESRS2.48ciii]	[ESRS2.48a]	[ESRS2.48h]
The development of a responsible business culture enhances the feeling of belonging of employees, increasing their motivation and company retention ability.		Positive impact	-	Own Operations	Corporate Culture
Responsible management of suppliers, establishing partnerships that share social responsibility values and environmental, can contribute positively for the community and the environment.		Positive impact	-	Own Operations	Management of relations with suppliers, including payment practices
Robust prevention practices of corruption contribute to a fairer and more transparent business environment.		Positive impact	-	Own Operations	Corruption and bribery – Prevention and detection, including training
The use of artificial intelligence, robotics and IoT technologies in industrial processes (cybersecurity) can result in production losses.		Risk	Short Term – Year of Report	Own Operations	Corporate Culture

Note: the material impacts identified are real and therefore do not have a time horizon associated with them.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

BUSINESS CONDUCT AND CORPORATE CULTURE POLICIES (G1-1, MDR-P)

The policies adopted by the Subsidiaries that make up the Semapa Group converge in fundamental areas such as **Ethics and Conduct**, **Human Rights**, **Prevention of Corruption and Money Laundering**, **Compliance** and Integrity, Supplier Relations and **Fair Competition**. This alignment reinforces the Group's cohesion and maximizes positive impacts, namely in strengthening the corporate culture and promoting of a transparent and inclusive work environment. Additionally, the adoption of specific policies to suppliers, such as **Supplier Code of Conduct** and **Purchasing Policies**, highlights the commitment to responsible management of the value chain, promoting partnerships that respect high standards of social and environmental responsibility.

Robust policies to prevent corruption and combat unethical practices (such as **Corruption Prevention Policies, Reporting Regulations and Compliance Policies**) contribute to a fairer and more transparent business environment. These measures ensure compliance with legal and regulatory requirements, protecting the reputation of the Subsidiaries and strengthening the trust of stakeholders.

On the other hand, the increasing digitalization of operations requires special attention to information security. Some of the Group's Subsidiaries have implemented **specific policies for the management of technological assets, remote access and protection of critical infrastructures**, mitigating risks related to cybersecurity and possible impacts on the continuity of operations.

Although there is a strong common basis of principles and guidelines, each Subsidiary adopts complementary measures aligned with its operational and regulatory reality, ensuring an integrated and effective approach to Responsible Business Conduct [G1.7].

PULP AND PAPER SEGMENT

Navigator is committed to ensuring Responsible Business Conduct, supported by the core principles of Trust, Integrity, Entrepreneurship, Innovation, Sustainability and Excellence, reflectedin a comprehensive set of Navigator Codes and Policies – including **Codes of Ethic and Conduct**, **Human Rights Policy**, **Compliance Policies**, among other documents [G1.7].

To effectively implement these principles, Navigator has a robust and efficient Compliance system in place, ensuring clarity in responsibilities and promoting effective communication between the various parties involved. This system is aligned with international best practices, with its structure and organization based on the coordinated action of internal functional units, in conjunction with management and supervisory bodies, with a view to supporting the decision-making process, ensuring transparency and integrity throughout the value chain [G1.9].

Document [G1.7 e ESRS 2.65a]	**Code of Ethic and Conduct**
Key Contents and Objectives [ESRS2.65a]	The Code of Ethic and Conduct reflects Navigator's values, namely: Trust, Integrity, Entrepreneurship, Innovation, Sustainability and Excellence. In addition, it addresses central topics such as: Prevention of Corruption and Money Laundering; Conflicts of Interest; Shareholder Relations; Competition; Intellectual and Industrial Property; Social Responsibility and Sustainable Development; Safety and Working Conditions; Professional Development and Progression; Discrimination and Protection of Personal Data, among others.
Scope [ESRS2.65b]	It targets Navigator's own operations. It has an impact on all Navigator Stakeholders, particularly Employees and Communities. It is transversal to all geographies where Navigator operates.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	In alignment with the Universal Declaration of Human Rights and ILO Conventions.
Availability [ESRS2.65f]	Note to all Employees, Business Partners and Stakeholders through Intranet sites and Internet Employees are also given training in this matter.

Document [G1.7 e ESRS 2.65a]	**Human Rights Policy**
Key Contents and Objectives [ESRS2.65a]	Affirms Navigator's commitment to Human and Labour Rights, integrating them into the development of its activities, in line with internationally recognised standards.
Scope [ESRS2.65b]	Covers own operations as well as upstream and downstream value chain. It impacts all of Navigator's *Stakeholders*, particularly Employees and Communities. Applies across all geographies where Navigator operates.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	• International Bill of Human Rights • OECD Guidelines for Multinational Enterprises • Fundamental Conventions of the International Labour Organization • United Nations Guiding Principles on Business and Human Rights
More relevant information	• Good Practice Internal Policy for Occasional Workers and Service Providers of Portucel Mozambique
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the Intranet page and Internet Employees are also given training in this matter.

Document [G1.7 e ESRS 2.65a]	**Policies of *Compliance* – International Sanctions Compliance Policy; Third Party Integrity Verification Policy and Money Laundering and Terrorism Financing Prevention Policy**
Key Contents and Objectives [ESRS2.65a]	They reflect Navigator's general principles of action in its relations with third parties and the conduct that is expressly prohibited in the context of its relations. established within the scope of their activity, as well as define the measures to prevent these risks by carrying out adequate due diligence procedures, with a view to assessing the risk of criminal activities and the integrity of Navigator's counterparties.
Scope [ESRS2.65b]	They cover all Navigator geographies.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• International Sanctions provided by the EU or UN • Financial Action Task Force (FATF) Recommendations
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the Intranet page and Internet Employees are also given training in this matter.

Document [G1.7 e ESRS 2.65a]	**Policies of *Compliance* – Policy for the Prevention of Corruption and Related Offences**
Key Contents and Objectives [ESRS2.65a]	Its structuring principles are Navigator's total commitment to prevent corruption, the generic and transversal prohibition of the practice of acts of corruption and related infractions and the recognition and reinforcement of the ethical and integrity culture already established, both in its direct relationship with third parties and in the relationship of its employees, in the exercise of their functions, with third parties.
Scope [ESRS2.65b]	Covers all Navigator geographies.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the Intranet page and Internet. Employees are also given training in this matter.

Document [G1.7 e ESRS 2.65a]	Supplier Code of Conduct
Key Contents and Objectives [ESRS2.65a]	Made available to all materially relevant Suppliers and in all consultation processes [G1.20], it defines the ethical standards expected in the supply chain. It covers topics such as: anti-corruption and bribery practices, respect for human rights, labour practices, health and safety and environmental practices.
Scope [ESRS2.65b]	Targets operations upstream of the value chain. Impacts all *stakeholders* of Navigator, particularly in Collaborators and Communities. It is transversal to all the geographies where Navigator operates.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• Universal Declaration of Human Rights and ILO Conventions • OHSAS 18001 • ISO 14001
Availability [ESRS2.65f]	Made available to all materially relevant Suppliers and in all the consultation processes. Available through the Intranet pages and Internet. Employees are also given training in this matter.

Document [G1.7 e ESRS 2.65a]	Supplier Code of Conduct (Mozambique)
Key Contents and Objectives [ESRS2.65a]	Presents the responsibilities of Suppliers and Service Providers with the aim of pursuing a sustainable business based on solid ethical and responsible foundations in the long term, considering matters such as the global economy, human, social and environmental factors.
Scope [ESRS2.65b]	It targets operations upstream in the value chain and has an impact on employees, *stakeholders* and local communities. Covers Navigator's Mozambique geography.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Made available to all materially relevant suppliers and in all the consultation processes. Available at Internet Employees are also given training in this matter.

To promote a culture of Compliance, based on ethical and integrated action, Navigator invests in the training of its Employees. In this sense, it provides ongoing training actions in Compliance matters, namely regarding the Code of Ethic and Conduct, Internal Policies, Reporting of Irregularities, Prevention of Corruption and Related Offences. Available in e-learning, these training courses are aimed at all Employees and use practical cases to promote interactive learning of the response that the Company's internal instruments offer in everyday situations. The objective is to raise awareness and reinforce the importance of these instruments, encouraging the understanding of the principles contained therein. In 2025, the Compliance Area will complement existing training by providing more comprehensive and specific training on the protection of personal data and Human Rights. [G1.9 | G1.10g].

Regarding the functions most exposed to the risk of corruption and bribery, according to Navigator's Corruption and Related Offences Risk Prevention Plan, the areas of contracting goods or services, sales, institutional relations and marketing stand out [G1.10h].

WHISTLEBLOWING CHANNEL AND WHISTLER PROTECTION

Navigator has implemented and made available a **Whistleblower Channel** accessible to Employees, Suppliers, Customers, Service Providers or any other interested parties, as provided for in the **Regulation of Complaints**, enabling the secure and anonymous reporting of wrongdoing. The channel covers a wide range of offences, including, among others, corruption and related offences, discrimination, harassment, health and safety, human and labour rights and environmental protection [G1.10a | G1.10e].

This channel is made available through an online portal and managed by an external entity, contracted by Navigator, and allows reports of irregularities to be submitted through an effective, fast and suitable system for their detection, investigation and resolution – in accordance with the rules of conduct established internally and with the principles of guaranteeing anonymity, confidentiality, safeguarding and non-retaliation in relations with whistleblowers, complying with data protection and information security standards and legal requirements from the national legislation which transposes the Directive (EU) 2019/1937 [G1.10a |G1.10e].

The handling of complaints is ensured by a multidisciplinary team – the Whistleblowing Committee (CDI) –, composed of the Director of Legal, Compliance and Public Affairs (DLC), the Director of Risk Management (DGR) and the Compliance Officer. Whenever a complaint involves a member of the CDI, it is forwarded to the Supervisory Board, ensuring impartiality and independence in the handling of each case. In addition, all communications of irregularities received are reported to the Supervisory Board and, if they involve members of the Board of Directors or the Supervisory Board itself, also the Commission of Ethics [G1.10a | G1.10e | G1.18a |G1.19].

The person responsible for following up on the complaint must determine whether the complaint contains the minimum grounds for triggering an investigation process, as well as determine the involvement of other bodies, departments or Employees, when certain requirements are met. If the complaint meets the minimum grounds, the investigation process is initiated, which consists of verifying all the necessary facts to assess the alleged irregularity. The investigation process may result in the filing of the complaint or in the proposal of corrective measures, forwarded to the Executive Committee and the Supervisory Board, or to the Board of Directors when the measures go beyond the powers of the Executive Committee. To reinforce confidence in this mechanism, we provide specific training on reporting irregularities, ensuring that all employees understand how it works, and the protection guaranteed to whistleblowers [G1.9 | G1.10a | G1.10e | G1.10g].

CEMENT SEGMENT

Secil expresses the importance of integrity, ethics, responsibility and honesty in the conduct of its business and activities, having defined a governance model, which encompasses all the geographies where it operates, and which also translates into a set of Policies, mechanisms and instruments, which aim to guarantee this transparency and integrity of Secil's practices and the internalization of the values of business ethics to all levels and by all Secil Employees, such as the **Human Rights Policy**, the **Code of Conduct, Code of Conduct for Suppliers** and **Corruption Prevention Policy**.

The policies in force also aim to ensure compliance with legislation and commitments made.with its stakeholders. Examples of this are the **Free Competition Defense Policies**, **Stakeholder Involvement**, among others, which are presented below.

Document [G1.7 e ESRS 2.65]	**Human Rights Policy**
Key Contents and Objectives [ESRS2.65a]	The human rights policy expresses the commitment to promote respect for human rights and labour rights and to encourage their observance.
Scope [ESRS2.65b]	It targets its own operations, impacting members of corporate bodies, members of committees, Secil employees and representatives. It also covers service providers upstream in the value chain. It covers all geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	Human Resources Department
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	• International Bill of Human Rights • OECD Guidelines for Multinational Enterprises • Fundamental Conventions of the International Labour Organization • United Nations Guiding Principles on Business and Human Rights
Availability [ESRS2.65f]	Communicated to all employees, business partners and other interested parties, through publication on Secil's institutional website. Training actions are planned for 2025.

Document [G1.7 e ESRS 2.65]	**Code of Conduct**
Key Contents and Objectives [ESRS2.65a]	The Code of Conduct is the document that guides the behaviour of Employees (both members of corporate bodies and workers), establishing compliance high standards of business ethics and personal integrity in the exercise of respective activities.
Scope [ESRS2.65b]	It targets its own operations, impacting members of corporate bodies, committee members, Secil employees and representatives. It covers all geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	Human Resources Department
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Communicated to all Employees, business partners and other interested parties, through publication on Secil's institutional website. It is also communicated through periodic awareness-raising and training activities.

Document [S2-16 e ESRS 2.65a]	**Supplier Code of Conduct**
Key Contents and Objectives [ESRS2.65a]	Comply with local and national laws and regulations regarding health and safety in work, environment and human rights.
Scope [ESRS2.65b]	Own operations and upstream of the value chain, and covers all workers of the value chain, suppliers and Procurement Area. Covers the entire Secil.
Senior level responsible by implementation [ESRS2.65c]	CPO and COO of Secil
Availability [ESRS2.65f]	Secil internal *SharePoint* Via email when sending each Purchase Order Secil Website

Document [G1.7 e ESRS 2.65]	Corruption Prevention Policy
Key Contents and Objectives [ESRS2.65a]	In the Corruption Prevention Policy, commitments are made regarding the fight against and prevention of corruption, namely not to offer, promise or authorize undue advantages to any people or entities, with a view to obtaining financial or non-financial advantages for themselves or for third parties, not accepting advantages when their acceptance could harm their independence and impartiality, not using donations or sponsorships as a means of exercising illicit influence to obtain decisions that confer advantages on them and not making contributions in favour of political parties.
Scope [ESRS2.65b]	It targets its own operations, impacting members of corporate bodies, members of committees, Secil employees and representatives. It also covers service providers upstream in the value chain. It covers all geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	Legal and Compliance Department
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	• International Bill of Human Rights • OECD Guidelines for Multinational Enterprises • Fundamental Conventions of the International Labour Organization • United Nations Guiding Principles on Business and Human Rights
Availability [ESRS2.65f]	Communicated to all Employees, business partners and other interested parties, through publication on Secil's institutional website. Training actions are planned for 2025.

Document [G1.7 e ESRS 2.65]	Money Laundering and Terrorism Financing Prevention Policy
Key Contents and Objectives [ESRS2.65a]	This policy constitutes a reference for action to prevent money laundering and terrorist financing, taking into account the context and the specificities of the respective activity, in compliance with the legislation and applicable regulations.
Scope [ESRS2.65b]	It targets its own operations, impacting members of corporate bodies, members ofcommittees, Secil employees and representatives. It also covers service providers upstream in the value chain. It covers all geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	Legal and Compliance Department
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	• International Bill of Human Rights • OECD Guidelines for Multinational Enterprises • Fundamental Conventions of the International Labour Organization • United Nations Guiding Principles on Business and Human Rights
Availability [ESRS2.65f]	Communicated to all employees, business partners and other interested parties, through publication on the Secil website. Training actions are planned for 2025.

Document [G1.7 e ESRS 2.65]	Free Competition Defense Policy
Key Contents and Objectives [ESRS2.65a]	This policy aims to constitute a benchmark for action in terms of competition, listing the commitments assumed in this area in order to ensure compliance with legal obligations in terms of competition law and prevent anti-competitive practices.
Scope [ESRS2.65b]	It targets its own operations, impacting members of corporate bodies, committee members, Secil employees and representatives. It also covers downstream value chain. Covers all Secil geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	Commercial Management
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• International Bill of Human Rights • OECD Guidelines for Multinational Enterprises • Fundamental Conventions of the International Labour Organization • United Nations Guiding Principles on Business and Human Rights
Availability [ESRS2.65f]	Communicated to all employees, business partners and other interested parties, through publication on the Secil website. Training actions are planned for 2025.

Document [G1.7 e ESRS 2.65]	Engagement Policy with *Stakeholders*
Key Contents and Objectives [ESRS2.65a]	This policy aims to demonstrate recognition and commitment to the respective *stakeholders*. Consulting them to define the way in which Secil's activity is managed constitutes a structuring principle of its activity and allows for increasing involvement of the different actors impacted by Secil's operations.
Scope [ESRS2.65b]	It targets the entire value chain, impacting members of corporate bodies, members of committees, Secil workers and representatives. Covers all geographies and areas of business.
Senior level responsible by implementation [ESRS2.65c]	Human Resources Department
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• International Bill of Human Rights • OECD Guidelines for Multinational Enterprises • Fundamental Conventions of the International Labour Organization • United Nations Guiding Principles on Business and Human Rights
Availability [ESRS2.65f]	Communicated to all employees, business partners and other interested parties, through publication on the Secil website. Training actions are planned for 2025.

Document [G1.7 e ESRS 2.65]	Anti-Fraud Policy
Key Contents and Objectives [ESRS2.65a]	The policy describes the procedure to be followed in case of fraud detection and those responsible for preventing and detecting fraud.
Scope [ESRS2.65b]	It targets its own operations, impacting members of corporate bodies, members of committees, Secil workers and representatives. Covers all geographies and Secil's business.
Senior level responsible by implementation [ESRS2.65c]	Internal Audit Department
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Available on the Intranet.

Document [G1.7 e ESRS 2.65]	Integrity Channel Policy
Key Contents and Objectives [ESRS2.65a]	The procedure for reporting irregularities set out in this policy regulates the procedures for receiving, screening, processing and archiving reports of irregularities received by Secil in matters covered by its scope.
Scope [ESRS2.65b]	It targets activities across the entire value chain, impacting members of corporate bodies, committee members, Secil employees and representatives. It covers all Secil's geographies and business areas.
Senior level responsible by implementation [ESRS2.65c]	Legal and Compliance Department
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	Law No. 93/2021, of December 20
Availability [ESRS2.65f]	Available on the Intranet.

Document [G1.7 e ESRS 2.65]	Remote Access Policy
Key Contents and Objectives [ESRS2.65a]	The policy aims to establish rules for remote access to Secil's information systems for external entities and employees to safeguard the security of access to them.
Scope [ESRS2.65b]	It targets the company's own operations, impacting members of corporate bodies, committee members, Secil employees and representatives. Applicable in Portugal.
Senior level responsible by implementation [ESRS2.65c]	Information Technology Department / Cybersecurity Department
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Available on Secil's internal channel (SeSuite).

Document [G1.7 e ESRS 2.65]	Asset Management Policy
Key Contents and Objectives [ESRS2.65a]	This policy establishes the rules and regulations for Secil's information systems assets.at the level of identification, inventory and criticality.
Scope [ESRS2.65b]	It targets the company's own operations, impacting members of corporate bodies, committee members, Secil employees and representatives. Applicable in Portugal.
Senior level responsible by implementation [ESRS2.65c]	Cybersecurity Department
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Available on Secil's internal channel (SeSuite).

Document [G1.7 e ESRS 2.65]	Management of *Racks* Policy
Key Contents and Objectives [ESRS2.65a]	The policy ensures integrity rules for technical cabinets, namely access security and its organization.
Scope [ESRS2.65b]	It targets upstream activities, own and downstream operations, impacting members of corporate bodies, committee members, Secil employees and representatives. Applicable in Portugal.
Senior level responsible by implementation [ESRS2.65c]	Cybersecurity Department
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Available on Secil's internal channel (SeSuite).

Document [G1.7 e ESRS 2.65]	Sustainability Policy
Key Contents and Objectives [ESRS2.65a]	It combines Secil's actions with the best environmental and citizenship values. Defines the objectives and priorities of actions, in order to contribute to a better life on the planet, seeking to reconcile economic performance, which includes innovation of products, with environmental respect and responsible citizenship, both internally and in the communities where the company operates.
Scope [ESRS2.65b]	It targets upstream activities, own and downstream operations, impacting employees, contractors and subcontractors, regulatory entities, financial entities, customers, investors and shareholders, suppliers, unions, and local communities.
Senior level responsible by implementation [ESRS2.65c]	Sustainability Management
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Communicated to all employees, business partners and other interested parties, through publication on the corporate website.

OTHER BUSINESS SEGMENT – ETSA

The principles that define ETSA's organizational culture are based on values such as ethics, transparency and responsibility. These values are present in the policies that guide the Company's activities and practices.

Document [G1.7 e ESRS 2.65a]	Code of Conduct for Suppliers
Key Contents and Objectives [ESRS2.65a]	ETSA is determined to pursue the principles of corporate social responsibility, legal compliance and continuous improvement, which are core elements of its corporate and management culture. These principles have been embedded within ETSA and its corporate culture since its inception, and thus these same principles are equally applicable to all suppliers.
Scope [ESRS2.65b]	All suppliers present in the upstream and downstream value chain, as well as in own operations.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• Charter of Human Rights published by the United Nations
Availability [ESRS2.65f]	Available on the website https://www.etsa.pt/sustentabilidade

Document [G1.7 e ESRS 2.65a]	Code of Ethic and Conduct
Key Contents and Objectives [ESRS2.65a]	The fundamental objectives pursued by ETSA are based on the sustainable value creation and in protecting the interests of shareholders, with an adequate level of remuneration to investors, supported by offering the highest standards of quality in the supply of goods and services to its customers, and also in the recruitment, motivation and development of the best and most competent professionals.
Scope [ESRS2.65b]	The Code of Ethic and Conduct applies to all Employees of all ETSA companies. The rules defined therein must govern the ethical and professional conduct of all Employees, within the scope of the pursuit of their business activity and in relationships with third parties, being an essential instrument of politics and corporate culture practices followed and promoted by ETSA.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	In alignment with the Universal Declaration of Human Rights and ILO Conventions
Availability [ESRS2.65f]	ETSA makes the Code of Ethic and Conduct available to all Employees and promote its dissemination, its widespread knowledge and its mandatory practice.

Document [G1.7 e ESRS 2.65a]	Human Rights Policy
Key Contents and Objectives [ESRS2.65a]	ETSA recognises that respect for human rights, including labour rights, constitutes, under the terms set out in the policy, a structuring principle of its activity and is part of its commitment to sustainable development.
Scope [ESRS2.65b]	The policy constitutes a reference and covers the actions of ETSA and the companies that are in a relationship of control with it, within the scope of human rights, including labour rights, and the Company must adopt principles and commitments taking into account the context and specificities of its activity and in compliance with the legislation applicable to it.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	ETSA's commitments to respect human rights were established in accordance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, in particular the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the eight core ILO conventions and the International Bill of Human Rights.
Availability [ESRS2.65f]	Available on the website https://www.etsa.pt/sustentabilidade

Document [G1.7 e ESRS 2.65a]	Code of Good Conduct for Preventing and Combating Harassment at Work
Key Contents and Objectives [ESRS2.65a]	Compliance with a duty to adopt prevention, combat and control measures and directives and reaction to harassment practices in the workplace, with a view to eliminating all and any behaviour that could be considered harassment.
Scope [ESRS2.65b]	The "Code of Conduct" is fully applicable to all employees of the company, regardless of their professional category and functions, hierarchical position, type of employment relationship or any other condition. It is also applicable to any ETSA company, in a controlling corporate relationship or with common organizational structures.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Available on the website https://www.etsa.pt/sustentabilidade

Document [G1.7 e ESRS 2.65a]	Money Laundering and Terrorism Financing Prevention Policy
Key Contents and Objectives [ESRS2.65a]	ETSA and its Employees must comply with the legislation and regulations regarding the fight against and prevention of money laundering and terrorist financing; promote the adoption of procedures regarding the prevention of illegal practices. ETSA must also promote the training of its employees on matters related to the prevention of money laundering and terrorist financing and encourage the reporting of suspicious transactions through reporting procedures in force or the ETSA Whistleblower Channel.
Scope [ESRS2.65b]	The policy constitutes a reference and covers the actions of ETSA and companies that are in a controlling or group relationship with it, within the scope of combating and preventing money laundering and terrorist financing.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Available on the website https://www.etsa.pt/sustentabilidade

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's organizational culture is based on values of ethics, transparency and responsibility, reflected in a set of policies that guide the Company's practices. The **Anti-Corruption Policy**, The **Purchasing Policy**, **Supplier Code of Conduct** and **Human Rights** and **Working Conditions Policy** ensure the integrity of operations, promote responsible practices and ensure respect for the rights of employees and partners. These policies reinforce the company's commitment to good governance and sustainability, creating a solid foundation of trust with all stakeholders.

Document [G1.7 e ESRS 2.65a]	Anti-Corruption Policy
Key Contents and Objectives [ESRS2.65a]	Establishes and updates operating standards with the aim of preventing illicit conduct that constitute the practice of acts of corruption and to prevent potential conflict situations interests, thus responding to the obligations provided for in the General Regime for the Prevention of Corruption, set out in DL No. 109-E/2021, of December 9.
Scope [ESRS2.65b]	Targets operations across the entire value chain. Impacts all stakeholders from Triangle's. It is applicable in Europe and Asia.
Senior level responsible by implementation [ESRS2.65c]	Director of People and Sustainability (in charge of *Compliance*)
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the website.

Document [G1.7 e ESRS 2.65a]	**Purchasing Policy**
Key Contents and Objectives [ESRS2.65a]	It provides for the rules and procedures to be applied in commercial relations with various partners and/or suppliers regarding the acquisition of materials, products or services and complements the rules established in the Supplier Code of Conduct.
Scope [ESRS2.65b]	It targets own operations and the upstream value chain. It has an impact on Triangle's Stakeholders. It is applicable in Europe and Asia.
Senior level responsible by implementation [ESRS2.65c]	Director of People and Sustainability (in charge of *Compliance*)
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	• ISO 9001:2015 Management of Quality system • ISO 14001:2015 Environmental Management system • ISO 45001:2018 Occupational Health and Safety Management System • Sustainable Development Goals – United Nations 2030 Agenda ASI (Aluminium Stewardship Initiative)
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the website.

Document [E1-24 | ESRS 2.65a]	**Code of Conduct**
Key Contents and Objectives [ESRS2.65a]	Triangle's is committed to developing its activities in a balanced manner, sustainable and environmentally responsible, promoting the continuous improvement of civil society. In this sense, employees and other stakeholders must act in accordance with applicable environmental legislation and standards, as well as with good internal practices established in this area. Prevention, through the identification and management of environmental risks, and the optimization of natural resources are fundamental principles that guide individual and collective action to achieve this commitment. All employees must have adequate knowledge of the environmental impacts of the products and materials used in the performance of their duties. Special attention must be paid to the consumption, use and handling of these resources, ensuring safe use and minimizing risks to health and the environment.
Scope [ESRS2.65b]	This Policy applies to Triangle's entire value chain, covering the geographical units of Europe and Asia. This Policy covers a wide range of stakeholders, including shareholders, customers, employees (internal and external), regulatory bodies, certification bodies, official bodies (Social Security, Tax Authority), universities, technology centres, research centres, suppliers, service providers, government, competitors, the surrounding community and other institutions.
Senior level responsible by implementation [ESRS2.65c]	Director of People and Sustainability
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	Aligned with the requirements of the ISO 14001:2015 standard, with the SDGs of the 2030 Agenda of United Nations and the principles of the UN Global Compact.
Availability [ESRS2.65f]	Triangle's website. Made available to workers and suppliers.

Document [G1.7 e ESRS 2.65a]	Supplier Code of Conduct
Key Contents and Objectives [ESRS2.65a]	Establishes Triangle's vision, commitments and requirements to ensure compliance with environmental and social standards in the supply chain. This includes but is not limited to respect for human rights and the sustainable extraction of raw materials.
Scope [ESRS2.65b]	It targets own operations and the upstream value chain. It has an impact on Triangle's Stakeholders. It is applicable in Europe and Asia.
Senior level responsible by implementation [ESRS2.65c]	Director of People and Sustainability (in charge of Compliance)
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	• ISO 9001:2015 • ISO 14001:2015 • ISO 45001:2018 • UN Global Compact • Sustainable Development Goals – United Nations 2030 Agenda • ASI (Aluminium Stewardship Initiative) • Charter of Human Rights published by the United Nations
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the website.

Document [G1.7 e ESRS 2.65a]	Human Rights and Working Conditions Policy
Key Contents and Objectives [ESRS2.65a]	This policy focuses on the following points: 1. No to child labour and protection of young workers; 2. No to forced labour and modern slavery; 3. No to harassment and discrimination; 4. For inclusion, diversity, equity and belonging; 5. Wages and benefits; 6. Training and development; 7. Freedom of Association and Collective Bargaining; 8. Working hours; 9. Safety and health at work.
Scope [ESRS2.65b]	It targets the entire value chain. It impacts all of Triangle's Stakeholders. It is applicable in Europe and Asia.
Senior level responsible by implementation [ESRS2.65c]	Director of People and Sustainability (in charge of Compliance)
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	• ISO 9001:2015 Management of Quality system • ISO 14001:2015 Environmental Management system • ISO 45001:2018 Occupational Health and Safety Management System • Sustainable Development Goals – United Nations 2030 Agenda • ASI (Aluminium Stewardship Initiative) • OECD Guidelines for Multinational Enterprises • United Nations Guiding Principles on Business and Human Rights • Declaration on the Fundamental Principles and Rights at Work of the Organization International Labour Organization (ILO) • Eight fundamental ILO conventions • International Bill of Human Rights
Availability [ESRS2.65f]	Communicated to all Employees, business partners and interested parties through the website.

SEGMENT *HOLDING*

Semapa's corporate culture is based on principles of ethics, transparency and responsibility, reflected in a structured set of policies that guide the conduct of its Subsidiaries and reinforce commitment to sustainability and good governance. These policies establish clear guidelines for the performance of Semapa and its Subsidiaries, ensuring integrity in relationships with employees, suppliers, customers and other interested parties [G1.9].

Document [G1.7 e ESRS 2.65]	**Code of Ethic and Conduct**
Key Contents and Objectives [ESRS2.65a]	The Code of Ethic and Conduct establishes the rules and principles of a deontological and binding nature that should guide the professional conduct of Semapa Employees.
Scope [ESRS2.65b]	It is aimed at its own operations and is applicable to all corporate bodies, committee members, representatives, service providers and Semapa workers (Employees).
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	Under the terms of the Code of Ethic and Conduct, compliance with applicable legislation and regulations must be respected as essential pillars of the decisions and behaviour of all Semapa Employees.
Availability [ESRS2.65f]	Announcement to all interested parties via the website.

Document [G1.7 e ESRS 2.65]	**Human Rights Policy**
Key Contents and Objectives [ESRS2.65a]	The Human Rights Policy establishes Semapa's principles and commitments within the scope of respect for and defence of human rights, including labour rights.
Scope [ESRS2.65b]	It targets its own operations and the upstream and downstream value chain. It has an impact on any stakeholder that interacts with society. It covers the activities of Semapa and companies that are in a controlling or controlling relationship with it. group, regardless of the location of their respective headquarters and activities, and these companies must adopt principles and commitments equivalent to those established in the policy taking into account the context and specificities of the respective activity and in compliance with the legislation applicable to them.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	The commitments to respect human rights assumed by Semapa in respective Human Rights Policy were established in accordance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, in particular the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the eight core ILO conventions and the International Bill of Human Rights.
Availability [ESRS2.65f]	Note to all Employees, Business Partners and Stakeholders through Internet sites.

Document [G1.7 e ESRS 2.65]	Money Laundering and Terrorism Financing Prevention Policy
Key Contents and Objectives [ESRS2.65a]	The Money Laundering and Terrorism Financing Prevention Policy constitutes a benchmark for Semapa's actions in combating and preventing money laundering and terrorist financing, through the establishment of a set of principles, rules and commitments, and which represents a structuring principle of its activity and integrates its commitment to the sustainable development.
Scope [ESRS2.65b]	It targets its own operations. It has an impact on any stakeholder that interacts with the company. It covers the activities of Semapa and companies that are in a controlling or group relationship with it, regardless of location of their respective headquarters and activities, and these companies must adopt principles and commitments equivalent to those established in the policy, taking into account the context and specificities of the respective activity and in compliance with the legislation that applies to them.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	The commitments assumed by Semapa in terms of combating and preventing money laundering and terrorist financing presuppose compliance with the legislation and regulations in force and applicable to the activities carried out in the respective jurisdictions.
Availability [ESRS2.65f]	Communicated to all interested parties via the website.

Document [G1.7 e ESRS 2.65]	Tax Policy
Key Contents and Objectives [ESRS2.65a]	The Tax Policy aims to ensure full compliance with the tax obligations of companies that make up the Semapa Group, in all jurisdictions in which they operate, always to respect the spirit and letter of the applicable legislation.
Scope [ESRS2.65b]	It targets its own operations and the upstream and downstream value chain. It is transversal to all geographies where the Semapa Group operates.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	-
Availability [ESRS2.65f]	Communicated to all interested parties via the website.

Document [G1.7 e ESRS 2.65]	Regulation on Conflicts of Interest and Related Party Transactions
Key Contents and Objectives [ESRS2.65a]	It defines the rules regarding conflicts of interest and transactions with related parties, in which Semapa is a party, in addition to the internal mechanisms that the company has in place for the purposes of compliance with the applicable legal and regulatory regime in force on this matter, and without prejudice to the obligations of Semapa and its Directors in terms of Privileged Information, of the legal business regime of the company with administrators and the internal regulations regarding the Reporting of Irregularities and other applicable legislation on this matter.
Scope [ESRS2.65b]	Aims at own operations. Applicable to Transactions as defined in the respective Regulation, with the provisions on Conflict of Interests being applicable to Managers of society.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	In line with current and applicable legislation and regulations, particularly Law No. 50/2020, of August 25, and the Securities Code.
Availability [ESRS2.65f]	Announcement to all interested parties via the website.

Document [G1.7 e ESRS 2.65]	**Regulation for Reporting Irregularities**
Key Contents and Objectives [ESRS2.65a]	Its purpose is to frame and regulate the communication of irregularities allegedly occurring within society and taking into account legislation and regulations in force regarding these matters.
Scope [ESRS2.65b]	It is aimed at its own operations and is applicable to all members of Semapa's corporate bodies and committees, shareholders, employees, candidates in the process of recruitment, service providers, contractors, subcontractors, suppliers, Semapa volunteers and interns.
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Third-party standards or initiatives that the company commits to respect [ESRS2.65d]	In line with current and applicable legislation and regulations, in particular, the Whistleblower Law Protection Act – Law No. 93/2021, of December 20
Availability [ESRS2.65f]	Note to all Employees, Business Partners and Stakeholders through the website.

Document [G1.7 e ESRS 2.65]	**Corruption Prevention Policy**
Key Contents and Objectives [ESRS2.65a]	The Corruption Prevention Policy constitutes a benchmark for Semapa's actions in the fight against and prevention of corruption, through the establishment of a set of principles, rules and commitments, which represents a structuring principle of its activity and integrates its commitment to sustainable development.
Scope [ESRS2.65b]	It targets its own operations and the upstream and downstream value chain. It has an impact on any stakeholder that interacts with society. It covers the actions of Semapa and companies that are in a controlling or group relationship with it, regardless of the location of their headquarters and activities, within the scope of combating and preventing money laundering and the financing of crime. terrorism, and these societies must adopt principles and commitments equivalent to those established in this policy, taking into account the context and specificities of their respective activity and in compliance with the legislation applicable to them
Senior level responsible by implementation [ESRS2.65c]	Board of Directors
Standards or initiatives of third parties that the company undertakes to respect [ESRS2.65d]	Commitments made by Semapa in terms of combat and prevention corruption presuppose compliance with current legislation and regulations applicable to activities carried out in their respective jurisdictions and are established taking into account the OECD Guidelines for Business Multinationals and the United Nations Guiding Principles on Business and Human Rights, in particular the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the eight fundamental ILO conventions and the International Bill of Human Rights.
Availability [ESRS2.65f]	Note to all Employees, Business Partners and Stakeholders through the website.

Semapa's corporate culture is established, developed and promoted through the implementation of internal regulations that guide the actions of corporate bodies and their employees, in particular ensuring compliance with the principles of ethics, integrity and transparency. Semapa has a **Regulation for Reporting Irregularities**, which allows for the secure reporting of potential irregularities and ensures confidential and non-prejudicial treatment of the whistleblower. This Regulation applies to a wide range of stakeholders, including employees, shareholders, suppliers and service providers, reinforcing a culture of responsibility and compliance. Semapa's Irregularity Whistleblower channel is managed by an external and independent entity, ensuring impartiality in the handling of reports and respect for the anonymity of whistleblowers [G1.9].

As part of the commitments made in internal policies, in 2024 Semapa carried out a training course on "Ethics and Conduct", aimed especially at its corporate bodies and employees. The aim of this training was to deepen knowledge about the Code of Ethic and Conduct, the Human Rights Policy, the Policy to Combat Money Laundering and Terrorism Financing and the Irregularity Whistleblower channel. The methodology used was based on case-based learning, using real or fictitious cases to illustrate the practical application of each code or policy analysed [G1.9 | G1.10g].

With regard to the fight against corruption and bribery, Semapa has adopted a **Corruption Prevention Policy** aligned with international guidelines, such as those of the OECD for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. The promotion of the implementation of this policy is done through training activities, the incorporation of its principles into operational procedures and the adoption of due diligence processes to prevent and correct associated risks. The implementation of this policy is monitored by the Board of Directors and the Corporate Governance Committee, and its application is operationalized by the Executive Committee. Additionally, Semapa undertakes to transparently disclose its actions in the fight against corruption in its annual report [G1.10b | G1.10g].

As part of its ongoing commitment to integrity and compliance, the Group is undertaking a risk assessment on corruption and bribery, within the scope of the voluntary implementation of the General Regime for the Prevention of Corruption (approved in the annex to Decree-Law No. 109-E/2021, of December 9). This initiative reinforces Semapa's commitment to adopting best prevention practices and mitigation of risks associated with corruption [G1.10b].

The following information is entered by reference to other parts of the non-financial statement (MDR-P, ESRS 2, §65 a/b/c/d/f):

- Presentation of the Code of Good Conduct for the prevention and combat of harassment at work: Chap. 4.1.3.1

MANAGEMENT OF SUPPLIER RELATIONSHIPS (G1-2, MDR-P)

PULP AND PAPER SEGMENT

Supplier relationship management is a key strategic axis for Navigator, given the significant impact of its purchasing policies on value creation and distribution. With thousands of companies and employees integrated into the supply chain, Navigator is committed to establishing partnership relationships and stimulating positive change, promoting a more sustainable, resilient and efficient supply chain [G1.15a | G1.15b].

Navigator's business involves the supply of wood, biomass, chemicals and other products essential to the industrial process, in addition to the acquisition of energy necessary for production and consumption. These processes have environmental and social impacts, from the extraction and production of resources to their transportation and use. Shipping products to more than 134 countries and approximately 4 170 delivery points requires complex logistics management, using sea, rail and road transport, always with the commitment to minimize the environmental footprint and optimize supply chain efficiency. In total, Navigator works with **more than 7 718 suppliers**, the most relevant being wood and biomass, chemicals and packaging, logistics and transportation, energy and specialized services [G1.15a | G1.15b].

COMMITMENTS MADE

Navigator's operations reflect **not only environmental concerns, but also social ones**, especially regarding the safety of the people involved. Supply chain resilience and responsiveness are essential factors to ensure business continuity. Sustainable supplier management has become a priority topic in the latest materiality analyses, leading to the definition of commitments and objectives within the scope of the 2030 Roadmap. Among the main goals established, the following stand out: the increase in certified wood and the promotion of chain of custody certification, the reinforcement of the evaluation of suppliers based on ESG criteria, the encouragement of the adoption of sustainable practices and the commitment to the health, safety and training of service providers operating in Navigator's forestry areas in Portugal [G1.15a | G1.15b].

Reducing CO_2 emissions associated with the value chain is also a priority, in line with the targets approved by the Science Based Targets initiative (SBTi) in 2022. Navigator has committed to reducing scope 3 carbon emissions, particularly those associated with its network of suppliers and logistics partners [G1.15a | G1.15b].

In terms of **economic impact**, Navigator invested more than 1.9 billion euros annually in supplies and services. Navigator plays a key role in the Portuguese economy, being responsible for a high volume of purchases from national suppliers, which contributes significantly for the generation of employment and the dynamization of the industrial sector. To support its suppliers, especially those in the national and Spanish timber market, it has consolidated several measures, including **financial support for the acquisition of machinery, treasury facilitation and supplier segmentation**, as well as the **expansion of the payment solution via the confirming solution**. These initiatives aim to foster a more qualified, sustainable supply chain adapted to the demands of the sector [G1.15a | G1.15b].

Navigator also promotes active engagement with suppliers through **collaboration and knowledge sharing initiatives**. **Supplier's Day**, carried out since 2015, provides a platform for dialogue and continuous improvement, addressing topics such as cost reduction, industrial efficiency and sustainability.

At the same time, the **Forest Producers Club**, launched in 2023, reflects the commitment to sustainable forest management and aims to unite and support the community of Producers, Suppliers and Forest Service Providers [G1.15a | G1.15b].

The **commitment to value chain safety** translates into the adoption of strict criteria for workers in forestry and industrial operations. 2024 was a year marked by the visit of Portucel Mozambique's Safety Coordinator to Portugal, where he had the opportunity to physically meet the safety teams from the different sites – with a view to sharing experiences – and he also attended meetings that will strengthen the relationship between the safety structures of both geographies. It was also a year in which the assumptions for calculating security indices were made and in which the identification of documentary gaps began, a subject that will continue to be discussed during the year 2025 [G1.15a | G1.15b].

With regard to **logistical efficiency and reducing the carbon footprint**, Navigator has focused on optimizing transport flows and complementarity between different modes of transport. In 2024, it continued to consolidate maritime services in nearby ports and increased deliveries to central and northern France by sea, significantly reducing CO_2 emissions associated with road transport, resulting in an emissions reduction of around -786 tCO_2. In addition, it maintained the carrier loyalty program and incentive for fleet renewal, promoting the adoption of vehicles more efficient and sustainable. [G1.15a | G1.15b]

Energy procurement is also a strategic area, aligned with its decarbonization commitments. In 2024, around 66% of the electricity purchased was from renewable sources, with supplies standing out through a Power Purchase Agreement (PPA) of 115 GWh established with Endesa, which includes the delivery of guarantees of renewable origin, as well as the supply of electricity through physical PPAs with the Figueira da Foz and Ejea photovoltaic plants [G1.15a | G1.15b].

Through these initiatives, Navigator reaffirmed its commitments to responsibly manage the relationship with suppliers, promoting **long-term partnerships** based on transparency, sustainability and innovation [G1.15a | G1.15b].

SUPPLIER SELECTION AND MANAGEMENT

When it comes to **selecting and managing suppliers**, Navigator followed strict social criteria and environmental, ensuring that your supply chain operates in accordance with ethical standards and sustainability. Structural documents such as the **Supplier Code of Conduct**, **Compliance Policies** and **Human Rights Policy** (see section G1-1) establish due diligence procedures, promoting transparency and risk mitigation. Navigator has implemented a Third-Party Integrity Verification System, which allows suppliers to be assessed according to ESG criteria and ensures compliance with regulations on matters such as preventing corruption, money laundering, terrorist financing and protecting human rights. Additionally, Navigator has started including Compliance clauses in contracts with suppliers, ensuring the adoption of these principles [G1. 9 | G1.15a | G1.15b].

In **forestry activities**, Navigator maintained strict quality control of operations, assessing the compliance of service providers with technical references, legal and environmental requirements.

In Mozambique, these assessments are essential due to the significant involvement of workers and local communities, ensuring that the practices adopted comply with the highest standards of social and environmental responsibility [G1.15a | G1.15b].

Navigator has been **developing tools and methodologies to monitor the activity of its suppliers**, promoting their qualification and approval. The sourcing and contracting procedure, created in 2023, integrates ESG criteria into the evaluation of suppliers, reinforcing the commitment to sustainability. Furthermore, the **award of the European Union Ecolabel to UWF (Uncoated Woodfree Paper) and *tissue*** paper products requires a rigorous supplier qualification process, considering environmental and performance criteria [G1.15a | G1.15b].

Finally, its **due diligence methodologies for timber acquisition** ensure compliance with legislation and international standards such as the Forest Stewardship Council (FSC®) and the Program for o Recognition of Forest Certification (PEFC™). Navigator ensures that the timber purchased is not associated with illegal or environmentally harmful practices by carrying out audits and risk assessments throughout the supply chain [G1.15a | G1.15b].

CEMENT SEGMENT

This topic was not considered material in the double materiality assessment process, so it will not be object of detailed reporting.

OTHER BUSINESS SEGMENT – ETSA

ETSA is committed to pursuing the principles of corporate social responsibility, legal compliance and continuous improvement, which are core elements of its corporate and management culture. These principles have been embedded in ETSA and its corporate culture since its inception and therefore apply equally to all suppliers.

ETSA suppliers conduct all their operations in accordance with applicable laws and regulations whenever they conduct their business activities. This includes, but is not limited to, laws and regulations relating to the securities market, corporate governance, competition, product safety and liability, occupational health and safety, employment matters, the environment, protection of intellectual property, protection of individual privacy and equality in the workplace.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's approach to Supplier Relationship Management aims to integrate sustainability, reduce risk and promote responsible practices throughout the supply chain. Triangle's considers social, environmental and economic impacts, ensuring compliance with its internal policies and industry best practices. The company adopts strategic practices to minimize risks that may arise in the supply chain, including economic, environmental and social risks [G1.15a | G1.15b].

Supplier management is aligned with sustainability objectives and risk mitigation strategies, focusing on the continuity of operations and resilience of the supply chain. It identifies potential disruptions such as natural disasters, regulatory changes and economic problems and adopts preventive measures to reduce negative impacts. Social and environmental criteria are fundamental in the selection of its suppliers and are carefully evaluated during the procurement process. It evaluates suppliers based on social criteria that ensure responsible work practices and respect human rights, including adequate working conditions, compliance with occupational health and safety standards, respect for labour rights, promotion of diversity and inclusion and encouragement of the professional development of employees [G1.15a | G1.15b].

Suppliers are also assessed based on their environmental practices, including waste management, energy efficiency, reduction of carbon emissions, and responsible use of natural resources and obtaining recognized environmental certifications such as ISO 14001. Supplier selection involves a detailed analysis of their social and environmental performance, as well as financial aspects and operational. To this end, Triangle's applies periodic audits and verifications, requests sustainability reports and completion of specific questionnaires, giving preference to certified suppliers committed to continuous improvement and carry out continuous monitoring through the analysis of social and environmental KPIs [G1.15a | G1.15b].

Triangle's purchasing strategy promotes the inclusion of local suppliers whenever possible, supporting the economic development of the communities in which it operates. It also prioritizes certified suppliers, reinforcing its commitment to good environmental and social practices. It establishes clear goals for communication and management of relationships with suppliers, with the aim of improving transparency and strengthening collaboration. It maintains constant communication through meetings, visits and audits and encourage the adoption of sustainable initiatives through the dissemination of knowledge and benchmarking.
The effectiveness of its supplier management practices is regularly assessed based on audits, satisfaction surveys and KPI analysis. Transparency in the assessment process and implementation of corrective actions ensures that sustainability practices are aligned with its strategic objectives and stakeholder expectations [G1.15a | G1.15b].

SEGMENT *HOLDING*

Semapa does not currently have a Supplier Selection Policy, Supplier Code of Conduct or a Formal Third Party Integrity Verification Procedure.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY (G1-3, MDR-P)

PULP AND PAPER SEGMENT

Taking into account the international context in which Navigator operates and the growing participation of the private sector in the fight against corruption and related offences, as well as the legal obligations to which it is bound, adopted the **Policy for the Prevention of Corruption and Related Offences** (see section G1-1). In addition to those already detailed in the Code of Ethic and Conduct, this policy's structuring principles include Navigator's total commitment to preventing corruption, the absolute and transversal prohibition of acts of corruption and related offences, and the implementation of a culture of ethics and integrity, both in the exercise of their respective functions and in their relationships with third parties with whom Navigator establishes any business relationship, or other third parties with whom Navigator's Employees interact in the exercise of their functions [G1.18a].

In addition, Navigator has defined a **Corruption and Related Offences Risk Prevention Plan**, which identifies the risks of corruption and related offences to which the Company is exposed and defines the criteria for assessing these risks, taking into account the probability of occurrence and the impact of their materialisation, in accordance with a qualitative scale of assessment of these two variables. Given the severity of the risk, a risk matrix is created, which classifies them according to a scale of insignificant, low, moderate, high or critical [G1.18a].

It also has effective mechanisms in place to prevent, detect and respond to allegations of bribery and other violations, through the Whistleblower channel (see section G1-1) [G1.18a | G1.19]. In order to ensure the effectiveness of the irregularity reporting system, the responsibility for monitoring the Whistleblower Channel is shared by several Navigator bodies, including the Supervisory Board, which periodically assesses the internal control system and suggests improvements when necessary [G1.18c].

Navigator communicates the existing mechanisms and instruments to all Employees, business partners and stakeholders through its Intranet and Internet pages [G1.20]. In addition to publication on the websites, the commitments are published in management reports and specific contractual clauses [G1.20]. In addition, internal training is provided to all Employees on Compliance matters, in relation to the prevention of corruption and related offences (see section G1-1) [G1.21c].

Training in Prevention of Corruption and Related Offences is made available to Employees in a format e-learning, based on practical cases and everyday scenarios, to ensure that employees understand and correctly apply Navigator's ethical principles and internal standards. The training is provided to members of the management, executive and supervisory bodies in the same way as it is administered to other employees. In 2024, it carried out training actions on the Code of Ethic and Conduct, Reporting of Irregularities, Internal Policies and Prevention of Corruption and Related Offences, involving around 2 800 employees [G1.10g]. The topics covered include the acceptance and offer of goods and benefits, travel, meals, hospitality and entertainment, sponsorships and political donations, social and corporate responsibility, money laundering, international sanctions and KYC – Know Your Counterparty. The topic of Conflicts of Interest was reinforced in this training, following the implementation of measures to strengthen internal control in this matter [G1.9 | G1.10g | G1.21c].

Training in the fight against corruption and bribery	Functions at risk	Managers	AMSB (Administrative, Management and Supervisory bodies)	Others workers
Number of salaried workers	2 934	292	39	2 603
Number of salaried workers who received training	303	9	2	292
Percentage of salaried workers who received training	10%	3%	5%	11%

Note: To include the term "functions at risk", employees from the following areas were taken into account: Materials Management; Timber Supply Directorate; Logistics Directorate; Forest Management Directorate; Industrial Directorates (including Tissue); Digital Technology Department; Financial Department; Marketing Department; Communication and Brand Department; Environment and Circularity Department; Energy and Energy Transition Department; Investor Relations Office; Portucel Mozambique; Public Affairs; Project Management; European Paper Sales Management; International Paper Sales Management; Pulp Sales Management; Commercial Tissue; gKraft Commercial Divisionand E-Commerce. Within the "Managers" category, all employees with management roles, including supervisors, were included, and in the "AMSB" category, members of the Board of Directors and Directors.

It is important to note that the Training in Prevention of Corruption and Related Offences was launched in 2023, in e-learning format, and was a one-off event. Therefore, the number of completions recorded in 2024 does not reflect the total number of trainees, since a significant portion of the employees had already completed the training in the previous year.

CEMENT SEGMENT

This topic was not considered material in the double materiality assessment process.

However, Secil has procedures in place to prevent, detect and respond to corruption. In 2023, two Policies were approved - the Corruption Prevention Policy and the Money Laundering and Terrorism Financing Prevention Policy - to reinforce its commitment to these matters (see section G1-1). These policies publicly share Secil's commitments to combating and preventing corruption, which presuppose compliance with the legislation and regulations in force and applicable to the activities carried out in the respective jurisdictions.

The commitments were established taking into account the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, in particular the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the eight fundamental ILO conventions and the International Bill of Human Rights [G1.18a | G1.19].

The policy includes commitments such as not making contributions to political parties and not using donations or sponsorships to influence decisions and obtain illicit advantages. It is up to the Board of The Administration adopts preventive and corrective measures and procedures to assess compliance with this policy, with a view to identifying the main impacts and potential risks of Secil's activity in terms of corruption. The policy also provides for training actions by Secil for Employees to ensure their incorporation into the respective corporate culture [G1.21a | G1.21c].

Secil also has an Integrity Channel, managed by an external entity, through which it aims to improve the way it conducts its business, giving a voice to those who consider that certain conduct fails to comply with ethical principles, legal provisions or internal regulations [G1.18a | G1.19].

The communication is received by an entity independent of Secil, which forwards it to the analysis phase. In this way, all communications of potential or actual irregularities reported through the Integrity Channel will be analysed. This analysis will initiate the process, which may or may not culminate in the opening of an investigation and subsequent application of corrective measures, if necessary and/or appropriate. The authors of the communications are notified within seven days of receipt of the communication about the competent authorities, the form and the admissibility of the complaint.

The measures envisaged or adopted to follow up on the complaint and the respective grounds must be communicated to the complainant within a maximum period of three months from the date of receipt of the complaint.

It should also be noted that reporting of irregularities is carried out in a completely anonymous and confidential manner. If the report involves a member of the Local Integrity Committee, it will be forwarded directly by the external entity responsible for screening to the Corporate Integrity Committee, which will be responsible for processing it. If the report involves a member of the Corporate Integrity Committee, it will be forwarded directly by the external entity responsible for screening for the Secil Independent Supervisory Committee, which will be responsible for its processing [G1.18a | G1.19 | G1.18b | G118c].

OTHER BUSINESS SEGMENT – ETSA

ETSA does not currently have a dedicated Corruption and Bribery policy. However, throughout its Policies, ETSA prohibits all corruption and bribery practices in all their active and passive forms, whether through acts and omissions, or through the creation and maintenance of situations of favour or irregularities, as well as adopting behaviours that may create expectations in the interlocutors favouritism in its relations with ETSA.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's has rigorous procedures in place to prevent, detect and respond to allegations or instances of corruption and bribery, as outlined in its **Anti-Corruption Policy**. The company sets clear ethical standards through its Code of Conduct, promoting a culture of integrity and transparency. Regular training programs are conducted to educate employees on anti-corruption practices and bribery, ensuring compliance with internal policies and applicable legislation. To detect irregularities, Triangle's provides confidential channels for employees and third parties to report suspected corruption or bribery and conducts periodic audits to monitor compliance with its policies. In response to potential allegations, the company conducts rigorous internal investigations, applying disciplinary sanctions that may include dismissal for cause and legal action, as required by law. Furthermore, it undertakes to cooperate fully with the competent authorities in cases of corruption, ensuring transparency and compliance with international best practices [G1.18a | G1.19].

Investigators or the commission of inquiry responsible for examining corruption and bribery cases are separate from the chain of management involved in the matters under analysis [G1.18b]. Triangle's establishes a structured process for communicating findings to its management and executive bodies, ensuring transparency and informed decision-making [G1.18c].

Company policies are disclosed in its **website**, are accessible at Triangle's premises to any employee and are sent to relevant stakeholders as needed [G1.20]. The company does not currently offer or require training programmes on anti-corruption and anti-bribery [G1.21a | G1.21c]. However, specific training in this area is planned to be implemented in 2025.

SEGMENT *HOLDING*

Semapa adopts a rigorous approach to combating corruption and bribery, reflected in its **Anti-Corruption Policy**, where clear commitments are made to prevent and detect illicit practices in this area. This Policy is available for consultation at website of Semapa, ensuring transparency and accessibility to all interested parties [G1.18a].

To comply with current regulations, Semapa has a **Communication Channel of Irregularities**, regulated by the respective **Regulation for Reporting Irregularities**. This channel allows Employees to report, confidentially and/or anonymously, any irregularities that may have occurred within the organization. The reception and follow-up of these communications are the responsibility of the Corporate Governance and Compliance Management, and the screening and preliminary analysis may be carried out by an external entity. If there are conflicts of interest, the process will be directly conducted by the Supervisory Board, ensuring impartiality in the investigation of the facts [G1.18a | G1.19 | G1.18b].

The investigation of reported irregularities follows a rigorous process, culminating in the presentation of a proposal for archiving or the recommendation of appropriate measures for the irregularity identified. The final decision rests with the Executive Committee or the Board of Directors, in the case of irregularities involving members of the Executive Committee. The final decision is communicated to the Supervisory Board and the Chairman of the Board of Directors, ensuring a transparent and properly supervised process [G1.18c].

To reinforce the culture of integrity and ethical conduct, Semapa launched an internal training course on Ethics and Conduct in November 2024, aimed especially at all employees and corporate bodies. This training, consisting of five modules and available in e-learning format, uses real and/or fictitious cases to illustrate the application of the various internal regulations, including the **Code of Ethic and Conduct**, the **Human Rights Policy**, the **Regulation on Reporting Irregularities** and the **Policy on the Prevention of Money Laundering and Terrorist Financing**. Additionally, it is under review the **Corruption Prevention Policy**, within the scope of the voluntary implementation of the General Regime for the Prevention of Corruption, with specific training planned on this matter [G1.20 | G1.21a].

Semapa's commitment to preventing and detecting corruption and bribery is reflected in its participation of all its employees and corporate bodies in ongoing training on Ethics and Conduct. This approach strengthens an organizational culture based on transparency and responsibility, promoting an honest work environment aligned with the highest ethical and legal standards [G1.21c].

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY (G1-4)

PULP AND PAPER SEGMENT

During 2024, no cases of violations of anti-corruption and anti-bribery procedures and standards were confirmed, nor were any fines imposed for violations of anti-corruption and anti-bribery laws. [G1.4.24a]

Following the events that occurred in 2020 and 2021, supported by the 2020 criminal investigation into alleged corruption in the timber reception activity of one of Navigator's manufacturing centres, which led to the dismissal with just cause of the workers involved in that activity, legal proceedings continue to be ongoing in the labour and criminal jurisdictions. Indeed, during 2024, Navigator continued to monitor, in the competent labour courts, the legal challenges to the regularity and lawfulness of the dismissals of 28 workers, and to date, there have been no further developments in these proceedings. On the other hand, in the criminal court, Navigator, as an assistant, continues to monitor the process, which has now proceeded to the trial phase and the respective production of evidence has already begun [G1.24b].

CEMENT SEGMENT

This topic was not considered material in the double materiality assessment process, so it will not be object of detailed reporting.

ETSA has not recorded or been made aware of any breaches of procedures and standards established to combat corruption and bribery.

OTHER BUSINESS SEGMENT – TRIANGLE'S

Triangle's did not record or become aware of any violations of the procedures and standards established to combat corruption and bribery. Consequently, it was not necessary the implementation of specific actions to address such violations. The company remains committed to continually monitoring its practices and ensuring that all employees and stakeholders comply with internal and regulatory standards [G1.14b].

Additionally, Triangle's recommends that its employees report any violations or suspected violations of the Anti-Corruption Policy to the Human Resources and Sustainability Department, either in writing or through the whistleblower channel detailed in the Ethics and Whistleblower Protection Policy, ensuring confidentiality and protection of the whistleblower's identity, as well as the prohibition of retaliation. The company carries out annual training to ensure that employees are informed and updated on the rules of the policy and applicable legal regulations. The policy and any changes to it are disclosed to all employees and remain accessible on the company's website and internal devices. Violations of the policy by employees may result in disciplinary action, including legal consequences and breach of contractual obligations, and Triangle's may report such conduct to the appropriate authorities [G1.24b].

SEGMENT *HOLDING*

Semapa did not record or become aware of any violations of the procedures and standards established to combat corruption and bribery. Consequently, it was not necessary the implementation of specific actions to address such violations. The company remains committed to continually monitoring its practices and ensuring that all employees and stakeholders comply with internal and regulatory standards [G1.14b].

ACTIONS AND RESOURCES RELATED TO MATERIAL SUSTAINABILITY TOPICS (MDR-A)

PULP AND PAPER SEGMENT

Within the scope of the topic of Responsible Business Conduct, the material impact was identified: "Robust corruption prevention practices contribute to a fairer and more transparent business environment".

In order to address this concern of Navigator, several actions have been developed and adopted with a view to achieving a high standard of integrity, reinforcing transparency in commercial relations and mitigating corruption risks, ensuring compliance with regulatory requirements and Navigator's ethical principles [ESRS 2.68 | ESRS 2.69].

Therefore, the actions adopted and planned fall within the **Corruption Risk Prevention Plan and Related Offences (PPR)** Navigator, through which the risks of corruption and related infractions to which Navigator is exposed are identified, the criteria for their assessment are defined and preventive and corrective measures are established to mitigate their likelihood of occurrence. In this context, the initiatives implemented represent the implementation of these measures, resulting in the creation of mechanisms that reinforce the integrity and transparency of business activity, ensure compliance with applicable ethical and regulatory principles and contribute to a business environment more responsible [ESRS 2.68a].

Within the scope of the actions developed, the resources mobilized essentially included human resources – the Compliance team led the implementation of the measures, with the support of other departments, when necessary – and specialized external support – a service provider was hired to support in the preparation and implementation of the PPR and in the preparation of Procedures that aim to mitigate the identified risks. [ESRS 2.69a].

In 2025, the Compliance Area will complement existing training by providing more comprehensive and specific training on personal data protection and Human Rights.

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68a]	**[ESRS 2.68a]**	**[ESRS 2.68b]**	**[ESRS 2.68c]**	**[ESRS 2.68a]**
Preparation of procedures of the Plan Prevention of Corruption and Related Infractions	Planned	Aims at own operations, in all geographies. It has as interested parties affected Employees, Suppliers, Customers, but also the others *stakeholders*	Approved in First quarter of 2025	Achieve the goal of an environment of fairer business and transparent
Verification of the integrity of counterparts	Adopted and planned	Aims at upstream operations and downstream, in all geographies. It has as interested parties Suppliers affected and Customers.	Continuous	Risk reduction through of monitoring of counterparts
Reports of evaluation of the Plan Prevention of Corruption Risks and related offenses	Adopted and planned	Aims at own operations, in all geographies, It has as interested parties affected Employees, Suppliers, Customers, but also the others *stakeholders*.	2x year: Annual report in April and Interim Report (optional) in October	Quantify the degree of execution of the preventive measures and corrective measures defined and forecast of its full implementation
Training in Prevention of Corruption and Related Infractions	Adopted and planned	Aims at own operations, in all geographies. It has as interested parties affected Employees.	Continuous	Ensure familiarization with the policies internal and reinforce the interiorization of the values from Navigator on the part of of the collaborators

CEMENT SEGMENT

In order to better understand and manage the risks associated with corporate culture, as well as to influence Secil's people to adopt practices that promote corporate conduct in accordance with the commitments it has undertaken and to comply with applicable legislation, it has defined a set of qualitative methodologies to respond to the need to monitor issues related to the identified material IRO [I-164]. The status of these actions, which are in the own operations [ESRS 2.68b], is given below.

Main actions	Status	Scope of action	Time horizon	Results
[ESRS 2.68a]	**[ESRS 2.68a]**	**[ESRS 2.68b]**	**[ESRS 2.68c]**	**[ESRS 2.68a]**
Sustainability Committee quarterly where it is done the *follow-up* of the projects and defined goals	Continuous	Projects and goals for all geographies	2024	The sustainability framework and targets have been defined, and a double materiality assessment process has been defined to determine the material impacts, risks and opportunities.
Planning for the formation of approved policies	Carried out	Policies cover the entire Secil	2025	In 2025, the training phase will begin for all employees
Double materiality analysis carried out in accordance with EFRAG guidance.	Carried out	All *stakeholders*	2024	Defined and carried out a process of assessment of double materiality to determine the impacts, risks and material opportunities.
Simulation of *phishing*	Carried out	Collaborators in Portugal	2024	3 865 simulation emails of phishing sent 23.5% commitment level (number of clicks on emails)
Development of policies for cybersecurity	Carried out	Portugal	2024	Policies defined

OTHER BUSINESS SEGMENT – ETSA

In 2024, ETSA has not taken or planned any actions regarding its material IROs. The company has not adopted a deadline for them, but in 2025, it will work on their creation.

OTHER BUSINESS SEGMENT – TRIANGLE'S

In 2024, Triangle's has not taken or planned any actions with respect to its material IROs. The company has not adopted a deadline for them, but in 2025, it will work on their creation.

SEGMENT *HOLDING*

The **Ethics and Conduct Training**, carried out in 2024, aimed to strenghten Semapa's commitments, as defined in the Code of Ethic and Conduct, the Human Rights Policy, the Policy for the Prevention of Money Laundering and the Financing of Terrorism, and the functioning of the Irregularity Whistleblower channel, given their relevance within the scope of the commitments assumed in these documents [ESRS 2.68a]. The **Corruption Prevention Policy** was not specifically addressed in this training, as it is currently under review within the scope of the implementation of **Semapa's General Corruption Prevention Regime**, which is currently underway, and training related to this policy is expected to take place in 2025 [ESRS 2.62]. Nevertheless, the prohibition of direct or indirect participation in any form of corruption was addressed as a constant commitment in the Code of Ethic and Conduct. The implementation of this action did not involve significant operational expenses [ESRS 2.69a | ESRS 2.69b].

Main actions [ESRS 2.68a]	Status [ESRS 2.68a]	Scope of action [ESRS 2.68b]	Time horizon [ESRS 2.68c]	Results [ESRS 2.68a]
Training in Ethics and Conduct Matters	Adopted and planned	It aims at its own operations, and has as affected stakeholders the Board of Directors, the Supervisory Board, the Remuneration Committee, the Executive Committee and other members of the company's internal Committees, as well as the collaborators (Collaborators).	Training to be carried out by all the Collaborators current and future. Training on new modules is expected to be carried out in 2025.	Number of participants registered to date: 66 Current course completion rate: 79%

TARGETS AND METRICS

MONITORING THE EFFICACY OF POLICIES AND ACTIONS THROUGH TARGETS (MDR-T)

PULP AND PAPER SEGMENT

In its 2030 Roadmap, Navigator has set several clear targets that target the supply chain. The targets set by Navigator are aligned with several Sustainable Development Goals (SDGs), reinforcing the Company's commitment to responsible practices.

SDG 17 (target 17.16) is transversal to the goals of promoting the financial assessment and ESG performance of Suppliers, as well as promoting partnerships for the use of more sustainable means of transport, since they all promote strategic collaborations and multisectoral partnerships to sustainability. Financial and ESG assessment of suppliers also contributes to **SDG 8** (targets 8.4 and 8.7), by encouraging efficient use of resources and the eradication of inappropriate labour practices. These initiatives also strengthen **SDG 12** (targets 12.2 and 12.6), promoting the adoption of sustainable business practices and efficient management of natural resources. Additionally, by integrating ESG criteria into its relationship with suppliers, Navigator acts in line with **SDG 13** (targets 13.1 and 13.3), reinforcing resilience and the ability to mitigate climate impacts. **SDG 15** (target 15.2) is also addressed, ensuring responsible management of forests and natural resources. Finally, the ESG assessment of suppliers also includes aspects related to efficiency in water use, contributing to **SDG 6** (target 6.4) by encouraging more sustainable consumption of this resource [ESRS 2.80f].

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS 2.80]	[ESRS 2.80d]	[ESRS 2.75 ESRS 2.80b]	[ESRS 2.80j]	[ESRS 2.80j]	[ESRS 2.80j]	[ESRS 2.80e]
Promote the financial evaluation of Materially relevant Suppliers on a annual basis, to ensure the sustain- bility of supply to Navigator	Base year: 2023	% of Supply-suppliers with financial assessment	-	-	100% of Materially relevant suppliers assessed	Value to be achieved to: 100% of Materially rele-vant suppliers Year: 2030
Evaluation of ESG perfor-mance (des-carbonization, management of water and respect for the human rights) to materially relevant suppliers	Reference value: Suppliers of chemicals and packaging: 0%; Transportation and Logistics Suppliers: 25% of materially relevant suppliers Base year: 2023	% of suppliers with ESG assessment	-	-	100% of Mate-rially relevant suppliers of chemicals and packaging assessed; 100% of Mate-rially relevant suppliers of chemicals and packaging assessed.	Value to be achieved to: 100% for suppliers of chemicals and packaging; 80% for suppliers of Transportations and Logistics Year: 2025
Materially Relevant contracts covered by the Navigator Supplier Code of Conduct	Transport and logistics suppliers: 0% Wood suppliers: 0% Chemical and packaging suppliers: 100% Base year: 2023	% of contracts	-	-	100%	Target: 100% Year: 2026
Define a program to support the decarboniza-tion develop-ment plans, water management and respect for the human	Base year: 2023	N/A	-	-	Transportation and logistics suppliers: For 2024 it was not possible to deve-lop a plan. It will be a target for 2026. Wood Suppliers: In 2024, was prepared a Decarbonization n Plan until 2033, in relation UN scope 3.	Year: 2026

Objective and target	*Baseline* (reference value and base year)	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS 2.80]	[ESRS 2.80d]	[ESRS 2.75 ESRS 2.80b]	[ESRS 2.80j]	[ESRS 2.80j]	[ESRS 2.80j]	[ESRS 2.80e]
Promote partnerships for the use of more sustainable means of transport (our own and those of suppliers)	Base year: 2023	N/A	-	-	Transportation and logistics suppliers: Consolidation of maritime service to central/northern France with Wec Lines, increasing sea shipments to the detriment of the road, resulting in a reduction in emissions of around – 786 t CO_2 in 2024 (compared to 2023). Suppliers of Madeira: A decarbonization plan for the area was drawn up, which includes the creation of partnerships.	Year: 2026

The goal of promoting the financial assessment of materially relevant suppliers on an annual basis, ensuring the sustainability of supply, although not related to any existing Company policy, aims to ensure a regular analysis of the financial health of the main suppliers. For its definition, timber and outbound logistics suppliers were classified based on the volume of timber delivered and the number of transports carried out, respectively, with the financial assessment being conducted using the Moody's tool. This analysis covered indicators such as turnover, net income, EBITDA and share of wallet Navigator, focusing on the main suppliers responsible for approximately 80% of the volume delivered. The data used refer to the year available on the platform, corresponding to n-1, where n represents the reporting year. No intermediate targets associated with this objective were established, nor was there any stakeholder involvement in its definition process [ESRS 2.80a | ESRS 2.80f | ESRS 2.80e | ESRS 2.80h].

EXPENSES WITH LOCAL SUPPLIERS (ENTITY SPECIFIC DISCLOSURE, MDR-M)

In addition to the metrics reported under the ESRS, Navigator tracks an additional set of metrics that support the analysis of its performance evolution. Navigator maintains an active commitment to the development of the communities in which it operates, prioritizing the hiring of local suppliers whenever possible. This approach not only strengthens the national economy, but also contributes to creating shared value and building more sustainable and resilient supply chains [ESRS 2.77a | ESRS 2.77c].

The "Expenses with Local Suppliers" metric allows you to assess the weight of purchases made to suppliers based in Portugal in Navigator's total procurement. This analysis includes the proportion of the purchasing budget allocated to relevant operating units and the total number of suppliers accounted for as of December 31, 2024 [ESRS 2.77a | ESRS 2.77c].

The methodology used follows the GRI 204-1 standard, considering total expenditure with suppliers, expressed in thousands of euros, including VAT. These values are aligned with the Statement of Cash Flows and with Navigator's accounts, ensuring the consistency of the information reported [ESRS 2.77a | ESRS 2.77c].

Given the strategic importance of this metric, Navigator will continue to monitor and optimize its hiring policies, reinforcing its positive impact on the local economy and the sustainability of its business model [ESRS 2.77a | ESRS 2.77c].

[ESRS 2.77c – Entity-specific metrics]			
Expenses with local suppliers	**2024**	**2023**	**2022**
Total number of suppliers	**7 718**	**7 490**	**7 303**
% of local suppliers	70%	73%	73%
% of foreign suppliers	30%	27%	27%
Total supplier costs (€ thousand)	**1 937 431**	**1 793 052**	**1 934 460**
% of spending on local suppliers	75%	74%	72%
% of spending on foreign suppliers	25%	26%	28%

CEMENT SEGMENT

As a way of monitoring Secil's performance in relation to material IRO, metrics and targets were defined and monitored, which involved the involvement of interested parties in their implementation. Preparation meetings/ workshops were carried out between the various stakeholders involved and the targets were approved by the General Management Team – GMT –, made up of the executive committee, CEOs of the geographies and the human resources area. Monitoring of results and deviations from the established targets is done through the sustainability committee [ESRS 2.77c; 2.80h]. In terms of the established targets, no changes were made to values, year, calculation methodology, collection method or assumptions, in the report period [ESRS 2.80i].

In the case of corporate culture, a metric is used that allows the monitoring of one of the identified IROs [I-164]: the eNPS (employee Net Promoter Score). This metric aims to assess the impact of the development of a responsible corporate culture, promoting a sense of belonging among employees, which contributes to increasing their motivation and retention capacity in the company. Below are detailed the targets that Secil intends to achieve by 2025, reinforcing the importance responsible governance within Secil.

Objective and target	***Baseline*** **(reference value and base year)**	Associated metric	Performance 2022	Performance 2023	Performance 2024	Targets
[ESRS 2.80]	**[ESRS 2.80d]**	**[ESRS 2.75 ESRS 2.80b]**	**[ESRS 2.80j]**	**[ESRS 2.80j]**	**[ESRS 2.80j]**	**[ESRS 2.80e]**
Employee Satisfaction	Value of reference: 35 Base year: 2020	eNPS (*Employee Net Promoter Score*)	-	-	34 points	2025 Between 36 and 40
Number of cyber attacks	N/A	Cyberattacks blocked	-	-	63 489 Note: Attacks blocked in the last 3 months of the year 2024	N/A
Communication of the structure of *Governance* of all the collaborators	N/A	Communicate in a clear and transparent manner the structure of *governance*	-	-	Communicate from clearly and transparently forms the *governance* structure	2025
Ethics and *compliance*: Definition, implementation and communication of policies to 100% of employees	N/A	Have a set of implemented policies that contribute to corporate culture	.	.	Target: accomplished: Defined and communicated through communication	2025 It will begin the training phase for all collaborators.

The eNPS target reflects employee engagement and satisfaction, fostering inclusive work environments [ESRS 2.80f]. It is calculated based on the response to the question "How likely are you to recommend a new employee?" the company to family and friends as a good place to work?", ranging from – 100 to 100. The answers are collected and processed through a platform and an external body and can range from 0 (not at all likely) to 10 (extremely likely). All Secil employees in the different geographies are surveyed [ESRS 2.77a; ESRS

2.80f] and performance analysis is carried out and monitored in each of them, implying the development of action plans aimed at the identified improvement opportunities, which are monitored locally.

There is an eNPS value at Secil level, which reached 34 points in 2024, 10 points above the result of 2023, which was 24 points.

The first two metrics – eNPS and cyberattacks blocked – are expressed in absolute terms, and their determination involved the participation of internal stakeholders. In the remaining cases, qualitative indicators are used to monitor the targets in these topics [ESRS 2.80b].

In the case of the value of blocked cyberattacks, the calculation is made and taken from the Microsoft Defender system used at Secil, and refers to the blocking of Phishing attempts, Malware and access to malicious websites. However, this metric only started to be calculated in the last three months.2024 and covers only Portugal [ESRS 2.77a].

The defined targets consider the broader context of sustainable development in which impacts of Secil occur. The target of "communicating the Governance structure to all employees" has an impact on corporate culture by fostering transparency, integrity and good governance practices [ESRS 2.80f]. The target defined within the scope of ethics and compliance is related to some of Secil's policies, namely, the Policy for the Prevention of Money Laundering and the Financing of Terrorism, the Free Competition Defense Policy, the Stakeholder Engagement Policy, the Anti-Corruption Policy, the Human Rights Policy, as well as the Tax Policy [ESRS 2.80a].

For the metrics and targets defined in this context, no intermediate targets were defined [ESRS 2.80e], and none of the metrics disclosed above are validated by an external body other than the provider of the warranty [ESRS 2.77b].

OTHER BUSINESS SEGMENT – ETSA

No objectives and targets were defined within the scope of material IROs. The company did not adopt a deadline for the same, but in 2025, they will work on its creation.

Additionally, ETSA does not monitor the effectiveness of its policies and actions in relation to impacts, risks and material opportunities related to sustainability.

OTHER BUSINESS SEGMENT – TRIANGLE'S

No objectives and targets were defined within the scope of material IROs. The company did not adopt a deadline for the same, but in 2025, he will work on its creation.

Additionally, Triangle's does not monitor the effectiveness of its policies and actions in relation to material impacts, risks and opportunities related to sustainability.

SEGMENT *HOLDING*

No objectives and targets were defined within the scope of material IROs.

4.1.5. ANEXOS

4.1.5.1. DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE SUSTAINABILITY STATEMENT (IRO-2)

Disclosure requirement	Location
ESRS 2 - GENERAL DISCLOSURES	
BP-1 - General basis for preparation of sustainability statements	Chap. 4.1.1.1 (BP-1)
BP-2 - Disclosures in relation to specific circumstances	Chap. 4.1.1.1 (BP-2)
GOV-1 - The role of the administrative, management and supervisory bodies	Chap. 4.1.1.2 (GOV-1)
GOV-2 - The role of the administrative, management and supervisory bodies	Chap. 4.1.1.2 (GOV-2)
GOV-3 - Integration of sustainability-related performance in incentive schemes	Chap. 4.1.1.2 (GOV-3)
GOV-4 - Statement on due diligence	Chap. 4.1.1.2 (GOV-4) Chap. 4.1.5.4
GOV-5 - Risk management and internal controls over sustainability reporting	Chap. 4.1.1.2 (GOV-5)
SBM-1 - Strategy, business model and value chain	Chap. 4.1.1.3 (SBM-1)
SBM-2 - Interests and views of stakeholders	Chap. 4.1.1.3 (SBM-2)
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Chap. 4.1.1.3 (SBM-3)
IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities	Chap. 4.1.1.4 (IRO-1)
IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Chap. 4.1.1.4 (IRO-2)
E1 - CLIMATE CHANGE	
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	Chap. 4.1.2.2 (GOV-3)
E1-1 - Transition plan for climate change mitigation	Chap. 4.1.2.2 (E1-1)
ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Chap. 4.1.2.2 (SBM-3)
ESRS 2 IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and oppor-tunities	Chap. 4.1.1.4 (IRO-1)
E1-2 - Policies related to climate change mitigation and adaptation	Chap. 4.1.2.2 (E1-2)
E1-3 - Actions and resources in relation to climate change policies	Chap. 4.1.2.2 (E1-3)
E1-4 - Targets related to climate change mitigation and adaptation	Chap. 4.1.2.2 (E1-4)
E1-5 - Energy consumption and mix	Chap. 4.1.2.2 (E1-5)
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Chap. 4.1.2.2 (E1-6)
E1-9 - Anticipated financial effects from material physical and transition risks and potential climate-related oppor-tunities	Chap. 4.1.2.2 (E1-9)
E3 - WATER AND MARINE RESOURCES	
ESRS 2 IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities related to water and marine resources	Chap. 4.1.1.4 (IRO-1)
E3-1 - Policies related to water and marine resources	Chap. 4.1.2.3 (E3-1)
E3-2 - Actions and resources related to water and marine resources	Chap. 4.1.2.3 (E3-2)
E3-3 - Targets related to water and marine resources	Chap. 4.1.2.3 (E3-3)
E3-4 - Water consumption	Chap. 4.1.2.3 (E3-4)
E3-5 - Anticipated financial effects from water and marine resources-related risks and opportunities	Chap. 4.1.2.3 (E3-5)

Disclosure requirement	Location
E4 – BIODIVERSITY AND ECOSYSTEMS	
E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Chap. 4.1.2.4 (E4-1)
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Chap. 4.1.2.4 (SBM-3)
ESRS 2 IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems	Chap. 4.1.1.4 (IRO-1)
E4-2 - Policies related to biodiversity and ecosystems	Chap. 4.1.2.4 (E4-2)
E4-3 - Actions and resources related to biodiversity and ecosystems	Chap. 4.1.2.4 (E4-3)
E4-4 - Targets related to biodiversity and ecosystems	Chap. 4.1.2.4 (E4-4)
E4-5 - Impact metrics related to biodiversity and ecosystems change	Chap. 4.1.2.4 (E4-5)
E4-6 - Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Chap. 4.1.2.4 (E4-6)
E5 - RESOURCE USE AND CIRCULAR ECONOMY	
ESRS 2 IRO-1 - Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Chap. 4.1.1.4 (IRO-1)
E5-1 - Policies related to resource use and circular economy	Chap. 4.1.2.5 (E5-1)
E5-2 - Actions and resources related to resource use and circular economy	Chap. 4.1.2.5 (E5-2)
E5-3 - Targets related to resource use and circular economy	Chap. 4.1.2.5 (E5-3)
E5-4 - Resource inflows	Chap. 4.1.2.5 (E5-4)
E5-5 - Resource outflows	Chap. 4.1.2.5 (E5-5)
E5-6 - Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Chap. 4.1.2.5 (E5-6)
S1 - OWN WORKFORCE	
ESRS 2 SBM-2 - Interests and views of stakeholders	Chap. 4.1.1.3 (SBM-2)
ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Chap. 4.1.3.1 (SBM-3)
S1-1 - Policies related to own workforce	Chap. 4.1.3.1 (S1-1)
S1-2 - Processes for engaging with own workforce and workers' representatives about impacts	Chap. 4.1.3.1 (S1-2)
S1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns	Chap. 4.1.3.1 (S1-3)
S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursu-ing material opportunities related to own workforce, and effectiveness of those actions	Chap. 4.1.3.1 (S1-4)
S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Chap. 4.1.3.1 (S1-5)
S1-6 - Characteristics of the undertaking's employees	Chap. 4.1.3.1 (S1-6)
S1-7 - Characteristics of non-employees in the undertaking's own workforce	Chap. 4.1.3.1 (S1-7)
S1-8 - Collective bargaining coverage and social dialogue	Chap. 4.1.3.1 (S1-8)
S1-9 - Diversity metrics	Chap. 4.1.3.1 (S1-9)
S1-10 - Adequate wages	Chap. 4.1.3.1 (S1-10)
S1-13 - Training and skills development metrics	Chap. 4.1.3.1 (S1-13)
S1-14 - Health and safety metrics	Chap. 4.1.3.1 (S1-14)
S1-15 - Work-life balance metrics	Chap. 4.1.3.1 (S1-15)
S1-16 - Remuneration metrics (pay gap and total remuneration)	Chap. 4.1.3.1 (S1-16)
S1-17 - Incidents, complaints and severe human rights impacts	Chap. 4.1.3.1 (S1-17)

Disclosure requirement	Location
S2 - WORKERS IN THE VALUE CHAIN	
ESRS 2 SBM-2 - Interests and views of stakeholders	Chap. 4.1.1.3 (SBM-2)
ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Chap. 4.1.3.2 (SBM-3)
S2-1 - Policies related to value chain workers	Chap. 4.1.3.2 (S2-1)
S2-2 - Processes for engaging with value chain workers about impacts	Chap. 4.1.3.2 (S2-2)
S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns	Chap. 4.1.3.2 (S2-3)
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 actions	Chap. 4.1.3.2 (S2-4)
S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Chap. 4.1.3.2 (S2-5)
S3 - AFFECTED COMMUNITIES	
ESRS 2 SBM-2 - Interests and views of stakeholders	Chap. 4.1.1.3 (SBM-2)
ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Chap. 4.1.3.3 (SBM-3)
S3-1 - Policies related to affected communities	Chap. 4.1.3.3 (S3-1)
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	Chap. 4.1.3.3 (S3-4)
S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Chap. 4.1.3.3 (S3-5)
G1 - BUSINESS CONDUCT	
ESRS 2 GOV-1 - The role of the administrative, supervisory and management bodies	Chap. 4.1.1.2 (GOV-1)
ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	Chap. 4.1.1.4 (IRO-1)
G1-1- Business conduct policies and corporate culture	Chap. 4.1.4.1 (G1-1)
G1-2 - Management of relationships with suppliers	Chap. 4.1.4.1 (G1-2)
G1-3 - Prevention and detection of corruption and bribery	Chap. 4.1.4.1 (G1-3)
G1-4 - Incidents of corruption or bribery	Chap. 4.1.4.1 (G1-4)
G1-5 – Political influence and lobbying activities	Chap. 4.1.4.1 (G1-5)

4.1.5.2. LIST OF DATAPOINTS IN CROSS CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION (IRO-2)

Disclosure requirement	Datapoint	Description	SFDR refer-ence	Pillar 3 refer-ence	Benchmark regulation reference	EU Cli-mate Law reference	Section	Materiality
ESRS 2 GOV-1	Paragraph 21 (d)	Board's gender diversity	X	-	X	-	Chap. 4.1.1.2 (GOV-1)	
ESRS 2 GOV-1	Paragraph 21 (e)	Percentage of board members who are independ-ent	-	-	X	-	Chap. 4.1.1.2 (GOV-1)	
ESRS 2 GOV-4	Paragraph 30	Statement on due diligence	X	-	-	-	Chap. 4.1.1.2 (GOV-4) Chap. 4.1.5.4	
ESRS 2 SBM-1	Paragraph 40 (d) i	Involvement in activities related to fossil fuel activities	X	X	X	-	Chap. 4.1.1.3 (SBM-1)	
ESRS 2 SBM-1	Paragraph 40 (d) ii	Involvement in activities related to chemical pro-duction	X	-	X	-	Chap. 4.1.1.3 (SBM-1)	
ESRS 2 SBM-1	Paragraph 40 (d) iii	Involvement in activities related to controversial weapons	X	-	X	-	Chap. 4.1.1.3 (SBM-1)	
ESRS 2 SBM-1	Paragraph 40 (d) iv	Involvement in activities related to cultivation and production of tobacco	-	-	X	-	Chap. 4.1.1.3 (SBM-1)	
ESRS E1-1	Paragraph 14	Transition plan to reach climate neutrality by 2050	-	-	-	X	Chap. 4.1.2.2 (E1-1)	
ESRS E1-1	Paragraph 16 (g)	Undertakings excluded from Paris-aligned Bench-marks	-	X	X	-	Chap. 4.1.2.2 (E1-1)	
ESRS E1-4	Paragraph 34	GHG emission reduction targets	X	X	X	-	Chap. 4.1.2.2 (E1-4)	
ESRS E1-5	Paragraph 38	Energy consumption from fossil sources disaggre-gated by sources (only high climate impact sectors)	X	-	-	-	Chap. 4.1.2.2 (E1-5)	
ESRS E1-5	Paragraph 37	Energy consumption and mix	X	-	-	-	Chap. 4.1.2.2 (E1-5)	
ESRS E1-5	Paragraphs 40-43	Energy intensity associated with activities in high climate impact sectors	X	-	-	-	Chap. 4.1.2.2 (E1-5)	
ESRS E1-6	Paragraph 44	Gross Scope 1, 2, 3 and Total GHG emissions	X	X	X	-	Chap. 4.1.2.2 (E1-6)	
ESRS E1-6	Paragraphs 53-55	Gross GHG emissions intensity	X	X	X	-	Chap. 4.1.2.2 (E1-6)	
ESRS E1-7	Paragraph 56	GHG removals and carbon credits	-	-	-	X	-	Not material
ESRS E1-9	Paragraph 66	Exposure of the benchmark portfolio to climate-related physical risks	-	-	X	-	Chap. 4.1.2.2 (E1-9)	

Disclosure requirement	Datapoint	Description	SFDR refer-ence	Pillar 3 refer-ence	Benchmark regulation reference	EU Cli-mate Law reference	Section	Materiality
ESRS E1-9	Paragraph 66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk	-	X	-	-	Chap. 4.1.2.2 (E1-9)	
ESRS E1-9	Paragraph 66 (c)	Location of significant assets at material physical	-	X	-	-	Chap. 4.1.2.2 (E1-9)	
ESRS E1-9	Paragraph 67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	-	X	-	-	Chap. 4.1.2.2 (E1-9)	
ESRS E1-9	Paragraph 69	Degree of exposure of the portfolio to climate-related opportunities	-	-	X	-	Chap. 4.1.2.2 (E1-9)	
ESRS E2-4	Paragraph 28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	X	-	-	-	-	Not material
ESRS E3-1	Paragraph 9	Water and marine resources	X	-	-	-	Chap. 4.1.2.3 (E3-1)	
ESRS E3-1	Paragraph 13	Dedicated policy	X	-	-	-	Chap. 4.1.2.3 (E3-1)	
ESRS E3-1	Paragraph 14	Sustainable oceans and seas	X	-	-	-	-	Not material
ESRS E3-4	Paragraph 28 (c)	Total water recycled and reused	X	-	-	-	-	Not material
ESRS E3-4	Paragraph 29	Total water consumption in m^3 per net revenue on own operations	X	-	-	-	Chap. 4.1.2.3 (E3-4)	
ESRS 2 – SBM3 – E4	Paragraph 16 (a) i	Activities negatively affecting biodiversity sensi-tive areas	X	-	-	-	Chap. 4.1.2.4 (SBM-3)	
ESRS 2 – SBM3 – E4	Paragraph 16 (b)	Material negative impacts with regards to land degradation, desertification or soil sealing	X	-	-	-	Chap. 4.1.2.4 (SBM-3)	
ESRS 2 – SBM3 – E4	Paragraph 16 (c)	Operations that affect threatened species	X	-	-	-	Chap. 4.1.2.4 (SBM-3)	
ESRS E4-2	Paragraph 24 (b)	Sustainable land / agriculture practices or policies	X	-	-	-	Chap. 4.1.2.4 (E4-2)	
ESRS E4-2	Paragraph 24 (c)	Sustainable oceans / seas practices or policies	X	-	-	-	-	Not material
ESRS E4-2	Paragraph 24 (d)	Policies to address deforestation	X	-	-	-	Chap. 4.1.2.4 (E4-2)	
ESRS E5-5	Paragraph 37 (d)	Non-recycled waste	X	-	-	-	-	Not material

Disclosure requirement	Datapoint	Description	SFDR refer-ence	Pillar 3 refer-ence	Benchmark regulation reference	EU Cli-mate Law reference	Section	Materiality
ESRS E5-5	Paragraph 39	Hazardous waste and radioactive waste	X	-	-	-	Chap. 4.1.2.5 (E5-5)	Radioactive waste not material
ESRS 2 – SBM3 – S1	Paragraph 14 (f)	Risk of incidents of forced labour	X	-	-	-	Chap. 4.1.3.1 (SBM-3)	
ESRS 2 – SBM3 – S1	Paragraph 14 (g)	Risk of incidents of child labour	X	-	-	-	Chap. 4.1.3.1 (SBM-3)	
ESRS S1-1	Paragraph 20	Human rights policy commitments	X	-	-	-	Chap. 4.1.3.1 (S1-1)	
ESRS S1-1	Paragraph 21	Due diligence policies on issues addressed by the fundamental ILO Conventions 1 to 8	-	-	X	-	Chap. 4.1.3.1 (S1-1)	
ESRS S1-1	Paragraph 22	Processes and measures for preventing trafficking in human beings	X	-	-	-	Chap. 4.1.3.1 (S1-1)	
ESRS S1-1	Paragraph 23	Workplace accident prevention policy or manage-ment system	X	-	-	-	Chap. 4.1.3.1 (S1-1)	
ESRS S1-3	Paragraph 32 (c)	Grievance/complaints handling mechanisms	X	-	-	-	Chap. 4.1.3.1 (S1-3)	
ESRS S1-14	Paragraph 88 (b) e (c)	Number of fatalities and number and rate of work-related accidents	X	-	X	-	Chap. 4.1.3.1 (S1-14)	
ESRS S1-14	Paragraph 88 (e)	Number of days lost to injuries, accidents, fatali-ties or illness	X	-	-	-	Chap. 4.1.3.1 (S1-14)	
ESRS S1-16	Paragraph 97 (a)	Unadjusted gender pay gap	X	-	X	-	Chap. 4.1.3.1 (S1-16)	
ESRS S1-16	Paragraph 97 (b)	Excessive CEO pay ratio	X	-	-	-	Chap. 4.1.3.1 (S1-16)	
ESRS S1-17	Paragraph 103 (a)	Incidents of discrimination	X	-	-	-	Chap. 4.1.3.1 (S1-17)	
ESRS S1-17	Paragraph 104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	X	-	X	-	Chap. 4.1.3.1 (S1-17)	
ESRS 2 – SBM3 – S2	Paragraph 11 (b)	Significant risk of child labour or forced labour in the value chain	X	-	-	-	Chap. 4.1.3.2 (SBM-3)	
ESRS S2-1	Paragraph 17	Human rights policy commitments	X	-	-	-	Chap. 4.1.3.2 (S2-1)	
ESRS S2-1	Paragraph 18	Policies related to value chain workers	X	-	-	-	-	Not material
ESRS S2-1	Paragraph 19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	X	-	X	-	Chap. 4.1.3.2 (S2-1)	
ESRS S2-1	Paragraph 19	Due diligence policies on issues addressed by the fundamental ILO Conventions 1 to 8	-	-	X	-	Chap. 4.1.3.2 (S2-1)	

Disclosure requirement	Datapoint	Description	SFDR refer-ence	Pillar 3 refer-ence	Benchmark regulation reference	EU Cli-mate Law reference	Section	Materiality
ESRS S2-4	Paragraph 36	Human rights issues and incidents connected to its upstream and downstream value chain	X	-	-	-	Chap. 4.1.3.2 (S2-4)	
ESRS S3-1	Paragraph 16	Human rights policy commitments	X	-	-	-	Chap. 4.1.3.3 (S3-1)	
ESRS S3-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	X	-	X	-	Chap. 4.1.3.3 (S3-1)	
ESRS S3-4	Paragraph 36	Human rights issues and incidents	X	-	-	-	Chap. 4.1.3.3 (S3-4)	
ESRS S4-1	Paragraph 16	Policies related to consumers and end-users	X	-	-	-	-	Not material
ESRS S4-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X	-	X	-	-	Not material
ESRS S4-4	Paragraph 35	Human rights issues and incidents	X	-	-	-	-	Not material
ESRS G1-1	Paragraph 10 (b)	United Nations Convention against Corruption	X	-	-	-	Chap. 4.1.4.1 (G1-1)	
ESRS G1-1	Paragraph 10 (d)	Protection of whistle-blowers	X	-	-	-	-	Not material
ESRS G1-4	Paragraph 24 (a)	Fines for violation of anti-corruption and anti-bribery laws	X	-	X	-	-	Not material
ESRS G1-4	Paragraph 24 (b)	Standards of anti-corruption and anti-bribery	X	-	-	-	-	Not material

4.1.5.3. LIST OF DISCLOSURE REQUIREMENTS /DATAPOINTS INCORPORATED BY REFERENCE (BP-2)

Disclosure requirement	Code	Location
List of disclosure requirements /datapoints incorporated by reference	BP-2	
Information about member's experience relevant to sec-tors, products and geographic locations of undertaking (ESRS 2.21c)	GOV-1	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular points 16 and 19 of Chapter B. Governing bodies and committees
Information about identity of administrative, management and supervisory bodies or individual(s) within body respon-sible for oversight of impacts, risks and opportunities (ESRS 2.22a/c)	GOV-1	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular points 17, 28, 29, 31 and 39 of Chapter B. Governing bodies and committees. Part I – Information on Capital Structure, Organization and Corporate Governance, in particular points 50 to 55 of Chapter C. Internal Organisation
Disclosure of how bodies or individuals within body respon-sibilities for impacts, risks and opportunities are reflected in undertaking's terms of reference, board mandates and other related policies (ESRS 2.22b)	GOV-1	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular point 15 and following of Chapter B. Governing bodies and committees
Disclosure of how administrative, management and super-visory bodies determine whether appropriate skills and expertise are available or will be developed to oversee sustainability matters (ESRS 2.23)	GOV-1	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular points 16 and 19 of Chapter B. Governing bodies and committees
Information about sustainability-related expertise that bodies either directly possess or can leverage (ESRS 2.23a)	GOV-1	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular point 16 of Chapter B. Governing bodies and committees
Disclosure of how sustainability-related skills and expertise relate to material impacts, risks and opportunities (ESRS 2.23b)	GOV-1	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular point 21 of Chapter B. Governing bodies and committees
Information provided to and sustainability matters ad-dressed by the undertaking's administrative, management and supervisory bodies referring to IRO (ESRS 2.26a/b/AR6)	GOV-2	Part I – Information on Capital Structure, Organization and Corporate Governance, in particular point 21 of Chapter B. Governing bodies and committees
Integration of sustainability-related performance in incen-tive schemes (ESRS 2.29a/b/c/e)	GOV-3	Part I – Information on Capital Structure, Organization and Corporate Governance in particular points 69 and following of Chapter D. Remuneration Annex II Remuneration Policy of Corporate Governance Report
Description of significant markets served (ESRS 2.40a-ii)	SBM-1	Chap. 2.1
Exemption from disclosure of the information referred to in Article 18(1)(a) of Directive 2013/34/EU (ESRS 2.41)	SBM-1	Note 2.1 concerning the business segments of the Financial Statements
Description of the material impacts resulting from the materiality assessment (ESRS2.48a)	SBM-3	Chap. 4.1.2.2 (SBM-3) Chap. 4.1.2.3 (SBM-3) Chap. 4.1.2.4 (SBM-3) Chap. 4.1.2.5 (SBM-3) Chap. 4.1.3.1 (SBM-3) Chap. 4.1.3.2 (SBM-3) Chap. 4.1.3.3 (SBM-3) Chap. 4.1.1.4 (SBM-3)
Description of the material risks and opportunities result-ing from the materiality assessment (ESRS2.48a)	SBM-3	
Disclosure of time horizons (ESRS2.48ciii)	SBM-3	
Disclosure of specification of impacts, risks and opportuni-ties that are covered by ESRS Disclosure Requirements as opposed to those covered by additional entity-specific disclosures (ESRS2.48h)	SBM-3	
Information about Navigator's (climate) resilience of strat-egy and business model regarding capacity to address material impacts and risks and to take advantage of mate-rial opportunities (ESRS 2.48f)	SBM-3	Chap. 4.1.2.2. (SBM-3)

Disclosure requirement	Code	Location
Description of decision-making process and related internal control procedures (ESRS 2.53d/e)	IRO-1	Part I – Information on Capital Structure, Organization and Corporate Governance in particular points 21 and 27 to 29 of Chapter B. Governing bodies and committees and points 50 to 55 of Chapter C. Internal Organisation
Description of extent to which and how process to identify, assess and manage opportunities is integrated into overall management process (ESRS 2.53f)	IRO-1	Part I – Information on Capital Structure, Organization and Corporate Governance in particular point 21 of Chapter B. Governing bodies and committees
List of disclosure requirements included in the Sustainabil-ity Statement (IRO-2)	IRO-2	Chap. 4.1.5.1
Datapoints that derive from other applicable EU legislation	IRO-2	Chap. 4.1.5.2
Minimum Disclosure Requirements for Policies: - General presentation of the policies	MDR-P	*

* Considering that Semapa Group has several 'hat' corporate policies and that they are mentioned several times throughout the chapters, to avoid redundancy of information, they were referred to via: text at the end of the policies section. Given their substantial number, they are not presented in this table.

4.1.5.4 – STATEMENT ON DUE DILIGENCE – GOV-4

Core elements of due diligence	Points of the sustainability statement	Location
Integrating due diligence into governance, strategy and the business mod-el	ESRS 2 GOV-2	Chap. 4.1.1.2 (GOV-2)
	ESRS 2 GOV-3	Chap. 4.1.1.2 (GOV-3)
	ESRS 2 SBM-3	Chap. 4.1.1.3 (SBM-3) Chap. 4.1.2.2 (SBM-3) Chap. 4.1.2.3 (SBM-3) Chap. 4.1.2.4 (SBM-3) Chap. 4.1.2.5 (SBM-3) Chap. 4.1.3.1 (SBM-3) Chap. 4.1.3.2 (SBM-3) Chap. 4.1.3.3 (SBM-3) Chap. 4.1.1.4 (SBM-3)
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2	Chap. 4.1.1.2 (GOV-2)
	ESRS 2 SBM-2	Chap. 4.1.1.3 (SBM-2)
	ESRS 2 IRO-1	Chap. 4.1.1.4 (IRO-1)
	ESRS 2 MDR-P	Chap. 4.1.2.2 (E1-2, MDR-P) Chap. 4.1.2.3 (E3-1, MDR-P) Chap. 4.1.2.4 (E4-2, MDR-P) Chap. 4.1.2.5 (E5-1, MDR-P) Chap. 4.1.3.1 (S1-1, MDR-P) Chap. 4.1.3.2 (S2-1, MDR-P) Chap. 4.1.3.3 (S3-1, MDR-P) Chap. 4.1.4.1 (G1-1, MDR-P) Chap. 4.1.4.1 (G1-2, MDR-P) Chap. 4.1.4.1 (G1-3, MDR-P)
Identifying and assessing negative impacts	ESRS 2 IRO-1	Chap. 4.1.1.4 (IRO-1)
	ESRS 2 SBM-3	Chap. 4.1.1.3 (SBM-3) Chap. 4.1.2.2 (SBM-3) Chap. 4.1.2.3 (SBM-3) Chap. 4.1.2.4 (SBM-3) Chap. 4.1.2.5 (SBM-3) Chap. 4.1.3.1 (SBM-3) Chap. 4.1.3.2 (SBM-3) Chap. 4.1.3.3 (SBM-3) Chap. 4.1.1.4 (SBM-3)
Take measures to respond to these negative impacts	ESRS 2 MDR-A	Chap. 4.1.2.2 (E1-3, MDR-A) Chap. 4.1.2.3 (E3-2, MDR-A) Chap. 4.1.2.4 (E4-3, MDR-A) Chap. 4.1.2.5 (E5-2, MDR-A) Chap. 4.1.3.1 (S1-4, MDR-A) Chap. 4.1.3.2 (S2-4, MDR-A) Chap. 4.1.3.3 (S3-4, MDR-A) Chap. 4.1.4.1 (MDR-A)
Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M	Chap. 4.1.2.2 (E1-4, MDR-M) Chap. 4.1.2.3 (E3-4, MDR-M) Chap. 4.1.2.4 (E4-4, MDR-M) Chap. 4.1.2.4 (E4-5, MDR-M) Chap. 4.1.2.5 (E5-3, MDR-M) Chap. 4.1.3.1 (S1-5, MDR-M) Chap. 4.1.3.2 (S2-5, MDR-M) Chap. 4.1.3.3 (S3-5, MDR-M)
		Chap. 4.1.2.2 (E1-4, MDR-T) Chap. 4.1.2.3 (E3-3, MDR-T) Chap. 4.1.2.4 (E4-4, MDR-T) Chap. 4.1.2.5 (E5-3, MDR-T) Chap. 4.1.3.1 (S1-5, MDR-T) Chap. 4.1.3.2 (S2-5, MDR-T) Chap. 4.1.3.3 (S3-5, MDR-T) Chap. 4.1.4.1 (MDR-T)

4.1.6. INDEPENDENT LIMITED RELIABILITY WARRANTY REPORT

KPMG

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON SUSTAINABILITY REPORTING

(Free translation from a report originally issued in Portuguese language.
In case of doubt the Portuguese version will always prevail.)

To the Board of Directors of
Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.

Conclusion of limited assurance

We performed a limited assurance engagement on the Consolidated Sustainability Report of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. ("Group") included in the "Sustainability Statement – Non-Financial Statement" section of the Annual Report (the "Consolidated Sustainability Report") as at 31 December 2024 and for the period from 1 January to 31 December 2024.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that would lead us to conclude that the Consolidated Sustainability Report of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. as at 31 December 2024, and for the period from 1 January to 31 December 2024, has not been prepared, in all material respects, in accordance with:

- the European Sustainability Reporting Standards (ESRS), including that the process performed by the Group to identify the information reported in the Sustainability Report (the "Process") is in accordance with the description made in chapter 4.1.1.4 – Impact, Risk and Opportunity (IRO) Management; and,
- the disclosures provided for in Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation"), included in chapter 4.1.2.1 – European Taxonomy.

Basis for conclusion

Our work was performed in accordance with the International Standard on 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 the other standards and technical guidelines of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*).

The 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 has a reasonable assurance engagement been performed.

Our responsibilities under these standards are described in the "Auditor's responsibilities" section below.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Quality and Independence

We have applied the International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires that a comprehensive quality management system be designed, implemented, and maintained including documented policies and 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 the *Ordem dos Revisores Oficiais de Contas'* code of ethics.

Other matters

The comparative information included in the Group's Consolidated Sustainability Report as at 31 December 2023 has not been subject to any assurance engagement. Our opinion is not modified with respect to this matter.

Responsibilities of the Management and the Supervisory Board for the Sustainability Report

It is the responsibility of Management to design, implement and maintain a process for identifying the information to be presented in the Consolidated Sustainability Report, in accordance with the ESRS, and to disclose this process in chapter 4.1.1.4 – Impact, Risk and Opportunity (IRO) Management of the Consolidated Sustainability Report. This responsibility includes:

- an understanding of the context in which the Group's activities and business relationships take place and how stakeholders may be affected;
- the identification of actual and potential impacts (negative and positive) related to sustainability issues, as well as the risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to financing or cost of capital in the short, medium or long term;
- assessing the materiality of identified impacts, risks and opportunities related to sustainability matters, by selecting and applying appropriate thresholds; and
- the selection and application of methodologies and the definition of assumptions that are reasonable in the circumstances.

It is also the responsibility of Management:

- preparing the Consolidated Sustainability Report in accordance with the ESRS;
- preparing the disclosures in chapter 4.1.2.1 – European Taxonomy of the Consolidated Sustainability Report in accordance with Article 8 of the Taxonomy Regulation;
- designing, implementing, and maintaining an appropriate information and internal control system that enables the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error; and,

- selecting and applying appropriate methods for preparing the Consolidated Sustainability Report and defining assumptions and estimates about sustainability disclosures that are reasonable in the circumstances.

The Supervisory body is responsible for overseeing the Group's Consolidated Sustainability Reporting process.

Limitations inherent in the preparation of the Consolidated Sustainability Report

When reporting forward-looking information in accordance with ESRS, Management is required to prepare forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions of the Group. Often, future events don't turn out as expected, so the actual results will probably be different from those predicted.

In determining the disclosures in the Consolidated Sustainability Report, Management makes certain interpretations of legislation or other undefined matters. This type of legislation or other undefined matters can be interpreted differently, including the legal compliance of their interpretation, and are therefore subject to uncertainty.

Auditor's responsibilities

Our goals are to plan and perform the limited assurance engagement on whether the Consolidated Sustainability Report is free from material misstatement, whether due to fraud or error, and to report our limited assurance conclusion to Management. 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 the Sustainability Report as a whole.

As part of a limited assurance engagement performed in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the work.

Our responsibilities regarding the Consolidated Sustainability Report, as far as the Process is concerned, include:

- Obtain an understanding of the Process, but not for the purpose of expressing a conclusion about the effectiveness of the Process, including the outcome of the Process; and

- Design and execute procedures to assess whether the Process is consistent with the Group's description of it, as disclosed in chapter 4.1.1.4 – Impact, Risk and Opportunity (IRO) Management.

Our other responsibilities regarding the Consolidated Sustainability Report include:

- Obtaining an understanding of the control environment, processes and information systems relevant to the Consolidated Sustainability Report, but not to assess the design of particular control activities, obtain evidence of their implementation or test their operational effectiveness;

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and

- Design and execute procedures aimed at disclosures in the Consolidated Sustainability Report 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, counterfeit, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work we did to base our conclusion

A limited assurance engagement involves performing procedures to obtain evidence on the Consolidated Sustainability Report.

We design and execute our procedures to provide a basis for our conclusion. The nature, timing and extent of our procedures depend on our understanding of the Consolidated Sustainability Report and other circumstances of the work, including the identification of disclosures where material misstatements, due to fraud or error, may occur in the Consolidated Sustainability Report.

In performing our limited assurance engagement regarding the Process:

- We obtained an understanding of the Process through:
  i. Interviews with senior management and relevant staff, at corporate and operational level, regarding the sustainability strategy and policies for materially relevant aspects, and their implementation across the different business areas; and
  ii. Analysis of the internal documentation produced by the Group on the Process; and
- We assessed whether the evidence obtained based on our procedures on the Process was consistent with the description of the Process, disclosed in chapter 4.1.1.4 – Impact, Risk and Opportunity (IRO) Management.

In performing our limited assurance engagement regarding the Consolidated Sustainability Report:

- We obtained an understanding of the Group's reporting processes relevant to the preparation of the Sustainability Report by understanding the Group's control environment, processes and information system relevant to the preparation of the Consolidated Sustainability Report, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal control;
- We assessed whether the material information identified by the Process is included in the Consolidated Sustainability Report;
- We assessed whether the structure and presentation of the Consolidated Sustainability Report complies with the ESRS;
- We performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Report;
- We performed substantive procedures, on a sample basis, on selected disclosures from the Consolidated Sustainability Report;
- We obtained evidence on the methods, assumptions and data used in the development of material estimates and forward-looking information and on how these methods were applied;
- We gained an understanding of the process for identifying eligible economic activities aligned with the taxonomy, and the corresponding disclosures in the Consolidated Sustainability Report.

30 April 2025

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, S.A.
(no. 189 and registered at CMVM with no. 20161489)
represented by
Pedro Jorge Quental e Cruz
(ROC no. 1765 and registered at CMVM with no. 20161607)

4.2

ADDITIONAL SUSTAINABILITY DISCLOSURE

4.2.1. OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Semapa Holding aims to be a benchmark in investment management in key sectors of the domestic and international economy, incorporating sustainable development as one of the pillars of its business in its strategy, to allow its decisions to be made with a deep social and environmental awareness.

In this regard, the Holding is committed to the United Nations 2030 Agenda, aligning its strategy, investments, and performance with the Sustainable Development Goals (SDGs), and contributing to the achievement of the associated goals.

It should be noted that the main contributions mapped so far are identified in the following information, in line with the contents of this report.

The presentation of the SDGs with the two levels of disaggregation presented in previous years is maintained:

• Priority level: objectives to which the Group is actively and directly contributing;

• Support level: objectives to which the Group contributes in a less direct way, although there is a potential positive contribution through the companies' commitments and business plans.

PRIORITY SDGS

SDG 8 – DECENT WORK AND ECONOMIC GROWTH

Cap. 4.1.2.2, 4.1.2.3, 4.1.3.1, 4.1.3.2, 4.1.4.1

8 DECENT WORK AND ECONOMIC GROWTH

The Semapa Group, as a major domestic employer with an international presence, works continuously to ensure a fairer, healthier and safer workplace for all its progression, initiatives that reflect its culture of diversity, equity and inclusion. In addition, the way in which the Group relates to its stakeholders seeks to generate value, strengthening local economies through job creation and promoting relationships of proximity and trust. The Group invests in the efficient use of resources, committed to dissociating economic growth from environmental degradation.

SDG 9 – INDUSTRY, INNOVATION AND INFRASTRUCTURE

Chap. 2.3

The Group's companies operate in value chains with a strong impact on local economies and in structuring areas for society. In this regard, the Group seeks to respond to current and future challenges, offering innovative solutions and products, as a result of a strong commitment to Research, Development and Innovation (RDI), to improving the technological capabilities of the sectors where it operates, to care for the quality and safety of the products and projects developed, and to establish partnerships for the development of initiatives with greater impact.

SDG 12 – SUSTAINABLE CONSUMPTION AND PRODUCTION

Chap. 4.1.2.2, 4.1.2.3, 4.1.2.5

Given the need to shape the Group's business to match the long-term vision and strategy of sustainable development, the companies seek to mitigate and control the environmental impacts arising from their production processes, through their environmental management policies and systems, focusing on the optimization of energy consumption, the use of alternative energy sources, the efficient use of natural resources, and the promotion of the circular economy.

SDG 13 – CLIMATE ACTION

Chap. 4.1.2.2, 4.1.2.5, 4.1.3.3

The companies of the Semapa Group are committed to helping mitigate climate change, by taking an active role in the transition to a low-carbon economy. We highlight the investments that the Group has been making in recent years, based on a roadmap for carbon neutrality and the commitment to decarbonization by 2050, with the promotion of concrete initiatives in terms of carbon capture and storage in forests and forest products; the promotion of the growth of a bioeconomy that is forest-based, circular, and built on low-carbon fossil fuels; on the launch of new solutions and products; and on the promotion of the recycling of by-products of the food chain.

SUPPORT SDGS

SDG 3 – GOOD HEALTH

Chap. 4.1.3.1, 4.1.3.2

The Semapa Group actively promotes the health, safety and well-being of its employees, developing specific policies, working groups and programs in all the geographies where it operates, with the aim of keeping its people motivated, healthy, and productive.

SDG 4 – QUALITY EDUCATION

Chap. 4.1.3.1, 4.1.3.2

The promotion of personal and professional development is a commitment of all the Group's companies. This materialized through a continuous commitment to the training of their employees and the development of technical and professional skills of young talents, contributing to their employability, developing upskilling and reskilling programmes for their employees, and promoting decent work.

SDG 6 – CLEAN WATER AND SANITATION

Chap. 4.1.2.3

Given the use of water resources in some of the industrial processes of our Subsidiaries, we are committed to making efficient use of this resource, designing initiatives that reduce the amount of water collected, and to minimizing the potential impacts of its discharge into the receiving environment.

SDG 7 – AFFORDABLE AND RENEWABLE ENERGY

Chap. 4.1.2.2

Through the decarbonization roadmaps of the Group's companies, it is intended to use, whenever possible, alternative sources, increasing the use of renewable energies and improving the energy efficiency of operations, through the optimization of electricity and fuel consumption, and the transition from the use of fossil fuels to low-carbon fuels.

SDG 11 – SUSTAINABLE CITIES AND COMMUNITIES

Chap. 4.1.3.3

The Semapa Group contributes to the development of more sustainable cities through the cement industry which, by having more sustainable manufacturing standards, will be an integral part of fairer communities that are less harmful to the environment. Through sustainable forest management and support for local communities, the Pulp & Paper segment promotes the economic, social, and environmental development of rural areas.

SDG 15 – LIFE ON LAND

Chap. 4.1.2.2, 4.1.2.4, 4.1.3.3

The conservation of biodiversity and the maintenance of ecosystem services are one of the Group's growing concerns. Through impact assessment processes and the definition of recovery, action, and monitoring plans, it aims to reduce potential negative impacts that its activities may have in this area. In the particular case of the Pulp and Paper segment, a sustainable forest management model is ensured, which integrates a conservation strategy, with a view to the adequate compatibility of production and conservation measures.

SDG 17 – PARTNERSHIPS FOR THE IMPLEMENTATION OF THE GOALS

Chap. 2.3

The companies of the Semapa Group interact with multiple organizations, nationally and internationally, seeking to establish partnerships that enhance their contributions to the other SDGs and support the achievement of their sustainability agendas, exploring new opportunities for collaboration and promoting better performance.

4.2.2. SUSTAINABILITY SUPPORT INFORMATION

Following up with the information reported on previous years, prepared in accordance with the GRI (Global Reporting Initiative) Standards, and recognizing the importance of disclosing these indicators to some users of sustainability information, Semapa has opted to maintain the disclosure of the following GRI indicators, in addition to the information reported in the Non-Financial Statement: GRI 201-1, GRI 201-4, GRI 207-1, GRI 207-2, GRI 207-3 and GRI 207-4.

GRI 201: ECONOMIC PERFORMANCE

GRI 201-1: Direct economic value generated and distributed (k€)

Company/Affiliated	Description	2022	2023	2024
Semapa Group	**Direct economic value generated**	**3 287 321**	**2 912 102**	**3 085 049**
	Revenues	3 287 321	2 912 102	3 085 049
	Economic value distributed	**2 541 464**	**2 395 700**	**2 446 351**
	Operating Costs	1 930 102	1 774 981	1 870 487
	Employee wages and benefits	281 789	281 973	333 087
	Payments to capital providers	274 823	174 192	151 420
	Payments to government	52 303	162 305	78 798
	Community investments	2 446	2 249	12 558
	Economic value retained	**745 857**	**516 402**	**638 698**

GRI 201-4: Financial assistance received from government (thousands of euros)

Company/Affiliated	Description	2022	2023	2024
Semapa Group	**Tax incentives/Credits (thousand €)**	5 226	7 771	12 210
	Subsidies (thousand €)	13 413	13 931	12 290
	Support for research and R&D (thousand €)	1 533	2 800	3 192

GRI 207: TAXATION

GRI 207-1: FISCAL APPROACH

As part of the business conducted by the companies that integrate the Semapa Group, they incur in a multiplicity of taxes, fees and contributions, and the Group is an important contributor to state revenue in Portugal and thus to the fulfilment of social objectives and national development. Tax policy therefore has a significant impact on the business fabric, affecting the Group's entire value chain.

The Semapa Group's tax policy is aligned with the Group's business development strategy, defined in accordance with the economic substance of its activity. This is why the tax treatment of the Group's transactions is conducted in response to its economic activity, and the tax implications of these transactions are just one of the many economic reasons to be considered in the Semapa Group's management decisions. The tax policy is analysed and approved annually by the Executive Committee and the Board of Directors. Regular meetings are held with the CFO - Chief Financial Officer - to analyse the implementation of Semapa Group's tax policy.

GRI 207-2: FISCAL GOVERNANCE, CONTROL, AND RISK MANAGEMENT

The **Semapa Group's tax policy** is aligned with the corporate strategy for development of the Group, and this policy is therefore defined in accordance with the economic substance of its operations. The CFO - Chief Financial Officer - is responsible for tax policy compliance. For the identification, management and monitoring of tax risks, liaison is made with the Department responsible for identifying the company's general risks and their regular monitoring in conjunction with the Tax Department.

Compliance with the governance structure and fiscal control is assessed regularly with the CFO and annually at Board level.

Reporting concerns about unethical or illegal behaviour and the integrity of the organization in relation to taxes is done through direct reporting to the CFO and head of internal audit of the company.

The Tax Department prepares memoranda for analysis of transactions with materiality, as well as the internal review of periodic income statements to verify compliance with company tax policy.

GRI 207-3: STAKEHOLDER ENGAGEMENT AND MANAGEMENT OF TAX ISSUES

OThe Semapa Group takes a proactive stance in its dealings with the Tax Authority, especially with the Large Contributor Unit teams (in terms of both inspection and tax justice) and by submitting Binding Information Requests on matters where there are doubts as to the application of tax legislation.

Additionally, it presents an active participation through Employees of the company/Group in organizations such as the Forum of Large Taxpayers under the auspices of the AT and participation in various associations and their tax sections (such as the Business Roundtable Portugal, the Issuers Association (AEM) or the Portuguese Tax Association), as well as active participation in academic initiatives of Employees - either as speakers or as participants (such as IDEFF of the Faculty of Law of the University of Lisbon and Católica Tax of the Portuguese Catholic University at national level and the WU Wien and the International Tax Center of Leiden at international level). Active participation at the level of associations and academic institutions allows close contact with internal and external stakeholders, in which the Group's opinion and tax strategy is confronted, discussed, and developed in discussion with these stakeholders.

GRI 207-4: COUNTRY REPORT

Regarding the geographical distribution of its *tax* footprint worldwide, in terms of corporate income tax (IR), with the latest aggregate data available for 2022 obtained in compliance with the Group's *country-by-country tax reporting* obligations, calculated on a *cash flow basis*, the Semapa Group paid a total of 89.4M€, million euros, broken down geographically in the table below, identifying income tax payments by jurisdiction/country:

	Tax Jurisdiction	Income tax paid (on a cash basis) 2022	Income tax paid (on a cash basis) 2023	% Income tax paid (on a cash basis) 2023
AO	Angola	143 258	0	0.00%
AT	Austria	4 268	4 268	0.00%
BR	Brazil	11 975 032	19 901 262	10.47%
CV	Cape Verde	365 620	152 057	0.08%
DE	Germany	2 405	65 200	0.03%
EG	Egypt	2 000	887	0.00%
ES	Spain	347 287	4 283 482	2.25%
FR	France	26 322	54 649	0.03%
GB	United Kingdom	0	137 493	0.07%
IE	Ireland	220 107	498 941	0.26%
IT	Italy	17 087	36 424	0.02%
LB	Lebanon	22 089	82 161	0.04%
MA	Morocco	1 621	2 596	0.00%
MX	Mexico	8 737	12 472	0.01%
MZ	Mozambique	1 488	1 447	0.00%
NL	Netherlands	98 048	771 489	0.41%
PL	Poland	1 964	4 667	0.00%
PT	Portugal	73 587 879	160 245 343	84.31%
TN	Tunisia	1 427 688	113 074	0.06%
TR	Turkey	12 310	1 857	0.00%
UAE	United Arab Emirates	0	0	0.00%
US	United States of America	1 137 557	479 402	0.25%
ZA	South Africa	0	0	0.00%
		89 402 767	**190 061 379**	**100.00%**

Therefore, in the context of compliance with the country-by-country tax reporting obligations presented by the Group, it is evident that in 2023, the Group paid in Portugal 84.31% of the overall corporate income tax supported among the 23 jurisdictions where it is represented.

4.2.3. GRI CONTENT INDEX

Statement of use:	Semapa Group has reported in accordance with the GRI Standards for the period from January 1st to December 31st, 2024.
GRI 1 used	GRI 1: Fundaments 2021

GENERAL DISCLOSURES

GRI 2: GENERAL DISCLOSURES With reference to the standard published in 2021	ESRS	Location
THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1 Organizational details	--	Chap. 2.1 Semapa's Identity
2-2 Entities included in the organization's sustainability reporting	BP-1	Chap. 4.1.1.1 (BP-1)
2-3 Reporting period, frequency and contact point	--	Chap. 4.1.1.1 (BP-1)
2-4 Restatements of information	BP-2	Chap. 4.1.1.1 (BP-2)
2-5 External assurance	--	Chap. 4.1.1.1 (BP-1)
ACTIVITIES AND WORKERS		
2-6 Activities, value chain and other business relationships	SBM-1	Chap. 2.1 Semapa's Identity Chap. 4.1.1.3 (SBM-1)
2-7 Employees	SBM-1 S1-6	Chap. 4.1.1.3 (SBM-1) Chap. 4.1.3.1 (S1-6)
2-8 Workers who are not employees	S1-7	Chap. 4.1.3.1 (S1-7)
GOVERNANÇA		
2-9 Governance structure and composition	GOV-1	Chap. 2.4 Governance Model Chap. 4.1.1.2 (GOV-1)
2-10 Nomination and selection of the highest governance body	-	Chap. 5 Corporate Governance Report| Part I – Information on Capital Structure, Organization and Corporate Governance | B. Governing bodies and committees | II. Management and supervision | A) Structure
2-11 Chair of the highest governance body	-	Chap. 5 Corporate Governance Report| Part I – Information on Capital Structure, Organization and Corporate Governance | B. Governing bodies and committees | II. Management and supervision | A) Structure
2-12 Role of the highest governance body in overseeing the management of impacts	GOV-1 GOV-2 SBM-2	Chap. 4.1.1.2 (GOV-1) Chap. 4.1.1.2 (GOV-2) Chap. 4.1.1.3 (SBM-2)
2-13 Delegation of responsibility for managing impacts	GOV-1 GOV-2	Chap. 4.1.1.2 (GOV-1) Chap. 4.1.1.2 (GOV-2)
2-14 Role of the highest governance body in sustainability reporting	GOV-1 IRO-1	Chap. 4.1.1.2 (GOV-1) Chap. 4.1.1.4 (IRO-1)

2-15 Conflicts of interest	ESRS	Location
2-16 Communication of critical concerns	-	Chap. 5 Corporate Governance Report| Part I – Information on Capital Structure, Organization and Corporate Governance | E. Transactions with Related Parties. Conflicts of Interest
2-17 Collective knowledge of the highest governance body	GOV-2 G1-3	Chap. 4.1.1.2 (GOV-2) Chap. 4.1.4.1 (G-3)
2-18 Evaluation of the performance of the highest governance body	GOV-1	Chap. 4.1.1.2 (GOV-1)
2-19 Remuneration policies	-	Chap. 5 Corporate Governance Report| Part I – Information on Capital Structure, Organization and Corporate Governance | B. Governing bodies and committees | II. Administration and supervision | B) Functioning
2-20 Process to determine remuneration	GOV-3	Chap. 4.1.1.2 (GOV-3)
2-21 Annual total compensation ratio	GOV-3	Chap. 4.1.1.2 (GOV-3)
2-21 Annual total compensation ratio	S1-16	Chap. 4.1.3.1 (S1-16)
STRATEGY, POLICIES AND PRACTICES		
2-22 Statement on sustainable development strategy	SBM-1	Chap. 4.1.1.3 (SBM-1)
2-23 Policy commitments	GOV-4 E1-2 E3-1 E4-2 E5-1 S1-1 S2-1 S3-1 G1-1	Chap. 4.1.1.2 (GOV-4) Chap. 4.1.5.4 Chap. 4.1.2.2 (E1-2) Chap. 4.1.2.3 (E3-1) Chap. 4.1.2.4 (E4-2) Chap. 4.1.2.5 (E5-1) Chap. 4.1.3.1 (S1-1) Chap. 4.1.3.2 (S2-1) Chap. 4.1.3.3 (S3-1) Chap. 4.1.4.1 (G1-1)
2-24 Embedding policy commitments	GOV-2 E1-3 E3-2 E4-3 E5-2 S1-4 S2-4 S3-4 G1-1	Chap. 4.1.1.2 (GOV-2) Chap. 4.1.2.2 (E1-3) Chap. 4.1.2.3 (E3-2) Chap. 4.1.2.4 (E4-3) Chap. 4.1.2.5 (E5-2) Chap. 4.1.3.1 (S1-4) Chap. 4.1.3.2 (S2-4) Chap. 4.1.3.3 (S3-4) Chap. 4.1.4.1 (G1-1)
2-25 Processes to remediate negative impacts	S1-3 S2-3	Chap. 4.1.3.1 (S1-3) Chap. 4.1.3.2 (S2-3)
2-26 Mechanisms for seeking advice and raising concerns	S1-3 S2-3 G1-1	Chap. 4.1.3.1 (S1-3) Chap. 4.1.3.2 (S2-3) Chap. 4.1.4.1 (G1-1)
STAKEHOLDER ENGAGEMENT		
2-29 Approach to stakeholder engagement	SBM-2 S1-2 S2-2	Chap. 4.1.1.3 (SBM-2) Chap. 4.1.3.1 (S1-2) Chap. 4.1.3.2 (S2-2)
2-30 Collective bargaining agreements	S1-8	Chap. 4.1.3.1 (S1-8)

GRI 3: MATERIAL TOPICS 2021 With reference to the standard published in 2021	ESRS	Location
3-1 Process to determine material topics	IRO-1	Chap. 4.1.1.4 (IRO-1)
3-2 List of material topics	SBM-3	Chap. 4.1.1.3 (SBM-3)
3-3 Management of material topics	SBM-3 E1 E3 E4 E5 S1 S2 S3 G1	Chap. 4.1.1.3 (SBM-3) Chap. 4.1.2.2 Chap. 4.1.2.3 Chap. 4.1.2.4 Chap. 4.1.2.5 Chap. 4.1.3.1 Chap. 4.1.3.2 Chap. 4.1.3.3 Chap. 4.1.4.1

ENTITY-SPECIFIC

GRI 201: ECONOMIC PERFORMANCE With reference to the standard published in 2016	ESRS	Location
201-1 Direct economic value generated and distributed	-	Chap. 4.2.2
201-2 Financial implications and other risks and opportunities due to climate change	SBM-3 SBM-3 (E1) E1-9	Chap. 4.1.1.3 (SBM-3) Chap. 4.1.2.2 (SBM-3) Chap. 4.1.2.2 (E1-9)
201-3 Defined benefit plan obligations and other retirement plans	-	Chap. 7 (Note 7.3)
201-4 Financial assistance received from government	-	Chap. 4.2.2

GRI 202: MARKET PRESENCE With reference to the standard published in 2016	ESRS	Location
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	S1-10	Chap. 4.1.3.1 (S1-10)

GRI 204: PROCUREMENT PRACTICES With reference to the standard published in 2016	ESRS	Location
204-1 Proportion of spending on local suppliers	-	Chap. 4.1.4.1 (Navigator)

GRI 205: ANTI-CORRUPTION With reference to the standard published in 2016	ESRS	Location
205-2 Communication and training about anti-corruption policies and procedures	G1-3	Chap. 4.1.4.1 (G1-3)
205-3 Confirmed incidents of corruption and actions taken	G1-4	Chap. 4.1.4.1 (G1-4)

GRI 207: TAX With reference to the standard published in 2019	ESRS	Location
207-1 Approach to tax	-	Chap. 4.2.2
207-2 Tax governance, control, and risk management	-	Chap. 4.2.2
207-3 Stakeholder engagement and management of concerns related to tax	-	Chap. 4.2.2
207-4 Country-by-country reporting	-	Chap. 4.2.2

GRI 301: MATERIALS With reference to the standard published in 2016	ESRS	Location
301-1 Materials used by weight or volume	E5-4	Chap. 4.1.2.5 (E5-4)
301-2 Recycled input materials used	E5-4	Chap. 4.1.2.5 (E5-4)

GRI 302: ENERGY With reference to the standard published in 2016	ESRS	Location
302-1 Energy consumption within the organization	E1-5	Chap. 4.1.2.2 (E1-5)
302-3 Energy intensity	E1-5	Chap. 4.1.2.2 (E1-5)

GRI 303: WATER AND EFFLUENTS With reference to the standard published in 2018	ESRS	Location
303-1 Interactions with water as a shared resource	SBM-3 (E3) E3-1 E3-2 E3-3	Chap. 4.1.2.3 (SBM-3) Chap. 4.1.2.3 (E3-1) Chap. 4.1.2.3 (E3-2) Chap. 4.1.2.3 (E3-3)
303-3 Water withdrawal	E3-4	Chap. 4.1.2.3 (E3-4)
303-4 Water discharge	E3-4	Chap. 4.1.2.3 (E3-4)
303-5 Water consumption	E3-4	Chap. 4.1.2.3 (E3-4)

GRI 304: BIODIVERSITY With reference to the standard published in 2016	ESRS	Location
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	E4-5	Chap. 4.1.2.4 (E4-5)
304-2 Significant impacts of activities, products, and services on biodiversity	E4-5	Chap. 4.1.2.4 (E4-5)
304-3 Habitats protected or restored	E4-3 E4-4	Chap. 4.1.2.4 (E4-3) Chap. 4.1.2.4 (E4-4)
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	E4-5	Chap. 4.1.2.4 (E4-5)

GRI 305: EMISSIONS With reference to the standard published in 2016	ESRS	Location
305-1 Direct (Scope 1) GHG emissions	E1-6	Chap. 4.1.2.2 (E1-6)
305-2 Energy indirect (Scope 2) GHG emissions	E1-6	Chap. 4.1.2.2 (E1-6)
305-3 Other indirect (Scope 3) GHG emissions	E1-6	Chap. 4.1.2.2 (E1-6)
305-4 GHG emissions intensity	E1-6	Chap. 4.1.2.2 (E1-6)

GRI 306: WASTE With reference to the standard published in 2020	ESRS	Location
306-1 Waste generation and significant waste-related impacts	SBM-3 (E5) E5-4	Chap. 4.1.2.5 (SBM-3) Chap. 4.1.2.5 (E5-4)
306-2 Management of significant waste-related impacts	E5-2 E5-5	Chap. 4.1.2.5 (E5-2) Chap. 4.1.2.5 (E5-5)
306-3 Waste generated	E5-5	Chap. 4.1.2.5 (E5-5)
306-4 Waste diverted from disposal	E5-5	Chap. 4.1.2.5 (E5-5)
306-5 Waste directed to disposal	E5-5	Chap. 4.1.2.5 (E5-5)

GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT With reference to the standard published in 2016	ESRS	Location
308-1 New suppliers that were screened using environmental criteria	G1-2	Chap. 4.1.4.1 (G1-2)
308-2 Negative environmental impacts in the supply chain and actions taken	SBM-3 (G1)	Chap. 4.1.4.1 (SBM-3)

GRI 401: EMPLOYMENT **With reference to the standard published in 2016**	**ESRS**	**Location**
401-1 New employee hires and employee turnover	S1-6	Chap. 4.1.3.1 (S1-6)
401-3 Parental leave	S1-15	Chap. 4.1.3.1 (S1-15)

GRI 403: OCCUPATIONAL HEALTH AND SAFETY **With reference to the standard published in 2018**	**ESRS**	**Location**
403-1 Occupational health and safety management system	S1-1	Chap. 4.1.3.1 (S1-1)
403-2 Hazard identification, risk assessment, and incident investigation	S1-3	Chap. 4.1.3.1 (S1-3)
403-3 Occupational health services	S1-4	Chap. 4.1.3.1 (S1-4)
403-4 Worker participation, consultation, and communication on occupational health and safety	S1-2	Chap. 4.1.3.1 (S1-2)
403-5 Worker training on occupational health and safety	S1-4	Chap. 4.1.3.1 (S1-4
403-6 Promotion of worker health	S1-4	Chap. 4.1.3.1 (S1-4)
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	S2-4	Chap. 4.1.3.2 (S2-4)
403-8 Workers covered by an occupational health and safety management system	S1-14	Chap. 4.1.3.1 (S1-14)
403-9 Work-related injuries	S1-14	Chap. 4.1.3.1 (S1-14)
403-10 Work-related ill health	S1-14	Chap. 4.1.3.1 (S1-14)

GRI 404: TRAINING AND EDUCATION **With reference to the standard published in 2016**	**ESRS**	**Location**
404-1 Average hours of training per year per employee	S1-13	Chap. 4.1.3.1 (S1-13)
404-2 Programs for upgrading employee skills and transition assistance programs	S1-1 S1-5	Chap. 4.1.3.1 (S1-1) Chap. 4.1.3.1 (S1-5)
404-3 Percentage of employees receiving regular performance and career development reviews	S1-13	Chap. 4.1.3.1 (S1-13)

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY **With reference to the standard published in 2016**	**ESRS**	**Location**
405-1 Diversity of governance bodies and employees	GOV-1 S1-6 S1-9	Chap. 4.1.1.2 (GOV-1) Chap. 4.1.3.1 (S1-6) Chap. 4.1.3.1 (S1-9)
405-2 Ratio of basic salary and remuneration of women to men	S1-16	Chap. 4.1.3.1 (S1-16)

GRI 406: NON-DISCRIMINATION **With reference to the standard published in 2016**	**ESRS**	**Location**
406-1 Incidents of discrimination and corrective actions taken	S1-17	Chap. 4.1.3.1 (S1-17)

GRI 408: CHILD LABOR **With reference to the standard published in 2016**	**ESRS**	**Location**
408-1 Operations and suppliers at significant risk for incidents of child labour	S1-1 S2-1	Chap. 4.1.3.1 (S1-1) Chap. 4.1.3.2 (S2-1)

GRI 409: FORCED OR COMPULSORY LABOR With reference to the standard published in 2016	ESRS	Location
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	S1-1 S2-1	Chap. 4.1.3.1 (S1-1) Chap. 4.1.3.2 (S2-1)

GRI 413: LOCAL COMMUNITIES With reference to the standard published in 2016	ESRS	Location
413-1 Operations with local community engagement, impact assessments, and development programs	S3-4	Chap. 4.1.3.3 (S3-4)

GRI 414: SUPPLIER SOCIAL ASSESSMENT With reference to the standard published in 2016	ESRS	Location
414-1 New suppliers that were screened using social criteria	G1-2	Chap. 4.1.4.1 (G1-2)
414-2 Negative social impacts in the supply chain and actions taken	SBM-3 (S2) S2-4 SBM-3 (G1)	Chap. 4.1.3.2 (SBM-3) Chap. 4.1.3.2 (S2-4) Chap. 4.1.4.1 (SBM-3)

4.2.4. DNFI CORRESPONDENCE TABLE (DISCLOSURE OF NON-FINANCIAL INFORMATION)

This table makes it possible to match the contents of Semapa's 2024 Annual Report with the elements required in the reporting model for the disclosure of non-financial information, recommended by CMVM (Portuguese Securities Market Commission). This model, which applies to companies issuing securities admitted to trading in a regulated market, is the result of the applicable legal regime.

A. INFORMATION ON THE POLICIES ADOPTED

Chapters	Subchapters	ESRS	Location
A. INTRODUCTION	1. Description of the Company's overall sustainability policy, highlighting any changes to the previously approved policy.	SBM-1	Chap. 4.1.1.3 (SBM-1)
	2. Description of the methodology and the grounds for applying it to the reporting of non-financial information, as well as any changes that have occurred in relation to previous years and the reasons for them	BP-1 BP-2	Chap. 4.1.1.1 (BP-1) Chap. 4.1.1.1 (BP-2)
B. CORPORATE AND BUSINESS MODEL	1. General description of the Company's/Group's business model and form of organization, indicating the core business areas and markets in which it operates (if possible, with recourse to organizational charts, graphs or functional tables).	SBM-1	Chap. 2.1 Semapa's Identity Chap. 4.1.1.3 (SBM-1)
C. MAIN RISK FACTORS	1. Identification of the main risks associated with the subjects reported and arising from the Company's activities, products, services, or business relationships, including, where appropriate and whenever possible, the supply and subcontracting chains.	SBM-3	Chap. 2.5 Strategic Risk Management Chap. 4.1.1.2 (GOV-1) Chap. 4.1.1.2 (GOV-5) Chap. 4.1.1.3 (SBM-3) Chap. 4.1.2.2 (SBM-3) Chap. 4.1.2.3 (SBM-3) Chap. 4.1.2.4 (SBM-3) Chap. 4.1.2.5 (SBM-3) Chap. 4.1.3.1 (SBM-3) Chap. 4.1.3.2 (SBM-3) Chap. 4.1.3.3 (SBM-3) Chap. 4.1.1.4 (SBM-3) Chap. 4.1.1.4 (IRO-1)
	2. Indication of how these risks are identified and managed by the Company.	GOV-1 GOV-5 SBM-3 IRO-1	
	3. Explanation of the internal functional division of responsibilities, including the corporate bodies, commissions, committees, or departments responsible for identifying and managing/monitoring the risks.	GOV-1	
	4. Explicit statement of the new risks identified by the Company in relation to what was reported in previous years, and the risks that are no longer reported.	SBM-3	
	5. Statement and brief description of the main opportunities that are identified by the Company in the context of the topics reported.	SBM-3	

Chapters	Subchapters	ESRS	Location
D. POLICIES IMPLEMENTED			
I. Environmental policies	1. Description of the Company's strategic objectives and the main actions taken to achieve them.	E1-1 E1-2 E1-3 E1-4 E2-1 E2-2 E2-3 E3-1 E3-2 E3-3 E4-1 E4-2 E4-3 E4-4 E5-1 E5-2 E5-3	Chap. 4.1.2.2 (E1-1) Chap. 4.1.2.2 (E1-2) Chap. 4.1.2.2 (E1-3) Chap. 4.1.2.2 (E1-4) Not material Not material Not material Chap. 4.1.2.3 (E3-1) Chap. 4.1.2.3 (E3-2) Chap. 4.1.2.3 (E3-3) Chap. 4.1.2.4 (E4-1) Chap. 4.1.2.4 (E4-2) Chap. 4.1.2.4 (E4-3) Chap. 4.1.2.4 (E4-4) Chap. 4.1.2.5 (E5-1) Chap. 4.1.2.5 (E5-2) Chap. 4.1.2.5 (E5-3)
	2. Description of key performance indicators set.	E1-4 E1-5 E1-6 E2-3 E2-4 E2-5 E3-3 E3-4 E4-4 E4-5 E5-3 E5-4 E5-5	Chap. 4.1.2.2 (E1-4) Chap. 4.1.2.2 (E1-5) Chap. 4.1.2.2 (E1-6) Not material Not material Not material Chap. 4.1.2.3 (E3-3) Chap. 4.1.2.3 (E3-4) Chap. 4.1.2.4 (E4-4) Chap. 4.1.2.4 (E4-5) Chap. 4.1.2.5 (E5-3) Chap. 4.1.2.5 (E5-4) Chap. 4.1.2.5 (E5-5)
	3. Assessment of the degree of realization of such objectives, in relation to the previous year, at least by reference to:	-	-
	i. Sustainable use of the resources	E3-3 E5-3	Chap. 4.1.2.3 (E3-3) Chap. 4.1.2.5 (E5-3)
	ii. Pollution and climate change	E1-4 E2-3	Chap. 4.1.2.2 (E1-4) Not material
	iii. Circular economy and waste management	E5-3	Chap. 4.1.2.5 (E5-3)
	iv. Biodiversity protection	E4-4	Chap. 4.1.2.4 (E4-4)

Chapters	Subchapters	ESRS	Location
II. Social and tax policies	1. Description of the Company's strategic objectives and the main actions taken to achieve them.	S2-1 S2-4 S2-5 S3-1 S3-4 S3-5 S4-1 S4-4 S4-5 G1-2	Chap. 4.1.3.2 (S2-1) Chap. 4.1.3.2 (S2-4) Chap. 4.1.3.2 (S2-5) Chap. 4.1.3.3 (S3-1) Chap. 4.1.3.3 (S3-4) Chap. 4.1.3.3 (S3-5) Not material Not material Not material Chap. 4.1.4.1 (G1-2)
	2. Description of key performance indicators set.	MDR-M (S2) MDR-M (S3) MDR-M (S4) MDR-M (G1)	Chap. 4.1.3.2 Chap. 4.1.3.3 Not material Chap. 4.1.4.1
	3. Assessment of the degree of realization of such objectives, in relation to the previous year, at least by reference to:	-	-
	i. Community engagement	S3-5	Chap. 4.1.3.3 (S3-5)
	ii. Subcontracting and suppliers	S2-5 MDR-T (G1)	Chap. 4.1.3.2 (S2-5) Chap. 4.1.4.1
	iii. Consumers	S4-5	Not material
	iv. Responsible investment	No match	Chap. 4.1.2.2 Chap. 4.1.3.2 Chap. 4.1.3.1 Chap. 5.7 Chap. 5.11.2
	v. Stakeholders	SBM-2 S1-2 S2-2 S4-2	Chap. 4.1.1.3 (SBM-2) Chap. 4.1.3.1 (S1-2) Chap. 4.1.3.2 (S2-2) Not material
	vi. Taxes	No match	Chap. 4.2.2
III. Employees and gender equality and non-discrimination	1. Description of the Company's strategic objectives and the main actions taken to achieve them.	S1-1 S1-4 S1-5	Chap. 4.1.3.1 (S1-1) Chap. 4.1.3.1 (S1-4) Chap. 4.1.3.1 (S1-5)
	2. Description of key performance indicators set.	S1-5 S1-6 S1-7 S1-8 S1-9 S1-10 S1-11 S1-12 S1-13 S1-14 S1-15 S1-16 S1-17	Chap. 4.1.3.1 (S1-5) Chap. 4.1.3.1 (S1-6) Chap. 4.1.3.1 (S1-7) Chap. 4.1.3.1 (S1-8) Chap. 4.1.3.1 (S1-9) Chap. 4.1.3.1 (S1-10) Not material Not material Chap. 4.1.3.1 (S1-13) Chap. 4.1.3.1 (S1-14) Chap. 4.1.3.1 (S1-15) Chap. 4.1.3.1 (S1-16) Chap. 4.1.3.1 (S1-17)
	3. Assessment of the degree of realization of such objectives, in relation to the previous year, at least by reference to:	-	-
	i. Employment	S1-5	Chap. 4.1.3.1 (S1-5)
	ii. Labor organization	S1-5	Chap. 4.1.3.1 (S1-5)
	iii. Health and safety	S1-5	Chap. 4.1.3.1 (S1-5)
	iv. Social relations	S1-5	Chap. 4.1.3.1 (S1-5)
	v. Training	S1-5	Chap. 4.1.3.1 (S1-5)
	vi. Equality	S1-5	Chap. 4.1.3.1 (S1-5)

Chapters	Subchapters	ESRS	Location
IV. Human rights	1. Description of the Company's strategic objectives and the main actions taken to achieve them.	S1-1 S1-4 S1-5 S2-1 S2-4 S2-5 S3-1 S3-4 S3-5 S4-1 S4-4 S4-5 G1-1 MDR-A (G1) MDR-T (G1)	Chap. 4.1.3.1 (S1-1) Chap. 4.1.3.1 (S1-4) Chap. 4.1.3.1 (S1-5) Chap. 4.1.3.2 (S2-1) Chap. 4.1.3.2 (S2-4) Chap. 4.1.3.2 (S2-5) Chap. 4.1.3.3 (S3-1) Chap. 4.1.3.3 (S3-4) Chap. 4.1.3.3 (S3-5) Not material Not material Not material Chap. 4.1.4.1 (G1-1) Chap. 4.1.4.1 (MDR-A) Chap. 4.1.4.1 (MDR-T)
	2. Description of key performance indicators set.	S1-5 S1-17 S2-5 MDR-M (S2) S3-5 MDR-M (S3) S4-5 MDR-M (S4)	Chap. 4.1.3.1 (S1-5) Chap. 4.1.3.1 (S1-17) Chap. 4.1.3.2 (S2-5) Chap. 4.1.3.2 Chap. 4.1.3.3 (S3-5) Chap. 4.1.3.3 Not material Not material
	3. Assessment of the degree of realization of such objectives, in relation to the previous year: i. Due diligence procedures ii. Risk prevention measures iii. Legal proceedings	GOV-4 S1-5 S1-17 S2-5 S3-5 S4-5 G1-2 MDR-T (G1)	Chap. 4.1.1.2 (GOV-4) Chap. 4.1.5.4 Chap. 4.1.3.1 (S1-5) Chap. 4.1.3.1 (S1-17) Chap. 4.1.3.2 (S2-5) Chap. 4.1.3.3 (S3-5) Not material Chap. 4.1.4.1 (G1-2) Chap. 4.1.4.1 (MDR-T)
V. Fight against corruption and bribery attempts	1. Preventing corruption: measures and instruments adopted to prevent corruption and bribery; policies implemented to deter employees and suppliers from adopting such practices; information on the compliance system indicating the respective function supervisors, if any; indication of legal proceedings involving the Company, its directors or employees related to corruption or bribery; public procurement measures adopted, if relevant.	G1-1 G1-3 G1-4 MDR-A (G1)	Chap. 4.1.4.1 (G1-1) Chap. 4.1.4.1 (G1-3) Chap. 4.1.4.1 (G1-4) Chap. 4.1.4.1 (MDR-A) Corporate Governance Report
	2. Prevention of money laundering (for issuers subject to this regime): measures to combat money laundering; indication of the number of cases reported annually.	G1-1	Chap. 4.1.4.1 (G1-1) Corporate Governance Report
	3. Codes of ethics: indication of any code of ethics which the company has signed or implemented; indication of the respective mechanisms for its implementation and monitoring of compliance, if applicable.	G1-1	Chap. 4.1.4.1 (G1-1) Corporate Governance Report
	4. Management of conflicts of interest: measures to manage and monitor conflicts of interest, namely requiring managers and employees to sign declarations of interest, conflicts and impediments	G1-1	Chap. 4.1.4.1 (G1-1)

B. INFORMATION ON STANDARDS/GUIDELINES FOLLOWED:

1. Identification of standards/ guidelines followed for reporting non-financial information	Identification of the standards/guidelines followed in the preparation of the non-financial information, including the respective options and other principles considered in the Company's performance, if applicable.	BP-1 BP-2	Chap. 4.2.1 Chap. 4.1.1.1 (BP-1) Chap. 4.1.1.1 (BP-2)
2. Identification of scope and methodology for calculating the indicators	If the Company mentions the Sustainable Development Goals (SDGs) of the United Nations Agenda 2030, highlight those which the Company is committed to achieving, indicating the measures taken each year to meet the goals set for each of these SDGs. In other words, identify actions, projects or concrete investments for meeting the SDGs.	BP-2 E1-5 E1-6 E2-4 E2-5 E3-4 E4-5 E5-4 E5-5 S1-6 S1-7 S1-8 S1-9 S1-10 S1-11 S1-12 S1-13 S1-14 S1-15 S1-16 S1-17 MDR-M (S1) MDR-M (S2) MDR-M (S3) MDR-M (S4) G1-3 G1-4 MDR-M (G1)	Chap. 4.1.1.1 (BP-2) Chap. 4.1.2.2 (E1-5) Chap. 4.1.2.2 (E1-6) Not material Not material Chap. 4.1.2.3 (E3-4) Chap. 4.1.2.4 (E4-5) Chap. 4.1.2.5 (E5-4) Chap. 4.1.2.5 (E5-5) Chap. 4.1.3.1 (S1-6) Chap. 4.1.3.1 (S1-7) Chap. 4.1.3.1 (S1-8) Chap. 4.1.3.1 (S1-9) Chap. 4.1.3.1 (S1-10) Not material Not material Chap. 4.1.3.1 (S1-13) Chap. 4.1.3.1 (S1-14) Chap. 4.1.3.1 (S1-15) Chap. 4.1.3.1 (S1-16) Chap. 4.1.3.1 (S1-17) Chap. 4.1.3.1 Chap. 4.1.3.2 Chap. 4.1.3.3 Not material Chap. 4.1.4.1 (G1-3) Chap. 4.1.4.1 (G1-4) Chap. 4.1.4.1
3. Explanation for not implementing policies	Description of the scope and methodology (including calculation formula) for calculating the indicators provided, and of the reporting constraints.	-	-
4. Other information	Whenever possible, presentation of a table of correspondence between the indicators presented and the principles or objectives considered, indicating the site where the information is detailed (e.g., the page of the separate report for the disclosure of non-financial information, the annual report, other documents or the Company's website).	-	-

4.2.5. CORRESPONDENCE TABLE WITH THE WORLD ECONOMIC FORUM'S STAKEHOLDER CAPITALISM CORE METRICS

The table below shows the Semapa Group's response to the WEF framework (core metrics), by aligning the metrics established by the WEF, the GRI metrics (which are at the origin of the new framework) and the ESRS Standards.

Although some of these metrics have no correspondence with GRI indicators, Semapa responds to them indirectly through the content related to the issues in question presented throughout the current document.

Pillar	Theme	Metrics	Alignment to GRI	Alignment to ESRS
Governance	Purpose of Governance	Setting purpose	GRI 2-12	GOV-1 SBM-1
	Quality of the Governance Body	Governance body composition	GRI 2-9 GRI 405-1	GOV-1
	Stakeholder Engagement	Material issues impacting Stakeholders	GRI 2-12 GRI 2-29 GRI 3-2	SBM-2/3 IRO-1
	Ethical behaviour	Anti-corruption	GRI 205-2/3	G1-1 G1-3 G1-4
		Setting purpose	GRI 2-26	S1-3 S2-3 S4-3[20] G1-1
	Risks and Opportunities	Integrating risk and opportunity into business process	No correspondence with GRI	SBM-3 IRO-1

20 Not included in this report (Not material)

Pillar	Theme	Metrics	Alignment to GRI	Alignment to ESRS
Planet	Climate Change	Greenhouse Gas (GHG) Emissions	GRI 305-1/2/3	E1-6
		TCFD implementation	No correspondence with GRI	GOV-1/2/3 SBM-3 IRO-1 E1-1/2/3/4/6/9
	Loss of biodiversity	Land use and ecological sensitivity: Land use and ecological sensitivity focused on protected areas or with high biodiversity value	GRI 304-1	E4-5
	Availability of drinking water	Water consumption and withdrawal in water stressed areas	GRI 303-3/5	E3-4
People	Dignity and equality	Diversity and inclusion: Percentage of employees per employee category, by age group, gender, and other indicators of diversity (e.g. ethnicity).	GRI 405-1 and 405-2	S1-9 S1-12[21]
		Pay equality: Wage gap between men and women, ethnic minorities and majorities, and other relevant equality areas.		S1-16
		Wage level: Ratios of standard entry level wage by gender compared to local minimum wage.	GRI 202-1	S1-10
		Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	GRI 2-21	S1-16
		Risk of incidents of child labour forced or compulsory labour	GRI 408-1 and 409-1	SBM-3 S1-17
	Health and well-being	Health and safety: The number and rate of fatalities because of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.	GRI 403-9	S1-14
		An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	GRI 403-6	S1-4/S2-4[22] S1-11[23]
	Skills for the future	Training (no.) hours of training per employee	GRI 404-1	S1-13
		Training (€) investment in training per employee	No correspondence with GRI	No correspondence with ESRS[24]

21 Not included in this report (Not material)
22 Depending on the material topics.
23 Not included in this report (Not material)
24 Not included in this report

Pillar	Theme	Metrics	Alignment to GRI	Alignment to ESRS
Prosperity	Employment and wealth generation	Absolute number and rate of employment: Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region and Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region	GRI 401-1	S1-6
		Economic contribution: Direct economic value generated and distributed (EVG&D), on an accrual's basis, covering the basic components for the organization's global operations, ideally split out by: Revenues, Operating costs, Employee wages and benefits, Payments to providers of capital and Payments to government.	GRI 201-1	No correspondence with ESRS
		Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	GRI 201-4	No correspondence with ESRS
		Financial investment contribution: Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy.	No correspondence with GRI	No correspondence with ESRS[25]
		Share buybacks plus dividend payments, supported by a narrative to describe the company's strategy for returns of capital to shareholders.	No correspondence with GRI	No correspondence with ESRS[26]
	Innovation of better products and services	Total R&D expenses	No correspondence with GRI	No correspondence with ESRS
		Total costs related to research and development		
	Community and social vitality	Total tax paid: The total overall tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	GRI 201-1, 207-4	No correspondence with ESRS

25 Not included in this report
26 Not included in this report


5

PROPOSED ALLOCATION OF PROFITS

PROPOSED ALLOCATION OF PROFITS

Considering that the Company needs to maintain a financial structure compatible with the sustained growth of the Group it manages in the various Business Units in which it operates, and

Considering that the Company's independence from the financial sector involves preserving consolidated levels of short, medium, and long-term debt which allow it to maintain a strong financial position,

It is proposed that:

1. The Net Profit for the period in the individual accounts, determined under the IFRS rules, in the amount of 232 735 948.68 euros (two hundred and thirty-two million, seven hundred and thirty-five thousand, nine hundred and forty-eight euros and sixty-eight cents) be allocated as follows:

Dividends on shares in circulation.................... 49 998 227.50 euros*
(0.626 euros per share)

Free reserves .... 178 537 721.18 euros

Participation of Employees and Directors in the annual profits up to.................... 4 200 000.00 euros

* Excluding own treasury shares held; 1 400 627 own shares were considered; on the payment date, if this amount is changed, the total dividends payable may be adjusted, while the amount payable per share will remain unchanged.

2. That the individual distribution of the share in profits be made by the Executive Board in the part which relates to the Employees and by the Remuneration Committee in the part which relates to the Directors and that, if this amount is not totally distributed, the remaining shall be allocated to Free reserves.

3. That the amount regarding the participation of Employees and Directors in the annual profits which, in accordance with applicable accounting standards, has been accrued in personnel costs is reversed by crediting the respective amount in Free reserves.

Lisbon, 3 April 2025

BOARD OF DIRECTORS

CHAIRMAN

José Antônio do Prado Fay

MEMBERS

Ricardo Miguel dos Santos Pacheco Pires

Vítor Paulo Paranhos Pereira

Filipa Mendes de Almeida de Queiroz Pereira

Mafalda Mendes de Almeida de Queiroz Pereira

Lua Mónica Mendes de Almeida de Queiroz Pereira

António Pedro de Carvalho Viana-Baptista

Paulo José Lameiras Martins

6

CORPORATE GOVERNANCE REPORT

CONTENTS

PART I

INFORMATION ON CAPITAL STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

A. CAPITAL STRUCTURE

I. CAPITAL STRUCTURE

1. Capital structure (share capital, number of shares, distribution of capital between shareholders, etc.), including indication of shares not admitted to trading, different classes of shares, the rights and obligations attaching to these and the percentage of share capital that they represent (Article 245-A.1 a[1])).

Semapa has a share capital of € 81 270 000, represented by a total of 81 270 000 shares without nominal value. All shares are ordinary shares, have the same rights and obligations attached to them and are admitted for trading.

A breakdown of the capital structure, indicating shareholders with qualifying holdings, is provided in the table in item 7 below.

2. Any restrictions on the transfer of shares, such as clauses on consent for disposal, or limits on the ownership of shares (Article 245-A.1.b[2])).

Semapa has no restrictions of any kind on the transferability or ownership of its shares.

3. Number of own shares, corresponding percentage of share capital and percentage of voting rights which would correspond to own shares (Article 245-A.1.a[3])).

On 31 December 2024, Semapa held 1 400 627 own shares, corresponding to 1.723% of its share capital. If the voting rights were not suspended, the percentage of voting rights would be the same as the percentage of the total capital.

4. Significant agreements to which the company is party and which take effect, are amended or terminate in the event of a change in the control of the company as a result of a takeover bid, together with the respective effects, unless, due to its nature, disclosure of such agreements would be seriously detrimental to the company, except if the company is specifically required to disclose such information by other mandatory provision of law (Article 245-A.1 j[4]).

Semapa is not a party to any important loan agreement, debt instruments or other to which the company is a party and which take effect, alter or terminate upon a change of control of the company as a result of a takeover bid.

Semapa has not adopted any mechanisms that imply payments or assumption of fees in the case of the change of control or in the composition of the managing body, and which are likely to harm the free transferability of shares and a shareholder assessment of the performance of the members of the managing body.

1 Corresponds to the current article 29-H, 1.a of the Portuguese Securities Code.
2 Corresponds to the current article 29-H, 1.b of the Portuguese Securities Code.
3 Corresponds to the current article 29-H, 1.a of the Portuguese Securities Code.
4 Corresponds to the current article 29-H, 1.j of the Portuguese Securities Code.

5. Rules applicable to the renewal or revocation of defensive measures, in particular those providing for limits on the number of votes which can be held or cast by a single shareholder individually or in a concerted manner with other shareholders.

There are no defensive measures in place in the company, namely any limiting shareholder's exercisable voting rights.

6. Shareholder Agreements known to the company or which might lead to restrictions on the transfer of securities or voting rights (Article 245-A.1. g[5])).

On 31 December 2024, the company is not aware of any shareholders' agreements relating to shareholdings in Semapa that could lead to restrictions on the transfer of securities or voting rights.

II. HOLDINGS OF SHARES AND BONDS

7. Identification of persons and organizations who, directly or indirectly, own qualifying holdings (Article 245-A.1 c and d[6] and Article 16), detailing the percentage of the share capital and votes imputable and the respective grounds.

The owners of qualifying holdings and the other individuals associated with these holdings, including the allocation of voting rights, in Semapa on 31 December 2024 and in accordance with the legislation in force, are those identified in the table below:

Entity	Allocation	Number of Shares	% share capital and voting rights	% non-suspended voting rights
Filipa Mendes de Almeida de Queiroz Pereira (Filipa Queiroz Pereira) Mafalda Mendes de Almeida de Queiroz Pereira (Mafalda Queiroz Pereira), and Lua Mónica Mendes de Almeida de Queiroz Pereira (Lua Queiroz Pereira)	Jointly, through companies directly and indirectly owned by them and described below, in conjunction with the shareholders' agreement they have entered into regarding their interests in companies holding Semapa shares	-	-	-
Target One Capital, S.A. (Target One)	Controlled by Filipa Queiroz Pereira; holds 21.56% of the share capital of Sodim, SGPS, S.A. (Sodim)	-	-	-
Keytarget Investments – Consultoria e Investimentos, S.A. (Keytarget Investments)	Controlled by Mafalda Queiroz Pereira; holds 21.56% of the share capital of Sodim	-	-	-
Premium Caeli, S.A. (Premium Caeli)	Controlled by Lua Queiroz Pereira; holds 21.56% of the share capital of Sodim	-	-	-
Sodim, SGPS, S.A.	Indirectly controlled by Filipa Queiroz Pereira, Mafalda Queiroz Pereira and Lua Queiroz Pereira; holds 100% of the share capital of Cimo – Gestão de Participações, SGPS, S.A.; direct ownership of shares	27 508 892	33.849%	34.442%
Cimo – Gestão de Participações, SGPS, S.A.	Controlled indirectly by Filipa Queiroz Pereira, Mafalda Queiroz Pereira and Lua Queiroz Pereira and directly by Sodim; direct ownership of shares	38 959 431	47.938%	48.779%
	Total:	66 468 323	81.787%	83.221%

5 Corresponds to the current article 29-H.1.g of the Portuguese Securities Code.
6 Corresponds to the current article 29-H, 1.c and d of the Portuguese Securities Code.

8. Indication of the number of shares and bonds held by members of the management and supervisory bodies.

This information is provided in Annex I to this report.

9. Special powers of the management board, in particular concerning resolutions to increase capital (Article 245-A.1.i[7]), indicating, with regard to these, the date on which they were granted, the period during which such powers may be exercised, the upper limit for the increase in share capital, shares already issued under the powers granted and the form taken by these powers.

In the terms of the Articles of Association, the Board of Directors has no power to resolve on increases to the share capital.

10. Information on the existence of significant dealings of a commercial nature between qualifying shareholders and the company.

All transactions taking place in 2024 between the company and qualifying shareholders are described in Note 10.4 to the consolidated accounts and Note 10.2 to the separate financial statements. In 2024, pursuant to the Regulation on Conflict of Interests and Transactions with Related Parties and under the terms and conditions set out therein at each moment, as described in paragraphs 89 and following of this report, there were no significant dealings of a commercial nature between qualifying shareholders and the company.

B. CORPORATE BODIES AND COMMITTEES

I. GENERAL MEETING

A) COMPOSITION OF THE GENERAL MEETING

11. Officers of the General Meeting and their term of office (starting and ending dates).

The officers of the General Meeting are:

CHAIRMAN:

Rui Manuel Pinto Duarte (term of office from 27/05/2022 to 31/12/2024).

SECRETARY:

Luís Nuno Pessoa Ferreira Gaspar (term of office from 27/05/2022 to 31/12/2024).

B) EXERCISE OF VOTING RIGHTS

12. Any restrictions on voting rights, such as limitations on the exercise of voting rights based on the ownership of a given number or percentage of shares, time limits for exercising voting rights or systems for detaching voting rights from ownership rights (Article 245-A.1 f[8]).

Under Semapa's Articles of Association, each share in the Company carries one vote.

With regard to shareholder participation in the General Meeting, the company's articles of association were revised in 2022, and changes were made to ensure better alignment of the provisions of the articles of association with the applicable law, on the one hand, and the strengthening of good corporate governance practices, on the other.

7 Corresponds to the current article 29-H, 1.i of the Portuguese Securities Code.
8 Corresponds to the current article 29-H, 1.f of the Portuguese Securities Code.

Consequently, the statutory rules on voting rights are now as follows:

i. Shareholders with voting rights may participate in the General Meetings, and the participation in the General Meetings and the exercise of the voting rights depend on the proof of the status of shareholder with the right to vote at 00:00 (GMT) on the 5th trading day prior to the General Meeting.

ii. Voting rights may be exercised by postal vote or electronically, and it is the responsibility of the Chairman of the General Meeting to verify its authenticity and orderliness and ensure its confidentiality until the moment of voting, observing the following:

- Voting declarations must be addressed to the Chairman of the General Meeting, and received at the registered office by the day prior to the general meeting;

- In the case of exercise of the voting right electronically, the email message addressed to the Chairman of the General Meeting must contain, as an attachment, a document in PDF format, signed in accordance with the signature on a valid identification document of the respective holder, containing the declarations of vote relating to each of the items on the agenda as well as a copy of the holder's identification document. The Chairman of the General Meeting may establish, in the convening notice of the meeting in question, a regime different from that established in this paragraph, which ensures equivalent security and reliability;

- In the case of exercise of the voting right by postal mail, the envelope must contain a letter addressed to the Chairman of the General Meeting, duly signed in accordance with the signature on a valid identification document of the respective holder and containing the declarations of vote relating to each of the items on the agenda, as well as a copy of the holder's identification document.

- The votes cast by these means will be computed together with the votes that may be expressed at the General Meeting, being considered as votes against motions submitted subsequent to their being cast.

iii. The General Meeting may be held by telematic means, whenever this proves to be appropriate and convenient, provided that the Chairman of the General Meeting confirms that, for the purposes of holding the General Meeting, the respective means, the authenticity of the declarations and the security of communications are ensured, with the Company proceeding with the registration of its content and the respective participants.

The company's Annual General Meeting held on 24 May 2024 abided by the statutory rules above described, being held in person. The decision to hold the meeting in this form was taken because it was considered that this model provides effective participation in the meeting and is in line with shareholders' rights, and since no shareholder had asked to attend the meeting remotely. The administrative burden and costs associated with implementing a supplementary system that would ensure telematic participation alongside holding the annual general meeting in person were also considered.

At the meeting some shareholders exercised their right to cast their vote electronically in accordance with the company's articles of association.

There are no systems for detaching voting rights from ownership rights.

13. Indication of the maximum percentage of the voting rights which can be exercised by a single shareholder or by shareholders connected in any of the forms envisaged in Article 20.1.

There are no rules in the Articles of Association establishing that voting rights are not counted if in excess of a given number, when cast by a single shareholder or shareholders related to him.

14. Identification of shareholder resolutions which, under the Articles of Association, can only be adopted with a qualified majority, in addition to those provided for in law, and details of the majorities required.

The Company has not set quorums for calling meetings or adopting resolutions different from those provided for on a supplementary basis in law.

II. MANAGEMENT AND SUPERVISION

A) COMPOSITION

15. Identification of the governance model adopted.

The company has adopted the governance model provided for in Article 278.1.a (Board of Directors and Audit Board) and in Article 413.1.b) (Audit Board and Statutory Auditor), of the Companies Code.

16. Rules in the Articles of Association on procedural and material requirements applicable to the appointment and substitution of members, as the case may be, of the Board of Directors, the Executive Board of Directors and the General and Supervisory Board (Article 245-A.1.h[9]). Policy of diversity.

Currently, Semapa's Articles of Association set no special rules on the appointment and replacement of directors, and the general supplementary rules contained in the Companies Code therefore apply here, i.e. shareholders have the power to appoint the directors (and the supervisory body). However, the company does disclose on the company's **website**[10] its Principles of Diversity, as follows, which lay down the profile requirements and criteria for new members of the governing bodies:

- Inclusion of members with distinct academic qualifications and professional experience in different areas, suitable and relevant for the positions to be held;

- Promotion of gender diversity;

- Inclusion of members of different ages, combining acquired experiences with new outlooks, and

- Inclusion of members from different backgrounds or geographical origins.

These Principles of Diversity are a formal recognition by the company of the benefits of diversity in its governing bodies, particularly for ensuring greater balance in its composition, boosting the performance of each member and, together, of each body, improving the quality of decision-making processes and contributing to its sustainable development.

Accordingly and to promote corporate diversity, in addition to the individual features, such as competence, independence, integrity, availability and expertise, the company also acknowledged the importance of other requirements and criteria of diversity, such as diversity in gender, qualifications and professional expertise, inclusion of members of different ages and life experiences or geographical origins.

It should be noted that the analysis below shows that there is a fairly reasonable level of diversity in its various dimensions and with regard to all the members of Semapa's Board of Directors:

9 Corresponds to the current article 29-H, 1.h of the Portuguese Securities Code.
10 https://www.semapa.pt/en/investors/corporate-governance/diversity-principles/

BOARD AUTHORITY MATRIX

				Academic education					Skills									
	Sex	Age	Position	Engineering	Economics	Management	Mathematics	Other education	Business Administration and Management	*Governance*	Mergers and Acquisitions	Internationalization	Entrepreneurship / Venture Capital	Academic	Talent Management	Information Technologies	Sustainability	Industry / Services
José Fay	M	71	PCA	●					●	●	●	●			●			●
Ricardo Pires	M	48	CEO			●		●	●	●	●	●	●	●	●		●	●
Vítor Paranhos Pereira	M	68	CFO		●				●	●	●	●			●	●	●	●
Filipa Queiroz Pereira	F	51	NE				●	●	●	●			●			●		●
Mafalda Queiroz Pereira	F	48	NE					●	●	●			●					●
Lua Queiroz Pereira	F	43	NE					●	●	●			●					●
António Viana-Baptista	M	67	NE			●		●	●	●	●	●	●		●	●		●
Paulo Lameiras Martins	M	59	NEI	●				●	●	●	●	●	●	●	●			●

M – Male
F – Female
NE – Non-Executive
NEI – Non-Executive Independent

Furthermore, the Talent Committee[11] is endowed with consultative powers in matters of appointment of the corporate bodies, with competencies to support the identification of future members of the governing bodies and to assess the suitability of each candidate's profile to the position they are applying for, and should foster transparent selection methods and ensure that the applications chosen present the highest degree of merit, are best suited to the demands of the functions to be carried out, and will best promote suitable diversity in the company, including equality between men and women, age and professional experience.

The company thus finds that all objectives arising from the adoption of the diversity policy have been met, as can be verified in practice.

Finally, to reinforce the gender diversity promotion measures, the Company adopted in 2024, the 2025 Plan for Equality, reflecting changes to the 2024 Plan for Equality adopted in 2023. Semapa communicated the Plan to the CMVM, and also published it on the **website**[12] of Semapa.

Information on how compliance with the system of more balanced representation helps promote equality between men and women at Semapa on the governing bodies and among the Employees is detailed in this Annual Report in Chapter 4.1.3.1.

17. Composition, as the case may be, of the Board of Directors, the Executive Board of Directors and the General and Supervisory Board, detailing the provisions of the Articles of Association concerning the minimum and maximum number of directors, duration of term of office, number of full members, the date when first appointed and the end of their terms of office for each member.

The Company's Articles of Association (Article 11.1) stipulate that the Board of Directors comprises three to fifteen directors appointed each for a three-year term as set forth in the bylaws amended in 2022.

11 The committees set up under the Board of Directors are better identified in paragraphs 21 and 29 of this report.
12 https://www.semapa.pt/wp-content/uploads/2024/09/Plano-para-a-Igualdade-Semapa_2025_versao-EN-FINAL.pdf

We indicate below the date of first appointment of each member, together with the date on which their term of office expires:

Members of the Board of Directors	Date of first appointment and end date of term of office
José Antônio do Prado Fay	2018-2024
Ricardo Miguel dos Santos Pacheco Pires	2014-2024
Vítor Paulo Paranhos Pereira	2014-2024
Filipa Mendes de Almeida de Queiroz Pereira	2018-2024
Mafalda Mendes de Almeida de Queiroz Pereira	2018-2024
Lua Mónica Mendes de Almeida de Queiroz Pereira	2018-2024
António Pedro de Carvalho Viana-Baptista	2010-2024
Paulo José Lameiras Martins	2022-2024

18. Distinction between executive and non-executive members of the Board of Directors and, in relation to non-executive directors, identification of those who can be regarded as independent or, if applicable, identification of the independent members of the General and Supervisory Board.

The executive members of the Board of Directors are those who belong to the Executive Board[13], as per paragraph 28 below, the others being non-executive.

In 2024, the Board of Directors of the company consisted of eight members, two of whom were members of the Executive Board.

Since the number of non-executive directors in 2024 represented 75% of the members of the Board of Directors, we consider this proportion to be appropriate considering the size of the company and the complexity of the risks inherent to its activity, and sufficient to undertake efficiently the duties to which they are assigned. This judgment on the suitability of the proportion took into account, in particular, the size of the Executive Board and the powers assigned to it by the Board of Directors, the company's activities and its nature as a holding company, the stability of the shareholder structure, the diversity of skills and the availability of the non-executive members for the performance of their duties, which through close cooperation with the Chairman of the Board of Directors, guarantee the capacity to monitor, supervise and assess the activity of the executive members of the Board of Directors.

On the basis of the criteria laid down by the corporate governance code adopted, of all acting non-executive directors in 2024, Director Paulo Martins may be classified as independent as he is not associated with any group with specific interests in the company, nor is he under any circumstance likely to affect the impartiality of his analyses or decisions.

The director José Antônio do Prado Fay was not classified as independent in the light of the criteria referred, since he was director at companies with qualified holdings in Semapa in 2024. In turn, the directors Filipa Queiroz Pereira, Mafalda Queiroz Pereira and Lua Queiroz Pereira were not qualified as independent directors, because they also hold directorships in companies with qualifying holdings in Semapa and because, in 2023, they had qualifying holdings in the company, as provided in paragraph 7 above. Finally, António Viana-Baptista is not qualified as an independent director due to the commercial relationship between the company and the organisation in which he performs management duties and also because he has continuously performed management duties in the company for more than twelve years.

Thus, in 2024, 16.67% of non-Executive Directors met the independence requirements laid down by the corporate governance code adopted, which the company finds adequate and consistent with a fully independent performance of the Board of Directors and sufficient to guarantee the real capacity to supervise, assess and monitor the activity of the other members of the Board of Directors.

13 The committees set up in the company are better identified in paragraphs 21 and 29 of this report.

In effect, considering the profile, age, background and professional experience and, above all, independent judgement and the integrity demonstrated by the members of the Board of Directors, the company finds that the current proportion between dependent and independent non-executive directors, established through formal criteria of assessment of independence, is perfectly adjusted to the nature and size of the company, considering, in particular, that it is a family-owned company, with a stable capital structure, and taking into account the complex inherent risks of its business.

Since the Chairman of the Board of Directors of the company is not independent, and given the size and specific characteristics of the company, namely the fact that it is a family business with concentrated capital, and the total number of non-executive directors and, among these, independent directors, as well as the characteristics and current position of the Chairman of the Board of Directors, the company has decided to set up a mechanism to ensure coordination between the members of the Board of Directors.

As highlighted in this report, the company has several rules and procedures that provide for close and regular contact between members of the Board of Directors, namely between the Chairman and the directors, and provides the conditions and necessary means for the performance of their functions in an independent, informed and efficient manner, hereby ensuring oversight and monitoring of the executive management functions.

In this regard, we highlight the mechanisms provided for in the Regulations of the Board of Directors and of the company's internal committees[14], in the following terms:

a) Board Directors, including non-executive directors, may have access to all company information in order to assess the company's performance, stance and development prospects;

b) The Chairman of the Board of Directors shall notify the Company directors, at the start of all meetings of the Board of Directors, of the most relevant resolutions and acts of the Executive Board since their last meeting, of which the other directors may not yet have been informed;

c) Minutes shall be drawn up of all Executive Board meetings by the Company Secretary, which shall be made available to any member of the Board of Directors having requested them;

d) The Chairman of the Executive Board shall, as far as possible, seek to involve non-executive directors in specific projects and acts in order to allow them to follow and maintain close contact with the Company's activities, depending on the matters involved and the specific qualifications and interests of each person;

e) All executive directors must be available to provide any clarification and information requested by non-executive directors;

f) The Chairmen of each of the company's Internal Committees must report to the Board of Directors the decisions taken by the respective committee which, due to their importance, must be known to the Board of Directors. In the case of the Executive Officers Committee, the CEO shall be entrusted with such task;

g) All members of the company's Internal Committees shall be available to provide any clarifications and information requested by the other directors; and

h) The supporting documents relating to the various items on the order of business of the company's Board and Internal Committees meetings shall be distributed to all its members in advance, granting sufficient time for their analysis, preferably with the notice convening the meeting.

Additionally, at least one non-executive director sits on the Corporate Governance Committee, the Control and Risk Committee and the Talent Committee – the Chairman of the Board of Directors is also Chairman of the Corporate Governance Committee and the Talent Committee – thus reinforcing the coordination and performance of the work of the members with non-executive functions.

14 The committees set up under the Board of Directors are better identified in paragraphs 21 and 29 of this report.

19. Professional qualifications and other relevant biographical details of each of the members, as the case may be, of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors.

JOSÉ ANTÔNIO DO PRADO FAY

José Fay has a degree in Mechanical Engineering from the Rio de Janeiro Federal University and he attended a specific post-graduate course in Equipment Engineering at Coppe\Petrobras (Coordination of Graduate Studies and Engineering Research). He initiated his professional activity at Copesul in 1978, where he was manager of the mechanical engineering sector until 1986. From 1986 to 1988 he was chief of the Engineering and Maintenance Division at Petroquímica Triunfo, S.A. From 1988 to 2000 he held several management functions at Bunge Global, in the areas of Engineering and Consumption Goods Business. He was in charge of the Commercial and Marketing Department at Electrolux from 2000 to 2003 and from 2003 to 2007 he served as Chairman of Batavo, S.A., which was incorporated in Perdigão, S.A. in 2006, acting as Chairman of that company in 2008. He was Chairman of Brasil Foods S.A. from 2009 to 2013. He is a member of the Board of Directors of Camil, S.A. since 2014. Since 2020 he holds office as Chairman of the Board of Directors of Semapa and Sodim and other companies related to them. He is also member of the Boards of Directors of São Salvador Alimentos, S.A. and Engecampo, S. A.

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

Ricardo Pires holds a degree in Business Administration and Management from Universidade Católica Portuguesa and is specialised in Corporate Finance from ISCTE. He also has an MBA in Corporate Management from Universidade Nova de Lisboa. He began his career in the field of management consulting, from 1999 to 2002 for BDO Binder and later for GTE Consultores. From 2002 to 2008 he held several positions in the Corporate Finance Board at ES Investment, where he developed several M&A and capital market projects in the Energy, Paper and Pulp and Food & Beverages sectors. He has worked for Semapa since 2008, first as Director of Strategic Planning and New Business and afterwards, from 2011, as Chief of Staff of the Chairman of the Board of Directors. In 2014 he was appointed Executive Director of Semapa, and has been CEO of the company since 2022, and he also holds positions in other related companies. Since 2015, he has been non-Executive Director of The Navigator Company and Secil, and in 2022 he was appointed Chairman of the Board of Directors of both companies. He was appointed CEO of Semapa Next in 2017, and, in 2022 he took duties as Chairman of the Board of Directors of that company. He has been Chairman of the Board of Directors of the ETSA Group since 2020 and in 2023 he was appointed Chairman of the Board of Directors of Triangle's. Between 2020 and 2022 he taught on the Master in Finance programme at the Catholic University of Lisbon.

VÍTOR PAULO PARANHOS PEREIRA

Vitor Paranhos Pereira holds a degree in Economics by Universidade Católica Portuguesa and attended AESE (Universidade de Navarra). He began working in 1982 at the company Gaspar Marques Campos Correia & Cª. Lda. as Financial Director until 1987. From 1987 to 1989 he was Deputy Financial Director of the Instituto do Comércio Externo de Portugal (ICEP). Vítor Pereira joined the Group in 1989 as Financial Director of Sodim, and in 2009 he became member of the Board of Directors of that company until May 2018, and afterwards from March 2020 to date. He also holds directorships in several companies related to Sodim, namely Hotel Ritz since 1998. From 2001 to 2016, he was Director of the Hotel Villa Magna. He is director of Sonagi since 1995, where he has served as Chairman of the Board of Directors since June 2020. He was appointed director of Refundos in 2005, where he has served as Chairman of the Board of Directors from 2018 to May 2020. From 2006 to 2015 he was Chairman of the Audit Board of the Portuguese Hotelier Association (*Associação da Hotelaria de Portugal*, AHP) and in 2019 he was appointed Chairman of the General Meeting of this organisation. From 2007 to 2016 he was Chairman of the General Meeting of the *Associação Portuguesa de Fundos de Investimento, Pensões e Patrimónios* (APPFIPP). He has served as member of the Audit Board of Eurovida – Companhia de Seguros, S.A. and Popular Seguros – Companhia de Seguros, S.A. from 2009 to 2018. In 2014 he was appointed member of the Board of Directors of Semapa. He has held office as Executive Director of Semapa and other related companies since March 2020, and since 2020 he has also occupied management positions at Secil and The Navigator Company.

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

Filipa Queiroz Pereira has a degree in Applied Mathematics from Universidade Lusíada and a post-graduate degree in Information Systems from Harvard Extension School. She completed executive programmes at Insead, London Business School, Harvard Business School and at Singularity University and has been involved in IT consultancy and real estate activities. She has been a director of Sodim since 2014, and member of the Board of Directors of Semapa and Hotel Ritz since 2018.

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

Mafalda Queiroz Pereira completed her Secondary Education, together with technical courses in Wood Carving and Carpentry by Fundação Ricardo Espírito Santo and in Interior Architecture by SENAI (Brazil). She completed executive programmes at Insead, at London Business School and Harvard Business School and has been involved in the development of projects in real estate. She has been a director of Sodim since 2014, and a member of the Board of Directors of Semapa and Sonagi, company dedicated to the real estate management and operation, since 2018.

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

After completing her Secondary Education, Lua Queiroz Pereira attended several international schools of management, namely Insead, where she obtained a certificate in Global Management, London Business School, Singularity University and Harvard Business School, where she completed courses for executives. In the past she was a business manager linked to equestrianism. She has been a director of Sodim since 2014, and a member of the Board of Directors of Semapa and Semapa Next, a venture capital company of the Group since 2018.

ANTÓNIO PEDRO DE CARVALHO VIANA-BAPTISTA

António Viana Baptista has a degree in Economy, a post-graduate degree in European Economy and holds an MBA (INSEAD). From 1984 to 1991, he was Principal Partner at Mckinsey & Co. Between 1991 and 1998, he was Director of the Banco Português de Investimento. Between 1998 and 2008, he held positions at Telefonica S.A., as Chairman of Telefonica Internacional from 1998 to 2002, Chairman of Telefonica Moviles S.A. from 2002 to 2006, and Chairman of Telefonica España from 2006 to 2008, and he was also Director of Telefonica S.A. and Portugal Telecom, representing Telefonica. From 2011 to 2016 he was CEO of Crédit Suisse AG for Spain and Portugal. He was non-Executive Director of Jasper Inc, California until 2016, of Abertis, S.A. from 2017 to 2018 and of Atento, S.A. from 2018 to 2021. He is currently Executive Director of Alter Venture Partners G.P., SARL and Alter Venture Partners II G.P., SARL, and also non-Executive Director of Jerónimo Martins, S.A. and Azora Capital S.L.. He has been non-executive Director of Semapa since 2010.

PAULO JOSÉ LAMEIRAS MARTINS

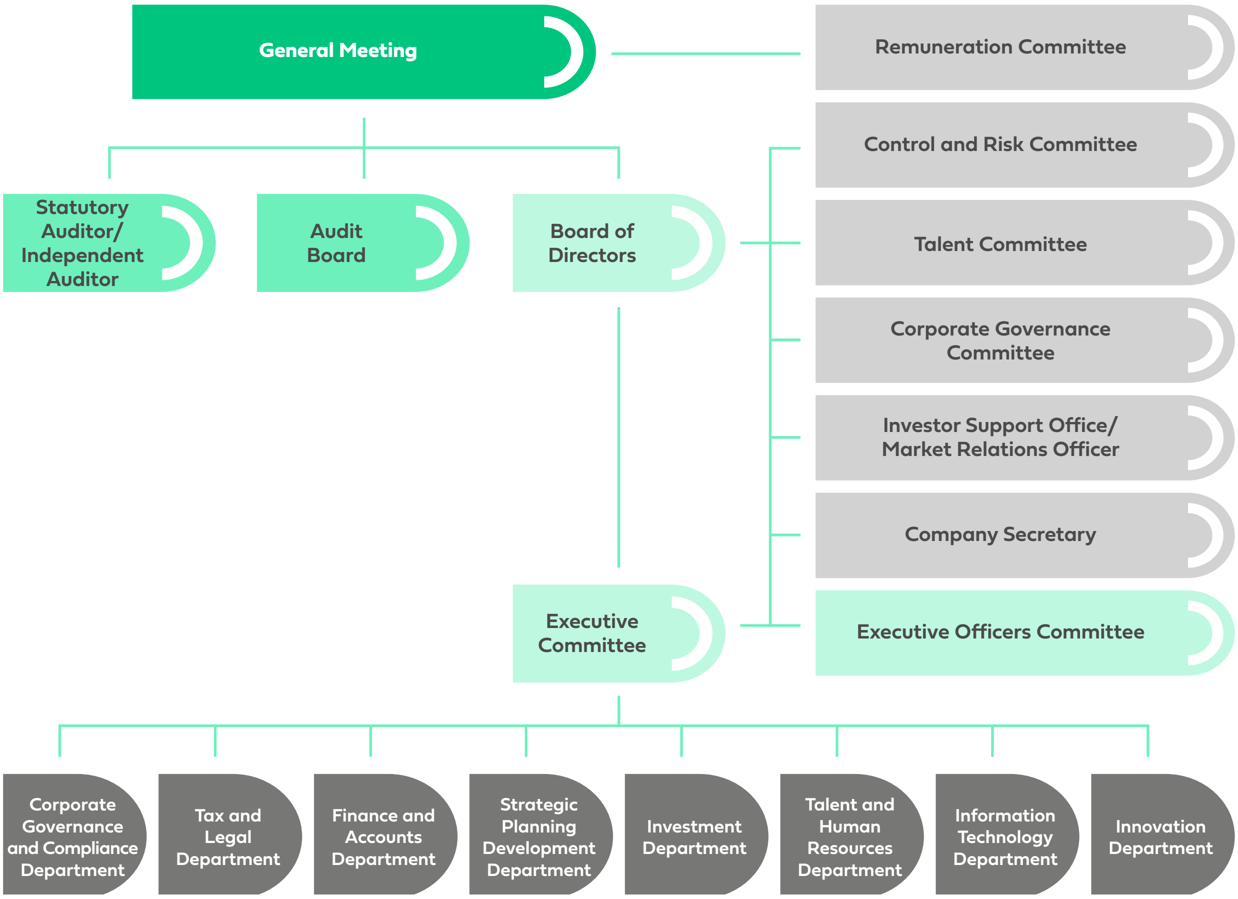
Paulo Lameiras Martins has a degree in Industrial Production Engineering from Universidade Nova, a post-graduate degree in Management and attended the International Directors Program (INSEAD). He has a long career in Investment Banking. He is member of the Board of Directors of banks and several companies since 2005. He has worked in Portuguese, American, German and Chinese companies, which has earned him much multicultural experience. An engineer by training, with initial experience in the automotive components industry, he became a senior executive with extensive experience in various companies. He was also a Member of the Board of Directors of more than twenty companies, either as executive or non-executive director in various sectors and in several countries, i.e. Brazil, Portugal and Poland. He has been invited to speak at several forums, conferences and workshops (in Europe, Latin America and China) on issues relating to Banking and Economics. He was appointed Member of the Board of Directors of Semapa in 2022.

20. Habitual and significant family, professional or business ties between members, as the case may be, of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors with shareholders to whom a qualifying holding greater than 2% of the voting rights may be allocated.

In addition to management functions held at the companies Target One Capital, Keytarget Investments, Premium Caeli, Sodim and Cimo, as described in paragraph 26. below, and the qualifying holdings in the company and the respective responsibilities detailed in paragraph 7 above, regarding Filipa Queiroz Pereira, Mafalda Queiroz Pereira and Lua Queiroz Pereira, there are no other habitual and significant family, professional or business relationships between members of the company's Board of Directors and Semapa shareholders with qualifying holdings.

21. Organizational or functional charts showing the division of powers between the different corporate boards, committees and/or company departments, including information on delegated powers, in particular with regard to delegation of the day-to-day management of the company.

The following simplified chart shows the organization of Semapa's different bodies, committees and departments as at 31 December 2024:



The management of the company is centred on the relationship between the Board of Directors and the Executive Board, the latter being assisted by the Executive Officers Committee.

Tight coordination and contact was guaranteed through close cooperation between the Chairman and the executive directors, in particular the CEO Ricardo Pires, through the availability of the members of the Executive Board to convey all relevant or urgent or requested information on the day-to-day management of the Company, to the non-executive directors, in order to keep them abreast of the Company's life at all times. In addition, meetings of the Board of Directors are called for all strategic decisions regarded as particularly important, even if they fall within the scope of the general powers delegated.

Information about the other members of corporate boards, including the Company Secretary, is also provided in good time and in an appropriate form by the members of the Executive Board.

An Executive Officers Committee was set up to assist the Executive Board within the scope of the respective delegated powers, in particular with the competences referred to in paragraph 29. of this report.

In order to assure that information is communicated on a regular basis, the Executive Board also sends to the Audit Board the notices and minutes of the meetings of the former. The remaining committees and corporate governing bodies also ensure information flows between entities in a timely, appropriate manner and in accordance with their respective operating regulations, by delivering notices and minutes in the necessary and appropriate terms for the other bodies and committees, including the Company Secretary, to exercise their legal and statutory powers.

Until 31 December 2024, although duties and responsibilities were not rigidly compartmentalised within the Executive Board, the distribution of functions was as follows:

1st Areas of corporate governance, compliance, strategic planning and development, management control, investment policy, human resources, talent management, information technology and innovation, which are the responsibility of the CEO, Ricardo Pires.

2nd Financial, accounting, legal, taxation and sustainability, which are the responsibility of the Director Vítor Paranhos Pereira.

Regarding strategic planning and investment policy, and without prejudice to the mentioned office, this is an area that, naturally and since Semapa is an investment holding company, requires more intervention on behalf of the non-executive members and that counts on the substantial involvement of the Chairman of the Board. Non-executive directors thus participate in the development of the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, and in the assessment of the accomplishment of these actions.

Ever since the Investment Strategy was redesigned – to expand and diversify its portfolio, through investments in companies that benefit from the Group's competences to accelerate their development, enabling the creation of value for shareholders and the company – the company has incorporated the following investment criteria:

i. Significant size in the market;

ii. Strong competitive advantages that translate into above-average profitability;

iii. Potential to gain scale and internationalise;

iv. Strong export capacity, and

v. Positive contribution to the environment and society.

The company's Strategy and key policies are based on the company's Purpose of creating a positive impact "*Making it Better*", which translates into the following pillars:

- Promoting sustainable development and quality of life – Caring for the environment and communities

- Investing in human capital enhancement – Caring for our people

- Solid growth based on talent, investment and innovation – Caring for the future

The management approach of the Semapa Group is characterised by a culture of simplicity, outreach and discretion, social and environmental awareness, focus on action and continuous improvement, embedded in innovation and entrepreneurship.

Concerning the day-to-day management of the company, the **Executive Board** enjoys broad management powers, which are largely detailed in the respective act of delegation, with limitations on the matters indicated in article 407.4 of the Companies Code. Powers are specifically delegated for the following:

a) Without prejudice to the limits provided in sub-paragraphs d to f below, to negotiate and resolve to enter into any commercial or civil contract, by public or private act, on the terms and conditions it deems most appropriate, and to take all decisions it sees fit in the performance of these contracts;

b) To resolve to issue, sign, draw, accept, endorse, guarantee, protest or carry out any other act in connection with the use of bills or credit instruments;

c) To resolve on all routine banking operations with Portuguese or foreign financial institutions, namely opening, consulting and establishing the form of effecting movements in bank accounts in all the legally admissible forms;

d) To negotiate and resolve, to conclude and amend loan agreements, with financial institutions or other entities, including the provision of the respective guarantees in cases where the law permits such delegation, all on the terms it sees fit, up to an accumulated amount of €50 000 000.00 (fifty million euros) per year, and provided that the ratio "Net Debt (excluding the effect of IFRS 16) / EBITDA", calculated through the consolidated accounts of the previous year, does not exceed 2.5 (two point five) times the limits set out in the final part of this paragraph are not applicable to the renewal of bank overdraft and current account credit facility agreements up to an accumulated amount of € 10 000 000.00 (ten million euros) per year;

e) To resolve to acquire, dispose of and encumber all kinds of assets up to € 5 000 000.00 (five million euros) per operation, in the terms and conditions it sees fit, negotiating and resolving on the conclusion for such purposes, by public or private document, of any contractual instrument, and carrying out any accessory or complementary act which may be necessary for the performance of these contracts;

f) To resolve to acquire, dispose of and encumber interests in other companies up to € 10 000 000.00 (ten million euros) per year, in the terms and conditions it sees fit, negotiating and resolving on the conclusion for such purposes, by public or private document, of any contractual instrument, and carrying out any accessory or complementary acts which may be necessary for the performance of these contracts;

g) To take all decisions and carry out all acts in connection with the exercise by the company of its position as shareholder, namely by appointing its representatives at the General Meetings of companies in which it has holdings and adopting unanimous resolutions in writing;

h) To draft the company reports, balance sheets, financial statements and proposals for allocation of profits;

i) To take all steps necessary or appropriate in connection with the company's industrial relations with its employees, namely hiring, dismissing, transferring, setting terms of employment and pay, and revising and amending the same;

j) To resolve on the representation of the company before any court or mediation or arbitration body, taking all decisions as may be necessary or appropriate in connection with any proceedings pending before the same or to bring the same, and namely to desist, confess or settle;

k) To appoint attorneys for the company within the powers delegated to it;

l) To take all steps necessary or appropriate in connection with existing or planned issues of bonds and commercial paper, including the actual decision to issue; and

m) In general, to carry out all acts of day-to-day management in the company, except for those which cannot be delegated under Article 407.4 of the Companies Code.

The Executive Board is barred from resolving on the following:

i. Selection of the Chairman of the Board of Directors;

ii. Co-option of directors;

iii. Requests for the call of a General Meeting;

iv. Annual reports and accounts;

v. Provision of warranties and personal or real security by the company;

vi. Change in registered offices and increases in share capital; and

vii. Plans for merger, break-up or transformation of the company.

Some of the company's regular procedures that have always been the practice in the company were standardised, in order to guarantee intervention by the Board of Directors in strategic decisions according to its amounts, risk or special characteristics.

In the case of the **Audit Board**, which has the powers established in law and which are further described in paragraph 38 of this report, there are no delegated powers or special areas of responsibility for individual members.

The **Executive Officers Committee**, assists the Executive Board within the scope of the respective delegation of powers and, in particular, in the exercise of the functions described in paragraph 29 of this report, is also responsible for issuing non-binding opinions at the request of the Executive Board:

Among other duties, one of the main purposes of the **Control and Risk Committee** is to detect, control and manage all relevant risks in the Company's affairs, and the Committee enjoys full powers to pursue this aim, as set out in paragraph 29 of this report.

The **Corporate Governance Committee** exists to monitor, on a permanent basis, compliance by the company with corporate governance requirements established in law, regulation and the Articles of Association, and to exercise the other powers detailed in paragraph 29 of this report.

The **Talent Committee** makes recommendations and is heard in matters of appointments and evaluations, as described in paragraph 29 of this report.

The functions of the **Investor Support Office** are detailed in paragraph 56 of this report.

The **Company Secretary** is appointed by the Board of Directors and has the powers defined in law.

The **Remuneration Committee** draws up the Remuneration Policy for members of the Board of Directors and audit board, and conducts analyses and determines the remuneration of directors, in close collaboration with the Talent Committee.

The **Corporate Governance and Compliance Department** advises on corporate governance matters and is responsible for promoting best practices in this area, as well as implementing compliance projects to ensure compliance with applicable laws.

The **Tax and Legal Department**, on the other hand, provides advice on legal and tax matters, ensuring compliance with the applicable legislation and preventing unlawful fiscal planning.

The **Financial and Accounts Department** is mainly responsible for management and financial planning, for rendering the Company's accounts and complying with its tax obligations.

The **Strategic Planning and Development Department**, whose Executive Director is on Semapa's Executive Officers Committee, is responsible for the Group's planning, budgeting, and business control processes, as well as for the Group's strategic planning and development.

The **Investment Department**, whose Executive Director is on Semapa's Executive Officers Committee, looks into investment opportunities with a view to its materialisation.

The **Talent and Human Resources Department**, whose Executive Director is on Semapa's Executive Officers Committee, is primarily responsible for submitting Semapa's talent management policies and ensuring that they are implemented. She is also responsible for all the processes in an employee's life cycle (procurement, integration, development, mobility, assessment and supporting alumni).

The **Information Technology Department** is responsible for ensuring the effectiveness and security of information systems, managing IT infrastructures and systems, leading digital transformation projects, and supervising the development and implementation of technological solutions within the scope of the company's activity.

Finally, the **Innovation Department** identifies, promotes and manages innovation initiatives that can create additional value for Semapa and its Subsidiaries.

The governing bodies and internal committees mentioned above are required to exchange between them, in accordance with the legal statutory requirements, all necessary information and documents for the exercise of legal and statutory duties of such bodies and committees, the respective directorates and services helping with drawing up, processing and disseminating such information in an appropriate, strict and timely manner. According to these regulations and other applicable rules, these governing bodies and committees draw up complete minutes of their meetings.

The regulations of the Board of Directors and the audit body also establish, in particular, mechanisms that ensure, within the limits of the legislation and applicable regulations, access of members to all information that is necessary for assessing the Company's performance, status and development prospects, including without limitation, minutes, documentation supporting the decisions taken, notices and files of the meetings of the Board of Directors and its Executive Board, without prejudice to having access to other documents or persons to request clarifications.

The activities conducted by Semapa are aligned with responsible business practices, guided by the principles of integrity, ethics and honesty, which form the basis of the various policies, codes and regulations that ensure high standards of behaviour, including:

- Code of Ethics and Conduct;
- Human Rights Policy;
- Code of Good Conduct for the Prevention and Combat of Harassment in the Workplace;
- Corruption Prevention Policy;
- Rules of procedure on Whistleblowing;
- Policy for the Prevention of Money Laundering and Terrorist Financing, and
- Tax Policy.

Sound policies and regulations, and monitoring of the areas that pose highest risks, have supported the prevention and combat of any type of corruption, as well as other illegal behaviour, also reinforcing the company's commitment to respect for human rights and the other principles and rules contained in these policies and regulations, which provide the benchmark for its actions and include its commitment to sustainable development and responsible business conduct. It should be noted that, in the Group, it is equally worth noting that its Subsidiaries have adopted principles and commitments equivalent to those set out in the aforementioned policies, taking into account the context and specificities of their business and in compliance with the applicable legislation .

As part of its commitments to adopt good sustainability practices in its business and decision-making processes, as well as responsible business conduct, in 2024 Semapa carried out an internal training in Ethics and Conduct to Semapa employees, namely its governing bodies and workers. The aim of this training was to strengthen the commitments made by the Company in its Code of Ethics and Conduct, Human Rights Policy and Policy on the Prevention of Money Laundering and Terrorist Financing, and also to revisit the performance of the Irregularities Reporting Channel and the respective Regulation on the Reporting of Irregularities, given their relevance in the context of these documents.

Furthermore, in 2024, the Semapa Group reaffirmed its commitment to Equity, Diversity and Inclusion by signing a Charter of Commitment which is based on seven fundamental principles:

1. Sense of belonging: Namely the commitment to ensure that everyone feels they belong to the Group, by respecting individual characteristics and differences and creating the conditions for everyone to contribute with their talents and their idiosyncrasies to the development of our businesses.

2. Non-discrimination: The Semapa Group is committed to fostering discrimination-free working environments.

3. Freedom of Thought: It implies that all employees are heard and their contributions are appreciated, creating cultures that encourage listening and sharing of different ways of thinking, which add value to discussions and allow for progress.

4. Gender Equality in Various Leadership Levels: To create the conditions for the underrepresented gender, currently women, to rise to higher management positions on an equal footing.

5. Gender Equity: It reflects the Semapa Group's aim of working to ensure that there is no gender pay gap and that there is always respect for the family and parenthood, creating conditions for mothers and fathers to go through important phases of their lives without discrimination.

6. Intergenerationality: The Semapa Group encourages employees of different age groups to interact with each other, which it believes will help them improve their performance, valuing individual contributions, regardless of age.

7. Attention to individual needs: Concerns the Group's commitment to being attentive to the individual needs of employees and finding solutions to ensure that they can fully perform their duties without discrimination.

To conclude and on sustainability, it is worth highlighting that Semapa, as an investment holding, in line with its purpose, is focused on sustained growth and value creation with a positive long-term impact, as described in Chapter 4.1. of the Annual Report. By investing in key areas of the domestic and international economy, the company seeks to balance the demands of creating value for shareholders with the principles of sustainable development and, thereby, creating a positive impact for its different stakeholders, as laid down in Chapter 4.1.1.3 of the Annual Report.

In Semapa's consolidation perimeter, including its subsidiaries, this goal is being realised partly through the decarbonisation of its industrial plants, as far as Navigator is concerned, and through Secil's decarbonisation roadmap, for example through the investment made in the CCL-Clean Cement Line project at the cement plant in Outão. The path towards decarbonisation also includes investment in ETSA, UTIS and Triangle's, whose core business contributes to this mission.

It should be noted that the Group's companies are committed to the Group's Carbon Neutrality Roadmap for 2050, with implementation roadmaps[15], as described in Chapter 4.1.2.2 of the Annual Report. Navigator and Secil are the two largest and most impactful subsidiaries, which developed specific approaches, in accordance with their identity, positioning, sector of activity and operations. It should be noted that, in this context, Semapa promotes autonomy and accountability among its Subsidiaries.

Navigator has its own Responsible Management Agenda 2030 and Roadmap 2030, with long-term goals organised around two axes – People and Planet. Secil has aligned sustainability as an integral part of its Ambition 2025 – Sustainable Growth strategic cycle, with objectives and targets in the area of sustainability set for 2025 and 2030, in the latter case relating to carbon neutrality and the circular economy.

Semapa and its Subsidiaries are committed to sustainable development and reducing their ecological footprint, aligning their strategy, investments and operations with the Sustainable Development Goals (SDGs) set out in the United Nations 2030 Agenda, as indicated in Chapter 4.2.1. of the Annual Report.

Given the impact that the activities of the Group's companies can have on communities, one of Semapa's priorities is to promote the development and quality of life of the population. Continuing the Queiroz Pereira family's long business tradition of philanthropy and patronage, as major shareholders, the Group develops several actions aimed at improving the quality of life of communities and preserving the environment. It is currently carrying out internal work to position itself in the area of impact philanthropy and social responsibility – with the Fundação Semapa – Pedro Queiroz Pereira Foundation, founded in 2024 – and in this way boost its performance and that of its Subsidiaries in this area.

Semapa's Talent Management Strategy also impacts the value it offers as an employer and the positive experiences it provides for its Employees, in the terms set out in Chapter 4.1.3.1 of the Annual Report.

15 With regard to the subsidiary Triangle's, the analysis of the steps needed to draw up a roadmap began once it was purchased on 19 June 2023.

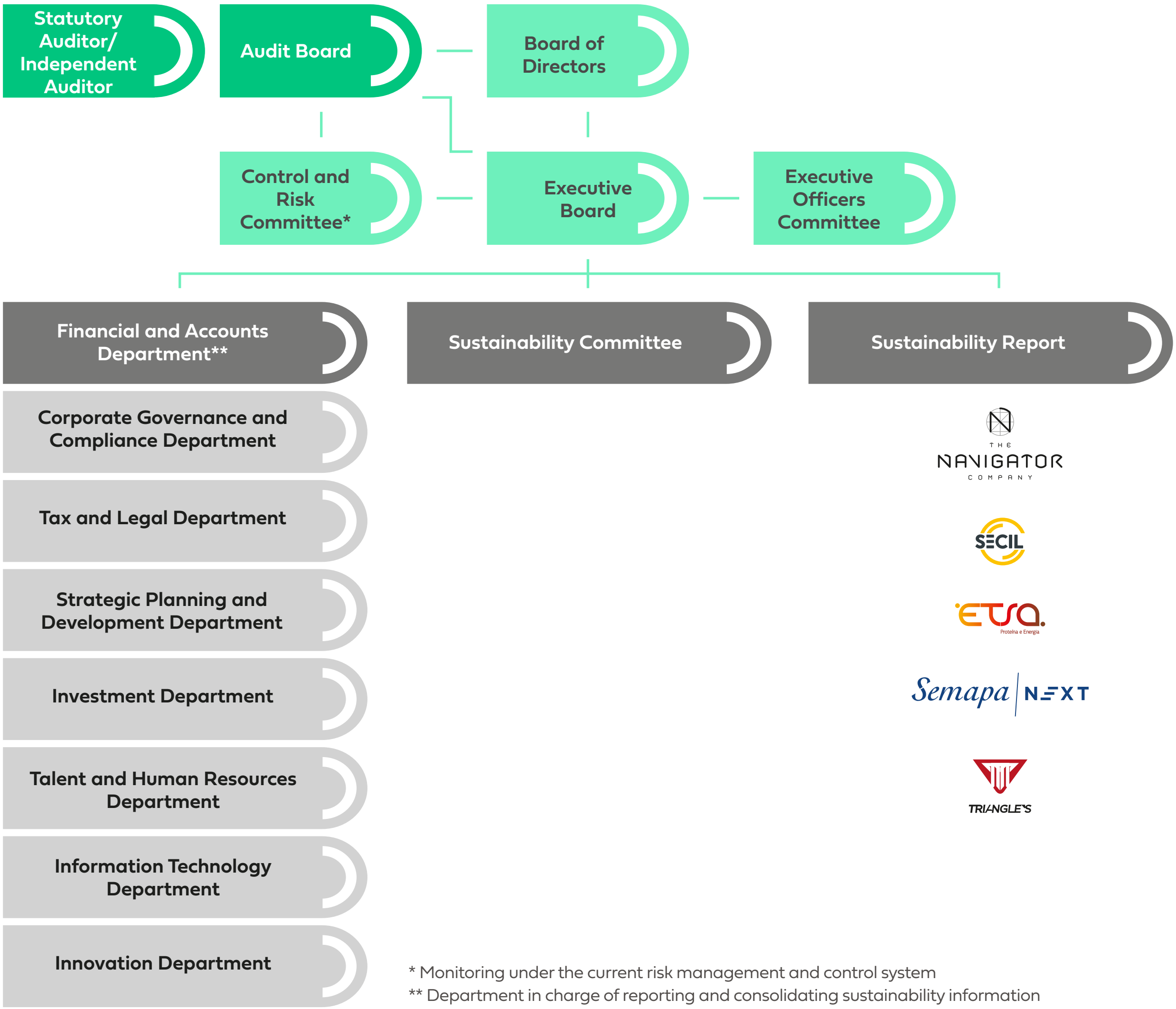
Furthermore, the way the remuneration of the governing bodies is structured and the performance of the executive board is assessed, according to which the variable remuneration is calculated, helps to fulfil the strategy established by Semapa, and the long-term interests and sustainability of the company, as described in paragraph 70 below.

To help it achieve its objectives and materialise its approach to each material issue, Semapa and each of its Subsidiaries have set policies, goals, action plans and metrics, as best described in Chapter 4.1. of the Annual Report, among other structuring documents. It should be noted that, although the existing policies may not yet cover all the material issues, they are supported by programmes with clear goals and by action plans and KPIs, while the key policies are being devised.

It should be emphasised that the sustainability report details the management approach followed, the actions undertaken in each reporting year and the performance achieved, both by the holding company and its Subsidiaries, as set out in Chapter 4 and the subchapters of the Annual Report.

As part of the risk management and control system implemented for the environmental and social sustainability risks, the company has set up data collection and processing processes on these topics, aimed at raising the board of directors' awareness of the risks the company runs and proposing strategies to mitigate them.

In this context, the organisational chart below illustrates the key aspects of the corporate governance model implemented at Semapa and in its relationship with its Subsidiaries implemented during the financial year 2024, with regard to matters related to sustainability and the processes for collecting, processing and analysing data and information on sustainability:



* Monitoring under the current risk management and control system
** Department in charge of reporting and consolidating sustainability information

It should be noted that, in view of the challenges of sustainability management and the need to align them with successive legislative developments in this area, the corporate governance model for sustainability in force at Semapa – already resulting from the consolidation of the choices made in recent years and the experience acquired in the meantime – is not a rigid and definitive model; it is submitted to periodic assessment of its effectiveness and changes deemed appropriate in the light of the company and Group's needs at any given time.

Thus, an ad hoc Sustainability Committee has been set up at Semapa, which is composed of the Executive Director in charge of finance and sustainability (CFO), Vítor Paranhos Pereira and other directors of Semapa and its subsidiaries. In 2024, the Sustainability Committee closely monitored all the work carried out as part of the Dual Materiality exercise executed, simultaneously for all Group companies, in accordance with the European Sustainability Reporting Standards (ESRS) (see chapter 4.1 of the Annual Report).

The aforementioned Dual Materiality analysis was carried out at Semapa Group level to ensure the greatest possible alignment at Group level. Workshops were held with internal experts from all the subsidiaries, and with the support of an external consultant, in order to ensure that the views of the different business areas would be reflected in the Impacts, Risks and Opportunities identified. A number of in-house experts, up to 116, took part in the exercise, which addressed Environmental, Social and Governance issues. Given the significant history of interaction with experts and stakeholders outside of the Group, their views and perspectives were taken into account in the final review of the Material Topics that resulted from the Dual Materiality analysis.

The Sustainability Committee is supervised by the Executive Board which, assisted by the Executive Officers Committee, ensures that the Board of Directors is informed of the work carried out by the Sustainability Committee.

On the other hand, Semapa has a risk monitoring model, with powers assigned to the different players in the risk management and control system, in particular the Board of Directors, which is responsible for identifying key risks and setting up the overall risk strategy, the Audit Board and the Statutory Auditor, with supervisory and inspection powers, and the Control and Risk Committee, as the internal committee responsible for detecting, controlling and managing all relevant risks in the company's activity, including risks related to environmental sustainability – including the analysis of climate and social risks, as described in paragraphs 53 and 54 below.

The company's subsidiaries, on the other hand, have different levels of corporate governance concerning the processing of sustainability information: several committees and forums have specific powers in these matters – such as the Sustainability Forum at Navigator – with people in charge of sustainability in every organisation, while the executive directors are in charge of specific areas, with the appointment of sustainability directors with autonomous functions, departments with exclusive powers in sustainability or even with divided functions in this area, namely in managing and monitoring risks related to environmental and social sustainability.

Data on environmental and social sustainability is reported by the Subsidiaries to the company, under the obligation to consolidate information and the respective reporting system. The data is analysed in the company by the boards, committees and bodies with powers in these matters, as described above, in particular by the Executive Board – assisted by the Executive Management Committee – in conjunction with the Board of Directors and with the support of the Control and Risks Committee. The process is supervised by the Audit Board and the Statutory Auditor, according to their mandates. The data related to environmental and social sustainability and the respective details and methodological notes can be found under the relevant topics in Chapter 4 of the Annual Report.

The company has been consolidating its risk management and control system, designed in accordance with good practices and methodological benchmarks, in which several sustainability-related risks have been integrated as top risks for Semapa and the Group, such as non-natural environmental catastrophes, adverse climate events, ESG performance and climate transition, as set out in Chapter 2.5 of the Annual Report, and subsequently under the relevant topics in the sub-chapters of Chapter 4.

As for climate change and society's perception thereof, given the Group's strong industrial base, Semapa is aware of the impacts of the GHG emissions generated by its activities. In this context, the company's Subsidiaries have adopted implementation roadmaps, as described in Chapter 4.1.2.2. of the Annual Report, which are the main plans for contributing, on the possible scale, to global decarbonisation and also for avoiding costs associated with emissions allowances.

Decarbonisation of the Semapa Group's industrial processes is based on the implementation of measures for incorporating more energy from renewable sources and alternative fuels, and promoting energy and resource efficiency, as laid down in Chapter 4.1.2.2. of the Annual Report. It also involves the implementation of R&D projects for the development of new low-carbon fossil products and processes, with an impact on the value chain.

It is important to emphasise that the activities of the Subsidiaries also make a positive contribution to reducing climate change, as set out in Chapter 4.1.2. of the Annual Report, for example:

i. Carbon sequestration and storage in forests and forestry products;

ii. Carbon capture in production processes and promoting the growth of a forest-based, circular and low-carbon bioeconomy by introduction of innovative plastic substitutes;

iii. Cements with less clinker (low carbon clinker) and concretes with less cement;

iv. Promoting the recycling of by-products from the food chain (rendering);

v. Developing sustainable micromobility solutions and improving people's lives and health;

vi. The introduction of hydrogen into production chains, thus reducing carbon emissions and increasing energy efficiency, and

vii. Semapa Next investment in innovative clean tech, construction tech and food tech companies, among others, with a clear intention of having a positive impact on the environment.

As mentioned above, the strategic risks monitored include various risks associated with sustainability, e.g. adverse climatic events and the climate transition risks, as indicated in Chapter 2.5. of the Annual Report. In this context, Navigator has been developing the project for implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since 2022. Secil is implementing this framework, with the aim of integrating the TCFD recommendations into the risk management strategy and processes, all the while assessing potential financial and strategic implications arising from climate change and developing appropriate responses.

Finally, it should be noted that Semapa and Secil have been disclosing their sustainability report since 2017, in accordance with the European Sustainability Reporting Standards (ESRS), and Navigator began reporting prior to that date. In 2024, within the scope of preparing its sustainability reporting report in line with CMVM recommendations, the company fulfilled voluntarily the CSRD (Corporate Sustainability Reporting Directive), considering that it has not yet been transposed into the Portuguese legal order, as previously specified in Chapter 4.1. of the Annual Report.

B) FUNCTIONING

22. Existence of the rules of procedure of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors, as the case may be, and place where these may be consulted.

The Board of Directors has rules of procedure which are published on the company **website**[16] where they may be consulted

16 https://www.semapa.pt/wp-content/uploads/2024/04/Rules-of-the-Board-of-Directors.pdf

23. Number of meetings held and attendance record of each member of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors, as the case may be.

The Board of Directors met 13 times in 2024, and attendance by each member (in person attendances or through telematic means) was as follows:

Members of the Board of Directors	Members present (%)	Members present and represented (%)
José Antônio do Prado Fay	100%	100%
Ricardo Miguel dos Santos Pacheco Pires	100%	100%
Vítor Paulo Paranhos Pereira	100%	100%
Filipa Mendes de Almeida de Queiroz Pereira	92%	92%
Mafalda Mendes de Almeida de Queiroz Pereira	100%	100%
Lua Mónica Mendes de Almeida de Queiroz Pereira	100%	100%
António Pedro de Carvalho Viana-Baptista	100%	100%
Paulo José Lameiras Martins	100%	100%

24. Indication of the company bodies empowered to assess the performance of executive directors.

The Remuneration Committee is the entity in charge of preparing the framework for the evaluation of the executive directors under the Remuneration Policy. Performance evaluation of each executive director follows an internal process structured under the responsibility/leadership of the respective person in charge (i.e. under the responsibility of the person who manages the team, in the case of the member of the Executive Board, and under the responsibility of the Chairman of the Board of Directors, in the case of the Chief Executive Officer) and with the involvement of the non-executive directors named by the person in charge.

The Talent Committee is also involved in this process. It is composed by 6 members, 4 of whom are non-executive directors, who oversee the board performance evaluation system and the distribution of the company's remuneration. They also deliver an opinion on the assessment of the performance of the executive directors, which means that the Board of Directors does not need to be involved in the assessment of the executive directors.

Finally, the Remuneration Committee must confirm that the factors have been met for the performance evaluation and ensure the overall consistency of the process by setting the variable remuneration.

Thus, in 2024 the Talent Committee met and gave its opinion on the individual performance appraisal for 2023 financial year of the members of the Executive Board, Vítor Paranhos Pereira, issued by the respective President, Ricardo Pires, who in turn was assessed by the Chairman of the Board of Directors, who communicated his opinion to the Remuneration Committee. These evaluation proposals were based on the application of the basic criteria for assessing the performance of executive directors in force at Semapa.

It is further highlighted that the Remuneration Policy for the 2021-2024 period was reviewed at the company's 2023 Annual General Meeting, and amended with a new variable remuneration component, the multi-annual Long-Term Incentive (LTI) – the results obtained and the amounts to be paid are monitored by an independent external entity. The LTI may include an individual assessment of the performance of executive directors by the Remuneration Committee, in consultation with other stakeholders that the Committee deems appropriate to involve. The assessment and calculation of the amount to be paid will be carried out at the end of every three-year period – corresponding to the current mandate – although the first period will be 2023/2024, as it corresponds to the last years of the current mandate.

In accordance with the Regulations of the Board of Directors and the Regulations of the Talent Committee, the Board of Directors, for its part, assisted by the Talent Committee, shall annually evaluate its performance as well as the performance of the Executive Board, the executive directors and the company committees, taking into account the implementation of the company's strategic and budget plans, risk management, the internal functioning and the contribution of each member to these objectives, as well as the relationship with the company's other bodies and committees. The Talent Committee monitors the overall assessment of the Board of Directors' performance, as provided by its regulation.

The assessment of the performance of the executive directors and the self-assessment of the performance of the Board of Directors and its committees in 2023 were conducted in 2024, and the relevant performances in the 2024 financial year will be assessed in 2025, as described above. With regard to the last fiscal year, the assessment process will also include the completion of a specific assessment questionnaire on various aspects related to the performance of the Board of Directors, its committees and executive directors, namely the role of the Board of Directors, the dynamics of meetings and related processes, the relationship with the company's bodies, with the Executive Board and other internal committees, as well as the quality of the corresponding information flows.

25. Predetermined criteria for assessing the performance of executive directors.

The criteria for assessing the performance of executive directors in force from 2021 to 2024 are set forth in paragraphs 69 to 71 below.

Such assessment criteria are applied by a system of quantitative and qualitative Key Performance Indicators (KPIs) for the economic, financial and operational performance of the company and the director in question, including sustainability criteria, according to the Remuneration Policy.

26. Availability of each of the members of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors, as the case may be, indicating office held simultaneously in other companies, inside and outside the group, and other relevant activities carried on by the members of these bodies during the period.

The members of the Board of Directors have the appropriate time available to perform the duties entrusted to them, and the other activities carried on by the executive members during the period, outside the business group to which Semapa belongs, are negligible when compared to performance of their duties in the companies and other companies in the same business group.

Besides the activities mentioned under item 19, the members of the Board of Directors occupy the positions detailed below:

JOSÉ ANTÔNIO DO PRADO FAY

Office held in other companies belonging to the Semapa group:
No office held in other companies belonging to the Semapa group.

Office held in other companies:

CAMIL ALIMENTOS, S.A.	Director
CIMO – Gestão de Participações, SGPS S.A.	Chairman of the Board of Directors
ENGECAMPO, S.A.	Director
FUNDAÇÃO SEMAPA – Pedro Queiroz Pereira	Chairman of the Board of Directors[17]
SÃO SALVADOR ALIMENTOS S. A.	Director
SODIM, SGPS, S.A.	Chairman of the Board of Directors

17 Appointed on 29 May 2024.

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

Office held in other companies belonging to the Semapa group:

APHELION, S.A.	Chairman of the Board of Directors
ETSA – Investimentos, SGPS, S.A.	Chairman of the Board of Directors
QUOTIDIAN PODIUM, S.A.	Chairman of the Board of Directors
SECIL – Companhia Geral de Cal e Cimento, S.A.	Chairman of the Board of Directors
SEMAPA Inversiones, S.L.	Director
SEMAPA NEXT, S.A.	Chairman of the Board of Directors
THE NAVIGATOR COMPANY, S.A.	Chairman of the Board of Directors
TRIANGLE'S – Cycling Equipments, S.A.	Chairman of the Board of Directors
TRIANGLE'S 2 – Cycling Produts, Unipessoal Lda.	Manager

Office held in other companies:

CIMO – Gestão de Participações, SGPS S.A.	Director
FUNDAÇÃO SEMAPA – Pedro Queiroz Pereira	Member of the Board of Directors[18]
PYRUS AGRICULTURAL LLC	Director
PYRUS INVESTMENTS LLC	Director
PYRUS REAL ESTATE LLC	Director
SODIM, SGPS, S.A.	Director
UPSIS, S.A.	Director
UPSIS – Consultoria E Investimentos, S.A.	Chairman of the Board of Directors

VÍTOR PAULO PARANHOS PEREIRA

Office held in other companies belonging to the Semapa group

APHELION, S.A.	Director
QUOTIDIAN PODIUM, S.A.	Director
SECIL – Companhia Geral de Cal e Cimento, S.A.	Director
SEMAPA Inversiones, S.L.	Chairman of the Board of Directors
SEMAPA NEXT, S.A.	Director
THE NAVIGATOR COMPANY, S.A.	Director

Office held in other companies:

ANTASOBRAL – Sociedade Agropecuária, S.A.	Director
CAPITAL HOTELS – Sociedade de Investimentos e Gestão, S.A.	Director
CIMO – Gestão de Participações, SGPS S.A.	Director
FUNDAÇÃO SEMAPA – Pedro Queiroz Pereira	Member of the Advisory Board[19]
GALERIAS RITZ, S.A.	Chairman of the Board of Directors
HOTEL RITZ, S.A.	Director
PARQUE RITZ, S.A.	Chairman of the Board of Directors
SODIM, SGPS, S.A.	Director
SOCIEDADE AGRÍCOLA da HERDADE dos FIDALGOS, Unip., Lda.	Manager
SONAGI, SGPS, S.A.	Chairman of the Board of Directors
SONAGI – Imobiliária, S.A.	Chairman of the Board of Directors
ASSOCIAÇÃO DA HOTELARIA DE PORTUGAL	Chairman of the General Meeting

18 Appointed on 29 May 2024.
19 Appointed on 29 May 2024.

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

Office held in other companies belonging to the Semapa group:
No office held in other companies belonging to the Semapa group.

Office held in other companies:

ABSTRACTREASON, LDA.	Manager
BESTWEB, Prestação de Serviços e Consultoria Informática Lda.	Manager
CAPITAL HOTELS – Sociedade de Investimentos e Gestão, S.A.	Chairman of the Board of Directors
CIMO – Gestão de Participações, SGPS S.A.	Director
FUNDAÇÃO NOSSA SENHORA DO BOM SUCESSO	President of the General Council
FUNDAÇÃO SEMAPA – Pedro Queiroz Pereira	Member of the Board of Directors[20]
HOTEL RITZ, S.A.	Director
LAGUM – Sociedade Imobiliária, Lda.	Manager
TARGET ONE CAPITAL, S.A.	Chairman of the Board of Directors
SODIM, SGPS, S.A.	Director
ABELAR CAPITAL, Lda.	Manager

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

Office held in other companies belonging to the Semapa group:
No office held in other companies belonging to the Semapa group.

Office held in other companies:

CIMO – Gestão de Participações, SGPS S.A.	Director
FUNDAÇÃO SEMAPA – Pedro Queiroz Pereira	Member of the Board of Directors[21]
KEYTARGET INVESTMENTS – Consultoria e Investimentos, S.A.	Chairman of the Board of Directors
MONTE DA PRAIA RECURSOS NATURAIS, S.A.	Director
SOCIEDADE AGRÍCOLA da HERDADE dos FIDALGOS, Unip., Lda.	Manager
SODIM, SGPS, S.A.	Director
SONAGI, SGPS, S.A.	Director

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

Office held in other companies belonging to the Semapa group:

SEMAPA NEXT, S.A.	Director

Office held in other companies:

CIMO – Gestão de Participações, SGPS S.A.	Director
ECO MALHADA, Lda.	Manager
FUNDAÇÃO SEMAPA – Pedro Queiroz Pereira	Member of the Board of Directors[22]
SODIM, SGPS, S.A.	Director
PREMIUM CAELI, S.A.	Chairman of the Board of Directors
PREMIUM PECULI, S.A.	Chairman of the Board of Directors
LUSO VIRIATO – Funerárias Portuguesas, S.A.	Director

20 Appointed on 29 May 2024.
21 Appointed on 29 May 2024.
22 Appointed on 29 May 2024.

ANTÓNIO PEDRO DE CARVALHO VIANA-BAPTISTA

Office held in other companies belonging to the Semapa group:
No office held in other companies belonging to the Semapa group.

Office held in other companies:

ALTER VENTURE PARTNERS G.P., SARL	Director
ALTER VENTURE PARTNERS II, G.P., SARL	Director[23]
AZORA CAPITAL S.L.	Director
JERÓNIMO MARTINS SGPS, S.A.	Director

PAULO JOSÉ LAMEIRAS MARTINS

Office held in other companies belonging to the Semapa group:
No office held in other companies belonging to the Semapa group.

Office held in other companies:

CP INVESTMENTS, SCR, S.A.	Director[24]
PARAMA UNIPESSOAL, LDA.	Manager
STAK PREV (VIC Properties Holding)	Director[25]
SPD – Scale Property Development, Lda.	Manager[26]
PREV VP S.À R.L.	Director[27]
PREV V1 S.À R.L.	Director[28]
PREV SL S.À R.L.	Director[29]
RATIONALDREAMS, Lda.	Director

According to the regulation of the Board of Directors, the directors of the Executive Board may not perform executive functions in entities outside of the Company's group, unless the activity of such entities is found to be ancillary or complementary to the group's activity or is not very time-consuming, the executive directors not being able to perform duties in other companies that do not fulfil the aforementioned criteria.

The same regulation provides that the directors who are not part of the Executive Board may perform management functions (either executive or not) in entities outside of the company's group, where such companies do not carry out activities that compete with that of the company or of directly or indirectly participated companies, and the Chairman of the Board of Directors must be notified before the start of such functions. The non-executive directors of the company do not perform duties in other companies which do not meet the requirements mentioned above.

23 Appointed on 4 July 2024.
24 Appointed on 13 November 2024.
25 Appointed on 01 January 2024.
26 Appointed on 22 January 2025.
27 Ceased functions a 08 August 2024.
28 Ceased functions a 08 August 2024.
29 Ceased functions a 08 August 2024.

C) COMMITTEES BELONGING TO THE MANAGEMENT OR SUPERVISORY BODIES AND MANAGING DIRECTORS

27. Identification of committees set up by the Board of Directors, the General and Supervisory Board and the Executive Board of Directors, as the case may be, and place where the rules of procedure may be consulted.

The following committees exist in the company within the Board of Directors: Executive Board, Executive Officers Committee, Control and Risk Committee, Corporate Governance Committee and Talent Committee.

The Executive Officers Committee, the Control and Risk Committee, the Corporate Governance Committee and the Talent Committee have rules of procedure, which are published on the company **website**[30], where they may be looked up.

Given its nature, composition and origin from the Board of Directors, which has its own regulation on autonomous functioning and specific rules on the organisation and functioning of its Executive Board, the CGC does not have an autonomous regulation. Consequently, the following operating rules provided by said regulation and the act delegating power shall apply:

a) The Executive Board shall meet when convened by the Chairman or any other two members;

b) The members of the Executive Board may be represented by another member, and each person may not represent more than one member;

c) The Chief Executive Officer has a casting vote;

d) Absent members may cast written votes, and

e) The Chief Executive Officer is particularly responsible for reporting and communicating with the Board of Directors.

28. Composition, if applicable, of the executive board and/or identification of the managing director(s).

The following were the members of the Executive Board in 2024:

a) Mr. Ricardo Miguel dos Santos Pacheco Pires, Chairman, and

b) Mr. Vítor Paulo Paranhos Pereira.

Mr. Ricardo Pires was appointed member of the Executive Board by resolution of the Board of Directors of 5 June 2018, and became Chairman on 1 January 2022 by resolution of the Board of Directors of 3 November 2021, and Vítor Paranhos Pereira was appointed executive director by resolution of the Board of Directors of 31 January 2020, with effect from 01 March 2020.

30 https://www.semapa.pt/en/investors/corporate-governance/articles-of-association-regulations-and-policies/

29. Indication of the powers of each of the committees created and summary of the activities carried on the exercise of these responsibilities.

EXECUTIVE BOARD:

The powers of the Executive Board are described in paragraph 21 of this report.

The Executive Board is the company's executive body, which has performed its duties in the scope of the powers entrusted to it by the Board of Directors. The Board meets on a regular basis and whenever necessary in the light of ongoing business and monitoring of the company's activity. In 2024 it held thirty-six meetings. These meetings are attended by the members of the Executive Board, as well as the Company Secretary, Rui Gouveia. When the matters to be discussed so require, non-executive directors, representatives of the Group's companies and some of the Company's managers may also take part in the meetings.

EXECUTIVE OFFICERS COMMITTEE:

The Executive Officers Committee's mission is to assist the Executive Board in the functions delegated to it by the Company's Board of Directors on the following matters:

a) To implement the strategies and policies defined and the annual budget;

b) To carry out the financial, accounting and fiscal control;

c) To conduct the HR management policy;

d) To make investments or disinvestments, including the negotiation and execution thereof;

e) To conduct reorganisation operations;

f) To monitor subsidiaries, including the provision of technical, financial and governance support;

g) To conduct financial operations, including the issuing of debt;

h) To bring judicial action, renounce or negotiate agreements in the framework of judicial proceedings or of similar nature;

i) To award sponsorships, grants or donations of a similar nature;

j) To prepare proposals to be presented to the Board of Directors by the Executive Board, including strategic guidelines or medium and long term plans, budgets for the following financial year, management reports and profit and loss accounts, sustainability, risk and corporate governance reports, and proposals for the appropriation of profits;

Under the terms and for the purposes of the aforementioned duties, the Executive Officers Committee shall deliver non-binding opinions at the request of the Executive Board.

The Executive Officers Committee met thirty-six times in the 2024 financial year and, on 31 December 2024, was comprised by Ricardo Pires, Chairman, and Vítor Paranhos Pereira, Isabel Viegas, Hugo Pinto and Tiago de Noronha, as Members, with Ricardo Pires and Vítor Paranhos Pereira being directors of the company.

The Executive Officers Committee has performed its role of monitoring and supporting the Executive Board, collaborating actively, namely through regular meetings with all of Semapa's departments, on the different matters allocated to it, and in particular on strategy, with a view to assuring its implementation by the Group's different business units and by Semapa as a single holding company, within the scope of the aforementioned powers.

COMISSÃO DE CONTROLO E RISCOS:

The Control and Risk Committee (CRC) is responsible for detecting, controlling and managing all relevant risks in the company's business, especially legal, financial and environmental sustainability risks – including analysing climate risk – and social sustainability.

The Control and Risk Committee has the following competences:

a) To monitor the Company's business affairs, with integrated and permanent analysis of the risks associated with these affairs;

b) To propose and follow through the implementation of specific measures and procedures relating to the control and reduction of the Company's business risks, with a view to perfecting the internal control system, including, in particu-lar, the risk management function;

c) To check implementation of the adjustments to the internal control management system, and, in particular to the risk management function, proposed by the Audit Board;

d) To propose the discussion, alteration and introduction of new procedures to improve the detection, control and management of risks inherent to the company's operations.

e) Analysing emerging or potential risks, such as those related to new technologies, including the use of artificial intelli-gence mechanisms.

The Control and Risk Committee shall prepare for approval by the Board of Directors the company's risk policy for each fiscal year, which shall identify, without limiting:

a) The main risks to which the company is subject in the development of its activities and limits on risk-taking for the company;

b) The likelihood of such relevant risks and their impact on the company's operations; and

c) The necessary tools and measures for the mitigation of the risks identified as relevant for the company's activities.

In view of the growing technological developments and the need for a proactive approach to identifying, assessing and mitigating possible adverse impacts of this reality, the CRC Regulations were revised in early 2024 to grant the CRC with the power to analyse emerging or potential risks, such as risks arising from new technologies, namely those related to the use of artificial intelligence mechanisms[31].

In 2023, autonomy was granted to the information technology area which became a Department, and initiatives were carried out and training delivered in 2024 on the use of artificial intelligence and on cybersecurity.

Concerning artificial intelligence in particular, the company recognises the growing proliferation of the use of these mechanisms globally and the potential impact of a wide range of uses thereof.

So far artificial intelligence mechanisms have not been implemented in the Company as a whole, and in its management, in particular, and the governing bodies have not used it to make decisions.

In carrying out its duties, the CRC is permanently monitored by the Company's Audit Board, as shown in paragraph 54 below. Considering the reinforcement of CRC and Audit Board relations, the reviewed CRC Regulation, in early 2024, provides specifically for the duty of the President of the CRC to inform the Audit Board of the CRC's decisions on matters deemed relevant to the former and for the members of the Audit Board to attend the CRC's meetings, as requested by its President or by the Audit Board, depending on the items on the agenda.

31 In this context, the definition of "Artificial Intelligence System" provided for in the draft Regulation COM/2021/2006 of 21 April 2021 laying down rules on artificial intelligence is adopted.

The Control and Risk Committee met four times in 2024 and on 31 December 2024 it included Paulo Lameiras Martins, the Chairman, and Vítor Paranhos Pereira and Susana Coutinho, as Members. Paulo Lameiras Martins and Vítor Paranhos Pereira were directors of the company.

This committee conducted the activities, ensured the monitoring and made all the verifications corresponding to its duties, and held joint meetings with the members of the Audit Board, with the support of the Audit Board and the Financial and Accounts Department.

CORPORATE GOVERNANCE COMMITTEE:

The Corporate Governance Committee monitors on a continuous basis the Company's compliance with the provisions of the law, regulations and articles of association applicable to corporate governance and it is responsible for critical analysis of the company's practices and procedures in the field of corporate governance and for proposing for debate, altering and introducing new procedures designed to improve the structure and governance of the Company. The Corporate Governance Committee is also required to assess annually corporate governance and submit to the Board of Directors any proposals as it sees fit.

The Corporate Governance Committee met four times in the financial year 2024. On 31 December 2024 it consisted of José Fay, Chairman, and Ricardo Pires and Rui Gouveia, Members and, respectively, Chairman of the Board of Directors, Chief Executive Officer and Company Secretary.

The Corporate Governance Committee conducted its oversight and corporate governance assessment activities throughout the financial year. It also participated actively in the drafting of the Annual Report on Corporate Governance, for which it obtained the necessary information from Rui Gouveia, who is also the Director of the Corporate Governance and Compliance Department of the company, and through ongoing contact and attendance of meetings by one more member of the Department.

TALENT COMMITTEE:

The Talent Committee functions in compliance with the provisions of its regulations and is expected to perform the following duties in relation to the governing bodies:

a) On the appointments:

   i. Assisting the Board of Directors in identifying and assessing the suitability of the governing bodies to be appointed, namely the appointment by co-option to perform the duties of member of the Board of Directors of the Company, and the nomination of directors who will perform executive duties;

   ii. Provide the terms of reference and promote, to the extent of its powers, adoption of transparent selection processes that include effective mechanisms of identification of potential candidates, and submission of candidates who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organisation, a suitable diversity, including equality between men and women; and

   iii. Whenever deemed appropriate, to know and monitor the processes of selection of nominees for the performance of executive management duties in subsidiaries of the Group, in cases where the Company intends to present the respective elective proposal.

b) Concerning evaluation:

   i. Monitor the management performance assessment system and the allocation of the company's remuneration;

   ii. Issue an opinion on the proposals for the annual individual assessment of the performance of the members of the Executive Board issued by the CEO, and on the assessment of the latter by the Chairman of the Board of Directors;

   iii. Monitor the overall assessment of the performance of the Board of Directors as a body, taking into account compliance with the company's strategic plan and budget, risk management, its internal functioning and the contribution of each member to this end.

The Committee is also responsible concerning talent management for: **(i)** monitoring and issuing recommendations on internal policies and procedures relating to the group's talent management; and **(ii)** periodically assessing the need and availability of talent in the group and recommend appropriate actions to ensure the group's ability to meet the rising challenges.

The Talent Committee met three times in the financial year 2024. A 31 December 2024, the members of the Talent Committee were José Fay, Chairman, Ricardo Pires, Filipa Queiroz Pereira, Mafalda Queiroz Pereira, Lua Queiroz Pereira, and Isabel Viegas, Voting Members, being the first five company directors.

The remuneration setting process, which is overseen by the Talent Committee, is the duty of the company's Remuneration Committee, set up under Article 399 of the Commercial Companies Code, with powers, namely, to prepare the remuneration policy and to analyse and set the remuneration of the directors.

III. AUDITING

A) COMPOSITION

30. Identification of the supervisory body corresponding to the model adopted.

The company's affairs are supervised by the Audit Board and the Statutory Auditor, in accordance with Article 413.1 b) of the Companies Code.

31. Composition, as applicable, of the Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs, indicating the minimum and maximum numbers of members and duration of their term of office, as established in the Articles of Association, number of full members, date of first appointment and end date of the term of office of each member; reference may be made to the item in the report where this information is contained in accordance with paragraph 17.

As established in the Articles of Association, the Audit Board consists of three to five full members, one of which serves as Chairman with a casting vote, and of one or two alternate members, depending on whether there are three or more full members, all holding office for a three-year term.

Members of the Audit Board	Date of first appointment and end date of term of office
José Manuel Oliveira Vitorino (Chairman)	2014-2024
Gonçalo Nuno Palha Gaio Picão Caldeira (Full member)	2006-2024
Maria da Luz Gonçalves de Andrade Campos (Full member)	2024-2024
Marta Isabel Guardalino da Silva Penetra (Alternate member)	2024-2024

Due to the passing of Maria da Graça Torres Ferreira da Cunha Gonçalves on 12 April 2024, the Alternate Member appointed at the time, Maria da Luz Gonçalves de Andrade Campos, took on the role of Alternate Member in place of the Effective Member on 23 April 2024 until she was appointed full member of the Audit Board, which took place at the company's General Meeting held on 24 May 2024.

Marta Isabel Guardalino da Silva Penetra was appointed Alternate Member of the Audit Board at the company's General Meeting held on 24 May 2024.

The company considers that it has a sufficient number of members of the Audit Board for its size and the complexity of the risks inherent in its activity, thus ensuring the efficient performance of its duties. This judgment on the suitability of the proportion took into account, in particular, the company's activities and its nature as a holding company, the stability of the shareholder structure, the diversity of skills and the availability of the members of the Audit Board for the performance of their duties, namely, through close collaboration with the other bodies and committees of the company and the External and Statutory Auditors.

32. Identification, as applicable, of the members of the Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs who are deemed independent, in accordance with Article 414.5 of the Companies Code; reference may be made to the paragraph in the report where this information is contained in accordance with paragraph 18.

The members of the Audit Board, José Manuel Oliveira Vitorino (Chairman) and Maria da Luz Gonçalves de Andrade Campos (Member) are deemed independent by Semapa, in accordance with criteria laid down in Article 414.5 of the Companies Code. The former is currently in his third term and the latter in her first term in office.[32]

Mr. Gonçalo Nuno Palha Gaio Picão Caldeira cannot be considered an independent member as he is serving his fifth term of office as a member of the Audit Board, as provided for in article 414(5)(b) of the Portuguese Companies' Code.

33. Professional qualifications, as applicable, of each of the members of the Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs and other relevant biographical details; reference may be made to the paragraph in the report where this information is contained in accordance with paragraph 21.

JOSÉ MANUEL OLIVEIRA VITORINO

José Manuel Vitorino has a degree in Corporate Organisation and Management by the Instituto Superior de Economia of Lisbon University. He is a qualified Statutory Auditor and certified by the executive training programme of Universidade Nova de Lisboa. He was an Assistant Professor at the School of Economics of Coimbra University until 1980, after which he joined PricewaterhouseCoopers and performed functions in auditing and financial consultancy, in national and foreign companies and groups, and in projects by taking part in international teams. Hehad performed Partner duties for several years when he left PricewaterhouseCoopers in 2013, after reaching the default retirement age. He was the Chairman of the Audit Board of Novo Banco, S.A. until 2017 and currently is member of the Audit Board of ANA – Aeroportos de Portugal, S.A. He is a member of the Audit Board of The Navigator Company since 2015, and of Semapa and Secil since 2016, and became Chairman of these supervisory bodies in 2018. He has also been a Member of the Internal Control Committee of Jerónimo Martins, S.A. since 2022.

GONÇALO NUNO PALHA GAIO PICÃO CALDEIRA

Gonçalo Picão Caldeira has a degree in Law and joined the Portuguese Bar Association in 1991, after completing a legal internship. He holds an MBA from Universidade Nova de Lisboa and attended a course in real estate management and evaluation from ISEG. Gonçalo Caldeira has performed management and property development functions since 2004. He collaborated previously with BCP Group (1992-1998) and Sorel Group (October 1998 to March 2002). He also worked for Semapa from April 2002 to February 2004. He has been a member of the Audit Board of Semapa since 2006, and of The Navigator Company and Secil since 2007 and 2013, respectively.

MARIA DA LUZ GONÇALVES DE ANDRADE CAMPOS

Maria da Luz Campos graduated in Finance by the Lisbon School of Economics and Management (ISEG) in 1976. She completed the Senior Management Programme (*Alta Direção de Empresas*) at AESE /IESE and the Executive Training Programme at Universidade Católica Portuguesa. She pursued her professional career at ANA, EP, later ANA, SA, where, from 1977 to 1994, held several positions as expert economist and head of departments in the Finance, Planning and Management Control function. From 1994 to 1995 she was Audit Director. From 1995 to 2019, she was Financial and Administrative Director, and from 2003 to 2004 she was also Director of Planning and Management Control. She was Director and Chairman of the Board of Directors of Portway Handling de Portugal from 2002 to 2005. She was Chairman of several committees of international civil aviation organisations. She was also member of the Board of Directors of CEEP-Portugal and a permanent member of the Investment Committee of Futuro, Sociedade Gestora de Fundos de Pensões. She is a member of the Audit Board of Semapa, The Navigator Company and Secil since 2024.

32 In accordance with the criteria laid down in Article 414.5 of the Companies Code, Maria da Graça Torres Ferreira da Cunha Gonçalves (Member), who was in her second term at the time of her passing, had also been considered independent by Semapa.

B) FUNCTIONING

34. Existence and place where the rules of procedure may be consulted for the Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs, as the case may be; reference may be made to the paragraph in the report where this information is contained in accordance with paragraph 22.

The Audit Board has rules of procedure which are published on the company **website**[33] where they may be consulted.

35. Number of meetings held and rate of attendance at meetings of the Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs, as the case may be; reference may be made to the paragraph in the report where this information is contained in accordance with paragraph 23.

In the 2024 financial year, the Audit Board met forty-eight times, twenty-eight of which for the approval of permitted non-audit services, and its members attended all meetings (either in person or by telematic means).[34]

36. Availability of each of the members of the Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs, as the case may be, indicating office held simultaneously in other companies, inside and outside the group, and other relevant activities carried on by the members of these bodies during the period; reference may be made to the item in the report where this information is contained in accordance with paragraph 26.

The members of the Audit Board have the appropriate time available to perform the duties entrusted to them.

Besides the activities mentioned under paragraph 33, the members of the Audit Board perform the duties detailed below:

JOSÉ MANUEL OLIVEIRA VITORINO

Office held in other companies belonging to the Semapa group:	
SECIL – Companhia Geral de Cal e Cimento, S.A.	Chairman of the Audit Board
THE NAVIGATOR COMPANY, S.A.	Chairman of the Audit Board

Office held in other companies:	
ANA - Aeroportos de Portugal, S.A.	Member of the Audit Board
JERÓNIMO MARTINS, S.A.	Member of Internal Control Committee

GONÇALO NUNO PALHA GAIO PICÃO CALDEIRA

Office held in other companies belonging to the Semapa group:	
SECIL – Companhia Geral de Cal e Cimento, S.A.	Member of the Audit Board
THE NAVIGATOR COMPANY, S.A.	Member of the Audit Board

Office held in other companies:	
LINHA DO HORIZONTE – Investimentos Imobiliários, Lda.	Manager
LOFTMANIA – Gestão Imobiliária, Lda.	Manager
TOPOLOGIA II – SIC IMOBILIÁRIA FECHADA, S.A.	Director[35]

33 https://www.semapa.pt/wp-content/uploads/2024/04/Rules-of-the-Audi-Board.pdf
34 Regarding the period during which the members of the Audit Board held office.
35 Appointed on 21 October 2024.

MARIA DA LUZ GONÇALVES DE ANDRADE CAMPOS

Office held in other companies belonging to the Semapa group:

SECIL – Companhia Geral de Cal e Cimento, S.A.	Member of the Audit Board[36]
THE NAVIGATOR COMPANY, S.A.	Member of the Audit Board[37]

Office held in other companies:
No office held in other companies.

C) POWERS AND RESPONSIBILITIES

37. Description of the procedures and criteria applicable to the work of the supervisory body for the purposes of contracting additional services from the External Auditor.

The Audit Board analyses the non-audit services and the proposals submitted by the External Auditor and the Statutory Auditor for provision of such services, seeking to safeguard, essentially, that the independence and impartiality of the External Auditor and the Statutory Auditor, needed for the provision of audit services is not undermined and that the additional services are provided to a high standard of quality and independence. The implementation of separate auditing services is subject to prior authorisation by the Audit Board.

Note that such analysis is conducted by the Audit Board subject to rules laid down in the Statute of the Portuguese Association of Statutory Auditors, as adopted by Law no. 140/2015 of 7 September, and Regulation (EU) 537/2014 of the European Parliament and Council of 16 April 2014, according to the internal procedures established to guarantee that new legal provisions are fulfilled.

38. Other duties of the supervisory bodies and, if applicable, of the Committee for Financial Affairs.

As stated above, the Audit Board has the duties established in law, in particular those stated in Article 420 of the Companies Code, as well as those indicated in the Rules of Procedure of the Audit Board, which include:

a) To supervise the management of the company, including, in this regard, an annual assessment of the budget, the internal operation of the Board of Directors and its committees, and the relation between the different corporate bodies and committees of the company;

b) To ensure compliance with the law and the articles of association;

c) To check that books, accounting records and the respective supporting documents are in order;

d) To check, as and when it sees fit, the state of cash and inventories of any type of goods or valuables belonging to the company or received by the same as security, deposit or on another basis;

e) To check the accuracy of financial reporting;

f) To verify that the accounting policies and valuation criteria adopted by the Company lead to a correct valuation of the company's assets and results;

g) To draw up an annual report on its audit activities and to issue its opinion on the report, accounts and motions submitted by the Directors;

h) To convene the General Meeting when the Chairman of the Meeting fails to do so;

i) To take cognisance of the strategic guidelines and to assess and comment on the risk policy prior to its final approval by the management body;

j) To supervise and assess the effectiveness of the internal control system, understanding the risk management, compliance and internal audit functions, if any, proposing the adjustments deemed to be necessary;

36 Appointed on 23 April 2024.
37 Appointed as a Member of the Audit Board at the General Meeting of 24 May 2024, and from 23 April 2024 until then she served as an alternate for the Effective Member.

k) To issue its opinion on the work plans and resources allocated to the internal control system, including the risk management, compliance and internal audit functions, if any, proposing the adjustments deemed to be necessary;

l) To receive reports of irregularities (whistleblowing) submitted by shareholders, Employees or others;

m) To hire services by experts who assist one or more of its members in the exercise of their duties, for which experts shall be subcontracted and compensated in line with the importance of the matters entrusted to them and the economic situation of the company;

n) To supervise the appropriateness of the procedure for preparation and disclosure of financial information by the Board of Directors, including the adequacy of the accounting policies, estimates, evaluations, relevant disclosures and a consistent implementation thereof in each fiscal year, which are fully documented and communicated;

o) To select the statutory audit firms to be proposed to the General Meeting and justifiably recommend its preference for such firm and propose the respective fees; the selection process shall begin with invitations addressed by the company to audit firms identified as reference in the provisioning of statutory audit services, which, in turn, submit their bids for the internal analysis of the company, in accordance with the following selection criteria:

   i. Quality of the bids received;

   ii. Knowledge of the sectors in which the Semapa Group operates;

   iii. Technical quality and seniority of the experts that make up the proposed teams; and

   iv. Financial conditions presented by each entity.

p) To propose to the General Meeting the dismissal of the Statutory Auditor or the termination of the services provision agreement whenever there are justifiable grounds for that purpose;

q) To supervise the auditing of the company's financial statements and reports;

r) To confirm if the disclosed report on the corporate governance structure and practices includes the information listed in Article 29-H of the Portuguese Securities Code;

s) To supervise the independence of the statutory auditor, namely with regard to the provision of additional services, and assess yearly the work carried out by the statutory auditor and its suitability for the performance of the tasks assigned to it;

t) To issue a previous and binding opinion on the Regulation on Conflicts of Interests and Related Party Transactions to be drawn up and approved by the Board of Directors or, in the absence of such Regulation, on the definition by the Board as to whether the transactions the company carries out with related parties are conducted within the scope of the company's current activity and under market conditions;

u) To issue, within a reasonable time, a prior opinion on any business with related parties that is not carried out within the scope of the company's current activity and under market conditions;

v) To check that related party transactions carried out by the company are conducted within the scope of the company's current activity and under market conditions;

w) To monitor the process for preparation and disclosure of information and submit recommendations or proposals to ensure their integrity;

x) To supervise the effectiveness of the internal quality control and risk management systems and, if applicable, of the internal audit, with regard to the procedure for preparing and disclosing information, while preserving its independence;

y) To monitor the statutory audit of annual individual and consolidated accounts, namely the execution thereof;

z) To check and monitor the audit firm's independence in the exercise of its statutory audit activity or in the provision of other legally permitted services, as defined in the applicable law and regulations, by means of (i) the statement, during the audit firm's selection process, ensuring that the company has an internal mechanism guaranteeing independence and prevention of conflicts of interest, which it implements, (ii) the proof provided regularly by the audit firm that such internal mechanisms are adequate and comply with the applicable laws and regulations; (iii) by obtaining an annual declaration of its independence; (iv) the annual reporting on the separate audit services that have been provided; (v) the reasoned proposal on the possible extension of the statutory audit firm's functions beyond the maximum legal period, with consideration of the respective conditions of independence and the advantages and costs associated with its replacement, (vi) the communication by the audit firm regarding the exceeding of the fees threshold, and (vii) the joint analysis of possible threats to its independence, and on the application of mitigation safeguards;

aa) To check that the proposals for the provision of non-audit services submitted by the audit firm do not fall within the scope of the non-audit services that are not permitted and ensure that the requirements for their delivery are met, including the assessment for guaranteeing independence and the prevention of conflicts of interest and the adequacy of the services to be provided; under the terms and for the purposes of this sub-paragraph, non-audit services which as such are not allowed under the applicable laws and regulations on these matters, in particular the Statute of the Portuguese Association of Statutory Auditors and Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014; and

bb) Perform any other duties proposed in law or the articles of association.

The Audit Board is also the main point of contact with the External Auditor and the Statutory Auditor, with direct access to and knowledge of his work. The company believes that this direct supervision by the Audit Board is possible, without interference from the Board of Directors, in relation to the work carried on by the External Auditor and the Statutory Auditor, provided that it does not undermine a prompt and adequate information of the management body, which has ultimate responsibility for the company's affairs and financial statements. Complying with this principle, the External Auditor and Statutory Auditor's reports are addressed to the Audit Board and discussed at joint meetings of this board with a member of the Board of Directors, which include the findings of the accounts audit, and the Audit Board ensures that the necessary conditions are in place in the Company for the provision of audit services. The Audit Board is further in charge of suggesting and monitoring, with the support of the Company's internal services, the External Auditor and Statutory Auditor's pay.

As part of its remit, the Audit Board discussed the process of preparing and disclosing information, namely on sustainability, of the company in meetings attended by the member of the Board of Directors with the relevant responsibility, and the company's Finance and Accounting Director.

The External Auditor and the Statutory Auditor also cooperate with the Audit Board to provide, immediately and in accordance with applicable legal and regulatory terms, information on irregularities relevant to the performance of the Audit Board's duties that it has detected, as well as any difficulties arising from the performance of his duties.

Pursuant to the rules of procedure of the Audit Board, the External Auditor and the Statutory Auditor and the company shall maintain permanent and adequate channels of communication, namely through regular meetings with the management, the Audit Board and the services and departments with responsibilities in the areas concerned and with the consequent discussion and analysis of all information that may be pertinent in the exercise of the corresponding activity.

IV. STATUTORY AUDITOR

39. Identification of the Statutory Auditor and shareholder representing the Statutory Auditor.

STATUTORY AUDITOR

Full: KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. represented by Paulo Alexandre Martins Quintas Paixão (ROC)

Alternate: Vitor Vitor Manuel da Cunha Ribeirinho (ROC)

40. Indication of the consecutive number of years for which the statutory audit firm has held office in the company and/or group.

KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. has held office in the company since 2018.

41. Description of other services provided by the statutory auditor to the company.

In addition to legal auditing services, KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. has provided the Company with other authorised services.

V. EXTERNAL AUDITOR

42. Identification of the External Auditor appointed for the purposes of Article 8 and the Partner and Statutory Auditor representing such firm in the discharge of these duties, together with their respective registration number with the Securities Market Commission.

The company's External Auditor and its representative are indicated in paragraph 39, and KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. is registered with the Securities Market Commission under number 20161489.

43. Indication of the consecutive number of years for which the external auditor and the respective partner and statutory auditor representing the same in the discharge of these duties has held office in the company and/or group.

Since 2018, the External Auditor is the statutory auditor KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A., represented by partner Paulo Alexandre Martins Quintas Paixão (ROC).

44. Policy on rotation of the External Auditor and the respective partner and Statutory Auditor representing the same in the carrying out of these duties, and the respective frequency of rotation.

The policy and frequency of rotation of the External Auditor and Statutory Auditor and its proxy is governed by article 54 of Law 140/2015, of 7 September (Statute of the Portuguese Association of Statutory Auditors), which enshrined a new legal regime applied to the mandatory rotation of Statutory Auditors in public interest companies, such as Semapa.

In 2022, at the proposal of the Audit Board, which considered that the applicable legal conditions had been met, KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. was reappointed for the term 2022-2024 as the Company's Statutory Auditor, under the terms of the Statute of the Portuguese Association of Statutory Auditors and the maximum time limits for carrying out statutory audits foreseen therein.

45. Indication of the body responsible for assessing the External Auditor and the intervals at which this assessment is conducted.

As part of its oversight and auditing duties of the Company's accounts, the Audit Board assesses the External Auditor and the Statutory Auditor on an ongoing basis, particularly under the preparation of its Report and Opinion on the annual accounts.

46. Identification of work, other than audit work, carried out by the External Auditor for the company and/or companies in a controlling relationship with it, and indication of the internal procedures for approval of the contracting of these services and indication of the reasons for contracting them.

The services delivered by the External Auditor and the Statutory Auditor other than audit work have always been approved by the Audit Board, in compliance with the applicable laws and internal procedures set up for this purpose.

These services consist essentially of support services to safeguard compliance with legal or contractual obligations laid down in the legal framework provided by the Statute of the Portuguese Association of Statutory Auditors Association in force in Portugal and abroad, and are approved by the Audit Board. The Board of Directors and the Audit Board consider that the occasional contracting of these services is justified by the External Auditor and Statutory Auditor's accrued experience in the sectors in which the company operates and by the quality of their work, in addition to the careful definition of the scope of services required at the contracting stage, and to the fact that the Audit Board is supported by the analysis and internal opinions of the services.

In the framework of the provision of tax consultancy services and services other than auditing, if any, our auditors have set strict internal rules to guarantee their independence, and these rules have been adopted in the provision of these services and monitored by the Company, in particular by the Audit Board and the Control and Risk Committee.

47. Indication of the annual remuneration paid by the company and/or controlled, controlling or group entities to the auditor and other individuals or organizations belonging to the same network, specifying the percentage relating to the following services:

Services	Company		Group entities (including the company)	
	Amount	Percentage	Amount	Percentage
Value of auditing services	44 675	60.9%	942 354	62.9%
Value of reliability assurance services	28 625	39.1%	219 725	14.7%
Value of tax consultancy services	–	0.0%	–	0.0%
Value of other services other than auditing services	–	0.0%	336 309	22.4%
Total:	**73 300**	**100.0%**	**1 498 388**	**100.0%**

Note: Amounts in Euros

In 2024, services other than auditing services contracted by the Company or controlling entities from the External Auditor or the Statutory Auditor, including by entities belonging to the same corporate group or service network, represented 37% of the total services provided.

C. INTERNAL ORGANIZATION

I. ARTICLES OF ASSOCIATION

48. Rules applicable to amendment of the articles of association (Article 245-A.1.h[38]).

There are no specific rules at Semapa on the amendment of the Articles of Association, and the general supplementary rules contained in the Companies Code therefore apply here.

II. NOTIFICATION OF IRREGULARITIES (WHISTLEBLOWING)

49. Whistleblowing – procedures and policy.

The company adopted a set of Regulations on the Reporting of Irregularities in 2006, which govern the Company's procedures that governing bodies and employees can use to report alleged irregularities in the Company, as published on the company's **website**[39] which can be consulted.

The aforementioned regulation was revised in 2022, as part of the entry into force of the Whistleblower Protection Act – Law no. 93/2021, of 20 December – providing, among other things, for the obligation of certain companies to create internal reporting channels that allow the secure submission and follow-up of complaints, in order to ensure the completeness, integrity and preservation of the complaint, the confidentiality of the identity or anonymity of the whistleblowers and the confidentiality of the identity of third parties mentioned in the complaint, and to prevent access by unauthorised persons. At the beginning of 2024, the Regulation on the Reporting of Irregularities was revised and minor adjustments were made.

The Regulation on the Reporting of Irregularities in force applies to all members of the company's governing bodies and committees, shareholders, employees, candidates in the recruitment process, service providers, contractors, subcontractors, suppliers, volunteers and trainees of the company. Under the terms of these Regulations, the irregularities are communicated through the whistleblower reporting channel available on the company's website. The Corporate Governance and Compliance Department receives and monitors the reports – with the support of other departments and internal committees, except in the case of conflicts of interest, or of external entities – and must inform the Audit Board of all irregularities reported and followed up. Anonymous reporting is also permitted, ensuring in any case that it will be treated confidentially, and that the whistleblower will not be harmed.

In case of conflict of interest of the Corporate Governance and Compliance Department concerning the alleged irregularity, the Audit Board shall be directly responsible for the follow-up of the reported event.

Report processing shall follow a set of rules, as provided in the Regulation on the Reporting of Irregularities in force and which, briefly, provide for an enquiry process that includes the appropriate internal acts for verifying reported irregularities and, when possible, terminating them, as well as the communication of progress to the complainant. The enquiry procedure ends with a proposal to close the case or a proposal to apply the most appropriate measures for the irregularity in question, for assessment and final decision by the Executive Board or by the Board of Directors, if a member of the Executive Board is involved. The final decision will be communicated to the Audit Board and to the Chairman of the Board of Directors, always following, at all times, the rules in the Regulation on Conflict of Interests and Related Party Transactions.

38 Corresponds to the current article 29-H, 1.h of the Portuguese Securities Code.
39 https://www.semapa.pt/wp-content/uploads/2024/04/Regulation-on-Reporting-of-Irregularities.pdf

The Company's Irregularities Reporting Channel, which is managed by an external and independent entity, Deloitte Touche Tohmatsu Limited, which screens the reports submitted and guarantees anonymity and confidentiality, is available at **website**[40] and by telephone to +351 210 427 838. The telephone line refers the complainant to the Irregularities Channel, which will record the details of the complaint.

The internal regulations of the company's bodies and committees also provide for the adoption and compliance with the Regulation on the Reporting of Irregularities.

It should also be mentioned that, since 2002, the company has had a set of Ethical Principles in force, as approved by the Board of Directors, which lay down rules and principles of conduct that apply to employees and members of corporate bodies. Its personal scope of application was broadened to include members of committees, representatives and service providers under the review carried out in 2023, which then changed name to the Code of Ethics and Conduct and has also been published on the company's **website**[41].

In particular, this document establishes the duty of diligence, requiring professionalism, zeal and responsibility, the duty of loyalty, which in relation to the principles of honesty and integrity is especially geared to safeguard conflicts of interest, and the duty of confidentiality, in relation to the treatment of inside information.

The document also establishes duties of corporate social responsibility, namely of environmental conservation and protection by all shareholders, thus ensuring that the reporting duties and of equal and fair treatment are fulfilled.

The Code of Ethics and Conduct which, by the end of 2018, had expressly enshrined the commitment to respect and promote human rights, and to combat money laundering and corruption, currently reinforces respect for competition legislation, since the revision of 2023. In early 2024, the Code of Ethics and Conduct was revised again in order to extend the duties set out therein in terms of personal data protection, cybersecurity and emerging technologies, namely artificial intelligence.

Semapa has also had a Code of Good Conduct for Preventing and Combating Harassment in force since 1 October 2017, setting out specific rules designed to prevent and combat any type of harassment in the workplace, without prejudice to other rules of conduct applicable. This code was reviewed in 2022 to accommodate changes to the Regulation on the Reporting of Irregularities.

The company has also had a Tax Policy since 2022, which seeks to ensure full compliance with tax obligations by Semapa and the other companies in the Group, in all jurisdictions in which they operate. This Policy is in line with the Group's corporate development strategy and adjusted to the economic substance of its activity, and the tax effects of the transactions undertaken are one of many economic reasons underlying the Group's management decisions.

Furthermore, the company adequately and effectively discloses its tax policy on the company's **website**[42], reviewing it whenever deemed appropriate, and ensures that internal procedures are set up and implemented through adequate and regular supervision of its tax practices, with the involvement of its corporate bodies, always with the aim of minimising potential risks when decisions on tax issues are made.

In addition to the revisions to the existing Policies mentioned above, in 2023 the Board of Directors also approved a set of policies aimed at reinforcing the company's commitment to the sustainability objectives and guaranteeing minimum safeguards, namely the Human Rights Policy, the Corruption Prevention Policy and the Policy for the Prevention of Money Laundering and Financing of Terrorism, which are published on the company's **website**[43].

40 https://www.semapa.pt/en/investors/corporate-governance/irregularities-reporting-channel/
41 https://www.semapa.pt/wp-content/uploads/2024/04/Code-of-Ethics-and-Conduct.pdf
42 https://www.semapa.pt/wp-content/uploads/2023/12/Tax-Policy-2.pdf
43 https://www.semapa.pt/en/investors/corporate-governance/articles-of-association-regulations-and-policies/

Lastly, as mentioned above in this report, in 2024 the company carried out training in Ethics and Conduct, the main aim of which was to strengthen its commitments made in the Code of Ethics and Conduct, the Human Rights Policy, the Corruption Prevention Policy and the Policy for the Prevention of Money Laundering and Terrorist Financing, along with the review of the performance of the Irregularities Reporting Channel and its regulations.

III. INTERNAL CONTROL AND RISK MANAGEMENT

50. People, bodies or committees responsible for internal audits and/or implementation of internal control systems.

Although the Company has no specific independent structure for internal audits, the internal control – which comprises the risk management and compliance functions – is conducted by the Board of Directors and through an internal committee with special responsibilities in this area – the Control and Risk Committee – the Audit Board and the External Auditor and Statutory Auditor being responsible for oversight and monitoring of the internal control system, including of the efficiency of these systems. These bodies and the Control and Risk Committee shall also identify and propose all necessary changes. The Audit Board is entitled to an opinion on the activities performed by the Control and Risk Committee and Semapa's departments in this framework, on the resources allocated to the internal control system, and may propose the adjustments deemed necessary in this context. It is also the recipient, where available, of the reports and opinions made by those services when they concern matters related to financial reporting, identification or resolution of conflicts of interest and detection of potential illegalities and irregularities.

Additionally, the corporate universe represented by most of the Group's workers, and which concerns the holding's main subsidiaries, The Navigator Company and Secil, is covered by separate auditing systems with organisational units having special auditing responsibilities. The company thus considers that these internal control systems, implemented by the bodies and committees mentioned before, are suitable for the company's specificities and size and the complexity of the risks from its activity.

Thus, the decision not to have a special department in this area is due to Semapa's simplified administrative structure as a holding company and the way risk control is carried out in the company's Group.

In the course of 2023, a Corporate Governance and Compliance department was also created, with the functions described above in paragraph 21.

51. Description of the lines of command in this area in relation to other bodies or committees; an organizational chart may be used to provide this information.

The lines of command are shown in the organisational chart in paragraph 21 of this report, and the responsibilities of the bodies and committees involved are better described in paragraph 54.

52. Existence of other departments with responsibilities in the field of risk control.

Non-existence of other departments with responsibilities in the field of risk control.

53. Identification of the main risks (economic, financial and legal) to which the company is exposed in the course of its business.

Risk management is a crucial process in the Semapa Group's business, as it provides a structured approach to identifying, evaluating and analysing potential risk events that could influence the Group's objectives, while identifying mitigation measures in order to mitigate such events and their impact. Semapa's performance as a Holding Company (*SGPS – Sociedade Gestora de Participações Sociais*) is also very much linked to the performance of its subsidiaries.

Semapa's approach, which promotes the autonomy and accountability of the companies in which it holds stakes, results in exposure to a number of risks. These risks not only affect each company individually but can also spread to Semapa itself and other Group companies.

Chapter 2.5 of the Annual Report provides a detailed analysis of all strategic risks and note 11 to the Consolidated Financial Statements provides a detailed analysis of all operational risks, including economic and legal, affecting all segments of the Group's business and the Group overall. The financial risks have been identified and detailed in note 8.1 to the Consolidated Financial Statements.

Strategic risks include *portfolio risk, business risk, reputational capital risk, investment decision making risk, talent risk, legal and regulatory risk in Portugal, external shock risk, fraud risk, raw material access risk, cybersecurity risk, and the risk of non-natural environmental disasters, adverse climatic events, climate transition and ESG performance.*

Operational risks include, among others, *raw material supply, sales price, product demand, competition, customer portfolio concentration, environmental risk, and the cost of energy.*

Financial risks include *exchange rate, interest rate, liquidity and credit risks.*

The aforementioned strategic risks to Semapa and the Group are duly mapped and fully described in chapter 2.5 of the Annual Report monitored throughout the year and the subject of a risk report approved annually by the Board of Directors as best described in paragraph 54 below.

The risk report identifies and characterises the main risks to which the company and the Group are subject, the various risk contexts in which each company operates, the metrics for impact assessment and the likelihood that they will occur, the risk monitoring and follow-up procedures, and the measures to be adopted for their mitigation, with the approval of a plan of activities and concrete measures to be implemented the following year.

Semapa, together with its Subsidiaries, is also working on analysing and mapping existing mitigation measures, any additional mitigation measures that may be required and the impacts and opportunities with regard to new strategic risks, as a result of the Dual Materiality Analysis conducted under the ESRS Standards, covering environmental, social and governance issues. It is therefore expected to continue throughout the 2025 financial year.

54. Description of the process of identification, assessment, monitoring, control and risk management.

As far as risk management is concerned, Semapa has been consolidating its risk management and control system, which comprises processes that cover the entire risk life cycle, once the risk is identified, assessed, then monitored, reviewed, addressed and reported, in accordance with good practices and the COSO – Committee of Sponsoring Organisations of the Treadway Commission and ISO 31000 standards, and taking into account the recommendations of the Corporate Governance Code issued by the Portuguese Corporate Governance Institute (IPCG) and the Portuguese Securities Market Commission (CMVM).

Semapa and its subsidiaries follow an annual risk monitoring model that involves several stages:

• *Collecting and filling in information on risks*: detailed information is collected on each risk. This information is recorded on separate sheets describing the risk and monitoring of existing mitigation measures, namely through an exercise for assessing the effectiveness of existing mitigation measures;

• *Discussion and approval of risk sheets*: risk sheets are discussed and reviewed. All relevant information is checked and the mitigation strategies must be approved;

• *Development of Key Risk Indicators*: Semapa and its subsidiaries have developed Key Risk Indicators(KRIs) to enable continuous monitoring of risks and anticipation of events that could cause significant disruption.

In brief, the Group is committed to managing risks proactively, ensuring that mitigation measures are effective and that adverse events are identified and dealt with in a timely manner.

Accordingly, the risk-taking policy approved by Semapa's Board of Directors defines the type of risks Semapa is willing to take in order to achieve its business goals and strategy, and is in line with Semapa's key material topics, ensuring consistency in the risk management and control system.

The governance model established for risk monitoring and management is tailored to Semapa's structure, defines the areas of intervention, and assigns responsibility to the various parties involved in the risk management and control system.

The Board of Directors is responsible for defining the overall risk strategy, which is supervised by the Audit Board. The Control and Risk Committee – whose powers are set out in paragraphs 21 and 29 – is responsible for controlling and monitoring through the aforementioned system, making it possible to promote, monitor and assess the risk framework and measures already in place and needed for mitigating such risks.

It is worth noting that risk control is also particularly important in each of the Company's main subsidiaries. The nature of the risks and the degree of exposure vary from company to company, and each subsidiary therefore has its own independent system for controlling the risks which it is subject to.

The external audit to Semapa and the companies controlled by it in 2024 was conducted by KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. The company's External Auditor and Statutory Auditor verifies, in particular, the effectiveness and functioning of the internal control mechanisms through the information provided to it by the company bodies and their committees, especially the Control and Risk Committee, and by exercising the other competences resulting from the law in this area, including the rules relating to the Remuneration Report. The respective conclusions are reported by the External and Statutory Auditors to the Audit Board, which then reports and discusses them with the Board of Directors.

The internal control systems implemented, including the risk management function, have proven to be effective, and no situations have so far arisen which have not been duly guarded against or expressly accepted in advance as controlled risks. As stated above, in addition to its own powers in this field and in order to safeguard against the acceptance of excessive risks by the Company, the Board of Directors created the Control and Risk Committee which, in accordance with the responsibilities defined by the Board of Directors, is responsible for assuring internal control and risk management.

The Audit Board in turn is responsible for overseeing and assessing every year the effectiveness of the internal control system, including the risk management and compliance functions, proposing adjustments to the existing system whenever necessary, while the Control and Risk Committee is responsible for implementing these adjustments. Finally, it should be noted that this system is monitored and overseen at all times by the Board of Directors, which has ultimate responsibility for the company's internal activities.

In this context, the company approved the risk management and control system at the meeting of the Board of Directors held at the beginning of 2019. This system, which results every year in a risk report, namely sets the objectives and thresholds in issues of risk-taking and identifies the likelihood of such risks occurring and their impacts, which provides for the assessment of the degree of internal compliance and the performance of the risk management system, and addresses changes to the previous risk framework. It also approved the instruments and measures to be adopted with a view to their mitigation, providing the follow-up procedures for monitoring these risks. In terms of setting the levels of risk that the company is willing to accept, Semapa has adopted and follows a policy of risk-taking when doing business, endeavouring to operate in accordance with the defined level of risk.

The 2023 annual risk report was adopted at a meeting of the Board of Directors in April 2024, and the 2024 annual risk report shall be adopted together with this Report. Its content is described in paragraph 53 above.

The Audit Board, which plays a particularly important role in this area, with all the powers resulting directly from the law and from the Audit Board's Regulations, provided its opinion on, and assessed the aforementioned risk management and control system and the annual risk report before they were adopted by the Board, and has also followed up on the monitoring of these risks at the meetings that the Audit Board and the Control and Risk Committee and the Executive Board held in the year, until the respective annual Risk Report is issued.

The Audit Board took prior note of the strategic guidelines approved in December 2024 by the Board of Directors, alongside Semapa's investment strategy approved in January 2023 and its update approved by the Board of Directors in January 2025.

The Audit Board also oversaw the progress of the work carried out by the Control and Risk Committee in 2024. In this context, the Audit Board, in conjunction with the Control and Risk Committee and, where necessary, with the company's management, has been implementing periodic control mechanisms and procedures to ensure that the risks that the company runs are consistent with the objectives set by the management body. Such procedures include **(i)** holding meetings regularly in the year with the other corporate bodies and committees with powers in this area, in particular to assess the findings and reliability of the risk monitoring model, to discuss and monitor the model and the Key Risk Indicators and risk sheets, some of these meetings being attended by the external consultant who assists Semapa in this process, and **(ii)** engaging with the parties involved in the risk management system, requesting checks and clarification whenever necessary and appropriate.

The responsibilities of the Group's organisational units or management bodies are set and enshrined in the following diagram:

MANAGERS	SCOPE OF ACTIVITY	RESPONSIBILITIES
Board of Directors	Overall risk strategy	– Adopts the **governance model** and the **policy for risk assumption*** – Adopts a **risk table** and the change outlook – Adopts **mitigation strategy for high risks and critical risks (top risks)*** – **Promotes a culture of risk** in the Group and **ensures that it is followed***
Audit Board	Risk supervision	– Monitors, assesses and **expresses its opinion on the risk policy*** – **Evaluates risk management** (monitors effectiveness)* – **Verifies risks** actually incurred **against the risk policy***
Control and Risk Committee	Risk control and monitoring	– Proposes **governance model, risk assumption policy and risk management processes** – Proposes **mitigation strategy for top risks** – Evaluates possible **changes to the risk table** – Fosters **periodic risk assessment** – Supports the **identification of risk mitigation measures** – Monitors, assesses and expresses its opinion on **risk mitigation plans** – Draws up the **risk management report**
Executive Board	Semapa risk management	– **Approves risk management** processes – **Identifies, characterises and assesses risks within the defined risk** framework – **Identifies and implements risk mitigation measures** – **Designs** / updates and submits the **Semapa risk mitigation plan** – **Approves risk mitigation plan for subsidiaries** – **Informs** the Control and Risk Committee **on risk developments**
	Risk management in Subsidiaries	– **Identifies, characterises and assesses risks within the defined risk** framework – **Identifies and implements risk mitigation measures** – **Designs** / updates and submits the **risk mitigation plan** – **Informs** the Control and Risk Committee **on risk developments**

* according to the IPCG Corporate Governance Code.

55. Main elements of the internal control and risk management systems implemented in the company with regard to the process of disclosure of financial information (Article 245-A.1 m[44]).

The disclosure of financial information is the responsibility of the market relations officer and, where applicable, it falls to the Audit Board, the Control and Risk Committee and the External and Statutory Auditors to assess the quality, reliability and completeness of the financial information approved by the Company's Board of Directors and drawn up by the Financial and Accounts Director.

The process of preparing financial information is subject to an internal control system and to rules, which are designed to assure that the accounting policies adopted by the company are properly and consistently applied and that the estimates and judgements used in preparing this information are reasonable.

With regard to internal control procedures for the process of disclosing financial information, the Company has implemented rules, which are intended to assure that disclosures are made in good time and to mitigate the risk of unevenness in the information provided to the market.

IV. INVESTOR SUPPORT

56. Office responsible for investor support, composition, functions, information provided and contact details.

The investor support service is provided by an office reporting to the Financial Director of the Company, Susana Coutinho. This office is adequately staffed and enjoys swift access to all bodies, committees and departments of the Company, and where necessary and according to the procedures laid down and the limits provided by law, of the Group's companies, in order to ensure an effective response to requests, and also to produce, process and transmit relevant information to shareholders, investors and other stakeholders, as well as to financial analysts and to the market in general, in due time and without any inequality, pursuant to applicable legal and regulatory terms.

Susana Coutinho can be contacted through the email address **investors@semapa.pt** or on the company's general telephone numbers (+351 21 318 47 00). All public information regarding the company can be accessed by these means. It should be noted, in any case, that the information most frequently requested by investors is available at the Company's **website**[45], and it generally concerns information about the Semapa Group, the Company's business, corporate governance and financial information.

57. Market relations officer.

The market relations officer is Susana Coutinho.

58. Information on the number of enquiries received in the period or pending from previous periods, and enquiry response times.

Semapa receives various types of enquiries, which are normally answered within 24 hours of receipt, although some enquiries, because of their breadth, scope or complexity, necessarily take longer to process. There are also specific times of the year when Semapa receives more enquiries, in particular in the run-up to General Meetings and the payment of dividends, when response times may sometimes be longer. There are no enquiries pending from previous years.

44 Corresponds to the current article 29-H, 1.l of the Portuguese Securities Code.
45 https://www.semapa.pt/en/

V. WEBSITE

Description	Website address
59. Semapa Website	https://www.semapa.pt/en/
60. Address where information is provided on the company's name, public company status, registered office and other information required by Article 171 of the Companies Code.	https://www.semapa.pt/en/contact-us/
61. Address where the articles of association and rules of procedures of company boards and/or committees can be consulted.	https://www.semapa.pt/en/investors/corporate-governance/articles-of-association-regulations-and-policies/
62. Address where information is provided on the identity of company officers, market relations officer, the Investor Support Office or equivalent structure, respective powers and responsibilities and contact details.	https://www.semapa.pt/en/investors/corporate-governance/corporate-bodies/ https://www.semapa.pt/en/contact-us/
63. Address for consultation of financial statements and reports, which must be accessible for no less than five years, together with the six-monthly corporate diary, disclosed at the start of each semester, including, amongst other things, General Meetings, disclosure of annual, half-yearly and, if applicable, quarterly accounts.	https://www.semapa.pt/en/investors/financial-information/ https://www.semapa.pt/en/investors/calendar-of-events/
64. Address where notice of general meetings is posted, together with all preparatory information and subsequent information related to meetings.	https://www.semapa.pt/en/investors/general-meetings/
65. Address for consultation of historical files, with resolutions adopted at the company's General Meetings, the share capital represented and the results of votes, for the past 3 years.	https://www.semapa.pt/en/investors/general-meetings/

D. REMUNERATIONS AND THE REMUNERATION REPORT

In accordance with Article 26-G.8 of the Securities Code, Semapa has chosen to include the Remuneration Report for Semapa's management and supervisory bodies in this chapter of the Corporate Governance Report, thereby including in the relevant sections of this chapter the information required to comply with the aforementioned legal provision.

The Remuneration Report submitted for appraisal at the Annual General Meeting held in 2024, which considered the financial statements for 2023, including the management report, the separate and consolidated balance sheet and accounts, the corporate governance report, which contains the Remuneration Report and the consolidated non-financial statement (sustainability information), was approved by 99.884 per cent of the capital present or represented, and no clarifications were requested from the shareholders in relation to it at the meeting.

I. POWERS TO DETERMINE REMUNERATION

66. Indication of powers to set the remuneration of company officers, members of the executive board or managing director and the company managers.

Powers to determine the remuneration of the Board of Directors and the Audit Board lie with the Remuneration Committee.

Powers to determine the remuneration of company managers lie with the Board of Directors.

II. THE REMUNERATION COMMITTEE

67. Composition of the remuneration committee, including identification of individuals or organizations contracted to provide support, and declaration regarding the independence of each member and adviser.

In 2024, the Remuneration Committee consisted of Maria Eduarda Faria e Maia de Oliveira Luna Pais, Chairman, and the members João do Passo Vicente Ribeiro and Carlota Infante da Câmara Albergaria Caldeira.

The company considers that all members of the Remuneration Committee are independent.

The Remuneration Committee does not hire staff to assist it. The Committee may freely hire the company that will provide the consultancy services deemed necessary or convenient for the performance of its duties, within the company's budgetary limits, as it has done in the past. Consequently, it must ensure that the services are provided independently and that its providers are not employees of the company itself or of companies that are in a control or group relationship with it, for providing the company with any other services related to the Remuneration Committee's duties without the Committee's express authorisation. The company considers the Remuneration Committee to be independent of the Board, since all of its members are independent.

The Remuneration Committee provides all information or clarifications to the shareholders of the company in the respective Annual General Meetings or in any other general meeting if its agenda includes a matter related to the remuneration of the members of the corporate bodies and committees or if the shareholders require its presence, through the presence of at least one of its members. That was the case at the annual General Meeting of 24 May 2024, which was attended by all members.

68. Expertise and experience of the members of the remuneration committee in the field of remuneration policy.

Two members of the Remuneration Committee, Eduarda Luna Pais and Carlota Albergaria Caldeira, have extensive knowledge and experience in remuneration policy.

Eduarda Luna Pais was a consultant at Egon Zehnder for several years, and later Office Leader and Partner at this leading executive recruitment firm. She has extensive experience and deep knowledge of the assessment processes and criteria for recruiting senior managers, as well as the associated remuneration packages.

Carlota Albergaria Caldeira in turn has developed strong expertise in human resource consultancy for several years, namely Human Capital and Leadership Services, with a greater focus on managing executive search projects (national and international markets), assessments and salary benchmarks, having worked for companies such as Heidrick & Struggles, Jason Associates, Argo Talents and Mercer. At the Nova School of Business & Economics she performed functions as advisor and later as head of corporate relations for recruitment, to which she returned years later and where she is currently working in the area of People & Culture. Currently, as an independent consultant, she develops human resource projects across the board.

III. REMUNERATION STRUCTURE

69. Description of the remuneration policy for members of the management and supervisory bodies as referred to in Article 2 of Law no. 28/2009, of 19 June[46].

The remuneration policy for the management and supervisory bodies ("Remuneration Policy") for 2024, drawn up by the Remuneration Committee, was approved at the Annual General Meeting of 30 April 2021, for the period 2021 to 2024, and the first amendment to the Remuneration Policy was approved at the Annual General Meeting held on 18 May 2023 – by a majority of 99.51% of the share capital present or represented – in order to strengthen its alignment with the sustainability and the preservation of Semapa's long-term interests, in line with good market practices.

The Remuneration Policy in force is provided as Annex II hereto, and there have been no deviations from the procedure for applying the approved Remuneration Policy or derogations thereof.

46 Articles 26-A and following of the Securities Code.

70. Information on how remuneration is structured in order to align the interests of members of the management body with the long term interests of the company, and on how it is based on performance assessment and discourages excessive risk-taking.

The way in which the remuneration of company officers has been structured and how it is based on the executive directors' performance in 2024 follows clearly the model and principles – duties performed, the company's economic stance and market criteria – of the Remuneration Policy of Semapa's managing and audit bodies' members, specifically paragraphs 1 and 2.2. to which we make reference. Paragraph 24 above describes the process and the bodies in charge of assessing the executive directors' performance.

The remuneration system in place at Semapa, reflected in the Remuneration Policy, supports its business strategy and, in the long term, ensures the alignment of the interests of members of the management body with those of the Company and its sustainability, in particular since **(i)** the remuneration is sought to be fair and equitable within the scope of the principles set out and **(ii)** the assessment criteria and indicators defined by the Remuneration Committee are aligned with the company's strategic objectives, which together with the annual and multi-annual variable remuneration component – linking the payment of part of the variable remuneration to the achievement of certain long-term objectives – contribute to the alignment of the performance of the members of its governing bodies with the company's long-term interests and sustainability.

Concerning remuneration: **(i)** the remuneration of the members of the Board of Directors consists of a fixed component, corresponding to an annual amount, payable twelve times a year and, for the Executive Directors, it also includes a contingent variable component that may correspond to a percentage not exceeding five percent of the net profit for the previous year in accordance with the Company's articles of association, the variable component also including an annual component and a multiannual component; **(ii)** the remunerations of the members of the Audit Board shall consist of a fixed annual amount paid twelve times a year, and **(iii)** the remuneration of the officers of the General Meeting consists only of a fixed amount based on the meetings actually held.

The variable annual component of remuneration of the executive directors is based on the target amount applied to each director and is paid according to the individual's performance and performance of the company that meet the expectations and the criteria set previously. The target amount is weighted by the aforementioned principles – market, specific functions, state of the company – , in particular comparable market circumstances in positions equivalent in function. Actual performance compared to the expectations and goals, which determine target variations against a set of quantitative and qualitative KPIs of the company's performance (general business indicators weighing 65%) and of the relevant director (specific objectives weighing 20% and behavioural indicators that weigh 15%).

The general business indicators include, in particular, EBITDA (accounting for 35%), net profit (accounting for 10%), cash flow (accounting for 10%) and Total Shareholder Return vs. Peers (accounting for 10%). The behavioural indicators guide the alignment of the executive directors with the existing leadership model and the long-term interests of the Company. With this system, it is possible to guarantee that Semapa has no discretionary variable remuneration. The specific objectives always include ESG indicators, such as the findings of the annual climate survey in the Company.

The performance criteria mentioned in the previous paragraph are applied mathematically for their quantitative part – based on the values of the business plans approved by the Board of Directors, and at the end of each period these commitments are compared with the actual income – and using value assessments for the qualitative part.

The multi-year variable remuneration introduced after review of the Remuneration Policy in 2023 seeks to encourage executive directors to align their activities with Company's long-term sustainable interests by setting multi-year objectives and deferring a portion of the variable remuneration, which is then linked to the Company's performance and the achievement of targets over the period. Under this long-term incentive, the total amount to be distributed to executive board will correspond to a percentage of the Value Created for Shareholders (value created above a minimum annual rate decided at the beginning of each mandate), related to the financial and ESG objectives met.

This multi-year incentive is currently linked to compliance with Semapa's Strategic Plan 2023/2027 and will take into account the following indicators: Total Shareholder Return ≧ KPI defined, Total Shareholder Return ≧ Peers, EBITDA Variation ≧ KPI set and CO_2 Emissions ≦ KPI set.

On the environmental side, the introduction of a KPI – CO_2 Emissions – related to sustainability, which is in line with the concerns regarding compliance with the carbon roadmap laid down in the Strategic Plan, is worthy of note.

The long-term incentive may include an individual assessment of the performance of executive directors, to be carried out by the Remuneration Committee, in consultation with other stakeholders that the Committee deems appropriate to involve.

The multi-annual incentive corresponds to three-year plans for the duration of the directors' terms, with the exception of the first plan for 2023/2024, corresponding to the last years of the current mandate.

An independent external body will monitor the Incentive, calculate the results obtained and the amounts to be paid.

At the end of each period, the final assessment is conducted and the amount payable is determined, after the accounts of the last financial year included in the period have been cleared. This multi-annual component of the variable remuneration is paid in cash, **(i)** 75% by the end of the first half of the year following the closure of the reference period and **(ii)** 25% deferred for one year. However, there will be no deferral if the amount to be paid is less than 20 per cent of the annual fixed remuneration for the reference period.

In addition to the statutory limit on management's share of profits for the year, the company also has mechanisms in place to limit variable compensation: **(i)** the variable – annual and multiannual – remuneration is eliminated in the event of the results showing a significant deterioration in the company's performance in the last reporting period or when such deterioration may be expected in the period underway and **(ii)** the amount of the annual variable component attributable is capped at 1.8 times the target, and **(iii)** the multiannual variable remuneration may not exceed 175% of the fixed component of the years to which the Incentive concerns, to prevent good performance at one time, with immediate remuneration benefits for the management, from being obtained to the detriment of good performance in the future. The annual and multi-annual remuneration is subject to reasonable adjustments related to exogenous factors and unforeseen economic decisions, as decided in advance by the Remuneration Committee.

The nature of the indicators, their weight in determining actual variable remuneration, the deferred payment of part of the multi-annual remuneration and the limits on the application of variable remuneration create a remuneration model based on recognising merit against the actual performance of the Company and discouraging excessive risk-taking, whilst helping to implement the strategy defined by Semapa and ensuring that the interests of the executive directors are aligned with the Company's long-term interests.

71. Reference, if applicable to the existence of a variable remuneration component and information on any impact on this from performance assessments.

The remuneration of executive directors includes a variable component, which depends on an assessment of the performance, as described in the previous paragraph and in the Remuneration Policy, in particular paragraph 2.2 2. Paragraph 24 above describes the process and the bodies in charge of assessing the executive directors' performance.

With regard to the performance appraisal carried out in 2024, concerning 2023, the individual and qualitative component of the performance appraisal had a considerable impact of 35% (specific objectives, with a weight of 20%, and behavioural indicators, with a weight of 15%), as provided for in paragraphs 3 and 7 of Chapter IV of the Remuneration Policy previously in force.

In the case of non-executive directors, it should be noted that although it is only a fixed part, it can be differentiated according to the accumulation of increased responsibilities, namely through the performance of duties in specialised committees.

The revised 2023 Remuneration Policy also provides for the possibility of demanding the return of variable remuneration already paid, without prejudice to the applicable legal regime, if, by final court decision, the company or, directly, members of the company's Executive Board, are held responsible for unlawful and malicious acts of management that require review of their financial statements or the recording of asset decreases to the disadvantage of the company. In this case, the Remuneration Committee may, at its discretion and by means of a resolution, demand the executive directors to pay back the variable remuneration for the period corresponding to the reported facts or another period considered relevant, with a view to compensating the company for the harm caused.

The remuneration of the members of the Audit Board does not have a variable component, and the remuneration of the Chairman of the Audit Board is higher than that of the other board members, taking into account the special functions performed by him/her.

72. Deferred payment of the variable component of remuneration, indicating the deferral period.

The multi-annual variable remuneration of the executive directors introduced in the revised 2023 Remuneration Policy, which corresponds to a long-term incentive associated with the fulfilment of the objectives set for the three-year term of the board of directors, helps to reinforce the alignment of the executive directors' performance with the long-term sustainable interests of the company and to guarantee such sustainable performance, through the deferral of part of the variable remuneration which is thus associated with the company's performance and the achievement of objectives in that period.

Furthermore, the payment of this multi-annual component of the variable remuneration **(i)** will be 75 per cent by the end of the first six months following the end of the reference period and **(ii)** will be deferred by 25 per cent for one year. However, there will be no deferral if the amount to be paid is less than 20 per cent of the annual fixed remuneration for the reference period.

The Remuneration Policy therefore provides for a mechanism to defer part of the variable remuneration for a period of three years, which is thus linked to the company's performance and the achievement of objectives during that period (with the exception of the first period, 2023/2024, as it corresponds to the final years of the current mandate), and deferred payment of such component of the remuneration.

The variable remuneration system in place at Semapa is described in greater detail in paragraphs 69 and following above.

73. Criteria applied in allocating variable remuneration in shares and on the continued holding by executive directors of these shares, on any contracts concluded with regard to these shares, specifically hedging or transferring risk, the respective limits and the respective proportion represented of total annual remuneration.

At Semapa, the variable remuneration has no component consisting of shares.

74. Criteria applied in allocating variable remuneration on options and indication of the deferral period and the price for exercising options.

At Semapa, the variable remuneration has no component consisting of options.

75. Main parameters and grounds for any annual bonus system and any other non-cash benefits.

The criteria for setting annual bonuses are those related to the variable remuneration, as described in paragraph 2.2.2 of the Remuneration Policy, and in paragraphs 25 and 70 above.

In addition to the variable component that may be paid to the executive directors, no other non-cash benefits are paid to directors and auditors, without prejudice to the means made available to them for the performance of their duties and a personal health and accident insurance policy in line with market practices.

76. Main features of complementary or early retirement schemes for directors and the date of approval by the General Meeting, on an individual basis.

There are no complementary or early retirement schemes for directors currently in place in the company. Nevertheless, Frederico José da Cunha Mendonça e Meneses receives a monthly pension, because he exercised an option under the expiry of a past pension scheme for directors.

At present, this is the only pension which Semapa pays. It is a lifelong monthly pension paid 12 months per year, for which the following is provided: (i) the transferability of half of its value to the surviving spouse or minor or disabled children and (ii) mandatory deduction from this pension either the value of remunerated services later delivered to Semapa or controlled companies, or the value of pensions that the beneficiary is entitled to receive from the national social insurance scheme concerning the same period of service. On 31 December 2024, Semapa's liability with this pension is € 473 495.13, as mentioned in Note 7.3 to the Consolidated Financial Statements and Note 7.2 to the Separate Financial Statements.

IV. DISCLOSURE OF REMUNERATION

77. Indication of the annual remuneration earned at the company, on an aggregate and individual basis, by the members of the company's management body, including fixed and variable remuneration and, in relation to the latter, reference to the different components.

Below we specify the remunerations paid in 2024 paid to the members of the Company's management body, distinguishing between fixed and variable and relative weights, remuneration, though the variable remuneration was paid in 2023 but refers to performance in 2024, but without a breakdown of the different components of the latter, insofar as it is set as a whole, taking into account the factors described in the Remuneration Policy, without identifying components.

Board of Directors	Fixed Remuneration		Variable Remuneration	
	Amount	Relative percentage	Amount	Relative percentage
Executive Board				
Ricardo Miguel dos Santos Pacheco Pires	672 756.00	54.04%	572 080.38	45.96%
Vítor Paulo Paranhos Pereira	327 024.00	39.17%	507 945.77	60.83%
Subtotal	**999 780.00**	**–**	**1 080 026.15**	**–**
Non-Executive Directors				
José Antônio do Prado Fay	400 020.48	100%	–	–
Filipa Mendes de Almeida de Queiroz Pereira	77 825.04	100%	–	–
Mafalda Mendes de Almeida de Queiroz Pereira	77 825.04	100%	–	–
Lua Mónica Mendes de Almeida de Queiroz Pereira	77 825.04	100%	–	–
António Pedro de Carvalho Viana-Baptista	128 305.08	100%	–	–
Paulo Lameiras Martins	77 825.04	100%	–	–
Subtotal	**839 625.72**	**–**	**–**	**–**
Total	**1 839 405.72**	**–**	**1 080 026.15**	**–**

Note: Amounts in Euros

The table above specifies the annual amount paid to the members of the Board of Directors during the performance of their duties.

The tables below detail, for the purposes of Article 26-G.2.c of the Securities Code, the annual variations over the last five fiscal years of the compensation paid individually by the Company to the members of the Board of Directors, as well as the average compensation of the Company's full-time equivalent employees, and the Company's performance indicators confirmed:

Board of Directors		2020	2021	2022	2023	2024
António Pedro de Carvalho Viana-Baptista	Fixed Remuneration	128 305	128 305	128 305	128 305	128 305
	Variation in %	0.0%	0.0%	0.0%	0.0%	0.0%
Carlos Eduardo Coelho Alves	Fixed Remuneration	77 825	77 825	27 500	–	–
	Variation in %	0.0%	0.0%	-64.7%	–	–
Filipa Mendes de Almeida de Queiroz Pereira	Fixed Remuneration	77 825	77 825	77 825	77 825	77 825
	Variation in %	0.0%	0.0%	0.0%	0.0%	0.0%
Francisco José Melo e Castro Guedes	Fixed Remuneration	77 825	77 825	47 259	–	–
	Variation in %	0.0%	0.0%	-39.3%	–	–
Heinz-Peter Elstrodt	Fixed Remuneration	275 149	–	–	–	–
	Variation in %	-20.8%	–	–	–	–
João Nuno de Sottomayor Pinto de Castello Branco	Fixed Remuneration	761 199	925 763	–	–	–
	Variable Remuneration	546 953	769 537	846 366	–	–
	Variation in %	-9.8%	29.6%	-50.1%	–	–
José Antônio do Prado Fay[47]	Fixed Remuneration	243 524	400 021	400 021	400 021	400 020
	Variation in %	89.0%	64.3%	0.0%	0.0%	0.0%
José Miguel Pereira Gens Paredes	Fixed Remuneration	129 817	–	–	–	–
	Variable Remuneration	381 541	–	–	–	–
	Variation in %	-42.1%	–	–	–	–
Lua Mónica Mendes de Almeida de Queiroz Pereira	Fixed Remuneration	77 825	77 825	77 825	77 825	77 825
	Variation in %	0.0%	0.0%	0.0%	0.0%	0.0%
Mafalda Mendes de Almeida de Queiroz Pereira	Fixed Remuneration	77 825	77 825	77 825	77 825	77 825
	Variation in %	0.0%	0.0%	0.0%	0.0%	0.0%
Paulo Miguel Garcês Ventura	Fixed Remuneration	-	–	–	–	–
	Variable Remuneration	143 449	–	–	–	–
	Variation in %	-79.6%	–	–	–	–
Paulo José Lameiras Martins	Fixed Remuneration	–	–	46 479	77 825	77 825
	Variation in %	–	–	–	67.4%	0.0%
Ricardo Miguel dos Santos Pacheco Pires[48]	Fixed Remuneration	315 970	315 970	650 000	661 378	672 756
	Variable Remuneration	462 202	586 133	643 077	838 141	572 080
	Variation in %	-10.9%	15.9%	43.3%	16.0%	-17.0%
Vítor Manuel Galvão Rocha Novais Gonçalves	Fixed Remuneration	77 825	77 825	27 500	–	–
	Variation in %	0.0%	0.0%	-64.7%	–	–
Vítor Paulo Paranhos Pereira[49]	Fixed Remuneration	289 445	315 970	315 970	321 497	327 024
	Variable Remuneration	–	582 159	634 657	763 596	507 946
	Variation in %	125.6%	210.3%	5.8%	14.1%	-23.1%

Note: Amounts in Euros

47 José Antônio do Prado Fay was appointed Chairman of the Board of Directors with effect from 30 July 2020.
48 Ricardo Miguel dos Santos Pacheco Pires was appointed CEO of Semapa, with effect from 1 January 2022.
49 Vitor Paulo Paranhos Pereira initiated executive functions on 1 March 2020.

Company Employees		2020	2021	2022	2023	2024
Total Remuneration	Average Remuneration	66 243	77 188	88 387	97 623	133 173
	Variation in %	-22.7%	16.5%	14.5%	10.4%	36.4%

Note: Amounts in Euros

Group Performance		2020	2021	2022	2023	2024
EBITDA	Million euros	419.3	508.7	894.2	672.1	702.7
	Variation in %	-13.9%	21.3%	75.8%	-24.8%	4.06%
EPS (Income per Share)	Euros/action	1.333	2.481	3.845	3.061	2.914
	Variation in %	-13.4%	86.1%	55.0%	-20.4%	-4.8%

78. Amounts paid on any basis by other controlled, controlling or group companies or companies under common control.

It should be clarified that the amounts referred to in this paragraph do not relate only to companies controlled by Semapa. They also include amounts over which Semapa and its officers have no control, as they are the concern of its major shareholders.

At other companies in a control relationship or subject to common control, the Directors Filipa Mendes de Almeida de Queiroz Pereira earned 70 749.96 euros, José Antônio do Prado Fay earned 99 999.96 euros, Lua Mónica Mendes de Almeida de Queiroz Pereira earned 70 749.96 euros, Mafalda Mendes de Almeida de Queiroz Pereira earned 70 749.96 euros. It is clarified that the members of the Board of Directors did not have earnings in other companies in a group relationship with Semapa, based on the definition of group in Article 2.1.g of Decree-Law no. 158/2009, of 13 July, in accordance with the provisions of Article 26-G.2.d of the Securities Code.

79. Remuneration paid in the form of profit sharing and/or payment of bonuses, and the grounds on which these bonuses are paid and/or profit is shared.

The amount of the remuneration paid by Semapa in the form of profit-sharing and/or payment of bonuses corresponds to the variable remuneration referred to in paragraph 77 of this report, the amounts of which were determined by the Remuneration Committee based on the implementation of the criteria described in paragraph 2.2.2 of the Remuneration Policy.

80. Compensation paid or owing to former executive directors in relation to termination of their directorships during the period.

No compensation was paid, nor is foreseen or due to former executive directors for termination of their directorships.

81. Indication of the annual remuneration earned, on an aggregate and individual basis, by the members of the company's supervisory body, for the purposes of Law 28/2009, of 19 June.

Audit Board	Fixed Remuneration		Variable Remuneration	
	Amount	Relative percentage	Amount	Percentage
José Manuel Oliveira Vitorino	30 000.00	100%	–	–
Gonçalo Nuno Palha Gaio Picão Caldeira	21 840.00	100%	–	–
Maria da Graça Torres Ferreira da Cunha Gonçalves[50]	6 188.00	100%	–	–
Maria da Luz Gonçalves de Andrade Campos[51]	15 045.33	100%	–	–
Total	**75 985.33**	**–**	**–**	**–**

Note: Amounts in Euros

50 Maria da Graça Torres Ferreira da Cunha Gonçalves served as a member of the Audit Board until 12 April 2024.
51 Maria da Luz Gonçalves de Andrade Campos served as an alternate for the Effective Member from 23 April 2024 until her appointment as a full member of the Audit Board at the company's General Meeting held on 24 May 2024.

The table below shows, for the purposes of Article 26-G.2.c of the Securities Code, the annual variation over the last five fiscal years of the remuneration paid by the Company to each member of the Audit Board:

Audit Board		2020	2021	2022	2023	2024
José Manuel Oliveira Vitorino	Fixed Remuneration	22 000	22 000	26 756	30 000	30 000
	Variation in %	0.0%	0.0%	21.6%	12.1%	0.0%
Gonçalo Nuno Palha Gaio Picão Caldeira	Fixed Remuneration	16 000	16 000	19 472	21 840	21 840
	Variation in %	0.0%	0.0%	21.7%	12.2%	0.0%
Maria da Graça Torres Ferreira da Cunha Gonçalves[52]	Fixed Remuneration	16 000	16 000	19 472	21 840	6 188
	Variation in %	0.0%	0.0%	21.7%	12.2%	-71.7%
Maria da Luz Gonçalves de Andrade Campos[53]	Fixed Remuneration	–	–	–	–	15 045
	Variation in %	–	–	–	–	–

Note: Amounts in Euros

82. Indication of remuneration earned in the reporting period by the Chairman of the General Meeting

In 2024, the Chairman of the General Meeting earned a fixed remuneration of 5 000 euros.

V. AGREEMENTS WITH REMUNERATION IMPLICATIONS

83. Contractual limits for compensation payable for the unfair dismissal of directors and the respective relationship with the variable remuneration component.

Semapa has no contract with directors limiting or otherwise altering the supplementary legal rules on fair or unfair termination; the Remuneration Policy provides that, where directors resign, the supplementary legal rules will apply in this respect.

Therefore, considering the absence of individual contracts with directors in this regard and the provisions of the above-mentioned Remuneration Policy, where the removal of a director is not due to serious breach of their duties nor to their unfitness for the normal exercise of their functions, the company is obliged to pay compensation in accordance with the general terms of the law, although such compensation shall not exceed the value of the remuneration they would presumably have received through to the end of their term of office.

Dismissal before the expiry of the mandate does not entitle the director, either directly or indirectly, to compensation beyond the statutory amounts.

It should also be noted that in 2024 financial year, no amounts were paid in connection with the termination of office, in any capacity, of members of company bodies or committees.

84. Reference to the existence and description of agreements between the company and directors or managers, as defined by Article 248-B.3 of the Securities Code, which provide for compensation in the event of resignation, dismissal without due cause or termination of employment contract as a result of a change of control of the company, indicating the amounts involved (Article 245.-A.1.l[54])).

There are also no agreements between the company and the company officers or managers providing for compensation in the event of resignation, unfair dismissal or redundancy as the result of a takeover.

52 Maria da Graça Torres Ferreira da Cunha Gonçalves served as a member of the Audit Board until 12 April 2024.
53 Maria da Luz Gonçalves de Andrade Campos served as an alternate for the Effective Member from 23 April 2024 until her appointment as a full member of the Audit Board at the company's General Meeting held on 24 May 2024.
54 Corresponds to the current article 29-H, 1.k of the Portuguese Securities Code.

VI. STOCK OR STOCK OPTION PLANS

85. Identification of plan and beneficiaries.

The company has no stock or stock option plans.

86. Description of plan (terms of allocation, non-transfer of share clauses, criteria on the price of shares and the price of exercising options, the period during which the options may be exercised, the characteristics of the shares to be distributed, the existence of incentives to purchase shares and/or exercise options).

Not applicable.

87. Stock option rights allocated to company employees and staff.

Not applicable.

88. Control mechanisms in an employee ownership scheme insofar as voting rights are not directly exercised by employees (Article 245-A.1.e[55])).

There is no employee ownership scheme in Semapa.

E. RELATED PARTY TRANSACTIONS CONFLICTS OF INTEREST

I. CONTROL MECHANISMS AND PROCEDURES

89. Procedures implemented by the company for controlling related party transactions (reference is made for this purpose to the concept deriving from IAS 24) and Conflicts of Interest.

The company has a Regulation of Conflicts of interests and related party transactions, which establishes the rules that govern conflicts of interest and related party transactions to which the company is a party, in addition to the internal mechanisms that the company has in place to ensure compliance with the international accounting standard (IAS) 24 (Related Party Disclosures). It is applicable without prejudice to the Company's obligations and of its Directors concerning Inside Information, the legal framework of company business with directors and the internal Regulation on the Reporting of Irregularities and other relevant legislation. The regulation was amended in 2020 due to the changes arising from Law 50/2020 of August 25 and, more recently, to accommodate recommendations, by resolution of the Board of Directors of 3 November 2021, with a favourable and binding opinion of the Audit Board, and now they include the applicable legal and regulatory framework in force on this matter.

This regulation is available at the company's **website**[56].

According to the Regulation on Conflicts of interests and related party transactions, the transactions between the company and related parties, qualified as such in accordance with the international accounting standards adopted under Regulation (EC) no. 1606/2002 of the European Council and Parliament of July 19, namely IAS 24 (Related Party Disclosures), are subject to the following approval procedures:

55 Corresponds to the current article 29-H, 1.e of the Portuguese Securities Code.
56 https://www.semapa.pt/wp-content/uploads/2023/12/Regulation-of-Conflict-of-Interest-and-Related-Parties-Transactions-VF.pdf

The following transactions are approved by the Executive Board:

a) Loans granted to the company by shareholder companies with a value of less than or equal to one hundred million euros;

b) Transactions under the taxation regime for company groups, with a value of less than or equal to one hundred million euros;

c) Transactions with controlled companies that consolidate accounts with the company, with an individual or accumulated annual value of less than or equal to two percent of the controlled company's revenue, assessed according to the latest approved annual accounts;

d) Loans to controlled companies that have consolidated accounts with the company and, thus, holds their debt, (i) with a maturity of less than six months, (ii) individual or cumulative annual value of less than one fifth of the controlled company's revenue, assessed according to the latest approved annual accounts and not exceeding one hundred million euros and (iii) as long as the controlled company ensures credit lines for the reimbursement of the operation, and

e) All other transactions with an individual or cumulative annual amount of less than or equal to one million euros.

Transactions that (i) do not fall within the scope of the previous sub-paragraphs, or (ii) fall within these sub-paragraphs, but are not carried out as part of the company's current business, are adopted by resolution of the Board of Directors, preceded by the Audit Board's approval.

Under the terms of the aforementioned regulation, only transactions carried out under market conditions and in full respect of the justified interest of the company shall be permitted.

Concerning reporting, oversight and approval of transactions with related parties, the regulation provides that:

i. The Board of Directors must be informed biannually of the resolutions concerning related party transactions which they were not a party to.

ii. The Audit Board must be informed of the transactions that the company carries out for the purpose of verifying the compliance of the transactions with the regime described above and with the applicable laws and regulations, and the related parties may not participate in such verification;

iii. The Directors of the company who intervene in the formalisation of transactions must ensure that such transactions are previously submitted to the regime provided in the regulation and in the applicable laws and regulation; and

iv. The Executive Board is responsible for overseeing the formalisation and the implementation of decisions concerning transactions.

The company will disclose the transactions which are required to be disclosed under the laws and applicable regulations, in particular because they have not met any of the requirements legally provided for and according to their respective amount, under the terms and by the date provided in the applicable legislation and regulations.

The regulation will not apply to the transactions that are considered exempt by the applicable laws and regulations.

Concerning the procedures applicable to conflicts of interest, the regulation provides for a conflict situation where the Director is in a position that, in objective terms, may compromise his independence and influence his interests that are different to those of the Company, either financial or other, own or other, and for the appropriate prevention, identification and resolution, the Director must:

a) Report the existence of, real or potential, conflict of interest to their superiors, or, in the case of a member of a collegial body, to the body in question in the terms of the relevant rules of procedure; and

b) Refrain from interfering or participating where there is conflict of interest, and where a decision must be taken, have noted such impediment in the minutes or other written document where the decision is laid down, without preju-dice to the duty to provide all information and clarification which the relevant company body and its members may request.

Furthermore, all rules of procedures of the governing bodies and internal committees include provisions on conflicts of interest aligned with the rules described before.

90. Indication of transactions subject to control during reporting period.

In 2024, there were the related party transactions that have been identified in the information on related party transactions in Note 10.4 to the consolidated accounts and Note 10.2 to the separate financial statements, which were analysed and approved in line with the new Regulation on Conflicts of Interests and Related Party Transactions.

In 2024, in compliance with the Regulation on Conflict of Interest and Related Party Transactions, the Board of Directors informed the Audit Board of all transactions carried out for the purpose of verifying the compliance of such transactions with the provisions in clause four of the aforementioned Regulation and with applicable legislation and regulations, the Audit Board having carried out such check.

91. Description of the procedures and criteria applicable to intervention by the supervisory body for the purposes of prior assessment of transactions to be carried out between the company and qualifying shareholders or related entities, under Article 20 of the Securities Code.

The procedures and criteria are as described in items 89 and 90 above.

II. DETAILS OF TRANSACTIONS

92. Indication of the place in the financial reports and account where information is available on related party transactions, in accordance with IAS 24, or, alternatively, reproduction of this information.

Information on related party transactions is contained in Note 10.4 to the consolidated financial statements and Note 10.2 to the separate financial statements.

PART II
ASSESSMENT OF CORPORATE GOVERNANCE

1. IDENTIFICATION OF THE CORPORATE GOVERNANCE CODE ADOPTED

Semapa adopted the Corporate Governance Code of the Portuguese Corporate Governance Institute (IPCG), revised in 2023, in conformity with the Regulation of the Portuguese Securities Market Commission (CMVM Regulation no. 4/2013).

The Code adopted is disclosed by the IPCG and may be consulted on their website.

2. ANALYSIS OF COMPLIANCE WITH THE ADOPTED CORPORATE GOVERNANCE CODE

The following table indicates the recommendations adopted and not adopted. For the recommendations adopted, we indicate only the place in the report where detailed information is provided. For recommendations not adopted, information is provided below on the respective grounds for non-adoption and any alternative measures taken.

#	Adoption	Text	Reference
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.			
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.			
I.1	Adopted	The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives and what are the main contributions resulting herefrom for the community at large.	Part I, item 21
I.2	Adopted	The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental and social objectives.	Part I, item 21

II – COMPOSITION AND FUNCTIONING OF THE CORPORATE BODIES

II.1 Information

Principles:
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.

II.1.1.	Adopted	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.	Part I, item 21 and items 55 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.

II.2.1.	Adopted	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.	Part I, item 16
II.2.2.	Adopted	The management and supervisory bodies and their internal committees are governed by regulations – notably regarding the exercise of their powers, chairmanship, the frequency of meetings, operation and the duties framework of their members – fully disclosed on the website of the company, whereby minutes of the respective meetings shall be drawn up.	Part I, items 21, 22, 27, 29, 34 and 61
II.2.3.	Adopted	The composition and 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.	Part I, items 23, 29 and 35
II.2.4.	Adopted	The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication and an internal reporting channel that also includes access for nonemployees, as set forth in the applicable law.	Part I, item 49
II.2.5.	Adopted	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.	Part I, items 16, 21, 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.

II.3.1	Adopted	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.	Part I, item 21
I.3.2.	Adopted	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.	Part I, items 21 and 29

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.			
II.4.1.	Adopted	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.	Part I, item 89
II.4.2.	Adopted	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.	Part I, item 89
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.			
II.5.1.	Adopted	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.	Part I, item 38 and items 89 to 91
III. SHAREHOLDERS AND GENERAL MEETING			
Principles: 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.			
III.1	Adopted	The company does not set an excessively large number of shares to be entitled to one vote and informs in the corporate governance report of its choice whenever each share does not carry one vote.	Part I, items 12 and 13
III.2	Not applicable	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.	Part I, items 12 and 13
III.3	Adopted	The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that foreseen by law.	Part I, item 14
III.4	Adopted	The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.	Part I, item 12
III.5	Adopted	The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.	Part I, item 12
III.6	Not applicable	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.	Part I, items 5 and 13

III.7	Adopted	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.	Part I, item 4

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.

IV.1.1.	Adopted	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; (ii) organisation and coordination of the corporate structure; iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved.	Part I, item 21
IV.1.2.	Adopted	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.	Part I, items 26 and 27

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.

IV.2.1.	Adopted	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 nonexecutive 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.	Part I, item 18
IV.2.2.	Adopted	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.	Part I, item 18
IV.2.3.	Adopted	The number of non-executive directors is greater than the number of executive directors.	Part I, item 18

IV.2.4.	Not adopted	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.	Explanation of recommendations not adopted below
IV.2.5.	Not applicable	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).	Part I, item 18

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.

V.1.	Adopted	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.	Part I, items 38 and 54
V.2.	Adopted	The number of members of the supervisory body and of the financial matters committee should 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 should be included in the corporate governance report.	Part I, item 31

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.

VI.1.1.	Adopted	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.	Part I, items 24 and 25

VI.2. Remunerations

Principle:
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.

VI.2.1.	Adopted	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 Commercial Companies Code.	Part I, items 66 and 67
VI.2.2.	Adopted	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.	Part I, items 29, 66, 67 and Annex II
VI.2.3.	Adopted	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 amounts of all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	Part I, item 83
VI.2.4.	Adopted	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 shareholders.	Part I, item 67
VI.2.5.	Adopted	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.	Part I, item 67
VI.2.6.	Adopted	The remuneration committee ensures that such services are provided independently.	Part I, item 67
VI.2.7.	Adopted	The providers of said services are not hired by the company itself or by any com-pany 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.	Part I, item 67
VI.2.8.	Adopted	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.	Part I, items 70 and 71
VI.2.9.	Adopted	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.	Part I, items 72 and Annex II
VI.2.10.	Not applicable	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.	Part I, items 73 and 74
VI.2.11.	Adopted	The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.	Part I, item 71

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.			
VI.3.1.	Adopted	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.	Part I, item 16
VI.3.2.	Not adopted	The committee for the appointment of members of corporate bodies includes a majority of independent directors.	Explanation of recommendations not adopted below
VI.3.3.	Not adopted	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.	Explanation of recommendations not adopted below
VI.3.4.	Not applicable	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.	Part I, item 29
VII. 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.			
VII.1.	Adopted	The management body discusses and approves the strategic plan and risk policy of the company, which includes setting limits in matters of risk-taking.	Part I, items 29 and 54
VII.2.	Adopted	The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body.	Part I, items 21, 29, 50 and 54
VII.3.	Adopted	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.	Part I, items 21, 29, 53 and 54
VII.4.	Adopted	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 t and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary.	Part I, items 38, 50 and 54
VII.5.	Adopted	The company establishes procedures of 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.	Part I, item 54
VII.6.	Adopted	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, **(ii)** the probability of their occurrence and respective impact, **(iii)** the instruments and measures to be adopted in order to mitigate such risks, and **(iv)** the monitoring procedures, aimed at following them up.	Part I, items 53 and 54
VII.7.	Adopted	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.	Part I, item 21

VII.8.	Adopted	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.	Part I, item 21
VII.9.	Adopted	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.	Part I, item 29
VII.10.	Adopted	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.	Part I, items 38 and 50
VII.11.	Adopted	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.	Part I, item 50

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.

VIII.1.1.	Adopted	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.	Part I, item 38

VIII.2. Statutory audit of accounts 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.

VIII.2.1.	Adopted	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.	Part I, item 38
VIII.2.2.	Adopted	The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports, 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.	Part I, item 38
VIII.2.3.	Adopted	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.	Part I, item 38

EXPLANATION OF RECOMMENDATIONS NOT ADOPTED:

RECOMMENDATION IV.2.4.

This recommendation states that "The number of non-executive directors who fulfil the independence requirements must be plural and may not be less than one third of the total number of non-executive directors. (...)"

In the course of the 2024 financial year, as best described in paragraph 18 of this report, the Board of Directors included only one non-executive director who fulfilled the independence requirement. Consequently, the recommended threshold of one third was not met and recommendation IV.2.4 was not complied with.

However, the company finds that the proportion of independent directors mentioned is adequate and consistent with a fully independent performance of the Board of Directors and sufficient to ensure the effective supervision, evaluation and oversight of the activity of the other members of the management body.

In effect, considering the profile, age, background and professional experience and, above all, independent judgement and the integrity demonstrated by the members of the Board of Directors, the company finds that the current proportion between dependent and independent non-executive directors, established through formal criteria of assessment of independence, is perfectly adjusted to the nature and size of the company, considering, in particular, that it is a family-owned company, with a stable capital structure, and taking into account the complex inherent risks of its business.

In conclusion, there is real independence of the board, thus meeting the objectives proposed by this recommendation.

RECOMMENDATION VI.3.2.

Recommendation VI.3.2. states that "The nomination committee consists of a majority of independent directors."

Although Semapa's Talent Committee is composed of a majority of non-executive directors, none of them is independent. The members of the committee were appointed with an emphasis on the diversity in profiles (age, gender, qualifications, experience and professional backgrounds), while ensuring unbiased analysis and decision capability and proven integrity.

The company considers that this diversity of profiles, combined with the fact that the Talent Committee uses, whenever necessary, market studies and analysis of comparable situations within the Group, is enough to ensure that its analyses are aligned with the best practices and strengthen independent and unbiased decision-making.

RECOMMENDATION VI.3.3.

Recommendation VI.3.3 states that "A nomination committee is mandated to oversee and support the appointment of senior managers, unless this is not justified by the company's size."

Semapa must be regarded individually as a holding company with a simplified administrative structure and a small number of departments and employees, which is why the size of the company does not justify the appointment of a committee for monitoring and supporting the appointment of holders of management positions.

Considering the size of Semapa this task falls under the Executive Board, although the Talent Committee may present recommendations on the Group's managers.

3. ADDITIONAL INFORMATION

There are no other disclosures or additional information which would be relevant to an understanding to the governance model and practices adopted.

ANNEX I
DISCLOSURES REQUIRED BY ARTICLE 447 OF THE COMPANIES CODE

(with regard to fiscal year 2024)

1. Company securities held by company officers, as described in paragraph 1 of Article 447 of the Companies Code:

None.

2. Company securities in a controlling or group relationship to Semapa held by company officers, as described in paragraphs 1 and 2 of Article 447 of the Companies Code:

Undivided estate of Maria Rita de Carvalhosa Mendes de Almeida de Queiroz Pereira, with company directors Filipa Mendes de Almeida de Queiroz Pereira, Mafalda Mendes de Almeida de Queiroz Pereira and Lua Mónica Mendes de Almeida de Queiroz Pereira as parties concerned – 1 000 shares in The Navigator Company, S.A.

3. Securities issued by the company and controlled companies held by companies in which directors and auditors hold corporate office:

Cimo – Gestão de Participações, SGPS, S.A. – 38 959 431 shares in the company, 1 000 shares in Secil – Companhia Geral de Cal e Cimento, S.A. and 5 000 shares in ETSA – Investimentos, SGPS, S.A.

Sodim, SGPS, S.A. – 27 508 892 shares in the company.

Target One Capital, S.A. – 375 175 shares in Sodim, SGPS, S.A.

Keytarget Investments – Consultoria e Investimentos, S.A. – 375 175 shares in Sodim, SGPS, S.A.

Premium Caeli, S.A. – 375 174 shares in Sodim, SGPS, S.A.

4. Acquisition, disposal, encumbrance or pledge of securities issued by the company, controlled companies or companies in the same group by company officers and the companies referred to in 2 and 3:

There were no acquisitions, disposals, encumbrances or pledges of securities issued by Semapa or by companies in a control or group relationship made by members of the governing bodies or by the companies referred to in paragraphs 2 and 3 above.

5. Transactions in own shares:

In 2024 Semapa neither acquired nor disposed of any shares in its own capital.

ANNEX II
REMUNERATION POLICY

"REMUNERATION POLICY

OF THE DIRECTORS AND THE AUDITORS

OF SEMAPA

(2021 TO 2024)

The Remuneration Committee of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. ("Semapa") has analysed and reviewed the Remuneration Policy for its directors and auditors in force from 2021 to 2024 and adopted at Semapa's Annual General Meeting of 2021, in view of strengthening its alignment with sustainability and preserving Semapa's long-term interests in line with good market practices.

The remuneration policy is the exclusive responsibility of the Remuneration Committee, which has three members, all independent from the Board. According to the law, it must be approved by the General Meeting at least every four years and whenever a relevant change occurs, as was the case with this Policy.

In its work, namely in determining, reviewing and applying the Policy, the Remuneration Committee complies with applicable legislation and Semapa's current policies and regulations, namely the regulation on Conflicts of Interest and Related Party Transactions, which sets out rules for preventing, identifying and resolving conflicts of interest between the Company and its managers.

1. General Principles

This Remuneration Policy is founded on the following general principles that guide the setting of the remuneration of the governing bodies:

a) *Duties performed.*

The duties performed by each member of the governing bodies cover both the functions in a formal sense and the duties in the broader sense of the concrete level of responsibility of the position held, considering different criteria, such as the commitment and time dedicated, the nature, size, complexity, and skills required for the function, or the added value to the company that results from a specific intervention or institutional representation.

The fact that time is spent by the officer on duties performed in other controlled companies also cannot be taken out of the equation, due to the added responsibility this represents and to the existence of another source of income.

b) *The state of the company's affairs.*

The size of the company and the inevitable complexity of the related management responsibilities are clearly relevant aspects of the economic situation, understood in the broadest sense. These aspects have implications for the need to suitably remunerate directors holding high managerial duties, considering the size and complexity of the business models.

c) *Market criteria.*

It is essential to be able to attract, develop and retain the best professionals. Consequently, the Remuneration Policy must competitive and appealing in order to ensure the legitimate interests of individuals are aligned with Semapa's interests and the creation of sustainable value for shareholders.

Given its characteristics and size, the market criteria and practices to be taken into account are, in Semapa's case, both national and international. In order to keep up to date with these practices, Semapa regularly uses market research and benchmarking.

In this context, the different components of the directors' remunerations are calculated at least based on the remuneration of the directors of the Portuguese companies listed on the PSI Index, while also taking into account, at each moment, the remuneration conditions applied in other companies with characteristics similar to those of Semapa.

The remuneration system in place at Semapa, in particular this Policy, contributes to the implementation of the business strategy of Semapa and, in the long term, to the alignment of the interests of members of the management body with those of the Company and its sustainability, in particular for the reasons set out below.

Firstly, because the remuneration is intended to be fair and equitable in the light of the principles set out, and secondly, because it lays down the evaluation criteria (indicators defined by the Remuneration Committee), which are aligned with the Company's own strategic objectives. Such indicators, in addition to the annual and multi-annual variable remuneration component set – by tying the payment of the variable remuneration in with the achievement of certain long-term objectives – also help align the performance of the members of its corporate bodies with the long-term interests and sustainability of the Company.

The alignment between this Policy and the remuneration scheme and employment conditions of Semapa employees is assured, given that both remuneration systems are based on the same General Principles set out in this Remuneration Policy, in particular the market conditions in the reference markets for the duties performed. Furthermore, the annual variation of the compensation paid individually by the Company to the members of the Board of Directors, as well as the average compensation of the company's full-time equivalent Employees is analysed.

Accordingly, this policy aligns Semapa with market best practices on remuneration, and with the recommendations of the IPCG Governance Code.

2. Board

2.1. Non-Executive Directors

The remuneration of non-executive directors shall comprise only a fixed component of an annual amount, paid 12 times per year, which may vary according to the piling on of added responsibilities, e.g. committee and specialised committee members, or a fixed amount per Board meeting attended.

The remuneration of non-executive members of the Board of Directors does not include components dependent on the performance of the Company or on its value.

2.2. Executive Directors

The remuneration of the Executive Directors consists of – fixed and variable – components, the latter comprising an annual and a multi-annual variable component.

2.2.1. Fixed Remuneration

The remuneration of the executive Directors consists of a fixed component, corresponding to an annual amount payable 12 times per year.

2.2.2. Variable Remuneration

The variable remuneration of the executive directors is contingent, and may amount, globally, to a percentage that does not exceed five per cent of the previous year's net profit, in accordance with the Company's articles of association. It has two components:

- Annual variable remuneration and

- Multi-year variable remuneration

On the annual variable remuneration, the Remuneration Committee decides on this component, and the performance of each executive director is assessed following an internal process lead by the respective person in charge (i.e. the responsibility of the person who manages the team in the case of the members of the Executive Board, and the responsibility of the Chairman of the Board of Directors in the case of the CEO) and with the participation of the non-executive directors that the person in charge deems pertinent to involve.

The Talent Committee is also involved in this process. It is responsible for monitoring the system for assessing management performance and distributing the remuneration, and delivering its opinion on the proposals for individual performance assessment of the executive board.

Finally, the Remuneration Committee must confirm that the factors have been met for the performance evaluation, and ensure the overall consistency of the process by setting the variable remuneration.

The annual variable remuneration is based on the target amount applied to each director and is paid according to the individual's performance and performance of the Company that meet the expectations and the criteria set previously. The target amount is weighted by the aforementioned general principles – market, specific functions, state of the Company – , in particular comparable market circumstances in equivalent functions. Another important factor taken into account when setting the targets is Semapa's option not to provide any stock or stock options plans.

Actual performance compared to the expectations and goals, which determine target variations is weighed against a set of quantitative and qualitative KPIs of the company's performance (which consist of general business indicators weighing 65%) and of the relevant director's performance (which consists of specific objectives weighing 20% and behavioural indicators that account for 15%).

Overall business indicators and their relative weights, which may be adjusted annually up to 5% in relative terms, are as follows:

- EBITDA, accounting for 35%

- Net results, accounting for 10%

- Cash flow, accounting for 10%, and

- Total Shareholder Return vs Peers, accounting for 10%.

The specific objectives always include ESG indicators, such as the findings of the annual Corporate environment survey.

On the other hand, within the behavioural indicators, the alignment of each executive director with the existing leadership model and the long-term interests of the Company is relevant.

The performance criteria mentioned in the previous paragraph are applied mathematically for their quantitative part – based on the values of the business plans approved by the Board of Directors, and at the end of each period these commitments are compared with the actual income – and using value assessments for the qualitative part.

The multi-year variable remuneration introduced in this Policy seeks to encourage executive directors to align their activities with Semapa's long-term sustainable interests by setting multi-year objectives and deferring a portion of the variable remuneration, which is then linked to the Company's performance and the achievement of targets over that period.

Under this long-term incentive, the total amount to be distributed to the executive directors will correspond to a percentage of the Value Created for Shareholders (value created above a minimum annual rate decided at the beginning of each mandate), related to a number of financial and ESG objectives met.

This multi-year incentive is linked to compliance with Semapa's 2023/2027 Strategic Plan and will take into account the following objectives and indicators:

• Total Shareholder Return ≥ KPI defined, and the achievement of this goal is mandatory for the Creation of Value for Shareholders to be deemed as met

• Total Shareholder Return ≥ Peers, being the Peers defined at the beginning of each period of the incentive

• EBITDA variation ≥ KPI defined

• CO_2 emissions ≤ KPI defined

On the environmental side, the introduction of a KPI – CO_2 Emissions – related to sustainability, which is in line with the concerns regarding compliance with the carbon roadmap laid down in the Strategic Plan, is worthy of note.

The Long-Term Incentive may include an individual assessment of the performance of the executive directors, to be ensured by the Remuneration Committee, after hearing the other participants that the Committee deems pertinent to involve.

The multi-annual incentive corresponds to three-year periods coinciding with the duration of the directors' mandates, with the exception of the first period for 2023/2024, corresponding to the last years of the current mandate.

An independent external entity shall be in charge of monitoring the Incentive, assessing the results achieved and the amounts to be paid.

The final assessment and effective determination of the amount to be paid will be carried out at the end of each period, after the calculation of the accounts for the last fiscal year included in the period. Cash payment of this multi-annual component of the variable remuneration **(i)** will be 75% during the first half of the year following the closure of the relevant period and **(ii)** 25% differed for one year. However, amounts payable under 20% of the fixed annual remuneration for the relevant period, must not be deferred.

In addition to the statutory limit on management's share of profits for the year, the Company also has mechanisms in place to limit variable compensation: **(i)** annual and multi-annual variable remuneration is eliminated in the event of the results showing a significant deterioration in the company's performance in the last reporting period or when such deterioration may be expected in the period underway, **(ii)** the amount of the annual variable remuneration attributable has a cap corresponding to 1.8 times the target, and **(iii)** the multi-annual variable remuneration shall not exceed 175% of the fixed component of the years to which the Incentive relates, to prevent good performance at one moment, with immediate remuneration benefits for the Board, from being achieved to the detriment of good performance in the future.

The annual and multi-annual variable remuneration is subject to reasonable adjustments related to exogenous factors and unforeseen economic decisions, as decided in advance by the Remuneration Committee.

The nature of the indicators, their weight in determining actual variable remuneration, the deferred payment of part of the multi-annual remuneration and the limits on the application of variable remuneration create a remuneration model based on recognising merit against the actual performance of the Company and discouraging excessive risk-taking, whilst helping to implement the strategy defined by Semapa and ensuring that the interests of the executive directors are aligned with the Company's long-term interests.

3. Other benefits

In addition to the variable component that may be paid to the members of the management bodies, no other non-cash benefits are paid to directors and auditors, without prejudice to the means made available to them for the performance of their duties and a personal health and accident insurance policy in line with market practices.

4. Other Considerations

There are no agreements, and no such provisions have been defined by this Committee, on payments by Semapa relating to dismissal or termination of Directors' duties. This fact is the natural result of the particular situations existing in the Company, and not a position of principle taken by this Committee against the existence of agreements of this nature. Only the supplementary legal rule in this matter applies here, as established in the Companies Code, which governs the payment to the Directors of any amounts before the end of the mandate.

Similarly, there are no complementary or early retirement arrangements for directors currently in place in the company.

With regard to the obligation to return variable remuneration that has been paid, and without prejudice to the applicable legal provisions, if, by final court decision, Semapa or the members of the Executive Board of Semapa are found liable for unlawful and wilful acts of misconduct resulting in the need to restate its financial statements or to record reductions in the value of assets unfavourable to Semapa, the Remuneration Committee may, at its discretion and by means of a resolution, demand from the executive directors the refund of the variable remuneration in respect of the period when such depreciation of the assets occurred or another period deemed relevant, in order to compensate Semapa for the damage caused.

5. Audit Board

The remuneration of the members of the Audit Board shall consist only of a fixed component, i.e. a fixed annual amount, payable 12 times a year; the remuneration of the Chairman of the Audit Board is higher than that of the other board members, taking into account the special functions performed by him/her.

There are no agreements, and no such provisions have been defined by this Committee, on payments by Semapa relating to dismissal or termination of duties by the Members of the Audit Board.

6. General Meeting

The remuneration of the officers of the General Meeting shall consist of a fixed amount only (as decided) for each meeting held, whereas the remuneration of the second and subsequent meetings held in the same year shall be lower than that of the first general meeting. The remuneration of the Chairman of the General Meeting shall be higher than that of the Secretary, taking into account the greater responsibility of the duties performed.

Lisbon, 24 April 2023

The Remuneration Committee"

DECLARATION REQUIRED UNDER ARTICLE 29-G.1.C OF THE SECURITIES CODE

Article 29-G.1.c of the Securities Code requires that each of the persons responsible for issuers make a number of statements, as described in this article. In the case of Semapa, a standard statement has been adopted, worded as follows:

"I hereby declare, under the terms and for the purposes of Article 29-G.1. c of the Securities Code that, to the best of my knowledge, the management report, annual accounts, legal accounts certificate and other financial statements of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A., for the financial year of 2024, were drawn up in accordance with the relevant accounting rules, and provide a true and fair view of the assets and liabilities, financial affairs and profit or loss of said company and other companies included in the consolidated accounts, and that the management report contains a faithful account of the business, performance and position of said company and other companies included in the consolidated accounts, describing the main risks and uncertainties which they face."

Considering that the members of the Audit Board and the Statutory Auditor sign an equivalent declaration in relation to the documents for which they are responsible, a separate declaration with the above text was signed by the directors only, as it was deemed that only the Company officers fall within the concept of "persons responsible for the issuer". As required by this rule, we provide below a list of the names of the people signing the declaration and their functions in the company:

Name	Function
José Antônio do Prado Fay	Chairman of the Board of Directors
Ricardo Miguel dos Santos Pacheco Pires	Member of the Board of Directors
Vítor Paulo Paranhos Pereira	Member of the Board of Directors
Filipa Mendes de Almeida de Queiroz Pereira	Member of the Board of Directors
Mafalda Mendes de Almeida de Queiroz Pereira	Member of the Board of Directors
Lua Mónica Mendes de Almeida de Queiroz Pereira	Member of the Board of Directors
António Pedro de Carvalho Viana-Baptista	Member of the Board of Directors
Paulo José Lameiras Martins	Member of the Board of Directors


7

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Amounts in Euro	Note	2024	2023
Revenue	2.1	2 849 409 236	2 706 323 930
Other operating income	2.2	235 639 928	205 778 366
Fair value adjustments of biological assets	3.7	(1 046 522)	(6 906 606)
Costs of goods sold and materials consumed	4.1.3	(1 126 450 681)	(1 111 500 450)
Variation in production	4.1.4	7 054 087	(16 210 140)
External services and supplies	2.3	(752 548 892)	(648 546 629)
Payroll costs	7.1	(333 087 309)	(281 972 711)
Other operating expenses	2.3	(176 246 649)	(174 845 783)
Net provisions	9.1	(9 983 552)	(7 646 327)
Depreciation, amortisation and impairment losses in non-financial assets	3.6	(261 852 273)	(224 325 764)
Operating profit/(loss)		**430 887 373**	**440 147 886**
Group share of (losses)/gains of associates and joint ventures	10.3	1 289 849	7 785 162
Financial income and gains	5.11	41 180 427	19 004 314
Financial expenses and losses	5.11	(104 269 413)	(78 139 010)
Net monetary position (gains / (losses))		-	14 455 321
Profit/(loss) before income tax		**369 088 236**	**403 253 673**
Income tax	6.1	(58 768 072)	(67 314 604)
Net profit for the period		**310 320 164**	**335 939 069**
Attributable to Semapa's equity holders		232 735 949	244 507 409
Attributable to non-controlling interests	5.6	77 584 215	91 431 660
Earnings per share			
Basic earnings per share, Euro	5.3	2.914	3.061
Diluted earnings per share, Euro	5.3	2.914	3.061

Lisbon, 03 April 2025.

The Accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in Euro	Note	2024	2023
Net profit for the period without non-controlling interests		**310 320 164**	**335 939 069**
Items that may be reclassified to the income statement			
Hedging derivative financial instruments			
Changes in fair value		2 940 686	(36 992 772)
Tax effect		42 585	9 882 463
Currency translation differences		(10 600 774)	343 415
Other comprehensive income		(230 053)	(3 833 086)
Items that may not be reclassified to the income statement			
Remeasurements of post-employment benefits			
Remeasurements	7.3.11	793 509	4 498 975
Tax effect	7.3.11	(43 903)	(199 707)
Total other comprehensive income (net of taxes)		**(7 097 950)**	**(26 300 712)**
Total comprehensive income		**303 222 214**	**309 638 357**
Attributable to:			
Semapa's equity holders		222 537 829	228 630 609
Non-controlling interests		80 684 385	81 007 748
		303 222 214	**309 638 357**

Lisbon, 03 April 2025.

The Accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in Euro	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Goodwill	3.1	526 679 960	492 387 904
Intangible assets	3.2	599 968 983	556 501 634
Property, plant and equipment	3.3	2 027 202 490	1 859 690 492
Right-of-use assets	3.5	143 374 693	103 494 536
Biological assets	3.7	115 250 198	115 622 249
Investment in associates and joint ventures	10.3	44 755 540	44 175 382
Investment properties	3.9	400 303	504 303
Other financial investments	8.3	87 878 957	48 601 324
Defined benefit assets	7.3	1 347 318	-
Non-current receivables	4.2	25 850 454	57 698 209
Deferred tax assets	6.2	141 411 996	101 622 122
		3 714 120 892	**3 380 298 155**
Current assets			
Inventories	4.1	425 113 568	397 491 182
Current receivables	4.2	655 229 508	585 074 508
Income tax	6.1	33 024 224	29 902 931
Cash and cash equivalents	5.9	501 370 635	281 156 727
		1 614 737 935	**1 293 625 348**
Non-current assets held for sale	3.8	1 008 000	1 008 000
		1 615 745 935	**1 294 633 348**
Total Assets		**5 329 866 827**	**4 674 931 503**
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	5.1	81 270 000	81 270 000
Treasury shares	5.2	(15 946 363)	(15 946 363)
Currency translation reserve	5.5	(212 153 279)	(198 301 800)
Fair value reserves	5.5	12 353 211	9 114 768
Legal reserve	5.5	16 695 625	16 695 625
Other reserves	5.5	1 527 058 683	1 334 549 502
Retained earnings	5.5	(2 312 172)	(463 433)
Net profit for the period		232 735 949	244 507 409
Equity attributable to Semapa's equity holders		**1 639 701 654**	**1 471 425 708**
Non-controlling interests	5.6	338 434 254	335 031 713
Total Equity		**1 978 135 908**	**1 806 457 421**
Non-current liabilities			
Interest-bearing liabilities	5.7	1 255 437 407	1 101 434 680
Lease liabilities	5.8	127 706 402	87 856 956
Pensions and other post-employment benefits	7.3	936 564	1 469 145
Deferred tax liabilities	6.2	284 681 996	249 454 910
Provisions	9.1	71 852 279	61 072 687
Non-current payables	4.3	189 028 288	171 603 097
		1 929 642 936	**1 672 891 475**
Current liabilities			
Interest-bearing liabilities	5.7	337 647 780	191 717 488
Lease liabilities	5.8	23 770 786	16 120 010
Current payables	4.3	993 214 138	935 118 310
Income tax	6.1	67 455 279	52 626 799
		1 422 087 983	**1 195 582 607**
Total liabilities		**3 351 730 919**	**2 868 474 082**
Total Equity and Liabilities		**5 329 866 827**	**4 674 931 503**

Lisbon, 03 April 2025.

The Accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in Euro	Note	Share capital	Treasury shares	Currency translation reserve	Fair value reserves	Legal reserve	Other reserves	Retained earnings	Net profit for the period	Total	Non-controlling interests	Total
Equity as at 1 January 2024		**81 270 000**	**(15 946 363)**	**(198 301 800)**	**9 114 768**	**16 695 625**	**1 334 549 502**	**(463 433)**	**244 507 409**	**1 471 425 708**	**335 031 713**	**1 806 457 421**
Net profit for the period		-	-	-	-	-	-	-	232 735 949	232 735 949	77 584 215	310 320 164
Other comprehensive income (net of taxes)		-	-	(13 851 479)	3 238 443	-	-	414 916	-	(10 198 120)	3 100 170	(7 097 950)
Total comprehensive income for the period		**-**	**-**	**(13 851 479)**	**3 238 443**	**-**	**-**	**414 916**	**232 735 949**	**222 537 829**	**80 684 385**	**303 222 214**
Appropriation of 2023 net profit for the period:												
- Transfer to reserves		-	-	-	-	-	192 509 181	-	(192 509 181)	-	-	-
- Dividends paid	5.4	-	-	-	-	-	-	-	(49 998 228)	(49 998 228)	-	(49 998 228)
- Bonus to employees		-	-	-	-	-	-	2 000 000	(2 000 000)	-	-	-
Acquisition/Disposal to non-controlling interests	5.6	-	-	-	-	-	-	(4 076 061)	-	(4 076 061)	(1 971 252)	(6 047 313)
Dividends paid by subsidiaries to non-controlling interests	5.6	-	-	-	-	-	-	-	-	-	(75 307 900)	(75 307 900)
Total transactions with equity holders		**-**	**-**	**-**	**-**	**-**	**192 509 181**	**(2 076 061)**	**(244 507 409)**	**(54 074 289)**	**(77 279 152)**	**(131 353 441)**
Other movements		-	-	-	-	-	-	(187 594)	-	(187 594)	(2 692)	(190 286)
Equity as at 31 December 2024		**81 270 000**	**(15 946 363)**	**(212 153 279)**	**12 353 211**	**16 695 625**	**1 527 058 683**	**(2 312 172)**	**232 735 949**	**1 639 701 654**	**338 434 254**	**1 978 135 908**

Amounts in Euro	Note	Share capital	Treasury shares	Currency translation reserve	Fair value reserves	Legal reserve	Other reserves	Retained earnings	Net profit for the period	Total	Non-controlling interests	Total
Equity as at 1 January 2023		**81 270 000**	**(15 946 363)**	**(202 244 411)**	**29 889 067**	**16 695 625**	**1 105 635 572**	**990 821**	**307 089 834**	**1 323 380 145**	**310 245 813**	**1 633 625 958**
Net profit/(loss) for the period		-	-	-	-	-	-	-	244 507 409	244 507 409	91 431 660	335 939 069
Other comprehensive income (net of taxes)		-	-	3 942 611	(20 774 299)	-	-	954 888	-	(15 876 800)	(10 423 912)	(26 300 712)
Total comprehensive income for the period		**-**	**-**	**3 942 611**	**(20 774 299)**	**-**	**-**	**954 888**	**244 507 409**	**228 630 609**	**81 007 748**	**309 638 357**
Appropriation of 2022 net profit/(loss) for the period:												
- Transfer to reserves		-	-	-	-	-	228 913 930	-	(228 913 930)	-	-	-
- Dividends paid	5.4	-	-	-	-	-	-	-	(75 875 904)	(75 875 904)	-	(75 875 904)
- Bonus to employees		-	-	-	-	-	-	-	(2 300 000)	(2 300 000)	-	(2 300 000)
Acquisition/disposal of non-controlling interests		-	-	-	-	-	-	(4 706 077)	-	(4 706 077)	4 137 119	(568 958)
Dividends paid by subsidiaries to non-controlling interests	5.6	-	-	-	-	-	-	-	-	-	(60 362 686)	(60 362 686)
Total transactions with equity holders		**-**	**-**	**-**	**-**	**-**	**228 913 930**	**(4 706 077)**	**(307 089 834)**	**(82 881 981)**	**(56 225 567)**	**(139 107 548)**
Other movements		-	-	-	-	-	-	2 296 935	-	2 296 935	3 719	2 300 654
Equity as at 31 December 2023		**81 270 000**	**(15 946 363)**	**(198 301 800)**	**9 114 768**	**16 695 625**	**1 334 549 502**	**(463 433)**	**244 507 409**	**1 471 425 708**	**335 031 713**	**1 806 457 421**

Lisbon, 03 April 2025.

The Accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in Euro	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3 086 511 372	3 012 944 612
Payments to suppliers		(2 177 885 202)	(2 118 615 427)
Payments to employees		(251 739 754)	(219 433 886)
Cash flow from operations		656 886 416	674 895 299
Income tax received/ (paid)		(68 919 983)	(155 110 324)
Other receipts / (payments) relating to operating activities		(35 921 697)	20 641 538
Cash flows from operating activities (1)		**552 044 736**	**540 426 513**
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Financial investments		3 550 106	328 804
Property, plant and equipment		8 219 038	1 632 245
Government grants		5 463 527	1 583 248
Interest and similar income		2 091 570	2 875 704
Dividends of associates and joint ventures	10.3	2 687 127	3 230 179
		22 011 369	9 650 180
Outflows:			
Investments in subsidiaries	1.2	(150 779 060)	(229 509 377)
Other financial investments		(34 878 884)	(32 780 730)
Property, plant and equipment		(302 033 028)	(263 463 752)
Intangible assets		(512 538)	(528 856)
		(488 203 510)	(526 282 715)
Cash flows from investing activities (2)		**(466 192 141)**	**(516 632 535)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Interest-bearing liabilities	5.10	907 541 700	1 159 414 144
Other financing operations	5.10	48 480 946	31 809 398
		956 022 646	1 191 223 542
Outflows:			
Interest-bearing liabilities	5.10	(617 746 010)	(1 295 035 429)
Amortisation of finance lease agreements	3.5	(30 006 896)	(26 159 738)
Interest and similar expense		(56 025 606)	(37 977 353)
Dividends and other reserves		(95 394 766)	(136 214 994)
Capital increase in subsidiaries	5.6	(1 592 725)	-
Other financing operations	5.10	(12 118 879)	(20 113 561)
		(812 884 882)	(1 515 501 075)
Cash flows from financing activities (3)		**143 137 764**	**(324 277 533)**
CHANGES IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		**228 990 359**	**(300 483 555)**
Effect of exchange rate differences		(8 776 451)	1 171 097
Effects of hyperinflation on cash and cash equivalents		-	(13 178 646)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5.9	**281 156 727**	**593 396 576**
Impairment		-	251 255
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5.9	**501 370 635**	**281 156 727**

Lisbon, 03 April 2025.

The Accompanying notes form an integral part of these consolidated financial statements.

1 INTRODUCTION

The following symbols are used in the presentation of the Notes to the financial statements:

ACCOUNTING POLICIES
This symbol indicates the disclosure of accounting policies specifically applicable to the items in the respective Note.

ACCOUNTING ESTIMATES AND JUDGEMENTS
This symbol indicates the disclosure of the estimates and/or judgements made regarding the items in the respective Note. Significant estimates and judgements are indicated in Note 1.6.

REFERENCE
This symbol indicates a reference to another Note or another section of the Financial Statements were more information about the items disclosed is presented.

1.1 THE SEMAPA GROUP

The SEMAPA Group (Group) comprises Semapa — Sociedade de Investimento e Gestão, SGPS, S.A. (Semapa), whose name has remain unchanged for the period, as well as that of its subsidiaries. Semapa, located at Av. Fontes Pereira de Melo, 14, 10.º Piso, Lisboa was incorporated on 21 June 1991 and its corporate purpose is to manage holdings in other companies as an indirect form of performing economic activities. The Company has been listed on Euronext Lisbon since 1995 with ISIN PTSEM0AM0004 and LEI code 549300HNGOW85KIOH584.

Company:	Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.
Head Office:	Av. Fontes Pereira de Melo, 14, 10.º Piso, Lisboa | Portugal
Country:	Portugal
Legal Form:	Public Limited Company
Share Capital:	Euro 81 270 000
TIN:	502 593 130
Parent company:	Sodim, SGPS, S.A.

Semapa leads an Enterprise Group with activities in distinct business segments, namely, pulp and paper, cement and derivatives, and other businesses developed respectively through its subsidiaries The Navigator Company ("Navigator" or "Navigator Group") in the case of pulp and paper, Secil – Companhia Geral de Cal e Cement, S.A. ("Secil" or "Secil Group") in the case of cement and derivatives and ETSA – Investimentos, SGPS, S.A. ("ETSA" or "ETSA Group") and Triangle's Cycling Equipments, S.A. (Triangle's) in the case of other businesses. Semapa also holds a venture capital business unit, carried out through its subsidiary Semapa Next, S.A., whose objective is to promote investments in start-ups and venture capital funds with high growth potential.

A more detailed description of the Group activity in each business line is disclosed in Note 2.1 – Revenue and segment reporting.

Semapa is included in the consolidation perimeter of Sodim — SGPS, S.A., which is its parent company and the final controlling entity.

In turn, Filipa Mendes de Almeida de Queiroz Pereira, Mafalda Mendes de Almeida de Queiroz Pereira and Lua Mónica Mendes de Almeida de Queiroz Pereira, by virtue of the combination of a shareholders' agreement relating to Sodim and their respective direct and indirect shareholdings in the share capital of this company, have joint control over Sodim and Semapa, each of them and Sodim being attributed, in accordance with the provisions of Article 20 of the Portuguese Securities Code, 83.221% of the non-suspended voting rights relating to shares representing the share capital of Semapa.

1.2 RELEVANT EVENTS OF THE PERIOD

ACCOUNTING POLICIES

BUSINESS COMBINATIONS

Under IFRS 3 (Business Combinations), the acquirer must recognise and measure in its consolidated financial statements the assets acquired and liabilities assumed in a business combination at fair value on the acquisition date. The difference between the acquisition price and the fair value of the assets and liabilities acquired gives rise to the recognition of goodwill or a gain resulting from a bargain purchase.

The fair value of the assets acquired and liabilities assumed is determined either internally or through independent external valuers, using the discounted cash flow method, replacement cost or other techniques for determining fair value, which are based on the use of assumptions including macroeconomic indicators such as inflation rates, interest rates, exchange rates, discount rates, energy sales and purchase prices, the cost of raw materials, production estimates and business forecasts. Consequently, determining fair values and goodwill or gains resulting from bargain purchases is subject to different assumptions and judgements, and therefore changes could result in different impacts on profit or loss.

ACQUISITION OF ACCROL GROUP'S UNITED KINGDOM CONSUMER TISSUE BUSINESS

On 24 May 2024, the Group, through its subsidiary Navigator, concluded a public takeover bid, in the form of a "Recommended Firm Cash Offer", for the entire share capital of Accrol Group Holdings Plc, currently Navigator Tissue UK Group, a company based in Blackburn, England, which holds nine subsidiaries, five of which operational.

As part of its diversification and growth strategy, the acquisition of the Accrol Group, a leading player in the UK tissue market (4th in the ranking), provided additional capacity to the tissue business segment, with a production and converting capacity of 131 thousand tonnes based on 5 sites: Blackburn (rolls and facials); Leicester (rolls); Leyland (rolls); Flint (wet wipes) and Bridgewater (wet wipes).

Following the entry into the British market through the acquisition of the main independent Group in the tissue paper processing sector, whose competitive advantages and values are aligned with those of the Group, sales volume and EBITDA benefited from the integration of Accrol on 1 May 2024.

With this acquisition, the Group expects a number of synergies in the Tissue segment, as well as an increase in its market share by accessing the Accrol Group's customer portfolio, namely in markets where it intends to strengthen its presence, as well as a reduction in costs through economies of scale.

In the eight months to 31 December 2024, the Accrol Group contributed to sales in the amount of Euro 142 690 517, to EBITDA in the amount of Euro 7 991 873 and to the Group's net profit negatively by Euro 3 000 680. Had the acquisition taken place on 1 January 2024, management estimates that consolidated sales would have been Euro 2 922 373 524, the EBITDA Euro 707 563 387 and the net profit for the period Euro 315 110 971, with Euro 236 088 094 attributable to Semapa's shareholders. When determining these amounts, management assumed that any provisionally determined fair value adjustments that arose on the acquisition date would be the same should the acquisition date be 1 January 2024.

TRANSFERRED CONSIDERATION

As part of the acquisition of Accrol Group Holdings Ltd, the consideration transferred amounted to Euro 153 765 152 (GBP 130 823 390) and was paid entirely in cash and cash equivalents, with no contingent consideration associated with this acquisition. At the purchase date, the Accrol Group's cash and cash equivalents amounted to Euro 2 986 092, meaning that the net effort amounted to Euro 150 779 060.

IDENTIFICATION OF ASSETS AND LIABILITIES ACQUIRED AND GOODWILL

At this date, the Group has completed the necessary procedures for recognising and measuring the identifiable assets acquired and the liabilities assumed and, consequently, for calculating goodwill, in accordance with IFRS 3. This valuation was carried out by specialised and independent external valuers and resulted in the recognition of the fair value of the customer portfolio, the acquired brands and an increase in property, plant and equipment, as well as the respective deferred tax liabilities. The Goodwill arising from this transaction is not expected to be tax deductible.

The valuation techniques used to determine the fair value of the assets acquired were as follows:

Customer portfolio	The multi-period excess earnings method (MPEEM) was used to determine the fair value of the customer portfolio, considering the present value of the expected net cash flows of the portfolio and the excess earnings that the customer portfolio will contribute to the Group in the coming years. The useful life assigned to the customer portfolio was 18 years.
Brands	Four brands with the highest intrinsic value were identified and evaluated for this purchase: Elegance, Magnum, Softy and Little Heroes according to the relief from royalty (RfR) method. According to this method, the fair value of the brands is calculated based on the discounted value of the royalties that the Group would have to pay if it were not the owner of the brands.
Property, plant and equipment	The fair value of the land was determined using the Market Approach, by analysing real transactions or offers for assets which are economically comparable and which were available on the valuation date. The fair value of the industrial property, plant and equipment acquired was determined using the replacement cost method, which consists of identifying the replacement value of the assets acquired adjusted for depreciation, in accordance with the useful life of the assets on the date of purchase. According to the study, the basic assumption was a useful life of 25 years.

The net assets acquired, the fair value attributed and the goodwill calculated on the date of acquisition are summarised as follows:

	Accrol Group	Value allocation to net assets acquired	Accrol Group Adjusted
Non-current assets			
Other intangible assets	4 216 879	74 045 509	78 262 388
Property, plant and equipment	69 391 552	25 734 059	95 125 611
Right-of-use assets	31 878 471	-	31 878 471
Deferred tax assets	14 271 453	-	14 271 453
Other non-current assets	2 758 801	-	2 758 801
Current assets			
Inventories	24 383 078	-	24 383 078
Current receivables	31 379 589	-	31 379 589
Cash and cash equivalents	2 986 092	-	2 986 092
Non-current liabilities			
Interest-bearing liabilities	(2 093 024)	-	(2 093 024)
Lease liabilities	(34 297 272)	-	(34 297 272)
Provisions	(293 841)	-	(293 841)
Deferred tax liabilities	(8 865 765)	(24 944 891)	(33 810 656)
Current liabilities			
Interest-bearing liabilities	(22 421 695)		(22 421 695)
Lease liabilities	(5 789 939)		(5 789 939)
Payables	(68 590 054)		(68 590 054)
Income tax	(69 975)		(69 975)
Total identifiable net assets	**38 844 350**	**74 834 677**	**113 679 027**
Initial goodwill	114 920 802	(74 834 677)	40 086 125
Total acquisition value	**153 765 152**	**-**	**153 765 152**
Cash and cash equivalents	(2 986 092)	-	(2 986 092)
Net effect on cash and cash equivalents	**150 779 060**	**-**	**150 779 060**

ACQUISITION-RELATED COSTS

The Group incurred costs related to this acquisition amounting to Euro 3 499 552, related to legal fees incurred in the Public Takeover bid process and other due diligence costs. These costs are recognised as external services and supplies in the Consolidated income statement and Consolidated statement of comprehensive income.

1.3 SUBSEQUENT EVENTS

At the end of January, ETSA acquired 100% of the capital of the Barna Group, a group that operates in the circular economy of the food sector, producing proteins and oils from the collection and processing of marine products, mainly for the animal feed sector. The Barna Group is also present in the production and marketing of protein hydrolysates of marine origin, products with much greater nutritional value, something that is fully integrated into the strategy also followed by ETSA.

The Barna Group currently has more than 120 employees and two factories, one in Mundaka in the Basque Country and the other near Tarifa in Andalusia, from which more than 50 000 tonnes of fish by-products are processed every year.

1.4 BASIS FOR PREPARATION

AUTHORISATION TO ISSUE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors on 03 April 2025. However, they are still subject to approval by the General Shareholders Meeting, in accordance with the Portuguese commercial legislation.

The Group's senior management, which are the members of the Board of Directors who sign this report, declare that, to the best of their knowledge, the information contained herein was prepared in conformity with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and results of the companies included in the Group's consolidation scope.

BASIS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS | ACCOUNTING FRAMEWORK

The consolidated financial statements for the period ended 31 December 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), effective 1 January 2024 and as adopted by the European Union.

BASIS FOR MEASUREMENT, GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis from the accounting books and records of the companies included in the consolidation perimeter (Note 10.1).

They have also been prepared on the historical cost basis, except for biological assets (Note 3.7) and financial instruments measured at fair value through profit or loss or at fair value through other comprehensive income (Note 8.3), which include derivative financial instruments (Note 8.2). The liability for Pension and other post-employment benefits is recognised at its present value less the respective asset.

COMPARABILITY

These consolidated financial statements are comparable in all material aspects with those of the previous period of 2023.

BASIS FOR CONSOLIDATION

SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, the variable returns generated as a result of its involvement with the entity and has the ability to affect those variable returns through the power it exercises over the entity's relevant activities.

These companies' equity and net profit corresponding to the third-party investment in such companies are presented under non-controlling interests in the consolidated statement of financial position (in a separate component of equity) and in the Consolidated income statement.

The policies followed in the consolidation and details of the companies included in the consolidated financial statements are set out in Note 10.1.

INVESTMENT IN ASSOCIATES AND JOINT-VENTURES

Associates are all the entities in which the Group exercises significant influence but do not have control, which is generally the case with investments representing between 20% and 50% of the voting rights. Joint ventures are all entities over which the Group has joint control, usually through a contractual arrangement. Investments in associates and joint-ventures are accounted under the equity method.

The accounting policies applicable to investments in associates and joint ventures are described in Note 10.3.

PRESENTATION CURRENCY AND TRANSACTIONS IN A CURRENCY OTHER THAN THE PRESENTATION CURRENCY AND HYPERINFLATIONARY ECONOMIES

The items included in the financial statements of each of the Group entities included in the consolidation perimeter are measured using the currency of the economic environment in which the entity operates (functional currency). These consolidated financial statements are presented in Euro.

All the Group's assets and liabilities denominated in currencies other than the reporting currency have been translated into Euro using the exchange rates ruling at the statement of financial position date (Note 8.1.1). The exchange differences arising from differences between the exchange rates ruling at the transaction date and those ruling on collection, payment or at the Statement of consolidated financial position dates, are recorded as income and expenses in the period (Note 5.11).

The income captions of foreign transactions are translated at the average rate for the period. The differences arising from the application of this rate, as compared with the balance prior to the conversion, are reflected under the Currency translation reserve caption in shareholders' equity (Note 5.5). Whenever a foreign entity is sold, the accumulated exchange difference is recognised in the consolidated income statement as part of the gain or loss on the sale.

For foreign operations in hyperinflationary economies, the financial statements in local currency are restated in terms of the measuring unit current at the statement of financial position date to reflect the impact of inflation before translation into the Group's presentation currency.

IAS 29 — Financial Reporting in Hyperinflationary Economies requires that amounts not yet expressed in terms of the measuring unit current at the financial position date are restated by applying a general price index, leading to a potential gain or loss on the monetary position. The standard also requires that all items in the statement of cash flows be expressed in terms of the measuring unit current at the balance sheet date.

When the Group's presentation currency is not hyperinflationary, IAS 21 – The Effects of Changes in Foreign Exchange Rates requires comparative amounts to be those that were presented in previous financial statements, with the gain or loss on the net monetary position relating to price changes in prior periods being recognised directly in Equity.

Furthermore, the Group assesses the book value of non-current assets in accordance with IAS 36 – Impairment of Assets, so that the restated amount is reduced to the recoverable amount, ensuring that the book value reflects the economic value of the assets.

The profit and loss and financial position of foreign operations in hyperinflationary economies are translated at the closing rate at the date of the financial position. In the case of Lebanon, the Group uses the exchange rate applicable to dividends and capital repatriation, because it is the rate at which, at the date of the financial position, the investment in the foreign operation will be recovered.

As at 31 December 2024 and 31 December 2023, the exchange rates used for the translation of assets and liabilities expressed in currencies other than Euro are detailed as follows:

	31/12/ 2024	31/12 /2023	Valuation/ (devaluation)		31/12/ 2024	31/12/ 2023	Valuation/ (devaluation)
TND (Tunisian dinar)				DKK (coroa dinamarquesa)			
Average exchange rate for the period	3.3662	3.3548	(0.34%)	Average exchange rate for the period	7.4589	7.4509	(0.11%)
Exchange rate for the end of the period	3.3016	3.3897	2.60%	Exchange rate for the end of the period	7.4578	7.4529	(0.07%)
LBP (Lebanese pound)				HUF (florim húngaro)			
Average exchange rate for the period	96 847.00	99 118.50	2.29%	Average exchange rate for the period	395.3039	381.8527	(3.52%)
Exchange rate for the end of the period	92 981.60	99 118.50	6.19%	Exchange rate for the end of the period	411.3500	382.8000	(7.46%)
USD (American dollar)				AUD (dólar australiano)			
Average exchange rate for the period	1.0821	1.0816	(0.05%)	Average exchange rate for the period	1.6397	1.6288	(0.67%)
Exchange rate for the end of the period	1.0389	1.1050	5.98%	Exchange rate for the end of the period	1.6772	1.6263	(3.13%)
GBP (Pound sterling)				MZN (metical moçambicano)			
Average exchange rate for the period	0.8466	0.8698	2.67%	Average exchange rate for the period	69.1732	69.1060	(0.10%)
Exchange rate for the end of the period	0.8292	0.8691	4.59%	Exchange rate for the end of the period	66.7900	70.6500	5.46%
PLN (Polish zloti)				BRL (real brasileiro)			
Average exchange rate for the period	4.3058	4.5420	5.20%	Average exchange rate for the period	5.8331	5.4011	(8.00%)
Exchange rate for the end of the period	4.2750	4.3395	1.49%	Exchange rate for the end of the period	6.4354	5.3503	(20.28%)
SEK (Swedish krona)				MAD (dirham marroquino)			
Average exchange rate for the period	11.4325	11.4788	0.40%	Average exchange rate for the period	10.7549	10.9552	1.83%
Exchange rate for the end of the period	11.4590	11.0960	(3.27%)	Exchange rate for the end of the period	10.5190	10.9445	3.89%
CZK (Czech koruna)				NOK (coroa norueguesa)			
Average exchange rate for the period	25.1198	24.0043	(4.65%)	Average exchange rate for the period	11.6290	11.4248	(1.79%)
Exchange rate for the end of the period	25.1850	24.7240	(1.86%)	Exchange rate for the end of the period	11.7950	11.2405	(4.93%)
CHF (Swiss franc)				AOA (kwanza angolano)			
Average exchange rate for the period	0.9526	0.9718	1.97%	Average exchange rate for the period	952.3159	747.8882	(27.33%)
Exchange rate for the end of the period	0.9412	0.9260	(1.64%)	Exchange rate for the end of the period	955.1715	925.3583	(3.22%)
TRY (Turkish lira)				MXN (peso mexicano)			
Average exchange rate for the period	35.5734	25.7597	(38.10%)	Average exchange rate for the period	19.8314	19.1830	(3.38%)
Exchange rate for the end of the period	36.7372	32.6531	(12.51%)	Exchange rate for the end of the period	21.5504	18.7231	(15.10%)
ZAR (South African rand)				AED (dirham dos Emirados Árabes Unidos)			
Average exchange rate for the period	19.8297	19.9551	0.63%	Average exchange rate for the period	3.9751	3.9710	(0.10%)
Exchange rate for the end of the period	19.6188	20.3477	3.58%	Exchange rate for the end of the period	3.8154	4.0581	5.98%
EGP (Egyptian pound)				CAD (dólar canadiano)			
Average exchange rate for the period	49.1213	33.1117	(48.35%)	Average exchange rate for the period	1.4821	1.4595	(1.55%)
Exchange rate for the end of the period	53.0349	34.2710	(54.75%)	Exchange rate for the end of the period	1.4948	1.4642	(2.09%)
ECV (escudo cabo-verdiano)							
Average exchange rate for the period	110.2650	110.2650	0.00%				
Exchange rate for the end of the period	110.2650	110.2650	0.00%				

1.5 NEW IFRS STANDARDS ADOPTED AND TO BE ADOPTED

STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED IN 2024

	Amendment
Standards and amendments endorsed by the European Union	
Clarification require-ments for classifying liabilities as current or non-current (amend-ments to IAS 1 – Presentation of Finan-cial Statements)	On 23 January 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current and non-current. The amendments clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments: a. specify that an entity's right to defer settlement must exist at the end of the reporting period and must have substance; b. clarify that the ratios that the company must comply with after the balance sheet date (i.e., future ratios) do not affect the classification of a liability on the balance sheet date. However, when non-current liabilities are subject to future ratios, companies must disclose information that allows users to understand the risk that these liabilities may be repaid within 12 months of the balance sheet date; and c. clarify the requirements to classify the liabilities that an entity will settle, or may settle, by issuing its own equity instruments (e.g.: convertible debt). Esta alteração é efetiva para períodos após 1 de janeiro de 2024.
Lease liability in a sale and leaseback transac-tion (amendments to IFRS 16 Leases)	The IASB issued amendments to IFRS 16 Leases in September 2022 that introduce a new accounting model for variable payments in a sale and leaseback transaction. The amendments confirm that: - On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. - After initial recognition, the seller-lessee applies the general requirements for subsequent accounting for the lease liability so that it does not recognise any gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. Under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, a seller-lessee shall apply the amendments retrospectively to sale and leaseback transactions entered into on or after the date of initial application of IFRS 16. This means that it will need to identify and reassess sale and leaseback transactions entered into since the implementation of IFRS 16 in 2019, and potentially restate those that include variable lease payments.
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	On 25 May 2023, the International Accounting Standards Board (IASB) published Supplier Finance Arrangements with amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures. The amendments address disclosure requirements for supplier finance arrangements – also known as supply chain finance, trade payables finance or reverse factoring arrangements. The new requirements supplement those already included in the IFRS standards and include disclosures on: - Terms and conditions of supplier finance arrangements; - The amounts of liabilities covered by such arrangements, the extent to which suppliers have already received payments from the finance providers and under which caption those liabilities are presented in the balance sheet; - The ranges of payment due dates; and - Information on liquidity risk.

The above standards, amendments and interpretations had a limited impact on the financial statements.

STANDARDS, AMENDMENTS AND INTERPRETATIONS OF MANDATORY APPLICATION ON OR AFTER 1 JANUARY 2025

	Amendment	Date of application
Standards and amendments endorsed by the European Union which Semapa has opted not to apply early		
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	On 15 August 2023, the International Accounting Standards Board (IASB) issued Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates). The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. When a currency is not exchangeable, the entity has to estimate a spot exchange rate. According to the amendments, companies will have to provide new disclosures to help users assess the impact of using an estimated exchange rate on financial statements. These disclosures may include: - the nature and financial effects of the currency not being exchangeable into the other currency; - the spot exchange rate used; - the estimation process; and - the risks to which the entity is exposed because of the currency not being exchangeable into the other currency. The amendments are effective for periods starting on 1 January 2025. Earlier application is permitted.	1 January 2025

	Amendment	Date of application
Standards and amendments not yet endorsed by the European Union		
IFRS 18 Presentation and Disclosure in Financial Statements	On 9 April 2024, the International Accounting Standards Board (IASB or Board) issued the new standard, IFRS 18 Presentation and Disclosure in Financial Statements. The main amendments to this Standard are: - Providing a more structured income statement. Specifically, it introduces a new subtotal "operat-ing profit or loss" (as well as its definition) and the requirement that all income and expenses be classified into three new separate categories based on an entity's main business activities: Operat-ing, Investing and Financing. - Requirement for entities to analyse their operating expenses directly on the face of the income statement – either by nature, by function or in combination. - Requirement for some of the "non-GAAP" measures that the Entity/Group uses to be reported in the financial statements. IFRS 18 defines management-defined performance measure (MPM or non-GAAP Performance Measures) as a subtotal of income and expenses that an Entity uses: - in public communications outside financial statements; and - to communicate management's view of the financial performance. IFRS 18 requires entities to disclose information about all its MPMs in a single note to the financial statements. These include: how the measure is calculated; how it provides useful information; and a reconciliation to a value determined in accordance with IFRS. - introduction of improved guidelines on how entities group information in financial statements. It provides guidance on whether material information should be included in the primary financial statements or more detailed in the notes. The amendments are effective for periods beginning on or after 1 January 2027 and apply retrospec-tively. Earlier application is permitted.	1 January 2027
IFRS 19 Disclosures of Subsidiaries not subject to Public Accountability	On 9 May 2024, the International Accounting Standards Board (IASB) issued the new Standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible subsidiaries to use IFRS with reduced disclosures. The application of IFRS 19 will reduce the costs of preparing the financial statements of subsidiaries, while maintaining the usefulness of the information for the users of their financial statements. A subsidiary may elect to apply the new standard in its consolidated, individual or separate financial statements, provided that, at the reporting date: - it has no public accountability; - its parent company prepares consolidated financial statements in accordance with IFRS. A subsidiary that applies IFRS 19 is required to make an explicit and unreserved statement of compliance with IFRS that IFRS 19 has been adopted. IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively. Earlier application is permitted.	1 January 2027

	Amendment	Date of application
Standards and amendments not yet endorsed by the European Union		
IFRS 9 Amendments to the Classification and Measurement of Financial Instruments	On 30 May 2024, the International Accounting Standards Board (the IASB or the Board) issued amendments to the classification and measurement requirements of IFRS 9 Financial Instruments. The amendments aim to resolve the diversity in the application of the standard, making the requirements more understandable and consistent. The purpose of these amendments is to: - Clarify the classification of financial assets with environmental, social and corporate governance (ESG)-linked features and other similar contingent features since these features in loans can affect whether loans are measured at amortised cost or at fair value. To resolve any potential diversity in practical application, the amendments clarify how the contractual cash flows of loans should be valued. - Clarify the date on which a financial asset or financial liability is derecognised when it is settled using an electronic payment systems. There is an accounting policy option that allows a financial liability to be derecognised before the cash is delivered on the settlement date if certain conditions are met. - Improve the description of the term “non-recourse”, according to the amendments, a financial asset has non-recourse features if the ultimate right to receive cash flows from an entity is contractually limited to the cash flows generated by specific assets. The presence of non-recourse features does not necessarily exclude the financial asset from complying with the SPPI, but its features need to be carefully analysed. - Clarify that contractually linked instruments (CLI) must feature a waterfall payment structure that creates concentration of credit risk by allocating losses disproportionately between different tranches. The underlying pool can include financial instruments not in the scope of IFRS 9 classification and measurement (e.g., finance leases) but must have cash flows that are equivalent to SPPI. The IASB has also introduced additional disclosure requirements for equity investments classified at fair value through other comprehensive income and financial instruments with contingent features, for example ESG target-linked features. The amendments are effective for periods beginning on or after 1 January 2026. Earlier adoption is permitted.	1 January 2026
Annual improvements	On 18 July 2024, the International Accounting Standards Board (IASB) issued limited amendments to the IFRS and respective guidelines, resulting from the regular maintenance carried out on the Standards. The amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS. The IASB amended: - IFRS 1 First-time Adoption of International Financial Reporting Standards, to clarify certain aspects related to the application of hedge accounting by an entity that is preparing financial statements in accordance with IFRS for the first time; - IFRS 7 Financial Instruments: Disclosures and the respective Implementation Guidance, in order to clarify: - Require companies to initially measure a receivable without a significant financing component at the amount determined by ap-plying IFRS 15, and - Clarify that when a lease liability is derecognised, the derecognition is accounted for under IFRS 9. However, when a lease liabil-ity is modified, the modification is accounted for under IFRS 16 Leases. The amendment establishes that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. - IFRS 10 Consolidated Financial Statements, clarification on the determination of “de facto agent”; and - IAS 7 Statement of Cash Flows, amendment of detail in the paragraph related to Investments in subsidiaries, associates and joint ventures. The amendments apply to annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.	1 January 2026

	Amendment	Date of application
Standards and amendments not yet endorsed by the European Union		
Amendments to IFRS 9 and IFRS 7 Nature-dependent electricity contracts	On 18 December 2024, the International Accounting Standards Board (IASB) issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include: - Clarifying the application of the 'own-use' requirements; - Permitting hedge accounting if these contracts are used as hedging instruments; and - Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial per-formance and cash flows. These amendments are required to be applied for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted.	1 January 2026

With respect to the above standards, which are not yet mandatory, the Group has not yet completed the calculation of all impacts arising from their application and has therefore elected to apply them early. These impacts are not expected to be material.

1.6 MAIN ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of estimates and judgements that affect the amounts of income, expenses, assets, liabilities and disclosures at the date of the consolidated financial position. To that end, the Board's estimates and judgements are based on:

- the best information and knowledge of current events and in certain cases on the reports of independent experts, and
- the actions that the Group considers it may have to take in the future.

On the date on which the operations take place, the outcome could differ from those estimates.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Estimates and judgements	Notes
Business combinations	1.2 – Acquisition of Accroll Group's consumer tissue business in the United Kingdom
Recoverability of Goodwill and brands	3.1 – Goodwill 3.2 – Intangible assets
Recoverability, useful life and depreciation of property, plant and equipment	3.3 – Property, plant and equipment
Fair value of biological assets	3.7 – Biological assets
Uncertainty over Income Tax Treatments	6.1 – Income tax for the period 6.2 – Deferred taxes
Actuarial assumptions	7.3 – Employee benefits
Fair value of financial assets	8.3 – Other financial investments
Recognition of provisions	9.1 – Provisions

2 OPERATIONAL PERFORMANCE

2.1 REVENUE AND SEGMENT REPORTING

ACCOUNTING POLICIES

SEGMENT REPORTING

In accordance with IFRS 8, an operating segment is a component of an entity:

i) business activities that can generate revenues and incur expenses (including revenues and expenses related to transactions with other components of the same entity);

ii) whose operating results are regularly reviewed by the entity's chief operating decision-maker for the purpose of making decisions about allocating resources to the segment and evaluating its performance; and

iii) for which different information is available.

Semapa's Executive Committee and the different subsidiaries are the main responsible for the Group's operational decisions, periodically and consistently analysing the reports on the financial and operating information of each segment. The reports are used to monitor the operational performance of its businesses and decide on the best allocation of resources to the segment, as well as the evaluation of its performance and strategic decision-making.

The information used in segment reporting corresponds to the financial information prepared by the Group. All the inter-segment sales and services are performed at market prices and eliminated on consolidation.

During 2023 and following the acquisitions made, the Semapa Group reorganised the operating segments reported based on the financial information prepared by the Group and the disclosure requirements of IFRS 8. As part of this reorganisation, management has defined the following as reportable segments:

- Pulp and paper: includes the activities of the subsidiary Navigator;
- Cement and derivatives: includes the activities of the subsidiary Secil;
- Other activities: includes the activities of the subsidiaries ETSA and Triangle's, which are not separately disclosed due to their small size; and
- Holdings: includes the Group's management activities;

PULP AND PAPER

The Group's main business is the production and sale of writing and printing thin paper (UWF) and domestic consumption paper (Tissue), and it is present in the entire value-added chain, from research and development of forestry and agricultural production to the purchase and sale of wood and the production and sale of bleached eucalyptus kraft pulp—BEKP—and electric and thermal energy, as well as its commercialisation. In the last quarter of 2024, the Navigator Group also started producing moulded fibre packaging at the Aveiro industrial complex. This new production unit is aimed at a market with high growth potential, fully aligned with the challenges of reducing the use of single-use plastics.

The Navigator Group currently has ten industrial sites – four in Portugal, one in Spain and five in the United Kingdom. Of the industrial complexes in Portugal, two are dedicated to the production of BEKP pulp, electricity and UWF paper (Figueira da Foz and Setúbal), one is dedicated to the production of BEKP pulp, energy, moulded cellulose packaging and tissue paper (Aveiro) and a fourth, in Vila Velha de Ródão, produces tissue. In Spain, the Group owns an industrial complex in Zaragoza where it produces tissue paper. In May 2024, with the acquisition of the Navigator Tissue UK Group (formerly the Accrol Group), the Navigator Group now has five production sites in the UK involved in the tissue business: Blackburn (rolls and facials); Leicester (rolls); Leyland (rolls); Flint (wet wipes) and Bridgewater (wet wipes).

Wood is produced from woodlands owned or leased by the Group in Portugal and Spain, and also from granted land in Mozambique. The production of cork and pine wood are sold to third parties while the eucalyptus wood is mainly consumed in the production of BEKP.

A significant portion of the Group's own BEKP production is consumed in the production of UWF and tissue paper. Sales of BEKP pulp, UWF paper and tissue paper are made to 118 (2023: 134) countries and territories around the world.

With regard to energy production, the Group has three cogeneration plants, integrated in the production of pulp. Heat production is used for internal consumption while electricity is sold to the national energy grid. The Group also owns two cogeneration plants fuelled by natural gas and two independent plants fuelled by biomass, integrated into paper production in Figueira da Foz and Setúbal, the majority of whose output is sold to the national energy grid.

In addition, the Group currently has eight photovoltaic plants in operation for self-consumption: three in Setúbal – two at the factory complex and one at Herdade de Espirra, two at the Figueira da Foz industrial complex (one of which came into operation in 2024), one at the Zaragoza industrial complex, one at Raiz (in Aveiro) and also two plants that came into operation during 2024, at the Aveiro and Vila Velha de Ródão industrial complexes.

With the conclusion of the construction of new photovoltaic plants in 2024, on a self-consumption basis, at the industrial sites of Figueira da Foz, Aveiro and Vila Velha de Ródão, the Navigator subsidiary, utilizing approximately 38 MW of photovoltaic solar energy capacity, will become the largest self-consumption producer in Portugal within an industrial setting.

CEMENT

The Cement and derivatives segment is led by Secil – Companhia Geral de Cal e Cement, S.A., which has a strong presence in the cement industry, being a business group with several operations in Portugal and in several countries around the world (Secil Group).

The main product marketed by the Secil Group is cement. The sale of ready-mixed concrete, aggregates, mortars and precast concrete constitutes a verticalisation of the cement segment allowing the Group to obtain synergies.

The Group has 3 cement plants in Portugal, Secil-Outão, Maceira-Liz and Cibra-Pataias, and the cement is sold in its various forms (in bulk or bagged, on pallets or big bags) through the different trading hubs owned by the Group. The Group also owns other plants located in Brazil, Tunisia, Lebanon and Angola.

A significant factor in the marketing of cement is the transportation cost, which is why the Group maintains a private wharf in Secil-Outão, a sea terminal in Spain and a sea terminal in the Netherlands.

With regards to cement "derivatives", the ready-mixed concrete represents the greatest weight in the Group's revenue, with the Group owning several production and marketing centres in Portugal, Spain, Tunisia, Lebanon and Brazil.

The Group has also the license to exploit several quarries, from which it extracts materials for incorporation into cement production or commercialisation as aggregates.

OTHER BUSINESSES

Other businesses includes the Group's smaller activities. Of particular note are the production of e-bike frames by the subsidiary Triangle's and the provision of services related to the cumulative recovery of animal by-products and food products containing substances of animal origin and the sale of the resulting products for incorporation into the production of fertilisers, animal feed and biodiesel developed by the ETSA Group.

HOLDINGS

This segment refers to the management activities of the Semapa Group, that is, the services rendered by Semapa to its subsidiaries in various areas such as strategic planning, legal, financial, accounting, tax, talent management, among others, while incurring in payroll expenses and the contracting of specialised services.

Since 2018, this segment has included the new venture capital unit, which has not yet been recognised overall in the Group's financial information.

REVENUE

Revenue is presented by operating segment and by geographic area, based on the country of destination of the goods and services sold by the Group.

Revenue recognition in each operating segment is described as follows:

Pulp and paper
Commercial contracts with customers refer essentially to the sale of goods such as paper, pulp, tissue and energy, and to an extent limited to the transportation of those goods, when applicable. Paper revenue refers to sales made through Retail Stores (B2C) or Commercial Distributors (B2B) which include large distributors, wholesalers or commercial operators. Revenue is recognised at a specific time, when control is transferred in accordance with the agreed incoterm, at the amount of the performance obligation satisfied, and the price of the transaction is a fixed amount invoiced based on quantities sold, less cash discounts and quantity discounts, which are reliably estimated. Pulp revenue results from sales to international paper producers. Revenue is recognised at a specific time, by the amount of the performance obligation satisfied, the price of the transaction corresponding to a fixed amount invoiced on the basis of quantities sold, less cash discounts and quantity discounts, which are reliably determinable. On the export side, the transfer of control of the products occurs in general when there is a transfer of control to the customer, according to the Incoterms negotiated. Tissue revenue results from sales of tissue paper produced for the private label of modern national and international retail chains. Revenue is recognised at a specific time by the amount of the performance obligation satisfied, and the price of the transaction corresponds to a fixed amount invoiced according to the quantities sold. Revenue is recognised against the delivery of the product, at which time the transfer of control over the product is deemed to take place. The energy revenue results from the valuation of the energy delivered to the National Energy Network or sold on the market, as metered, valued at the tariff defined in the agreement for an ongoing 25-year period in the first case or at the market price in the second case.

Cement

Cement

A significant part of the Secil Group's revenue relates to the sale of grey cement, in bulk or bagged, on pallets or in big bags. The form of cement packaging and delivery point depends on the size of the customer.

Secil Group's main customers are industrial companies in the area of concrete, prefabricated and civil construction and consortia associated with the construction of highly complex technical works such as dams and bridges. The sale of bagged cement to the end consumer is residual and is assured through local resellers.

Secil supplies its products in its factories and trading hubs and ensures transport to the customer's premises by subcontracting the transport, in which case there are two performance obligations, to which Secil allocates the transaction price based on the sales price.

Revenue is recognised at a specific time, when the control is transferred, by the amount of the performance obligation satisfied. The transaction price results from the price lists in force adjusted by cash discounts and quantity discounts, granted to customers, depending on whether they are resellers or industrial customers, as described in the general terms and conditions of sale. For large customers and specific projects, the prices and discount conditions are fixed by contract, on an individual basis.

The discounts granted are a variable component of the price which is considered in determining the revenue recorded on the date of delivery of the product to the customer, which corresponds to the date of transfer of control of the products.

On the export side, the transfer of control of the products generally takes place when there is a transfer of control to the customer, according to the Incoterms negotiated.

Materials

The Materials business caption relates to cement “derivatives”: ready-mixed concrete, aggregates, mortars and precast concrete.

Revenue from Materials is recognised, at a specific moment, on the date of delivery of the product to the customer, even if the contract involves phased deliveries, due to the different phases of the work and quantities to be moved.

Revenue is recognised by the amount of the performance obligation satisfied, the price of the transaction corresponding to a fixed amount invoiced according to the quantities sold, with the granting of quantity discounts (rappel) that can be reliably determined.

With regards to mortars, the rental of site equipment for the storage, mixing and application of mortars corresponds to a separate performance obligation with a stand-alone sales price less any discounts granted.

Prefabricated concrete essentially refers to the marketing of standard prefabricated materials, and there is no production of prefabricated materials at the specific request of customers. In this business area the Group recognises the revenue of all products with the delivery of the product to the customer.

Other businesses

Revenue recorded refers to the sale of products and the rendering of services.

Product sales mainly concern e-bike frames, fat, flour (for the feed industry) and oils (for the biodiesel market). Revenue is recognised, at a specific moment, when the products are delivered to the customer's premises or location designated by the customer, at which time the transfer of control to the customer is considered to occur.

These services are mainly provided by the ETSA Group and relate to:

- collection and treatment of Category 1 and 2 material from farmed and domestic animal carcases, in accordance with the contract with DGAV – Direcção Geral de Alimentação e Veterinária, as well as from slaughterhouses and other conventional collection centres; and
- packing in refrigerated equipment, collection, transport, sorting and unpacking of Category 3 materials (meat and fish) and other foodstuffs (fresh or frozen), in bulk or packaged, in the network of modern retail shops and town markets.

Revenue recognition is made on a monthly basis for services rendered on a regular and uniform basis to the modern retail network. As for the contract with DGAV, revenue is recognised for each service rendered, as calculated on a monthly basis.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

SEGMENT REPORTING

When aggregating the Group's operating segments, the Board of Directors defined as reportable segments those that correspond to each of the business areas developed by the Group: Pulp and Paper, Cements and Holdings, consistent with the way the Semapa Group's management team monitors and analyses performance.

FINANCIAL INFORMATION BY OPERATING SEGMENT IN 2024 AND 2023

2024 Amounts in Euro	Note	Pulp and Paper	Cement	Other busi-nesses	Holdings	Intra-group eliminations	Total
Revenue		2 088 276 553	701 836 376	60 484 141	18 946 096	(20 133 930)	2 849 409 236
Other revenue (a)	2.2	99 777 225	131 282 871	3 296 228	239 032	(1 950)	234 593 406
Costs of goods sold and materials consumed	2.3	(880 548 487)	(225 432 384)	(20 469 810)	-	-	(1 126 450 681)
External services and supplies	2.3	(500 867 221)	(247 254 567)	(18 225 948)	(6 337 036)	20 135 880	(752 548 892)
Other expenses (b)	2.3	(259 875 632)	(198 848 568)	(20 943 522)	(22 612 149)	-	(502 279 871)
Depreciation and amortisation	3.6	(175 297 702)	(56 049 854)	(15 117 100)	(280 508)	-	(246 745 164)
Depreciation, amortisation and impairment losses in non-financial assets	3.6	(7 834 311)	(7 272 798)	-	-	-	(15 107 109)
Net provisions	9.1	(32 178)	(9 951 374)	-	-	-	(9 983 552)
Interest expense	5.10	(33 861 155)	(27 406 922)	(721 539)	(17 014 831)	281 679	(78 722 768)
Group share of (losses)/gains of associates and joint ventures	10.3	-	(411 371)	-	1 701 220	-	1 289 849
Other financial gains and losses	5.10	8 021 588	(1 021 658)	(84 041)	8 999 572	(281 679)	15 633 782
Profit/(loss) before income tax		**337 758 680**	**59 469 751**	**(11 781 591)**	**(16 358 604)**	**-**	**369 088 236**
Income tax	6.1	(61 846 340)	(13 961 207)	6 133 709	10 905 766	-	(58 768 072)
Net profit for the period		**275 912 340**	**45 508 544**	**(5 647 882)**	**(5 452 838)**	-	**310 320 164**
Attributable to equity holders		**193 117 952**	**50 679 562**	**(5 608 727)**	**(5 452 838)**	**-**	**232 735 949**
Non-controlling interests	5.6	82 794 388	(5 171 018)	(39 155)	-	-	77 584 215
OTHER INFORMATION							
Total segment assets		3 254 843 317	1 462 212 775	370 092 393	339 207 684	(96 489 342)	5 329 866 827
Goodwill	3.1	168 195 399	171 503 235	186 981 326	-	-	526 679 960
Intangible assets	3.2	271 088 687	285 930 525	42 949 771	-	-	599 968 983
Property, plant and equipment	3.3	1 420 549 276	522 011 537	84 218 694	422 983	-	2 027 202 490
Biological assets	3.7	115 250 198	-	-	-	-	115 250 198
Deferred tax assets	6.2	59 110 851	42 751 817	6 849 646	33 595 508	(895 826)	141 411 996
Investments in associates and joint ventures	10.3	-	3 104 569	-	41 650 971	-	44 755 540
Cash and cash equivalents	5.9	286 628 866	139 873 264	4 013 264	70 855 241	-	501 370 635
Total segment liabilities		2 040 019 229	1 035 112 151	83 696 363	289 392 518	(96 489 342)	3 351 730 919
Interest-bearing liabilities	5.7	903 977 752	445 550 720	23 323 240	230 233 475	(10 000 000)	1 593 085 187
Lease liabilities	5.8	111 736 900	38 162 533	1 061 141	516 614	-	151 477 188
Acquisition of property, plant and equipment (c)	3.3	265 971 273	68 819 041	18 251 811	123 331	-	353 165 456

(a) Includes “Other operating income” and “Fair value adjustments of biological assets”

(b) Includes “Variation in production”, “Payroll costs” and “Other operating expenses”

(c) Includes acquisitions made through business combi-nations

NOTE: The amounts presented by operating segment may differ from those presented individually for each Group, as a result of adjustments to harmonisation and to fair value made on consolidation.

2023 Amounts in Euro	Note	Pulp and Paper	Cement	Other businesses	Holdings	Intra-group eliminations	Total
Revenue		1 953 242 900	693 348 710	60 742 159	17 016 700	(18 026 539)	2 706 323 930
Other revenue (a)	2.2	68 455 506	127 748 769	2 516 818	150 667	-	198 871 760
Costs of goods sold and materials consumed	2.3	(848 515 663)	(243 549 201)	(19 435 586)	-	-	(1 111 500 450)
External services and supplies	2.3	(422 373 519)	(220 791 290)	(15 881 018)	(7 527 341)	18 026 539	(648 546 629)
Other expenses (b)	2.3	(249 261 282)	(201 268 145)	(12 513 772)	(9 985 435)	-	(473 028 634)
Depreciation and amortisation	3.6	(151 468 704)	(56 822 958)	(8 698 915)	(264 193)	-	(217 254 770)
Depreciation, amortisation and impairment losses in non-financial assets	3.6	(1 646)	(7 069 348)	-	-	-	(7 070 994)
Net provisions	9.1	1 006 041	(8 952 668)	300 300	-	-	(7 646 327)
Interest expense	5.10	(28 763 048)	(25 529 677)	(322 535)	(14 952 023)	24 917	(69 542 366)
Group share of (losses)/gains of associates and joint ventures	10.3	-	65 713	-	7 719 449	-	7 785 162
Net monetary position (Lebanon)	5.11	-	14 455 321	-	-	-	14 455 321
Other financial gains and losses	5.10	9 443 130	(1 503 791)	55 489	2 437 759	(24 917)	10 407 670
Profit before income tax		**331 763 715**	**70 131 435**	**6 762 940**	**(5 404 417)**	**-**	**403 253 673**
Income tax	6.1	(67 886 447)	(15 086 596)	796 413	14 862 026	-	(67 314 604)
Net profit for the period		**263 877 268**	**55 044 839**	**7 559 353**	**9 457 609**	**-**	**335 939 069**
Attributable to equity holders		**184 618 136**	**42 746 110**	**7 685 554**	**9 457 609**	**-**	**244 507 409**
Non-controlling interests	5.6	79 259 132	12 298 729	(126 201)	-	-	91 431 660
OTHER INFORMATION (31/12/2023)							
Total segment assets		2 726 084 522	1 393 831 611	382 999 273	197 201 700	(25 185 603)	4 674 931 503
Goodwill	3.1	127 064 070	178 483 507	186 840 327	-	-	492 387 904
Intangible assets	3.2	197 686 240	309 982 788	48 832 606	-	-	556 501 634
Property, plant and equipment	3.3	1 253 099 532	531 364 146	74 821 705	405 109	-	1 859 690 492
Biological assets	3.7	115 591 979	-	30 270	-	-	115 622 249
Deferred tax assets	6.2	23 653 501	38 526 901	4 213 349	36 081 684	(853 313)	101 622 122
Investments in associates/joint ventures	10.3	-	1 699 538	-	42 475 844	-	44 175 382
Cash and cash equivalents	5.9	169 464 967	60 614 596	11 311 135	39 766 029	-	281 156 727
Total segment liabilities		1 540 704 913	940 001 747	84 564 970	328 388 055	(25 185 603)	2 868 474 082
Interest-bearing liabilities	5.7	659 344 463	348 697 373	26 555 505	272 638 404	(14 083 577)	1 293 152 168
Lease liabilities	5.8	69 996 821	32 385 479	1 085 613	509 053	-	103 976 966
Acquisition of property, plant and equip-ment (c)	3.3	221 222 253	43 877 337	19 922 661	27 898	-	285 050 149

(a) Includes “Other operating income” and “Changes in fair value of biological assets”

(b) Includes “Changes in production”, “Payroll costs” and “Other operating expenses”

(c) Includes acquisitions made through business combinations

NOTE: The amounts presented by operating segment may differ from those presented individually for each Group, as a result of adjustments to harmonisation and to fair value made on consolidation.

PROPERTY, PLANT AND EQUIPMENT BY GEOGRAPHIC LOCATION

Amounts in Euro	31/12/2024		31/12/2023	
Portugal	1 595 363 758	78.70%	1 578 842 714	84.90%
Rest of Europe	170 862 794	8.43%	5 781 787	0.31%
America	163 505 385	8.07%	191 470 426	10.30%
Africa	62 130 926	3.06%	55 385 221	2.98%
Asia	35 339 627	1.74%	28 210 344	1.52%
	2 027 202 490	**100.00%**	**1 859 690 492**	**100.00%**

REVENUE BY BUSINESS SEGMENT, BY GEOGRAPHIC AREA AND BY RECOGNITION PATTERN

2024 Amounts in Euro	Pulp and Paper	Cement	Other businesses	Holdings	Total Amount	Total %
Portugal	292 016 709	388 177 148	24 519 650	9 167	704 722 674	24.73%
Rest of Europe	1 235 541 729	64 344 151	34 645 524	-	1 334 531 404	46.84%
America	183 619 926	119 055 608	-	-	302 675 534	10.62%
Africa	225 802 278	83 279 882	-	-	309 082 160	10.85%
Asia	151 042 991	45 782 586	1 318 967	-	198 144 544	6.95%
Oceania	252 920	-	-	-	252 920	0.01%
	2 088 276 553	**700 639 375**	**60 484 141**	**9 167**	**2 849 409 236**	**100.00%**
Recognition pattern						
At a certain point in time	2 088 276 553	700 639 375	60 484 141	9 167	2 849 409 236	100.00%
Over time	-	-	-	-	-	0.00%

2023 Amounts in Euro	Pulp and Paper	Cement	Other businesses	Total Amount	Total %
Portugal	328 021 613	350 822 672	30 112 959	708 957 244	26.20%
Rest of Europe	1 040 642 951	65 282 618	28 884 126	1 134 809 695	41.93%
America	112 865 232	123 738 833	-	236 604 065	8.74%
Africa	206 443 049	84 711 072	27 279	291 181 400	10.76%
Asia	265 135 887	67 784 302	1 717 794	334 637 983	12.37%
Oceania	133 543	-	-	133 543	0.00%
	1 953 242 275	**692 339 497**	**60 742 158**	**2 706 323 930**	**100.00%**
Recognition pattern					
At a certain point in time	1 953 242 275	692 339 497	60 742 158	2 706 323 930	100.00%
Over time	-	-	-	-	0.00%

In 2024 and 2023, the revenue presented in different business and geographical segments corresponds to revenue generated with external customers based on the final destiny of the products and services commercialised by the Group, not representing any of them, individually, 10% or more of the overall revenue of the Group.

2.2 OTHER OPERATING INCOME

ACCOUNTING POLICIES

OPERATING GRANTS AND GRANTS RELATED TO BIOLOGICAL ASSETS

Government grants are only recognised when there is a reasonable assurance that the grant will be received, and the Group will comply with all required conditions. Operating grants, received with the purpose of compensating the Group for costs incurred, are systematically recorded in the income statement during the periods in which the costs that those grants are intended to compensate are recorded.

Grants related to biological assets (Note 3.7) carried at the fair value, in accordance with IAS 41, are recognised in the income statement when the terms and conditions of the grant are met.

As at 31 December 2024 and 31 December 2023, Other operating income is detailed as follows:

Amounts in Euro	Note	2024	2023
Grants – CO_2 Emission allowances		137 045 820	152 241 399
Operating grants		15 482 473	16 731 239
Reversal of impairment on receivables		4 105 821	-
Reversal of impairment on inventories	4.1.5	5 068 999	-
Gains on disposal of non-current assets		5 986 403	1 876 224
Compensation received		8 205 661	1 566 066
Own work capitalised		9 430 512	1 742 198
Supplementary gains		4 136 119	2 055 894
Regulation Reserve Band - REN		8 712 369	6 163 414
Income from waste treatment		1 701 497	1 979 409
Gains on inventories		883 060	733 097
Recovery/settlement of bad debts		3 033 646	6 183 264
Waste sales		15 208 232	7 659 998
Other operating income		16 639 316	6 846 164
		235 639 928	**205 778 366**

The amount recorded under Grants – CO_2 emission allowances corresponds to the recognition of the free allocation of emission allowances, which are mostly offset with the expense recognised for the issue/consumption of allowances granted free of charge, so the reduction does not significantly impact the Group's net income for the period. The variation verified in the amount compared to the previous period results essentially from the reduction verified in the allocation and in price to which these licenses are valued, corresponding to the price on the date on which they are annually attributed (Note 3.2).

Operating grants include Euro 9 736 412 (2023: Euro 10 258 265 in 2023) related to the receipt of the indirect cost aid measure for facilities covered by the European Emissions Trading Scheme (EU ETS), under Decree-Law 12/2020 of 6 April, as well as the grants awarded under the Recovery and Resilience Plan (RRP) amounting to Euro 3 017 300 (2023: Euro 2 225 213). In 2023, this caption also included the amount of Euro 1 704 435 from the Incentive relating to the Apoiar Gás Programme.

The caption Reversal of impairment on receivables includes the amount of Euro 1 017 249 (2023: Euro 2 006 715) relating to the reversal of impairment on receivables from Egypt and the caption Reversal of impairment on inventories includes Euro 3 121 270 and Euro 861 503 relating to the reversal of impairment on UWF paper waste and spare parts, respectively.

The caption Gains on disposal of non-current assets in 2024, amounting to Euro 5 986 403, essentially includes gains on disposal of quarries and concrete plants in Spain by the subsidiary Cementos Secil, SLU. In 2023, the caption essentially includes gains on disposal of land.

Other operating income includes Euro 8 000 000 of the deposit paid by Start – Sines Transatlantic Renewable & Technology Campus, S.A. as a result of the revocation of the promissory purchase and sale agreement signed in 2021 for the acquisition of land in Sines.

2.3 OTHER OPERATING EXPENSES

As at 31 December 2024 and 31 December 2023, Other operating expenses is detailed as follows:

Amounts in Euro	Note	2024	2023
Costs of goods sold and materials consumed	4.1.3	**1 126 450 681**	**1 111 500 450**
Changes in production	4.1.4	**(7 054 087)**	**16 210 140**
External services and supplies			
Energy and fluids		210 486 121	163 980 729
Transportation of goods		209 453 894	189 802 764
Specialised work		128 174 873	115 517 002
Maintenance and repair		85 374 916	74 370 038
Fees		8 241 995	5 932 179
Insurance		22 146 857	15 917 001
Subcontracts		4 814 293	4 684 200
Other		83 855 943	78 342 716
		752 548 892	**648 546 629**
Payroll costs	7.1	**333 087 309**	**281 972 711**
Other operating expenses			
Membership fees		1 923 666	1 589 560
Donations		11 099 737	972 827
Expenses with CO_2 emissions		135 034 195	150 512 547
Impairment losses on receivables		3 070 273	(3 736 076)
Impairment losses on inventories	4. 1.5	5 637 006	5 970 762
Other inventory losses		5 231 290	5 939 009
Indirect taxes		9 878 551	7 194 425
Losses on disposal of non-current assets		8 130	492 054
Other operating expenses		4 363 801	5 910 675
		176 246 649	**174 845 783**
Net provisions	9. 1	**9 983 552**	**7 646 327**
Total operating expenses		**2 391 262 996**	**2 240 722 040**

The last quarter of 2024 was negatively impacted by the extension of the annual maintenance stoppage at one of the Pulp and Paper plants and by a set of extraordinary events at the Navigator subsidiary's energy assets: i) problems identified following a scheduled stoppage at an electricity-generating turbine; ii) a breakdown in an electricity supply transformer; and iii) unforeseen stoppages at biomass boilers. This sequence of events, which have now been resolved, led to a reduction in energy sales and an increase in purchases of natural gas and electricity, during a period of high prices for these commodities, which had a significant impact on the Energy and fluids caption.

Furthermore, the increase in the Transportation of goods caption is essentially due to the integration of the Navigator Tissue UK Group. It should be noted that, despite the fact that 2024 was marked by the Red Sea crisis, which led to changes in maritime transport routes and generated an overall upward trend in freight rates, the Group continued to reduce logistics costs.

In addition, the increase in the Specialised work caption is essentially due to the costs of the acquisition of the Navigator Tissue UK Group (Note 1.2) and the digitalisation strategy, which moved towards full deployment in 2024, with the aim of bringing greater transparency, efficiency and agility to processes, consolidating "digitalisation" as a fundamental strategic cornerstone for the Group, as well as the Group's commitment to attracting, valuing and retaining talent, in order to prepare people to be increasingly agents of change, growth and value creation.

In 2024, the Donations caption includes the amount of Euro 10 000 000 allocated by Semapa, as an initial funding, to the Semapa – Pedro Queiroz Pereira Foundation and the amount of Euro 100 105 allocated to the Nossa Senhora do Bom Sucesso Foundation (2023: Euro 91 199) (Note 10.4).

The reduction in CO_2 emissions costs is essentially due to the reduction in the market value of emissions compared to the previous year. With regard to emissions granted free of charge, the impact on the income statement is neutral, since the costs are offset against other operating income resulting from the recognition of the subsidy.

In 2024, Impairment losses in inventories mainly includes the recognition of Euro 1 724 970 in impairment losses for UWF and tissue paper waste and Euro 1 248 818 for slow movers. In 2023, this caption mainly includes the recognition of an impairment of Euro 2 071 836 for the inventory of damaged paper identified on the platform of Navigator North America Inc.

FEES REGARDING STATUTORY AUDIT AND AUDIT SERVICES

Amounts in Euro	2024		2023	
	Expenses for the period	Fees invoiced	Expenses for the period	Fees invoiced
KPMG (SROC) and other entities belonging to the same network				
Audit fees	1 066 000	942 354	796 715	825 711
Other assurance services	302 982	219 725	115 860	154 760
Other services	331 916	336 309	58 129	37 400
	1 700 898	1 498 388	**970 704**	**1 017 871**

The services indicated as Other assurance services concern essentially the issue of reports on financial information, certification of R&D expenses for grant purposes and services to verify the Group's sustainability information and limited reviews relating to financial information. Other services mainly refer to opinions provided within the scope of merger operations between Group companies and the provision of financial information review services to a number of Group companies as part of the acquisition by the subsidiary Navigator, as well as agreed-upon procedures on financial information.

The Board of Directors believes there are adequate procedures safeguarding the independence of auditors, through the Audit Board process analysis of the work proposed and careful definition of the work to be performed by the auditors.

3 INVESTMENTS

3.1 GOODWILL

ACCOUNTING POLICIES

Goodwill represents the difference between the fair value of the cost of acquisition and the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiaries included in the consolidation on the acquisition date and is allocated to each CGU or to the lower group of CGUs to which it belongs.

Amortisation and im-pairment	Goodwill is not amortised. The Group carries out annual impairment tests on goodwill, or where there are signs of impairment. The recoverable amounts of cash-generating units are determined as the higher of value in use and fair value less cost of sale. Impairment losses on goodwill cannot be reversed.
Disposals and loss of control	Gains or losses arising from the sale or loss of control over an entity or business to which Goodwill is allocated include the amount of the corresponding goodwill.
Acquisitions in a curren-cy other than the presentation currency	Goodwill generated on the acquisition of a foreign entity is recorded in the functional currency of that entity and converted into the reporting currency of the Group (Euro), at the exchange rate prevailing at the balance sheet date. Exchange differences generated in this conversion are recorded under Currency translation reserve (Note 5.5) as other comprehensive income.
Tax deductibility	Derived from the current tax legislation in Portugal, it is not expected that Goodwill generated or to be recognised will be tax deductible. In other geographies where the Group operates, a differentiated tax treatment is applied.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

IMPAIRMENT TESTS

For impairment tests of CGUs, the recoverable amount was determined based on the value in use, according to the discounted cash flow method. The recoverable amount of CGUs derives from assumptions related to the activity, namely, sales volumes, average sales prices and variable costs that in the projection periods result from a combination of economic forecasts for the regions and markets where the Group operates, industry forecasts, including changes in markets derived from changes in installed capacity for each operating activity, internal management projections and historical performance.

These projections result from budgets for the following year and estimates of cash flows for a subsequent period of four years, reflected in the approved Medium/Long-Term Plans, approved by the Board of Directors.

In its analysis, the Group identifies primarily the cash-generating units, which is included in the defined business segments. The goodwill analysis already includes the results of impairment tests of individual assets that are carried out for each of the Group's business segments.

ASSUMPTIONS ON THE BASIS OF THE BUSINESS PLANS

Assumptions (CAGR 2025-2029)	Pulp and Paper	Cement*	Other businesses	
			Environment	Mobility
Sales in quantity (kt)				
Reference	UWF paper	Cement and Clinker	Fat [3.5]	-
CAGR sales in quantity (kt)	0.1%	-1.50% - 6.37%	-3.7%	
Sales in quantity (units)				
Reference	-	-	-	Frames for e-bikes
CAGR sales in quantity (units)				37.9%
Average price of sale ML/t				
Reference	UWF paper	Grey cement in the Internal Market	Fat [3.5]	-
CAGR average price of sale ML/t	0.1%	0.42% - 9.93%	1.9%	
Average price of sale ML/units				
Reference	-	-	-	Frames for e-bikes
CAGR average price of sale ML/units				1.6%
Total Cash Costs LC				
CAGR Total Cash Costs LC	0.31%	4.0% - 9.5%	2.54%	35.95%

* Interval corresponding to the geographies of Portugal, Brazil, Tunisia, Lebanon and Angola

Assumptions (CAGR 2024-2028)	Pulp and Paper	Cement*	Other businesses	
			Environment	Mobility
Sales in quantity (kt)				
Reference	UWF paper	Cement and Clinker	Fat [3.5]	-
CAGR sales in quantity (kt)	0.1%	-3.5% - 6.0%	-2.6%	
Sales in quantity (units)				
Reference	-	-	-	Frames for e-bikes
CAGR Sales in quantity (units)				43.9%
Average price of sale ML/t				
Reference	UWF paper	Grey cement in the Internal Market	Fat [3.5]	-
CAGR average price of sale ML/t	0.7%	2.4% - 11.5%	0.1%	
Average price of sale ML/units				
Reference	-	-	-	Frames for e-bikes
CAGR average price of sale ML/units				6.5%
Total Cash Costs LC				
CAGR Total Cash Costs LC	0.21%	1.3% - 4.3%	2.95%	54.81%

Note: In Cement, WACC rates in Euro between 6.48% and 20.50% were also considered for Brazil, Tunisia, Angola and Lebanon

MACROECONOMIC AND FINANCIAL ASSUMPTIONS

The main assumptions considered at macroeconomic level are projections of GDP growth rate and inflation in the markets where the Group operates (Portugal for all CGUs and also Tunisia, Lebanon, Brazil and Angola in the Cement segment). The sources of forecasts are the IMF and Banco de Portugal.

The perpetuity growth rate reflects the Boards of Directors' vision of the medium and long term for the different Cash Generating Units (CGUs), bearing in mind the macroeconomic assumptions.

	31/12/2024				31/12/2023			
Financial assumptions	Risk-free interest rate*	WACC rate EUR	Perpetuity growth rate EUR	Tax rate	Risk-free interest rate*	WACC rate EUR	Perpetuity growth rate EUR	Tax rate
Pulp and paper								
Portugal								
Explicit Planning Period	2.73%	6.00%	-	26.50%	3.51%	6.85%	-	27.50%
Perpetuity	2.73%	6.00%	0.00%	26.50%	3.51%	6.85%	0.00%	27.50%
Cement								
Portugal								
Explicit Planning Period	2.73%	6.07%	-	26.50%	3.51%	6.55%	-	27.50%
Perpetuity	2.73%	6.07%	1.93%	26.50%	3.51%	6.55%	1.88%	27.50%
Environment								
Portugal								
Explicit Planning Period	2.73%	6.81%	-	24.50%	3.51%	8.23%	-	25.50%
Perpetuity	2.73%	6.81%	2.00%	24.50%	3.51%	8.23%	2.00%	25.50%
Mobility								
Portugal								
Explicit Planning Period	2.73%	6.32%	-	24.50%	3.51%	6.96%	-	27.50%
Perpetuity	2.73%	6.32%	2.00%	24.50%	3.51%	6.96%	0.00%	27.50%

Note: In Cement, WACC rates in Euro between 6.48% and 20.50% were also considered for Brazil, Tunisia, Angola and Lebanon

* Includes the Country Risk Premium

IMPAIRMENT TESTS

As a result of the impairment tests performed in 2024 and 2023, no impairment loss was identified in goodwill.

SENSITIVITY ANALYSIS

A sensitivity analysis was performed to the assumptions regarded as key (independently for each assumption), WACC rate and free cash flow, which did not determine any impairment for the goodwill allocated to each CGU.

VARIATION OF SEMAPA EQUITY BY A CHANGE IN THE WACC RATE:

	31/12/2024				31/12/2023			
WACC Rate Sensitivity Analysis	-50bps	+50bps	-1%	+1%	-50bps	+50bps	-1%	+1%
Pulp and Paper								
Explicit Planning Period	2%	-2%	5%	-5%	2%	-2%	5%	-5%
Perpetuity	8%	-6%	17%	-12%	8%	-6%	14%	-11%
Explicit Planning and Perpetuity	10%	-9%	23%	-16%	9%	-8%	20%	-15%
Cement								
Explicit Planning Period	3%	-3%	6%	-5%	3%	-3%	6%	-5%
Perpetuity	12%	-10%	28%	-18%	10%	-9%	23%	-16%
Explicit Planning and Perpetuity	15%	-12%	35%	-22%	13%	-11%	30%	-20%
Environment								
Explicit Planning Period	3%	-3%	5%	-5%	2%	-2%	5%	-5%
Perpetuity	11%	-9%	26%	-17%	8%	-7%	17%	-12%
Explicit Planning and Perpetuity	14%	-11%	32%	-21%	10%	-9%	23%	-16%
Mobility								
Explicit Planning Period	2%	-2%	5%	-5%	2%	-2%	5%	-4%
Perpetuity	13%	-10%	30%	-19%	6%	-5%	13%	-10%
Explicit Planning and Perpetuity	16%	-12%	36%	-23%	9%	-7%	19%	-14%

VARIATION OF SEMAPA EQUITY BY A CHANGE IN FREE CASH FLOW:

	31/12/2024				31/12/2023			
Sensitivity analysis of free cash flow	-5%	+5%	-10%	+10%	-5%	+5%	-10%	+10%
Pulp and Paper	-6%	6%	-11%	11%	-6%	6%	-11%	11%
Cement	-5%	5%	-10%	10%	-7%	7%	-13%	13%
Environment	-6%	6%	-12%	12%	-5%	5%	-10%	10%
Mobility	-5%	5%	-10%	10%	-5%	5%	-10%	10%

GOODWILL – NET AMOUNT

Goodwill is attributed to the Group's cash generating units (CGU's) that correspond to the operating segments identified in Note 2.1, as follows:

Amounts in Euro	31/12/2024	31/12/2023
Pasta e Papel	168 195 399	127 064 070
Cement	171 503 235	178 483 507
Outros negócios		
Ambiente	38 936 950	38 936 950
Mobilidade	148 044 376	147 903 377
	526 679 960	**492 387 904**

MOVIMENTOS DO PERÍODO

Amounts in Euro	31/12/2024	31/12/2023
Net book value at the beginning of the period	**492 387 904**	**338 806 427**
Acquisitions	40 227 124	152 059 918
Exchange rate adjustment	(5 935 068)	1 521 559
Net book value at the end of the period	**526 679 960**	**492 387 904**

On 24 May 2024, the Group concluded a public takeover bid, in the form of a "Recommended Firm Cash Offer", for the entire share capital of Accrol Group Holdings Plc (Accrol), currently Navigator Tissue UK Group, a company based in Blackburn, England, which holds nine subsidiaries, five of which operational. Accrol is a leading tissue paper processing in the UK, producing private label toilet rolls, kitchen rolls and facial tissues for most of the major retailers in the UK.

As part of this acquisition, the consideration transferred amounted to Euro 153 765 152 (GBP 130 823 390) and an initial goodwill of Euro 114 920 802 (GBP 97 774 618) was calculated, from which was deducted the fair value attributed to property, plant and equipment and intangible assets of Euro 25 734 059 and Euro 74 045 509, respectively, as well as the associated deferred tax liabilities (Note 1.2). The final goodwill amounted to Euro 40 086 125 (GBP 34 105 275), which as at 31 December 2024 corresponded to an amount of Euro 41 131 329 as a result of the exchange rate update at the rate of 0.82918.

3.2 INTANGIBLE ASSETS

ACCOUNTING POLICIES

CO_2 LICENCES

Intangible assets are stated at cost of acquisition, deducted of accumulated amortisation and impairment losses, using the straight-line method, over a period between 3 to 8 years and annually for CO_2 emission rights.

Given the absence of accounting standards for the recognition and measurement of CO_2 allowances, the policy defined by the management is as follows:

CO_2 Emission Rights	
Recognition of free allow-ances and subsequent measurement	CO_2 emission allowances attributed to the Group within the European Union Emissions Trading Scheme (EU ETS) for the assignment of CO_2 emission allowances at no cost, gives rise to an intangible asset for the allowances, a grant and a liability for the obligation to deliver allowances equal to the emissions that have been made during the compliance period. Emission allowances are only recorded as intangible assets when the Group is able to exercise control and are measured at fair value (level 1) at the date of initial recognition. When the market value of the emission allowances falls significantly below its book value and such decrease is considered permanent, an impairment charge is booked for allowances which the Group will not use internally. The liability to deliver allowances is recognised based on actual emissions (Note 4.3 – Payables and other current liabilities). This liability will be settled using allowances on hand, being measured at the book value of those allowances. Any additional emissions are measured using the market value as of the balance sheet date.
Recognition in the income statement	In the Consolidated Income Statement, the Group expenses, under Other costs and losses, actual emissions at fair value at the grant date, except for acquired allowances, where the expense is measured at their purchase price. Such costs will offset other operating income resulting from the recognition of the original grant (also recognised at fair value at grant date) as well as any disposal of excess allowances. The effect on the Income statement will, therefore, be neutral regarding the consumption of granted allowances. Any net effect on the Income Statement will result from the purchase of additional allowances to cover excess emissions, from the sale of effective consumption or from impairment losses recorded to allowances that are not used at operational level.

BRANDS

Brands	
Recognition and initial measurement	Whenever brands are identified in a business combination, the Group records them separately and these are measured at fair value on the acquisition date.
Subsequent measurement and impairment	At cost, net of accumulated impairment losses. Brands are not subject to amortisation as their useful life is indefinite. The Group annually carries out impairment tests to the brands, or where there are signs of impairment.

INTANGIBLE ASSETS DEVELOPED INTERNALLY

ACCOUNTING POLICIES

Development expenses are only recognised as intangible assets to the extent that the technical capacity to complete the development of the asset is demonstrated and that it is available for own use or commercialisation. Expenses that do not meet these requirements, namely research expenses, are recorded as costs when incurred.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

BRANDS – IMPAIRMENT TEST

Annual evaluations are prepared by an independent entity based on the income-split method, an after-tax cash flow model associated with brand influence (difference between the net margin of the brand less marketing investments and the related net margin of the generic brand), discounted to the valuation date based on a specific discount rate, considering the different expected market dynamics.

PULP AND PAPER – MAIN ASSUMPTIONS USED IN BRAND EVALUATIONS

2024 Brands	Markets	Discount rate	Tax rate
Navigator and Soporset	Europe	6.00%	26.50%
	USA	6.00%	26.50%
	Rest of World	6.00%	26.50%

The discount rates indicated refer to the explicit period.

2023 Brands	Markets	Discount rate	Tax rate
Navigator e Soporset	Europa	6.85%	27.50%
	EUA	6.85%	27.50%
	Resto do Mundo	6.85%	27.50%

The discount rates indicated refer to the explicit period.

CEMENT – MAIN ASSUMPTIONS USED IN BRAND EVALUATIONS

2024 Brands	Markets	Taxa de Desconto	Taxa de Imposto
Secil Portugal	Portugal	6.07%	26.50%
Supremo Cements	Brazil	9.56%	34.00%

As taxas de Desconto indicadas referem-se ao período explícito.

2023 Brands	Markets	Taxa de Desconto	Taxa de Imposto
Secil Portugal	Portugal	6.55%	27.5%
Supremo Cements	Brazil	9.44%	34.0%

The discount rates indicated refer to the explicit period.

OUTROS NEGÓCIOS – PRINCIPAIS PRESSUPOSTOS UTILIZADOS NAS AVALIAÇÕES DAS MARCAS

2024 Brands	Markets	Discount rate	Tax rate
Triangle's	Europa	6.32%	24.5%

The discount rates indicated refer to the explicit period. .

2023 Brands	Markets	Discount rate	Tax rate
Triangle's	Europa	8.96%	27.5%

The discount rates indicated refer to the explicit period.

BRANDS – IMPAIRMENT TEST AND SENSITIVITY ANALYSIS

Sensitivity analyses were performed on the fundamental assumptions considered in the evaluations performed, namely: 1) reduction of the EVA indicator by 5%, compared to the base scenario; and 2) a 50 base point increase in the WACC rate in Euro used in the scenario base. These sensitivity analyses were performed independently for each assumption. Had these assumptions been applied to the identified brands, this sensitivity analysis would not have identified any additional impairment.

BRANDS

As at 31 December 2024 and 31 December 2023, the net amount of the brands is detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Pulp and paper		
Navigator	107 568 000	107 568 000
Soporset	43 919 000	43 919 000
My Tissue / My Tissue Ecological +	2 400 000	2 400 000
Elegance	6 753 660	-
Magnum	8 562 676	-
Softy	4 703 442	-
Little Heroes	964 809	-
Cement		
Secil Portugal	71 700 000	71 700 000
Supremo (Brazil)*	14 315 421	17 218 746
Other businesses		
Triangle's	6 748 000	6 748 000
Other	300	300
	267 635 308	**249 554 046**

* The value of these brands is subject to exchange rate adjustment.

CO2 EMISSION ALLOWANCES

The movements in CO_2 allowances, in 2024 and 2023, were as follows:

	31/12/2024		31/12/2023	
Amounts in Euro	Tonnes	Amount	Tonnes	Amount
Opening balance	**2 865 192**	**228 970 689**	**2 901 068**	**189 631 053**
Allowances awarded free of charge	1 652 464	122 001 417	1 820 620	155 932 941
CO_2 allowances returned to the Licensing Coordinating Entity	(1 800 526)	(148 424 705)	(1 856 496)	(116 593 305)
Adjustments	-	(95 190)	-	-
Impairment losses	-	(145 674)	-	-
Closing balance	**2 717 130**	**202 306 537**	**2 865 192**	**228 970 689**

As at 31 December 2024 and 31 December 2023, the Group held CO_2 allowances recorded in accordance with the policy described above, as follows:

Amounts in Euro	31/12/2024	31/12/2023
CO_2 allowances (tonnes)	2 717 130	2 865 192
Average unit value	74.46	79.91
	202 306 537	**228 970 689**
Market price	**71.57**	**78.06**

MOVEMENTS IN INTANGIBLE ASSETS

Amounts in Euro	Brands	Industrial property and other rights	CO_2 emission allowances	Other intangible assets	Intangible assets in progress	Total
Gross amount						
Balance as at 1 January 2023	268 477 414	249 597	189 631 053	-	25 525 666	483 883 730
Change in the perimeter	-	-	-	1 939 940	-	1 939 940
Acquisitions/Attributions	2 400 000	5 148	155 932 941	7 016	9 776 940	168 122 045
Acquisitions through business combinations	6 748 000	-	-	46 151 000	-	52 899 000
Adjustments, transfers and write-offs	-	44 629	(116 593 305)	14 052 442	(33 606 077)	(136 102 311)
Exchange rate adjustment	(22 029)	(271 583)	-	(224 469)	-	(518 081)
Impact of hyperinflationary economies	-	218 740	-	-	-	218 740
Balance as at 31 December 2023	277 603 385	246 531	228 970 689	61 925 929	1 696 529	570 443 063
Change in the perimeter	-	8 020 452	-	2 446	509 174	8 532 072
Acquisitions/Attributions	-	34 919	122 001 417	213 459	5 202 447	127 452 242
Acquisitions through business combinations	20 451 340	-	-	53 594 169	-	74 045 509
Adjustments, transfers and write-offs	-	41 371	(148 519 896)	6 220 399	(6 183 739)	(148 441 865)
Exchange rate adjustment	(2 178 316)	258 100	-	1 389 490	18 234	(512 492)
Balance as at 31 December 2024	**295 876 409**	**8 601 373**	**202 452 210**	**123 345 892**	**1 242 645**	**631 518 529**
Accumulated amortisation and impairment losses						
Balance as at 1 January 2023	(28 744 594)	(75 055)	-	-	-	(28 819 649)
Changes in the perimeter	-	-	-	(1 428 212)	-	(1 428 212)
Amortisation for the period	-	(358 339)	-	(4 724 419)	-	(5 082 758)
Adjustments, transfers and write-offs	-	787 256	-	19 544 238	-	20 331 494
Exchange rate adjustment	695 255	163 204	-	199 237	-	1 057 696
Balance as at 31 December 2023	(28 049 339)	517 066	-	13 590 844	-	(13 941 429)
Change in the perimeter	-	(4 315 193)	-	-	-	(4 315 193)
Amortisation for the period	-	(1 673 649)	-	(11 107 723)	-	(12 781 372)
Impairment losses for the period	-	-	(145 672)	-	-	(145 672)
Adjustments, transfers and write-offs	-	13 089	-	939	-	14 028
Exchange rate adjustment	(191 762)	(164 935)	-	(23 211)	-	(379 908)
Balance as at 31 December 2024	**(28 241 101)**	**(5 623 622)**	**(145 672)**	**2 460 849**	**-**	**(31 549 546)**
Net book value as at 1 January 2023	239 732 820	174 542	189 631 053	-	25 525 666	455 064 081
Net book value as at 31 December 2023	249 554 046	763 597	228 970 689	75 516 773	1 696 529	556 501 634
Net book value as at 31 December 2024	**267 635 308**	**2 977 751**	**202 306 538**	**125 806 741**	**1 242 645**	**599 968 983**

The increase in intellectual property and other rights and other intangible assets corresponds to the fair value attributed to the brands and customer portfolio as part of the process of acquiring the Navigator Tissue UK Group (Note 1.2).

3.3 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

Recognition and initial measurement	Property, plant and equipment acquired up to 1 January 2004 (date of transition to IFRS) are recorded at acquisition cost, or acquisition cost revaluated in accordance with accounting principles generally accepted in Portugal, up to that date, less depreciation and accumulated impairment losses. Property, plant and equipment acquired after transition date are recorded at acquisition cost, less depreciation and impairment losses.
Subsequent costs	Scheduled maintenance expenses are considered a component of the acquisition cost of property, plant and equip-ment and are fully depreciated by the next forecasted maintenance date. All other repairs and maintenance costs are recognised in the income statement in the period in which they are incurred.
Spare and maintenance parts	Spare parts are considered strategic as they are directly related to production equipment and their use is expected to last for more than two economic years. Maintenance parts considered as “critical spare parts” are recorded under non-current assets, as Property, plant and equipment. In accordance with this classification, spare parts are depreciated from the moment they become available for use and are assigned a useful life that follows the nature of the equipment, where they are expected to be integrated, not exceeding the remaining useful life of these.
Borrowing costs	Borrowing costs directly related to the acquisition or construction (if the construction or development period exceeds one year) of property, plant and equipment are capitalised and form part of the asset’s cost. During the periods presented, no financial charges for loans directly related to the acquisition or construction of property, plant and equipment were capitalised.
Write-offs and disposals	Gains or losses arising from write-offs or disposals are determined by the difference between the proceeds from the disposals when applicable less transaction costs and the carrying amount of the asset and are recognised in the income statement as Other operating income (Note 2.2) or Other operating expenses (Note 2.3).
Depreciation and impairment	We use the straight-line method from the moment the asset is available for use and using the rates that best reflect their estimated useful life. The depreciation of exploration lands results from the estimated average useful life of the land, considering the period of extraction of raw material.

Estimated useful life (years)	
Land	14
Buildings and other constructions	12 – 30
Basic equipment	
Transportation equipment	4 – 9
Tools	2 – 8
Administrative equipment	4 – 8
Returnable containers	6
Other property, plant and equipment	4 – 10

The residual values of the assets and respective useful lives are reviewed and adjusted when necessary at the statement of financial position date. When the carrying amount of the asset exceeds its realisable value, the asset is written down to the estimated recoverable amount, and an impairment charge is booked (Note 3.6).

RECOVERABILITY OF PROPERTY, PLANT AND EQUIPMENT

The recoverability of property, plant and equipment requires the Board of Directors to use estimates and assumptions, namely, whenever applicable, regarding the determination of the value in use for impairment tests to the Group's cash-generating units.

USEFUL LIFE AND DEPRECIATION

Property, plant and equipment present the most significant component of the Group's total assets. These assets are subject to systematic depreciation for the period that is determined to be their economic useful life. The determination of assets useful lives and the depreciation method to be applied is essential to determine the amount of depreciation to be recognised in the consolidated income statement of each period.

These two parameters are defined according to the best judgement of the Board of Directors for the assets and businesses in question, also considering the practices adopted by companies of the sector at the international level and the evolution of the economic conditions in which the Group operates.

Given the relevance of this estimate, the Group makes regular use of external and independent experts to assess the adequacy of the estimates used.

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

Amounts in Euro	Land	Buildings and other constructions	Equipment and other tangible assets	Assets under construction	Total
Gross amount					
Balance as at 1 January 2023	**411 970 969**	**1 088 895 188**	**5 667 682 096**	**158 801 634**	**7 327 349 887**
Change in the perimeter	2 904 977	25 721 751	85 769 352	6 373 911	120 769 991
Acquisitions	-	431 490	13 416 824	227 923 235	241 771 549
Acquisitions through business combinations	2 119 100	16 487 700	24 671 800	-	43 278 600
Disposals	(153 904)	(545 990)	(4 350 607)	-	(5 050 501)
Adjustments, transfers and write-offs	(6 724 275)	7 303 481	205 992 415	(187 104 753)	19 466 868
Exchange rate adjustment	(9 628 520)	(15 925 805)	(72 687 093)	(1 014 862)	(99 256 280)
Impact of hyperinflationary economies	4 595 312	5 211 115	(39 969 001)	1 988 422	(28 174 152)
Balance as at 31 December 2023	**405 083 659**	**1 127 578 930**	**5 880 525 786**	**206 967 587**	**7 620 155 962**
Change in the perimeter	-	577 800	72 779 219	3 122 596	76 479 615
Acquisitions	1 029 083	148 238	26 828 032	299 426 044	327 431 397
Acquisitions through business combinations	-	2 297 837	23 436 222	-	25 734 059
Disposals	(1 869 856)	(256 148)	(5 483 973)	(17 528)	(7 627 505)
Adjustments, transfers and write-offs	4 529 690	12 828 465	209 612 334	(238 087 381)	(11 116 892)
Exchange rate adjustment	(5 986 153)	(10 315 528)	(19 699 593)	(945 551)	(36 946 825)
Balance as at 31 December 2024	**402 786 423**	**1 132 859 594**	**6 187 998 027**	**270 465 767**	**7 994 109 811**
Accumulated depreciation and impairment losses					
Balance as at 1 January 2023	**(95 867 153)**	**(753 907 395)**	**(4 789 117 215)**	**(3 528 415)**	**(5 642 420 178)**
Change in the perimeter	-	(9 472 266)	(36 753 990)	-	(46 226 256)
Depreciation for the period	(5 268 905)	(21 070 763)	(169 809 937)	-	(196 149 605)
Impairment losses for the period	(72 910)	(1 209 964)	(5 786 474)	-	(7 069 348)
Disposals	-	520 586	4 242 831	-	4 763 417
Adjustments, transfers and write-offs	6 879 233	7 486 496	(34 767 731)	2 269 569	(18 132 433)
Exchange rate adjustment	1 097 529	11 258 046	83 205 778	517 920	96 079 273
Impact of hyperinflationary economies	(1 186 231)	(3 372 863)	53 248 754	-	48 689 660
Balance as at 31 December 2023	**(94 418 437)**	**(769 768 123)**	**(4 895 537 984)**	**(740 926)**	**(5 760 465 470)**
Change in the perimeter	-	-	(7 088 063)	-	(7 088 063)
Depreciation for the period	(5 012 801)	(21 166 788)	(188 176 081)	-	(214 355 670)
Impairment losses for the period	(2 279 818)	(2 544 989)	(9 715 850)	(336 743)	(14 877 400)
Disposals	71 859	242 927	4 886 666	-	5 201 452
Adjustments, transfers and write-offs	-	3 408 217	11 014 345	-	14 422 562
Exchange rate adjustment	260 611	1 603 844	8 367 603	23 210	10 255 268
Balance as at 31 December 2024	**(101 378 586)**	**(788 224 912)**	**(5 076 249 364)**	**(1 054 459)**	**(5 966 907 321)**
Net book value as at 1 January 2023	**316 103 816**	**334 987 793**	**878 564 881**	**155 273 219**	**1 684 929 709**
Net book value as at 31 December 2023	**310 665 222**	**357 810 807**	**984 987 802**	**206 226 661**	**1 859 690 492**
Net book value as at 31 December 2024	**301 407 837**	**344 634 682**	**1 111 748 663**	**269 411 308**	**2 027 202 490**

As at 31 December 2024, Assests under construction includes investments related to ongoing development projects, in particular those relating to the new recovery boiler in Setúbal (Euro 99 388 025), the collection and incineration of NCGs (Non-Condensable Gases) (Euro 9 951 457), the natural gas boiler (Euro 5 112 561), the oxygen delignification (Euro 3 237 829), the new bleaching tower in Aveiro (Euro 2 500 000), the new cogeneration plant in Aveiro (Euro 6 100 607), the new biomass boiler in Vila Velha de Ródão (Euro 2 951 519), the new cogeneration plant in Figueira da Foz (Euro 5 722 951), adapting the firing process to hydrogen (Euro 3 151 337) and the new biomass lime kiln (Euro 10 981 633) in Figueira da Foz. The remainder is related to several projects for improving and optimising the production process.

The investment made totalled Euro 327 431 397, of which Euro 88 907 544 are under the Recovery and Resilience Plan (RRP).

In 2024, the Navigator subsidiary decided to proceed with the pre-engineering project to rebuild the PM3 machine in Setúbal, with the aim of converting the current production of high grammage products into the production of products with higher quality and efficiency in low grammage (LBW – Low Basis Weight), a market segment with greater growth potential to replace plastic. Accordingly, an impairment was recorded on the entire net book value of the PM3 as at 31 December 2024 in the amount of Euro 7 116 061.

Of the Secil Group's investments in Property, Plant and Equipment during the period, the most noteworthy are those made in the subsidiary Ciments de Sibline, S.A.L. in Lebanon, namely with the Power Plant project, which aims to reduce dependence on the public electricity supply and reduce electricity costs (Euro 7 823 674); in the subsidiary Margem − Companhia de Mineração, S.A. in Brazil with the completion of the revamp of the Adrianópolis kiln, with the aim of increasing production capacity (Euro 5 712 419 to be added to the investment made of Euro 6 623 873 in 2023) and at SECIL − Companhia Geral de Cal e Cimento, S.A. with the completion of the Clean Cement Line project (Euro 6 838 756), as well as other investments needed to maintain operations and ensure operational safety.

In the period ended 31 December 2024, as a result of the impairment tests on the Secil Group's Cash Generating Units, an impairment was also recorded on the property, plant and equipment of the Lebanese subsidiaries in the amount of Euro 7 166 221.

With regard to the subsidiary ETSA, as at 31 December 2024, the caption Assets under construction includes the construction of the new plant in Coruche and its manufacturing equipment called Prohy (technology for hydrolysis of animal by-products), in the amount of Euro 17 056 022 (2023: Euro 10 269 988).

During 2024 and 2023, no financial charges for loans directly related to the acquisition, construction or production of property, plant and equipment were capitalised. Additionally, as at 31 December 2024 and 31 December 2023, there are no property, plant and equipment given as collateral.

The commitments assumed by the Group for the acquisition of property, plant and equipment are detailed in Note 9.2 – Commitments.

3.4 GOVERNMENT GRANTS

ACCOUNTING POLICIES

Government grants received to compensate the Group for investments made in Property, plant and equipment, including those attributed as tax credits, are classified as Deferred income (Note 4.3 − Payables) and are recognised in income over the estimated useful life of the respective subsidised assets, and are associated with the depreciation of the period (Note 3.6), for presentation purposes.

REPAYABLE GOVERNMENT GRANTS

Government grants, in the form of repayable loans at a subsidised rate, are discounted on the date of initial recognition based on the market interest rate at the date of grant, the value of the discount constituting the value of the grant to be amortised over the period of the loan or asset whose acquisition it is intended to finance, depending on the activities financed. These liabilities are included in Payables and other current liabilities (Note 4.3).

GOVERNMENT GRANTS – DETAILS

Amounts in Euro	Nature	31/12/2024	31/12/2023
Under AICEP contracts			
Enerpulp, S.A.	Financial	105 727	179 890
Navigator Pulp Aveiro, S.A.	Financial/Tax	2 527 412	3 920 318
Navigator Pulp Setúbal, S.A.	Financial	-	19 692
Navigator Pulp Figueira, S.A.	Financial/ Tax	6 899 272	7 470 505
Navigator Parques Industriais, S.A.	Financial	1 691 570	1 750 927
Navigator Tissue Aveiro, S.A.	Financial/ Tax	9 520 852	10 242 798
Triangle'S - Cycling Equipments, S.A.	Financial	5 002 302	5 174 076
Under the RRP			
Navigator Forest Portugal, S.A.	Financial	36 510	36 510
Viveiros Aliança, SA	Financial	18 161	20 800
Navigator Pulp Aveiro, S.A.	Financial	17 752 757	18 692 916
Navigator Paper Setúbal, S.A.	Financial	10 966 135	10 980 533
Navigator Pulp Setúbal, S.A.	Financial	21 480 000	21 480 000
Navigator Tissue Ródão, S.A.	Financial	8 462 427	-
Navigator Paper Figueira, S.A.	Financial	4 621 122	4 621 122
Navigator Pulp Figueira, S.A.	Financial	16 408 219	16 408 219
Navigator Tissue Aveiro, S.A.	Financial	11 968 393	12 016 780
Raiz	Financial	2 048 251	2 157 854
SEBOL – Comércio e Indústria de Sebo, S.A.	Financial	3 705 201	1 127 663
ITS – Indústria Transf. de Subprod. Animais, S.A.	Financial	55 250	92 397
Secil | Clean Cement Line	Financial	5 269 128	-
Secil | Clean Cement Line	Financial	5 881 890	-
Triangle's – Cycling Equipments, S.A	Financial	11 614 440	11 830 001
Other			
Raiz	Financial	949 079	1 154 590
Viveiros Aliança, S.A.	Financial	-	11 610
Navigator Pulp Setúbal, S.A.	Financial	4 488 046	4 488 046
Navigator Tissue Ejea, SLU	Financial	-	248 477
Secil – Companhia Geral Cal e Cimento, S.A.	Financial	1 484 282	10 091 069
Closing balance		**152 956 426**	**144 216 793**

GOVERNMENT GRANTS – MOVEMENTS

Amounts in Euro	Note	31/12/2024	31/12/2023
Opening balance		**144 216 793**	**43 219 908**
Change in the perimeter		-	4 600 031
Allocation		17 481 319	96 863 625
Charge-off		(5 901 588)	(3 715 363)
Other		(2 840 098)	3 248 592
Closing balance		**152 956 426**	**144 216 793**
Of a financial nature		*138 388 779*	*127 982 745*
Of a tax nature		*14 567 647*	*16 234 048*

The allocations for the period mainly relate to the sums allocated under the mobilising agendas of the Recovery and Resilience Plan (RRP).

The Group expects to recognise grants in profit or loss as follows:

Amounts in Euro	31/12/2024	31/12/2023
Up to 1 year	9 149 468	5 942 548
1 to 2 years	5 257 296	7 427 480
2 to 3 years	4 592 969	3 842 322
3 to 4 years	4 561 948	6 799 436
4 to 5 years	4 141 750	3 903 553
After 5 years	125 252 995	116 301 454
	152 956 426	**144 216 793**

INCENTIVE TO INCREASE PULP PRODUCTION CAPACITY IN FIGUEIRA DA FOZ

On 27 December 2018, Navigator Pulp Figueira, S.A signed a tax investment agreement with AICEP, related to the investment associated with the increase of pulp production capacity in Figueira da Foz, which includes a tax incentive up to the maximum amount of Euro 17 278 657, corresponding to 19.5% of the investment made, through the fulfilment, until 31 December 2025 of the contractually defined objectives. This grant, drawn on by the subsidiary to the amount of Euro 14 437 235, is being recognised over 20 years, until 2038, pro rata to the depreciation of the assets, although it has been fully used since 2018, as a deduction from taxable income.

INCENTIVES FOR THE EXPANSION PROJECT OF THE CACIA PULP MILL

On 18 June 2014, the Group's subsidiary, Navigator Pulp Aveiro, S.A., signed two financial and tax incentive agreements with the AICEP – Agência para o Investimento e Comércio Externo de Portugal (Agency for Investment and Foreign Trade of Portugal), effective until 2023 and 2024, respectively, to support the investment to be promoted by that company in the capacity increase project of Aveiro pulp mill, with a total amount of Euro 49.3 million.

The grants approved amount to Euro 9.753 million in repayable financial incentives and Euro 5.644 million in tax incentives. This amount has been fully used since 2016 and will be recognised in profit or loss in 20 years, until 2034. The contract includes an achievement bonus already recognised in the balance sheet and received in April 2024, which corresponds to the conversion of 75% of the repayable grant in a non-repayable grant, in the amount of Euro 7 314 397, subject to compliance with the objectives established in the contract.

In March 2014, the subsidiary Navigator Tissue Ródão, S.A. signed investment contracts with AICEP – Agência para o Investimento e Comércio Externo de Portugal (Agency for Investment and Foreign Trade of Portugal), effective between 2014 and 2022, for the construction of a second tissue paper machine at its Vila Velha de Ródão plant, with the aim of contributing part of the investment through EU funds through repayable financial incentives amounting to Euro 9 647 700, convertible into non-repayable incentives, up to a limit of 50%, i.e., Euro 4 823 850. The incentive should have been paid in two instalments, on 31 December 2016 and 31 December 2018, however on 31 December 2024 the amount of Euro 2 407 395 remains to be received (Note 4.2).

GRANT TO THE SETÚBAL LIME KILN CONVERSION PROJECT

As part of the Carbon Neutrality Roadmap, the Group has signed a financial investment contract with the European Union to support investment by Navigator Pulp Setúbal in the conversion of the lime kiln at the Setúbal pulp mill, with a planned total investment of Euro 7 500 000. The maximum approved grant amounts to Euro 4 488 046 and will be paid through a single non-repayable instalment, up to the end of the third year of operation of the equipment, which is expected to begin in the third quarter of 2025.

RECOVERY AND RESILIENCE PLAN

The Navigator Group is involved in four Agendas for Business Innovation of the Recovery and Resilience Plan (RRP), through investment of Euro 91.8 million. The Group, through Navigator Paper Setúbal, S.A., is leading the "From Fossil to Forest" (FF2F) Agenda, whose main goal is to develop a range of packaging solutions—focused on the gKRAFT brand to be launched in 2021—and the production of micro fibrillated cellulose for developing mechanical properties and functional barriers (to fats and liquids, amongst others) in these papers. In total, the Group will benefit from support of around Euro 25.9 million from this component of the RRP (C5 – Corporate Capitalization and Innovation).

During 2022, the Group companies Navigator Paper Setúbal, S.A., Navigator Pulp Setúbal, S.A., Navigator Paper Figueira, S.A., Navigator Pulp Figueira, S.A., Navigator Pulp Aveiro, S.A. and Navigator Tissue Aveiro, S.A. applied for "Apoio à Descarbonização da Indústria" (Support for Decarbonisation of Industry) under the RRP. This support is part of a set of measures under Component 11 (C11) of the RRP, which aims to contribute to the goal of carbon neutrality by promoting energy transition through energy efficiency, support for renewable energy, focusing on the adoption of low-carbon processes and technologies in industry, the adoption of energy efficiency measures in industry and the incorporation of energy from renewable sources and energy storage. Recently, this was extended to a second phase of application, in which Navigator Tissue Ródão S.A., like the other companies, presented a series of initiatives related to its carbon neutrality. In the future, the Group expects to invest Euro 173.1 million in these initiatives, of which it hopes to receive Euro 75.8 million in funding.

Also in 2022, Group companies applied for RRP incentives for the "Rede Nacional de Test Bed" (National Test Bed Network), which aims to create a national network providing services to companies for the development and testing of new products and services. The application, involving an investment of Euro 2.2 million, was approved at the end of the year and IAPMEI decided to award Navigator Pulp Figueira. S.A. Euro 1.4 million.

However, the Group's participation in the RRP is not complete without RAIZ's participation in Component 12 of the RRP, related to the Bioeconomy, where it plans to invest Euro 1.7 million and receive an incentive of Euro 1.4 million to accelerate, in partnership with CITEVE and other 52 promoters, the creation of high value-added products from biological resources as an alternative to fossil-based materials, while maintaining and even improving quality standards, with great potential in different market segments.

In 2024, the ETSA subsidiary's investments under the RRP amounted to a total of Euro 17 million in the construction of the innovative industrial unit, which currently incorporates a different and more developed technology from the one initially planned. This new industrial unit, called ETSAProHy, is now a technological platform for hydrolysing proteins from by-products of any animal species, not just monospecies.

Within the scope of Triangle's subsidiary, the PPS for double suspension frames for e-bikes is intended to consist of double suspension frames made up of hydroform tubes made of unique aluminium alloys which will ultimately allow the weight of the frames to be increased and the associated know-how to be incorporated into the Portuguese business fabric. To this end, in accordance with what was stated in the application, a new production process was to be set up, with work taking place in accordance with the defined timetable (specifically, work began on the construction of two new production centres in 2022 and continued throughout 2023). In detail, following on from the work carried out previously, during 2024 the work mentioned in the previous status report on the structure of the industrial unit continued, and all the planned finishings were completed, making it possible to begin its use. All the work on an Obeya Room to support the production staff has been completed. Finally, it should be noted that orders for the machinery/equipment planned for the current project and computer hardware continued to be placed. Among the equipment installed were six welding robots, two 3D laser machines, two lathes, five machining centres, a wire erosion machine and a brazing cell, among others. The investments made under the RRP in 2024 amount to Euro 3 million.

INCENTIVES FOR THE PROFUTURE PROJECT – CCL MACEIRA

As part of the RRP European support and financing programme, Secil signed a financial investment contract with IAPMEI – Agência para a Competitividade e Inovação, I.P. (IAPMEI), to support the investment to be made, called ProFuture – CCL Maceira. This project integrates key measures to increase energy efficiency and strengthen the use of alternative fuels. Together with initiatives already in place, these measures will make it possible to reduce greenhouse gas emissions. The total amount of the planned investment is Euro 62 888 277, with a maximum non-repayable incentive of Euro 25 573 433. Up to the period ending 31 December 2024, an amount of Euro 5 881 890 had already been received.

The CCL (Clean Cement Line) project, which received financial support from the Agência para o Investimento e Comércio Externo de Portugal, E.P.E. (AICEP) under the Portugal 2020 European support and funding programme, was completed in the period ended 31 December 2024. The total amount of the investment was Euro 85 247 865, with an incentive of Euro 7 650 443, of which Euro 5 987 832 is non-repayable.

REPAYABLE GOVERNMENT GRANTS

On 13 December 2017, the subsidiary Navigator Tissue Aveiro, S.A. entered into an investment agreement with AICEP, effective until 2026, for the construction of the new tissue mill in Aveiro. This agreement comprises a financial incentive in the form of a repayable grant, which includes a grace period of two years, without interest, up to a maximum amount of Euro 42 166 636, corresponding to 35% on the amount of expenses considered eligible, which were estimated in Euro 120 476 million. As at 31 December 2024, the repayable grant has been fully received.

On 20 April 2018, the same entity was also awarded with a tax incentive granted through the compliance of contractually defined requirements until 31 December 2028, whose maximum amount will be Euro 11 515 870, corresponding to 10% of the expenses associated with the project investment (see Note 5.7). This amount has been fully used since 2019 and will be recognised in profit or loss for an average of 24 years, until 2043.

There are no unfulfilled conditions and other contingencies linked to Government grants that have been recognised and Navigator is complying with the conditions according to plan.

3.5 RIGHT-OF-USE ASSETS

ACCOUNTING POLICIES

At the date the lease enters into force, the Group recognises a right-of-use asset at its cost, which corresponds to the initial amount of the lease liability adjusted for: i) any prepayments; ii) lease grants received; and iii) initial direct costs incurred. To the right-of-use asset, the estimate of removing and/or restoring the underlying asset and/or the location where it is located may be added, when required by the lease agreement.

The right-of-use asset is subsequently depreciated using the straight-line method, from the start date until the lower between the end of the asset's useful life and the lease term. Additionally, the right-of-use asset reduced of impairment losses, if any, and adjusted for any remeasurement of the lease liability.

The useful life considered for each class of right-of-use asset is equal to the useful life of Property, plant and equipment (Note 3.3) in the same class when there is a call option and the Group expects to exercise it.

SHORT-TERM LEASES AND LOW-VALUE ASSET LEASES

The Group recognises payments for leases of 12 months or less and for leases of assets whose individual acquisition value is less than Euro 5 000 directly as operating expenses for the period (Note 2.3), on a straight-line basis.

MOVEMENTS IN RIGHT-OF-USE ASSETS

Amounts in Euro	Industrial property and other rights	Land	Buildings and other construc-tions	Equipment and other tangibles	Total
Gross amount					
Balance as at 1 January 2023	**1 195 138**	**77 359 589**	**10 593 137**	**63 800 105**	**152 947 969**
Acquisitions	11 820	12 025 249	998 008	11 724 172	24 759 249
Adjustments, transfers and write-offs	-	(205 567)	(628 116)	(8 180 483)	(9 014 166)
Exchange rate adjustment	-	(5 472)	(59 930)	71 951	6 549
Balance as at 31 December 2023	**1 206 958**	**89 173 799**	**10 903 099**	**67 415 745**	**168 699 601**
Change in the perimeter	-	-	930 133	42 964 951	43 895 084
Acquisitions	37 329	6 929 331	2 070 384	25 825 046	34 862 090
Adjustments, transfers and write-offs	-	(1 520 397)	(758 825)	(5 878 774)	(8 157 996)
Exchange rate adjustment	-	(20 856)	(101 691)	613 016	490 469
Balance as at 31 December 2024	**1 244 287**	**94 561 877**	**13 043 100**	**130 939 984**	**239 789 248**
Accumulated amortisation and impairment losses					
Balance as at 1 January 2023	**(441 686)**	**(16 434 674)**	**(5 580 526)**	**(29 302 407)**	**(51 759 293)**
Amortisation for the period	(70 393)	(5 440 469)	(1 669 478)	(13 850 707)	(21 031 047)
Adjustments, transfers and write-offs	-	121 615	623 294	6 787 763	7 532 672
Exchange rate adjustment	-	7 727	65 784	(20 908)	52 603
Balance as at 31 December 2023	**(512 079)**	**(21 745 801)**	**(6 560 926)**	**(36 386 259)**	**(65 205 065)**
Change in the perimeter	-	-	(681 574)	(11 335 039)	(12 016 613)
Amortisation for the period	(74 260)	(5 760 016)	(2 327 253)	(18 988 329)	(27 149 858)
Adjustments, transfers and write-offs	-	1 501 009	462 500	6 016 408	7 979 917
Exchange rate adjustment	-	7 924	(1 289)	(29 571)	(22 936)
Balance as at 31 December 2024	**(586 339)**	**(25 996 884)**	**(9 108 542)**	**(60 722 790)**	**(96 414 555)**
Net book value as at 1 January 2023	**753 452**	**60 924 915**	**5 012 611**	**34 497 698**	**101 188 676**
Net book value as at 31 December 2023	**694 879**	**67 427 998**	**4 342 173**	**31 029 486**	**103 494 536**
Net book value as at 31 December 2024	**657 948**	**68 564 993**	**3 934 558**	**70 217 194**	**143 374 693**

Land relates, essentially, to the rights to use land:

- for forest exploitation in the subsidiary Navigator amounting to around Euro 53.2 million, whose contracts usual-ly have a term of 24 years, and may be terminated early if the 2nd harvest occurs before the 24th year of the term; and
- associated to long term port concession contracts of the subsidiary Secil amounting to around Euro 11.7 million.

The caption Equipment and other property, plant and equipment mainly refers to transport equipment, including concrete mixers, forklifts and pumps at the subsidiary Secil, forklifts at the subsidiary Navigator and the vehicles that make up the fleet used by the Group's various companies, whose total purchases (new contracts and renewals) amounted to Euro 24 107 999 in the year ended 31 December 2024 (2023: Euro 11 724 172).

Moreover, the increase in the Equipment and other tangibles caption is essentially due to the acquisition of the Navigator Tissue Uk Group (Note 1.2).

During 2024, payments relating to the amortisation of finance lease contracts amounted to Euro 30 006 898 (2023: Euro 26 159 738).

3.6 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

As at 31 December 2024 and 31 December 2023, the caption Depreciation, Amortisation and Impairment Losses is detailed as follows:

Amounts in Euro	Note	2024	2023
Depreciation of property, plant and equipment for the period	3.3	214 355 670	196 650 669
Use of government grants	3.4	(5 237 525)	(4 216 425)
Depreciation of property, plant and equipment, net of grants used		**209 118 145**	**192 434 244**
Impairment on property, plant and equipment - reversals		(823 046)	(200 076)
Impairment on property, plant and equipment - losses		15 700 446	7 269 424
Impairment of property, plant and equipment for the period	3.3	**14 877 400**	**7 069 348**
Depreciation of property, plant and equipment for the period		12 781 371	5 082 758
Amortisation of right-of-use assets for the period		(664 063)	-
Amortisation of intangible assets for the period	3.2	**12 117 308**	**5 082 758**
Goodwill impairment		69 001	-
Impairment on intangible assets	3.2	145 673	-
Amortisation of intangible assets for the period		**214 674**	**-**
Amortisation of right-of-use assets for the period	3.5	**27 149 858**	**21 031 047**
Depreciation of investment properties	3.9	766	766
Impairment losses on investment properties	3.9	15 035	1 646
ICMS - Tax on the movement of goods and services included in depreciation (Brazil)		(1 640 913)	(1 294 045)
		261 852 273	**224 325 764**

During 2024, Navigator requested an external valuation of its assets by an independent and specialised entity, which estimated the useful life of the assets, considering current conditions and functional obsolescence. The study took into account technical information on the assets allocated to the production centres, including the technical, physical and technological durability of the equipment, but no significant differences were identified between the estimated useful lives and those practised by the Group, other than those referred to in Note 3.3.

In the period ended 31 December 2024, as a result of the analysis carried out on the recoverability of the net value of the assets of the Group's subsidiaries in Lebanon, an impairment was recognised on the property, plant and equipment of the Lebanese subsidiaries in the amount of Euro 7 166 221.

In 2023, the impairment loss on property, plant and equipment, in the amount of Euro 7 269 424, essentially relates to the recognition of impairment on industrial equipment in Brazil and Portugal, in the amounts of Euro 2 958 330 and Euro 4 311 094, respectively, resulting from the assessment of the recovery of the book value of the respective assets.

3.7 ATIVOS BIOLÓGICOS

ACCOUNTING POLICIES

The Group’s biological assets comprise the forests held for the production of timber, suitable for incorporating in the production of BEKP or for sale on the market, mostly eucalyptus, but also include other species such as pine and cork oak.

Biological assets are measured at fair value less estimated selling expenses at the time of harvest.

Fair Value (level 3 of the IFRS 13 fair value hierar-chy)	When calculating the fair value of forests, the Group used the discounted cash flows method, based on a model developed in house, regularly tested by independent external assessments. In the model developed, assumptions are considered corresponding to the nature of the assets under evaluation, namely, the development cycle of the different species, the productivity of the forests, the wood sales price (when there is an active market) less the cost of harvesting, the rents of own, leased land, replanting and transport, the costs of planting and maintenance, the cost inherent in leasing the forest land; and the discount rate. The discount rate corresponds to a market rate without inflation, in a manner consistent with the structure of forecasts, determined on the basis of the Navigator Group's expected rate of return on its forests, which are intended to be sold intragroup.
Concession areas	The costs incurred with the site preparation before the first forestation are recorded as property, plant and equipment and depreciated in line with its expected useful lives corresponding to the concession period.
Change of estimates	Changes in estimates of growth, harvesting period, price, cost and other assumptions are recognised in the income statement as fair value adjustments of biological assets.
Harvesting	At the time of harvesting, wood is recognised at fair value less estimated costs since that point until the point of sale, which is the initial cost of the inventory.

ACCOUNTING ESTIMATES AND JUDGEMENTS

ASSUMPTIONS

Assumptions corresponding to the nature of the assets being valued were considered:

- Productivity of forests;
- Wood sales price (when there is an active market) less the cost of harvesting, rents for own, rented and leased land, replanting and transport, planting and maintenance costs, the cost inherent in leasing forest land; the trend value for 2024 worsened by 6% compared to 2023.
- Discount rate, 2024: 4.27% (2023: 5.19 %) for Portugal and Spain and 21.6% (2023:13.55%) in determining the fair value of Mozambique. In 2024, the Group started to determine the fair value of biological assets in meticals, which implied an increase in the discount rate compared to the previous year due to the incorporation of the risk associat-ed with that currency. It should be noted that the Group incorporates the fire risk into the model's cash flows. If this risk were incorporated into the discount rate, it would be of 6.51% and 22.22%, respectively.

These values, calculated in accordance with the expected extraction of their productions, correspond to the following future production expectations:

	31/12/2024	31/12/2023
Eucalyptus (Portugal) – Potential future of wood extractions k m3ssc	9 909	10 447
Eucalyptus (Spain) - Potential future of wood extractions k m3ssc	244	252
Eucalyptus (Mozambique) – Potential future of wood extractions k m3ssc	5 165	3 570
Pine (Portugal) - Potential future of wood extractions k tonne	282	290
Cork oak (Portugal) – Potential future of cork extractions k @	458	488

Concerning Eucalyptus, the most relevant biological asset in the financial statements, the Group extracted, in 2024, 611 862 m3ssc of wood from its owned and explored forests (31 December 2023: 594 709 m^3ssc).

As at 31 December 2024 and 31 December 2023, (i) there are no amounts of biological assets whose property is restricted and/or pledged as guarantee for liabilities, nor there are non-reversible commitments related to the acquisition of biological assets, and (ii) there are no government grants related to biological assets recognised in the Group's consolidated financial statements.

SENSITIVITY ANALYSIS

The Group takes into account the discount rate used in Portugal and the forward price of wood as the most significant variables. Changes in the assumptions may imply the appreciation/depreciation of these assets:

Amounts in Euro	31/12/2024	31/12/2023
1) Increase of 0.5% in the discount rate in Portugal	5 868 859	5 990 023
Depreciation of Portugal's forest assets		
2) Decrease of 3% in forward price	11 978 891	10 733 022
Depreciation of Portugal's forest assets		
3) Increase of 0.5% in the discount rate in Mozambique	206 777	244 194
Depreciation of Mozambique's forest assets		
4) Decrease of 3% in forward price	769 860	776 149
Depreciation of Mozambique's forest assets		

DETAIL OF BIOLOGICAL ASSETS

Amounts in Euro	31/12/2024	31/12/2023
Eucalyptus (Portugal)	85 569 146	88 244 919
Eucalyptus (Spain)	3 081 361	1 628 022
Pine (Portugal)	5 798 144	5 898 445
Cork Oak (Portugal)	1 490 017	835 149
Other species (Portugal)	73 107	103 377
Eucalyptus (Mozambique)	19 238 423	18 912 337
	115 250 198	**115 622 249**

The decrease in the fair value of Eucalyptus and Pine is mainly due to the effects of increased costs for cutting, replanting and transportation.

The Group considers, in accordance with IAS 41, mature assets to be those that have reached the necessary specifications to obtain the maximum yield based on their profitability, supply needs and opportunity cost. Typically, the forest in Portugal reaches its maturity between 8 and 12 years, and this reference depends on the species, soil conditions, as well as edaphoclimatic conditions. Data on the forest, its condition and its future potential are measured at least twice throughout its growth cycle. As at 31 December 2024, mature assets accounted for approximately 52% (53% in 31 December 2023) of Navigator's forest in Portugal, being recognised at fair value.

MOVEMENTS IN BIOLOGICAL ASSETS

Amounts in Euro	31/12/2024	31/12/2023
Opening balance	**115 622 249**	**122 499 874**
Transfers and adjustments	-	28 981
Variation		
Logging in the period	(22 305 990)	(23 005 571)
Growth	25 895 749	27 649 292
New planted areas and replanting (at cost)	3 091 316	3 871 701
Other changes in fair value:		
change in the price of wood	21 818 100	15 908 400
change in the cost-of-capital rate	6 890 813	(238 400)
impact of forest fires	(3 030 511)	(1 386 701)
transport logistics costs	(24 407 600)	(8 928 000)
fixed costs structure	(3 253 000)	(10 505 800)
changes in other species	554 567	(2 235 892)
other changes in expectations	(6 299 966)	(8 035 635)
Total changes in the period	**(1 046 522)**	**(6 906 606)**
Exchange rate adjustment	674 471	-
Closing balance	**115 250 198**	**115 622 249**

3.8 NON-CURRENT ASSETS HELD FOR SALE

ACCOUNTING POLICIES

Non-current assets (or discontinued operations) are classified as held for sale if their value can be realised mainly through a sale transaction rather than through their continued use.

This is considered to be the case only when: (i) the sale is highly probable and the asset is available for immediate sale in its present condition, (ii) the Group has assumed a commitment to sell, and (iii) it is expected that the sale will take place within a period of 12 months.

Measurement and presentation	From the moment property, plant and equipment is classified as non-current assets held for sale, they are measured at the lower of book value or at fair value less costs to sell and their depreciation ceases. When the fair value less costs to sell is lower than the book value, the difference is recognised in the income statement.
Disposals	Gains or losses on disposals of non-current assets, determined by the difference between the sale price and the re-spective net book value, are recognised in the income statement as Other operating income (Note 2.2) or Other operating expenses (Note 2.3).

As at 31 December 2024 and 31 December 2023, the assets presented as non-current assets held for sale correspond to industrial equipment acquired from the bankrupt company CNE – Cimentos Nacionais ou Estrangeiros, S.A. for an amount of Euro 1 008 000.

3.9 INVESTMENT PROPERTIES

ACCOUNTING POLICIES

The Group classifies the assets held for the purpose of capital appreciation and/or the generation of rental income as investments properties in the consolidated financial statements.

Measurement	An investment property is initially measured by its acquisition or production cost, including the transaction costs that are directly attributable to it. After initial recognition, investment properties are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it is probable that it will result in future economic benefits to the entity comparing to those considered in initial recognition.

MOVEMENTS IN INVESTMENT PROPERTIES

Amounts in Euro	Note	31/12/2024	31/12/2023
Opening balance		504 303	366 436
Disposals		(88 199)	(233 828)
Depreciation for the period	3.6	(766)	(766)
Impairment losses for the period	3.6	(15 035)	(1 646)
Adjustments, transfers and write-offs		-	374 107
Closing balance		**400 303**	**504 303**

These assets consist essentially of land and buildings held for rental and/or capital valuation purposes and are not related to the Group's operating activity nor do they have any future use determined.

4 WORKING CAPITAL

4.1 INVENTORIES

ACCOUNTING POLICIES

Goods and raw materials	Goods and raw, subsidiary and consumable materials are valued at the lower of their purchase cost or their net realisa-ble value. The purchase cost includes ancillary costs and it is determined using the weighted average cost as the valua-tion method.
Finished and inter-mediate products and work in progress	Finished and intermediate products and work in progress are valued at the lower of their production cost (which includes incorporated raw materials, labour and general manufacturing costs, based on a normal production capacity level) or their net realisable value. The net realisable value corresponds to the estimated selling price, after deducting estimated completion and selling costs. The difference between production cost and net realisable value, if lower, are recorded as an operational cost.

4.1.1 INVENTORIES – DETAIL BY NATURE

AMOUNTS NET OF ACCUMULATED IMPAIRMENT LOSSES

Amounts in Euro	31/12/2024	31/12/2023
Raw materials	226 331 955	216 689 480
Goods	13 359 109	10 675 318
	239 691 064	**227 364 798**
Finished and intermediate products	180 613 721	165 176 434
Goods and work in progress	4 436 699	4 491 349
By-products and waste	372 084	458 601
	185 422 504	**170 126 384**
Total	**425 113 568**	**397 491 182**

4.1.2 INVENTORIES – DETAIL BY SEGMENT AND GEOGRAPHY

Amounts in Euro	31/12/2024	%	31/12/2023	%
Pulp and paper				
Portugal	241 620 791	79.7%	236 495 060	82.5%
Rest of Europe	29 225 680	9.6%	14 749 174	5.1%
America	29 715 421	9.8%	35 246 128	12.3%
Africa	2 636 475	0.9%	-	0.0%
	303 198 367	**100.0%**	**286 490 362**	**100.0%**
Cement				
Portugal	58 830 482	51.2%	48 100 713	47.2%
Rest of Europe	2 394 854	2.1%	2 875 401	2.8%
America	10 345 928	9.0%	18 586 543	18.2%
Africa	27 973 785	24.4%	24 333 691	23.9%
Asia	15 321 767	13.3%	7 986 077	7.8%
	114 866 816	**100.0%**	**101 882 425**	**100.0%**
Other businesses				
Portugal	7 048 385	100.0%	9 118 395	100.0%
	7 048 385	**100.0%**	**9 118 395**	**100.0%**
	425 113 568		**397 491 182**	

The amount related to Portugal, from Pulp and Paper segment, includes Euro 10 358 907 (31 December 2023: Euro 14 968 097) relating to inventories for which invoices have already been issued but whose control has not been transferred to customers.

As at 31 December 2024 and 31 December 2023, there are no inventories in which ownership is restricted and/or pledged as collateral for liabilities.

4.1.3 COST OF GOODS SOLD AND MATERIALS CONSUMED IN THE PERIOD

Amounts in Euro	Note	31/12/2024	31/12/2023
Opening balance		227 364 798	208 559 427
Change in the perimeter		(14 152 590)	3 373 321
Purchases		1 152 929 537	1 126 932 500
Closing balance		(239 691 064)	(227 364 798)
Costs of goods sold and materials consumed	**2. 3**	**1 126 450 681**	**1 111 500 450**

4.1.4 VARIATION IN PRODUCTON DURING THE PERIOD

Amounts in Euro	Note	31/12/2024	31/12/2023
Opening balance		(170 126 384)	(184 928 053)
Change in the perimeter		(11 422 914)	-
Adjustments		3 180 881	(1 408 471)
Closing balance		185 422 504	170 126 384
Variation in production	**2.3**	**7 054 087**	**(16 210 140)**

4.1.5 MOVEMENTS IN IMPAIRMENT LOSSES IN INVENTORIES

Amounts in Euro	Note	31/12/2024	31/12/2023
Opening balance		**(29 424 394)**	**(23 289 293)**
Increases	2.3	(5 637 006)	(6 721 101)
Reversals	2.2	5 068 999	750 339
Impact in profit or loss for the period		**(568 007)**	**(5 970 762)**
Change in the perimeter		(1 192 426)	(105 317)
Charge-offs		(23 302)	(372 941)
Exchange rate adjustment		3 498	286 797
Hyperinflationary Economies		-	27 122
Closing balance		**(31 204 631)**	**(29 424 394)**

As mentioned in Note 2.3, the increase in impairment losses in inventories essentially include the recognition of Euro 1 724 970 in impairment losses for UWF and tissue paper waste and Euro 1 248 818 for slow movers. In 2023, this caption mainly includes the recognition of an impairment of Euro 2 071 836 for the inventory of damaged paper identified on the platform of Navigator North America Inc.

From 2020 onwards, IAS 29 — Financial Reporting in Hyperinflationary Economies started to be applied to the financial statements of the Lebanese subsidiaries, before translation to the Group's presentation currency. As at 31 December 2024, the value of inventories relating to the Lebanese subsidiaries in the Group's consolidated financial statements amounts to Euro 15 324 272 (2023: Euro 8 609 593).

4.2 RECEIVABLES

ACCOUNTING POLICIES

TRADE AND OTHER RECEIVABLES

Classification	Trade receivables result from the Group's main activities and the business model followed is "hold to collect", although sometimes the Cement and Derivatives segment uses confirming. Balances from other receivables are typically from the "hold to collect" model.
Initial measurement	At fair value
Subsequent measurement	At amortised cost, net of impairment losses.
Impairment of trade receiva-bles	Impairment losses are recorded based on the simplified model provided for in IFRS 9, recording expected losses until maturity. The expected losses are determined on the basis of the experience of historical actual losses over a statistically significant period and representative of the specific characteristics of the underlying credit risk.
Impairment from other receivables	Impairment losses are recorded on the basis of the general estimated credit loss model of IFRS 9.

As at 31 December 2024 and 31 December 2023, Receivables and other current and non-current assets is detailed as follows:

		31/12/2024			31/12/2023		
Amounts in Euro	Note	Não Corrente	Corrente	Total	Não Corrente	Corrente	Total
Trade receivables							-
Pulp and Paper segment	8.1.4	-	305 042 497	305 042 497	-	259 060 841	259 060 841
Cement segment	8.1.4	-	75 267 264	75 267 264	-	79 155 309	79 155 309
Other Businesses segment	8.1.4	-	17 342 173	17 342 173	-	25 259 105	25 259 105
		-	**397 651 934**	**397 651 934**	**-**	**363 475 255**	**363 475 255**
Receivables - Related parties	10.4	-	5 705 585	5 705 585	-	2 357 687	2 357 687
State		-	76 610 134	76 610 134	-	77 504 449	77 504 449
Department of Commerce (EUA)		718 183	-	718 183	2 872 289	-	2 872 289
Grants receivable		17 237 232	59 185 244	76 422 476	49 880 237	53 184 592	103 064 829
Accrued income		-	25 460 897	25 460 897	-	16 426 830	16 426 830
Deferred expenses		-	21 764 619	21 764 619	-	17 386 225	17 386 225
Derivative financial instruments	8.2	-	34 577 496	34 577 496	-	23 314 167	23 314 167
Advances to suppliers		-	3 782 877	3 782 877	-	8 936 213	8 936 213
Other		7 895 039	30 490 722	38 385 761	4 945 683	22 489 090	27 434 773
		25 850 454	**655 229 508**	**681 079 962**	**57 698 209**	**585 074 508**	**642 772 717**

The amounts above are net of accumulated impairment losses. Analysis of impairment for receivables is presented in Note 8.1.4 – Credit risk.

GRANTS RECEIVABLE

The financial incentives essentially relate to amounts receivable under the RRP, amounting to Euro 76 422 476.

DEPARTMENT OF COMMERCE (US)

As at 31 December 2024, the balance corresponds to the amount receivable from the Department of Commerce (DoC) following the investigation initiated in 2015 of alleged dumping practices in exports of UWF paper to the United States by the subsidiary Navigator.

During 2023, the Department of Commerce confirmed the final rate to be applied for the 6th review period from March 2021 to February 2022 at 7.11%, therefore the Group received in 2024 the amount of Euro 1 674 082 for the difference between the deposits made and the final rate payable.

In 2024, the rate for the 7th review period, from March 2022 to February 2023, was also confirmed at 1.07%,and the amount of Euro 2 095 637 was also received. The subsequent review periods (8 and 9) remain open and Navigator estimates that it has to pay the DoC approximately Euro 1 160 207 (Note 4.3) for the 8th review period and a receivable of Euro 718 183 for the 9th review period.

As at 31 December 2024 and 31 December 2023, State is detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Value Added Tax - recoverable	21 085 602	13 823 487
Value Added Tax - repayment requests	47 545 155	53 851 202
Tax on the Movement of Goods and Services (ICMS)	2 209 988	1 862 050
PIS and COFINS credit on fixed assets	5 764 535	7 025 624
Other taxes	4 854	942 086
	76 610 134	**77 504 449**

The Paraná Competitivo Programme, granted by the State Government of Paraná to the subsidiary Margem - Companhia de Mineração, SA, refers to a tax incentive that has the following benefits: a) payment in instalments of the incremental ICMS; b) deferral of payment of the ICMS on electricity and natural gas for a period of 96 months, starting in August 2015; c) payment in instalments, until maturity, of the ICMS declared, in the case of judicial recovery; and d) granting of presumed credit due to the carrying out of infrastructure work in Paraná territory.

At 31 December 2024 and 31 December 2023, PIS and COFINS on fixed assets, amounting to Euro 5 764 535 and Euro 7 025 624 respectively relate to the estimated PIS and COFINS credit of the subsidiaries Supremo Cimentos, SA and Margem Companhia de Mineração, SA, on certain fixed assets, in accordance with Law 10 673/2002 (PIS) and Law 10 833/2003 (COFINS), which will be recovered at the same rate as the depreciation of the assets concerned.

As at 31 December 2024 and 31 December 2023, Accrued income and deferred costs were detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Accrued income		
Energy sales	11 821 131	10 798 083
Interest receivable	84 049	657 850
Other	13 555 717	4 970 897
	25 460 897	**16 426 830**
Deferred expenses		
Insurance	278 825	170 894
Rentals	14 428 850	12 717 123
Other	7 056 944	4 498 208
	21 764 619	**17 386 225**
	47 225 516	**33 813 055**

4.3 PAYABLES

ACCOUNTING POLICIES

FINANCIAL LIABILITIES AT AMORTISED COST

Initial measurement	At fair value, net of transaction costs incurred.
Subsequent measure-ment	At amortised cost, using the effective interest rate method. The difference between the repayment amount and the initial measurement amount is recognised in the income statement over the debt period under "Interest on other financial liabilities at amortised cost" (Note 5.11).

As at 31 December 2024 and 31 December 2023, Payables is detailed as follows:

Amounts in Euro	Note	31/12/2024	31/12/2023
Trade payables - current account		424 772 395	390 345 679
Trade payables - property, plant and equipment - current account		63 459 626	23 975 265
Advances from customers		4 208 429	1 392 239
State		65 263 494	94 022 947
Instituto do Ambiente		138 883 537	151 893 654
Related parties	10.4	7 601 820	5 546 128
Dividends payable to NCI		29 969 723	-
Other payables		27 700 134	25 393 982
Derivative financial instruments	8.2	7 159 750	12 922 808
Accrued costs - payroll		63 941 892	60 419 696
Other accrued costs		78 630 670	64 414 507
Non-repayment grants		75 054 714	99 614 486
Other deferred income		6 567 954	5 176 918
Payables - current		**993 214 138**	**935 118 309**
Non-repayment grants		144 462 392	129 553 426
Department of Commerce (EUA)		1 160 207	2 121 441
Other		43 405 689	39 928 230
Payables - non-current		**189 028 288**	**171 603 097**
		1 182 242 426	**1 106 721 406**

The increase in the balance of Trade payables - property, plant and equipment - current account is due to the greater volume of investments made in 2024, as mentioned in Note 3.3.

The balance of Dividends payable to non-controlling interests (NCI) as at 31 December 2024, in the amount of Euro 29 969 723, corresponds to the advance on profits for 2024, which was made by the subsidiary The Navigator Company on 9 January 2025.

As at 31 December 2024, the balance of Other payables, non-current, amounting to Euro 43 405 689, includes contingent consideration in the amount of Euro 42 483 002 (31 December 2023: 38 600 077), which can be paid until 2027, depending on the company's performance and the fulfilment of certain conditions.

As at 31 December 2024 and 31 December 2023, State is detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Personal income tax withheld (IRS)	4 830 783	3 494 576
Value Added Tax	25 439 898	48 036 447
Social Security contributions	5 643 716	4 996 724
ICMS - Tax on the Movement of Goods and Services	943 900	1 242 038
Programa de Desenvolvimento da Empresa Catarinense (PRODEC)	750 165	793 579
Programa Paraná Competitivo	26 367 685	33 936 235
Other	1 287 347	1 523 348
	65 263 494	**94 022 947**

As at 31 December 2024 and 31 December 2023, the amount presented under the caption "Programa de Desenvolvimento da Empresa Catarinense (PRODEC)", in the amount of Euro 750 165 and Euro 793 579, respectively, refers to a tax benefit attributed to the subsidiary Supremo Cimentos S.A., which consists of a deferral of the ICMS payment period due on sales revenue. Payment will be made on the 10th day of the 48th month following the end of the ICMS assessment period (March 2010 to February 2025). The amounts shown are discounted to their present value.

As at 31 December 2024 and 31 December 2023, there were no arrears with the State.

NON-REPAYABLE GRANTS – DETAILS

Amounts in Euro	31/12/2024	31/12/2023
Government grants	8 494 034	14 663 367
Grants - CO_2 emission allowances	59 697 933	75 001 176
Other grants	6 862 747	9 949 943
Non-repayable grants - current	**75 054 714**	**99 614 486**
Government grants (Note 3.4)	144 462 392	129 553 426
Non-repayable grants - non-current	**144 462 392**	**129 553 426**
	219 517 106	**229 167 912**

5 CAPITAL STRUCTURE

5.1 CAPITAL MANAGEMENT

CAPITAL MANAGEMENT POLICY

The objectives of Semapa Group, when managing capital, are to safeguard the Group´s ability to continue as a going concern and value creation for shareholders, through a conservative dividend policy based on principles of financial strength. The aim has been to maintain a financial structure compatible with the Group´s sustained growth and different business areas, whilst maintaining sound solvency and financial autonomy indicators. Accordingly, capital considered for the purposes of capital management corresponds to Equity. Equity does not include any financial liabilities.

In order to maintain or adjust its capital structure, the Group can adjust the amount of dividends payable to its shareholders, return capital to its shareholders, issue new shares or sell assets to lower its borrowings.

5.2 SHARE CAPITAL AND THEASURY SHARES

ACCOUNTING POLICIES

Semapa's share capital is fully subscribed and paid up, represented by shares with no nominal value.

Costs directly attributable to the issue of new shares or other equity instruments are reported as a deduction, net of taxes, from the amount received. The cost directly attributable to the issue of new shares options for a business acquisition are included in the acquisition cost, as part of the purchase price.

TREASURY SHARES

Recognition	At acquisition value, as a reduction of equity.
Acquisitions by Group company	When any Group company acquires shares of the parent company, the payment, which includes directly-associated incremental costs, is deducted from the shareholders' equity attributable to the holders of the parent company's capital until the shares are cancelled, redeemed or sold.
Disposal of treasury shares	When shares are subsequently sold or repurchased, any proceeds, net of the directly attributable transaction costs and taxes, is reflected in the shareholders' equity of the company's shareholders, under Other reserves (Note 5.5).
Extinction of treasury shares	The extinction of treasury shares is reflected in the consolidated financial statements, as a reduction of share capital and in the caption Treasury shares at its nominal and acquisition cost, respectively. The differential between those amounts is recorded in Other reserves.

SEMAPA'S SHAREHOLDERS

As at 31 December 2024 and 31 December 2023, Semapa's shareholders are detailed as follows:

	31/12/2024		31/12/2023	
Entity	**No. of shares**	**%**	**No. of shares**	**%**
Shares without par value				
Cimo - Gestão de Participações, SGPS, S.A.	38 959 431	47.94	38 959 431	47.94
Sodim, SGPS, S.A.	27 508 892	33.85	27 508 892	33.85
Treasury shares	1 400 627	1.72	1 400 627	1.72
Other shareholders with less than 5% shareholdings	13 401 050	16.49	13 401 050	16.49
	81 270 000	**100**	**81 270 000**	**100**

TREASURY SHARES – MOVEMENTS

The movements in treasury shares, in 2024 and 2023, are detailed as follows:

	31/12/2024		31/12/2023	
Amounts in Euro	No. of shares	Book value (Euro)	No. of shares	Book value (Euro)
Treasury shares held at the beginning of the period	1 400 627	15 946 363	1 400 627	15 946 363
Treasury shares at the end of the period	**1 400 627**	**15 946 363**	**1 400 627**	**15 946 363**

5.3 EARNINGS PER SHARE

ACCOUNTING POLICIES

The basic earnings per share are determined based on the division of profits or losses attributable to the ordinary shareholders of Semapa by the weighted average number of common shares outstanding during the period.

For the purpose of calculating diluted earnings per share, Semapa adjusts the profit or loss attributable to ordinary equity holders, as well as the weighted average number of outstanding shares, for the purposes of all potential dilutive common shares.

Amounts in Euro	2024	2023
Net profit attributable to the Shareholders of Semapa	**232 735 949**	**244 507 409**
Total number of shares issued	81 270 000	81 270 000
Average number of treasury shares in the portfolio	(1 400 627)	(1 400 627)
Weighted average number of shares	**79 869 373**	**79 869 373**
Basic earnings per share	**2.914**	**3.061**
Diluted earnings per share	**2.914**	**3.061**

5.4 DIVIDENDS

ACCOUNTING POLICIES

Dividends per share presented are calculated based on the number of shares outstanding on the grant date.

DIVIDENDS ALLOCATED IN THE PERIOD

Amounts in Euro	Date	Amount approved	Dividends per outstanding share
Allocations in 2024			
Approval of payment of dividends relating to the 2023 net profit on an individual basis in accordance with IFRS at the Annual Shareholders' Meeting of Semapa	24 May 2024	49 998 228	0.626
Allocations in 2023			
Approval of payment of dividends relating to the 2022 net profit on an individual basis in accordance with IFRS at the Annual Shareholders' Meeting of Semapa	18 May 2023	75 875 904	0.950

5.5 RESERVES AND RETAINED EARNINGS

FAIR VALUE RESERVES

Fair value reserve refers to the accumulated change in fair value of derivative financial instruments classified as hedging instruments (Note 8.2), and financial investments measured at fair value through other comprehensive income (Note 8.3), net of deferred taxes.

Changes related to derivatives are reclassified to profit or loss for the period (Note 5.11) as the hedged instruments affect profit or loss for the period. The fair value adjustments of financial investments recorded under this caption is not recycled to profit or loss.

LEGAL RESERVE

The Portuguese commercial legislation prescribes that at least 5% of annual net profit must be transferred to the legal reserve, until this is equal to at least 20% of the share capital. This reserve cannot be distributed unless the company is liquidated. It may, however, be drawn on to absorb losses, after other reserves are exhausted, or incorporated in the share capital.

The legal reserve is constituted by its maximum amount in the periods presented.

OTHER RESERVES

This caption corresponds to reserves constituted through the transfer of prior period’s profit and other movements.
The portion of the balance corresponding to the acquisition value of treasury shares held is not distributable (Note 5.2).

CURRENCY TRANSLATION RESERVE

The currency translation reserve corresponds to the cumulative amount related to the Group's appropriation of exchange rate differences resulting from the translation of the financial statements of the subsidiaries and associates operating outside the Euro Zone, mainly in Brazil, Tunisia, Lebanon, Angola, Mozambique, the United States of America, Switzerland and United Kingdom.

Amounts in Euro	31/12/2024	31/12/2023
Currency translation reserve	**(212 153 279)**	**(198 301 800)**
Fair value in derivative financial instruments	12 353 211	9 114 768
Fair value reserves	**12 353 211**	**9 114 768**
Legal reserve	**16 695 625**	**16 695 625**
Other reserves	**1 527 058 683**	**1 334 549 502**
Retained earnings	**(2 312 172)**	**(463 433)**
Reserves and retained earnings	**1 341 642 068**	**1 161 594 662**

The impact of exchange rate change by currency (see Note 8.1.1 - Exchange rate risk) is as follows:

Amounts in Euro	31/12/2024	31/12/2023
Opening balance	**(198 301 800)**	**(202 244 411)**
Brazilian real	(24 599 525)	5 836 450
Tunisian dinar	915 751	(628 224)
Lebanese pound	714 479	(3 789 496)
American dollar	9 848 720	(7 314 701)
Mozambican metical	503 316	12 118 812
Pound sterling	(140 191)	-
Other currencies	(1 094 029)	(2 280 230)
Closing balance	**(212 153 279)**	**(198 301 800)**

5.6 NON-CONTROLLING INTERESTS

DETAIL OF NON-CONTROLLING INTERESTS, BY SUBSIDIARY

	%	Equity		Net profit	
Amounts in Euro	held	31/12/2024	31/12/2023	2024	2023
Pulp and paper					
The Navigator Company, S.A.	29.97%	327 312 923	319 133 516	82 758 370	79 233 810
Raiz - Instituto de Investigação da Floresta e Papel	3.00%	360 347	327 018	36 018	25 322
Cement					
Secil - Companhia Geral de Cal e Cimento, S.A.	0.00%	8 353	8 804	1 040	877
Société des Ciments de Gabès	1.28%	442 809	409 218	22 282	(1 232)
IRP - Indústria de Rebocos de Portugal, S.A.	25.00%	557 538	470 335	380 454	291 672
Ciments de Sibline, S.A.L.	48.95%	8 986 827	13 875 978	(5 573 291)	12 007 868
Other		536 753	538 254	(1 503)	(456)
Other businesses					
ETSA - Investimentos, SGPS, S.A.	0.01%	9 923	10 173	481	1 043
Tribérica, S.A.	30.00%	218 781	258 417	(39 636)	(127 244)
		338 434 254	**335 031 713**	**77 584 215**	**91 431 660**

In 2014, the Navigator Group signed agreements with IFC – International Finance Corporation for the entry of this institution into the share capital of the subsidiary Portucel Moçambique, S.A., thus ensuring the construction phase of the Group's forestry project in Mozambique. In 2015, this Company performed a capital increase from MZM 1 000 million to MZM 1 680 798 million subscribing MZM 332 798 million corresponding to 19.98% of the capital at that date.

In February 2019, there was a reduction in the subscribed, underwritten and paid-up capital of the shareholder The Navigator Company, S.A. to MZM 456 596 000, corresponding to 90.02% of the Company's share capital, and the IFC's holding was reviewed to MZM 50 620 000, corresponding to 9.98% of the Portucel Moçambique's share capital.

On 19 December 2023, an addendum was made to the agreements initially signed with the IFC - International Finance Corporation, extending the date of entry of this institution into the capital of the subsidiary Portucel Moçambique, S.A. from 31 December 2023 to 31 December 2028.

As at the reporting date, there are no rights of protection of non-controlling interests that significantly restrict the entity's ability to access or use assets and settle liabilities of the Group.

MOVEMENTS OF NON-CONTROLLING INTERESTS BY OPERATING SEGMENT

Amounts in Euro	Pasta e Papel	Cement e Derivados	Outros negócios	Total
Balance as at 1 January 2023	**305 988 900**	**3 860 334**	**396 579**	**310 245 813**
Change in the perimeter	-	4 137 119	-	4 137 119
Dividends	(60 054 694)	(306 203)	(1 789)	(60 362 686)
Currency translation reserve	(10 415)	(3 588 781)	-	(3 599 196)
Financial instruments	(6 335 974)	(36)	-	(6 336 010)
Actuarial gains and losses	609 867	75	-	609 942
Hyperinflationary economies (Lebanon)	-	(1 098 648)	-	(1 098 648)
Other movements in equity	3 718	-	1	3 719
Net profit for the period	79 259 132	12 298 729	(126 201)	91 431 660
Balance as at 31 December 2023	**319 460 534**	**15 302 589**	**268 590**	**335 031 713**
Dividends	(75 012 880)	(294 290)	(730)	(75 307 900)
Acquisition difference at INC	(1 971 252)	-	-	(1 971 252)
Currency translation reserve	2 555 616	695 089	-	3 250 705
Financial instruments	(255 127)	(44)	-	(255 171)
Actuarial gains and losses	104 680	(42)	-	104 638
Other movements in equity	(2 689)	(4)	(1)	(2 694)
Net profit for the period	82 794 388	(5 171 018)	(39 155)	77 584 215
Balance as at 31 December 2024	**327 673 270**	**10 532 280**	**228 704**	**338 434 254**

During the period ended 31 December 2024, Semapa acquired 425 000 shares in The Navigator Company, S.A., corresponding to 0.06% of the share capital of this subsidiary, from non-controlling interests, for a total amount of Euro 1 592 725.

The accounting policies applicable to non-controlling interests, as well as the information about the Group subsidiaries with significant non-controlling interests are disclosed in Note 10.1 – Companies included in the consolidation.

5.7 INTEREST-BEARING LIABILITIES

ACCOUNTING POLICIES

Loans	Interest-bearing liabilities includes Bonds, Commercial Paper, bank loans and other financing.
Initial measurement	At fair value, net of transaction costs incurred.
Subsequent measurement	At amortised cost, using the effective interest rate method. The difference between the repayment amount and the initial measurement amount is recognised in the Separate Income Statement over the debt period under “Interest expenses on other loans” in Note 5.11 – Net Financial Results, using the effective interest rate method.
Fair value	The book value of short-term interest-bearing liabilities or loans contracted at variable interest rates are close to their fair value. The fair value of loans bearing interest at a fixed rate is disclosed in Note 8.4 – Financial assets and liabilities
Disclosure	The Group must classify a liability as current when: a) it expects to settle the liability in the normal course of its operating cycle; b) it holds the liability primarily for trading purposes; c) the liability is expected to be settled within twelve months of the reporting period; or d) it does not have a right to defer settlement of the liability for at least twelve months after the reporting period.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

DISCLOSURE BY OPERATING SEGMENT

Given that treasury management is performed autonomously by each business segment, as disclosed in Note 8.1 - Financial Risk Management, the information on interest-bearing liabilities that is disclosed in this Note follows that structure.

COMMERCIAL PAPER

The Group has several commercial paper programmes negotiated, of agreements with which it is frequent to carry out emissions with contractual maturity of less than one year but with revolving nature. Where the Group has the right to extend these loans (roll over), it classifies them as non-current liabilities.

INTEREST-BEARING LIABILITIES

	31/12/2024			31/12/2023		
Amounts in Euro	**Non-current**	**Current**	**Total**	**Non-current**	**Current**	**Total**
Bond loans	920 500 000	114 000 000	**1 034 500 000**	759 500 000	36 500 000	**796 000 000**
Commercial paper	101 000 000	61 750 000	**162 750 000**	144 750 000	37 750 000	**182 500 000**
Bank loans	223 863 256	152 128 605	**375 991 861**	177 777 985	104 181 489	**281 959 474**
Loans related charges	(6 642 489)	159 084	**(6 483 405)**	(5 344 927)	1 943 344	**(3 401 583)**
Debt securities and bank debt	**1 238 720 767**	**328 037 689**	**1 566 758 456**	**1 076 683 058**	**180 374 833**	**1 257 057 891**
Other interest-bearing debt	16 716 640	9 610 091	**26 326 731**	24 751 622	11 342 655	**36 094 277**
Other interest-bearing liabilities	**16 716 640**	**9 610 091**	**26 326 731**	**24 751 622**	**11 342 655**	**36 094 277**
Total interest-bearing liabilities	**1 255 437 407**	**337 647 780**	**1 593 085 187**	**1 101 434 680**	**191 717 488**	**1 293 152 168**

Other interest-bearing debt mainly includes incentives from AICEP – Agência para o Investimento e Comércio Externo de Portugal, as part of a number of research and development projects of the subsidiary Navigator, which includes the incentive under the investment agreement entered into with the Navigator Group Tissue Aveiro, S.A. subsidiary for the construction of the new Tissue plant in Aveiro. This agreement comprises a financial incentive in the form of a repayable grant, up to a maximum amount of Euro 42 166 636, without interest payment, with a grace period of two years, with the last repayment happening in 2027.

LOANS | FIXED AND VARIABLE RATE

	31/12/2024			31/12/2023		
Amounts in Euro	**Não Corrente**	**Corrente**	**Total**	**Não Corrente**	**Corrente**	**Total**
FIXED RATE						
Pulp and Paper						
Bond Loans	50 000 000	-	**50 000 000**	50 000 000	-	**50 000 000**
Commercial paper	35 000 000	35 000 000	**70 000 000**	70 000 000	35 000 000	**105 000 000**
Bank loans	48 551 588	12 420 635	**60 972 223**	60 972 222	10 456 350	**71 428 572**
Cement						
Bond Loans	177 500 000	-	**177 500 000**	140 000 000	-	**140 000 000**
Commercial paper	-	-	**-**	-	1 000 000	**1 000 000**
Bank loans	69 093	3 914 781	**3 983 874**	153 677	1 863 927	**2 017 604**
Other businesses						
Commercial paper	3 000 000	-	**3 000 000**	-	-	**-**
Bank loans	83 333	2 183 640	**2 266 973**	2 825 048	1 367 916	**4 192 964**
Total fixed rate loans	**314 204 014**	**53 519 056**	**367 723 070**	**323 950 947**	**49 688 193**	**373 639 140**
VARIABLE RATE						
Pulp and Paper						
Bond Loans	497 500 000	100 000 000	**597 500 000**	347 500 000	22 500 000	**370 000 000**
Commercial paper	50 000 000	-	**50 000 000**	-	-	**-**
Bank loans	32 715 195	23 108 607	**55 823 802**	11 000 000	24 083 333	**35 083 333**
Cement						
Bond Loans	37 500 000	-	**37 500 000**	-	-	**-**
Commercial paper	10 000 000	-	**10 000 000**	70 000 000	-	**70 000 000**
Bank loans	111 729 244	104 699 010	**216 428 254**	68 941 690	64 184 563	**133 126 253**
Other businesses						
Bank loans	714 803	5 801 932	**6 516 735**	3 885 348	2 225 400	**6 110 748**
Holdings						
Bond Loans	158 000 000	14 000 000	**172 000 000**	222 000 000	14 000 000	**236 000 000**
Commercial paper	3 000 000	26 750 000	**29 750 000**	4 750 000	1 750 000	**6 500 000**
Bank loans	30 000 000	-	**30 000 000**	30 000 000	-	**30 000 000**
Total variable rate loans	**931 159 242**	**274 359 549**	**1 205 518 791**	**758 077 038**	**128 743 296**	**886 820 334**
Total bank loans	**1 245 363 256**	**327 878 605**	**1 573 241 861**	**1 082 027 985**	**178 431 489**	**1 260 459 474**
% Fixed rate	25%	16%	**23%**	30%	28%	30%
% Variable rate	75%	84%	**77%**	70%	72%	70%

EMPRÉSTIMOS POR OBRIGAÇÕES

	31/12/2024				
Amounts in Euro	Non-current	Current	Total	Maturity	Index
Segment - Pulp and Paper					
Navigator 2022-2028 ESG	100 000 000	50 000 000	**150 000 000**	June 2028	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2019-2026	50 000 000	-	**50 000 000**	January 2026	Fixed
Navigator 2019-2025	-	10 000 000	**10 000 000**	March 2025	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2020-2026	37 500 000	37 500 000	**75 000 000**	December 2026	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2021-2026	10 000 000	2 500 000	**12 500 000**	April 2026	Indexed to Euribor
Navigator 2021-2026 ESG	100 000 000	-	**100 000 000**	August 2026	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2024-2029	50 000 000	-	**50 000 000**	June 2029	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2024-2031	50 000 000	-	**50 000 000**	June 2031	Variable rate indexed to Euribor, with swap to fixed rate
Navigator SLB 2024-2031	50 000 000	-	**50 000 000**	October 2031	Indexed to Euribor
Navigator 2024-2031 SLB	100 000 000	-	**100 000 000**	May 2031	Indexed to Euribor
	547 500 000	**100 000 000**	**647 500 000**		
Segment – Cement					
Secil 2019-2026	60 000 000	-	**60 000 000**	December 2026	Fixed
Secil 2020-2027	50 000 000	-	**50 000 000**	April 2027	Fixed
Secil 2023-2030	30 000 000	-	**30 000 000**	August 2030	Fixed
Secil 2023-2030	37 500 000	-	**37 500 000**	January 2030	Fixed
Secil 2023-2030	37 500 000	-	**37 500 000**	January 2030	Indexed to Euribor
	215 000 000	**-**	**215 000 000**		
Holdings					
Semapa 2022-2027	58 000 000	14 000 000	**72 000 000**	April 2027	Indexed to Euribor
Semapa 2023-2030	100 000 000	-	**100 000 000**	June 2030	Indexed to Euribor
	158 000 000	**14 000 000**	**172 000 000**		
	920 500 000	**114 000 000**	**1 034 500 000**		

Amounts in Euro	31/12/2023 Non-current	Current	Total	Maturity	Index
Segment - Pulp and Paper					
Navigator 2022-2028 ESG	150 000 000	-	**150 000 000**	June 2028	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2019-2026	50 000 000	-	**50 000 000**	January 2026	Fixed
Navigator 2019-2025	10 000 000	20 000 000	**30 000 000**	March 2025	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2021-2026	12 500 000	2 500 000	**15 000 000**	April 2026	Indexed to Euribor
Navigator 2020-2026	75 000 000	-	**75 000 000**	December 2026	Variable rate indexed to Euribor, with swap to fixed rate
Navigator 2021-2026 ESG	100 000 000	-	**100 000 000**	August 2026	Variable rate indexed to Euribor, with swap to fixed rate
	397 500 000	**22 500 000**	**420 000 000**		
Segment – Cement					
Secil 2019-2026	60 000 000	-	**60 000 000**	December 2026	Fixed
Secil 2020-2027	50 000 000	-	**50 000 000**	April 2027	Fixed
Secil 2023-2030	30 000 000	-	**30 000 000**	August 2030	Fixed
	140 000 000	**-**	**140 000 000**		
Holdings					
Semapa 2021-2026	50 000 000	-	**50 000 000**	December 2026	Indexed to Euribor
Semapa 2022-2027	72 000 000	14 000 000	**86 000 000**	April 2027	Indexed to Euribor
Semapa 2023-2030	100 000 000	-	**100 000 000**	June 2030	Indexed to Euribor
	222 000 000	**14 000 000**	**236 000 000**		
	759 500 000	**36 500 000**	**796 000 000**		

In the Pulp and Paper segment, the evolution of financing in 2024 was marked by the contracting of a significant volume of new long-term facilities (maturities between 5 and 7 years), amounting to Euro 355 million, all indexed to ESG indicators. Of this total, Euro 250 million were issued in the form of bonds, maturing in 2029 (Euro 50 million) and 2031 (Euro 200 million). Commercial paper issue was also made (Euro 50 million), with a firm underwriting until 2030. All the bonds and commercial paper were issued under the Sustainability-Linked Bonds Framework. This operation contributed to extending the average life of the Group's debt, as well as maintaining a low cost of financing for the Company, in addition to having conditions adjusted to the fulfilment of sustainability commitments. The conditions of the bond loans are indexed to three ESG indicators already included in the Group's Sustainability Agenda and, in turn, aligned with the Sustainable Development Goals of the United Nations.

In January 2023, the subsidiary Secil took out a bond loan of Euro 75 million (Green Bond) in which 50% will be at a fixed rate and 50% at a variable rate maturing in 2030. Interest is paid semi-annually and in arrears after issue. These bonds will be repaid 32.5% on the 10th and 12th interest payment dates and 35% on the last interest payment date.

In August 2023, the subsidiary Secil took out a bond loan of Euro 30 million (Sustainable Linked Bond) in which the first 3 years will be at a fixed rate and the rest at a variable rate maturing in 2030. Interest is paid semi-annually and in arrears after issue. These bonds will be repaid 50% in August 2029 and the remainder at maturity.

BANK LOANS

Amounts in Euro	31/12/2024			31/12/2023		
	Non-current	Current	Total	Non-current	Current	Total
Pulp and Paper - fixed rate	48 551 588	12 420 635	60 972 223	60 972 222	10 456 350	71 428 572
Pulp and Paper - variable rate	32 715 195	23 108 607	55 823 802	11 000 000	24 083 333	35 083 333
Cement – fixed rate	69 093	3 914 781	3 983 874	153 677	1 863 927	2 017 604
Cement – variable rate	111 729 244	104 699 010	216 428 254	68 941 690	64 184 563	133 126 253
Other businesses - fixed rate	83 333	2 183 640	2 266 973	2 825 048	1 367 916	4 192 964
Other businesses - variable rate	714 803	5 801 932	6 516 735	3 885 348	2 225 400	6 110 748
Holdings – variable rate	30 000 000	-	30 000 000	30 000 000	-	30 000 000
	223 863 256	**152 128 605**	**375 991 861**	**177 777 985**	**104 181 489**	**281 959 474**

In December 2023, Navigator signed a new long-term loan agreement with the European Investment Bank (EIB) for Euro 115 million, maturing in 12 years. The loan will be disbursed in up to 3 instalments within 18 months of signing the contract. The loan will support the project to build and operate the high-efficiency recovery boiler at the Setúbal Industrial Complex, a key step in the decarbonisation roadmap. This green loan is part of the REPowerEU Plan, which aims to increase financing for green energy and support the autonomy and competitiveness of the European Union.

COMMERCIAL PAPER

As at 31 December 2024, loans in the form of Commercial Paper are detailed as follows:

	Amount Contracted	31/12/2024			Maturity	Index
		Non-current	Current	Total		
Segment - Pulp and Paper						
	70 000 000	35 000 000	35 000 000	70 000 000	February 2026	Fixed
	50 000 000	50 000 000	-	50 000 000	December 2025	Indexed to Euribor
	120 000 000	**85 000 000**	**35 000 000**	**120 000 000**		
Segment – Cement						
	50 000 000	10 000 000	-	10 000 000	November 2027	Indexed to Euribor
	50 000 000	**10 000 000**	**-**	**10 000 000**		
Other Businesses segment						
	5 000 000	3 000 000		3 000 000	January 2026	Indexed to Euribor
	5 000 000	**3 000 000**	**-**	**3 000 000**		
Holdings						
	6 500 000	3 000 000	1 750 000	4 750 000	October 2026	Indexed to Euribor
	25 000 000	-	25 000 000	25 000 000	January 2027	Indexed to Euribor
	31 500 000	**3 000 000**	**26 750 000**	**29 750 000**		
	206 500 000	**101 000 000**	**61 750 000**	**162 750 000**		

As at 31 December 2023, loans in the form of Commercial Paper are detailed as follows:

Amount Contracted		31/12/2023			Maturity	Index
		Non-current	Current	Total		
Segment - Pulp and Paper						
	140 000 000	70 000 000	35 000 000	105 000 000	February 2026	Fixed
	140 000 000	**70 000 000**	**35 000 000**	**105 000 000**		
Segment – Cement						
	20 000 000	20 000 000	-	20 000 000	November 2027	Indexed to Euri-bor
	50 000 000	50 000 000	-	50 000 000	June 2027	Indexed to Euri-bor
	1 000 000	-	1 000 000	1 000 000	January 2024	Fixed
	71 000 000	**70 000 000**	**1 000 000**	**71 000 000**		
Holdings						
	6 500 000	4 750 000	1 750 000	6 500 000	October 2026	Indexed to Euri-bor
	6 500 000	**4 750 000**	**1 750 000**	**6 500 000**		
	217 500 000	**144 750 000**	**37 750 000**	**182 500 000**		

LOAN REPAYMENT PERIODS OVER ONE YEAR

Amounts in Euro	31/12/2024	31/12/2023
1 to 2 years	362 203 500	244 077 910
2 to 3 years	125 590 934	384 838 309
3 to 4 years	122 949 188	194 600 279
4 to 5 years	174 570 106	119 914 166
More than 5 years	476 766 168	163 348 943
Total	**1 262 079 896**	**1 106 779 607**

FINANCIAL COVENANTS

For certain types of financing operations, there are commitments to maintain certain financial ratios within previously negotiated limits. The existing covenants are clauses of Cross default, Pari Passu, Negative pledge, Ownership-clause, clauses related to Group's activities maintenance, financial ratios, mainly Net Debt/EBITDA, and fulfilment of regular financial contracts' obligations (operational, legal and tax obligations), common in loan agreements and fully known in the market even considering the impact of the adoption of IFRS 16.

5.8 LEASE LIABILITIES

ACCOUNTING POLICIES

Initial measurement	At the start date of the lease, the Group recognises lease liabilities measured at the present value of future lease payments, which include fixed payments less any lease incentives, variable lease payments, and amounts expected to be paid as residual value. Lease payments also include the exercise price of call or renewal options reasonably certain to be exercised by the Group or lease termination penalty payments if the lease term reflects the Group's option to terminate the agreement. In calculating the present value of future lease payments, the Group uses an incremental financing rate if the implied interest rate on the lease transaction is not easily determinable.
Subsequent measurement	Subsequently, the value of the lease liabilities is increased by the interest amount (Note 5.11 - Net financial results) and decreased by the lease payments (rents).

As at 31 December 2024 and 31 December 2023, Lease liabilities are detailed as follows:

	31/12/2024			31/12/2023		
Amounts in Euro	**Non-current**	**Current**	**Total**	**Non-current**	**Current**	**Total**
Pulp and paper	98 627 669	13 109 231	**111 736 900**	62 848 761	7 148 060	**69 996 821**
Cement	28 164 005	9 998 527	**38 162 532**	24 013 596	8 371 883	**32 385 479**
Other businesses	572 089	489 052	**1 061 141**	643 386	442 227	**1 085 613**
Holdings	342 639	173 976	**516 615**	351 213	157 840	**509 053**
	127 706 402	**23 770 786**	**151 477 188**	**87 856 956**	**16 120 010**	**103 976 966**

Analysis of lease liabilities by maturity is presented in Note 8.1.3 – Liquidity risk

5.9 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents include cash, bank accounts and other short-term investments with an initial maturity of up to 3 months, which can be mobilised immediately without any significant risk in value fluctuations. For cash flow statement purposes, this caption also includes bank overdrafts, which are presented in the statement of financial position as a current liability, under the caption Interest-bearing liabilities (Note 5.7).

Amounts in Euro	Note	31/12/2024	31/12/2023
Cash		1 828 857	1 916 067
Short-term bank deposits	8.1.4	143 791 665	122 323 936
Other short-term investments	8.1.4	355 750 728	156 917 302
Cash and cash equivalents in the consolidated statement of cash flows		**501 371 250**	**281 157 305**
Impairment	8.1.4	(615)	(578)
Cash and cash equivalents		**501 370 635**	**281 156 727**

In 2024 and 2023, the amount presented under Other short-terms investments corresponds to amounts invested in portfolios of short-term financial assets, highly liquid and issuers with appropriate rating.

The movements under Impairments in 2024 are detailed as follows:

Amounts in Euro	Opening balance	Increase	Reversal	Exchange rate change	Closing balance
Lebanon	**578**	-	(1)	38	**615**
	578	**-**	**(1)**	**38**	**615**

As at 31 December 2024 and 31 December 2023, there are no significant balances of cash and cash equivalents that are subject to restrictions on use by the Group companies.

5.10 CASH FLOWS FROM FINANCING ACTIVITIES

MOVEMENTS IN LIABILITIES FOR GROUP FINANCING ACTIVITIES

In 2024 and 2023, the movements in liabilities for financing activities are detailed as follows:

Amounts in Euro	2024	2023
Balance as at 1 January	**1 293 152 168**	**1 387 572 448**
Payment of loans obtained	(617 746 010)	(1 295 035 429)
Proceeds from loans obtained	907 541 700	1 159 414 144
Payment of other renumbered debts	(12 118 879)	(20 113 561)
Receivables from other renumbered debts	48 480 946	31 809 398
Change in financing cash flows	**326 157 757**	**(123 925 448)**
Exchange rate effect	**(3 720 875)**	**9 454 069**
Interest expenses	(43 936 760)	(32 561 621)
Change in loan issue charges	(3 081 822)	1 674 320
Change in the perimeter (Note 1.2)	24 514 719	50 938 400
Other changes	**(22 503 863)**	**20 051 099**
Change in renumbered debt	**299 933 019**	**(94 420 280)**
Change in renumbered debt	**1 593 085 187**	**1 293 152 168**

5.11 NET FINANCIAL RESULTS

ACCOUNTING POLICIES

Borrowing costs relating to loans are generally recognised as financial costs, in accordance with the accrual accounting principle.

The Semapa Group classifies as Financial income the income and gains resulting from treasury management activities such as: i) interest obtained from the application of cash surplus; and ii) changes in the fair value in derivative financial instruments negotiated to hedge interest rate and exchange rate risk on loans, regardless of the formal designation of hedge.

In 2024 and 2023, Net financial results are detailed as follows:

Amounts in Euro	Note	2024	2023
Interest paid on debt securities and bank debt		(61 651 617)	(54 851 714)
Interest on other financial liabilities at amortised cost		(4 307 426)	(3 407 248)
Commissions on loans and expenses with credit facilities		(6 925 502)	(7 055 662)
Interest paid using the effective interest method		**(72 884 545)**	**(65 314 624)**
Unfavourable exchange rate differences		(24 067 527)	-
Interest expense on lease liabilities		(5 838 223)	(4 227 742)
Financial discount of provisions | Environmental recovery	9.1	(317 603)	(288 498)
Losses on trade derivatives		-	(960 636)
Losses on hedging derivatives		-	(2 076 423)
Fair value losses on Other financial investments		-	(1 481 706)
Other financial expenses and losses		(1 161 515)	(3 789 381)
Other financial expenses and losses		**(31 384 868)**	**(12 824 386)**
Favourable exchange rate differences		-	6 155 887
Interest income on financial assets at amortised costs		12 524 918	11 295 175
Gains on trading derivatives		10 804 156	-
Gains on hedging derivatives		11 328 732	-
Fair value gains on Other financial investments		2 071 180	-
Other financial income and gains		4 451 441	1 553 252
Financial income and gains		**41 180 427**	**19 004 314**
Total financial expenses and losses		(104 269 413)	(78 139 010)
Total financial income and gains		41 180 427	19 004 314
Net financial results		**(63 088 986)**	**(59 134 696)**

In 2024 and 2023, exchange rate differences are detailed as follows:

Amounts in Euro	2024	2023
Brazilian Real	(20 143 916)	4 383 734
Pound Sterling	1 149 046	754 876
Lebanese Pound	(281 425)	6 238 956
US Dollar	(3 949 216)	(2 863 063)
Other currencies	(842 016)	(2 358 616)
	(24 067 527)	**6 155 887**

6 INCOME TAX

6.1 INCOME TAX FOR THE PERIOD

ACCOUNTING POLICIES

Current income tax is calculated based on net profit, adjusted in conformity with tax legislation in force at the Statement of financial position date.

According to the legislation in force, the gains and losses relating to associates and joint ventures, resulting from the application of the equity method, are deducted from or added to, respectively, to the net profit for the period for the purpose of calculating taxable income. Dividends are considered, when determining the taxable income, in the year in which they are received, if the financial investments are held for less than one year or if they represent less than 10% of the share capital.

TAX GROUP

Since 1 January 2023, Sodim, SGPS, SA. is the controlling company of the Semapa tax group. The companies included in the RETGS calculate income taxes as if they were taxed independently, but the controlling company of the tax group is responsible for the overall assessment and self-assessment of tax. The companies that compose the Navigator Group are part of a tax group of which The Navigator Company, S.A. is the controlling company.

ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group recognises liabilities for additional tax assessments that may result from reviews by the tax authorities of the different countries where the Group operates. When the result of these situations is different from the amounts initially recorded, the differences will have an impact on income tax in the period in which they occur.

In Portugal, annual income statements are subject to review and possible adjustment by the tax authorities for a period of 4 years. However, if tax losses are presented, they may be subject to review by the tax authorities for a period of 6 years. In other countries in which the Group operates, these periods are different, usually higher.

The Board of Directors considers that any corrections to those declarations as a result of reviews/inspections by the Portuguese Tax Authorities will not have a significant impact in the consolidated financial statements as at 31 December 2024, although the periods up to and including 2020 have already been reviewed.

UNCERTAIN TAX POSITIONS

The amount of assets and liabilities recorded for tax proceedings arises from an assessment made by the Group, as at the date of the consolidated statement of financial position, regarding potential differences of understanding with the Tax Authorities, considering the developments in tax matters.

The Company, in relation to the measurement of uncertain tax positions, considers the provisions of IFRIC 23 – Uncertainty over Income Tax Treatments, namely the measurement of risks and uncertainties in the definition of the best estimate of the expense required to settle the obligation, by weighing all the possible results that are controlled by them and their associated probabilities.

PILLAR TWO MODEL RULES – OECD

The Group is subject to the OECD Pillar Two model rules from 1 January 2024. It has applied the exception to the recognition and disclosure of information on deferred tax assets and liabilities related to Pillar Two income taxes, as provided for in the amendments to IAS 12.

The Group is currently assessing the impact of the introduction of the Pillar Two regime. However, given the analysis carried out to date, no significant impacts are expected, considering the current understanding of the interpretation of these new rules.

Amounts in Euro	2024	2023
Current income tax	(98 543 347)	(88 670 296)
Change in uncertain tax positions in the period	16 342 264	1 904 774
Deferred tax (Note 6.2)	23 433 011	19 450 918
	(58 768 072)	**(67 314 604)**

INCOME TAX RECOGNISED IN THE CONSOLIDATED INCOME STATEMENT

In 2024 and 2023, the caption Change in uncertain tax positions in the period reflects a series of reversals of tax provisions, as a result of the closure of some tax inspection processes and court decisions favourable to the Group.

NOMINAL TAX RATE IN THE MAIN GEOGRAPHIES WHERE THE GROUP OPERATES

Amounts in Euro	2024	2023
Portugal		
Nominal income tax rate	21.0%	21.0%
Municipal surcharge	1.5%	1.5%
	22.5%	**22.5%**
State surcharge – on the share of taxable profits between Euro 1 500 000 and Euro 7 500 000	3.0%	3.0%
State surcharge – on the share of taxable profits between Euro 7 500 000 and Euro 35 000 000	5.0%	5.0%
State surcharge – on the share of taxable profits above Euro 35 000 000	9.0%	9.0%
Other countries		
Brazil – nominal rate	34.0%	34.0%
Tunisia – nominal rate	15.0%	15.0%
Lebanon – nominal rate	17.0%	17.0%
Angola – nominal rate	30.0%	30.0%

RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE FOR THE PERIOD

Amounts in Euro	2024	2023
Profit before tax	**369 088 236**	**403 253 673**
Expected tax at nominal rate (22.5%)	83 044 853	90 732 076
State surcharge	20 044 120	14 056 557
Income tax resulting from the applicable tax rate	**103 088 973**	**104 788 633**
Differences (a)	(3 980 656)	(3 747 885)
Tax for prior periods	(14 435 200)	(20 020 108)
Recoverable tax losses	(8 567 642)	(5 484 716)
Non-recoverable tax losses	2 504 721	2 190 939
Increase in additional tax liabilities	5 792 190	12 487 762
Reversal of additional tax liabilities	(10 530 869)	(3 867 926)
Effect of the reconciliation of nominal rates of the different countries	3 882 342	(3 710 736)
Tax benefits	(18 311 822)	(5 050 804)
Hyperinflationary economies	-	(2 563 079)
Other tax adjustments	(673 965)	(7 707 476)
	58 768 072	**67 314 604**
Effective tax rate	**15.92%**	**16.69%**

(a) This amount concerns mainly:	2024	2023
Effect of applying the equity method (Note 10.3)	(1 283 997)	(7 139 371)
Capital gains/(losses) for tax purposes	1 936 914	173 106
Capital gains/(losses) for accounting purposes	(3 266 383)	(742 550)
Impairment and taxed provisions	1 628 653	5 321 348
Tax benefits	(10 788 592)	(21 113 440)
Reduction of impairment and taxed provisions	2 899 145	(2 603 940)
Post-employment benefits	(2 172 188)	(2 509 583)
Incentive to capitalise companies	(17 347 915)	-
International economic double taxation	13 970 336	-
Other	(3 267 779)	11 957 164
	(17 691 806)	**(16 657 266)**
Tax effect (22.5%)	**(3 980 656)**	**(3 747 885)**

INCOME TAX RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in Euro	31/12/2024	31/12/2023
Assets		
Corporate Income Tax – IRC	12 402 763	11 517 397
Amounts pending repayment (tax proceedings decided in favour of the Group)	20 621 461	18 385 534
	33 024 224	**29 902 931**
Liabilities		
Corporate Income Tax – IRC	35 594 045	11 429 068
Additional tax liabilities	31 861 234	41 197 731
	67 455 279	**52 626 799**

DETAIL OF CORPORATE INCOME TAX – IRC (NET)

Amounts in Euro	31/12/2024	31/12/2023
Income tax for the period	100 011 538	89 747 030
Exchange rate adjustment	88	(36 166)
Payments on account, special and additional payments on account	(73 304 675)	(80 132 028)
Withholding tax recoverable	(2 233 465)	(2 588 543)
Corporate Income Tax from prior years	(1 282 203)	(7 078 622)
	23 191 283	**(88 329)**

UNCERTAIN TAX POSITIONS – LIABILITIES

Amounts in Euro	31/12/2024	31/12/2023
Balance at the beginning of the period	**41 197 731**	**29 699 555**
Increases	9 656 216	18 763 897
Payments / (receipts)	(10 530 869)	(3 645 292)
Exchange rate adjustment	32 525	(459 689)
Transfers	(6 451 126)	-
Reversals	(2 043 243)	(3 160 740)
Balance at the end of the period	**31 861 234**	**41 197 731**
Changes in the period	**(16 342 264)**	**(1 904 774)**

TAXES PAID IN LITIGATION

As at 31 December 2024 and 31 December 2023, the additional tax assessments that are already paid and contested, not recognised in assets, relate to the Pulp and Paper Segment and are summarised as follows:

Amounts in Euro	31/12/2024	31/12/2023
Pulp and Paper segment		
2005 Corporate income tax	-	10 394 386
2006 Aggregated Corporate Income Tax	8 150 146	8 150 146
2018 Aggregated Corporate Income Tax	8 014 795	11 138 180
2015 Corporate income tax - Navigator Tissue Ródão, S.A.	1 457 205	7 586 361
2015 State surcharge II	7 586 361	6 970 541
State surcharge 2016	6 970 541	3 761 397
2017 State surcharge	3 761 397	8 462 724
2018 State surcharge	8 462 724	12 223 705
2019 State surcharge	-	2 466 974
2020 State surcharge	2 466 974	5 183 000
2021 State surcharge	5 183 000	-
Pension Fund contributions	6 154 906	-
	58 208 049	**76 337 414**

6.2 DEFERRED TAXES

ACCOUNTING POLICIES

Deferred tax is calculated based on the Consolidated statement of financial position on the temporary differences between the book values of the assets and liabilities and their respective tax base. To determine the deferred tax, the tax rate expected to be in force in the period in which the temporary differences will be reversed is used. Deferred tax assets are recognised whenever there is a reasonable likelihood that future taxable profits will be generated against which they can be offset. Deferred tax assets are revised periodically and decreased, whenever it is likely that tax losses will not be used.

Deferred taxes are recorded as an income or expense for the period, except where they result from amounts recorded directly under equity, situation in which deferred tax is also recorded under the same caption. Tax incentives attributed to the Group regarding its investment projects are recognised through the income statement as there is sufficient taxable income to allow its use.

ACCOUNTING ESTIMATES AND JUDGEMENTS

DEFERRED TAXES RECOGNISED RELATING TO UNUSED TAX LOSSES

As at 31 December 2024, the deferred tax assets recorded in relation to unused tax losses refer to the Group's subsidiary in Portugal, Beto Madeira – Betões e Britas da Madeira, S.A and Margem Companhia de Mineração, S.A., the Group's subsidiary based in Brazil and the Group's subsidiaries based in Lebanon.

According to tax legislation in Portugal, namely the changes introduced to the Corporate Income Tax Code regarding the recoverability of tax losses by the 2023 State Budget Law (Law 24-D/2022), there is no longer a time limit for deducting tax losses. Accordingly, it is management's belief that, according to the medium-term business plan, the companies will generate taxable profits that will be offset against accumulated tax losses that have not expired by 31 December 2024.

With regard to the subsidiary Margem − Companhia de Mineração, S.A., this owns the cement production plant located in Adrianópolis, in the state of Paraná. Considering that current Brazilian tax legislation does not establish any time limit for the use of accumulated tax losses against future taxable profits, it is the management's understanding that, in accordance with the medium-term business plan, this project should generate taxable profits that will make it possible to absorb the losses recorded in the first years of activity.

Additionally, it should be noted that the tax depreciation of Margem Companhia de Mineração, S.A., is more accelerated than the economic depreciation, generating a significant negative impact on the tax result of that subsidiary.

DEFERRED TAXES RECOGNISED IN RELATION TO UNUSED TAX CREDITS

The deferred tax assets recorded in relation to unused tax credits as at 31 December 2024 refer to subsidiaries resident in Portugal that have obtained tax credits arising from expenditure on research and development.

According to the medium-term business plan, the aforementioned subsidiaries generate taxable profits and consequently sufficient tax revenue to utilise the available tax credits.

MOVEMENTS IN DEFERRED TAXES

			Income statement						
Amounts in Euro	As at 1 January 2024	Exchange rate adjustment	Increases	Decreases	Posição Monetária líquida	Equity	Transfers	Change in the perimeter	As at 31 December 2024
Temporary differences originating deferred tax assets									
Tax losses carried forward	234 629 368	(9 989 858)	68 901 871	(59 730 526)	-	-	792 887	56 496 586	291 100 328
Taxed provisions	49 945 756	(754 046)	13 691 761	(9 712 644)	-	-	8 197 194	-	61 368 021
Adjustment of property, plant and equipment	40 612 705	(479 600)	4 334 791	(17 369 300)	-	-	-	-	27 098 596
Pensions and other post-employment benefits	2 224 161	4 096	150 425	(316 959)	-	74 612	(17 172)	-	2 119 163
Financial instruments	8 405 075	(331 226)	239 587	-	-	1 719 273	(7 284 407)	-	2 748 302
Deferred accounting gains on transactions (intra-group)	16 053 617	(162 303)	20 967 763	(4 616 448)	-	-	-	-	32 242 629
Appreciation of biological assets	24 904 297	-	3 212 169	-	-	-	-	-	28 116 466
Government grants	5 814 265	-	804 830	(807 437)	-	-	-	-	5 811 658
Fair value determined in business combina-tions	61 366	-	-	-	-	-	(61 366)	-	-
Conventional capital remuneration	280 000	-	-	(280 000)	-	-	-	-	-
Lease liabilities relating to right-of-use assets	-	-	74 127 963	-	-	-	-	589 227	74 717 190
Other temporary differences	4 666 203	(1 325 980)	8 906 715	(1 507 283)	-	(788 153)	11 063 284	-	21 014 786
	387 596 813	(13 038 917)	195 337 875	(94 340 597)	-	1 005 732	12 690 420	57 085 813	546 337 139
Temporary differences originating deferred tax liabilities									
Revaluation of property, plant and equipment	(36 018 220)	5 829 926	-	641 566	-	-	-	-	(29 546 728)
Pensions and other post-employment benefits	(1 599 042)	-	(48 015)	(31)	-	(175 669)	17 173	-	(1 805 584)
Financial instruments	(17 838 378)	571 496	(2 966 286)	-	-	(3 421 285)	(12 146 893)	-	(35 801 346)
Tax incentives	(3 714 470)	-	-	424 209	-	-	387 483	-	(2 902 778)
Adjustment of property, plant and equipment	(381 333 281)	8 470 214	(8 678 769)	38 968 214	-	-	1	(35 345 525)	(377 919 146)
Deferred accounting losses on transactions (intra-group)	(16 703 845)	-	-	351	-	-	-	-	(16 703 494)
Appreciation of biological assets	(3 519 844)	-	(4 329 921)	-	-	-	-	-	(7 849 765)
Fair value of intangible assets – Brands	(233 379 749)	580 665	-	-	-	-	-	-	(232 799 084)
Fair value of fixed assets	(19 875 741)	-	-	15 271 550	-	-	-	-	(4 604 191)
Fair value determined in business combinations	(144 194 297)	(764 359)	(3 475 000)	20 277 749	-	-	-	(99 779 568)	(227 935 475)
Hyperinflationary economies	(24 591 728)	(1 217 732)	-	7 116 221	-	-	-	-	(18 693 239)
Right-of-use assets	-	-	(68 093 592)	-	-	-	-	-	(68 093 592)
Other temporary differences	(29 425 891)	40 882	(5 334 392)	3 287 240	-	-	(702 346)	(117 536)	(32 252 043)
	(912 194 486)	13 511 092	(92 925 975)	85 987 069	-	(3 596 954)	(12 444 582)	(135 242 629)	(1 056 906 465)
Deferred tax assets	**101 622 122**	**(4 631 644)**	**49 530 332**	**(24 877 013)**	**-**	**354 110**	**5 142 636**	**14 271 453**	**141 411 996**
Deferred tax liabilities	**(249 454 910)**	**5 204 494**	**(25 627 089)**	**24 406 781**	**-**	**(355 428)**	**(5 045 188)**	**(33 810 656)**	**(284 681 996)**

			Demonstração de resultados						
Amounts in Euro	**As at 1 January 2023**	**Exchange rate adjustment**	**Increases**	**Decreases**	**Net monetary position**	**Equity**	**Transfers**	**Change in the perimeter**	**As at 31 December 2023**
Temporary differences originating deferred tax assets									
Tax losses carried forward	189 467 629	2 697 896	77 248 812	(34 837 815)	-	-	-	52 846	234 629 368
Taxed provisions	38 164 136	(70 763)	16 116 308	(4 263 925)	-	-	-	-	49 945 756
Adjustment of property, plant and equipment	46 236 126	28 089	14 738 442	(20 692 557)	-	-	(14 472)	317 077	40 612 705
Pensions and other post-employment benefits	2 594 441	(17 241)	172 185	(376 948)	-	(148 276)	-	-	2 224 161
Financial instruments	-	-	1 904 741	(1 839)	-	6 502 173	-	-	8 405 075
Deferred accounting gains on transactions (intra-group)	29 872 466	10 016	2 324 149	(16 153 014)	-	-	-	-	16 053 617
Appreciation of biological assets	14 456 082	-	10 448 215	-	-	-	-	-	24 904 297
Government grants	2 196 772	-	1 322 886	(695 078)	-	-	424 055	2 565 630	5 814 265
Fair value determined in business combinations	61 366	-	-	-	-	-	-	-	61 366
Conventional capital remuneration	560 000	-	-	(280 000)	-	-	-	-	280 000
Other temporary differences	5 998 851	(774 674)	10 446 730	(9 982 404)	-	-	(1 022 300)	-	4 666 203
	329 607 869	1 873 323	134 722 468	(87 283 580)	-	6 353 897	(612 717)	2 935 553	387 596 813
Temporary differences originating deferred tax liabilities									
Revaluation of property, plant and equipment	(35 234 521)	(1 369 891)	-	586 192	-	-	-	-	(36 018 220)
Pensions and other post-employment benefits	(387 989)	-	(28 270)	17 172	-	(1 199 955)	-	-	(1 599 042)
Financial instruments	(45 281 108)	320 029	(3 311 007)	14 759	-	30 418 949	-	-	(17 838 378)
Tax incentives	(3 862 494)	-	-	462 851	-	331 950	-	(646 777)	(3 714 470)
Adjustment of property, plant and equipment	(367 346 424)	(1 770 816)	(11 384 700)	32 907 430	-	-	(33 735 165)	(3 606)	(381 333 281)
Deferred accounting losses on transactions (intra-group)	(16 893 162)	1 133	-	188 184	-	-	-	-	(16 703 845)
Appreciation of biological assets	(5 403 744)	-	-	1 883 900	-	-	-	-	(3 519 844)
Fair value of intangible assets – Brands	(226 497 104)	(134 645)	-	-	-	-	-	(6 748 000)	(233 379 749)
Fair value of fixed assets	(35 147 291)	-	-	15 271 550	-	-	-	-	(19 875 741)
Fair value determined in business combinations	(57 445 842)	138 859	(2 611 486)	5 153 772	-	-	-	(89 429 600)	(144 194 297)
Hyperinflationary economies	(13 835 795)	6 660 116	-	2 293 265	(17 462 048)	(2 247 266)	-	-	(24 591 728)
Other temporary differences	(55 330 394)	74 809	(11 422 375)	3 511 264	-	5 640	33 735 165	-	(29 425 891)
	(862 665 868)	3 919 594	(28 757 838)	62 290 339	(17 462 048)	27 309 318	-	(96 827 983)	(912 194 486)
Deferred tax assets	**85 880 368**	**782 973**	**31 791 679**	**(20 914 113)**	**-**	**1 423 106**	**-**	**2 658 109**	**101 622 122**
Deferred tax liabilities	**(237 260 488)**	**23 379**	**(8 298 190)**	**16 871 542**	**(2 968 548)**	**7 792 811**	**-**	**(25 615 416)**	**(249 454 910)**

UNUSED TAX LOSSES WITHOUT RECOGNISED DEFERRED TAXES

31 December 2024 Amounts in Euro	Total	2025	2026	2027	2028	2029	2030 and later
Tax losses with no time limit							
Tax losses of companies outside the Group's REGTS							
Secil Brasil Participações, S.A. (Brazil)	5 430 502	-	-	-	-	-	5 430 502
Supremo Cimentos, SA (Brazil)	51 998 451	-	-	-	-	-	51 998 451
Semapa Inversiones SL(Spain)	13 249 366	-	-	-	-	-	13 249 366
ALLMA, Lda.	162 851	-	-	-	-	-	162 851
Madebritas, Lda.	19 438	-	-	-	-	-	19 438
Navigator Africa	40 251	-	-	-	-	-	40 251
Navigator Green Fuels Setúbal	21 029	-	-	-	-	-	21 029
Navigator Green Fuels Figueira da Foz	1 661	-	-	-	-	-	1 661
Navigator Fiber Solutions	1 661	-	-	-	-	-	1 661
Accrol Papers Limited	5 642 900	-	-	-	-	-	5 642 900
Accrol Holdings, ltd	43	-	-	-	-	-	43
Accrol UK Ltd	3 190 393	-	-	-	-	-	3 190 393
AISIB (Spain)	174 790	-	-	-	-	-	174 790
Zarzis Béton	61 688	-	-	-	-	-	61 688
Semapa Tax Group in Spain	1 437 044	-	-	-	-	-	1 437 044
Tax losses with time limit							
Tax losses of companies outside the Group's REGTS							
Secil Angola, SARL	1 260 428	645 922	614 506	-	-	-	-
Secil Lobito	1 982 915	1 296 682	686 233	-	-	-	-
Portucel Moçambique	31 863 349	-	-	-	-	-	31 863 349
Tax losses carried forward without deferred tax	**116 538 760**	**1 942 604**	**1 300 739**	**-**	**-**	**-**	**113 295 417**

7 PAYROLL

7.1 SHORT-TERM EMPLOYEE BENEFITS

ACCOUNTING POLICIES

ACQUIRED RIGHTS - HOLIDAYS AND HOLIDAY ALLOWANCE

In accordance with current legislation, employees are entitled to 22 working days leave, annually, as well as to a month's holiday allowance, entitlement to which is acquired in the year preceding its payment.

BONUSES

According to the current Performance Management System (Sistema de Gestão de Desempenho), employees have the right to a bonus, based on annually defined objectives. The entitlement of this bonus is usually acquired in the year preceding its payment.

These liabilities are recorded in the year in which the Employees acquire the respective right, irrespective of the date of payment, whilst the balance payable at the date of the Statement of financial position is shown under the caption Current payables.

TERMINATION BENEFITS

The benefits arising from termination of employment are recognised when the Group can no longer withdraw the offer of such benefits or in which the Group recognises the cost of restructuring under the provisions recording. Benefits due more than 12 months after the end of the reporting period are discounted to their present value.

PAYROLL COSTS RECOGNISED IN THE PERIOD

Amounts in Euro	Note	2024	2023
Statutory bodies remuneration		13 822 043	13 913 500
Other remunerations		236 194 926	201 720 168
Post-employment benefits	7.3.10	2 907 624	2 531 210
Other payroll costs		80 162 716	63 807 833
Payroll costs		**333 087 309**	**281 972 711**

Overall, the increase in Payroll costs is due to the acquisition of the Navigator Tissue UK Group, which became part of the Group in May 2024, with an impact, as at 31 December, of Euro 14 213 413.

As at 31 December 2023, Other payroll costs includes the positive impact of the revision of the estimate of liabilities associated with the rejuvenation programme in view of the longer delay between interest in joining the programme and actually leaving, which justifies the increase in this caption in December 2024.

OTHER PAYROLL COSTS

Amounts in Euro	2024	2023
Social Security contributions	48 804 968	43 438 076
Insurance	8 161 957	7 049 603
Social welfare costs	10 847 025	8 740 944
Compensations	5 740 436	(2 218 468)
Other payroll costs	6 608 330	6 797 678
	80 162 716	**63 807 833**

NUMBER OF EMPLOYEES AT THE END OF THE PERIOD

	31/12/2024	31/12/2023	Var. 24/23
Pulp and paper	3 951	3 467	484
Cement	2 565	2 453	112
Other businesses	591	592	(1)
Holdings	43	37	6
	7 150	**6 549**	**601**

The headcount includes 432 employees assigned to the Consumer tissue business in the UK as a result of the acquisition of Navigator Tissue UK Group.

7.2 REMUNERATION OF CORPORATE BODIES

Amounts in Euro	Note	2024	2023
Semapa Corporate Bodies			
Board of Directors		2 919 432	3 924 238
Supervisory Board		75 985	73 680
Remuneration committee		54 000	54 000
Board of the General Shareholders Meeting		6 000	6 000
		3 055 417	**4 057 918**
Corporate Bodies of other Group companies		10 766 626	9 855 582
Total	**7.1**	**13 822 043**	**13 913 500**

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

All details of the remuneration policy of the Board members of Semapa's Board of Directors are described in the Company's Corporate Governance Report, Part I – Section D.

As at 31 December 2024 and 31 December 2023, regarding the members of the Board of Directors of Semapa, there were no: i) any additional liabilities allocated to other long-term benefits, ii) employment termination benefits, iii) share-based payments and iv) any outstanding balances.

Moreover, three of the current directors of the subsidiary Navigator were participants in Navigator Brands, S.A.'s pension plans, as employees of the company, before joining management positions.

7.3 POST-EMPLOYMENT BENEFITS

ACCOUNTING POLICIES

DEFINED BENEFIT PLAN

Some of the Group subsidiaries have assumed the commitment to make payments to their employees in the form of complementary retirement pensions, disability, early retirement and survivors' pensions, having constituted defined-benefit plans.

The Group has set up autonomous Pension Funds as a means of funding part of its liabilities. Based on the projected credit unit method, the Group recognises the costs with the attribution of these benefits as the services are provided by the employees. The total liability is estimated separately for each plan at least once every six months, on the date of closing of the interim and annual accounts, by a specialised and independent entity.

The calculated liability is presented in the Consolidated statement of financial position, after deducting the fair value of the funds set up, under the caption Pensions and other post-employment benefits.

Actuarial deviations resulting from changes in the value of estimated liabilities, as a consequence of changes in the financial and demographic assumptions used and experience gains, added to the differential between the actual return on fund assets and the estimated share of net interest, are designated as re-measurements and recorded directly in the statement of comprehensive income, under retained earnings.

Net interest corresponds to the application of the discount rate to the value of net liabilities (value of liabilities less the fair value of fund assets) and is recognised in the income statement for the period under Payroll costs.

The gains and losses generated by a curtailment or settlement of a defined-benefit plan are recognised in the income statement for the period when the curtailment or settlement occurs. A curtailment occurs when there is a material reduction in the number of employees.

Costs for past liabilities resulting from the implementation of a new plan or increases in benefits attributed are recognised immediately in profit or loss for the period.

DEFINED CONTRIBUTION PLAN

Some of the Group's subsidiaries have assumed commitments, regarding contributing to a defined contribution plan with a percentage of the beneficiaries' salary, in order to provide retirement, disability and survivors' pensions.

To this end, Pension Funds have been set up to capitalise on those contributions, for which employees may still make voluntary contributions, but for which the Group does not assume any additional contribution responsibilities or a pre-fixed return. Thus, the contributions made are recorded as expenses of the period in which they are recognised, regardless of the time of their settlement.

7.3.1 PLANS | NAVIGATOR SUBGROUP

Navigator – Defined Benefit Plans	
Description	The Group has responsibilities with post-employment benefit plans for a reduced group of Employees who have chosen to maintain the Defined Benefit Plan (The Navigator Company) or who have chosen to maintain a Safeguard Clause, the latter following the conversion of their plan into a Defined Contribution Plan (The Navigator Company). In effect, the safeguard clause gives the Employee the option, at the time of retirement, to pay a pension in accordance with the provisions laid down on the Defined Benefit Plan. For those who choose to activate the Safeguard Clause, the accumu-lated balance in the Defined Contribution Plan (Conta 1) will be used to finance the liability of the Defined Benefit Plan.
Navigator – Defined contributions plans	
Description	As at 31 December 2024, three Defined Contribution plans were in force covering 3 278 employees (2023: 3 200 Beneficiaries).

7.3.2 PLANS | SECIL SUBGROUP

Secil – Retirement and survivors' pension supplement liabilities (defined benefit plans with funds managed by third parties)	
Description	The subsidiary Secil and its subsidiaries Secil Betão, S.A., Cimentos Madeira, Lda., Betomadeira, S.A. and Societé des Ciments de Gabès have assumed the commitment to pay their employees amounts by way of complementary old age, disability, early retirement and survivor's pensions and a retirement subsidy. The liabilities arising from these plans are guaranteed by independent funds, administered by third parties, or covered by insurance policies. These plans are valued every six months, at the dates of closing of the interim and annual financial statements, by specialised and independent entities, using the projected unit credit method.
Secil – Retirement and survivors' pension supplement liabilities (Group defined benefit plans)	
Description	The liabilities of Secil's retired employees in 31 December 1987 (date of incorporation of the Pension Fund) are guaran-teed directly by Secil. Similarly, the liability assumed by Secil Martingança, S.A. are guaranteed directly by this entity. These plans are also valued every six months by specialised and independent entities, using the method for calculating capital coverage corresponding to single premiums of the immediate life annuities, in the valuation of the liabilities to current pensioners and the projected unit credit method for valuing liabilities relating to current employees.

Secil – Liabilities for health care (defined benefit plan)	
Description	The subsidiary Cimentos Madeira, Lda. provides to their retired employees a healthcare scheme which supplements the official health services through an insurance contract.
Secil – Liabilities for retirement and death (defined benefit plan)	
Description	The subsidiary Societé des Ciments de Gabès (Tunisia) assumed the commitment to its employees to pay an old-age retirement and disability subsidy, according to the terms of the General Labour Agreement, Article No. 52, representing: (i) 3 months of the last salary if the worker has less than 30 years' service to the company, and (ii) 4 months of the last salary, if the worker has 30 years or more service to the company. Secil assumed with its employees hired prior to January 1 January 2011, the responsibility for the payment of a subsidy on death of current employee, of an amount equal to 3 months of the last salary earned, or 1 month in the case of former employees of CMP – Cimentos Maceira e Patais, S.A.
Secil– Defined contribution plans	
Secil and CMP Plan (Applicable to Secil and Secil Brands)	Secil and CMP Plans include all workers who, as at 31 December 2009, had an open-ended employment contract (and who were covered by the defined benefits plan in force in the companies) and who have opted for the transition to these Plans and all the workers admitted under an agreement without term, as of 1 January 2010, also being applicable to the members of the Board of Directors.
SBI Plan (Applicable to Secil Betão, S.A., Secil Britas, Betomadeira, Cimentos Madeira and Brimade)	Secil Betão and Secil Britas: Include all employees who as at 31 December 2009 had an open-ended employment contract. In the case of Secil Betão, under the CCT between APEB and FETESE, and all employees admitted under a contract without term, as from 1 January 2010, with the exception of Secil Betão employees who are covered by the CCT entered into between APEB and FEVICCOM, who continue to benefit from the defined benefit Plan. The plan is applicable to members of the Board of Directors. Betomadeira: Includes all employees who as at 31 December 2010 had an open-ended employment contract concluded under the CCT entered into between APEB and FETESE, and all employees hired under an open-ended contract as of 1 January 2011. The plan is applicable to members of the Board of Directors. Cimentos Madeira and Brimade: Include all employees who as at 1 January 2012 and 1 July 2012, for Cimentos Madeira and Brimade, respectively, had an open-ended employment contract and to all employees admitted under an open-ended contract as from the aforementioned dates. The plan is applicable to members of the Board of Directors.
Secil – Responsabilidades por prémios de antiguidade	
Description	Secil has assumed the commitment to pay their Employees bonuses to those who attain 25 years of service, which are paid in the year that the employee reaches the number of years of service within the company.

7.3.3 RISK MANAGEMENT POLICY ASSOCIATED WITH DEFINED BENEFIT PLANS

The Group's exposure to risk is limited to the number of existing beneficiaries and will tend to decrease, since there are no defined benefit plans open to new employees in the Group. The most significant risks to which the Group is exposed through defined benefit plans include:

- Risk of change in the longevity of participants;
- Market rate variation risk – rate variation impacts the rate used to discount liabilities (technical interest rate) which is based on yield curves of highly rated bonds with maturities similar to the liabilities' expiry dates and the fixed rate of return of the assets; and
- Risk of change in the wage and pension growth rate.

The financing level of the fund may vary depending on the risks listed and on the profitability of the fund's financial assets. Despite the fund's conservative profile (consisting mostly of fixed income assets), the verification of the aforementioned risks may lead to the need for additional contributions to the fund considering the nature of the defined benefit.

The Group's goal is to maintain a liability coverage level of 90%.

ACCOUNTING ESTIMATES AND JUDGEMENTS

7.3.4 ACTUARIAL ASSUMPTIONS

	31/12/2024	31/12/2023
Social Security Benefits Formula	Decree-Law 187/2007 of 10 May	
Disability table	EKV 80	EKV 80
Mortality table	TV 88/90	TV 88/90
Salary growth rate - cement segment	2.25%	2.25%
Salary growth rate - other segments	2.00%	2.00%
Technical interest rate - cement segment	3.00%	3.00%
Technical interest rate - other segments	3.50%	3.50%
Pensions growth rate - cement segment	1.58%	1.58%
Pensions growth rate - other segments	1.5% or 2.00%	1.5% or 2.00%
Semapa pension reversibility rate	50.00%	50.00%
Number of Semapa complement annual payments	12	12

7.3.5 SENSITIVITY ANALYSIS

The Group considers the technical interest rate and the expected wage growth rate as the most significant variables in the calculation of liabilities for defined benefit plans.

As at 31 December 2024, a downward change of 0.5 percentage points in the discount rates used to calculate pension liabilities would result in an increase in liabilities of approximately Euro 10.8 million (31 December 2023: a downward change of 0.5 percentage points in the discount rate used would result in an increase in liabilities of approximately Euro 10.8 million).

7.3.6 NET PENSION LIABILITIES

	Pulp and paper		Cement		Holdings		Total	
31 December 2024	**No. Benef.**	**Amount**	**No. Benef.**	**Amount**	**No. Benef.**	**Amount**	**No. Benef.**	**Amount**
Group liabilities for past services								
Current	301	43 344 735	32	13 039	-	-	333	43 357 774
Former employees	114	17 567 947	-	-	-	-	114	17 567 947
Retired employees	662	98 711 371	419	11 316 022	1	473 495	1 082	110 500 888
Market value of pension funds	-	(160 971 371)	-	(10 997 017)	-	-	-	(171 968 388)
Capital insured	-	-	50	172 157	-	-	50	172 157
Insurance Policies	-	-	-	(73 972)	-	-	-	(73 972)
Reserve account*	-	-	-	(575 154)	-	-	-	(575 154)
Unfunded pension liabilities	**1 077**	**(1 347 318)**	**501**	**(144 925)**	**1**	**473 495**	**1 579**	**(1 018 748)**
Other liabilities without allocated funds								
Healthcare assistance	-	-	5	49 116	-	-	5	49 116
Retirement and death	-	-	490	170 906	-	-	490	170 906
Total post-employment benefits	**1 077**	**(1 347 318)**	**996**	**75 097**	**1**	**473 495**	**2 074**	**(798 726)**
Long-service award	-	-	419	387 972	-	-	419	387 972
Total net liabilities	**1 077**	**(1 347 318)**	**1 415**	**463 069**	**1**	**473 495**	**2 493**	**(410 754)**

* Excess fund in changing to DC

Net liabilities reflected in the consolidated statement of financial position and the number of beneficiaries of the defined benefit plans in force in the Group are detailed as follows:

	Pulp and Paper		Cement		Holdings		Total	
31 de dezembro de 2023	No. Benef.	Amount	No. Benef.	Amount	No. Benef.	Amount	No. Benef.	Amount
Group liabilities for past services								
Current	352	50 509 668	40	22 452	-	-	392	50 532 120
Former employees	112	17 469 425	-	-	-	-	112	17 469 425
Retired employees	622	90 277 782	445	12 481 992	1	580 578	1 068	103 340 352
Market value of pension funds	-	(159 034 022)	-	(11 702 073)	-	-	-	(170 736 095)
Capital insured	-	-	56	168 149	-	-	56	168 149
Insurance Policies	-	-	-	(82 126)	-	-	-	(82 126)
Reserve account*	-	-	-	(568 807)	-	-	-	(568 807)
Unfunded pension liabilities	**1 086**	**(777 147)**	**541**	**319 587**	**1**	**580 578**	**1 628**	**123 018**
Other liabilities without allocated funds								
Healthcare assistance	-	-	5	43 567	-	-	5	43 567
Retirement and death	-	-	468	148 104	-	-	468	148 104
Total post-employment benefits	**1 086**	**(777 147)**	**1 014**	**511 258**	**1**	**580 578**	**2 101**	**314 689**
Long-service award	-	-	386	377 309	-	-	386	377 309
Total net liabilities	**1 086**	**(777 147)**	**1 400**	**888 567**	**1**	**580 578**	**2 487**	**691 998**

* Excess fund in changing to DC

HISTORICAL INFORMATION – LAST FIVE YEARS

Amounts in Euro	2020	2021	2022	2023	2024
Present value of liabilities	211 076 149	208 795 561	172 851 550	172 079 026	172 206 760
Fair value of assets and reserves	196 564 942	201 916 753	167 274 880	171 387 028	172 617 514
Surplus / (deficit)	**14 511 207**	**6 878 808**	**5 576 670**	**691 998**	**(410 754)**
Remeasurements	**(9 822 581)**	**2 276 241**	**1 029 116**	**2 910 271**	**793 509**

7.3.7 CHANGES IN PENSION AND OTHER POST-EMPLOYMENT BENEFITS

The average expected duration of Pensions and other post-employment benefits is 7 years for the Cement segment plans and 13 years for the Pulp and Paper segment plans.

31 December 2024 Amounts in Euro	Opening balance	Exchange rate change	Changes in assumptions	Income and expenses	Actuarial deviations	Payments performed	Closing balance
Pulp and Paper segment							
Pensions with Autonomous fund	158 256 875	-	-	5 434 959	3 243 001	(7 310 782)	159 624 053
Cement segment							
Pensions assumed by the Group	1 525 465	-	-	41 794	40 859	(251 543)	1 356 575
Pensions with Autonomous fund	10 978 979	-	-	308 557	46 035	(1 361 085)	9 972 486
Capital insured	168 149	4 478	-	29 282	(822)	(28 930)	172 157
Retirement and death	148 105	1 611	-	21 379	3 172	(3 360)	170 907
Healthcare assistance	43 566	-	6 657	1 242	1 861	(4 211)	49 115
Long-service award	377 309	-	-	64 882	-	(54 221)	387 970
Holdings segment							
Pensions assumed by the Group	580 578	-	-	23 431	-	(130 512)	473 497
	172 079 026	**6 089**	**6 657**	**5 925 526**	**3 334 106**	**(9 144 644)**	**172 206 760**

31 December 2023 Amounts in Euro	Opening balance	Exchange rate change	Changes in assumptions	Income and expenses	Actuarial deviations	Payments performed	Closing balance
Pulp and Paper segment							
Pensions with Autonomous fund	157 269 644	-	-	5 417 638	2 467 179	(6 897 586)	158 256 875
Cement segment							
Pensions assumed by the Group	1 908 075	-	(23 466)	42 917	(119 845)	(282 216)	1 525 465
Pensions with Autonomous fund	12 239 792	-	(196 413)	292 262	96 912	(1 453 574)	10 978 979
Capital insured	185 458	(2 888)	-	22 674	18	(37 113)	168 149
Retirement and death	151 976	(15 871)	(5 119)	23 237	(3 733)	(2 385)	148 105
Healthcare assistance	43 456	-	-	1 037	2 766	(3 693)	43 566
Long-service award	365 486	-	-	92 745	-	(80 922)	377 309
Holdings							
Pensions assumed by the Group	687 663	-	-	23 430	-	(130 515)	580 578
	172 851 550	**(18 759)**	**(224 998)**	**5 915 940**	**2 443 297**	**(8 888 004)**	**172 079 026**

7.3.8 CHANGES IN FUNDS ALLOCATED TO THE DEFINED BENEFIT PENSION PLANS

Amounts in Euro	31/12/2024		31/12/2023	
	Autonomous fund	Capital insured	Autonomous fund	Capital insured
Opening balance	**170 736 095**	**82 126**	**166 618 336**	**108 062**
Exchange rate change	-	1 992	-	(1 518)
Charge for the period	-	10 138	3 526	-
Interest	5 770 619	7 915	5 577 720	9 394
Expected return of the plan assets	4 133 541	731	6 887 686	3 301
Pensions paid	(8 671 867)	(28 930)	(8 351 173)	(37 113)
Amount at the end of the period	**171 968 388**	**73 972**	**170 736 095**	**82 126**

During 2024 and 2023, the contributions to the defined benefit plans presented above as Contributions for the period were fully realised by the Group's subsidiaries and no contributions were made by the participants.

FUNDS ALLOCATED TO DEFINED BENEFIT PLAN – ESTIMATED CONTRIBUTIONS IN THE FOLLOWING PERIOD

The contributions planned for the next annual reporting period are, among other factors, dependent on the profitability of the funds' assets.

7.3.9 COMPOSITION OF THE ASSETS OF THE FUNDS ALLOCATED TO DEFINED BENEFIT PLANS

Amounts in Euro	31/12/2024	%	31/12/2023	%
Listed securities in active market				
Bonds	101 053 773	58.8%	97 816 783	57.3%
Shares	43 463 326	25.3%	40 846 428	23.9%
Public debt	21 436 253	12.5%	23 854 341	14.0%
Liquidity	1 361 213	0.8%	2 306 289	1.4%
Other treasury investments	4 653 823	2.7%	5 912 254	3.5%
	171 968 388	**100.0%**	**170 736 095**	**100%**

The amounts shown in Bonds, Shares and Public Debt categories refer to the fair values of these assets, fully determined based on observable prices in active net (regulated) markets at the date of the Consolidated Statement of Financial Position. The assets of the fund do not include any assets of the Group.

7.3.10 EXPENSES INCURRED WITH POST-EMPLOYMENT BENEFIT PLANS

Amounts in Euro	2024				
	Current services expenses	Interest expenses	Expected return on assets	Period contributions (DC Plans)	Impact on net profit (Note 7.1)
Pensions assumed by the Group	-	65 225	-	-	65 225
Pensions with Autonomous fund	21 088	281 074	(329 265)	-	(27 103)
Insurance policies	12 705	16 577	(7 915)	-	21 367
Retirement and death	13 011	12 918	(4 550)	-	21 379
Healthcare assistance	-	1 242	-	-	1 242
Long-service award	27 450	13 093	24 339	-	64 882
Contributions to defined contribution plans	-	-	-	2 760 632	2 760 632
	74 254	**390 129**	**(317 391)**	**2 760 632**	**2 907 624**

Amounts in Euro	2023				
	Current services expenses	Interest expenses	Expected return on assets	Period contributions (DC Plans)	Impact on net profit (Note 7.1)
Pensions assumed by the Group	-	66 347	-	-	66 347
Pensions with Autonomous fund	23 821	394 346	(285 987)	1 218 887	1 351 067
Insurance policies	6 925	15 748	(9 394)	-	13 279
Retirement and death	13 290	12 590	(2 643)	-	23 237
Healthcare assistance	-	1 037	-	-	1 037
Long-service award	26 204	9 793	56 748	-	92 745
Contributions to defined contribution plans	-	-	-	983 498	983 498
	70 240	**499 861**	**(241 276)**	**2 202 385**	**2 531 210**

7.3.11 REMEASUREMENTS RECOGNISED DIRECTLY IN OTHER COMPREHENSIVE INCOME

2024 Amounts in Euro	Gains and losses	Expected return on plan assets	Gross amount	Deferred taxes	Impact on Equity
Post-employment benefits					
Pensions assumed by the Group	(40 859)	-	(40 859)	10 827	(30 032)
Pensions with Autonomous fund	(2 512 393)	3 358 450	846 057	(58 110)	787 947
Retirement and death	(3 171)	-	(3 171)	1 634	(1 537)
Healthcare assistance	(8 518)	-	(8 518)	1 746	(6 772)
	(2 564 941)	**3 358 450**	**793 509**	**(43 903)**	**749 606**

2023 Amounts in Euro	Gains and losses	Expected return on plan assets	Gross amount	Deferred taxes	Impact on Equity
Post-employment benefits					
Pensions assumed by the Group	143 311	-	143 311	(39 397)	103 914
Pensions with Autonomous fund	(2 367 696)	6 890 987	4 523 291	(330 509)	4 192 782
Retirement and death	8 852	-	8 852	(389)	8 463
Healthcare assistance	(2 766)	-	(2 766)	595	(2 171)
	(2 218 299)	**6 890 987**	**4 672 688**	**(369 700)**	**4 302 988**

8 FINANCIAL INSTRUMENTS

8.1 FINANCIAL RISK MANAGEMENT

Semapa, as a holding company (SGPS) develops direct and indirect managing activities over its subsidiaries. Therefore, the fulfilment of the obligations assumed depends on the cash-flows generated by them. The Company thus depends on the eventual distribution of dividends by its subsidiaries, payment of interest, repayment of loans granted, and other cash-flows generated by these companies.

The ability of Semapa's subsidiaries to make funds available will depend, partly, on their ability to generate positive cash flows and, on the other hand, on the respective earnings, available reserves for distribution and financial structure.

The Semapa Group has a risk-management programme, which focuses its analysis on the financial markets with a view to mitigate the potential adverse effects on the Semapa Group's financial performance. Risk management is undertaken by the Financial Management of the holding and main subsidiaries, in accordance with the policies approved by the Board of Directors and monitored by the Risks and Control Committee.

The Group adopts a proactive approach to risk management, as a way to mitigate the potential adverse effects associated with those risks, namely the foreign exchange risk, the interest rate risk and the risk of access to financing.

8.1.1 FOREIGN EXCHANGE RISK

FOREIGN EXCHANGE RISK MANAGEMENT POLICY

PULP AND PAPER

Regarding the Pulp and Paper segment, a significant portion of its sales is denominated in currencies other than Euro. Thus, its development could have a significant impact on cash flows obtained with future sales of the Group, mainly regarding USD exposure. Also, sales in GBP, PLN and CHF have some weight, having sales in other currencies less expression.

Purchases of some raw materials are also made in USD, namely part of wood and long-fibre pulp imports of wood and acquisitions of long-fibre pulp. Therefore, changes in USD may have an impact on acquisition values.

Furthermore, and although there is a partial natural hedge, once a purchase or sale is made in a currency other than in Euro, the Group takes on a foreign exchange risk up to the time it receives the proceeds of that purchase or sale, if no hedging instruments are in place. As a result, there is a significant number of receivables and payables, the latter with lesser expression, exposed to exchange rate risk.

CEMENT AND DERIVATIVES

The foreign exchange risk inherent to the segment of Cement and derivatives is mainly due to the current investments held in Brazil and to the purchases of fuel and freight ships, both paid in USD. This segment continued its policy of maximising the potential of covering their foreign exchange exposure. This segment also comprises assets located in Tunisia, Angola and Lebanon, therefore any change in these countries' exchange rates could have an impact on Semapa's consolidated statement of financial position.

The segment analyses its currency exposure from a consolidated perspective at the Secil Group level, and its policy is to maximise natural hedging of flows in a currency other than the presentation currency.

USE OF DERIVATIVE FINANCIAL INSTRUMENTS

Occasionally, when considered appropriate, the Group manages foreign exchange risks through the use of derivative financial instruments, in accordance with a policy that is subject to periodic review, the prime purpose of which is to limit the exchange risk associated with future sales and purchases and accounts receivable and payable, which are denominated in currencies other than the Euro. However, when a unit trades in a currency other than the Group's presentation currency or its functional currency, immediate hedging is performed.

In the periods presented, the Group holds derivatives that are hedging the exchange rate risk of future operations in currencies other than the presentation currency (see Note 8.2 – Derivative financial instruments).

EXPOSURE OF FINANCIAL ASSETS AND LIABILITIES TO FOREIGN EXCHANGE RISK AND SENSITIVITY ANALYSIS

31 December 2024	US Dollar	Pound sterling	Polish zloti	Turkish lira	Swiss franc	Brazilian real
Exchange rate at the end of the period	1.039	0.829	4.275	36.737	0.941	6.435
Appreciation / (Depreciation) over the previous period	*(5.98%)*	*(4.59%)*	*(1.49%)*	*12.51%*	*1.64%*	*20.30%*
Average exchange rate in the period	1.082	0.847	4.306	35.573	0.953	5.833
Appreciation / (Depreciation) over the previous period	*0.05%*	*(2.67%)*	*(5.20%)*	*38.10%*	*(1.97%)*	*8.00%*
Amounts in foreign currency						
Cash and cash equivalents	5 837 319	1 026 550	114 545	2 182 313	1 828	573 229 925
Receivables	141 720 865	46 228 701	9 733 718	124 322	1 846 939	108 052 701
Other assets	41 451 170	10 313 925	-	-	-	-
Total of financial assets	**189 009 354**	**57 569 176**	**9 848 263**	**2 306 635**	**1 848 767**	**681 282 626**
Loans	(87 563 243)	17 490 990	-	-	-	(388 381 146)
Payables	(5 837 253)	17 102 563	12 888	104 309	78 966	(298 604 353)
Total financial liabilities	**(93 400 496)**	**34 593 553**	**12 888**	**104 309**	**78 966**	**(686 985 499)**
Financial net position in foreign currency	**95 608 858**	**92 162 729**	**9 861 151**	**2 410 944**	**1 927 733**	**(5 702 873)**
Financial net position in Euro	**92 028 075**	**111 149 243**	**2 306 702**	**65 627**	**2 048 165**	**(886 172)**
Impact of + 10% change on exchange rate	*(8 366 267)*	*(10 104 477)*	*(209 700)*	*(5 966)*	*(186 197)*	*80 561*
Impact of + -10% change on exchange rate	*10 225 437*	*12 349 916*	*256 300*	*7 292*	*227 574*	*(98 464)*

31 December 2024	Mozambican metical	Moroccan dirham	Lebanese pound	Tunisian dinar	Angolan kwanza	South African
Exchange rate at the end of the period	66.790	10.519	92 981.6	3.302	955.172	19.619
Appreciation / (Depreciation) over the previous period	*(5.46%)*	*(3.89%)*	*(6.19%)*	*(2.6%)*	*3.22%*	*(3.58%)*
Average exchange rate in the period	69.173	10.755	96 847.0	3.366	952.316	19.830
Appreciation / (Depreciation) over the previous period	*0.10%*	*(1.83%)*	*(2.29%)*	*0.3%*	*27.33%*	*(0.63%)*
Amounts in foreign currency						
Cash and cash equivalents	47 272 452	450 239	180 057 509	4 931 079	147 812 637	8 949 781
Receivables	7 720 540	-	195 239 794	54 967 118	3 686 758 975	10 414 727
Other assets	-	-	-	15 144 548	1 680 000	-
Total of financial assets	**54 992 992**	**450 239**	**375 297 303**	**75 042 745**	**3 836 251 612**	**19 364 508**
Loans	-	-	-	(143 336 634)	(1 388 886 537)	-
Payables	13 405 576	135 216	(816 491 982)	(51 863 195)	(644 385 781)	3 451 095
Total financial liabilities	**13 405 576**	**135 216**	**(816 491 982)**	**(195 199 829)**	**(2 033 272 318)**	**3 451 095**
Financial net position in foreign currency	**68 398 568**	**585 455**	**(441 194 679)**	**(120 157 084)**	**1 802 979 294**	**22 815 603**
Financial net position in Euro	**1 024 084**	**55 657**	**(4 745)**	**(36 393 592)**	**1 887 597**	**1 162 946**
Impact of + 10% change on exchange rate	*(93 099)*	*(5 060)*	*431*	*3 308 508*	*(171 600)*	*(105 722)*
Impact of + -10% change on exchange rate	*113 787*	*6 184*	*(527)*	*(4 043 732)*	*209 733*	*129 216*

31 December 2023	US Dollar	Pound sterling	Polish zloti	Turkish lira	Swiss franc	Brazilian real
Exchange rate at the end of the period	1.105	0.869	4.340	32.653	0.926	5.350
Appreciation / (Depreciation) over the previous period	3.60%	(2.01%)	(7.29%)	63.55%	(5.96%)	(3.91%)
Average exchange rate in the period	1.082	0.870	4.542	25.760	0.972	5.401
Appreciation / (Depreciation) over the previous period	2.68%	1.99%	(3.09%)	47.90%	(3.26%)	(0.73%)
Amounts in foreign currency						
Cash and cash equivalents	13 488 061	863 437	259 824	525 311	2 731	77 266 349
Receivables	151 082 184	21 697 447	14 349 866	124 322	1 572 289	109 932 796
Other assets	20 249 572	4 474 188	-	-	-	-
Total of financial assets	**184 819 817**	**27 035 072**	**14 609 690**	**649 633**	**1 575 020**	**187 199 145**
Loans	(49 042 855)	-	-	-	-	(165 792 085)
Payables	(34 023 308)	(64 414)	(25 273)	(5 124 236)	(84 250)	(314 358 916)
Total financial liabilities	**(83 066 163)**	**(64 414)**	**(25 273)**	**(5 124 236)**	**(84 250)**	**(480 151 001)**
Financial net position in foreign currency	**101 753 654**	**26 970 658**	**14 584 417**	**(4 474 603)**	**1 490 770**	**(292 951 856)**
Financial net position in Euro	***92 084 755***	***31 032 859***	***3 360 852***	***(137 035)***	***1 609 903***	***(54 754 286)***
Impact of + 10% change on exchange rate	*(8 371 341)*	*(2 821 169)*	*(305 532)*	*12 458*	*(146 355)*	*4 977 662*
Impact of + -10% change on exchange rate	*10 231 639*	*3 448 095*	*373 428*	*(15 226)*	*178 878*	*(6 083 810)*

31 December 2023	Mozambican metical	Moroccan dirham	Lebanese pound	Tunisian dinar	Angolan kwanza	South African rand
Exchange rate at the end of the period	70.650	10.945	99 118.500	3.390	925.358	20.348
Appreciation / (Depreciation) over the previous period	3.62%	(1.92%)	120.73%	1.66%	69.90%	12.43%
Average exchange rate in the period	69.106	10.955	99 118.500	3.355	747.888	19.955
Appreciation / (Depreciation) over the previous period	2.83%	2.52%	120.73%	3.11%	53.66%	15.96%
Amounts in foreign currency						
Cash and cash equivalents	24 591 876	418 145	95 272 119	3 294 010	110 560 798	40 922
Receivables	16 154 123	-	17 825 753	49 030 610	3 192 891 358	-
Other assets	-	-	-	81 719	5 040 000	-
Total OF FINANCIAL ASSETS	**40 745 999**	**418 145**	**113 097 872**	**52 406 339**	**3 308 492 156**	**40 922**
Loans	-	-	-	(133 212 541)	(1 731 892 009)	-
Payables	-	(134 963)	(445 209 119)	(55 194 287)	(558 517 931)	-
Total financial liabilities	**-**	**(134 963)**	**(445 209 119)**	**(188 406 828)**	**(2 290 409 940)**	**-**
Financial net position in foreign currency	**40 745 999**	**283 182**	**(332 111 247)**	**(136 000 489)**	**1 018 082 216**	**40 922**
Financial net position in Euro	***576 730***	***25 874***	***(3 351)***	***(40 121 689)***	***1 100 203***	***2 011***
Impact of + 10% change on exchange rate	*(52 430)*	*(2 352)*	*305*	*3 647 426*	*(100 018)*	*(183)*
Impact of + -10% change on exchange rate	*64 081*	*2 875*	*(372)*	*(4 457 965)*	*122 245*	*223*

8.1.2 INTEREST RATE RISK

INTEREST RATE RISK MANAGEMENT POLICY

A significant share of the Group's financial liabilities cost are indexed to short-term reference interest rates, which are reviewed more than once a year (generally every six months for medium and long-term debt). Hence, changes in interest rates can have an impact on the Group's income statement.

The Group periodically reviews its interest rate risk management strategy. In view of the current level of interest rates, the Group has been favouring the contracting of fixed rate debt.

Where deemed appropriate by the Board, the Group relies on the use of derivative financial instruments (Note 8.2), namely interest rate swaps to manage the interest rate risk, and these tools aim to fix the interest rate on loans it obtains, within certain parameters, considered appropriate by the Group's risk management policies.

ACCOUNTING ESTIMATES AND JUDGEMENTS

SENSITIVITY ANALYSIS

Semapa carries out sensitivity analysis in order to assess the impact on the income statement and equity caused by an increase or decrease in market interest rates, considering all other factors unchanged. This is an illustrative analysis only, since changes in market rates rarely occur separately.

The sensitivity analysis is based on the following assumptions:

i) Changes in market interest rates affect interest income and expenses arising from financial instruments subject to floating rates;

ii) Changes in market interest rates affect the fair value of derivative financial instruments as well as other financial assets or liabilities;

iii) Changes in fair value of derivative financial instruments and other financial assets and liabilities are measured using the discounted cash flows method, with market interest rates at year end.

Under these assumptions, the impact of a 0.5% increase in market interest rates for all currencies in which the Group has interest-bearing liabilities and assets, and derivative financial instruments as at 31 December 2024 and 31 December 2023, is as follows:

Amounts in Euro	31/12/2024	31/12/2023
0. 5% increase in market interest rates		
Impact on profit before tax - increase / (decrease)	**(5 368 497)**	(4 906 091)

EXPOSURE TO INTEREST RATE RISK

Financial assets and liabilities bearing interest at fixed rates (which do not expose the Group to interest rate risk) and those bearing interest at variable rates (which expose the Group to interest rate risk) are detailed as follows:

Amounts in Euro	Up to 1 month	1-3 months	3-12 months	1-5 years	+ 5 years	Total
As at 31 December 2024						
Current						
Current						
Cash and cash equivalents	499 542 393	-	-	-	-	**499 542 393**
Total of financial assets	**499 542 393**	**-**	**-**	**-**	**-**	**499 542 393**
Liabilities						
Non-current						
Interest-bearing liabilities	-	-	188 632 237	231 745 269	198 830 830	**619 208 336**
Other liabilities	-	-	-	62 341 840	10 225 243	**72 567 083**
Current						
Interest-bearing liabilities	46 977 578	39 556 102	97 256 527	-	-	**183 790 207**
Other liabilities	(1 741 009)	(2 643 569)	6 912 530	-	-	**2 527 952**
Total financial liabilities	**45 236 569**	**36 912 533**	**292 801 294**	**294 087 109**	**209 056 073**	**878 093 578**
Net financial position	**454 305 824**	**(36 912 533)**	**(292 801 294)**	**(294 087 109)**	**(209 056 073)**	**(378 551 185)**

Amounts in Euro	Up to 1 month	1-3 months	3-12 months	1-5 years	+ 5 years	Total
As at 31 December 2023						
Assets						
Current						
Cash and cash equivalents	279 241 238	-	-	-	-	**279 241 238**
Total of financial assets	**279 241 238**	**-**	**-**	**-**	**-**	**279 241 238**
Liabilities						
Non-current						
Interest-bearing liabilities	-	49 999 998	204 336 792	263 817 148	47 012 368	**565 166 306**
Other liabilities	-	-	-	59 624 498	10 665 340	**70 289 838**
Current						
Interest-bearing liabilities	15 562 053	4 138 870	81 470 292	-	-	**101 171 215**
Other liabilities	-	3 444 138	10 250 186	-	-	**13 694 324**
Total financial liabilities	**15 562 053**	**57 583 006**	**296 057 270**	**323 441 646**	**57 677 708**	**750 321 683**
Net financial position	**248 679 185**	**(105 440 149)**	**(320 875 916)**	**(847 348 416)**	**(70 356 280)**	**(1 095 341 576)**

From 2024 onwards, the tables above show assets and liabilities with exposure to interest rate risk, not including assets and liabilities whose interest rate risk is fully covered by derivative financial instruments with a maturity and/or repricing identical to the underlying. In order to make the information presented comparable, the appropriate changes were made to the table for the homologous period, ensuring the consistency of the criteria adopted in preparing this disclosure. In liquidity risk Note 8.1.3, the contractual maturity of all financial liabilities is shown, regardless of whether interest rate risk is hedged through derivative financial instruments.

8.1.3 LIQUIDITY RISK

LIQUIDITY RISK MANAGEMENT POLICY

The Group manages liquidity risk in two ways:

i) ensuring that its financial debt has a high medium- and long-term component with maturities appropriate to the characteristics of the industries where it operates, and

ii) by contracting with financial institutions credit facilities available at all times for an amount that guarantees adequate liquidity.

CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES (UNDISCOUNTED CASH FLOWS, INCLUDING INTEREST)

Amounts in Euro	-1 month	1-3 months	3-12 months	1-5 years	+ 5 years	Total
As at 31 December 2024						
Liabilities						
Bond loans	834 594	11 350 688	123 995 414	626 351 923	383 770 976	1 146 303 595
Commercial paper	25 041 500	35 547 000	2 203 006	48 779 230	50 000 000	161 570 736
Bank loans	47 272 151	22 873 619	73 106 242	246 064 002	67 149 991	456 466 005
Other loans	1 934 995	364 020	8 111 150	16 700 862	-	27 111 027
Lease liabilities	96 974	145 444	11 759 196	21 288 269	11 386 540	44 676 423
Derivative financial instruments	(1 741 009)	(3 046 668)	(2 412 744)	1 291 935	(783 753)	(6 692 239)
Other financial liabilities	4 336 287	2 084 430	-	50 000 000	-	56 420 717
Total liabilities	**77 775 492**	**69 318 533**	**216 762 264**	**1 010 476 221**	**511 523 754**	**1 885 856 264**
As at 31 December 2023						
Liabilities						
Bond loans	2 054 269	11 239 750	58 975 958	707 300 284	137 745 001	917 315 262
Commercial paper	1 239 679	1 221 333	40 701 805	153 939 888	-	197 102 705
Bank loans	26 074 415	10 459 335	53 652 013	173 782 212	50 383 551	314 351 526
Other loans	4 956 586	-	7 219 439	23 227 870	-	35 403 895
Lease liabilities	87 856	123 661	8 882 578	14 788 705	10 665 340	34 548 140
Derivative financial instruments	-	-	(8 574 707)	(9 229 637)	-	(17 804 344)
Other financial liabilities	2 401 661	4 933 184	-	50 000 000	-	57 334 845
Total liabilities	**36 814 466**	**27 977 263**	**160 857 086**	**1 113 809 322**	**198 793 892**	**1 538 252 029**

The contractual maturity of interest-bearing liabilities requires the compliance with financial covenants, as detailed in Note 5.7 – Interest-bearing liabilities.

AVAILABLE AND UNDRAWN CREDIT FACILITIES

Amounts in Euro	31/12/2024	31/12/2023
Undrawn credit facilities		
Holdings	374 500 000	311 250 000
Pulp and Paper	310 163 917	287 700 714
Cement	283 381 997	256 511 022
Other businesses	9 854 798	17 875 000
	977 900 712	**873 336 736**

8.1.4 CREDIT RISK

ACCOUNTING POLICIES

IMPAIRMENT OF FINANCIAL ASSETS

The Group assesses, on a prospective basis, the expected credit losses associated with its financial assets measured at amortised cost and at fair value through other comprehensive income, in accordance with IFRS 9, as detailed in 8.4.1 – Categories of financial instruments of the Group.

On this basis, the Group recognises expected credit losses throughout the lifetime of financial instruments that have been subject to significant increases in credit risk since its initial recognition, assessed either individually or collectively, considering all reasonable and sustainable information, including available prospective information.

If, at the reporting date, the credit risk associated with a financial instrument has not increased significantly since its initial recognition, the Group measures the impairment of that financial instrument by an amount equivalent to the expected credit losses.

IFRS 9 provides that for the calculation of these impairments, one of two models is used: the 3-step method or the use of a matrix, the distinguishing component being the existence or not of a significant financing component. In the case of the Group's financial assets, as it is not a financial institution and there are no assets with a significant financing component, it was decided to use a matrix.

The model adopted for the impairment assessment in accordance with IFRS 9 is as follows:

1. Calculate the total credit sales made by the Group over the last 12 months, as well as the total amount of bad debts relating to them;
2. Determine the customers' payment profile and other short-term creditors, by setting buckets of receipt frequency;
3. Based on 1 above, estimate the probability of default (i.e., the amount of bad debts calculated at 1 compared to the balance of outstanding sales in each bucket calculated at 2);
4. Adjust the percentages of future forecasts obtained in 3;
5. Apply the default percentages as calculated in 4 to trade receivables and other current paya-bles still outstanding at the reporting date.

Although IFRS 9 assumes 90 days as default, the Navigator Group considered a period of 180 days, since the experience of real losses before this period is low. This period is aligned with the current risk management policies of the company, namely in what regards the credit insurance hired, and to the fact that there is no sales with significant components of funding in light of IFRS 15. Additionally, Navigator evaluated the impact of considering 180 days of default instead of the 90 days and the Expected Credit Loss would not change significantly. In the event of an accident in the credit insurance company, the model considers the limit paid, by Navigator, of 5% (10% for national customers).

In addition, the Group recognises impairment on a case-by-case basis, based on specific balances and specific past events, considering the historical information of the counterparties, their risk profile and other observable data in order to assess whether there are objective indicators of impairment for these financial assets. The Group uses the write-off procedure only when the credit is considered to be definitely uncollectible by a court decision.

CREDIT RISK MANAGEMENT POLICY

The Group is exposed to credit risk in the credit it grants to its customers and other debtors. Accordingly, it has adopted a policy of managing such risks within present limits, by serving insurance policies with specialised independent companies. The deterioration in global economic conditions or adverse situations, which only affect economies at the local level, could give rise to situations in which customers are unable to meet their commitments.

The Group has adopted a credit insurance policy for most trade receivables. As such, its exposure to credit risk is considered to have been mitigated up to acceptable levels, when compared with its sales.

However, the worsening of global economic conditions or adversities affecting only economies on a local scale may lead to deterioration in the ability of the Navigator Group's customers to meet their obligations, leading entities providing credit insurance to significantly decrease the amount of credit facilities that are available to those customers. This scenario may result in limitations on the amounts that can be sold to some customers without directly incurring credit risk levels that are not compatible with the risk policy in this area.

CASH EQUIVALENTS

The Group adopts strict policies in approving its financial counterparties, limiting its exposure in accordance with an individual risk analysis and within previously approved limits.

As at 31 December 2024 and 31 December 2023, Trade receivables showed the following ageing structure, considering the due dates for the balances outstanding before impairment:

				Total		
Amounts in Euro	Pulp and Paper	Cement	Other businesses	31/12/2024	31/12/2023	31/12/2023
Amounts not due	273 547 400	39 259 820	6 933 780	319 741 000	296 328 510	296 328 510
1 to 90 days	30 245 008	27 449 857	3 898 518	61 593 383	46 894 047	46 894 047
91 to 180 days	1 022 452	3 338 487	1 260 019	5 620 958	6 532 105	6 532 105
181 to 360 days	215 098	1 234 839	1 337 364	2 787 301	7 316 801	7 316 801
361 to 540 days	6 341	572 795	1 563 628	2 142 764	2 761 789	2 761 789
541 days to 720 days	6 198	217 884	839 478	1 063 560	641 203	641 203
More than 721 days	-	1 207 004	2 336 268	3 543 272	4 047 914	4 047 914
	305 042 497	**73 280 686**	**18 169 055**	**396 492 238**	**364 522 369**	**364 522 369**
Litigation - doubtful debts	3 635 137	12 515 399	-	16 150 536	15 602 077	15 602 077
Impairment	(3 635 137)	(14 737 250)	(826 882)	(19 199 269)	(18 041 430)	(18 041 430)
Trade receivables balance	**305 042 497**	**71 058 835**	**17 342 173**	**393 443 505**	**362 083 016**	**362 083 016**

The amounts shown above correspond to the amounts outstanding according to the contracted due dates. Despite some delays in the settlement of those amounts, that does not result, in accordance with the available information, in the identification of impairment losses other than the ones considered through the respective losses. These are calculated based on the information periodically collected on the financial behaviour of the Group's Customers, which allow, in conjunction with the experience obtained in the client portfolio analysis and with the history of credit defaults, in the part not attributable to the insurance company, to define the amount of losses to be recognised in the period.

The analysis of the ageing of receivables already overdue is as follows:

	31/12/2024		31/12/2023	
Amounts in Euro	Gross amount	Fair Value Guarantees	Gross amount	Fair Value Guarantees
Overdue debtor balances not considered impaired				
Overdue for less than 3 months	61 045 479	28 876 673	44 254 222	19 721 695
Overdue for more than 3 months	13 309 421	456 347	20 732 900	298 294
	74 354 900	**29 333 020**	**64 987 122**	**20 019 989**
Debtor balances considered impaired				
Overdue for less than 3 months	460 832	-	492 954	-
Overdue for more than 3 months	18 738 437	-	17 548 476	-
	19 199 269	**-**	**18 041 430**	**-**

In accordance with the above-mentioned, it should be noted that the Group adopted a policy of credit insurance for a significant part of the accounts receivable from costumers. Thus, it is considered that the effective Group's exposure to the credit risk has been mitigated and is within acceptable levels.

The table below represents the quality of the Group's credit risk, as at 31 December 2024 and 31 December 2023, for financial assets (Cash and cash equivalents and Derivative financial instruments), whose counterparts are financial institutions:

Amounts in Euro	31/12/2024	31/12/2023
A+	194 659 046	77 860 614
A	154 352 484	62 338 437
A-	53 621 029	50 996 805
BBB+	1 390 321	12 062 501
BBB	46 786 388	27 492 241
BBB-	157 852	15 989 304
BB+	12 371 871	5 334 450
BB	23 137 650	8 922 827
B+	-	621 961
B	907 653	-
B-	1 111 610	20 373
CCC	3 556 062	-
C	1 233 320	-
Outros	6 256 492	17 601 147
	499 541 778	**279 240 660**

The caption Other comprise short-term investments in Angola and Mozambique financial institutions, on which it was not possible to obtain the ratings with reference to the presented dates.

The maximum exposure to the credit risk in the Consolidated financial position as at 31 December 2024 and 31 December 2023 is detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Non-current		
Other financial investments (Note 8.3)	31 223 705	19 419 978
Non-current receivables (Note 4.2)	25 850 454	57 698 209
Current		
Current receivables (Note 4.2)	522 277 259	466 869 667
Derivative financial instruments (Note 8.2)	34 577 496	23 314 167
Bank deposits and short-term investments (Note 5.9)	499 542 393	279 241 238
	1 113 471 307	**846 543 259**

IMPAIRMENT OF TRADE AND OTHER RECEIVABLES

MOVEMENTS IN ACCUMULATED IMPAIRMENT LOSSES ON TRADE AND OTHER RECEIVABLES

	Clientes c/c		Outros valores a receber	
Amounts in Euro	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Accumulated impairment at beginning of the period	**19 143 293**	**21 369 923**	**7 773 484**	**7 459 669**
Changes due to:				
Increase	2 608 601	404 852	461 672	2 388 321
Reversals	(3 924 074)	(4 513 427)	(181 747)	(2 015 822)
Changes recognised in net profit for the period	**(1 315 473)**	**(4 108 575)**	**279 925**	**372 499**
Change in the perimeter	40 111	-	-	-
Exchange rate adjustment	(9 051)	(168 402)	3 509	-
Charge-offs	(149 148)	2 050 347	(8 232)	(56 528)
Adjustments and transfers	1 489 537	-	-	(2 156)
Accumulated impairment at end of the period	**19 199 269**	**19 143 293**	**8 048 686**	**7 773 484**

8.2 DERIVATIVE FINANCIAL INSTRUMENTS

ACCOUNTING POLICIES

The fair value of derivative financial instruments is included under Payables (Note 4.3), when negative, and under Receivables (Note 4.2), when positive.

In accordance with IFRS 9 – Financial Instruments, the Group has opted to continue applying the hedge accounting requirements of IAS 39 – Financial Instruments, until there is greater visibility on the Dynamic Risk Management (macro hedging) project currently in progress.

Whenever expectations of changes in interest or exchange rates so justify, the Group hedges these risks through derivative financial instruments, such as interest rate swaps (IRS), interest rate and foreign exchange collars, forwards, etc.

DERIVATIVE FINANCIAL INSTRUMENTS | TRADING

Although the derivatives contracted by the Group represent effective economic hedges of risks, not all of them qualify as hedging instruments in accounting terms to satisfy the applicable rules and requirements. Instruments that do not qualify as hedging instruments are recorded in the Consolidated Financial Position at their fair value and changes in fair value are recognised in Net financial results (Note 5.10), when related to financing operations, or in External services and supplies (Note 2.3) or Revenue (Note 2.1), when related to foreign exchange risk on the purchase of raw materials or cash flows from sales in currencies other than the reporting currency.

DERIVATIVE FINANCIAL INSTRUMENTS | HEDGING

Derivative financial instruments used for hedging purposes may be recognised as hedging instruments provided that they comply, cumulatively, with the conditions set out in IAS 39.

CASH-FLOW HEDGE (INTEREST RATE AND EXCHANGE RATE RISKS)

In order to manage its exposure to interest rate risk and exchange rate risk, the Group enters into cash flow hedges.

Those transactions are recorded in the Interim consolidated statement of financial position at their fair value, if considered effective hedges. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Accumulated amounts in equity are reclassified to profit or loss in the periods when the hedged item affects the Income statement (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement under Net financial results (Note 5.11). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or property, plant and equipment), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset.

NET INVESTMENT HEDGING (EXCHANGE RATE RISK)

In order to manage the exposure of its investments in foreign subsidiaries to fluctuations in the exchange rate (net investment), the Group enters into exchange rate forwards, which are recorded at fair value in the consolidated statement of financial position.

Those exchange rate forwards arranged for investments in foreign operations, are recorded in a similar way to the cash flow hedges. Gains and losses on the hedging instrument related to its effective hedging component are recognised in the comprehensive income for the period. Gains and losses related to the ineffective hedging component are recognised in the Income statement. The accumulated gains and losses on equity are included in the Income statement if and when the foreign subsidiaries are disposed.

DERECOGNITION

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity is recycled to the income statement, unless the hedged item is a forecast transaction, in which case any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement.

PULP AND PAPER SEGMENT

FOREIGN EXCHANGE TRADING DERIVATIVES

The Navigator Group has a currency exposure on sales invoiced in foreign currencies, namely US dollars (USD) and pounds sterling (GBP). As the Group's financial statements are presented in Euro, it is exposed to an economic risk on the conversion of these currency flows to the Euro. The Group is also required, albeit to a lesser degree, to make certain payments in those same currencies which, for currency exposure purposes, act as a natural hedge. Thus, the hedge is aimed at safeguarding the net value of items in the statement of financial position denominated in a currency other than the presentation currency against the respective currency fluctuations.

The hedging instruments used in this operation are foreign exchange forward contracts covering the net exposure to currencies other than the presentation currency, for amounts and due dates close to that exposure. The nature of the hedged risk is the accounting exchange rate change recorded on sales and purchases securitised in currencies other than the presentation currency. At the end of each month, the balances of Trade receivables and Trade payables expressed in foreign currency are updated, with the gain or loss offset against the fair value change of the forwards negotiated.

CASH FLOW HEDGE | EXCHANGE RATE RISK EUR/USD AND EUR/GBP

The Group makes use of derivative financial instruments in order to limit the net exchange risk associated with sales and future purchases estimated at USD and GBP.

CASH FLOW HEDGE | INTEREST RATE

The Group hedges future interest payments associated with commercial paper issues by hiring an interest rate swap, which pays a fixed rate and receives a floating rate. This instrument is designated as hedge of cash flows from the commercial paper programme and the bond loan.

CASH FLOW HEDGE | COMMODITIES – BHKP

The Group uses derivative financial instruments in order to minimise the exposure risk associated with the variation of the pulp price, indexed to PIX, in USD.

CEMENT AND DERIVATIVES SEGMENT

FOREIGN EXCHANGE RISK HEDGING IN THE EXPORT AND PURCHASE OF FUELS

The Group carries out occasionally sales hedging transactions in a currency other than the presentation currency and hedges future fuel acquisitions, particularly petcoke.

CASH FLOW HEDGE | INTEREST RATE ON LOANS TO FOREIGN OPERATIONS

When a foreign transaction of the Group takes loans in a currency other than the functional currency in the country of activity of that operation, the Group carries out hedging operations so that the exposure reflects the functional currency.

ACCOUNTING ESTIMATES AND JUDGEMENTS

FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

Whenever possible, the fair value of derivatives is estimated on the basis of quoted instruments. In the absence of market prices, the fair value of derivatives is estimated through the discounted cash-flow method and option valuation models, in accordance with prevailing market assumptions.

MOVEMENTS IN DERIVATIVE FINANCIAL INSTRUMENTS

	31/12/2024			31/12/2023		
Amounts in Euro	Trading derivatives	Hedging derivatives	Net total	Trading derivatives	Hedging derivatives	Net total
Balance at the beginning of the period	**(11 279 316)**	**21 670 675**	**10 391 359**	**(10 182 937)**	**53 197 110**	**43 014 173**
New contracts / settlements	8 951 784	(11 273 847)	(2 322 063)	(3 154 636)	10 849 615	7 694 979
Change in fair value through profit and loss (Note 5.11)	10 804 156	11 328 732	22 132 888	2 346 219	(5 383 278)	(3 037 059)
Change in fair value through other comprehen-sive income (Note 5.5)	-	(4 016 238)	(4 016 238)	-	(36 992 772)	(36 992 772)
Exchange rate adjustment	1 231 800	-	1 231 800	(287 962)	-	(287 962)
Balance at the end of the period	**9 708 424**	**17 709 322**	**27 417 746**	**(11 279 316)**	**21 670 675**	**10 391 359**

DETAIL AND MATURITY OF DERIVATIVE FINANCIAL INSTRUMENTS BY NATURE

31 December 2024 Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net amount
Hedging						
Foreign exchange forwards (future sales)	272 000 000	USD	2025	-	(1 103 142)	(1 103 142)
Exchange rate forwards (future sales)	130 000 000	GBP	2025	-	(262 405)	(262 405)
Interest rate swaps	585 000 000	EUR	2031	10 598 974	(3 314 640)	7 284 334
Cross currency interest rate swap	40 000 000	BRL	2029	-	(848 250)	(848 250)
Energy	24 653 150	EUR	2025	12 638 785	-	12 638 785
				23 237 759	**(5 528 437)**	**17 709 322**
Trading						
Foreign exchange forwards (future sales)	60 500 000	USD	2025	-	(1 597 134)	(1 597 134)
Foreign exchange forwards (future sales)	40 900 000	GBP	2025	-	(34 179)	(34 179)
Cross currency interest rate swap	33 549 434	EUR	2025	3 861 615	-	3 861 615
Cross currency interest rate swap	80 291 054	USD	2025	7 478 122	-	7 478 122
				11 339 737	**(1 631 313)**	**9 708 424**
				34 577 496	**(7 159 750)**	**27 417 746**

31 December 2023 Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net amount
Hedging						
Exchange rate forwards (future sales)	287 500 000	USD	2024	1 348 010	(608 037)	739 973
Interest rate swaps	405 000 000	EUR	2028	20 899 047	-	20 899 047
BHKP Pulp	7 092 000	USD	2024	31 655	-	31 655
				22 278 712	**(608 037)**	**21 670 675**
Trading						
Exchange rate forwards (future sales)	46 000 000	USD	2024	1 014 913	(4 987 262)	(3 972 349)
Foreign exchange forwards (future sales)	6 099 807	GBP	2024	-	(96 519)	(96 519)
Foreign exchange forwards	1 650 000	USD	2024	20 542	(35 301)	(14 759)
Cross currency interest rate swap	29 256 687	EUR	2024	-	(1 513 277)	(1 513 277)
Cross currency interest rate swap	52 145 527	USD	2025	-	(5 682 412)	(5 682 412)
				1 035 455	**(12 314 771)**	**(11 279 316)**
				23 314 167	**(12 922 808)**	**10 391 359**

PULP AND PAPER SEGMENT

CASH FLOW HEDGE | EXCHANGE RATE RISK EUR/USD AND EUR/GBP

During the last 6 months of 2024, the Group contracted derivative financial instruments to hedge exchange rate risk, acquiring USD 272 000 000 and GBP 130 000 000 in Zero Cost Collar, thus ensuring a significant level of hedging of the estimated exposure for 2025.

CASH FLOW HEDGE | INTEREST RATE

During the second quarter of 2024, the Group contracted two swaps in the amount of Euro 50 000 000 each to fix the interest rate associated with the Navigator 2024-2029 bond loan and the Navigator 2024-2031 bond loan, in the amount of Euro 50 000 000, each, both starting in June 2024.

In the last quarter of 2024, the Group contracted two new swaps in the amount of Euro 50 000 000, each, to fix the interest rate associated with the Navigator 2024-2031 bond loan in the amount of Euro 100 000 000, both starting in November 2024.

As a result, it was possible to hedge the interest rate risk on credit lines amounting to Euro 535 000 000.

ENERGY HEDGING

In the first quarter of 2024, the Group entered into Swaps to fix the purchase price of electricity and natural gas for a volume of approximately 199 740 MWh of electricity and 581 064 MWh of natural gas, starting in 2025, covering approximately 25% of its needs.

COMMODITIES HEDGING – BHKP

The Navigator Group uses derivative financial instruments in order to minimise the exposure risk associated with the variation of the pulp price, indexed to PIX, in USD. During the second quarter of 2023, the Group entered into a Swap valued at USD 7 092 000 to fix the price of short fibre pulp (BHKP) for 2024. Moreover, in the first quarter of 2024 the Group contracted a new Swap in the amount of USD 23 400 000 to fix the sale price of short fibre pulp (BHKP), however, as at 31 December 2024 both instruments had expired.

CEMENT AND DERIVATIVES SEGMENT

DERIVATIVES AT FAIR VALUE THROUGH PROFIT OR LOSS

In January 2024, the subsidiary Margem, contracted an external financing in the amount of Euro 10 000 000 maturing in January 2025, with a single repayment at maturity. On the same date, a cross currency interest rate swap contract was entered into with the purpose of hedging the exchange rate exposure. This derivative allowed Margem to fix the nominal value of the financing in BRL and to pay interest at the ID rate plus a spread, fully replicating the repayment plan of this financing in EUR.

In February 2024, the subsidiary Margem, contracted an external financing in the amount of USD 10 000 000 maturing in January 2025, with a single repayment at maturity. On the same date, a cross currency interest rate swap contract was entered into with the purpose of hedging the exchange rate exposure. This derivative allowed Margem to fix the nominal value of the financing in BRL and to pay interest at the ID rate plus a spread, fully replicating the repayment plan of this financing in USD.

In March 2024, the subsidiary Margem, contracted an external financing in the amount of Euro 18 549 434 maturing in March 2025, with a single repayment at maturity. On the same date, a cross currency interest rate swap contract was entered into with the purpose of hedging the exchange rate exposure. This derivative allowed Supremo to fix the nominal value of the financing in BRL and to pay interest at the ID rate plus a spread, fully replicating the repayment plan of this financing in EUR.

In September 2024, the subsidiary Supremo, contracted an external financing in the amount of USD 5 000 000 maturing in September 2025, with a single repayment at maturity. On the same date, a cross currency interest rate swap contract was entered into with the purpose of hedging the exchange rate exposure. This derivative allowed Supremo to fix the nominal value of the financing in BRL and to pay interest at the ID rate plus a spread, fully replicating the repayment plan of this financing in EUR.

CASH FLOW HEDGE | INTEREST RATE

In December 2024, the subsidiary Supremo, contracted an external financing in the amount of USD 40 000 000 maturing in December 2029, with a single repayment at maturity. On the same date, a cross currency interest rate swap contract was entered into with the purpose of hedging the exchange rate exposure. This derivative allowed Supremo to fix the nominal value of the financing in BRL and to pay interest at the ID rate plus a spread, fully replicating the repayment plan of this financing in USD.

8.3 OTHER FINANCIAL INVESTMENTS

ACCOUNTING POLICIES

This Note includes equity instruments held by the Group relating to companies over which it has no control or significant influence. The Group classifies equity instruments that are held for trading at fair value through profit or loss. For the remaining equity instruments, the Group may irrevocably choose, at the time of initial recognition, to measure these investments at fair value through other comprehensive income, this choice being made on an instrument-by-instrument basis. Should this option be used, all changes in fair value are recognised in other comprehensive income.

MOVEMENTS IN OTHER FINANCIAL INVESTMENTS

Amounts in Euro	31/12/2024	31/12/2023
Financial assets at fair value through other comprehensive income		
Opening balance	**29 181 346**	**29 868 205**
Acquisitions	23 568 787	4 801 693
Repayments/Disposals	(3 550 106)	-
Exchange rate changes in other comprehensive income	(2 811 710)	(360 586)
Change in fair value through other comprehensive income	10 266 937	(5 127 966)
Closing balance	**56 655 254**	**29 181 346**
Financial assets at fair value through profit or loss		
Opening balance	**19 419 978**	**18 850 697**
Change in the perimeter	-	211 858
Acquisitions	8 781 238	2 561 616
Repayments/Disposals	(41 565)	(436 466)
Exchange rate changes recognised in profit or loss	992 872	(286 021)
Change in fair value through profit and loss	2 071 180	(1 481 706)
Closing balance	**31 223 703**	**19 419 978**
Total	**87 878 957**	**48 601 324**

DETAIL OF OTHER FINANCIAL INVESTMENTS BY NATURE

These investments essentially correspond to investments made by the subsidiary Semapa Next, S.A., a venture capital business unit of the Semapa Group which has been making diversified investments, and are detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Financial assets at fair value through other comprehensive income		
Circuit Routing Limited	4 136 659	1 990 001
Defined.ai	7 212 838	818 875
Ferovinum, Ltd.	4 988 693	-
Gropyus	6 002 469	-
Kenko, Unipessoal, Lda.	10 222 129	5 185 000
Meisterwerk GmbH	3 200 986	-
Oceano Fresco, S.A.	2 977 444	2 971 000
Overstory, B.V.	8 461 573	5 306 000
Probe.ly	-	2 950 000
Realfevr, Lda.	-	3 999 998
Techstar Corporate Partner 2017 LLC	5 245 025	2 040 510
Other	4 207 436	3 919 962
	56 655 252	**29 181 346**
Financial assets at fair value through profit or loss		
Alter Venture Partners Fund I SCA, SICAV-RAIF	13 936 169	10 057 123
Constellr GmbH	5 318 082	-
FCR Armilar Venture Partners TechTransfer Fund	4 860 915	4 102 370
Other	7 108 539	5 260 485
	31 223 705	**19 419 978**
	87 878 957	**48 601 324**

In the period ended 31 December 2024, Semapa Next, S.A.'s portfolio includes a total of 14 active companies:

- Core Investments (11) including: Defined AI, Oceano Fresco, LOQR, kencko, Circuit, Overstory and Flecto, in addi-tion to the 4 investments made in 2024 in Gropyus (digital and industrial construction system in a modular for-mat for sustainable housing), Constellr (satellite constellation for monitoring the earth's surface temperature), Meisterwerk (operating system for technical professions) and Ferovinum (working capital financing platform for companies operating in the wine and spirits sector); and
- Discovery Check investments (3) including: Airly, Soveren and also the investment made in 2024 in Sonant (AI agent for the insurance sector).

As at 31 December 2024, the investment in Constellr GmbH was in the form of a loan convertible into shares in the amount of Euro 5 318 082.

In 2024, the positive change in the fair value of Defined AI stands out, as a result of the company's good financial and operational performance throughout the year, as well as the positive expectations for 2025.

Moreover, during 2024, Semapa Next sold its stake in Probely in the amount of Euro 3 550 106 and wrote off Real Fevr due to insolvency, which resulted in a loss of Euro 3 999 998, recognised in Other comprehensive income.

Semapa Next has a shareholding in the Luxembourg fund Alter Venture Capital Fund SCA - SICAV, a fund whose strategy is to invest in start-ups together with some of Silicon Valley's most prominent funds, having made an investment commitment of up to USD 12 million. Under the terms of the partnership signed between the entities, Semapa Next participated in capital calls during the 2024 financial year in the amount of USD 1 005 255. In 2024, this investment had a fair value appreciation of USD 2 165 165, equivalent to Euro 1 934 248.

It also has a shareholding in the Portuguese fund FCR Armilar Venture Partners TechTransfer Fund, whose aim is to support business projects developed using high technology created in the national academic environment and has committed to an investment of up to Euros 6.5 million. Semapa Next participated in capital calls during 2024 amounting to Euro 575 038.

The Company also has investments in venture capital funds managed by venture capital companies based in Europe, Notion Capital, Firstminute Capital, KiboVentures, Lakestar with 2 funds, Lakestar Early and Lakestar Growth, and Constellr GmbH, thereby establishing its presence in the most important technology centres in Europe.

8.4 FINANCIAL ASSETS AND LIABILITIES

8.4.1 CATEGORIES OF FINANCIAL INSTRUMENTS OF THE GROUP

The financial instruments included in each caption of the statement of financial position are classified as follows:

Amounts in Euro	Note	Financial assets at amortised costs	Financial assets at fair value through profit or loss (excluding derivatives)	Financial assets at fair value through other comprehensive income	Hedging derivative financial instruments	Derivative financial instruments at fair value through profit or loss	Non-financial assets	Total
31/12/2024								
Other financial investments	8. 3	-	31 223 705	56 655 252	-	-	-	87 878 957
Receivables	4. 2	624 737 847	-	-	23 237 759	11 339 737	21 764 619	681 079 962
Cash and cash equivalents	5. 9	501 370 635	-	-	-	-	-	501 370 635
Total assets		**1 126 108 482**	**31 223 705**	**56 655 252**	**23 237 759**	**11 339 737**	**21 764 619**	**1 270 329 554**
31 December 2023								
Other financial investments	8. 3	-	19 419 978	29 181 346	-	-	-	48 601 324
Receivables	4. 2	602 072 325	-	-	22 278 712	1 035 455	17 386 225	642 772 717
Cash and cash equivalents	5. 9	281 156 727	-	-	-	-	-	281 156 727
Total assets		**883 229 052**	**19 419 978**	**29 181 346**	**22 278 712**	**1 035 455**	**17 386 225**	**972 530 768**

Amounts in Euro	Note	Financial liabilities at amortised cost	Hedging deriva-tive financial instruments	Derivative financial instruments at fair value through profit or loss	Non-financial liabilities	Financial assets outside the scope of IFRS 9	Total
31/12/2024							
Interest-bearing liabilities	5.7	1 593 085 187	-	-	-	-	1 593 085 187
Lease liabilities	5.8	-	-	-	-	151 477 188	151 477 188
Payables	4.3	810 114 078	5 528 437	1 631 313	358 215 325	-	1 175 489 153
Total liabilities		**2 403 199 265**	**5 528 437**	**1 631 313**	**358 215 325**	**151 477 188**	**2 920 051 528**
31 December 2023							
Interest-bearing liabilities	8.3	1 293 152 168	-	-	-	-	1 293 152 168
Lease liabilities	4.2	-	-	-	-	103 976 966	103 976 966
Payables	4.3	707 560 115	608 037	12 314 771	386 238 484	-	1 106 721 407
Total liabilities		**2 000 712 283**	**608 037**	**12 314 771**	**386 238 484**	**103 976 966**	**2 503 850 541**

8.4.2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

ACCOUNTING POLICIES

The fair value of financial instruments is classified in accordance with the fair value hierarchy of IFRS 13 – Fair value measurement:

Level 1	Fair value is based on active markets quotations, at the reporting date
Level 2	Fair value is determined using valuation models, whose main inputs are observable in the market
Level 3	Fair value is determined using valuation models, whose main inputs are not observable in the market.

ACCOUNTING ESTIMATES AND JUDGEMENTS

FAIR VALUE OF FIXED-INTEREST INTEREST-BEARING LIABILITIES

The fair value of these liabilities is calculated using the discounted cash flow method at the reporting date, using a discount rate in accordance with the characteristics of each loan, belonging to level 2 of the fair value hierarchy of IFRS 13.

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The Group considers that the book value of loans at variable rates, as well as financial assets and liabilities measured at amortised cost in the remaining captions (Note 8.4.1), is close to their fair value.

9 PROVISIONS, COMMITMENTS AND CONTINGENCIES

9.1 PROVISIONS

ACCOUNTING POLICIES

Recognition and initial measurement	Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
Capitalisation of expendi-tures	The Group incurs expenditure and assumes liabilities of an environmental nature. Accordingly, expenditures on equipment and operating techniques that ensure compliance with applicable legislation and regulations (as well as on landscape recovery and reduction of environmental impacts to levels that do not exceed those representing a viable application of the best available technologies, on those related to minimising energy consumption, atmospheric emissions, the production of waste and noise) are capitalised when intended to serve the Group's business activity in a sustainable way, and relate to future economic benefits allowing to extend its useful life, increase capacity or improve the safety or efficiency of other assets held by the Group.
Subsequent measurement	Provisions are reviewed on statement of financial position date and are adjusted so as to reflect the best estimate at that date. Landscape recovery provisions are re-measured according to the effect of the time value of money, against the caption Financial discount of provisions in Note 5.11 – Net financial results and consumed by the expenses made by the Group with the recovery, at the date they occur.

LANDSCAPE RECOVERY AND OTHER ENVIRONMENTAL EXPENDITURES

Some of the Group's companies are responsible for the environmental and landscape recovery of the quarries affected by the exploration, in accordance with applicable legislation.

Rehabilitation works mainly includes cleaning and regularisation of areas for recovery, modelling and preparation of the land, transport and spreading of rejected materials for landfill, fertilisation, execution of the general plan for coating with hydro-sowing and plantation, and maintenance and conservation of the areas recovered after implantation.

ACCOUNTING ESTIMATES AND JUDGEMENTS

LEGAL PROCEEDINGS

These provisions were made in accordance with the risk assessments carried out internally by the Group with the support of its legal advisers, based on the probability of the decision being favourable or unfavourable to the Group.

The balances of additional liabilities for the Group's uncertainty over income tax are disclosed in Note 6.1 – Income tax.

ENVIRONMENTAL RECOVERY

The extent of the work required and the costs to be incurred were determined based on the quarrying plans and studies prepared by independent entities, and the total liability was measured by the expected value of the future cash flows, discounted to present value.

Value judgements and estimates are involved in the formation of expectations about future activities and the amount and period of the associated cash flows. These perspectives are based on the existing environment and current regulations.

Quarries whose reconstitution is only possible at the closure of operations, the Group has requested independent and specialised entities to quantify those obligations, having for this purpose recognised a provision under the caption Provisions.

Amounts in Euro	Legal proceedings	Environmental recovery	Other	Total
1 January 2023	**5 106 980**	**10 380 954**	**37 837 846**	**53 325 780**
Increases	1 157 987	719 293	12 043 784	13 921 064
Reversals	(39 259)	(1 592 712)	(4 642 766)	(6 274 737)
Impact in profit or loss for the period	**1 118 728**	**(873 419)**	**7 401 018**	**7 646 327**
Change in the perimeter	-	-	105 854	105 854
Hyperinflationary economies (Lebanon)	-	-	3 098 315	3 098 315
Charge-offs	(327 417)	(341 908)	(991 117)	(1 660 442)
Exchange rate adjustment	49 274	(292 589)	(2 042 143)	(2 285 458)
Financial discounts	-	288 498	-	288 498
Transfers and adjustments	4 298 729	249 215	(3 994 131)	553 813
31 December 2023	**10 246 294**	**9 410 751**	**41 415 642**	**61 072 687**
Increases	817 736	63 409	9 978 771	10 859 916
Reversals	(1 237 989)	(9 608)	371 233	(876 364)
Impact in profit or loss for the period	**(420 253)**	**53 801**	**10 350 004**	**9 983 552**
Charge-off	(962 477)	(701 858)	(397 702)	(2 062 037)
Exchange rate adjustment	(245 042)	38 532	158 735	(47 775)
Financial discounts	-	317 603	-	317 603
Transfers and adjustments	345 255	2 101 983	141 011	2 588 249
31 December 2024	**8 963 777**	**11 220 812**	**51 667 690**	**71 852 279**

MOVEMENTS IN PROVISIONS

LEGAL PROCEEDINGS

The outcome of provisions for legal proceedings depends on the labour or civil court decisions. As at 31 December 2024, the balance is mainly composed of amounts relating to labour lawsuits and lawsuits with APA – Portuguese Environment Agency regarding the water resources rate.

ENVIRONMENTAL RECOVERY

The amount shown under transfers and adjustments of Euro 2 101 984 corresponds to the revision of the quarry and landscape recovery plans carried out in 2024 (2023: Euro 249 218), namely a review of expenses and interest rates. This review also resulted in the recognition of an increase in landscape recovery assets in the same amount (Note 3.3).

OTHER PROVISIONS

The amount presented includes provisions to cover risks related to events of a different nature, the resolution of which may result in outflows of cash, in particular organisational restructuring processes, complements to the Lebanese social security national fund, risks of contractual positions assumed in investments, among others.

As at 31 December 2024 and 31 December 2023, Other provisions includes Euro 15 594 728 and Euro 15 500 000, respectively, related to the Mozambique project. Although the Memorandum of Understanding (MoU) signed with the Mozambican Government provided for a “best effort” commitment to create the necessary conditions to carry out the investment until last 31 December 2018, that was not possible until 31 December 2024, and both parties continued to work towards that goal.

The increase in Other Provisions in the period essentially includes the amount of Euro 4 018 263 in increased provisions for supplements to the Lebanese national social security fund in Lebanon's subsidiaries.

9.2 COMMITMENTS

GUARANTEES PROVIDED TO THIRD PARTIES

Amounts in Euro	31/12/2024	31/12/2023
GUARANTEES PROVIDED		
Pulp and Paper Segment		
Navigator guarantees for EIB financing	11 666 667	22 083 333
Ocean Network Express	2 751 947	2 751 947
AT - Tax and Customs Authority	9 288 070	-
Comissão Coordenação Desenvolvimento Regional	354 083	354 083
IAPMEI	-	1 280 701
Agência Portuguesa Ambiente	3 337 887	2 846 271
Simria	338 829	338 829
Other	1 193 505	838 256
Cement Segment		
Agência de Desenvolvimento e Coesão	120 660	4 896 587
APSS – Administração dos Portos de Setúbal e Sesimbra	2 942 288	2 942 288
Conselho de Emprego, Indústria e Turismo	279 648	279 648
Comissão de Coordenação e Desenv. Regional LVT	1 247 478	1 247 478
Comissão de Coordenação e Desenv. Regional Centro	751 042	751 042
ICNF - Instituto da Conservação da Natureza e das Florestas, I.P.	668 688	668 688
Comissão de Coordenação e Desenv. Regional Algarve	678 620	678 620
Administração dos Portos do Douro, Leixões e Viana do Castelo S.A. (APDL)	349 840	349 840
Asturianos do Principado	674 470	-
Comissão de Coordenação e Desenv. Regional Norte	1 605 382	236 403
Labour Court	217 324	217 324
IAPMEI (in the perimeter of PEDIP)	209 305	209 305
Secretaria Regional do Ambiente e Recursos Naturais	199 055	199 055
IAPMEI	-	102 590
Consej. Econ. Emp. Ind Tur. Dir Gen Minada y Energia	165 900	165 900
Other	516 440	1 170 911
Other Businesses segment		
EDP	9 810	9 810
DGAV	300 000	900 000
IAPMEI	496 966	496 966
Other	49 000	-
	40 412 904	**46 015 875**

In the first half of 2024, a bank guarantee was set up for the Portuguese Tax Authorities, in the amount of Euro 9 288 070, as a result of the notification received by The Navigator Company, at the end of 2023, relating to the additional assessment of corporate income tax for 2019 resulting from adjustments made during a tax inspection. The Group decided to challenge this additional assessment and refrain from payment and from setting up this bank guarantee.

In the case of the Portuguese Environment Agency, bank guarantees were provided in the context of proceedings in litigation associated with the water resources rate for the years 2017 to 2022.

PURCHASE COMMITMENTS

The Group's subsidiary, Navigator Abastecimento de Madeira, ACE, signed a contract with Portline Ocean Bulk, Inc. for the chartering of ships to transport 940 000m3, initially planned for 2022, 2023 and 2024, which was extended to 2025 and 2026 without changing the overall volume to be transported.

In addition, the Group has entered into energy purchase commitments amounting to Euro 103 786 050.

Purchase commitments of an operational nature, which are not reflected in the statement of financial position, include liabilities associated with long-term contracts for the supply of raw materials, products and services within the scope of the Group's activity. The value of the commitments has been estimated on the basis of the information available at the time, based on the contractual terms and the best information available at the time on the volumes and prices applicable for the remaining period of the contracts.

INVESTMENT COMMITMENTS

Semapa Next has a shareholding in the Luxembourg fund Alter Venture Capital Fund SCA – SICAV, a fund whose strategy is to invest in start-ups together with some of Silicon Valley's most prominent funds, having made an investment commitment of up to USD 12 million. As at 31 December 2024, Semapa Next had invested USD 10 987 065 in the fund. It also has a shareholding in the Portuguese fund FCR Armilar Venture Partners TechTransfer Fund, whose aim is to support business projects developed using high technology created in the national academic environment and has committed to an investment of up to Euros 6.5 million. As at 31 December 2024, Semapa Next had invested Euro 5 477 285 in this fund.

OTHER COMMITMENTS

The Navigator Group has made a commitment to achieve carbon neutrality by 2035, with an estimated global investment of Euro 340 million, of which Euro 232.2 million have already been invested until 31 December 2024 (2023: Euro 137.6 million).

9.3 CONTINGENT ASSETS AND LIABILITIES

ACCOUNTING POLICIES

Contingent assets are not recognised in the consolidated financial statements but are disclosed when a future economic benefit is probable.

Contingent liabilities for which an outflow of funds affecting future economic benefits is only possible, are not recognised in the consolidated financial statements, but disclosed in the Notes, unless the possibility of the outflow of funds affecting future economic benefits is remote, in which case they are not subject to disclosure.

Provisions are recognised for liabilities that meet the conditions set out in Note 9.1.

PUBLIC DEBT SETTLEMENT FUND (PDSF)

Amounts in Euro	31/12/2024	31/12/2023
Purchase commitments		
Pulp and paper segment | Property, plant and equipment – Manufacturing equipment	145 451 837	140 885 321
Cement segment | Property, plant and equipment – Industrial equipment	14 195 996	20 174 383
Pulp and paper segment | Wood	308 300 000	265 000 000
Pulp and paper segment | Wood	103 786 050	-
Cement segment | Raw materials – Petcoke and Coal	12 736 419	8 978 074
Other	15 164 582	10 006 641
	599 634 884	**445 044 419**

According to Decree-Law 36/93 of 13 February, the tax debts of privatised companies relating to periods prior to the privatisation date (25 November 2006) are the responsibility of the Public Debt Settlement Fund (FRDP). The Navigator Company submitted an application to the FRDP on 16 April 2008, requesting the payment of the tax debts until then settled by the Tax Authorities. On 13 December 2010, the company filed a new request for payment of debts assessed by the Tax Authorities for the periods of 2006 and 2003, which was supplemented, on 13 October 2011, with the amounts already paid and uncontested relating to these same debts, as well as the expenses directly related thereto, pursuant to the ruling dated 24 May 2011 (Case 0993A/02), which confirmed the company's position regarding the enforceability of such expenses.

On 13 December 2017, The Navigator Company, S.A. has made an extra-judicial agreement with the Portuguese Tax Authorities, in which was recognised the responsibility of the Public Debt Settlement Fund (FRDP) for repaying the amount of Euro 5 725 771 corresponding to the amount of Corporate Income Tax improperly paid, resulting from the alleged incorrect qualification / consideration, by the tax administration, of the tax loss calculated as a result of the operations performed by Soporcel, S.A. in 2003, as well as to promote restitution to Navigator of the mentioned amount.

In January 2023, the Court, while rejecting in their entirety the defendants' pleas in law, issued a judgement against the Group and acquitted the defendants of the claim relating to the 2006 aggregate corporate income tax. Following this decision, the Group appealed to the Supreme Administrative Court in February 2023.

The subsidiary The Navigator Company was notified on 12 December 2024 of a ruling that upheld the formal objection raised by the Defendants and acquitted them of the claim relating to the aggregate corporate income tax for 2001 to 2005. Following this decision, the Group filed an appeal with the Central Administrative Court - South on 28 January 2025.

In this context, the total amount of Euro 21 853 377 will be borne by the PDSF, detailed as follows:

Amounts in Euro	Period	Amounts requested	Decrease due to RERD	Proceedings decided in favour of the Group	Outstanding amount
Proceedings confirmed in court					
Corporate income tax	2002	18 923	-	-	18 923
Corporate income tax (RF)	2004	3 324	-	-	3 324
Corporate income tax	2004	766 395	-	(111 544)	654 851
Expenses		314 957	-	(314 957)	-
		1 103 599	**-**	**(426 501)**	**677 098**
Proceedings not confirmed in court					
Corporate income tax	2005	11 754 680	(1 360 294)	-	10 394 386
Corporate income tax	2006	11 890 071	(1 108 178)	-	10 781 893
		23 644 751	**(2 468 472)**	**-**	**21 176 279**
		24 748 350	**(2 468 472)**	**(426 501)**	**21 853 377**

Regarding the aggregate corporate income tax proceedings of 2005 and 2006, if Courts come to a decision in favour of the Group, the Group will withdraw the request made to PDSF.

In addition, a new petition was filed in the Administrative Court of Almada on 11 October 2011, which called for the repayment of various amounts, amounting to Euro 136 243 949. These amounts regard adjustments in the financial statements of the Group after its privatisation that had not been considered in formulating the price of its privatisation as they were not included in the documentation made available for consultation by the bidders.

On 24 May 2014, the Court denied the Group's proposal to present testimony evidence, alternatively proposing written submissions. On 30 June 2014, the Group appealed against this decision, but continuously presented written evidence. The Court upheld the Group's claims on this matter, experts were appointed by the parties, the expert report was issued in July 2017, following which both the subsidiary The Navigator Company, S.A. and the Ministry of Finance requested the attendance of designated experts in court hearing to provide oral explanations on the expert report.

Following claims filed by Navigator on 11 September 2017 and 15 January 2019, the experts submitted redrafted Expert Reports on 27 December 2018 and 19 March 2019, respectively.

The trial hearing sessions took place between May and June 2019, with the parties filing closing arguments in September 2019, awaiting the passing of sentence since the case was concluded before the judge on 5 July 2021.

10 GROUP STRUCTURE

10.1 COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER

ACCOUNTING POLICIES

GROUP-CONTROLLED ENTITIES

ASemapa controls an entity (subsidiary) when it is exposed to, or has rights to, the variable returns generated as a result of its involvement with the entity and has the ability to affect those variable returns through the power it exercises over its relevant activities.

The equity and net profit of these companies, corresponding to the third-party investment in such companies, are presented under the caption Non-controlling interests items (Note 5.6)

BUSINESS COMBINATIONS

The purchase method is used in recording the acquisition of subsidiaries. The cost of an acquisition is measured at the fair value of the assets transferred, the equity instruments issued and liabilities incurred or assumed on the acquisition date.

The identifiable assets acquired and the liabilities and contingent liabilities undertaken in a business combination are initially measured at fair value at acquisition date, regardless of the existence of non-controlling interests. The excess of the acquisition cost, regarding the fair value of the Group's share of identifiable assets and liabilities acquired, is recorded as Goodwill when the Group acquires control, as described in Note 3.1.

The acquisition cost is subsequently adjusted when the acquisition/attribution price is contingent upon the occurrence of specific events agreed with the seller/shareholder (e.g., fair value of acquired assets).

Any contingent payments to be transferred by the Group are recognised at fair value at the acquisition date. If the undertaken obligation constitutes a financial liability, subsequent changes in fair value are recognised in profit and loss. If the undertaken obligation constitutes an equity instrument, there is no change in the initial estimation.

If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary (gain resulting from a purchase at a low price), the difference is recognised directly in the income statement under Other operating income (Note 2.2). Transaction costs directly attributable are immediately recorded in profit and loss.

When, at the date of acquisition of the control, the Group already holds a previously acquired interest, the fair value of such participation contributes to the determination of goodwill or the gain resulting from a bargain purchase.

INITIAL MEASUREMENT OF NON-CONTROLLING INTERESTS

When the control acquired is lower than 100%, in the application of the purchase method, non-controlling interests can be measured at fair value or at the ratio of the fair value of the assets and liabilities acquired, being that option defined according to each transaction.

CONSOLIDATION

Subsidiaries are consolidated using the full consolidation method with effect from the date that control is transferred to the Group. In the acquisition of additional share capital of controlled entities, the excess between the proportion of acquired net assets and respective acquisition cost is directly recognised in Equity (Note 5.5).

Intercompany transactions, balances, unrealised gains on transactions and dividends distributed between group companies are eliminated. Unrealised losses are also eliminated, except where the transaction displays evidence of impairment of a transferred asset.

ACCOUNTING POLICIES OF SUBSIDIARIES

Subsidiaries' accounting policies have been changed whenever necessary so as to ensure consistency with the policies adopted by the Group and described throughout this report.

SUBSEQUENT TRANSACTIONS OF SUBSIDIARIES

DISPOSALS WITH LOSS OF CONTROL

In the case of disposals of interests, resulting in a loss of control over a subsidiary, any remaining interest is revalued to the market value at the date of sale, and the gain or loss resulting from such revaluation, is recorded against income, as well as the gain or loss resulting from such disposal.

TRANSACTIONS WITHOUT LOSS OF CONTROL

Subsequent transactions in the disposal or acquisition of non-controlling interests, which do not imply a change in control, do not result in the recognition of gains, losses or Goodwill. Any difference between the transaction value and the book value is recognised in Equity, in Other equity instruments.

The negative profit generated in each period by subsidiaries with non-controlling interests are allocated to the percentage held by them, regardless of whether they assume a negative balance.

10.1.1 SEMAPA GROUP SUBSIDIARIES

HOLDING COMPANIES INCLUDED IN THE CONSOLIDATION

		Direct and indirect % held by Semapa			
Company name	**Head Office**	**Direct**	**Indirect**	**31/12/2024**	**31/12/2023**
Parent company:					
Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.	Portugal				
Subsidiaries:					
Semapa Inversiones S.L.	Espanha	100.00	-	100.00	100.00
Semapa Next, S.A.	Portugal	100.00	-	100.00	100.00
Aphelion, S.A.	Portugal	100.00	-	100.00	100.00
Quotidian Podium, S.A.	Portugal	100.00	-	100.00	100.00

CEMENT COMPANIES INCLUDED IN THE CONSOLIDATION

		Direct and indirect % held by Secil			% effectively held by Semapa	
Company name	Head Office	Direct	Indirect	Total	31/12/2024	31/12/2023
Parent company:						
Secil – Companhia Geral Cal e Cimento, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Subsidiaries						
Betotrans II - Unipessoal, Lda.	Portugal	100.00	-	100.00	100.00	100.00
Secil Cabo Verde Comércio e Serviços, Lda.	Cape Verde	99.80	0.20	100.00	100.00	100.00
ICV - Inertes de Cabo Verde, Lda.	Cape Verde	75.00	25.00	100.00	100.00	100.00
Florimar- Gestão e Participações, S.G.P.S., Lda.	Portugal	100.00	-	100.00	100.00	100.00
Secil Cement , B.V. (former Seciment Investments, B.V.)	The Netherlands	100.00	-	100.00	100.00	100.00
Société des Ciments de Gabès	Tunisia	98.77	-	98.77	98.77	98.77
Sud - Béton- Société de Fabrication de Béton du Sud	Tunisia	-	98.77	98.77	98.77	98.77
Zarzis Béton	Tunisia	-	98.58	98.58	98.57	98.57
Secil Angola, SARL	Angola	100.00	-	100.00	100.00	100.00
Secil - Companhia de Cimento do Lobito, S.A.	Angola	-	100.00	100.00	100.00	100.00
Secil Britas, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Secil Britas, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Seciltek, S.A.	Portugal	100.00	-	100.00	100.00	100.00
IRP - Indústria de Rebocos de Portugal, S.A.	Portugal	-	75.00	75.00	75.00	75.00
Sebetar - Sociedade de Novos Produtos de Argila e Betão, S.A.	Portugal	99.53	-	99.53	99.53	99.53
Ciminpart - Investimentos e Participações, S.G.P.S., S.A.	Portugal	100.00	-	100.00	100.00	100.00
ALLMA - Microalgas, Lda.	Portugal	-	70.00	70.00	70.00	70.00
Secil Brasil Participações, S.A.	Brazil	-	100.00	100.00	100.00	100.00
Supremo Cimentos, SA	Brazil	-	100.00	100.00	100.00	100.00
Margem - Companhia de Mineração, SA	Brazil	-	100.00	100.00	100.00	100.00
Secil Brands - Marketing, Publicidade, Gestão e Desenvolvimento de Marcas, Lda.	Portugal	100.00	-	100.00	100.00	100.00
Ciments de Sibline, S.A.L.	Lebanon	28.64	22.41	51.05	51.05	51.05
Soime, S.A.L.	Lebanon	-	51.05	51.05	51.05	51.05
Trancim , S.A.L.	Lebanon	-	51.05	51.05	51.05	51.05
Cimentos Madeira, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Beto Madeira - Betões e Britas da Madeira, S.A.	Portugal	-	100.00	100.00	100.00	100.00
Madebritas - Sociedade de Britas da Madeira, Lda.	Portugal	-	100.00	100.00	100.00	100.00
Madebritas - Sociedade de Britas da Madeira, Lda.	Portugal	-	51.00	51.00	51.00	51.00
Cementos Secil , SLU	Spain	100.00	-	100.00	100.00	100.00

EMPRESAS DO SEGMENTO PASTA E PAPEL INCLUÍDAS NA CONSOLIDAÇÃO

		Direct and indirect % held Navigator			% effectively held by Semapa	
Company name	Head Office	Direct	Indirect	Total	31/12/2024	31/12/2023
Parent company:						
The Navigator Company, S.A.	Portugal	70.03	-	70.03	70.03	69.97
Subsidiaries:						
Navigator España, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Parques Industriais, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Paper Figueira, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Empremédia – Corretores de Seguros, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Empremedia, DAC	Ireland	100.00	-	100.00	70.03	69.97
Empremedia RE , DAC	Ireland	-	100.00	100.00	70.03	69.97
Raiz – Instituto de Investigação da Floresta e Papel	Portugal	97.00	-	97.00	67.93	67.87
Enerpulp – Cogeração Energética de Pasta, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Pulp Figueira, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Ema Cacia – Engenharia e Manutenção Industrial, ACE	Portugal	-	73.80	73.80	51.68	51.64
Ema Setúbal – Engenharia e Manutenção Industrial, ACE	Portugal	-	79.70	79.70	55.81	55.77
Ema Figueira da Foz – Engenharia e Manutenção Industrial, ACE	Portugal	-	80.70	80.70	56.51	56.47
Navigator Pulp Setúbal, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Pulp Aveiro, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Fiber Solutions, S.A.	Portugal	-	100.00	100.00	70.03	69.97
Navigator Tissue Aveiro, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Tissue Ródão, S.A.	Portugal	-	100.00	100.00	70.03	69.97
Navigator Tissue Iberica, S.A.	Spain	-	100.00	100.00	70.03	69.97
Navigator Tissue Ejea, SL	Spain	100.00	-	100.00	70.03	69.97
Navigator Tissue France, EURL	France	-	100.00	100.00	70.03	69.97
Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, Lda	Mozambique	90.02	-	90.02	63.04	62.99
Navigator Forest Portugal, S.A.	Portugal	100.00	-	100.00	70.03	69.97
EucaliptusLand, S.A.	Portugal	-	100.00	100.00	70.03	69.97
Gavião – Sociedade de Caça e Turismo, S.A.	Portugal	-	100.00	100.00	70.03	69.97
Afocelca – Agrupamento complementar de empresas para protecção contra incêndios, ACE	Portugal	-	64.80	64.80	45.38	45.34
Viveiros Aliança – Empresa Produtora de Plantas, S.A.	Portugal	-	100.00	100.00	70.03	69.97
Bosques do Atlantico, SL	Spain	-	100.00	100.00	70.03	69.97
Navigator Africa, SRL	Italy	-	100.00	100.00	70.03	69.97
Navigator Paper Setúbal, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator North America Inc.	USA	-	100.00	100.00	70.03	69.97
Navigator Afrique du Nord	Morocco	-	100.00	100.00	70.03	69.97
Navigator España, S.A.	Spain	-	100.00	100.00	70.03	69.97
Navigator Netherlands, BV	The Netherlands	-	100.00	100.00	70.03	69.97
Navigator France, EURL	France	-	100.00	100.00	70.03	69.97
Navigator Paper Company UK, Ltd	United Kingdom	-	100.00	100.00	70.03	69.97
Navigator Holding Tissue UK, Ltd (formerly Accrol Group Holdings plc)	United Kingdom	-	100.00	100.00	70.03	-
Navigator Corporate UK, ltd (formerly Accrol UK, ltd)	United Kingdom	-	100.00	100.00	70.03	-
Accrol Holdings, ltd	United Kingdom	-	100.00	100.00	70.03	-
Navigator Tissue UK, ltd (formerly Accrol Papers, ltd)	United Kingdom	-	100.00	100.00	70.03	-
LTC Parent Ltd	United Kingdom	-	100.00	100.00	70.03	-
Leicester Tissue Company ltd	United Kingdom	-	100.00	100.00	70.03	-
Art Tissue ltd	United Kingdom	-	100.00	100.00	70.03	-

Company name	Head Office	Direct and indirect % held Navigator			% effectively held by Semapa	
		Direct	Indirect	Total	31/12/2024	31/12/2023
John Dale (Holdings) ltd	United Kingdom	-	100.00	100.00	70.03	-
John Dale, ltd	United Kingdom	-	100.00	100.00	70.03	-
Severn Delta, ltd	United Kingdom	-	100.00	100.00	70.03	-
Navigator Italia, SRL	Italy	-	100.00	100.00	70.03	69.97
Navigator Deutschland, GmbH	Germany	-	100.00	100.00	70.03	69.97
Navigator Paper Austria, GmbH	Austria	-	100.00	100.00	70.03	69.97
Navigator Paper Poland SP Z o o	Poland	-	100.00	100.00	70.03	69.97
Navigator Eurasia	Turkey	-	100.00	100.00	70.03	69.97
Navigator Paper Mexico	Mexico	25.00	75.00	100.00	70.03	69.97
Navigator Middle East Trading DMCC	Dubai	-	100.00	100.00	70.03	69.97
Navigator Egypt, ELLC	Egito	1.00	99.00	100.00	70.03	69.97
Navigator Paper Southern Africa	South Africa	1.00	99.00	100.00	70.03	69.97
Portucel Nigeria Limited	Nigeria	1.00	99.00	100.00	70.03	69.97
Navigator Green Fuels Setúbal, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Green Fuels Figueira da Foz, S.A.	Portugal	100.00	-	100.00	70.03	69.97
Navigator Abastecimento de Madeira, ACE	Portugal	97.00	3.00	100.00	70.03	69.97

OTHER BUSINESSES SEGMENT COMPANIES INCLUDED IN THE CONSOLIDATION

Company name	Head Office	Direct and indirect % held by ETSA			% effectively held by Semapa	
		Direct	Indirect	Total	31/12/2024	31/12/2023
Parent company:						
ETSA - Investimentos SGPS, S.A.	Portugal	99.99	-	99.99	99.99	99.99
Subsidiaries:						
ETSA LOG,S.A.	Portugal	100.00	-	100.00	99.99	99.99
SEBOL – Comércio e Industria de Sebo, S.A.	Portugal	100.00	-	100.00	99.99	99.99
ITS – Indústria Transformadora de Subprodutos Animais, S.A.	Portugal	100.00	-	100.00	99.99	99.99
ABAPOR – Comércio e Indústria de Carnes, S.A.	Portugal	100.00	-	100.00	99.99	99.99
BIOLOGICAL - Gestão de Resíduos Industriais, Lda.	Portugal	100.00	-	100.00	99.99	99.99
Tribérica, S.A.	Portugal	70.00	-	70.00	69.99	69.99
AISIB – Aprovechamiento Integral de Subprodutos Ibéricos, S.A.	Spain	100.00	-	100.00	99.99	99.99

Company name	Head Office	Direct and indirect % held by Triangle's			% effectively held by Semapa	
		Direct	Indirect	Total	31/12/2024	31/12/2023
Parent company:						
Triangle's - Cycling Equipments, S.A	Portugal	-	100.00	100.00	100.00	100.00
Subsidiaries:						
Triangle's 2 – Cycling Produts, Unipessoal Lda.	Portugal	100.00	-	100.00	100.00	100.00

10.2 CHANGES IN THE CONSOLIDATION PERIMETER

During the period ended 31 December 2024 and 31 December 2023, the consolidation perimeter was changed against the previous period by the following corporate restructuring operations:

2024
Acquisition of Navigator Holding Tissue UK, Ltd (formerly Accrol Group Holdings plc)
Acquisition of Navigator Corporate UK, ltd (formerly Accrol uk, ltd)
Acquisition of Accrol Holdings, ltd
Acquisition of Navigator Tissue UK, ltd (formerly Accrol Papers, ltd)
Acquisition of LTC Parent Ltd
Acquisition of Leicester Tissue Company ltd
Acquisition of Art Tissue ltd
Acquisition of John Dale (Holdings)ltd
Acquisition of John Dale, ltd
Acquisition of Severn Delta, ltd

2023
Incorporation of the Navigator Fiber Solutions, SA
Incorporation of Navigator Green Fuels Setubal, S.A.
Incorporation of Navigator Green Fuels Figueira da Foz, S.A.
Incorporation of Portucel Nigeria Limited
Acquisition of Navigator Tissue Ejea SL
Acquisition of Navigator Tissue France EURL
Merger of Sociedade de Vinhos da Herdade de Espirra - Produção e Comercialização de Vinhos, S.A
Acquisition of Triangle'SCycling Equipments, S.A.
Triangle's 2 – Cycling Produts, Unipessoal Lda.

10.3 INVESTMENT IN ASSOCIATES AND JOINT-VENTURES

ACCOUNTING POLICIES

INVESTMENTS IN ASSOCIATES

Associates are all the entities in which the Group exercises significant influence but do not have control, which is generally the case with investments representing between 20% and 50% of the voting rights. Joint ventures are agreements which provide the Group joint control (established contractually) and for which the Group holds an interest in net assets. Investments in associates and joint-ventures are accounted under the equity method.

In accordance with the equity accounting method, financial investments are recorded at their acquisition cost, adjusted by the amount corresponding to the Group's share of changes in the associates' shareholders' equity (including net profit or loss and by dividends received).

The difference between the acquisition cost and the fair value of the associate's identifiable assets, liabilities and contingent liabilities on the acquisition date, if positive, are recognised as Goodwill and recorded under the caption Investments in associates. If these differences are negative, they are recorded as income for the period under the caption Group share of (loss)/gains of associates. Transaction costs directly attributable are immediately recorded in profit and loss.

An evaluation of investments occurs when there are signs that the asset could be impaired, and any identified impairment losses are recorded under the same caption. When the impairment losses recognised in prior years no longer exist, they are reversed.

When the Group's share in the associate's losses is equal to or exceeds its investment in the associate, the Group ceases to recognise additional losses, except where it has assumed liability or made payments in the associate's name. Unrealised gains on transactions with associates are eliminated to the extent of the Group's share in the associate. Unrealised losses are also eliminated, except where the transaction displays evidence of impairment of a transferred asset.

Associate's accounting policies are changed whenever necessary to ensure consistency with the policies adopted by the Group.

JOINT VENTURES

A jointly-controlled entity is a joint venture involving the establishment of a company, partnership or other entity in which the Group has an interest.

Jointly-controlled entities are included in the consolidated financial statements under the equity method, according to which financial investments are recorded at cost, adjusted by the amount corresponding to the Group's interest in changes in shareholders' equity (including net income) and dividends received.

When the share of losses attributable to the Group equals or exceeds the value of the financial interest in the joint ventures, the Group recognises additional losses if it has assumed obligations or made payments for the benefit of the joint ventures.

Unrealised gains and losses between the Group and its joint ventures are eliminated in proportion to the Group's interest in joint ventures. Unrealised losses are also eliminated unless the transaction gives additional evidence of impairment of the transferred asset.

The accounting policies of joint ventures are amended, when necessary, to ensure that they are applied consistently with those of the Group.

Joint ventures are classified as joint operations or joint ventures, depending on the contractual rights and obligations of each investor. Joint ventures are accounted and measured using the equity method.

Joint operations are accounted in the Group's consolidated financial statements, based on the share of jointly held assets and liabilities, as well as the income from the joint operation, and expenses incurred jointly. Assets, liabilities, income and expenses should be accounted for in accordance with the applicable IFRS.

DETAIL OF ASSOCIATES AND JOINT VENTURES

Amounts in Euro	31/12/2024 % held	31/12/2024 Book value	31/12/2023 % held	31/12/2023 Book value
Associates				
Ave - Gestão Ambiental e Valorização Energética, S.A.	35.00%	101 748	35.00%	167 008
MC - Materiaux de Construction	49.36%	1 515	49.36%	1 475
Joint venture				
J.M.J. - Henriques, Lda.	50.00%	360 889	50.00%	363 498
Krear - Construção Industrializada, S.A.	50.00%	2 640 417	50.00%	1 167 556
Utis - Ultimate Technology To Industrial Savings, S.A.	50.00%	41 650 971	50.00%	42 475 845
		44 755 540		**44 175 382**

MOVEMENTS IN ASSOCIATES AND JOINT VENTURES

Amounts in Euro	31/12/2024	31/12/2023
Saldo inicial	**44 175 382**	**38 379 742**
Acquisitions	-	1 818 959
Additional capital contributions	2 000 000	-
Net appropriate profit/(loss)	1 289 849	7 785 162
Dividends distributed	(2 687 128)	(3 230 179)
Exchange rate adjustment	41	(568 959)
Other movements	(22 604)	(9 343)
Closing balance	**44 755 540**	**44 175 382**

INFORMATION ON ASSOCIATES AND JOINT VENTURES

Amounts in Euro		31 December 2024 Total Assets	Total Liabilities	Equity	Net Profit	Revenue
Ave - Gestão Ambiental e Valorização Energética, S.A.	c)	7 581 891	7 291 183	290 708	229 738	19 980 493
J.M.J. - Henriques, Lda.	b)	1 047 388	329 104	718 284	(9 075)	-
Krear - Construção Industrializada, S.A.	a)	10 939 802	5 658 967	5 280 835	(1 055 194)	-
MC - Materiaux de Construction	a)	958 992	1 202 825	(243 833)	(25 508)	1 783 111
Utis - Ultimate Technology To Industrial Savings, S.A.		46 670 889	16 875 222	29 795 667	3 402 441	13 099 540

a) Amounts as at 30/09/2024

b) Amounts as at 31/12/2024

c) Amounts as at 30/11/2024

Amounts in Euro		31 December 2023 Total Assets	Total Liabilities	Equity	Net Profit	Revenue
Ave - Gestão Ambiental e Valorização Energética, S.A.	a)	6 023 067	5 545 900	477 168	416 197	19 015 606
J.M.J. - Henriques, Lda.	a)	1 046 676	310 485	736 191	(10 606)	-
MC - Materiaux de Construction	a)	910 457	1 071 020	(160 563)	(32 928)	2 193 655
Krear - Construção Industrializada, S.A.	a)	1 736 604	401 490	1 335 114	(164 886)	-
Utis - Ultimate Technology To Industrial Savings, S.A.	b)	42 060 312	10 790 770	31 269 543	15 438 899	39 048 662

a) Amounts as at 30/11/2023

b) Amounts as at 31/12/2023

10.4 TRANSACTIONS WITH RELATED PARTIES

TRANSACTIONS WITH RELATED PARTIES

	2024					2023				
Amounts in Euro	Purchase of services	Sales and services rendered	Other operating income	Financial (expenses) / income	Donations awarded and initial funding	Purchase of services	Sales and services rendered	Other operating income	Financial (expenses) / income	Donations awarded
Shareholders										
Sodim, SGPS, S.A.	-	-	4 179	-	-	-	-	-	-	-
Cimo SGPS, S.A.	-	-	-	-	-	-	-	-	-	-
	-	**-**	**4 179**	**-**	**-**	-	-	-	-	-
Associates and Joint Ventures										
Ave - Gestão Ambiental e Valorização Energética, S.A.	(5 715 986)	36	323 872	-	-	(3 024 080)	40	129 907	-	-
UltimateMod - Construção Modular, S.A.	-	-	-	-	-	-	-	-		
Utis - Ultimate Technology To Industrial Savings, S.A.	(199 617)	-	-	-	-	(1 041 751)	-	-	-	-
	(5 915 603)	**36**	**323 872**	**-**	**-**	(4 065 831)	40	129 907	-	-
Other related parties										
Allmicroalgae - Natural products, S.A.	-	-	-	-	-	-	-	-	-	-
Bestweb, Lda.	-	-	-	-	-	(22 022)	-	-	-	-
CLA, Sociedade de Advogados	(21 873)	-	-	-	-	(72 000)	-	-	-	-
Espírito Rigoroso - Unipessoal, Lda.	(90 000)	-	-	-	-	-	-	-	-	-
Fundação Nossa Senhora do Bom Sucesso	-	-	-	-	100 105					91 199
Fundação Semapa – Pedro Queiroz Pereira	-	-	-	-	10 000 000					-
Hotel Ritz, S.A.	(14 916)	-	-	1 106	-	(101 584)	-	-	1 106	-
João Paulo Araújo Oliveira	-	-	-	-	-	(45 906)	-	-	-	-
José Fernando Morais Carreira de Araújo	-	-	-	-	-				-	-
Letras Criativas, Unipessoal, Lda.	(194 175)	-	-	-	-	(60 000)	-	-	-	-
Nofigal, Lda.	(60 000)	-	-	-	-	(39 600)	-	-	-	-
Sociedade Agrícola Herdade dos Fidalgos, Lda.	(39 600)	-	-	-	-	(347)	-	-	-	-
Sonagi - Imobiliária, S.A.	(980)	-	-	-	-	(696 141)	-	-	-	-
Sonagi, SGPS, S.A.	-	-	-	-	-	(3 198)	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
	(421 544)	**-**	**-**	**1 106**	**10 100 105**	(1 040 798)	-	-	1 106	91 199
	(6 337 147)	**36**	**328 051**	**1 106**	**10 100 105**	(5 106 629)	40	129 907	1 106	91 199

The Semapa – Pedro Queiroz Pereira Foundation (Foundation) is a private, non-profit organisation whose purpose is to promote, develop and support initiatives of solidarity and social interest. It is an integral part of the Semapa Group's social responsibility strategy and also represents the genuine desire of its founder, Pedro Queiroz Pereira, whose vision and commitment were essential to the creation and growth of this Group.

The members of the Foundation's Board of Directors are appointed by Semapa's Board of Directors.

As at 31 December 2024, Semapa, as the sole founder, contributed a total of Euro 10 000 000 to the Foundation's initial funding (Note 2.3).

The Nossa Senhora do Bom Sucesso Foundation (FNSBS) is a charitable foundation dedicated to health and human development. In pursuing its aims, the FNSBS caters in particular for: (i) the promotion and protection of maternal and child health, as well as the prevention and control of disease; and (ii) the protection and support of children and young people, namely those who, without a normal family environment, are sheltered and protected by other social solidarity institutions, as well as families.

The Chairman and other members of the General Board of the FNSBS are appointed by Semapa, provided that it has been, directly or indirectly through Group companies, the main benefactor of the FNSBS in the three years immediately preceding the appointment.

As at 31 December 2024, Semapa made donations amounting to Euro 100 105 (2023: Euro 91 199) to the FNSBS (Note 2.3).

BALANCES WITH RELATED PARTIES

	31/12/2024		31/12/2023	
Amounts in Euro	Receivables (Note 4.2)	Payables (Note 4.3)	Receivables (Note 4.2)	Payables (Note 4.3)
Shareholders				
Sodim, SGPS, S.A.	4 698 669	1 251 307	1 556 297	1 251 307
Cimo SGPS, S.A.	-	1 160	59	1 160
Associates and Joint Ventures				
Ave - Gestão Ambiental e Valorização Energética, S.A.	626 719	621 641	507 369	588 710
Inertogrande - Central de Betão, Lda.	230 468	8 169	188 382	8 169
J.M.J. - Henriques, Lda.	143 342	-	105 116	-
Utis - Ultimate Technology To Industrial Savings, S.A.	-	61 585	(85)	796 988
Other related parties				
CLA, Sociedade de Advogados	-	-	-	7 380
Cotif Sicar	-	9 586	-	67 294
Hotel Ritz, S.A.	-	844	-	10 831
RODI - Industries, S.A.	-	10 678	-	-
Sociedade Agrícola da Herdade dos Fidalgos, Lda.	-	-	-	118
- Sonagi Imobiliária, S.A.	-	1 501	-	-
Ultimate Cell, Lda.	-	-	-	2 800 000
Other shareholders of subsidiaries	5 905	5 635 349	-	5 174
Members of the Board of Directors	482	-	549	8 997
	5 705 585	7 601 820	2 357 687	5 546 128

In previous years, lease agreements were signed between Semapa and Sonagi – Imobiliária, S.A. relating to the lease of several office floors in the building which it owns and operates the headquarters of Semapa, SGPS, S.A., at Av. Fontes Pereira de Melo, no. 14, in Lisbon.

As part of the identification of related parties, for financial reporting purposes, AVE, S.A. was also referred to as a related party, as it is an associate of the subsidiary Secil from which the Group acquires waste treatment services and alternative fuels, and UTIS, a Joint Venture in which Semapa has a 50% shareholding and which supplies equipment to the subsidiary Secil.

OTHER RELATED PARTY DISCLOSURES

As mentioned in Note 8.3 – Financial investments, in 2018 the Group, through its subsidiary Semapa Next, S.A., entered into an agreement to perform an investment of USD 12 million in the "Alter Venture Partners Fund 1", entity in which a member of the executive team is also a non-executive board member of Semapa. As at 31 December 2024, the Group had invested USD 11 million in Alter Venture Partners Fund 1, corresponding to Euro 10.6 million.

The remuneration of the Company's key management personnel is detailed in Note 7.2 – Remuneration of corporate bodies.

11 RISK MANAGEMENT

11.1 STRATEGIC RISKS

As an economic agent, Semapa is exposed to risks inherent to its activity, which can have a decisive impact on the value of its assets. The performance of Semapa as a holding company is also closely linked to the results of its subsidiaries. The strategic risks are described in chapter 2 of the Management Report, which is an integral part of this Annual Report.

11.2 OPERATIONAL RISKS

The Group is active in the pulp and paper, cement and other business segments (environment and mobility), which are subject to several risks that may have a significant effect on its activities, operating results, cash flows and financial position.

The operational risk factors analysed in this chapter can be structured as follows:

- Operational risks relating to the Pulp and Paper segment
- Operational risks associated with the Cement segment
- Operational risks associated with the Other Businesses segment
- Risks relating to the entire Group

RISKS RELATING TO THE PULP AND PAPER SECTORS

RISKS ASSOCIATED WITH THE FORESTRY SECTOR

As at 31 December 2024, the Group managed approximately 109 9 thousand hectares (2023: 109 thousand hectares) distributed across Portugal and Spain, in 1410 Management Units in 169 municipalities in Portugal, and 54 Management Units distributed across 2 provinces in Galicia and 1 province in Asturias, Spain, in accordance with the principles set forth in its Forestry Policy. Eucalyptus and areas under ongoing afforestation with this sort of species occupy 73% of this area, namely the Eucalyptus globulus species, deemed to have the perfect fibre for high-quality papers. In the remaining area, in addition to conservation areas that account for about 11.5% of the total area under management in Portugal, pine and cork oak forests are among the largest privately owned national producers.

As a pioneer in Portugal in promoting certified forest management, most of its forestry assets located in Portugal are certified by FSC® (Forest Stewardship Council®) (FSC®-C010852) and by PEFC™ (Programme for the Endorsement of Forest Certification schemes) (PEFC™/13-23-001), recognition that management of these areas is carried out in an environmentally, economically and socially responsible way, following a strict and internationally recognised criteria.

The Navigator Company subsidiary operates in sophisticated markets around the world where the demand for certified products is an unavoidable reality. Since only a small part of the national forest is certified, in 2016, the Company started a programme to encourage producers to join sustainable forest management models that, once certified, allow the continuous improvement of management practices, the production valuation and the answer to the demand for certified products that is felt worldwide. This effort has been increasing the area of certified forest in Portugal between 2016 and 2024 both via FSC® (from 370 000 ha to around 649 000 ha) and PEFC (from 260 000 ha to around 331 000 ha).

Even so, it is clear that the effort should continue in the future, given the weight that still represents the forest area not covered by any sustainable forest management system in Portugal. As an example, at the end of 2024 the forestry area managed by the Navigator Group, although it represents about 3% of Portugal's total forested area, it represents, however, 33% of all certified Portuguese forests by PEFC standards and 17% of all certified Portuguese forests by FSC® standards (2023: 34% and 19%, respectively).

In 2024, 73% of wood from national sources, excluding wood from areas managed by the Group, already came from properties that had their forest management certified (2023: 68%). It should also be noted that, within this initiative, the Group has seen a significant increase in the number of wood Supplier chain of custody / liability certification, representing a step further on the development of a Supplier's portfolio which will make it possible to ensure the purposes defined in terms of wood from sources with certified forest management.

As a way of promoting the certification of forest management in the national eucalyptus forest, since 2007, the Group has continuously differentiated the value of the wood received at its factories, positively discriminating in the price of wood from management units that have certified their management. sustainable forestry. This support to the system was innovative worldwide and allowed the stabilization of forest management certified as a practice recognized in the market and which, being remunerated in the products it incorporates, must remunerate the respective production chain.

In addition, to demonstrate its ongoing commitment to its sustainable development objectives, in June 2022 the Group issued a Euro 150 million bond under the Sustainability Linked Bonds framework, with an interest rate linked to three ESG indicators: CO_2 emissions (EU ETS basis); percentage of certified wood purchased in the Portuguese market; energy consumption from renewable sources. Since then, this commitment has been extended, which was most evident in 2024, with the issue of several loans (bonds or commercial paper) amounting to Euro 300 million, with the same features.

At the end of the year, credit facilities taken out with costs associated with ESG indicators or drawn from financial market credit facilities relating to environmental investments, represented 66% of the total amount contracted.

The Group was awarded Land Use and Use Rights (DUAT) in Mozambique, located in the provinces of Manica and Zambezia, comprising about 50 non-contiguous plots, and a planting permit for up to 240 000 hectares, made available under the Investment Agreement signed with the Mozambican Government, of which around 14 000 thousand hectares have been planted. The project foresees the installation of an industrial unit for the production of BEKP pulp and electric power in that country.

The Mozambican Government and Portucel Moçambique signed a Memorandum of Understanding (MoU) through which they agreed on a set of preceding conditions required to proceed with the investment, namely and particularly of a logistical nature, which will be implemented in two phases. Once the above conditions have been met, in the first phase, the forest base will be increased to approximately 40 000 hectares, which will guarantee the supply of a unit (to be built) for the production of eucalyptus wood chips for export with a capacity of around 1 million tonnes per year, in an estimated additional investment of USD 160 million.

Due to the repeated delays in guaranteeing the conditions precedent to the start of construction of this infrastructure, the subsidiary Portucel Moçambique continues to evaluate the possibility of alternative logistical solutions, either through the port of Nacala or by implementing a temporary solution in Macuse.

The Navigator Company subsidiary and the Government of Mozambique have been working under the terms of the MoU signed, namely on the theme of land and development, having advanced the first Forest Development programme in Mozambique, a Government initiative with funding from the World Bank. The goal is to promote small and medium-scale sustainable commercial forest plantations and the restoration of degraded areas, with about 3 000 ha of eucalyptus plantations already in full production. The plan is to plant additional 1 000 hectares in the 2024-2025 campaign. Since the beginning of the programme, Portucel Moçambique plays an active role in developing and implementing the programme, providing a range of support, defining the forestry model, supplying cloned plants at subsidised prices and access to raw materials and sharing know-how.

In 2024, the harvesting of wood from Portucel Moçambique's plantations in Manica and Zambézia continued, for export from the port of Beira and for supply to the local veneer production industry recently established in the two provinces, which will allow, among other objectives, the work to position Mozambique on the world map of this forest-based industry to continue. In 2024, approximately 50 000 m3 of wood were harvested, with one shipment to Portugal amounting to around 34 000 m3, and a total export volume of 285 000 m3 through 9 ships.

In terms of forestry production, the main factor threatening the competitiveness of the eucalyptus forestry sector lies in the low productivity of the Portuguese forest, which has a low intensity of management, contributing to decreasing profitability and increasing risks of forest fire and plant health. The combination of all these factors, in recent years, without any strategic measures of the State in the industry, has forced the import of raw material, a process conditioning the profitability of all players. Since the entire forest-based industrial production sector depends on the availability of raw materials in the quality and quantity necessary to maintain the industrial units in our country, it is shocking to conclude that the lack of investment in the rehabilitation of national forest areas is currently jeopardising the sustainability of such an important sector for Portugal, both economically, environmentally and socially (given the impact it has on local populations and economies).

The Group considers the challenge of productivity and active forest management as a strategic axis of development. As a company with responsibilities in the sector, the subsidiary The Navigator Company has been promoting several initiatives aimed at helping to reverse this trend. These initiatives cover several areas, from the supply of improved plants from a genetic improvement program with decades of development, technical support to forestry producers (with programs such as Premium, e-globulus and technical support through dozens of actions of training that, complementing those organized with the suppliers we use, extend the transfer of knowledge to other companies in the sector).

One of the initiatives and projects developed in 2023 was the launch of “Clube Produtores Florestais Navigator”, a pioneering initiative aimed at all those who make a living from forestry in Portugal, with the aim of supporting the company's partners in a collaborative way in the implementation of active and responsible forest management. The “Clube Produtores Florestais”, launched by the subsidiary The Navigator Company in November 2023, had over a hundred members by the end of the year. This figure highlights the need in the country for a movement to enhance the capacity and competitiveness of forestry industry players.

The subsidiary The Navigator Company believes that investing in the training and development of all players, through innovation in mechanical means and in attracting, valuing and retaining human resources, as well as increasing the national area in which best forestry practices are applied and all certification requirements are met, creates benefits that go far beyond strengthening the eucalyptus sector. It helps reducing the risk of fires, lowering CO_2 emissions, increasing biodiversity through conservation areas, and boosting the economy in the country's inland.

Moreover, through Biond (an association of forest-based bio-industries, representing the main industrial groups in the sector), the subsidiary The Navigator Company has also collaborated in the “Melhor Eucalipto” Programme, in which “Limpa & Aduba” is developed. Under this initiative, Biond carries out at its own expense the fertilisation of the plots of land owned by private individuals who apply to the programme,and who control the spontaneous vegetation on their eucalyptus forest properties. This measure, empowering productivity, also enables a reduction in the risk of wildfire by reducing the fuel load on plots, impacting more than 90 900 ha by 2024 (after 6 annual campaigns) and 9 790 beneficiaries supported, most of them smallholdings, with visible effects on productivity and reducing the incidence of fires. Biond is also implementing 2 additional programmes – “Replantar” – which aims to provide landowners with direct financial support for the replanting of their eucalyptus forest plots, as well as an initiative of the same nature - Recuperação de Áreas Ardidas - aimed at the recovery of burned areas hit by fires, seeking the rehabilitation of these areas for forest management, having intervened in 1 293 hectares in 3 projects in 2024 (2023: 331 hectares) and developing the Projeto Melhor Floresta (Better Forest Project), which aims to benefit 1 640 hectares of diverse forest owned by private landowners by 2025.

In addition to the risks related to the impacts of rural fires and plant health, there is a regulatory environment that strongly affects professional forestry activity, leading to a continued decrease in the levels of forestry intervention at scale, whose leading indicator is the evolution (continuous reduction) of forested or reforested areas in our country. The sustainability of an entire sector, based on a large number of small suppliers of services and products, is dependent on the activity levels (regardless of the species) that our country has not been able to ensure. This compromises the sustainability of this business network, which is essential to ensure the interventions in rural areas that reduce risk and promote productivity and income in regions of the country where the forest is a significant component of the income of many families.

The Group’s activity is exposed to risks related to fires in rural areas, including:

i. Destruction of current and future wood inventory, belonging to the Group as well as to third parties; and

ii. Increasing costs of forestry and subsequent land preparation for plantation.

In this respect, the manner in which the Group manages its woodlands is the front line for mitigating this risk. In addition, the Innovation and Development effort is aimed at adapting forestry techniques to the reality of the national forest, with a view to mitigating impacts, reducing costs and improving management practices, by the Company and by market operators.

Among the different management measures undertaken by the Group, the respect for biodiversity conservation, a proper planning of the forest facilities to be implemented and the construction and maintenance of roads and access roads to each of the areas under development are particularly relevant in mitigating the fire risk.

In addition, The Navigator Company, together with the companies in the ALTRI group, owns a Forest Protection company – AFOCELCA – in the form of a Complementary Grouping of Companies. Its mission is to establish and maintain a nationwide forest protection system to respond to the threat of rural fires to the assets of the grouped companies (approximately 200 000 hectares) and the surrounding forest, always in close collaboration and sharing efforts with the other players in the Integrated Rural Fire Management System. It has an annual budget of more than Euro 4.5 million, supported exclusively by the companies in the grouping, without any sources of funding/support from public or EU funds.

The Group also has a research institute, RAIZ, established in 1996 in partnership with three universities, a pioneering initiative in Portugal that reflects commitment to innovation and sustainability.

Its activities are focused on research, innovation and specialised services in the eucalyptus forestry-industrial sector, promoting more productive and resilient forests, more efficient industrial processes and developing innovative and sustainable forest-based bioproducts.

It has 95 employees, 30% of whom are PhDs, and is one of the 10 organisations with the most international patents in Portugal.

Its activity is aligned with the Group's purpose and reflects its ongoing commitment to creating responsible value through sustainable, recyclable and biodegradable solutions from planted eucalyptus forests.

With solid investment in R&D and innovation geared towards sustainability and the circular economy, the Group, through RAIZ, intends to continue to help Portugal consolidate and expand its position on the European innovation scene in the forest-based bioeconomy.

RISKS ASSOCIATED WITH THE PRODUCTION AND SALE OF BEKP PULP, UWF PAPER AND TISSUE PAPER

SUPPLY OF RAW MATERIALS

Own supply of wood (from its own assets and leases) for the production of BEKP pulp represented only around 13% of the Group's needs in 2024 (2023: 12%). As a result, there is a regular need to buy wood on the domestic market, the Spanish market and the non-European markets of Brazil and Uruguay in 2024.

As new forest plantations in Portugal are subject to approval by the relevant authorities and a policy of restricting land expansion limits the country's production potential, Navigator has developed a number of initiatives to support forest producers, including technical support for the replanting/maintenance of eucalyptus plantations, certification of forest management to meet commercial demand for certified products (paper and pulp) and incentives to maximise the productivity of existing areas, thereby contributing to better national forest management and consequently greater availability of raw materials.

Due to the lack of sufficient domestic wood production to meet our needs, the Group usually has to import wood from Spain and outside Europe (Brazil and Uruguay) to supply the plants with eucalyptus species that are generally purchased with similar specific consumption to the species in Portugal, although due to the distance to be travelled between origins (Brazil and Uruguay) and destinations (Portugal) and the use of transport, the overall cost, for these reasons alone, is higher than the cost of wood purchased in Portugal, which has risen substantially in the last 10 years.

As at 31 December 2024, a 10% decrease in the cost per m3 of eucalyptus wood consumed in BEKP pulp production would have had a negative impact in the Navigator Group's operating results of approximately Euro 37 800 000 (31 December 2023: Euro 37 800 000).

For other raw materials, including chemicals, the main risk identified is the scarcity of products under the growing demand for these products in emerging markets, particularly in Asia and markets supplying them, which can create occasional imbalances of supply and demand.

In this regard, the Group, together with the Altri Group, established in 2018 a Complementary Grouping of Companies – Pulp Chem, ACE – intended for the joint acquisition of chemical products, benefiting from economies of scale and thus mitigating this risk.

The Group seeks to mitigate these risks through proactive sourcing, by identifying sources of supply geographically dispersed, whilst seeking to secure long-term supply contracts that ensure volume, price and quality levels consistent with its requirements.

As at 31 December 2024, a 10% worsening in the price of chemical products would have represented a negative impact on the Group's operating results of around Euro 17 300 000 (31 December 2023: Euro 19 400 000).

WATER

Considering that water is an important resource to the pulp and paper production process, the Group has taken on a special concern for its preservation, and over the last few years, investments have been made to reduce its use. As part of the Group's Water Use Reduction Programme (PRUA – "Programa de Redução do Uso de Água"), it has been possible to reduce the specific use of water in industrial complexes in Portugal by 8.5% between 2019 (base year) and 2024, and it is expected that the use of this resource will be reduced by at least 33% by 2030. This is part of a comprehensive strategy that is being pursued rigorously, bringing the Group closer to achieving the goals of its "Agenda 2030".

In addition to reducing the use of water in industrial processes, achieved through major investments, particularly in reuse processes and the closing of circuits, The Navigator Company subsidiary maintains effective control over the quality of industrial effluents. In this way, it is ensured that the quality of its industrial effluents complies with the strict discharge requirements established in the Water Use Permits (TURH).

MARKET PRICE FOR UWF PAPER, BEKP PULP AND TISSUE PAPER

Imbalances in the supply/demand ratio in the BEKP, UWF paper and tissue paper markets may have a significant impact on prices and, as a consequence, on the Group's performance. The market prices of BEKP pulp and UWF and Tissue paper are defined in the world global market in perfect competition and have a significant impact on the Navigator Group’s revenues and on its profitability. Cyclical fluctuations in the prices of BEKP pulp and UWF and Tissue paper mainly arise from both changes in the world supply and demand and the financial situation of each of the international market players (Producers, Traders, Distributors, Customers, etc.), creating successive changes in equilibrium prices and raising the global market’s volatility.

The BEKP pulp and UWF paper markets are highly competitive. Significant variations in existing production capacities could have a strong influence on world market prices. These factors have encouraged the Group to follow a defined marketing and branding strategy and to invest in relevant capital expenditure to improve productivity and generate high-quality and differentiated products.

As at 31 December 2024, a 10% drop in the price per tonne of BEKP pulp and of 5% in the price per tonne of UWF paper and Tissue paper sold by the Group in the period, would have represented an impact on its operating results of approximately Euro 23 900 000 and Euro 86 700 000, respectively (31 December 2023: Euro 24 900 000 and Euro 76 400 000, respectively).

DEMAND FOR THE GROUP’S PRODUCTS

Notwithstanding the references below to the concentration of the portfolio of the Group’s Customers, any decrease in demand for BEKP, UWF and tissue paper in the European and the United States markets could have a significant impact on the Group’s turnover. The demand for BEKP produced by the Group also depends on the evolution of the capacity for paper production in the world, since several of the Group’s major Customers are themselves paper producers.

The demand for uncoated printing and writing paper has been historically related with macroeconomic factors (e.g., GDP growth, employment, particularly in white collar jobs, confidence indices), technological (e.g., penetration of information technology and hardware / software, and demographic (e.g., population, average level of education, age structure of society). The evolution of these factors drives the demand for paper positively or negatively, and in the recent past, the trend of paper consumption is negative in the more developed countries and positive or stable in the emerging / developing countries. Naturally, the performance of the Group also depends on the evolution of demand in the various markets in which it operates.

Regarding the demand for eucalyptus market pulp, this is largely dependent on the production progress in the non-integrated producers of printing and writing paper, tissue and speciality papers. Chinese demand for this type of pulp represents more than 1/3 of the world's demand, making China one of the most breakthrough drivers of demand.

Regarding Tissue segment, the key variables affecting the demand are:

- Expected future economic growth;
- Population growth and other social and demographic changes;
- Level of development of the service sector, namely tourism;
- Product penetration levels;
- Developments in the quality of Tissue paper and product specifications; and
- Substitution effects.

Tissue paper consumption is not very sensitive to cyclical economical changes, although it tends to grow faster with higher economic growth. On the other hand, an increase in production costs and, consequently, sales prices can create a downgrading effect on consumption.

The importance of economic growth for the consumption of Tissue is more obvious in developing countries. When the level of the income per capita is very low, the consumption of Tissue tends to be low. There is a threshold after which consumption accelerates. Economic growth allows greater penetration of the product, which is one of the main drivers of demand for such paper in the population with lower incomes. In economies with strong dependence on tourism, a gradual recovery in consumption by the professional sector is expected, as restrictions on mobility are lifted and tourist flows are normalised. The Tissue paper is a product that does not face major threats of substitution by other materials, and there are no expected changes at this level. In contrast, changes in hygiene and cleaning standards that may be associated with the current health crisis will tend to boost Tissue consumption.

Consumer preferences may have an impact on global paper demand or in certain particular types of paper, such as the demand for recycled products or products with certified virgin fibre.

Regarding this matter, and in the particular case of UWF and Tissue paper, the Navigator Group believes that the marketing strategy and branding that has been followed, combined with the significant investments made to improve productivity and produce high quality and innovative products, allow it to deliver its products in market segments that are less sensitive to variations in demand, resulting in a lower exposure to this risk.

ENERGY

The pulp and paper production process are dependent on the constant supply of electric and steam energy. The Group has several cogeneration combined heat and power production units, which ensure this supply, and redundancies have been planned between the various units in order to mitigate the risk of any unplanned shutdowns.

Moreover, the Group owns two biomass power plants that are independent of the pulp and paper production process and are dedicated to the production of renewable electricity for sale to the grid.

Under the current regulatory framework, all electricity generated from renewable cogeneration is sold to the grid under the general remuneration scheme established by Decree-Law 23/2010 of 25 March, republished by Decree-Law 68 A/2015 of 30 April, in its current wording.

The sale of electricity produced by the Group's renewable cogeneration plants is covered by the special remuneration regime for cogeneration, established by Decree-Law 23/2010 of 25 March, in its current wording. In turn, the Setúbal Natural Gas Combined Cycle Power Station is covered by the general modality under the same law.

In 2024, The Navigator Company provided the Frequency Restoration Reserve Band service with manual activation for consumer agents under the terms of Procedure 15 of the Manual of Procedures for Global System Management (MPGGS). This service, rendered by electricity consumers authorised for this purpose, contributes to the security of the national electricity system.

As at 31 December 2024, a 10% worsening in the price of electricity would have represented a negative impact on the Group's operating results of around Euro 9 300 000 (31 December 2023: Euro 5 500 000).

COUNTRY RISK – PORTUGAL

The Group has a strong presence in Portugal. Its activity is based on assets mainly located in Portugal.

Similarly, around 20% of its raw material comes from Portuguese forests.

The Group is the third largest exporter in Portugal and the largest generator of National Added Value, representing approximately 0.75% of the national GDP, about 2.5% of national exports of goods, close to 6% of total containerised cargo exported by national ports.

Although open to the world, the strong dependence of its country of origin in terms of production factors exposes the Group to Portugal's risk index.

COUNTRY RISK – MOZAMBIQUE

Due to the investment in the Mozambican project, the Group is exposed to the specific risk in this country. However, consideration has been given to investments in terms of timing, choice of suppliers/partners and geographical location, taking this risk into account, and the Group ensures that these steps are taken with reasonable certainty that there will be no effects arising from the risk. As a result of the electoral cycle that took place in the fourth quarter of 2024 and the political and social instability that followed it, the Group is monitoring and assessing the possible need for adjustments to be made.

At this moment, the Mozambique project is essentially a forestry project, with an option to develop an industrial project. The planned investment will be implemented in two phases, the first being a ship production (woodchip) project and a second phase the construction of a large-scale pulp mill. The Group is, however, prepared to move forward with the forestry plan foreseen, once the necessary conditions—most of which are under discussion with the Mozambican authorities—are met.

Until 31 December 2024, the expenses incurred in this project amount to Euro 142.2 million (31 December 2023: Euro 137.4 million), mainly related to plantation, land preparation and forest maintenance, to the programme for land management, environmental and social licensing, training and the construction of what is now one of Africa's largest forest nurseries.

Considering that the Group is still working on the conditions above for Phase 1 of the MoU, as previously mentioned, the estimated probable liabilities are duly provisioned.

COUNTRY RISK – US

The US market has a significant weight in the total turnover of UWF paper, increasing the exposure to the country's specific risk.

This exposure requires a careful evaluation of the impacts resulting, for example, from changes in regulations and taxes, or even from their application and interpretation by Governmental entities and tax authorities.

Similarly to producers of other nationalities (Australians, Brazilians, Chinese and Indonesians), with regard to UWF paper imports to the USA, the Group has, since 2015, been the target of anti-dumping measures by the Department of Commerce of this country, and its products are subject to anti-dumping duties defined by the United States Department of Commerce – see Note 4.2. Until 2024 these duties affected the Group's earnings by Euro 32 636 417 – review periods 1 to 9 (2023: Euro 30 295 018).

COUNTRY RISK – UNITED KINGDOM

With the purchase of the Navigator Tissue UK Group, the Group is more exposed to this country's risk as well as exposure to the GBP.

The UK tissue market faces risks related to fluctuating raw material costs, rising energy prices and pressure for greater environmental sustainability with stricter regulations. In addition, there are challenges arising from changes in consumer habits, global competition, disruptions in supply chains and new government policies. The adoption of advanced technologies also represents a financial risk, requiring companies to constantly adapt in order to remain competitive and meet market expectations.

Faced with these challenges, the Group's presence in the UK tissue market requires strategic management to mitigate financial, exchange, regulatory and operational risks. However, this market continues to offer opportunities, especially for companies that manage to balance production efficiency, differentiation and an agile response to changes in the sector.

COMPETITION

Increased competition in the paper and pulp markets may have a significant impact in price and consequently, in the Group's profitability.

The pulp and paper markets are highly competitive and thus the entry into the market of new production units with increased available production capacity could have a relevant impact on prices worldwide.

BEKP producers from the southern hemisphere (namely from Brazil, Chile, Uruguay and Indonesia), with significantly lower production costs, have been gaining weight in the market, undermining the competitive position of European pulp producers. In the coming years capacity increases are planned in South America, strengthening the position of these producers in the global market.

These factors have forced the Group to make significant investments in order to keep production costs competitive and produce high-quality products as it is likely that this competitive pressure will remain strong in the future.

There has been some disinvestment in the paper sector in the US and Europe, with closures/conversions of installed capacity by some UWF producers, in a clear attempt to adjust supply according to the negative evolution of demand. On the contrary, investments in new UWF capacity in China in the short- and medium-term have occurred and are expected.

The Group has been adjusting its commercial strategy to the evolution of regional consumption patterns and, although Europe remains its main market, it now has a significant presence in the United States and North Africa.

The turnover intended to the European markets represented 62% (2023: 63%), achieving particularly strong market shares in Western European countries and relevant market shares in the other main European markets.

CONCENTRATION OF CUSTOMERS' PORTFOLIO

As at 31 December 2024, the Group's 10 main BEKP Customer groups accounted for 12% of the period's production of BEKP pulp (2023: 9%) and 45% of external sales of BEKP pulp (2023: 28%). This asymmetry is a result of the strategy pursued by the Group, consisting of a growing integration of the BEKP pulp produced into the UWF and Tissue paper produced and sold. Nevertheless, the Group believes there is little exposure to risks of customer concentration in the marketing of BEKP pulp.

In 2024, the Group maintained its dependence on its 10 largest UWF customer groups compared to 2023, which accounted for 35% of the Group's sales volume.

The Group recorded 146 (2023: 134) new paper Customers with sales in 2024. Also, regarding UWF paper, the Group follows a risk mitigation strategy for its Customer concentration. The Navigator Group sells UWF paper to 133 countries and to around 1000 individual Customers, thereby allowing a dispersion of the risk of sales concentration in a reduced number of markets and/or Customers.

In 2021, the Navigator Group launched its omnichannel platform, NVG Hub, to improve the level of service, transparency and information provided to its customers. The omnichannel platform, NVG Hub, strengthened the relationship and services available to all customers, representing 20% of items submitted online and high subscription rates in the various business areas available (UWF, Tissue, Packaging, Moulded Pulp). 2024 was also marked by the launch of a new 'pure e-commerce' business model, aimed at selling by the pallet to smaller customers, with direct deliveries between 24-72 hours, in strategic markets for UWF.

In the Packaging segment, the expansion of the offer continues with the development of new product ranges that will open doors to other high value-added segments in the short term, an evolution supported by the execution of market tests (177 in 2024) on more than 84 customers (of which 22 are already regular customers, and 62 new/potential customers).

The Packaging business, which is still developing a consolidated base in the international market, has seen the most favourable conditions for "some" return to normality, recovering from the adverse conditions of 2023, a year marked by overstocking throughout the distribution chain, which was reflected in the slowdown and irregular behaviour of demand.

The development of the Packaging business continues to show very promising signs, reflected in the growing customer base, the recognition of the quality of our Globulus eucalyptus fibre-based products and, consequently, of the gKraft™ brand, which serves brands with high exposure in sectors as diverse as fashion, food retail, e-commerce, industry and agriculture.

This recognition is reflected in the development of the customer base, which today has more than 352 active customers (with sales) in 46 countries since the start of the business in 2021. Recognition that goes beyond commercial success: the work of The Navigator Company subsidiary in the field of sustainable packaging solutions was honoured in 2023 with the National Innovation Award. In turn, the "From Fossil to Forest – Produtos de Embalagem Sustentáveis para Substituição do Plástico Fóssil" mobilizing agenda led by this subsidiary was recognised by Deloitte Portugal in the "Transformation Award – Projetos de transformação e de inovação com impacto no mercado" category.

The Group bases its packaging paper offer on three macro gKraft™ segments: BAG, FLEX and BOX, which are subdivided into 12 segments for different applications, respectively addressing the Bags (retail, consumer and industrial bags) and Flexible Packaging (serving a wide range of flexible packaging for the food and non-food sectors, base substrates for adhesives, release liners', multilaminates for incorporation into the faces of thermal, sound and electrical insulation products, etc.), and Boxes (corrugated boxes for value-added products and food packaging, including cardboard for producing paper cups, and food trays). These are products in which the innovative introduction of eucalyptus fibre qualities has been crucial to the enormous market acceptance already recognised.

The Group has continued to develop new product ranges and grammages (especially low grammages) aimed at the food industry and a wide range of consumer products, whose testing and launch phase, which is still underway, represents a large-scale operation to reach new customers, supported by 177 market tests carried out in 2024. Developments included the creation of new product ranges, in particular innovative 100% eucalyptus products, and the extension to weights of up to 35 g/m2.

As part of the diversification of the packaging business, the project for the integrated production of eucalyptus-based moulded cellulose parts to replace single-use plastic packaging in the food service and food packaging market continues to progress as planned, having entered production expected in the second half of 2024 under the gKraft™ Bioshield brand. The plant will have a production capacity of around 100 million units per year, making it one of the largest in Europe and the first integrated plant in Southern Europe, entering a market with high potential and growth. Production started with 7 products for single-use applications in the food sector that are fully recyclable and/or compostable: 22cm plate, 17cm plate (dessert), 500ml bowl, 1 litre take-away container, tray (laminated for raw protein – beef, pork and poultry), fruit basket and espresso cup.

These 7 products have the production flexibility and scalability to take advantage of the many opportunities opening up to replace single-use plastics and aluminium. Concurrently, new products have been developed in partnership with national and international customers, and research and development work continues on new sustainable barrier property solutions, as well as testing commercial solutions.

It should be noted that this year our moulded fibre products, branded gKraft™ Bioshield, received certification of compliance for food contact with European Regulation (EC) 1935/2004 (food contact) and the German recommendation BfR XXXVI. Our gKraft™ Bioshield products thus become the first moulded fibre products in the world to comply with the BfR XXXVIA recommendation. This certificate was issued by the prestigious German laboratory ISEGA. The certification enables the commercialisation of products intended for the food segment, for contact with greasy, wet and dry foods, and applies to our entire tableware and take-away range.

The Packaging business volume stood at over 80 ktonnes in 2024 (reaffirming the growth rate of the first two years, which shows the strong acceptance of gKRAFT products by the market and the improvement in conditions during the year), representing a sales result of Euro 75 million.

The Tissue business was in the spotlight this year, marked by the acquisition of what is now known as the Navigator Tissue UK Group, effective during the second quarter. The integration of this new unit is part of the Group's ambitious growth and diversification plan and reinforces its strategic position in the tissue market.

The volume of tissue sales (finished product and reels) reached 220 000 tonnes in 2024, which translates into an increase in volume of 55% compared to 2023 and equal sales growth in value of 55%. This evolution benefited from the entry of the capacity of the operation acquired in Spain in the second quarter of 2023, and the capacity of the Navigator Tissue UK Group in May 2024, which in addition to boosting sales growth, broadened the customer base and generated significant income from integration synergies.

International sales in the Tissue business continue to grow, already accounting for 79% of the total volume in this segment, with the English and Spanish markets already accounting for almost two thirds of total sales, 31% each, and the French market accounting for 15% of sales. On the other hand, finished products accounted for 97% and reels for 3% of total sales, a mix improvement of 8% compared to 2023.

With regard to Customer segments are concerned, the At Home or Consumer (retail) segment has been growing in weight, currently accounting for 83% of sales (Away-from-Home and wholesalers account for the remaining 17%).

RISKS ASSOCIATED WITH THE PRODUCTION OF ENERGY

In 2024, the macroeconomic environment remained unstable, influenced by the war in Ukraine and the resurgence of conflict in the Middle East. In this context, energy prices, particularly for natural gas, remained high, albeit below the historical peaks resulting from the 2022 energy crisis.

The production of electricity is an important activity for the Group, enabling the valuation of an endogenous renewable resource, the biomass generated in the production of BEKP pulp. The energy generation assets also allow the Group's wood suppliers to generate additional income from the sale of residual forest biomass from their farms, and in this way contribute to reducing the risk of fire in the country.

The Group has played a pioneering role and has been promoting and developing a market for the sale of biomass for supplying its renewable cogeneration units and biomass power plants. The fostering of this market in a phase prior to the start-up of the new power-generating units has enabled it to secure a sustained raw-material supply network.

Existing incentives in Portugal only cover the use of residual forest biomass (RFB) for electricity generation, excluding the use of wood for this purpose.

In terms of legal framework, we highlight the following diplomas:

- Decree-Law 68-A/2015 of 30 April, which establishes provisions on energy efficiency and cogeneration and amends Decree-Law 23/2010, of 25 March, and Order 140/2012, of 14 May, revised by Order 325-A/2012, of 16 October, applicable to the regime of PRE – Special Regime Production in cogeneration;

- For the For the Biomass Power Plants (CTB – "Centrais Termoelétricas a Biomassa") in operation, dedicated to the production of electricity the legal framework is supported by Decree-Law 33-A/2005, of 16 February, revised by Decree-Law 225/2007, of 31 May, which changes the guaranteed remuneration period for Special Regime Produc-tion (PRE – "Produção em Regime Especial") from 15 to 25 years. For these assets, the legal framework thus supports a tariff framework that is expected to be stable over the coming years.

  Additionally, Decree-Law 84/2022, which transposes the Renewable Energy Directive published in 2018 (Directive EU 2018/2001) into national law, sets the target of 49% for the share of energy consumption from renewable sources in gross final energy consumption by 2030. Among other relevant provisions, the Decree-Law establishes the sustainability criteria and the reduction of greenhouse gas emissions for the use of biomass fuels in electricity production.

- Decree-Law 15/2022 of 14 January establishing the organisation and operation of the National Electric System (NES), transposing Directive (EU) 2019/944 and Directive (EU) 2018/2021.

As the period for selling electricity from cogeneration plants under a special regime comes to an end, they will gradually switch toself-consumption, i.e., direct supply to industrial consumers, with any surpluses being sold on the market.

The Group is seeking to mitigate the risk associated with the activity by constantly seeking to optimise production costs and the efficiency of generation units, analysing new renewable energy generation projects, long-term energy contracting and active risk management, as well as promoting several photovoltaic solar energy projects in the self-consumption regime.

ENVIRONMENTAL RISKS

Regulatory environment

In recent years, environmental legislation in the EU has become increasingly restrictive regarding the control of effluents. The companies within the Group comply with the current legislation in all aspects of their environmental licensing, specifically in adhering to the various environmental parameters for which Emission Limit Values (ELVs) are established.

In 2024, within the scope of the Single Environmental Licensing Regime in accordance with Decree-Law 75/2015 of 11 May, the Portuguese Environment Agency issued new environmental licences – Single Environmental Permits (TUA), where all licensing decisions in the environmental domain are recorded, consolidating all information regarding the environmental requirements applicable to the industrial establishment. These new licensing decisions consolidate the water use permits (TURH), the greenhouse gas emission permits (TEGEE), etc., and represent new compliance challenges in the domains of air, water, waste, and environmental noise.

In response to these new challenges, the Group is implementing its Carbon Neutrality Roadmap ("Roteiro para a Neutralidade Carbónica") that aims to implement, by 2035, changes in its production processes in order to minimise the use of fossil fuels and consequently reduce their CO_2 emissions.

To this end, the roadmap defined in 2019 includes projects based on the use of renewable energy sources, namely biomass and solar, with the aim of minimising CO_2 emissions resulting from its activity and promoting the improvement of its energy performance.

On the other hand, under the terms set in Decree-Law 147/2008, dated 29 June that transposed directive 2004/35/CE to the national law, the Navigator Group secured the environmental insurances demanded by that law, thus guaranteeing compliance and reducing exposure to environmental risks.

Regarding the evolution of the EU Emissions Trading Scheme (EU ETS), the EU Directive 2018/410, of 14 March, was approved, amending Directive 2003/87/EC to reinforce the cost-effectiveness of emission reductions and investment in low carbon technologies. EU 2018/410 Directive sets out, among other things, the new CELE period to be in force between 2021-2030, which will show a reduction in the amount of CO_2 emission allowances allocated free of charge.

This development will bring increased costs for the transformation industry in general and in particular for the paper and pulp industry, without any compensation for the CO_2 that, annually, is absorbed by the forests of this industry.

In order to mitigate the impact of this change, the Group has long undertaken a series of investments of an environmental nature that, among other advantages, have allowed the continued reduction of CO_2 emissions.

In 2024, the subsidiary The Navigator Company submitted a request to the national authority for the free allocation of emission allowances for the allocation period from 2026 to 2030 in accordance with article 13 of Decree-Law 12/2020 of 6 April, which transposes EU Directive 2018/410 – NIMs 2024 Process (National Implementation Measures).

Within the scope of the General Waste Management Scheme established in Decree-Law 102-D/2020, of 10 December, amended by Declaration of Rectification no. 3/2021 and by Law 52/2021, of 10 August, the subsidiary The Navigator Company continues to make efforts to establish partnerships that enable the recovery of waste produced at its industrial establishments, in a circular economy logic.

The Group monitors the European Commission's policy and legislative initiatives in areas such as the EU forestry and biodiversity strategies, the Renewable Energy Directive, the EU Emissions Trading System (EU ETS) as well as the EU taxonomy, the Non-Financial Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD).

The publication in the Official Journal of the European Union of the Corporate Sustainability Reporting Directive (CSRD) – Directive (EU) 2022/2464 established the sustainability reporting requirements for a broader range of companies, through the European Sustainability Reporting Standards (ESRS). In this context, and based on the established criteria, the subsidiary The Navigator Company is already included in the first group of companies to implement the new directive and to report information related to the FY24 in accordance with the ESRS standards.

To this end, Navigator has reviewed its double materiality analysis as well as the methodologies applied to this period and aligns its non-financial reporting on materially relevant impacts, risks, and opportunities in accordance with the CSRD, in the Non-Financial Statements section of this Report.

Aiming to create a positive impact on People and the Planet, the subsidiary The Navigator Company has maintained its commitment to fulfilling the commitments of its 2030 Agenda for responsible business management and achieving the corresponding objectives, integrated into the 2030 Roadmap and aligned with the Sustainable Development Goals (SDG).

Among the goals of the 2030 Roadmap, those that contribute to combating Climate Change stand out, supporting SDG 13 (Climate Action). To achieve this, the Group is investing in a decarbonisation plan that includes, among other measures, the use of residual forest biomass to produce electricity from renewable sources, as well as the phased replacement of fossil energy consumption with less carbon-intensive energy sources and investment in photovoltaic solar energy.

The Group is pursuing its climate science-based greenhouse gas (GHG) emission reduction targets, approved by the Science Based Targets initiative (SBTi), in 2022, a "key element" for a net-zero decarbonisation path, as advocated in the Intergovernmental Panel on Climate Change (IPCC) report.

Since, the Group has reported information on the alignment of its economic activities with the EU taxonomy and implement the recommendations of the Task Force on Climate-related financial Disclosures (TCFD).

As a bioindustry on the right side of the future, based on the eucalyptus and pulp and paper industries, we promote a forest-based bioeconomy with potential positive impacts based on the sustainable management of our forests.

Good management of environmental, social and governance (ESG) risks and opportunities has led The Navigator Company to once again be distinguished as "ESG Industry Top Rated" based on the assessment of the Sustainalytics rating agency and is classified as a "Low ESG Risk Company" for Investors. Also, in the CDP - Disclosure Insight Action assessment, the subsidiary the Navigator Company maintained its position as a world leader in combating climate risks and deforestation, with an "A" rating in CDP Climate, which earned it inclusion on the exclusive "A-List" of companies.

For more detailed information on these and other initiatives under the Group's 2030 Agenda, we recommend consulting the Non-Financial Statements section in this Report.

RISKS RELATING TO THE CEMENT SEGMENT

SUPPLY OF RAW MATERIALS

Regarding the Cement segment, the main raw materials in the manufacturing process of cement are limestone and clay or marl, the extraction of which is carried out in its own quarries, located within the factory, with reserves that ensure the Group sustained operation in the coming years in a significant part of the geographical locations in which it operates.

SALE PRICE

The cement segment develops its activity in diverse geographically markets and therefore prices depend essentially on the economic situation of each country.

DEMAND FOR THE GROUP'S PRODUCTS

The Cement segment' turnover is dependent on the level of activity in the building sector in each one of the geographic markets in which it operates. The construction sector tends to be cyclical, in particular in mature economies, and depends on the level of residential and commercial building, as well as on the level of investments in infrastructures.

The construction sector is sensitive to factors such as interest rates and therefore a downturn in economic activity in any specific economy may lead to a recession in this industry.

Despite the Group considering that its geographical diversification is the best means to stabilise earnings, its business, financial situation and operating profit can be negatively affected by a downswing in the construction sector, in any of the significant markets in which it operates.

COMPETITION

The companies of the Cement segment develop its activity in a strong competitive environment. In the case of the Portuguese market, the excess capacity of national operators combined with imports may affect performance in this segment.

The same tendency happens in Tunisia and Lebanon, countries currently in recession and with excess installed capacity that has negatively impacted prices.

ENERGY COSTS

A significant part of the Group's costs is dependent on energy expenses. Energy is a cost factor with a substantial weight on the business carried on by Secil and its subsidiaries. The Group performs hedges, to a certain degree, against the energy price risk through the usage of alternative fuels at its factories and long-term electric power supply contracts for certain of its energy requirements. However, significant fluctuations in electricity and fuel costs can have a negative impact on the Group's business, financial situation and operating profit.

COUNTRY RISK – BRAZIL, TUNISIA AND ANGOLA

Secil is exposed to the country risk of Brazil, Tunisia and Angola, where the Group holds investments in production units.

COUNTRY RISK – LEBANON

Lebanon faces a challenging geopolitical and economic scenario, marked by political instability, slow economic recovery and regional tensions. The recent presidential election and the formation of the new Government have brought hope for the normalisation of institutions, but governability remains fragile due to political fragmentation. However, regional tensions, particularly the conflict between Israel and Hezbollah, pose a continuing risk to internal stability and can hamper economic and social progress. The new Government's ability to promote political stability and reform will determine Lebanon's future in 2025.

With regard to inflation, it has started its escalation since the beginning of 2020, representing in July a cumulative inflation of more than 100% over a period of 3 years, so that the country has been declared a hyperinflationary economy. Thus, companies were required to apply IAS 29 "Financial Reporting in Hyperinflationary Economies" (Note 5.11). In 2024, annual inflation was below 100% for the first time since 2020, while 3-year accumulated inflation remains above 100%.

After several years marked by a sharp devaluation of the local currency and a shortage of currency reserves, 2024 was characterised by some stability.

In addition to widespread inflation and a scarcity of foreign currency, most industries in Lebanon have faced power supply constraints from the state-owned electricity generation and distribution company, and Secil's operations in Lebanon have also been negatively affected by this situation.

ENVIRONMENTAL LEGISLATION

In 2021, the 4th period of the European Emissions Trading Scheme (ETS) began, with the first sub-period running until the end of 2025.

For the next sub-period, which will begin in 2026 and run until the end of 2030, the respective legislative acts that will apply to it are being revised and published after their approval, with full disclosure expected in 2026 with the process already underway.

Following the European elections in 2024, a new package of legislative measures is expected to allow the decarbonisation of the European economy to continue, focusing on creating the necessary conditions for implementing the actions set out in the Roadmaps to achieve the targets set for 2030, making the necessary adjustments to the new economic and political reality and charting the post-2030 course with the possible definition of targets to be achieved in 2040.

With regard to the Border Adjustment Mechanism (CBAM), with the aim of equalising the CO_2 costs borne by both European and non-European producers who export to Europe, a transition period is underway until the end of 2025, which requires exporters only to declare the carbon emissions of products imported into the EU. Following the assessment of performance during this period, legislation will be published with the changes deemed necessary to make the procedure watertight during 2025 so that, in January 2026, this new regime with effective payment of carbon emissions by exporters to the EU will come into force in order to ensure fair competition between the different producers involved.

Alongside this, the phase-out period for free licences will begin, and they will cease to exist in 2034.

RISKS ASSOCIATED WITH CLIMATE CHANGE

The Secil Group is part of a sector with high carbon emissions in its production process, namely in the calcination of the calcium carbonates present in the main raw materials and the burning of fuel in the kilns. Aware of this situation, Secil has been developing a set of strategies and investments to reduce these emissions through gains in thermal and electrical efficiency, the use of alternative fuels and by closely monitoring the development of new disruptive technologies for the capture, storage and use of CO_2 (CCUS) in order to select the most appropriate one at the right time, thereby reducing its overall CO_2 emissions footprint, as well as promoting adaptation to the physical and transition risks posed by climate change.

Changes in the regulatory environment, namely the increase in the price of CO_2 emission allowances and more frequent extreme weather events increase the risk of interruptions in production, logistics and supply of raw materials and energy. Uncertainties regarding climate change may also result in changes in the Group's cash flow projections or in the revision of the useful lives of assets.

In this challenging context within the transition to a no-carbon economy, the Group monitors the potential impacts on its financial position, performance and cash flows resulting from climate change, namely the impacts on relevant accounting estimates and judgement.

As disclosed, aware of this new framework and associated risks, Secil is developing a set of strategies and investments to reduce carbon emissions that will enable the Group to achieve its targets and provide an adequate response to the sector's climate challenges.

Thus, in 2024, Secil defined a Roadmap with specific actions for all production units with the aim of achieving a level of CO_2 emissions reduction by 2030, which ensures alignment with the goal of limiting global warming to 1.5ºC, which avoids the worst effects of climate change as defined in the Paris agreement. The amounts were validated using the SBTi methodology (Science Based Targets initiative).

Also worth highlighting is the project to update the technology at its Outão production unit, the CCL – Clean Cement Line Project, an investment amounting to approximately Euro 86 million which will be completed in 2024 and which is currently at the stage of optimising the operational production process.

A new project, ProFuture – CCL Maceira, was started at the Maceira production unit, with an estimated investment of Euro 62.9 million, which will reduce CO_2 emissions by 21% and overall energy consumption by 20.8%, compared to 2019.

These projects will place these units as a European benchmark in terms of energy and environmental efficiency.

The Secil Group exhibits a good free cash-flow generation and a comfortable financial position, and the Board of Directors is convinced that, given its financial and liquidity situation, no significant negative impacts are expected due to climate change that would justify the recognition of additional impairments or that would compromise the going concern principle, applied in the preparation of these financial statements.

RISKS ASSOCIATED WITH THE OTHER BUSINESS SEGMENT

SUPPLY OF RAW MATERIALS

The supply of raw materials for the segment of Environment, developed by the ETSA and its subsidiaries, is conditioned by the availability of animal carcasses and waste from the food industry, particularly in slaughterhouses. This market is relatively vulnerable to the deterioration of the economic situation, as well as changes in consumption habits and ease of substitution between food products, which could limit the activity of this subgroup. For Triangle's, one of the main raw materials in the manufacturing process is aluminium, which is subject to the volatility of international markets.

SALE PRICE

Given its nature, the Group's business is exposed to volatility in prices of soft commodities on international markets (cereals and cereal products), since these are substitute products to those transacted by ETSA Group.

In this context, the sales prices of some products in this sub-group are correlated with the evolution of soft commodity prices on international markets, which is an additional risk factor for the business.

PRODUCT DEMAND

A decrease in demand or diminished level of activity in animal feed industry, agriculture exploitations, pet food and biodiesel may have a significant impact on this segment's turnover.

COMPETITION

The Group develops its activity in a market where it competes with other companies operating in the collection and recovery of animal by-products and other companies that produce substitutes for the products of ETSA and its subsidiaries, such as industries related to the production of cereals and edible oils. In this framework, any increase or decrease in competition will be reflected in the levels of profitability of the Group. Triangle's operates in an open market with strong competition from Asian aircraft.

OTHER RISKS

The ITS subsidiary has a service contract with the Portuguese State regarding SIRCA, with relevance in the consolidated turnover of the ETSA Group. This contract has a limited term and its continuity depends not only on competitive factors, since it is promoted by public tender, but also on regulatory factors, since its existence and regime depend on strategic options of the Portuguese State.

RISKS RELATING TO THE ENTIRE GROUP

TECHNOLOGICAL REPLACEMENT

The Group's industrial units are subject to risks of technological replacement as well as those inherent to any industrial economic activity, such as accidents, breakdowns or natural catastrophes that may lead to losses in the Group's assets or temporary shutdown in the production process.

Likewise, these risks may affect the Group's main customers and suppliers, which would have a significant impact on profitability levels if it were not possible to find other customers in order to guarantee sales levels or suppliers that would make it possible to maintain the same cost structure.

LEGAL RISKS

It should be noted that legal risks result mainly from tax and regulatory risks which are covered by the analysis of risks of an operational nature, and specific risks of overall responsibility or risks associated with the negotiation and conclusion of contractual arrangements.

These risks are controlled by legal advisory measures which are in place either at Semapa's level as a shareholding or at its subsidiaries' level, and by outsourcing external lawyers whenever the specificity of the matter, its value or other specific factors so recommend.w

12 EXPLANATION ADDED FOR TRANSLATION

These financial statements are a free translation of the financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

Lisbon, 03 April 2025

BOARD OF DIRECTORS

CHAIRMAN

José Antônio do Prado Fay

MEMBERS

Ricardo Miguel dos Santos Pacheco Pires

Vítor Paulo Paranhos Pereira

Filipa Mendes de Almeida de Queiroz Pereira

Mafalda Mendes de Almeida de Queiroz Pereira

Lua Mónica Mendes de Almeida de Queiroz Pereira

António Pedro de Carvalho Viana-Baptista

Paulo José Lameiras Martins

KPMG

STATUTORY AUDITORS' REPORT AND AUDITORS' REPORT

(Free translation from a report originally issued in Portuguese language.
In case of doubt the Portuguese version will always prevail.)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.** (the Group), which comprise the consolidated statement of financial position as at 31 December 2024 (showing a total of Euro 5,329,866,827 and total equity of Euro 1,978,135,908, including a profit for the period attributable to shareholders of Euro 232,735,949), and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended, and the accompanying notes to the consolidated financial statements, including a summary of accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of **Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.** as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and further technical and ethical standards and guidelines as issued by *Ordem dos Revisores Oficiais de Contas* (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section below. We are independent from the Group under the terms of the law, and we comply with the other ethical requirements under the code of ethics of the Portuguese Institute of Statutory Auditors.

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 judgement, 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.

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Recoverability of Goodwill (Euro 526,679,960), Intangible Assets (Euro 599,968,983) and Property, plant and equipment (Euro 2,027,202,490)

See Note 1.6 Main estimates and judgements and Notes 3.1, 3.2 and 3.3 of the Financial Statements

The Risk	Our response to the identified risk
The recoverability of goodwill, intangible assets and property, plant and equipment is critical due to the materiality of the amounts involved and the complexity and subjectivity associated with impairment tests, namely as a result of the uncertainty inherent to financial projections, which rely on the Board of Directors' expectations, materialised in business plans, which are based on several assumptions, associated with discount rates, expected margins, short and long term growth rates, investment plans and demand behaviour, assumptions that are not observable in the market.	Our audit procedures included, amongst others, those that we describe below: ▪ We assessed the design and implementation of the main controls implemented by the Entity and analysed the budgeting procedures on which the projections are based, by comparing the current performance with estimates made in previous periods, and the integrity of the discounted cash flow model; ▪ We assessed the internal and external assumptions used and their reasonableness, such as current business trends, market performance, inflation, projected economic growth, and discount rates; ▪ We conducted sensitivity analyses on the assumptions and forecasts used by the Group; ▪ We involved experts in the calculation of the weighted average cost of capital; and ▪ We reviewed the adequacy of the disclosures in the financial statements, in accordance with the applicable accounting standard.

Fair value of biological assets (Euro 115,250,198)

See Note 1.6 Main estimates and judgements and Note 3.7 of the Financial Statements

The Risk

The fair value of biological assets is determined through an internally developed model, based on economic and market projections, whose assumptions, namely forest productivity, wood sales price deducted by harvesting costs, the value of own and leased land rents, logging and transportation costs, plantation and maintenance costs and discount rate, require a high degree of estimation and judgement by the Board of Directors.

Our response to the identified risk

Our audit procedures included, amongst others, those that we describe below:

- We assessed the design and implementation of the main controls implemented by the Group in this area;
- We validated the mathematical correctness and underlying integrity of the model;
- We analysed the budgeting procedures on which the forecasts are based;
- We compared the actual performance of variables inherent to the model with the estimates performed in prior periods, namely: forest productivity, the value of own and leased land rents, fixed costs, logging and transportation costs, plantation and maintenance costs;
- We compared the internal and external assumptions used in the model, such as spot and trend price and the discount rate with market data and assessed their sensitivity; and
- We reviewed the adequacy of the disclosures in the financial statements, in accordance with the applicable accounting standard.

KPMG

Uncertainty over income tax treatments

See Note 1.6 Main estimates and judgements and Notes 6.1 and 6.2 of the Financial Statements

The Risk

The application of tax law to different transactions and circumstances of uncertain tax treatment has an inherent complexity and requires judgement in determining and measuring the risks and uncertainties in defining the best estimate, by weighing all possible outcomes under its control and their associated probabilities.

Estimating the possible amounts to be spent requires a high degree of judgement on the part of the Board of Directors, which assesses the probability of the outcome, supported by the opinion of legal and tax advisors.

Our response to the identified risk

Our audit procedures included, amongst others, those that we describe below:

- We assessed the processes for monitoring uncertain tax positions in relation to the treatment of income tax, including testing the design and implementation of the main controls in place and making enquiries of the Board of Directors and tax managers on the basis of their estimates and judgements;
- We analysed ongoing tax proceedings and potential uncertain tax positions, considering the effect of uncertainty for each uncertain tax treatment, supported by tax experts, and reviewed the existing documentation;
- We analysed the responses to the confirmation requests received from external lawyers;
- We assessed the consistency of the criteria followed in the previous periods; and;
- We assessed the adequacy of the relevant disclosures in the financial statements, in accordance with the applicable accounting standards.

Business combinations – acquisition of the Accrol Group

See Note 1.6 Main estimates and judgements and Note 1.2 of the Financial Statements

The Risk

During the period ended 31 December 2024, the Semapa Group concluded, through a takeover bid in the form of a “Recommended Firm Cash Offer”, the acquisition of the entire share capital of Accrol Group Holdings Plc, a company based in Blackburn, England, engaged in the Pulp and Paper segment.

The consideration transferred from the acquisition totalled Euro 153,765,152 (GBP 130,823,390).

This acquisition was accounted for as a business combination and involved a number of significant judgements on the part of the Board of Directors, namely in the identification and measurement of the identifiable assets acquired, liabilities assumed and goodwill.

Therefore, and given the materiality of the impacts on the consolidated financial statements, we considered the acquisition to be a relevant audit matter.

Our response to the identified risk

Our audit procedures included, amongst others, those that we describe below:

- We assessed the design and implementation of the main controls implemented by the Group in relation to this matter;
- We obtained and analysed the documentation supporting the transaction;
- We analysed the consideration transferred;
- We performed procedures to analyse the methodology adopted for the valuation of assets and liabilities and verified the reasonableness of the valuation models for determining the fair value of the assets acquired and liabilities assumed, including validating their agreement with the models used for trading and their arithmetical accuracy;
- We involve our specialists to validate the fair value of the identifiable assets acquired, the liabilities assumed and the consequent calculation of goodwill; and,
- We reviewed the adequacy of the disclosures in the financial statements, in accordance with the applicable accounting standard.

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Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements

Management is responsible for:

- the preparation of consolidated financial statements that give a true and fair view of the Group's consolidated financial position, financial performance and the consolidated cash flows, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union;
- the preparation of the consolidated management report, the corporate governance report, the consolidated 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 consolidated financial statements that are free from material misstatements, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and,
- the assessment of the Group's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about 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 responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditors' 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 ISA 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 judgement 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 auditors' 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 auditors' 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 perform our audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. 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;

- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes their public disclosure; and,

- provide the supervisory body with a statement that we have complied with the relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our responsibility also includes the verification that the information contained in the consolidated management report is consistent with the financial statements, and the verification of the requirements as provided in Article 451(4) and (5) of the Portuguese Companies' Code regarding the corporate governance report, as well as the verification that the non-financial information and the remuneration report were presented.

KPMG

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the consolidated management report

According to Article 451(3)(e) of the Portuguese Companies' Code, in our opinion the management report has been prepared in accordance with the applicable legal and regulatory requirements and the financial information contained therein is consistent with the audited consolidated financial statements and, based on our knowledge and assessment of the Group, we have not identified any material misstatements.

On the corporate governance report

According to Article 451(4) of the Portuguese Companies' Code, it is our opinion that the corporate governance report includes the information required to the Group to provide under Article 29-H of the Securities Code, and we have not identified any material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and l) of paragraph 1 of that Article.

On the consolidated non-financial statement

According to Article 451(6) of the Portuguese Companies' Code, we hereby inform that the Group has prepared a separate report from the management report that includes consolidated non-financial information, as provided for in Article 508-G of the Portuguese Companies' Code, which has been disclosed together with the management report.

On the remunerations' report

According to Article 26-G, paragraph 6, of the Portuguese Securities Code, we hereby inform that the Entity has included in a separate chapter of its corporate governance report the information required under paragraph 2 of that Article.

On the European single electronic format (ESEF)

The consolidated financial statements of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. for the period ended 31 December 2024 shall comply with the applicable requirements established by the European Commission Delegated Regulation 2019/815, of 17 December 2018 (ESEF Regulation).

Management is responsible for the preparation and disclosure of the annual report in accordance with the ESEF Regulation.

We are responsible for obtaining reasonable assurance as to 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 (Portuguese Institute of Statutory Auditors) technical application guide on ESEF reporting and included, among others:

- obtaining an understanding of the financial reporting process, including the presentation of the annual report in a valid XHTML format; and
- identifying and assessing the risks of material misstatement associated with tagging financial statement information in XBRL format using iXBRL technology. This assessment was based on an understanding of the process implemented by the entity to label the information.

In our opinion, the consolidated financial statements, included in the annual report, are presented, in all material respects, in accordance with the requirements established by the ESEF Regulation.

On the additional matters provided in Article 10 of the Regulation (EU) 537/2014

According to Article 10 of the Regulation (EU) 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 first appointed as auditors of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. (parent company of the Group) at the general shareholders' meeting held on 22 September 2017 for a mandate from 2018 to 2021. We were reappointed as auditors of the Group at the general shareholders' meeting held on 27 May 2022 for a second mandate from 2022 to 2024.
- Management as confirmed to us 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 ISA we maintained professional scepticism, 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 of the consolidated financial statements due to fraud.
- We confirm that the audit opinion we issue is consistent with the additional report that we prepared and delivered to the supervisory body of the Group on 30 April 2025.
- We declare that we have not provided any prohibited services as described in Article 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Group in conducting the audit.

30 April 2025

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, S.A.
(no. 189 and registered at CMVM with no. 20161489)
represented by
Paulo Alexandre Martins Quintas Paixão
(ROC no. 1427 and registered at CMVM with no. 20161037)

SEMAPA – Sociedade de Investimento e Gestão, SGPS, S.A.

Report and Opinion of the Audit Board
Consolidated Financial Statements
(Free translation from a report originally issued in Portuguese language.
In case of doubt the Portuguese version will always prevail.)

Year 2024

Dear Shareholders,

1. As laid down by law, established in the articles of association and in carrying out the mandate entrusted to us, we hereby deliver our report on the audit activities carried out in 2024 and issue our opinion on the Consolidated Management Report and the Consolidated Financial Statements submitted by the Board of Directors of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A., for the year ended 31 December 2024.

2. During the year, we monitored the company's activity and that of its main subsidiaries and affiliated companies on a regular basis, with the frequency and to the extent that we deemed appropriate, namely through regular meetings with the Company's Management and Directors. We oversaw the reviewing of the accounting records and the supporting documents, and the efficacy of the risk management, internal control and audit systems. We ensured compliance with the law and the Articles of Association. We did not run up against any obstacles in the exercise of our duties.

3. We also monitored the Semapa Group's Consolidated Sustainability Statement process, included in the "Sustainability Statement – Non-Financial Statement" section of the Annual Report (the Consolidated Sustainability Statement), prepared in accordance with the requirements of the European Sustainability Reporting Standards (ESRS), which contains relevant information that allows for an understanding of the performance, position and impact of the Group's activities and businesses, relating to environmental, social and governance issues.

4. We met several times with the statutory auditor and the external auditor, KPMG & Associados, SROC, S.A., to monitor the audits conducted and supervise their independence. We have analysed the legal Accounts Certificate and Audit Report, and merit our agreement.

5. We have also taken note of the Independent Auditor's Limited Assurance Report regarding the Sustainability Statement, with the aim of issuing a limited assurance conclusion, which does not include any modifications, except that the comparative information as of 31 December 2023 has not been subject to limited assurance, a situation with which we agree.

6. The Audit Board analysed the proposals that were presented to it for non-audit services by the Statutory and External Auditor, having approved those that related with permitted services, did not affect the independence of the Statutory and External Auditor and fulfilled the other legal requirements.

7. Within the scope of our competences, we found that:

   a) The Consolidated Income Statement, the Consolidated Financial Statement, the Statement of Comprehensive Income, the Statement of Consolidated Changes in Equity and the Consolidated Cash Flow Statement and its Notes to the Consolidated Financial Statements give a true and fair view of the financial position of the company, in respect of its results, comprehensive income, changes in equity and cash flow;

   b) The accounting policies and valuation criteria applied are in conformity with the International Financial Reporting Standards (IFRS), as adopted in the European Union, and ensure that a true and fair assessment of the company's assets and results is given, and the findings and recommendations of the external auditor have been followed through;

   c) The Consolidated Management Report clearly shows the development of the business and the situation of the company and the subsidiaries included in the consolidation, highlighting key aspects of the activity;

   d) The Corporate Governance Report covers all of the points referred to in Article 29 H of the Securities Code and considered the recommendations on the Code of the Portuguese Corporate Governance Institute (IPCG).

8. Consequently, taking into account the information delivered by the Company's Board of Directors and Departments, and the conclusions of the Legal Accounts Certificate and Audit Report, we are of the opinion that:

   a) The Management Report should be approved;

   b) The Consolidated Financial Statements should be approved.

9. Finally, the members of the Audit Board are grateful to the Board of Directors, the key supervisors and other company staff, as well as to the statutory auditor KPMG & Associados, SROC, S.A. for their collaboration.

Lisbon, 30 April 2025

The Chairman of the Audit Board

José Manuel Oliveira Vitorino

Member of the Audit Board,

Gonçalo Nuno Palha Gaio Picão Caldeira

Member of the Audit Board,

Maria da Luz Gonçalves de Andrade Campos

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SEPARATE FINANCIAL STATEMENTS

SEPARATE INCOME STATEMENT

Amounts in Euro	Notes	2024	2023
Revenue	2.1	17 665 366	15 996 914
Other operating income	2.2	238 753	148 382
Supplies and services	2. 3	(5 944 137)	(7 286 910)
Payroll costs	7.1	(10 969 457)	(8 716 343)
Other operating expenses	2. 3	(10 543 261)	(470 218)
Depreciation, amortisation and impairment losses on non-financial assets	3. 3	(260 569)	(244 170)
Operating profit/(loss)		**(9 713 306)**	**(572 345)**
Gains/(losses) from subsidiaries and jointly-controlled entities	10.1	239 582 770	239 577 182
Financial income and gains	5.10	5 737 705	4 180 413
Financial expenses and losses	5.10	(14 492 974)	(13 655 495)
Profit before tax		**221 114 295**	**229 529 755**
Income tax	6.1.1	11 621 653	14 977 654
Net profit for the period		**232 735 949**	**244 507 409**
Earnings per share			
Basic earnings per share	5. 3	2.914	3.061
Diluted earnings per share	5. 3	2.914	3.061

The Accompanying notes form an integral part of these separate financial statements.

Lisbon, 03 April 2025

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

Amounts in Euro	Notes	2024	2023
Net profit for the period		**232 735 949**	**244 507 409**
Items that may be reclassified to the income statement			
Other comprehensive income from subsidiaries	5.5	(11 909 694)	(16 940 059)
Items that may not be reclassified to the income statement			
Other comprehensive income from subsidiaries	5.5	1 611 574	963 259
Total other comprehensive income (net of taxes)		**(10 198 120)**	**(15 976 900)**
Total comprehensive income for the period		**222 537 929**	**228 630 609**

The Accompanying notes form an integral part of these separate financial statements.

Lisbon, 03 April 2025

SEPARATE STATEMENT OF FINANCIAL POSITION

Amounts in Euro	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	402 525	397 797
Right-of-use assets	3.2	461 591	440 413
Investments in subsidiaries and jointly-controlled entities	10.1	1 676 772 681	1 655 609 578
Other financial investments	8.2	51 983	28 954
Non-current receivables	4.1	30 204	30 907
Deferred tax assets	6.2	33 186 997	34 241 098
		1 710 905 980	**1 690 748 547**
Current assets			
Current receivables	4.1	96 587 019	24 168 747
Income tax	6.1.2	7 545 645	5 239 574
Cash and cash equivalents	5.8	69 434 318	37 975 001
		173 566 982	**67 383 322**
Total assets		**1 984 472 962**	**1 758 131 969**
EQUITY AND LIABILITIES			
Equity			
Share capital	5.2	81 270 000	81 270 000
Treasury shares	5.2	(15 946 363)	(15 946 363)
Reserves by applying the equity method	5.5	(408 304 036)	(394 798 767)
Legal reserve	5.5	16 695 625	16 695 625
Other reserves	5.5	1 643 292 991	1 450 783 910
Retained earnings	5.5	90 913 997	88 913 994
Other changes in equity	5.5	(956 508)	-
Net profit/(loss) for the period		232 735 949	244 507 409
Total Equity		**1 639 701 654**	**1 471 425 708**
Non-current liabilities			
Interest-bearing liabilities	5.6	188 632 237	254 336 792
Lease liabilities	5.7	311 414	304 267
Pensions and other post-employment benefits	7.2.1	473 495	580 578
Deferred tax liabilities	6.2	3 689 902	1 293 606
		193 106 948	**256 515 243**
Current liabilities			
Interest-bearing liabilities	5.6	41 601 238	18 301 612
Lease liabilities	5.7	158 254	142 503
Current payables	4.2	9 904 768	11 746 903
		51 664 260	**30 190 918**
Total Liabilities		**244 771 208**	**286 706 161**
Total Equity and Liabilities		**1 984 472 962**	**1 758 131 969**

The Accompanying notes form an integral part of these separate financial statements.

Lisbon, 03 April 2025

SEPARATE STATEMENT OF CHANGES IN EQUITY

Amounts in Euro	Notes	Share capital	Treasury shares	Reserves by applying the Equity Method	Legal reserve	Other reserves	Retained earnings	Other changes in equity	Net profit/(loss) for the period	Total
Equity as at 1 January 2024		**81 270 000**	**(15 946 363)**	**(394 798 767)**	**16 695 625**	**1 450 783 910**	**88 913 994**	**-**	**244 507 409**	**1 471 425 708**
Net profit for the period		-	-	-	-	-	-	-	232 735 949	232 735 949
Other comprehensive income (net of tax)		-	-	(10 198 120)	-	-	-	-	-	(10 198 120)
Total comprehensive income for the period		**-**	**-**	**(10 198 120)**	**-**	**-**	**-**	**-**	**232 735 949**	**222 537 929**
Appropriation of 2023 net profit for the period:										
- Transfer to reserves		-	-	-	-	192 509 181	-	-	(192 509 181)	-
- Dividends	5.4	-	-	-	-	-	-	-	(49 998 228)	(49 998 228)
- Bonus to employees		-	-	-	-	-	2 000 000	-	(2 000 000)	-
Total transactions with shareholders		**-**	**-**	**-**	**-**	**192 509 181**	**2 000 000**	**-**	**(244 507 409)**	**(49 998 228)**
Other movements in equity of subsidiaries	5.5	-	-	(3 307 149)	-	-	-	(956 508)	-	(4 263 657)
Other movements	5.5	-	-	-	-	(1)	3	-	-	2
Total other operations		**-**	**-**	**(3 307 149)**	**-**	**(1)**	**3**	**(956 508)**	**-**	**(4 263 655)**
Equity as at 31 December 2024		**81 270 000**	**(15 946 363)**	**(408 304 036)**	**16 695 625**	**1 643 292 990**	**90 913 997**	**(956 508)**	**232 735 949**	**1 639 701 654**

Amounts in Euro	Notes	Share capital	Treasury shares	Reserves by applying the Equity Method	Legal reserve	Other reserves	Retained earnings	Other changes in equity	Net profit/(loss) for the period	Total
Equity as at 1 January 2023		**81 270 000**	**(15 946 363)**	**(374 212 924)**	**16 695 625**	**1 221 969 980**	**86 613 994**	**-**	**307 089 934**	**1 323 380 145**
Net profit for the period		-	-	-	-	-	-	-	244 507 409	244 507 409
Other comprehensive income (net of tax)		-	-	(15 976 900)	-	-	-	-	-	(15 976 900)
Total comprehensive income for the period		**-**	**-**	**(15 976 900)**	**-**	**-**	**-**	**-**	**244 507 409**	**228 630 609**
Appropriation of 2022 net profit for the period:										
- Transfer to reserves		-	-	-	-	228 913 930	-	-	(228 913 930)	-
- Dividends	5.4	-	-	-	-	-	-	-	(75 975 904)	(75 975 904)
- Bonus to employees		-	-	-	-	-	2 300 000	-	(2 300 000)	-
Total transactions with shareholders		**-**	**-**	**-**	**-**	**228 913 930**	**2 300 000**	**-**	**(307 089 934)**	**(75 975 904)**
Other movements in equity of subsidiaries	5.5	-	-	(4 709 143)	-	1	-	-	-	(4 709 142)
Total other operations		**-**	**-**	**(4 709 143)**	**-**	**1**	**-**	**-**	**-**	**(4 709 142)**
Equity as at 31 December 2023		**81 270 000**	**(15 946 363)**	**(394 798 767)**	**16 695 625**	**1 450 783 910**	**88 913 994**	**-**	**244 507 409**	**1 471 425 708**

The Accompanying notes form an integral part of these separate financial statements.

Lisbon, 03 April 2025

SEPARATE STATEMENT OF CASH FLOWS

Amounts in Euro	Notes	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		22 293 987	16 726 387
Payments to suppliers		(7 059 363)	(13 227 998)
Payments to personnel		(8 560 590)	(8 017 982)
Cash flow from operations		6 674 034	(4 519 393)
Income tax received/ (paid)		(271 214)	(23 488)
Other receipts / (payments) relating to operating activities		(7 299 992)	574 265
Cash flows from operating activities (1)		**(897 172)**	**(3 968 616)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Financial investments	10.1	3 550 000	32 475 069
Property, plant and equipment		-	350
Interest and similar income		1 903 517	2 481 979
Dividends	10.1	164 676 387	167 764 447
		170 029 904	202 721 745
Outflows:			
Financial investments	10.1	(32 705 500)	(211 007 574)
Property, plant and equipment		(76 980)	(22 069)
		(32 782 380)	(211 029 643)
Cash flows from investing activities (2)		**137 247 524**	**(8 307 998)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Interest-bearing liabilities	5.9	35 400 000	268 150 000
Other financing operations	10.2	14 000 000	-
		49 400 000	268 150 000
Outflows:			
Interest-bearing liabilities	5.9	(76 233 578)	(282 402 000)
Amortisation of lease agreements	5.9	(158 634)	(126 359)
Interest and similar expenses	5.9	(16 307 971)	(13 414 985)
Dividends and reserves	5.4	(49 998 228)	(75 975 904)
Increase in shareholdings in subsidiaries	10.1	(1 592 725)	-
Other financing operations	10.2	(10 000 000)	(14 000 000)
		(154 291 035)	(385 919 248)
Cash flows from financing activities (3)		**(104 991 035)**	**(117 669 248)**
CHANGE IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		**31 459 317**	**(129 945 762)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5.8	**37 975 001**	**167 920 763**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5.8	**69 434 318**	**37 975 001**

The Accompanying notes form an integral part of these separate financial statements.

Lisbon, 03 April 2025

1 INTRODUCTION

The following symbols are used in the presentation of the Notes to the financial statements:

ACCOUNTING POLICIES
This symbol indicates the disclosure of accounting policies specifically applicable to the items in the respective Note.

SIGNIFICANT ACCOUNTING ESTIMATES AND
This symbol indicates the disclosure of the estimates and/or judgements made regarding the items in the respective Note. Significant estimates and judgements are indicated in Note 1.6.

REFERENCE
This symbol indicates a reference to another Note or another section of the Financial Statements were more information about the items disclosed is presented.

1.1 THE COMPANY

Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. (Semapa or Company) with head office at Av. Fontes Pereira de Melo, 14, 10.º Piso, Lisboa, was incorporated on 21 June 1991 and its corporate purpose is to manage holdings in other companies as an indirect form of performing economic activities. The Company has been listed on NYSE Euronext Lisbon since 1995 with ISIN PTSEM0AM0004.

Semapa is the parent company of the Semapa Group (Group), comprising Semapa and Subsidiaries, as presented in the consolidated financial statements. The Group operates in distinct business areas, namely, pulp and paper, cements, and other businesses developed, respectively, under the aegis of the subsidiaries The Navigator Company (formerly Portucel, S.A. referred to in this document as “Navigator”), Secil – Companhia Geral de Cal e Cimento, S.A. (“Secil” or “Secil Group”) and ETSA – Investimentos, SGPS, S.A. (“ETSA” or “ETSA Group”) and Triangle's Cycling Equipment, S.A. (Triangle's) in the case of Other Businesses. Semapa also holds a venture capital business unit, carried out through its subsidiary Semapa Next, S.A., whose objective is to promote investments in start-ups and venture capital funds with high growth potential.

A more detailed description of the activity carried out by Semapa in the context of management of shareholdings is disclosed in Note 2.1 – Revenue.

Semapa is included in the consolidation perimeter of Sodim — SGPS, S.A., which is its parent company.

In turn, Filipa Mendes de Almeida de Queiroz Pereira, Mafalda Mendes de Almeida de Queiroz Pereira and Lua Mónica Mendes de Almeida de Queiroz Pereira, by virtue of the combination of a shareholders' agreement relating to Sodim and their respective direct and indirect shareholdings in the share capital of this company, have joint control over Sodim and Semapa, each of them and Sodim being attributed, in accordance with the provisions of Article 20 of the Portuguese Securities Code, 83.221% of the non-suspended voting rights relating to shares representing the share capital of Semapa.

1.2 RELEVANT EVENTS OF THE PERIOD

ACCOUNTING POLICIES

BUSINESS COMBINATIONS

Under IFRS 3 (Business Combinations), the acquirer must recognise and measure in its consolidated financial statements the assets acquired and liabilities assumed in a business combination at fair value on the acquisition date. The difference between the acquisition price and the fair value of the assets and liabilities acquired gives rise to the recognition of goodwill or a gain resulting from a bargain purchase.

The fair value of the assets acquired and liabilities assumed is determined internally or through independent external valuers, using the discounted cash flow method, replacement cost or other techniques for determining fair value, which are based on the use of assumptions including macroeconomic indicators such as inflation rates, interest rates, exchange rates, discount rates, energy sales and purchase prices, the cost of raw materials, production estimates and business forecasts. Consequently, the determination of fair values and goodwill or gains resulting from low-price purchases is subject to various assumptions and judgements, so changes could result in different impacts on profit or loss.

ACQUISITION OF ACCROL GROUP'S UNITED KINGDOM CONSUMER TISSUE BUSINESS

On May 24, 2024, Semapa, through its subsidiary Navigator, concluded a public takeover bid, in the form of a "Recommended Firm Cash Offer", for the entire share capital of Accrol Group Holdings Plc, a company based in Blackburn, England, which holds 9 subsidiaries, 5 of which operational.

As part of its diversification and growth strategy, the acquisition of the Accrol Group, a leading player in the UK tissue market (4th in the ranking), provided additional capacity to the tissue business segment, with a production and converting capacity of 131 thousand tonnes based on 5 sites: Blackburn (rolls and facials); Leicester (rolls); Leyland (rolls); Flint (wet wipes) and Bridgewater (wet wipes).

Following the entry into the British market through the acquisition of the main independent group in the tissue paper processing sector, whose competitive advantages and values are aligned with those of Semapa, sales volume and EBITDA benefited from the integration of Accrol on 1 May 2024.

With this acquisition, Semapa expects a number of synergies in the Tissue segment, as well as an increase in its market share by accessing the Accrol Group's customer portfolio, namely in markets where it intends to strengthen its presence, as well as a reduction in costs through economies of scale.

TRANSFERRED CONSIDERATION

As part of the acquisition of Accrol Group Holdings Ltd, the consideration transferred amounted to Euro 153 765 152 (GBP 130 923 390) and was paid entirely in cash and cash equivalents, with no contingent consideration associated with this acquisition. At the purchase date, the Group's cash and cash equivalents amounted to Euro 2 986 092, meaning that the net effort amounted to Euro 150 779 060.

1.3 SUBSEQUENT EVENTS

At the end of January, ETSA acquired 100% of the capital of the Barna Group, a group that operates in the circular economy of the food sector, producing proteins and oils from the collection and processing of marine products, mainly for the animal feed sector. The Barna Group is also present in the production and marketing of protein hydrolysates of marine origin, products with much greater nutritional value, something that is fully integrated into the strategy also followed by ETSA.

The Barna Group currently has more than 120 employees and two factories, one in Mundaka in the Basque Country and the other near Tarifa in Andalusia, from which more than 50 000 tonnes of fish by-products are processed every year.

1.4 BASIS FOR PREPARATION

AUTHORISATION TO ISSUE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 03 April 2025. However, they are still subject to approval by the General Shareholders Meeting, in accordance with the Portuguese commercial legislation.

The Company's senior management, which are the members of the Board of Directors who sign this report, declare that, to the best of their knowledge, the information contained herein was prepared in conformity with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and results of the Company.

ACCOUNTING FRAMEWORK

The separate financial statements for the period ended 31 December 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), effective 1 January 2024 and as adopted by the European Union.

BASIS FOR MEASUREMENT

The notes to the separate financial statements have been prepared on a going concern basis from the books and accounting records of the Company and based on historical cost, except for financial instruments measured at fair value through profit or loss or at fair value through other comprehensive income (Note 8.2). The liability for Pension and other post-employment benefits is recognised at its present value less the respective asset.

COMPARABILITY

These financial statements are comparable in all material respects with those of the previous year.

PRESENTATION CURRENCY AND TRANSACTIONS IN A CURRENCY OTHER THAN THE PRESENTATION CURRENCY AND HYPERINFLATIONARY ECONOMIES

The Company's functional currency is the Euro. These separate financial statements are presented in Euro.

All monetary assets and liabilities (amounts of cash and assets and liabilities receivable or payable in fixed or determinable amounts of units of a currency) of the Company expressed in a currency other than the functional currency were translated into Euro using the exchange rates in force on the balance sheet date (Note 8.1.1).

The exchange differences arising from differences between the exchange rates ruling at the transaction date and those ruling on collection, payment or at the Statement of financial position dates, are recorded as income and expenses in the period (Note 5.10).

The captions Profit for the period and Other comprehensive income from foreign subsidiaries (Note 10.1) were translated at the average exchange rate for the period, and the balances of assets, liabilities and goodwill of foreign subsidiaries were translated at the exchange rate on the balance sheet date. The exchange rate differences were recognised in Reserves through application of the equity method, in equity (Note 5.5).

For foreign operations in hyperinflationary economies, the financial statements in local currency are restated in terms of the measuring unit current at the statement of financial position date to reflect the impact of inflation before translation into the Company's presentation currency. IAS 29 – Financial Reporting in Hyperinflationary Economies requires that amounts not yet expressed in terms of the measuring unit current at the financial position date are restated by applying a general price index, leading to a potential gain or loss on the monetary position. Furthermore, the Company assesses the book value of non-current assets in accordance with IAS 36 — Impairment of Assets, so that the restated amount is reduced to the recoverable amount, ensuring that the book value reflects the economic value of the assets.

The profit and loss and financial position of foreign operations in hyperinflationary economies are translated at the closing rate at the date of the financial position. In the case of Lebanon, Semapa uses the exchange rate applicable to dividends and capital repatriation, because it is the rate at which, at the date of the financial position, the investment in the subsidiary will be recovered.

As at 31 December 2024 and 31 December 2023, the exchange rates used for the translation of assets and liabilities expressed in currencies other than Euro are detailed as follows:

	31/12/ 2024	31/12/ 2023	Valuation/ (devaluation)		31/12/ 2024	31/12/ 2023	Valuation/ (devaluation)
TND (Tunisian dinar)				DKK (Danish krone)			
Average exchange rate for the period	3.3662	3.3548	(0.34%)	Average exchange rate for the period	7.4589	7.4509	(0.11%)
Exchange rate for the end of the period	3.3016	3.3897	2.60%	Exchange rate for the end of the period	7.4578	7.4529	(0.07%)
LBP (Lebanese pound)				HUF (Hungarian forint)			
Average exchange rate for the period	96 847.00	99 118.50	2.29%	Average exchange rate for the period	395.3039	381.8527	(3.52%)
Exchange rate for the end of the period	92 981.60	99 118.50	6.19%	Exchange rate for the end of the period	411.3500	382.8000	(7.46%)
USD (American dollar)				AUD (Australian dollar)			
Average exchange rate for the period	1.0821	1.0816	(0.05%)	Average exchange rate for the period	1.6397	1.6288	(0.67%)
Exchange rate for the end of the period	1.0389	1.1050	5.98%	Exchange rate for the end of the period	1.6772	1.6263	(3.13%)
GBP (Pound sterling)				MZN (Mozambican metical)			
Average exchange rate for the period	0.8466	0.8698	2.67%	Average exchange rate for the period	69.1732	69.1060	(0.10%)
Exchange rate for the end of the period	0.8292	0.8691	4.59%	Exchange rate for the end of the period	66.7900	70.6500	5.46%
PLN (Polish zloti)				BRL (Brazilian real)			
Average exchange rate for the period	4.3058	4.5420	5.20%	Average exchange rate for the period	5.8331	5.4011	(8.00%)
Exchange rate for the end of the period	4.2750	4.3395	1.49%	Exchange rate for the end of the period	6.4354	5.3503	(20.28%)
SEK (Swedish krona)				MAD (Moroccan dirham)			
Average exchange rate for the period	11.4325	11.4788	0.40%	Average exchange rate for the period	10.7549	10.9552	1.83%
Exchange rate for the end of the period	11.4590	11.0960	(3.27%)	Exchange rate for the end of the period	10.5190	10.9445	3.89%
CZK (Czech koruna)				NOK (Norwegian krone)			
Average exchange rate for the period	25.1198	24.0043	(4.65%)	Average exchange rate for the period	11.6290	11.4248	(1.79%)
Exchange rate for the end of the period	25.1850	24.7240	(1.86%)	Exchange rate for the end of the period	11.7950	11.2405	(4.93%)
CHF (Swiss franc)				AOA (Angolan kwanza)			
Average exchange rate for the period	0.9526	0.9718	1.97%	Average exchange rate for the period	952.3159	747.8882	(27.33%)
Exchange rate for the end of the period	0.9412	0.9260	(1.64%)	Exchange rate for the end of the period	955.1715	925.3583	(3.22%)
TRY (Turkish lira)				MXN (Mexican peso)			
Average exchange rate for the period	35.5734	25.7597	(38.10%)	Average exchange rate for the period	19.8314	19.1830	(3.38%)
Exchange rate for the end of the period	36.7372	32.6531	(12.51%)	Exchange rate for the end of the period	21.5504	18.7231	(15.10%)
ZAR (South African rand)				AED (United Arab Emirates dirham)			
Average exchange rate for the period	19.8297	19.9551	0.63%	Average exchange rate for the period	3.9751	3.9710	(0.10%)
Exchange rate for the end of the period	19.6188	20.3477	3.58%	Exchange rate for the end of the period	3.8154	4.0581	5.98%
EGP (Egyptian pound)				CAD (Canadian dollar)			
Average exchange rate for the period	49.1213	33.1117	(48.35%)	Average exchange rate for the period	1.4821	1.4595	(1.55%)
Exchange rate for the end of the period	53.0349	34.2710	(54.75%)	Exchange rate for the end of the period	1.4948	1.4642	(2.09%)
ECV (Cape Verdean escudo)							
Average exchange rate for the period	110.2650	110.2650	0.00%				
Exchange rate for the end of the period	110.2650	110.2650	0.00%				

1.5 NEW IFRS STANDARDS ADOPTED AND TO BE ADOPTED

STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED IN 2024

	Amendment
Standards and amendments endorsed by the European Union	
Clarification require-ments for classifying liabilities as current or non-current (amend-ments to IAS 1 – Presentation of Finan-cial Statements)	On 23 January 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current and non-current. The amendments clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments: a. specify that an entity's right to defer settlement must exist at the end of the reporting period and must have substance; b. clarify that the ratios that the company must comply with after the balance sheet date (i.e., future ratios) do not affect the classification of a liability on the balance sheet date. However, when non-current liabilities are subject to future ratios, companies must disclose information that allows users to understand the risk that these liabilities may be repaid within 12 months of the balance sheet date; and c. clarify the requirements to classify the liabilities that an entity will settle, or may settle, by issuing its own equity instruments. (e.g. convertible debt). The amendments are effective for periods starting on 1 January 2024.
Lease liabilities in a sale and leaseback transaction (amend-ments to IFRS 16 Leases)	The IASB issued amendments to IFRS 16 Leases in September 2022 that introduce a new accounting model for variable payments in a sale and leaseback transaction. The amendments confirm that: - On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. - After initial recognition, the seller-lessee applies the general requirements for subsequent accounting for the lease liability so that it does not recognise any gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, a seller-lessee shall apply the amendments retrospectively to sale and leaseback transactions entered into on or after the date of initial application of IFRS 16. This means that it will need to identify and reassess sale and leaseback transactions entered into since the implementation of IFRS 16 in 2019, and potentially restate those that include variable lease payments.
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	On 25 May 2023, the International Accounting Standards Board (IASB) published Supplier Finance Arrangements with amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures. The amendments address disclosure requirements for supplier finance arrangements – also known as supply chain finance, trade payable finance or reverse factoring arrangements. The new requirements supplement those already included in the IFRS standards and include disclosures on: - Terms and conditions of supplier finance arrangements; - The amounts of liabilities covered by such arrangements, the extent to which suppliers have already received payments from the finance providers and under which caption those liabilities are presented in the balance sheet; - The ranges of payment due dates; and - Information on liquidity risk.

The above standards, amendments and interpretations had a limited impact on the financial statements.

STANDARDS, AMENDMENTS AND INTERPRETATIONS OF MANDATORY APPLICATION ON OR AFTER 1 JANUARY 2025

	Amendment	Date of application
Standards and amendments endorsed by the European Union which Semapa has opted not to apply early		
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	On 15 August 2023, the International Accounting Standards Board (IASB) issued Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates) (the amendments). The amendments clarify how an entity should assess whether a currency is exchangeable or not and how it should determine a spot exchange rate in situations of lack of exchangeability. An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. When a currency is not exchangeable, the entity has to estimate a spot exchange rate. According to the amendments, companies will have to provide new disclosures to help users assess the impact of using an estimated exchange rate on financial statements. These disclosures may include: - the nature and financial effects of the currency not being exchangeable; - the spot exchange rate used; - the estimation process; and - the risks to which the entity is exposed because of the currency not being exchangeable into the other currency. The amendments are effective for periods starting on 1 January 2025. Earlier application is permitted.	01 January 2025
IFRS 18 Presentation and Disclosure in Financial Statements	On 9 April 2024, the International Accounting Standards Board (IASB or Board) issued the new standard, IFRS 18 Presentation and Disclosure in Financial Statements. The main amendments to this Standard are: - Providing a more structured income statement. Specifically, it introduces a new subtotal "operating profit or loss" (as well as its definition) and the requirement that all income and expenses be classified into three new separate categories based on an entity's main business activities: Operating, Investing and Financing. -Requirement for entities to analyse their operating expenses directly on the face of the income statement – either by nature, by function or in combination. - Requirement for some of the "non-GAAP" measures that the Entity/Group uses to be reported in the financial statements. IFRS 18 defines management-defined performance measure (MPM or non-GAAP Performance Measures) as a subtotal of income and expenses that an Entity uses: - in public communications outside financial statements; and - to communicate management's view of the financial performance. IFRS 18 requires entities to disclose information about all its MPMs in a single note to the financial statements. These include: how the measure is calculated; how it provides useful information; and a reconciliation to a value determined in accordance with IFRS. - introduction of improved guidance on how entities group information in financial statements. It provides guidance on whether material information should be included in the primary financial statements or more detailed in the notes. The amendments are effective for periods beginning on or after 1 January 2027 and apply retrospectively. Earlier application is permitted.	01 January 2027
IFRS 19 Subsidiaries without Public Accountability	On 9 May 2024, the International Accounting Standards Board (IASB) issued the new Standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible subsidiaries to use IFRS with reduced disclosures. The application of IFRS 19 will reduce the costs of preparing the financial statements of subsidiaries, while maintaining the usefulness of the information for the users of their financial statements. A subsidiary may elect to apply the new standard in its consolidated, individual or separate financial statements, provided that, at the reporting date: - it has no public accountability; - its parent company prepares consolidated financial statements in accordance with IFRS. A subsidiary that applies IFRS 19 is required to make an explicit and unreserved statement of compliance with IFRS that IFRS 19 has been adopted. IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively. Earlier application is permitted.	01 January 2027

	Amendment	Date of application
Standards and amendments endorsed by the European Union which Semapa has opted not to apply early		
IFRS 9 - Amendments Regarding the Classification and Measurement of Financial Instruments	On 30 May 2024, the International Accounting Standards Board (IASB or Board) issued amendments regarding the classification and measurement requirements of IFRS 9 – Financial Instruments. The amendments aim to resolve the diversity in the application of the standard, making the requirements more understandable and consistent. The purpose of these amendments is to: - Clarify the classification of financial assets with environmental, social and corporate governance (ESG)-linked features and other similar contingent features since these features in loans can affect whether loans are measured at amortised cost or at fair value. To resolve any potential diversity in practical application, the amendments clarify how the contractual cash flows of loans should be valued. - Clarify the date on which a financial asset or financial liability is derecognised when it is settled using an electronic payment systems. There is an accounting policy option that allows a financial liability to be derecognised before the cash is delivered on the settlement date if certain conditions are met. - Improve the description of the term "non-recourse", according to the amendments, a financial asset has non-recourse features if the ultimate right to receive cash flows from an entity is contractually limited to the cash flows generated by specific assets. The presence of non-recourse features does not necessarily exclude the financial asset from complying with the SPPI, but its features need to be carefully analysed. - Clarify that contractually linked instruments (CLI) must feature a waterfall payment structure that creates concentration of credit risk by allocating losses disproportionately between different tranches. The underlying pool can include financial instruments not in the scope of IFRS 9 classification and measurement (e.g., finance leases) but must have cash flows that are equivalent to SPPI. The IASB has also introduced additional disclosure requirements for equity investments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features linked to ESG targets. The amendments are effective for periods beginning on or after 1 January 2026. Earlier adoption is permitted.	01 January 2026
Annual improvements	On 18 July 2024, the International Accounting Standards Board (IASB) issued limited amendments to the IFRS and respective guidelines, resulting from the regular maintenance carried out on the Standards. The amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS. The IASB amended: - IFRS 1 First-time Adoption of International Financial Reporting Standards, to clarify certain aspects related to the application of hedge accounting by an entity that is preparing financial statements in accordance with IFRS for the first time; - IFRS 7 Financial Instruments: Disclosures and the respective Implementation Guidance, in order to clarify: - The application guidance, regarding Gain and loss on derecognition; and - The implementation guidance, namely its Introduction, Fair value paragraph (disclosures regarding the difference between fair value and transaction price) and Credit risk disclosure. - IFRS 9 Financial Instruments to: - Require companies to initially measure a receivable without a significant financing component at the amount determined by ap-plying IFRS 15, and - Clarify that when a lease liability is derecognised, the derecognition is accounted for under IFRS 9. However, when a lease liabil-ity is modified, the modification is accounted for under IFRS 16 Leases. The amendment establishes that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. - IFRS 10 Consolidated Financial Statements, clarification on the determination of a "de facto agent"; and - IAS 7 Cash Flow Statements, amendment of detail in the paragraph relating to Investments in subsidiaries, associates and joint ventures. The amendments apply to annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.	01 January 2026

	Amendment	Date of application
Standards and amendments endorsed by the European Union which Semapa has opted not to apply early		
Amendments to IFRS 9 and IFRS 7 Nature-dependent electricity contracts	On 18 December 2024, the International Accounting Standards Board (IASB) issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include: - Clarifying the application of the 'own-use' requirements; - Permitting hedge accounting if these contracts are used as hedging instruments; and - Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial per-formance and cash flows. These amendments are required to be applied for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted.	01 January 2026

With respect to the above standards, which are not yet mandatory, Semapa has not yet completed the calculation of all impacts arising from their application and has therefore elected to apply them early. These impacts are not expected to be material.

1.6 MAIN ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of estimates and judgements that affect the amounts of income, expenses, assets, liabilities and disclosures at the date of the financial position. To that end, the Board's estimates and judgements are based on:

(i) the best information and knowledge of current events and in certain cases on the reports of independent experts, and

(ii) the actions that the Company considers it may have to take in the future.

On the date on which the operations take place, the outcome could differ from those estimates.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

The estimates and assumptions which present a significant risk of generating a material adjustment to the book value of assets and liabilities in the following financial period are presented below:

Estimates and judgements	Notes
Recoverable amount from investments in subsidiaries and jointly-controlled entities	10. 1– Investments in subsidiaries and jointly-controlled entities
Uncertainty over Income Tax Treatments	6.1 – Income tax for the period 6.2 – Deferred taxes
Actuarial assumptions	7.2 – Employee benefits
Recognition of provisions	9.1 – Provisions

2 OPERATIONAL PERFORMANCE

2.1 REVENUE

Semapa's revenue is derived from the Group's centralised management activities, corresponding to the services provided by the company to its subsidiaries in areas such as strategic planning, legal, financial, accounting and tax advice, information systems and talent management.
In providing services to Group companies, Semapa incurs mainly payroll costs and the hiring of specialised services (Note 2.3).
Revenue is recognised in accordance with IFRS 15 on a monthly basis for services provided on a regular basis over the contract period.
Revenue is presented by business lines of subsidiaries and by geographic area, based on the country of destination of the services rendered by the Company.

REVENUE BY BUSINESS SEGMENT, BY GEOGRAPHIC AREA AND BY RECOGNITION PATTERN

2024	Pulp and paper	Cement	Other businesses	Total Amount	Total %
Portugal	11 514 414	5 271 615	879 337	**17 665 366**	100%
	11 514 414	**5 271 615**	**879 337**	**17 665 366**	**100%**
Recognition pattern					
Over time	11 514 414	5 271 615	879 337	**17 665 366**	100%

2023	Pulp and paper	Cement	Other businesses	Total Amount	Total %
Portugal	9 710 177	4 238 317	2 048 320	**15 996 914**	100%
	9 710 177	**4 238 317**	**2 048 320**	**15 996 914**	**100%**
Recognition pattern					
Over time	9 710 177	4 238 317	2 048 320	**15 996 914**	100%

2.2 OTHER OPERATING INCOME

As at 31 December 2024 and 31 December 2023, Other operating income is detailed as follows:

Amounts in Euro	2024	2023
Supplementary gains - related parties (Note 10.2)	237 511	146 568
Gains on disposal of non-current assets	280	480
Other operating income	962	1 334
	238 753	**148 382**

2.3 OTHER OPERATING EXPENSES

As at 31 December 2024 and 31 December 2023, Other operating expenses is detailed as follows:

Amounts in Euro	2024	2023
External services and supplies		
Specialised services - related parties (Note 10.2)	1 842 843	1 470 553
Specialised services - other	1 868 877	4 018 779
Travel and accommodation	652 372	486 499
Energy and fluids	83 564	70 245
Materials	342 961	252 512
Related Estate expenditure - related parties (Note 10.2)	778 699	696 141
Other	374 821	292 081
	5 944 137	**7 286 810**
Payroll costs (Note 7.1)	**10 869 457**	**8 716 343**
Other operating expenses		
Taxes	275 062	239 322
Losses on disposal of non-current assets	-	794
Donations	10 152 772	130 500
Membership fees	62 990	59 974
Other expenses	52 438	39 628
	10 543 261	**470 218**
Total operating expenses	**27 356 855**	**16 473 371**

As at 31 December 2024, short-term lease expenses amounted to Euro 858 491 (2023: Euro 770 126) and expenses from leases of low value assets amounted to Euro 28 427 (2023: Euro 12 618) recoverable in subsequent years were recognised.

In 2024, there was a decrease in external services and supplies, mainly related to management and financial advisory costs resulting from the acquisition of Triangle's in 2023.

In 2024, the Donations caption includes the amount of Euro 10 000 000 allocated by Semapa, as an initial funding, to the Semapa – Pedro Queiroz Pereira Foundation and the amount of Euro 100 105 allocated to the Nossa Senhora do Bom Sucesso Foundation (2023: Euro 91 199) (Note 10.2).

FEES REGARDING STATUTORY AUDIT AND AUDIT SERVICES

In the period ended 31 December 2024 and 31 December 2023, the amount of fees invoiced, as well as the related expenses for the period in respect of statutory audit and audit services were as follows:

Amounts in Euro	2024		2023	
	Expenses in the period	Fees invoiced	Expenses in the period	Fees invoiced
KPMG (SROC) and other entities belonging to the same network				
Audit fees	50 500	44 675	49 500	60 575
Other assurance services	36 250	28 625	16 572	18 000
	86 750	**73 300**	**66 072**	**78 575**

The services indicated as Other assurance services concern essentially the issue of reports on financial information, services to verify the sustainability information and limited reviews relating to financial information.

The Board of Directors believes there are adequate procedures safeguarding the independence of auditors, through the Audit Board process analysis of the work proposed and careful definition of the work to be performed by the auditors.

3 INVESTIMENTS

3.1 PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment includes buildings and other structures, consisting mainly of work on third-party property, office equipment, consisting mainly of furniture and IT equipment, and other property, plant and equipment.

<table>
<tr><th></th><th></th></tr>
<tr><td>Recognition and initial measurement</td><td>Property, plant and equipment are recorded at acquisition cost less accumulated depreciation and impairment losses.</td></tr>
<tr><td>Depreciation and impairment</td><td>We use the straight-line method from the moment the asset is available for use and using the rates that best reflect their estimated useful life.
<table>
<tr><td rowspan="3">Estimated useful life (years):</td><td>Buildings and other constructions</td><td>8 – 10</td></tr>
<tr><td>Administrative equipment</td><td>3 – 10</td></tr>
<tr><td>Other property, plant and equipment</td><td>8</td></tr>
</table>
Semapa does not apply residual amounts to its assets. The respective useful lives are reviewed and adjusted, if necessary, at the Statement of financial position date. When the carrying amount of the asset exceeds its realisable value, the asset is written down to the estimated recoverable amount, and an impairment charge is booked (Note 3.3).</td></tr>
<tr><td>Subsequent costs</td><td>Major maintenance expenses are considered a component of the acquisition cost of property, plant and equipment and are fully depreciated throughout the estimated useful life.

All other repairs and maintenance costs are recognised in the income statement in the period in which they are incurred.</td></tr>
<tr><td>Write-offs and disposals</td><td>Gains or losses arising from write-offs or disposals are determined by the difference between the proceeds from the disposals when applicable less transaction costs and the carrying amount of the asset and are recognised in the income statement as Other operating income (Note 2.2) or Other operating expenses (Note 2.3).</td></tr>
</table>

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

Amounts in Euro	Buildings and other constructions	Equipment and other tangible assets	Assets under construction	Total
Gross amount				
Balance as at 1 January 2023	**2 492 900**	**1 432 703**	**-**	**3 925 503**
Acquisitions	-	27 998	-	27 998
Disposals	-	(12 946)	-	(12 946)
Adjustments, transfers and write-offs	-	-	-	-
Balance as at 31 December 2023	**2 492 900**	**1 447 655**	**-**	**3 940 455**
Acquisitions	20 687	49 436	34 921	104 944
Disposals	-	(6 765)	-	(6 765)
Adjustments, transfers and write-offs	(1 933 679)	(849 061)	(17 021)	(2 699 762)
Balance as at 31 December 2024	**679 907**	**641 265**	**17 900**	**1 338 973**
Accumulated amortisation and impairment losses				
Balance as at 1 January 2023	**(2 087 228)**	**(1 351 657)**	**-**	**(3 438 985)**
Depreciation for the period (Note 3.3)	(69 268)	(46 657)	-	(115 925)
Disposals	-	12 152	-	12 152
Adjustments, transfers and write-offs	-	-	-	-
Balance as at 31 December 2023	**(2 156 496)**	**(1 386 162)**	**-**	**(3 542 658)**
Depreciation for the period (Note 3.3)	(62 921)	(37 395)	-	(100 216)
Disposals	-	6 765	-	6 765
Adjustments, transfers and write-offs	1 950 701	849 061	-	2 699 761
Balance as at 31 December 2024	**(368 616)**	**(567 731)**	**-**	**(936 348)**
Net book value as at 1 January 2023	**405 572**	**81 046**	**-**	**486 618**
Net book value as at 31 December 2023	**336 304**	**61 493**	**-**	**397 797**
Net book value as at 31 December 2024	**311 191**	**73 534**	**17 900**	**402 525**

3.2 RIGHT-OF-USE ASSETS

At the date the lease enters into force, the Company recognises an asset under right of use at its cost, which corresponds to the initial amount of the lease liability adjusted for: i) any prepayments; ii) lease incentives received; and iii) initial direct costs incurred.

To the right-of-use asset, the estimate of removing and/or restoring the underlying asset and/or the location where it is located may be added, when required by the lease agreement.

The right-of-use asset is subsequently depreciated using the straight-line method, from the start date until the lower between the end of the asset's useful life and the lease term. Additionally, the right-of-use asset reduced of impairment losses, if any, and adjusted for any remeasurement of the lease liability. The useful life considered for each class of right-of-use asset is equal to the useful life of Property, plant and equipment (Note 3.1) in the same class when there is a call option and the Company expects to exercise it.

SHORT-TERM LEASES AND LOW-VALUE ASSET LEASES

The Company recognises payments for leases of 12 months or less and for leases of assets whose individual acquisition value is less than Euro 5 000 directly as operating expenses of the year (Note 2.3), on a straight-line basis.

MOVEMENTS IN RIGHT-OF-USE ASSETS

Amounts in Euro	Equipment and other assets
Gross amount	
Balance as at 1 January 2023	**479 674**
Acquisitions	286 354
Adjustments, transfers and write-offs	(50 475)
Balance as at 31 December 2023	**715 553**
Acquisitions	181 533
Adjustments, transfers and write-offs	(53 263)
Balance as at 31 December 2024	**843 823**
Accumulated amortisation, depreciation and impairment losses	
Balance as at 1 January 2023	**(197 370)**
Depreciation	(128 245)
Adjustments, transfers and write-offs	50 475
Balance as at 31 December 2023	**(275 140)**
Depreciation	(160 354)
Adjustments, transfers and write-offs	53 263
Balance as at 31 December 2024	**(382 232)**
Net book value as at 1 January 2023	**282 304**
Net book value as at 31 December 2023	**440 413**
Net book value as at 31 December 2024	**461 591**

The company's right-of-use assets correspond essentially to vehicles.

3.3 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

Amounts in Euro	2024	2023
Depreciation of property, plant and equipment for the period (Note 3.1)	100 216	115 925
Amortisation of right-of-use assets for the period (Note 3.2)	160 354	128 245
	260 570	**244 170**

4 WORKING CAPITAL

4.1 RECEIVABLES

RECEIVABLES FROM RELATED PARTIES AND OTHER RECEIVABLES

Classification	Amounts receivable from related parties result essentially from services provided to the Company's subsidiaries (Note 2.1), amounts receivable from subsidiaries under tax consolida-tion (Note 6.1) and loans granted to subsidiaries. The business model followed is "hold to collect". Balances from other debtors are typically from the "hold to collect" model.
Initial measurement	At fair value
Subsequent measurement	At amortised cost, net of impairment losses.
Impairment	Impairment losses are recorded on the basis of the general estimated credit loss model of IFRS 9.

As at 31 December 2024 and 31 December 2023, Receivables are detailed as follows:

	31/12/2024			31/12/2023		
Amounts in Euro	**Non-current**	**Current**	**Total**	**Non-current**	**Current**	**Total**
Receivables - current operations with related parties	-	9 316 746	9 316 746	-	20 024 045	20 024 045
Share of profit/(losses) - related parties (Note 10.2)	-	70 029 728	70 029 728	-	-	-
Loans granted - related parties (Note 10.2)	-	10 000 000	10 000 000	-	-	-
Tax consolidation - related parties (Note 10.2)	-	6 767 380	6 767 380	-	3 680 561	3 680 561
Accrued income	-	184 511	184 511	-	221 139	221 139
Deferred expenses	-	247 363	247 363	-	239 212	239 212
Other	30 204	41 291	71 495	30 807	3 790	34 597
	30 204	**96 587 019**	**96 617 223**	**30 807**	**24 168 747**	**24 199 554**

As at 31 December 2024, Loans granted – related companies comprises Euro 10 000 000 of treasury operations between Semapa and the subsidiary ETSA - Investimentos, SGPS, S.A. (Note 10.2).

As at 31 December 2024 and 31 December 2023, Deferred expenses in the amount of Euro 247 363 and Euro 239 212, respectively, are related to external services and supplies.

The amounts above are net of accumulated impairment losses. Analysis of impairment for receivables is presented in Note 8.1.4 – Credit risk.

4.2 PAYABLES

FINANCIAL LIABILITIES AT AMORTISED COST	
Initial measurement	At fair value, net of transaction costs incurred.
Subsequent measurement	At amortised cost, using the effective interest rate method. The difference between the repayment amount and the initial measurement amount is recognised in the income statement over the debt period under "Interest on other financial liabilities at amortised cost" (Note 5.10).

As at 31 December 2024 and 31 December 2023, Payables is detailed as follows:

	31/12/2024	31/12/2023
Amounts in Euro	**Current**	**Current**
Trade payables - current operations with related parties (Note 10.2)	1 673 142	4 077 116
Tax consolidation - related parties (Note 10.2)	1 951 688	3 325 110
Trade payables – current account	193 649	143 952
State	702 119	966 902
Accrued costs	5 383 913	3 233 564
Other payables	356	359
	9 904 768	**11 746 903**

State is detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Income tax withholdings	136 009	124 566
Value Added Tax	439 546	731 681
Social Security contributions	126 564	110 555
	702 119	**966 802**

As at 31 December 2024 and 31 December 2023, there were no arrears with the State.

The caption Accrued costs is detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Payroll costs	5 269 805	3 170 992
External services and supplies	114 008	62 572
	5 383 813	**3 233 564**

5 CAPITAL STRUCTURE

5.1 CAPITAL MANAGEMENT

CAPITAL MANAGEMENT POLICY

For capital management purposes, the Company defines capital as including equity and net debt.

The Company manages the Group's corporate debt, with the main holding companies of each business line having autonomous treasury management.

The Company's objectives regarding capital management are:

- To safeguard the Company's ability to continue as a going concern and thus provide returns for Shareholders and benefits for its remaining stakeholders;
- To keep a solid capital structure to support the growth of the Group's business; and
- To maintain an optimal capital structure that enables it to reduce the cost of capital.

In order to maintain or adjust its capital structure, the Company can adjust the amount of dividends payable to its shareholders, return capital to its shareholders, issue new shares or sell assets to lower its borrowings.

5.2 SHARE CAPITAL AND THEASURY SHARES

Semapa's share capital is fully subscribed and paid up, represented by shares with no nominal value.
Costs directly attributable to the issue of new shares or other equity instruments are reported as a deduction, net of taxes, from the proceeds of the issue.
The cost directly attributable to the issue of new shares options for a business acquisition are included in the acquisition cost, as part of the purchase price.

TREASURY SHARES

Recognition	At acquisition value, as a reduction of equity.
Disposal of treasury shares	When shares are subsequently sold or repurchased, any proceeds, net of the directly at-tributable transaction costs and taxes, is reflected in the shareholders' equity of the compa-ny's shareholders, under Other reserves (Note 5.5).
Extinction of treasury shares	The extinction of treasury shares is reflected in the financial statements, as a reduction of share capital and in the caption Treasury shares at its nominal and acquisition cost, respective-ly. The differential between those amounts is recorded in Other reserves.

SEMAPA'S SHAREHOLDERS

	31/12/2024		31/12/2023	
Entity	No. of shares	%	No. of shares	%
Shares without par value				
Cimo - Gestão de Participações, SGPS, S.A.	38 959 431	47.94	38 959 431	47.94
Sodim, SGPS, S.A.	27 508 992	33.85	27 508 992	33.85
Treasury shares	1 400 627	1.72	1 400 627	1.72
Other shareholders with less than 5% shareholdings	13 401 050	16.49	13 401 050	16.49
	81 270 000	**100.00**	**81 270 000**	**100.00**

TREASURY SHARES – MOVEMENTS

	2024		2023	
	No. of shares	Book value (Euro)	No. of shares	Book value (Euro)
Treasury shares held at the beginning of the period	1 400 627	15 946 363	1 400 627	15 946 363
Treasury shares at the end of the period	**1 400 627**	**15 946 363**	**1 400 627**	**15 946 363**

5.3 EARNINGS PER SHARE

The basic earnings per share are determined based on the division of profits or losses attributable to the ordinary shareholders of the Company by the weighted average number of common shares outstanding during the period.
For the purpose of calculating diluted earnings per share, Semapa adjusts the profit or loss attributable to ordinary equity holders, as well as the weighted average number of outstanding shares, for the purposes of all potential dilutive common shares.

Amounts in Euro	2024	2023
Net profit attributable to the Shareholders of Semapa	**232 735 949**	**244 507 409**
Total number of shares issued	81 270 000	81 270 000
Average number of treasury shares in the portfolio	(1 400 627)	(1 400 627)
Weighted average number of shares	**79 969 373**	**79 969 373**
Basic earnings per share	**2.914**	**3.061**
Diluted earnings per share	**2.914**	**3.061**

5.4 DIVIDENDS

COMPANY'S DIVIDEND DISTRIBUTION POLICY

The Company favours a dividend policy that minimises the volatility of the annual amount returned to shareholders per share (Dividend Policy).

Dividends per share presented are calculated based on the number of shares outstanding on the grant date.

The distribution of dividends to shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the shareholders and until they are paid.

DIVIDENDS ALLOCATED IN THE PERIOD

Amounts in Euro	Date	Amount approved	Dividends per share
Allocations in 2024			
Approval of payment of dividends relating to the 2023 net profit on an individual basis in accord-ance with IFRS at the Annual Shareholders' Meeting of Semapa	24 May 2024	49 998 228	0.626
Allocations in 2023			
Approval of payment of dividends relating to the 2022 net profit on an individual basis in accord-ance with IFRS at the Annual Shareholders' Meeting of Semapa	18 May 2023	75 975 904	0.950

5.5 RESERVES AND RETAINED EARNINGS

RESERVES BY APPLYING THE EQUITY METHOD

Corresponds to the accumulated changes in equity in the Company's subsidiaries and jointly controlled entity, whose investment is measured by the equity method (Note 10.1).

In accordance with the Portuguese Commercial Companies Code, these reserves are not distributable.

FAIR VALUE RESERVES

Corresponds to the accumulated change in fair value of financial investments measured at fair value through other comprehensive income (Note 8.2), net of deferred taxes. The fair value adjustments of financial investments rec-orded under this caption is not recycled to profit or loss.

LEGAL RESERVES

The Portuguese commercial legislation prescribes that at least 5% of annual net profit must be transferred to the legal reserve, until this is equal to at least 20% of the share capital. This reserve cannot be distributed unless the company is liquidated. It may, however, be drawn on to absorb losses, after other reserves are exhausted, or incor-porated in the share capital.

The legal reserve is constituted by its maximum amount in the periods presented.

OTHER RESERVES

This caption corresponds to reserves constituted through the transfer of prior period's profit and other movements. The portion of the balance corresponding to the acquisition value of treasury shares held is not distributable (Note 5.2).

Amounts in Euro	31/12/2024	31/12/2023
Reserves by applying the Equity Method	(408 304 036)	(394 798 767)
Legal reserve	16 695 625	16 695 625
Other reserves	1 643 292 991	1 450 783 810
Retained earnings	90 913 997	88 913 994
Other movements in equity	(956 508)	-
Reserves and retained earnings	**1 341 642 069**	**1 161 594 662**

RESERVES BY APPLYING THE EQUITY METHOD – MOVEMENTS

Amounts in Euro	2024	2023
Balance at the beginning of the period	**(394 798 767)**	**(374 212 824)**
Other comprehensive income		
Items that may be reclassified to the income statement		
Fair value of financial instruments	3 238 443	(20 774 299)
Currency translation reserve	(15 048 137)	3 934 240
	(11 809 694)	**(16 840 059)**
Items that may not be reclassified to the income statement		
Actuarial gains and losses	414 916	2 100 622
Exchange differences in equity instruments	1 196 658	8 371
Impact of hyperinflationary economies	-	(1 145 734)
	1 611 574	**963 259**
Differences in the acquisition of non-controlling interests	956 508	-
Other movements	(4 263 657)	(4 709 143)
	(3 307 149)	**(4 709 143)**
Balance at the end of the period	**(408 304 036)**	**(394 798 767)**

In the period ended 31 December 2024, the amount of Euro 4 263 655 recorded under Other movements mainly relates to acquisitions of shareholdings from non-controlling interests made by Semapa and its subsidiary, The Navigator Company, S.A.

RESERVES BY APPLYING THE EQUITY METHOD – BY SUBSIDIARY AND JOINTLY-CONTROLLED ENTITY

Amounts in Euro	31/12/2024	31/12/2023
Subsidiaries		
ETSA Investimentos, SGPS, S.A.	(9 227 389)	(9 227 389)
Secil – Companhia Geral Cal e Cimento, S.A.	(305 002 194)	(283 047 623)
Semapa Inversiones, S.L.	(36 763 555)	(36 763 554)
Semapa Next, S.A.	1 822 873	(4 183 415)
The Navigator Company, S.A.	(58 905 541)	(61 365 308)
Jointly-controlled entity		
UTIS - Ultimate Technology to Industrial Savings, S.A.	(228 230)	(211 478)
	(408 304 036)	**(394 798 767)**

OTHER CHANGES IN EQUITY

During the period ended 31 December 2024, Semapa acquired 425 000 shares in The Navigator Company, S.A. from non-controlling interests, corresponding to 0.06% of the share capital of this subsidiary.

5.6 INTEREST-BEARING LIABILITIES

Interest-bearing liabilities includes Bonds, Commercial Paper, bank loans and other financing.

Initial measurement	At fair value, net of transaction costs incurred.
Subsequent measurement	At amortised cost, using the effective interest rate method. The difference between the repayment amount and the initial measurement amount is recognised in the Separate Income Statement over the debt period under "Interest expenses on other loans" in Note 5.10 – Net Financial Results, using the effective interest rate method.
Fair value	The book value of short-term interest-bearing liabilities or loans contracted at variable interest rates are close to their fair value. The fair value of loans bearing interest at a fixed rate is disclosed in Note 8.3 – Financial assets and liabilities.
Disclosure	The Group must classify a liability as current when: a) it expects to settle the liability in the normal course of its operating cycle; b) it holds the liability primarily for trading purposes; c) the liability is expected to be settled within twelve months of the reporting period; or d) it does not have a right to defer settlement of the liability for at least twelve months after the reporting period.

COMMERCIAL PAPER

The Company has several commercial paper programmes negotiated; agreements with which issues with contractual maturity below one year and with a revolving nature are often made. Where the Company expects to roll over these loans, it presents them as non-current liabilities.

As at 31 December 2024 and 31 December 2023, Interest-bearing liabilities are detailed as follows:

Amounts in Euro	31/12/2024			31/12/2023		
	Non-current	Current	Total	Non-current	Current	Total
Bond loans	158 000 000	14 000 000	172 000 000	222 000 000	14 000 000	236 000 000
Commercial paper	3 000 000	26 750 000	29 750 000	4 750 000	1 750 000	6 500 000
Bank loans	30 000 000	-	30 000 000	30 000 000	-	30 000 000
Charges with the issue of loans	(2 367 763)	851 238	(1 516 525)	(2 413 208)	2 468 034	54 926
Debt securities and bank debt	**188 632 237**	**41 601 238**	**230 233 475**	**254 336 792**	**18 218 034**	**272 554 926**
Short-term loans from subsidiaries (Note 10.2)	-	-	-	-	83 578	83 578
Other interest-bearing liabilities	**-**	**-**	**-**	**-**	**83 578**	**83 578**
Total interest-bearing liabilities	**188 632 237**	**41 601 238**	**230 233 475**	**254 336 792**	**18 301 612**	**272 638 404**

The maturity analysis of interest-bearing liabilities is presented in the Note 8.1.3 – Liquidity risk.

BOND LOANS

Amounts in Euro	31/12/2024			Maturity	Index
	Non-current	Current	Total		
Semapa 2022 / 2027	58 000 000	14 000 000	72 000 000	April 2027	Variable rate indexed to Euribor
Semapa 2023 / 2030	100 000 000	-	100 000 000	June 2030	Variable rate indexed to Euribor
	158 000 000	**14 000 000**	**172 000 000**		

Amounts in Euro	31/12/23			Maturity	Index
	Non-current	Current	Total		
Semapa 2021 / 2026	50 000 000	-	50 000 000	December 2026	Variable rate indexed to Euribor
Semapa 2022 / 2027	72 000 000	14 000 000	86 000 000	April 2027	Variable rate indexed to Euribor
Semapa 2023 / 2030	100 000 000	-	100 000 000	June 2030	Variable rate indexed to Euribor
	222 000 000	**14 000 000**	**236 000 000**		

COMMERCIAL PAPER

Amount contracted	31/12/2024			Maturity	Index
	Non-current	Current	Total		
6 500 000	3 000 000	1 750 000	4 750 000	October 2026	Variable rate indexed to Euribor
25 000 000	-	25 000 000	25 000 000	May 2027	Variable rate indexed to Euribor
-	**3 000 000**	**26 750 000**	**29 750 000**		

Amount contracted	31/12/23			Maturity	Index
	Non-current	Current	Total		
6 500 000	4 750 000	1 750 000	6 500 000	October 2026	Variable rate indexed to Euribor
-	**4 750 000**	**1 750 000**	**6 500 000**		

BANK LOANS

Index	31/12/2024		31/12/2023	
	Non-current	Total	Non-current	Total
Variable rate	30 000 000	30 000 000	30 000 000	30 000 000
	30 000 000	**30 000 000**	**30 000 000**	**30 000 000**

FINANCIAL COVENANTS IN FORCE

Considering the contracted limits, in 2024 and 2023, the Company is in compliance with the covenants negotiated.

5.7 LEASE LIABILITIES

Interest-bearing liabilities includes Bonds, Commercial Paper, bank loans and other financing.

Initial measurement	At the start date of the lease, the Company recognises lease liabilities measured at the present value of future lease payments, which include fixed payments less lease incentives, variable lease payments, and amounts expected to be paid as residual value. Lease payments also include the price of exercise of renewal options reasonably certain to be exercised by the Company or lease termination penalty payments if the lease term reflects the Company's option to terminate the agreement. In calculating the present value of future lease payments, the Company determines the incremental financing rate if the implied interest rate on the lease transaction is not easily determinable.
Subsequent measurement	Subsequently, the value of the lease liabilities is increased by the interest amount (Note 5.10 Net financial results) and decreased by the lease payments (rents).
Disclosure	As a current liability, except when the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

	31/12/2024			31/12/2023		
Amounts in Euro	**Non-current**	**Current**	**Total**	**Non-current**	**Current**	**Total**
Vehicles	311 414	158 254	469 668	304 267	142 503	446 770
	311 414	**158 254**	**469 668**	**304 267**	**142 503**	**446 770**

The maturity analysis of interest-bearing liabilities is presented in the Note 8.1.3 – Liquidity risk.

5.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, bank accounts and other short-term investments with an initial maturity of up to 3 months, which can be mobilised immediately without any significant risk in value fluctuations.
For cash flow statement purposes, this caption also includes bank overdrafts, which are presented in the Statement of financial position as a current liability, under the caption Interest-bearing liabilities (Note 5.6).

Amounts in Euro	31/12/2024	31/12/2023
Cash	100	100
Short-term bank deposits	69 434 218	37 974 901
Cash and cash equivalents	**69 434 318**	**37 975 001**

5.9 CASH FLOWS FROM FINANCING ACTIVITIES

MOVEMENTS IN LIABILITIES FOR FINANCING ACTIVITIES

Amounts in Euro	01/01/2024	Cash flows from financing activities	Transactions not affecting cash and cash equivalents			31/12/2024
			Leases recognition	Amortisation costs	Accrued interest	
Interest-bearing liabilities (Note 5.6)						
Bond loans	236 000 000	(64 000 000)	-	-	-	172 000 000
Commercial paper	6 500 000	23 250 000	-	-	-	29 750 000
Bank loans	30 000 000	-	-	-	-	30 000 000
Charges with the issue of loans	54 926	(16 307 971)	-	6 697 048	8 039 472	(1 516 525)
Other interest-bearing liabilities	83 578	(83 578)	-	-	-	-
Lease liabilities (Note 5.7)	446 770	(158 634)	181 533	-	-	469 669
Total	**273 085 174**	**(57 300 082)**	**181 533**	**6 697 048**	**8 039 472**	**230 703 143**

Amounts in Euro	01/01/2023	Cash flows from financing activities	Transactions not affecting cash and cash equivalents			31/12/2023
			Leases recognition	Amortisation costs	Accrued interest	
Interest-bearing liabilities (Note 5.6)						
Bond loans	250 000 000	(14 000 000)	-	-	-	236 000 000
Commercial paper	18 250 000	(11 750 000)	-	-	-	6 500 000
Bank loans	18 500 000	11 500 000	-	-	-	30 000 000
Loans related charges	(298 344)	10 963 034	-	(13 331 069)	2 921 205	54 926
Other interest-bearing liabilities	85 578	(2 000)	-	-	-	83 578
Lease liabilities (Note 5.7)	286 775	(126 359)	286 354	-	-	446 770
Total	**286 924 009**	**(3 515 325)**	**286 354**	**(13 331 069)**	**2 921 205**	**273 085 174**

5.10 NET FINANCIAL RESULTS

The company classifies as “financial income” income and gains resulting from treasury management activities such as: i) interest earned on the investment of cash surpluses; and ii) changes in the fair value of financial investments measured at fair value through profit or loss.

As at 31 December 2024 and 31 December 2023, Net financial results are detailed as follows:

Amounts in Euro	2024	2023
Interest paid on debt securities and bank debt	(12 501 624)	(11 732 306)
Interest on other interest-bearing liabilities	-	(857)
Commissions on loans and expenses with credit facilities	(1 945 659)	(1 977 063)
Interest paid using the effective interest method	**(14 447 282)**	**(13 610 226)**
Interest expense on lease liabilities	(11 412)	(9 443)
Financial expenses related to the capital structure	**(14 458 694)**	**(13 619 669)**
Fair value losses on Other financial investments	(24 699)	(28 372)
Other expenses and financial losses	(9 480)	(7 454)
Financial expenses and losses	**(14 492 974)**	**(13 655 495)**
Interest income on financial assets at amortised costs	1 966 909	2 662 355
Fair value gains on Other financial investments	47 728	33 913
Compensatory interest	922 900	1 480 749
Other financial income and gains	2 900 267	3 496
Financial income and gains	**5 737 705**	**4 180 413**
Net financial results	**(8 755 169)**	**(9 475 082)**

Interest earned on financial assets at amortised cost essentially corresponds to interest from financial investments.

The amount of compensatory interest refers to tax proceedings with the Tax Authorities that have been resolved in the company's favour.

6 INCOME TAX

6.1 INCOME TAX FOR THE PERIOD

Current income tax is calculated based on net profit, adjusted in conformity with tax legislation in force at the Statement of financial position date.
According to the legislation in force, the gains and losses on investments in subsidiaries, associates and joint ventures, resulting from the application of the equity method are not relevant for tax purposes and are deducted from or added to, respectively, to the net profit for the period for the purpose of calculating taxable income. Dividends are considered, when determining the taxable income, in the year in which they are received, if the financial investments are held for less than one year or if they represent less than 10% of the share capital.

TAX GROUP

The parent company of the tax group which includes Semapa and its subsidiaries is Sodim, SGPS, S.A. (Note 1.1), since 1 January 2023.
The amounts the Company has receivable from or payable to other companies in the tax group in respect of their liabilities are presented under Receivables (Note 4.1) and Payables (Note 4.2).

The Company recognises liabilities for additional tax assessments that may result from inspections by the Tax Authorities. When the final result of these inspections is different from the amounts initially recorded, the differences will have an impact on income tax in the period in which the final result is known.
In Portugal, annual income statements are subject to review and possible adjustment by the tax authorities for a period of 4 years. However, if tax losses are presented, they may be subject to review by the tax authorities for a longer period.
The Board of Directors considers that any corrections to those declarations as a result of reviews/inspections by the Portuguese Tax Authorities will not have a significant impact in the separate financial statements as at 31 December 2024, although the periods up to and including 2020 have already been reviewed.

ADDITIONAL TAX LIABILITIES FOR UNCERTAIN TAX POSITIONS

The amount of assets and liabilities recorded for tax proceedings arises from an assessment made by the Company, as at the date of the Statement of Financial Position, as to potential differences of interpretation with the Portuguese tax authorities regarding the application of tax rules and recent developments.
The Company, in relation to the measurement of uncertain tax positions, considers the provisions of IFRIC 23 – "Uncertainty over Income Tax Treatments", namely the measurement of risks and uncertainties in the definition of the best estimate of the expense required to settle the obligation, by weighing all the possible results that are controlled by them and their associated probabilities.

6.1.1 TAX AMOUNT RECOGNISED IN THE INCOME STATEMENT

Amounts in Euro	2024	2023
Current tax	15 071 951	6 238 548
Deferred taxes	(3 450 297)	8 739 106
	11 621 653	**14 977 654**

NOMINAL TAX RATE

	2024	2023
Portugal		
Nominal income tax rate	21.0%	21.0%
Municipal surcharge	1.5%	1.5%
	22.5%	**22.5%**
State surcharge – on the share of taxable profits between Euro 1 500 000 and Euro 7 500 000	3.0%	3.0%
State surcharge – on the share of taxable profits between Euro 7 500 000 and Euro 35 000 000	5.0%	5.0%
State surcharge – on the share of taxable profits above Euro 35 000 000	9.0%	9.0%

RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE FOR THE PERIOD

Amounts in Euro	2024	2023
Profit before tax	**221 114 295**	**229 529 755**
Expected tax at nominal rate (22.5%)	49 750 716	51 644 195
Income tax resulting from the applicable tax rate	**49 750 716**	**51 644 195**
Differences (a)	(53 912 314)	(53 985 047)
Tax for prior years	(15 682 780)	(7 118 300)
Additional tax liabilities	(1 400 000)	(1 400 000)
Recoverable tax losses	9 011 995	(5 098 255)
Autonomous taxation	610 929	879 753
	(11 621 653)	**(14 977 654)**
Effective tax rate	**-5.26%**	**-6.53%**

(a) This amount concerns mainly:	**2024**	**2023**
Effect of applying the equity method (Note 10.1)	(239 582 770)	(239 577 182)
Capital gains/(losses) for tax purposes	280	(314)
Capital gains/ (losses) for accounting purposes	(280)	314
Employee benefits (Note 7.2.1)	23 431	23 431
Employee benefits - pensions paid (Note 7.2.1)	(130 513)	(130 513)
Other	79 569	195 166
	(239 610 283)	**(239 489 098)**
Tax effect (22.5%)	**(53 912 314)**	**(53 985 047)**

6.1.2 TAX AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

Amounts in Euro	31/12/2024	31/12/2023
Assets		
Corporate Income Tax – IRC	7 545 645	5 239 574
	7 545 645	**5 239 574**

DETAIL OF CORPORATE INCOME TAX – IRC (NET)

Amounts in Euro	31/12/2024	31/12/2023
Special payments on account	314 724	314 724
Corporate Income tax from prior years	7 230 921	4 924 950
	7 545 645	**5 239 574**

ADDITIONAL TAX LIABILITIES - LIABILITIES

Amounts in Euro	2024	2023
Balance at the beginning of the period	**-**	**1 400 000**
Reversals	-	(1 400 000)
Amount recognised in profit for the period (Note 6.1.1) - (gain) / loss	**-**	**(1 400 000)**
Charge-offs	-	-
Balance at the end of the period	**-**	**-**

During the 2023 financial year, several tax cases were finalised and Semapa reversed the excess in the amount of Euro 1 400 000.

6.2 DEFERRED TAXES

Deferred tax is calculated based on the Statement of financial position on the temporary differences between the book values of the assets and liabilities and their respective tax base. To determine the deferred tax, the tax rate expected to be in force in the period in which the temporary differences will be reversed is used.
Deferred tax assets are recognised whenever there is a reasonable likelihood that future taxable profits will be generated against which they can be offset. Deferred tax assets are revised periodically and decreased, whenever it is likely that tax losses will not be used.
Deferred taxes are recorded as an income or expense for the year, except where they result from amounts recorded directly under equity, situation in which deferred tax is also recorded under the same caption.
Deferred tax liabilities are not recognised for taxable temporary differences relating to investments in subsidiaries to the extent that: i) the Company has the ability to control the period of the reversal of the temporary difference; and ii) it is probable that the temporary difference will not reverse in the near future.

DEFERRED TAXES RECOGNISED RELATING TO UNUSED SUBSIDIARIES TAX LOSSES

The company recognises deferred tax liabilities on tax losses and tax benefits collected by subsidiaries that are part of the RETGS, carried forward intra-group, whenever they are expected to be used in the future by those same subsidiaries on an individual basis.

MOVEMENTS IN DEFERRED TAXES

Amounts in Euro	As at 1 January 2024	Income Statement		Other movements	As at 31 December 2024
		Increases	Decreases		
Temporary differences originating deferred tax assets					
Tax losses carried forward	163 052 949	51 615 420	(48 733 286)	-	165 934 984
	163 052 949	**51 615 420**	**(48 733 286)**	**-**	**165 934 984**
Temporary differences originating deferred tax liabilities					
Intra-group tax losses carried forward	(651 111)	(93 613)	204 631	-	(540 093)
Intra-group tax benefits carried forward	(1 156 972)	(2 914 103)	387 935	-	(3 583 140)
	(1 907 983)	**(2 907 716)**	**592 466**	**-**	**(4 123 233)**
Deferred tax assets	**34 241 098**	**10 323 084**	**(11 377 186)**	**1**	**33 186 997**
Deferred tax liabilities	**(1 293 606)**	**(2 932 925)**	**432 164**	**6**	**(3 694 261)**
Effect of the change in tax rate	**-**	**-**	**4 459**	**-**	**4 459**
Deferred tax liabilities	**(1 293 606)**	**(2 932 925)**	**436 623**	**6**	**(3 689 902)**

Amounts in Euro	As at 1 January 2023	Income Statement		Other movements	As at 31 December 2023
		Increases	Decreases		
Temporary differences originating deferred tax assets					
Tax losses carried forward	123 445 342	73 628 192	(34 020 685)	-	163 052 949
	123 445 342	**73 628 192**	**(34 020 685)**	**-**	**163 052 949**
Temporary differences originating deferred tax liabilities					
Intra-group tax losses carried forward	(5 918 648)	(651 111)	5 918 648	-	(651 111)
Intra-group tax benefits carried forward	(472 220)	(1 630 767)	946 075	41	(1 156 972)
	(6 390 968)	**(2 281 978)**	**6 964 723**	**41**	**(1 907 983)**
Deferred tax assets	**25 923 522**	**15 461 920**	**(7 144 344)**	**-**	**34 241 098**
Deferred tax liabilities	**(1 715 136)**	**(1 767 500)**	**2 189 031**	**(1)**	**(1 293 606)**

In 2024, tax losses amounting to Euro 48 733 286 were used up and, in addition, tax losses recoverable in subsequent years amounting to Euro 51 615 420 were recognised. These operations led to a reduction in deferred tax assets on these tax losses in the amount of Euro 11 377 186 and an increase in deferred tax assets in the amount of Euro 10 323 084.

As at 31 December 2024, deferred tax liabilities in the amount of Euro 3 689 902 (2023: Euro 1 293 606), refer to intra-group adjustments derived from the recognition of tax losses and benefits by subsidiaries included in Semapa's tax sub-group.

UNUSED TAX LOSSES WITHOUT RECOGNISED DEFERRED TAXES

In accordance with the provisions of Law 24-D/2022 of 30 December, which approved the State Budget for 2023, the carry forward of tax losses no longer has a time limit. As at 31 December 2024, Semapa had no unused tax losses with no recognised deferred tax assets.

7 PAYROLL

7.1 PAYROLL COSTS

SHORT-TERM EMPLOYEE BENEFITS

ACQUIRED RIGHTS - HOLIDAYS AND HOLIDAY ALLOWANCE

In accordance with current legislation, employees are entitled to 22 working days leave, annually, as well as to a month's holiday allowance, entitlement to which is acquired in the year preceding its payment.

BONUSES

According to the current Performance Management System (Sistema de Gestão de Desempenho), employees have the right to a bonus, based on annually defined objectives. The entitlement of this bonus is usually acquired in the year preceding its payment.

These liabilities are recorded in the year in which the Employees acquire the respective right, irrespective of the date of payment, whilst the balance payable at the date of the Statement of financial position is shown under the caption Current payables.

TERMINATION BENEFITS

The benefits arising from termination of employment are recognised when the Company can no longer withdraw the offer of such benefits or in which the Company recognises the cost of restructuring under the provisions recording. Benefits due more than 12 months after the end of the reporting period are discounted to their present value.

Amounts in Euro	2024	2023
Remuneration of Corporate Bodies (Note 7.3)	3 055 417	4 057 918
Other remunerations	6 259 137	3 221 559
Post-employment benefits (Note 7.2.1)	23 431	23 431
Compensations	97 223	213 950
Charges on remunerations	1 045 359	958 480
Other payroll costs	388 989	241 005
Payroll costs	**10 969 457**	**8 716 343**
Number of employees at the end of the period	**37**	**33**

7.2 EMPLOYEE BENEFITS

POST-EMPLOYMENT BENEFITS – DEFINED BENEFIT PLAN

The Company has assumed the commitment to make payments to their directors in the form of complementary retirement pensions, having constituted a defined-benefit plan.

In the periods presented, the amount of the liability reflected in the statement of financial position, under the caption "Liabilities for post-employment benefits", corresponds to Semapa's liability for a single retired beneficiary who did not join the revocation of the Company's directors' pension plan, which took place in December 2012. The company has not set up funds for this liability.

Actuarial deviations resulting from changes in the value of estimated liabilities, as a result of changes to the financial and demographic assumptions used and experience gains, are recognised directly in the Statement of comprehensive income, under retained earnings.

The net interest corresponds to the application of the discount rate to the value of the net liabilities and is recognised in profit for the period under Payroll costs.

The gains and losses generated by a settlement of a defined-benefit plan are recognised in profit for the period when the settlement occurs.

ACTUARIAL ASSUMPTIONS

Liabilities relating to employee benefit plans with defined benefits are calculated on the basis of certain actuarial assumptions. Changes in these assumptions may have a significant impact on those liabilities.

As at 31 December 2024 and 31 December 2023, the actuarial assumptions were as follows:

	31/12/2024	31/12/2023
Social Security Benefits Formula	Decree-Law 187/2007 of 10 May	
Mortality table	TV 88/90	TV 88/90
Disability rate	EKV 80	EKV 80
Pensions growth rate	1 5% ou 2 00%	0.75%
Technical interest rate	3.50%	1.25%
Pension reversibility rate	50.00%	50.00%
Number of complement annual payments	12	12

7.2.1 PENSION LIABILITIES

Amounts in Euro	2024		2023	
	Nº Benef.	Valor	Nº Benef.	Valor
Group liabilities for past services				
Retired employees	1	473 495	1	580 578
Unfunded pension liabilities	**1**	**473 495**	**1**	**580 578**

EVOLUÇÃO DAS RESPONSABILIDADES COM PENSÕES

Amounts in Euro	Opening balance	Net interest (Note 7.1)	Payments performed	Closing balance
2024	580 578	23 431	(130 513)	473 496
2023	687 660	23 431	(130 513)	580 578

7.3 REMUNERATION OF CORPORATE BODIES

The remuneration of the members of the corporate bodies, including the estimate for the management bonus for the periods ended 31 December 2024 and 31 December 2023, was as follows:

Amounts in Euro	2024	2023
Board of Directors		
Remunerations	1 839 406	1 822 500
Management premium	1 080 026	2 101 737
Supervisory Board and other corporate bodies	135 985	133 681
Total (Note 7.1)	**3 055 417**	**4 057 918**

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

All details of the remuneration policy of the Board members of Semapa's management are disclosed in the Company's Corporate Governance Report, Part I – Section D.

As at 31 December 2024 and 31 December 2023, with respect to the members of the Board of Directors of Semapa, there were no: i) additional liabilities allocated to other long-term benefits, ii) benefits arising from termination of employment, nor iii) payments based on allocated shares. The outstanding balances with members of Semapa's Board of Directors are disclosed in Note 10.2.

8 FINANCIAL INSTRUMENTS

8.1 FINANCIAL RISK MANAGEMENT

The Company, as a holding company develops direct and indirect managing activities over its subsidiaries. Thus, the fulfilment of the obligations assumed by the Company depends on the cash flows generated by the subsidiaries, which include the distribution of dividends, the payment of interest, the repayment of loans granted and the payment for services rendered by the Company. The ability of Semapa's subsidiaries to generate positive cash flows and make funds available to the holding company depends on their results, available reserves and financial structure.

The Semapa Group has a risk-management programme, which focuses its analysis on the activity and performance of financial markets with a view to mitigate the potential adverse effects on the Semapa Group's financial performance. Risk management is undertaken by the Financial Management of the Company and main subsidiaries, in accordance with the policies approved by the Board of Directors and monitored by the Company's Control and Risks Committee/Internal Control Committee.

The Group adopts a proactive approach to risk management, as a way to mitigate the potential adverse effects associated with those risks, namely the exchange rate risk and interest rate risk.

In the context of the separate financial statements, the Company's exposure to financial risk arising from the Group's activity is mainly associated with externally obtained financing (Note 5.6).

8.1.1 FOREIGN EXCHANGE RISK

CURRENCY RISK MANAGEMENT POLICY

In the context of the separate financial statements, the exchange rate risk to which the Company is directly exposed in terms of financial assets and liabilities is not significant.

However, an unfavourable evolution of the exchange rates associated with the geographies relevant to its subsidiaries could lead to a significant decrease in the value of the assets and results of the subsidiaries and in the distribution of dividends to the Company. The Group seeks to mitigate this risk by constantly monitoring its exposure to each currency and using natural hedges, as well as by contracting derivative financial instruments for currency hedging, as presented in the consolidated financial statements.

8.1.2 INTEREST RATE RISK

INTEREST RATE RISK MANAGEMENT POLICY

A significant share of the Company's financial liabilities cost are indexed to short-term reference interest rates, which are reviewed more than once a year (generally every six months for medium and long-term debt). Hence, changes in interest rates can have an impact on the Company's income statement.

SENSITIVITY ANALYSIS

Semapa carries out sensitivity analysis in order to assess the impact on the income statement and equity caused by an increase or decrease in market interest rates, considering all other factors unchanged. This is an illustrative analysis only since changes in market rates rarely occur separately.

EXPOSURE TO INTEREST RATE RISK

Amounts in Euro	31/12/2024	31/12/2023
0.5% increase in market interest rates		
Impact on profit before tax - increase / (decrease)	(1 158 750)	(1 362 918)

Financial assets and liabilities bearing interest at fixed rates (which do not expose the Company to interest rate risk) and those bearing interest at variable rates (which expose the Company to interest rate risk) are detailed as follows:

As at 31 December 2024	Fixed rate		Variable rate				Toral interest bearing
Amounts in Euro	Amount	%	Below 3 months	3-12 months	Total	%	
Current							
Non-current							
Receivables (Note 4.1)	-	0%	30 204	-	30 204	100%	30 204
Current							
Receivables (Note 4.1)	96 587 019	100%	-	-	-	0%	96 587 019
Cash and cash equivalents (Note 5.8)	69 434 318	100%	-	-	-	0%	69 434 318
Total of financial assets	**166 021 337**	**100%**	**30 204**	**-**	**30 204**	**0%**	**166 051 541**
Liabilities							
Non-current							
Interest-bearing liabilities	-	0%	-	191 000 000	191 000 000	100%	191 000 000
Lease liabilities (Note 5.7)	311 414	100%	-	-	-	0%	311 414
Current							
Interest-bearing liabilities	-	0%	25 000 000	15 750 000	40 750 000	100%	40 750 000
Lease liabilities (Note 5.7)	158 254	100%	-	-	-	0%	158 254
Payables (Note 4.2)	9 904 768	100%	-	-	-	0%	9 904 768
Total financial liabilities	**10 374 435**	**4%**	**25 000 000**	**206 750 000**	**231 750 000**	**96%**	**242 124 435**
Net financial position	**155 646 902**		**(24 969 796)**	**(206 750 000)**	**(231 719 796)**		**(76 072 894)**

As at 31 December 2023	Fixed rate		Variable rate				Total interest bearing
Amounts in Euro	Amount	%	Below 3 months	3-12 months	Total	%	
Current							
Non-current							
Receivables (Note 4.1)	-	0%	30 807	-	30 807	100%	30 807
Current							
Receivables (Note 4.1)	24 168 747	100%	-	-	-	0%	24 168 747
Cash and cash equivalents (Note 5.8)	37 975 001	100%	-	-	-	0%	37 975 001
Total of financial assets	**62 143 748**	**100%**	**30 807**	**-**	**30 807**	**0%**	**62 174 555**
Liabilities							
Non-current							
Interest-bearing liabilities (Note 5.6)	-	0%	50 000 000	206 750 000	256 750 000	100%	256 750 000
Lease liabilities (Note 5.7)	304 267	100%	-	-	-	0%	304 267
Current							
Interest-bearing liabilities (Note 5.6)	-	0%	-	15 833 578	15 833 578	100%	15 833 578
Lease liabilities (Note 5.7)	142 503	100%	-	-	-	0%	142 503
Payables (Note 4.2)	11 746 803	100%	-	-	-	0%	11 746 803
Total financial liabilities	**12 193 573**	**4%**	**50 000 000**	**222 583 578**	**272 583 578**	**96%**	**284 777 151**
Net financial position	**49 950 175**		**(49 969 193)**	**(222 583 578)**	**(272 552 771)**		**(222 602 595)**

8.1.3 LIQUIDITY RISK

LIQUIDITY RISK MANAGEMENT POLICY

The Company manages the liquidity risk in two ways:

- by ensuring that its financial debt has a high medium- and long-term component with maturities appropriate to the Company's activity as a holding company, considering the characteristics of the industries in which its subsidiaries operate, and

- by contracting with financial institutions credit facilities available at all times for an amount that guarantees adequate liquidity.

AVAILABLE BUT NOT USED CREDITS

The company's policy is to maintain credit facilities at adequate levels to cover i) potential business acquisitions and ii) cash requirements for scheduled repayments of financing in accordance with the cash budget and actual execution.

CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES (UNDISCOUNTED CASH FLOWS, INCLUDING INTEREST)

Amounts in Euro	-1 month	1-3 months	3-12 months	1-5 years	+ 5 years	Total
31 December 2024						
Liabilities						
Interest-bearing liabilities						
Bond loans	-	-	20 634 304	109 293 215	67 841 915	197 769 434
Commercial paper	25 016 500	-	1 954 506	3 105 799	-	30 076 805
Bank loans	-	-	1 277 354	18 897 738	15 318 464	35 493 555
Other loans	-	-	-	-	-	-
Lease liabilities	15 708	29 976	122 298	322 461	-	490 444
Total liabilities	**25 032 208**	**29 976**	**23 988 463**	**131 619 213**	**83 160 378**	**263 830 239**
Of which interest (at the rates prevailing at that date)	**889**	**1 767**	**6 769**	**39 540 863**	**7 025 001**	**46 575 290**
As at 31 December 2023						
Liabilities						
Interest-bearing liabilities						
Bond loans	1 375 144	-	24 971 458	155 292 209	105 653 389	287 292 200
Commercial paper	-	-	2 101 305	5 128 272	-	7 229 577
Bank loans	-	-	1 685 918	16 859 256	20 371 613	38 916 787
Other loans	-	-	83 578	-	-	83 578
Lease liabilities	12 350	25 567	114 012	315 394	-	467 323
Total liabilities	**1 387 494**	**25 567**	**28 956 271**	**177 595 131**	**126 025 002**	**333 989 464**
Of which interest (at the rates prevailing at that date)	**1 376 034**	**1 767**	**6 769**	**39 540 863**	**7 025 001**	**47 950 434**

The undiscounted cash flows from loans obtained and other amounts payable, included above, are detailed as follows:

Amounts in Euro	31/12/2024	31/12/2023
Below 12 months	**49 050 647**	**30 369 332**
1 to 2 years	27 482 865	54 461 931
2 to 3 years	54 605 963	56 313 080
3 to 4 years	8 508 356	56 747 219
4 to 5 years	41 022 028	10 072 901
1 to 5 years	**131 619 213**	**177 595 131**
Above 5 years	**83 160 378**	**126 025 002**
Total	**263 830 239**	**333 989 464**

The contractual maturity of the interest-bearing liabilities presupposes the fulfilment of financial covenants, as detailed in Note 5.6 – Interest-bearing liabilities.

AVAILABLE AND UNDRAWN CREDIT FACILITIES

Amounts in Euro	31/12/2024	31/12/2023
Undrawn credit facilities		
Commercial paper	364 750 000	301 500 000
Other credit facilities	9 750 000	9 750 000
	374 500 000	**311 250 000**
Commercial paper used (Note 5.6)	29 750 000	6 500 000
Other credit facilities used (Note 5.6)	202 000 000	266 000 000
Contracted credit facilities (nominal value)	**606 250 000**	**583 750 000**

8.1.4 CREDIT RISK

IMPAIRMENT OF FINANCIAL ASSETS

The Company assesses, on a prospective basis, the expected credit losses associated with its financial assets measured at cost, as detailed in Note 8.3.1 – Categories of financial instruments of the Company.

RECEIVABLES FROM SUBSIDIARIES

Receivables from subsidiaries are subject to the general impairment model of IFRS 9 (three-step model).
Since the credit risk of subsidiaries is considered low, due to the reduced risk of uncollectability and their ability to repay on demand, the impairment estimate corresponds to the first stage of the model with the assessment of the risk of uncollectability of the cash flows for the next 12 months.

OTHER RECEIVABLES AND OTHER FINANCIAL ASSETS

Financial assets are derecognised when there is no real expectation of receipt. The company classifies a receivable to be derecognised when the debtor fails to make the contractual payments due. After being derecognised, the Company continues to take steps to recover the amounts due. In cases of successful recovery, these amounts are recognised in profit for the period.

CREDIT RISK MANAGEMENT POLICY

The Company has no significant commercial activities other than managing the Group's financial investments and providing services to subsidiaries.

In the context of the separate financial statements, the credit risk relating to financial assets to which the Company is directly exposed arises mainly from loans and other receivables from subsidiaries (Note 4.1) and cash and cash equivalents (Note 5.8).

RECEIVABLES FROM SUBSIDIARIES

The Group has not recognised any impairment on amounts due from subsidiaries in respect of services provided and financing provided by the Group to subsidiaries during the periods presented.

OTHER RECEIVABLES

Receivables are initially recognised at fair value and are subsequently measured at amortised cost, less any impairment necessary to bring them to their expected net realisable value.
Impairment losses are recognised in accordance with expected credit losses over the respective terms if, at each reporting date, there is a significant increase in credit risk since the initial recognition of the receivables.
Payment after a delay of 180 days or more is considered a default, based on actual historical loss experience over a statistically relevant period.

MAXIMUM EXPOSURE TO CREDIT RISK

Amounts in Euro	31/12/2024	31/12/2023
Non-current		
Other financial investments (Note 8.2)	51 883	28 854
Receivables (Note 4.1)	30 204	30 807
Current		
Cash and cash equivalents (Note 5.8)	69 434 318	37 975 001
	69 516 405	**38 034 662**

As at 31 December 2024 and 31 December 2023, the credit quality of financial assets (cash and cash equivalents) whose counterparties are financial institutions is as follows:

Amounts in Euro	31/12/2024	31/12/2023
A+	15 552 774	21 048 000
A	27 507	-
A-	28 729 781	2 295
BBB+	5 230	3 538 659
BBB	25 041 310	13 328 483
BBB-	49 415	-
Outros	28 302	57 564
	69 434 318	**37 975 001**

8.2 OTHER FINANCIAL INVESTMENTS

This note includes equity instruments held by the Company relating to companies over which it has no control or significant influence. Other financial assets are measured at fair value through profit or loss when held for trading. The Company designates other investments as financial assets at fair value through other comprehensive income.

Amounts in Euro	31/12/2024	31/12/2023
Financial assets at fair value through profit or loss		
Ynvisible, SA	51 883	28 854
	51 883	**28 854**

8.3 FINANCIAL ASSETS AND LIABILITIES

8.3.1 CATEGORIES OF FINANCIAL INSTRUMENTS OF THE COMPANY

The financial instruments included in each caption of the statement of financial position are classified as follows:

Amounts in Euro	Notes	Financial assets at amortised costs	Financial assets at fair value through profit or loss	Financial assets outside the scope of IFRS 9	Non-financial assets	Total
31 December 2024						
Other financial investments	8.2	-	51 883	-	-	51 883
Receivables	4.1	96 155 145	30 204	184 511	247 363	96 617 223
Cash and cash equivalents	5.8	69 434 318	-	-	-	69 434 318
Total assets		**165 589 463**	**82 087**	**184 511**	**247 363**	**166 103 424**
31 December 2023						
Other financial investments	8.2	-	28 854	-	-	28 854
Receivables	4.1	23 708 396	30 807	221 139	239 212	24 199 554
Cash and cash equivalents	5.8	37 975 001	-	-	-	37 975 001
Total assets		**61 683 397**	**59 661**	**221 139**	**239 212**	**62 203 409**

Amounts in Euro	Notes	Financial liabilities at amortised cost	Non-financial liabilities	Total
31 December 2024				
Interest-bearing liabilities	5.6	230 233 475	-	230 233 475
Lease liabilities	5.7	469 668	-	469 668
Payables	4.2	9 202 651	702 119	9 904 771
Total liabilities		**239 905 794**	**702 119**	**240 607 913**
31 December 2023				
Interest-bearing liabilities	5.6	272 638 404	-	272 638 404
Lease liabilities	5.7	446 770	-	446 770
Payables	4.2	10 780 001	966 802	11 746 803
Total liabilities		**283 865 175**	**966 802**	**284 831 977**

8.3.2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value of financial instruments is classified according to the fair value hierarchy of IFRS 13 – Fair Value Measurement:

Level 1	Fair value is based on active markets quotations, at the reporting date.
Level 2	Fair value is determined using valuation models, whose main inputs of the models used are observable in the market.
Level 3	Fair value is determined using valuation models, whose main inputs are not observable in the market.

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The Company considers that the book value of loans at variable rates, as well as financial assets and liabilities measured at amortised cost in the remaining captions (Note 8.3.1), is close to their fair value.

9 PROVISIONS, COMMITMENTS AND CONTINGENCIES

9.1 PROVISIONS

Recognition and initial measurement	Provisions are recognised when: (i) the Company has a legal or constructive obligation as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation.
Subsequent measurement	Provisions are reviewed on Statement of financial position date and are adjusted so as to reflect the best estimate at that date.

INVESTMENTS IN SUBSIDIARIES

Provisions are recognised for the Company's liabilities for losses on investments in subsidiaries (Note 10.1), after the related book value has been reduced to zero, to the extent that the Company may have incurred legal or constructive obligations or made payments on behalf of such subsidiaries.

TAX PROCEEDINGS

The balances of additional tax liabilities for the Company's uncertainty over income tax are disclosed in Note 6.1 – Income tax.

LEGAL PROCEEDINGS

These provisions were made in accordance with the risk assessments carried out internally by the Company with the support of its legal advisors, based on the likelihood of the decision being favourable or unfavourable to the Company.

In the periods ended 31 December 2024 and 31 December 2023, Semapa has not identified any liabilities that would justify the recognition of provisions.

9.2 COMMITMENTS

In the periods ended 31 December 2024 and 31 December 2023, Semapa has no commitments other than those disclosed above.

9.3 CONTINGENT ASSETS AND LIABILITIES

For the periods ended 31 December 2024 and 31 December 2023, Semapa has not identified any contingent assets and liabilities that would require disclosure.

10 GROUP STRUCTURE

10.1 INVESTMENTS IN SUBSIDIARIES AND JOINTLY-CONTROLLED ENTITIES

SUBSIDIARIES

Subsidiaries are all entities over which the Company has control, which occurs when the Company is exposed or entitled to the variable returns resulting from its involvement with the entities and has the capacity to affect that return through the exercise of power over the entities, regardless of the percentage they hold over equity.

The existence and the effect of potential voting rights which are currently exercisable or convertible are considered when the Company assesses whether it has control over another entity.

JOINTLY-CONTROLLED ENTITY

A jointly-controlled entity is a joint venture involving the establishment of a company, partnership or other entity in which the Group has an interest.

MEASUREMENT

Investments in subsidiaries and jointly-controlled entities are accounted under the equity method.

Under the equity method, financial investments are initially recognised at cost and subsequently adjusted by the amount corresponding to the participation in the net profits of subsidiaries and jointly controlled entities against "Gains/(losses) from subsidiaries and jointly-controlled entities", by dividends received and by other changes in their equity against "Other comprehensive income". Moreover, investments in subsidiaries and jointly controlled entities may be adjusted through the recognition of impairment losses.

The accounting policies of subsidiaries and jointly-controlled entities are amended, when necessary, to ensure that they are applied consistently with those of the Company.

When the Company's share in the losses of subsidiaries and jointly-controlled entities is equal to or exceeds its investment in the subsidiary, the Company ceases to recognise additional losses, except where it has assumed liability or made payments in the subsidiary's name, as detailed in Note 9.1 – Provisions. If they subsequently report profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of unrecognised losses.

RECOVERABLE AMOUNT FROM INVESTMENTS IN SUBSIDIARIES AND JOINTLY-CONTROLLED ENTITIES

The Company tests its investments in subsidiaries and jointly controlled entities for impairment annually and whenever there is an indication that the investments may be impaired.

In the separate financial statements, goodwill included in the valuation of financial assets is not presented separately and the impairment tests are based on the total carrying value of the tested investments.

These forecasts result from budgets for the following year and estimates of cash flows for a subsequent period of four years, reflected in the approved Medium/Long-Term Plans.

Cash flows are discounted using weighted average cost of capital (WACC) rates calculated using the capital asset pricing model (CAPM) and based on the weighted average cost of debt and equity capital estimated for the segments in which the cash generating units (CGUs) operate. The risk-free interest rate used is based on market information on medium- to long-term sovereign debt. The beta and leverage of the sectors are based on information from a wide range of comparable companies subject to an annual review. All this information is collected from international and independent sources, including Reuters and rating agencies (S&P, Moody's and Fitch).

The growth rate in perpetuity reflects Management's medium-term vision for the different CGUs, bearing in mind the inflation objectives of the respective Central Banks, estimates of future inflation rates, the macroeconomic outlook, as well as the foreseeable evolution of the Markets in which the Group operates. The sources of macroeconomic forecasts are the IMF and Banco de Portugal.

The assumptions underlying the business plans are detailed below:

ASSUMPTIONS ON THE BASIS OF THE BUSINESS PLANS

Assumptions (CAGR 2025-2029)	Pulp and Paper	Cement *	Other businesses	
			Environment	Mobility
Sales in quantity (kt)				
Reference	UWF paper	Cement and Clinker	Fat [3.5]	-
CAGR sales in quantity (kt)	0.1%	-1.5% to 6.37%	-3.7%	
Sales in quantity (units)				
Reference	-	-	-	Frames for e-bikes
CAGR Sales in quantity (units)				37.9%
Average price of sale ML/t				
Reference	UWF paper	Grey cement in the Internal Market	Fat [3.5]	-
CAGR average price of sale ML/t	0.1%	0.42% to 9.93%	1.9%	
Average price of sale ML/units				
Reference	-	-	-	Frames for e-bikes
CAGR average price of sale ML/units				1.6%
Total Cash Costs LC				
CAGR Total Cash Costs LC	0.31%	4 0% to 9 5%	2.54%	36.0%

* Interval corresponding to the geographies of Portugal, Brazil, Tunisia, Lebanon and Angola

Assumptions (CAGR 2024-2028)	Pulp and Paper	Cement *	Other businesses	
			Environment	Mobility
Sales in quantity (kt)				
Reference	UWF paper	Cement and Clinker	Fat [3.5]	-
CAGR sales in quantity (kt)	0.1%	-3 5% to 6 0%	-2.6%	
Sales in quantity (units)				
Reference	-	-	-	Frames for e-bikes
CAGR Sales in quantity (units)				43.9%
Average price of sale ML/t				
Reference	UWF paper	Grey cement in the Internal Market	Fat [3.5]	-
CAGR average price of sale ML/t	0.7%	2 4% to 11 5%	0.1%	
Average price of sale ML/units				
Reference	-	-	-	Frames for e-bikes
CAGR average price of sale ML/units				6.5%
Total Cash Costs LC				
CAGR Total Cash Costs LC	0.21%	1 3% to 4 3%	2.95%	54.81%

* Interval corresponding to the geographies of Portugal, Brazil, Tunisia, Lebanon and Angola

MACROECONOMIC AND FINANCIAL ASSUMPTIONS

The main assumptions considered at macroeconomic level are projections of GDP growth rate and inflation in the markets where the Group operates (Portugal for all CGUs and also Tunisia, Lebanon, Brazil and Angola in the Cement segment). The sources of forecasts are the IMF and Banco de Portugal.

The perpetuity growth rate reflects the Boards of Directors' vision of the medium and long term for the different Cash Generating Units (CGUs), bearing in mind the macroeconomic assumptions.

	31/12/2024				31/12/2023			
Financial assumptions	Risk-free interest rate*	WACC rate EUR	Perpetuity growth rate EUR	Tax rate	Risk-free interest rate*	WACC rate EUR	Perpetuity growth rate EUR	Tax rate
Pulp and Paper								
Portugal								
Explicit Planning Period	2.73%	6.00%	-	26.50%	3.51%	6.85%	-	27.50%
Perpetuity	2.73%	6.00%	0.00%	26.50%	3.51%	6.85%	0.00%	27.50%
Cement								
Portugal								
Explicit Planning Period	2.73%	6.07%	-	26.50%	3.51%	6.55%	-	27.50%
Perpetuity	2.73%	6.07%	1.93%	26.50%	3.51%	6.55%	1.88%	27.50%
Environment								
Portugal								
Explicit Planning Period	2.73%	6.81%	-	24.50%	3.51%	8.23%	-	25.50%
Perpetuity	2.73%	6.81%	2.00%	24.50%	3.51%	8.23%	2.00%	25.50%
Mobility**								
Portugal								
Explicit Planning Period	2.73%	6.32%	-	24.50%	3.51%	6.96%	-	27.50%
Perpetuity	2.73%	6.32%	2.00%	24.50%	3.51%	6.96%	0.00%	27.50%

Note: In Cements WACC rates in Euro between 6.48% and 20.50% were also considered for Brazil, Tunisia, Angola and Lebanon

* Includes Country Risk Premium

** Aphelion's subsidiary (Triangle's Cycling Equipments, S.A.)

IMPAIRMENT TESTS

As a result of the impairment tests performed in 2024 and 2023, no impairment loss was identified in Goodwill.

SENSITIVITY ANALYSIS

A sensitivity analysis was performed to the assumptions regarded as key (independently for each assumption), WACC rate and free cash flow, which did not determine any impairment for the goodwill allocated to each CGU.

VARIATION OF SEMAPA EQUITY BY A CHANGE IN THE WACC RATE:

	31/12/2024				31/12/2023			
WACC Rate Sensitivity Analysis	**-50bps**	**+50bps**	**-1%**	**+1%**	**-50bps**	**+50bps**	**-1%**	**+1%**
Pulp and Paper								
Explicit Planning Period	2%	-2%	5%	-5%	2%	-2%	5%	-5%
Perpetuity	8%	-6%	17%	-12%	8%	-6%	14%	-11%
Explicit Planning and Perpetui-ty	10%	-9%	23%	-16%	9%	-8%	20%	-15%
Cement								
Explicit Planning Period	3%	-3%	6%	-5%	3%	-3%	6%	-5%
Perpetuity	12%	-10%	28%	-18%	10%	-9%	23%	-16%
Explicit Planning and Perpetui-ty	15%	-12%	35%	-22%	13%	-11%	30%	-20%
Environment								
Explicit Planning Period	3%	-3%	5%	-5%	2%	-2%	5%	-5%
Perpetuity	11%	-9%	26%	-17%	8%	-7%	17%	-12%
Explicit Planning and Perpetui-ty	14%	-11%	32%	-21%	10%	-9%	23%	-16%
Mobility*								
Explicit Planning Period	2%	-2%	5%	-5%	2%	-2%	5%	-4%
Perpetuity	13%	-10%	30%	-19%	6%	-5%	13%	-10%
Explicit Planning and Perpetui-ty	16%	-12%	36%	-23%	9%	-7%	19%	-14%

* Aphelion's subsidiary (Triangle's Cycling Equipments, S.A.)

VARIATION OF SEMAPA EQUITY BY A CHANGE IN FREE CASH FLOW:

	31/12/2024				31/12/2023			
FCF sensitivity analysis	**-5%**	**+5%**	**-10%**	**+10%**	**-5%**	**+5%**	**-10%**	**+10%**
Pulp and Paper	-6%	6%	-11%	11%	-6%	6%	-11%	11%
Cement	-5%	5%	-10%	10%	-7%	7%	-13%	13%
Environment	-6%	6%	-12%	12%	-5%	5%	-10%	10%
Mobility*	-5%	5%	-10%	10%	-5%	5%	-10%	10%

* Aphelion's subsidiary (Triangle's Cycling Equipments, S.A.)

As at 31 December 2024 and 31 December 2023, investments in financial investments recorded using the equity method in the statement of financial position, including goodwill, had the following composition:

Company name		31/12/2024			31/12/2023		
	Head Office	**Equity**	**% held**	**Balance***	**Equity**	**% held**	**Balance***
Subsidiaries							
Aphelion, S.A.	Portugal	164 280 743	100.00%	164 280 743	177 018 600	100.00%	177 018 600
ETSA Investimentos, SGPS, S.A.	Portugal	80 341 648	99.99%	80 331 725	82 570 480	99.99%	82 560 307
Quotidian Podium, S.A.	Portugal	49 493	100.00%	49 493	49 640	100.00%	49 640
Secil – Companhia Geral Cal e Cimento, S.A.	Portugal	282 411 390	100.00%	416 568 342	304 370 773	100.00%	438 527 277
Semapa Inversiones, S.L.	Spain	105 743	100.00%	105 743	105 564	100.00%	105 564
Semapa Next, S.A.	Portugal	86 634 947	100.00%	86 634 947	48 953 270	100.00%	48 953 270
The Navigator Company, S.A.	Portugal	1 092 139 293	70.03%	887 150 916	1 062 728 146	69.97%	865 919 075
Jointly-controlled entities							
UTIS - Ultimate Technology to Industrial Savings, S.A.	Portugal	29 619 794	50.00%	41 650 971	31 269 543	50.00%	42 475 945
				1 676 772 680			**1 655 609 578**

* Includes goodwill

The subsidiary The Navigator Company, S.A. is a public company listed on Euronext Lisbon and is part of the PSI20 index, the main benchmark index on the Portuguese stock exchange. As at 31 December 2024, the Navigator share price was Euro 3.590 (Euro 3.548 as at 31 December 2023).

SUMMARISED FINANCIAL INFORMATION OF SUBSIDIARIES AND THE JOINTLY CONTROLLED ENTITY

31 December 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Profit for the period	Net profit	Comprehensive income
Subsidiaries							
Aphelion, S.A.	930 773	205 835 601	2 630	42 483 002	-	(12 737 857)	(12 737 857)
ETSA Investimentos, SGPS, S.A.	28 941 766	88 947 548	33 027 294	4 301 591	44 732 117	4 302 557	4 302 557
Quotidian Podium, S.A.	49 573	-	80	-	-	(148)	(148)
Secil - Companhia Geral de Cal e Cimento, S.A.	391 743 569	939 023 688	529 012 535	499 346 343	701 836 376	50 680 600	50 680 600
Semapa Inversiones, S.L.	115 274	-	9 530	-	-	179	179
Semapa Next, S.A.	892 250	87 868 660	825 470	1 300 593	1 280 730	2 519 789	8 526 077
The Navigator Company, S.A.	1 107 147 314	2 024 653 373	890 765 949	1 148 535 098	1 953 242 900	263 851 946	255 849 998
Jointly-controlled entities							
UTIS - Ultimate Technology to Industrial Savings, S.A.	36 403 132	10 267 756	16 998 264	52 830	13 099 540	2 269 643	3 368 936

31 de dezembro de 2023	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Profit for the period	Net profit	Comprehensive income
Subsidiaries							
Aphelion, S.A.	1 463 703	215 605 403	122 276	39 928 230	-	(2 973 324)	(2 973 324)
ETSA Investimentos, SGPS, S.A.	38 546 858	79 706 807	34 019 092	1 405 676	48 109 366	9 331 284	9 331 284
Quotidian Podium, S.A.	50 000	-	360	-	-	(360)	(360)
Secil - Companhia Geral de Cal e Cimento, S.A.	294 750 108	974 389 260	512 364 095	427 637 652	693 348 710	42 746 989	45 254 313
Semapa Inversiones, S.L.	115 084	-	9 520	-	-	4 520	4 520
Semapa Next, S.A.	259 385	50 315 393	862 283	759 225	1 019 886	(1 867 593)	(6 137 344)
The Navigator Company, S.A.	899 081 837	1 704 678 240	632 281 690	908 423 223	1 953 242 900	263 851 946	255 849 998
Jointly-controlled entities							
UTIS - Ultimate Technology to Industrial Savings, S.A.	25 658 356	16 401 957	10 788 270	2 500	39 048 662	15 438 899	15 432 767

The amounts presented for each subsidiary may differ from those presented individually by each in their statutory financial statements, as a result of harmonisation adjustments and others arising from the application of the accounting standards in force.

RECONCILIATION OF THE EQUITY OF THE MATERIAL SUBSIDIARIES AND OF THE ENTITY TOGETHER

31 de dezembro de 2024 Amounts in Euro	Aphelion, S.A.	ETSA Investi-mentos, SGPS, S.A.	Quotidian Podium, S.A.	Secil - Com-panhia Geral de Cal e Cimento, S.A.	Semapa Inversiones, S.L.	Semapa Next, S.A.	The Navigator Company, S.A.	UTIS - Ultimate Technology to Industrial Savings, S.A.
Equity	164 280 743	80 341 648	49 493	282 411 390	105 743	86 634 847	1 092 139 293	29 619 794
% held	100.00%	99.99%	100.00%	100.00%	100.00%	100.00%	70.03%	50.00%
	164 280 743	**80 331 725**	**49 493**	**282 403 039**	**105 743**	**86 634 847**	**764 826 370**	**14 809 897**
Goodwill	-	-	-	134 165 305	-	-	122 324 446	26 841 074
Other adjustments – specify if relevant								
Financial investment	**164 280 743**	**80 331 724**	**49 493**	**416 568 344**	**105 743**	**86 634 847**	**887 150 817**	**41 650 970**

31 December 2023 Amounts in Euro	Aphelion, S.A.	ETSA Investi-mentos, SGPS, S.A.	Quotidian Podium, S.A.	Secil - Com-panhia Geral de Cal e Cimento, S.A.	Semapa Inversiones, S.L.	Semapa Next, S.A.	The Navigator Company, S.A.	UTIS - Ultimate Technology to Industrial Savings, S.A.
Equity	**177 018 600**	**82 570 480**	**49 640**	**304 370 773**	**105 564**	**48 953 270**	**1 062 728 146**	**31 269 543**
% held	100.00%	99.99%	100.00%	100.00%	100.00%	100.00%	69.97%	50.00%
	177 018 600	**82 560 308**	**49 640**	**304 361 972**	**105 564**	**48 953 270**	**743 594 628**	**15 634 772**
Goodwill	-	-	-	134 165 305	-	-	122 324 446	26 841 074
Financial investment	**177 018 600**	**82 560 307**	**49 640**	**438 527 277**	**105 564**	**48 953 270**	**865 919 075**	**42 475 845**

MOVEMENTS IN INVESTMENTS IN SUBSIDIARIES

Amounts in Euro	2024	2023
Opening balance	**1 655 609 578**	**1 449 716 286**
Acquisitions		
The Navigator Company, S.A.	1 592 725	-
Attributable to non-controlling interests	(956 508)	-
Share capital increase in Aphelion, S.A.	-	179 950 000
Share capital increase in Quotidian Podium, S.A.	-	50 000
Additional capital contributions		
Semapa Next, S.A.	32 705 500	6 966 500
Acquisitions and capital increases	**33 341 717**	**186 966 500**
Repayment of share premium		
Repayment of additional capital contributions		
Secil – Companhia Geral de Cal e Cimento, S.A.	-	(32 300 000)
Semapa Next, S.A.	(3 550 000)	-
Capital decreases, disposals and settlements	**(3 550 000)**	**(32 300 000)**
Share of (losses)/gains from the application of the equity method		
Aphelion, S.A.	(12 737 857)	(2 973 324)
ETSA Investimentos, SGPS, S.A.	4 302 076	9 330 241
Quotidian Podium, S.A.	(148)	(360)
Secil - Companhia Geral de Cal e Cimento, S.A.	50 679 560	42 746 112
Semapa Inversiones, S.L.	179	4 520
Semapa Next, S.A.	2 519 789	(1 867 593)
The Navigator Company, S.A.	193 117 951	184 618 137
UTIS - Ultimate Technology to Industrial Savings, S.A.	1 701 221	7 719 449
Net profit	**239 582 770**	**239 577 182**
Dividends		
The Navigator Company, S.A.	(174 982 192)	(139 929 984)
ETSA Investimentos, SGPS, S.A.	(6 530 659)	(15 998 212)
Secil – Companhia Geral Cal e Cimento, S.A.	(50 683 922)	(8 772 218)
UTIS - Ultimate Technology to Industrial Savings, S.A.	(2 509 342)	(3 064 033)
Dividends distributed	**(234 706 115)**	**(167 764 447)**
Other comprehensive income	(10 198 120)	(15 876 800)
Other movements	(3 307 150)	(4 709 143)
Other equity changes of subsidiaries	**(13 505 270)**	**(20 585 943)**
Closing balance	**1 676 772 681**	**1 655 609 578**

During the period ended 31 December 2024, Semapa acquired 425 000 shares in The Navigator Company, S.A., corresponding to 0.06% of the share capital of this subsidiary, from non-controlling interests, for a total amount of Euro 1 592 725.

In December 2024, the Board of Directors of the subsidiary The Navigator Company, S.A. decided to make an advance on profits, to be realised in January 2025. As a result, the amount of dividends actually received by Semapa in 2024 amounted to Euro 164 674 387.

During 2023, Semapa pursued its growth and expansion strategy through the acquisition of the company Triangle's, through the subsidiary Aphelion. As part of this initiative, Semapa increased its share capital in the subsidiary Aphelion in the amount of Euro 179 950 000.

As at 21 December 2023, the company Quotidian Podium, S.A. was incorporated, with the corporate purpose of providing advisory services in company management and business monitoring and development, wholly owned by Semapa.

10.2 TRANSACTIONS WITH RELATED PARTIES

BALANCES WITH RELATED PARTIES

Amounts in Euro	31/12/2024				
	Receivables (Note 4.1)	Receivables - RETGS (Note 4.1)	Payables (Note 4.2)	Payables - RETGS (Note 4.2)	Loans granted
Shareholders					
Sodim, SGPS, S.A.	1 253 838	3 444 831	1 251 307	-	-
	1 253 838	**3 444 831**	**1 251 307**	**-**	**-**
Subsidiaries - direct shareholdings (Note 10.1)					
Aphelion, S.A.	139	-	-	8 514	-
ETSA Investimentos, SGPS, S.A.	105 806	-	2 783	9 415	10 000 000
Quotidian Podium, S.A.	80	-	-	278	-
Secil - Companhia Geral de Cal e Cimento, S.A.	3 440 989	-	6 957	1 246 215	-
Semapa Next, S.A.	290 960	172 554	-	-	-
The Navigator Company, S.A.	71 185 184	-	-	-	-
	75 023 160	**172 554**	**9 740**	**1 264 422**	**10 000 000**
Other subsidiaries of Semapa Group					
ABAPOR – Comércio e Indústria de Carnes, S.A.	-	11 879	40 966	-	-
Beto Madeira - Betões e Britas da Madeira, S.A.	100	1 570	-	-	-
Betotrans II - Unipessoal, Lda.	-	21 190	-	-	-
Biological - Gestão de Resíduos Industriais, Lda.	-	-	63 906	4 777	-
Madebritas - Sociedade de Britas da Madeira, Lda.	15 304	-	-	2 843	-
Cimentos Madeira, Lda.	8 241	-	-	43 594	-
Ciminpart - Investimentos e Participações, SGPS, S.A.	-	-	-	4 640	-
Empremédia – Corretores de Seguros, S.A.	-	-	27 083	-	-
ETSA Log, S.A.	-	29 164	16 974	-	-
Florimar- Gestão e Participações, S.G.P.S., Lda.	-	-	-	3 531	-
ITS - Indústria Transformadora de Subprodutos, S.A.	903 128	-	-	155 414	-
Sebetar - Sociedade de Novos Produtos de Argila e Betão, S.A.	5 744	-	-	1 155	-
SEBOL – Comércio e Indústria de Sebo, S.A.	-	-	261 666	471 312	-
Secil Britas, S.A. (former Secil - Britas, S.A.)	658 140	1 541 673	-	-	-
Secil-Betão - Indústrias de Betão, S.A.	-	160 006	-	-	-
Secil Brands - Marketing, Publicidade, Gestão e Desenvolv. de Marcas, Lda.	177 334	726 735	-	-	-
Seciltek, S.A.	345 081	657 777	-	-	-
Secil Martingança - Aglomerantes e Novos Materiais para a Construção, S.A.	-	-	-	-	-
Triangle's - Cycling Equipments, S.A	955 923	-	-	-	-
	3 068 995	**3 149 995**	**410 594**	**687 266**	**-**
Other related parties					
- Sonagi Imobiliária, S.A.	-	-	1 501	-	-
Members of the Board of Directors	480	-	-	-	-
	480	**-**	**1 501**	**-**	**-**
	79 346 473	**6 767 380**	**1 673 142**	**1 951 688**	**10 000 000**

Amounts in Euro	31/12/2023 Receivables (Note 4.1)	Receivables - RETGS (Note 4.1)	Payables (Note 4.2)	Payables - RETGS (Note 4.2)	Interest-bearing liabilities (Note 5.6)
Shareholders					
Cimo - Gestão de Participações, SGPS, S.A.	59	-	-	-	-
Sodim, SGPS, S.A.	485 465	1 070 425	1 251 307	-	-
	485 524	**1 070 425**	**1 251 307**	**-**	**-**
Subsidiaries - direct shareholdings (Note 10.1)					
Aphelion, S.A.	-	-	48	328	42 042
ETSA Investimentos, SGPS, S.A.	14 111 565	-	-	56 029	-
Secil - Companhia Geral de Cal e Cimento, S.A.	1 476 933	-	-	2 273 822	-
Semapa Inversiones, S.L.	-	-	106	-	41 536
Semapa Next, S.A.	490 556	42 696	-	-	-
The Navigator Company, S.A.	952 804	-	-	-	-
	17 031 856	**42 696**	**154**	**2 330 179**	**83 578**
Other subsidiaries of Semapa Group					
ABAPOR – Comércio e Indústria de Carnes, S.A.	-	-	-	62 668	-
Argibetão - Soc. de Novos Prod. de Argila e Betão, S.A.	-	8 272	-	-	-
Beto Madeira - Betões e Britas da Madeira, S.A.	-	2 480	-	-	-
Betotrans II - Unipessoal, Lda.	-	5 347	-	-	-
Biological - Gestão de Resíduos Industriais, Lda.	-	-	-	69 644	-
Madebritas - Sociedade de Britas da Madeira, Lda.	18 224	-	-	10 073	-
Cimentos Madeira, Lda.	-	-	-	26 177	-
Ciminpart - Investimentos e Participações, SGPS, S.A.	-	-	-	4 640	-
ETSA Log, S.A.	-	-	-	15 142	-
Florimar- Gestão e Participações, S.G.P.S., Lda.	-	-	-	3 531	-
ITS - Indústria Transformadora de Subprodutos, S.A.	-	411 170	-	-	-
SEBOL – Comércio e Indústria de Sebo, S.A.	-	-	-	803 055	-
Secil Britas, S.A. (former Secil - Britas, S.A.)	351 942	1 223 666	-	-	-
Secil-Betão - Indústrias de Betão, S.A.	-	31 155	-	-	-
Secil Brands - Marketing, Publicidade, Gestão e Desenvolv. de Marcas, Lda.	43 543	476 766	-	-	-
Secil Martingança - Aglomerantes e Novos Materiais para a Construção, S.A.	262 988	408 583	-	-	-
Triangle's - Cycling Equipments, S.A	1 829 010	-	-	-	-
	2 505 707	**2 567 439**	**-**	**994 930**	**-**
Other related parties					
CLA - Castro Caldas, Correia Lopes, Mendes de Almeida e Associados, Soc. Advogados	-	-	7 380	-	-
Hotel Ritz, S.A.	-	-	9 159	-	-
Sociedade Agrícola da Herdade dos Fidalgos, Unipessoal, Lda.	-	-	118	-	-
Ultimate Cell, Lda.	-	-	2 800 000	-	-
Members of the Board of Directors	550	-	8 998	-	-
	550	**-**	**2 825 655**	**-**	**-**
	20 023 637	**3 680 560**	**4 077 116**	**3 325 109**	**83 578**

As at 31 December 2024 and 31 December 2023, borrowings from shareholders and subsidiaries refer to short-term treasury operations bearing interest at market rates, debited quarterly.

TRANSACTIONS WITH RELATED PARTIES

Amounts in Euro	2024						
	Purchase of goods and services	Sales and services rendered	Recharges	Financial (expenses) / income	Amount of loans granted	Capital contributions and additional capital	Donations awarded and initial funding
Shareholders (Note 5.2)							
Sodim, SGPS, S.A.	-	-	4 179	-	-	-	-
	-	**-**	**4 179**	**-**	**-**	**-**	**-**
Subsidiaries - direct shareholdings (Note 10.1)							
ETSA Investimentos, SGPS, S.A.	-	481 940	1 250	281 679	10 000 000	-	-
Secil - Companhia Geral de Cal e Cimento, S.A.	(27 718)	5 271 615	-	-	-	-	-
Semapa Next, S.A.	(1 271 564)	-	700	-	-	29 155 500	-
The Navigator Company, S.A.	-	11 514 414	4 750	-	-	-	-
	(1 299 282)	**17 267 969**	**6 700**	**281 679**	**10 000 000**	**29 155 500**	**-**
Other subsidiaries of Semapa Group							
Empremédia – Corretores de Seguros, S.A.	(42 404)	-	-	-	-	-	-
Triangle's - Cycling Equipments, S.A	-	397 397	-	-	-	-	-
Navigator Forest Portugal, S.A.	(90)						
	(42 494)	**397 397**	**-**	**-**	**-**	**-**	**-**
Other related parties							
Bestweb, Lda.	(21 873)	-	-	-	-	-	-
CLA - Castro Caldas, Correia Lopes, Mendes de Almeida e Associa-dos, Soc. Advogados	(90 000)	-	-	-	-	-	-
Espírito Rigoroso, Unipessoal, Lda.	(7 800)	-	-	-	-	-	-
Fundação Nossa Senhora do Bom Sucesso	-	-	-	-	-	-	100 105
Fundação Semapa – Pedro Queiroz Pereira	-	-	-	-	-	-	10 000 000
Hotel Ritz, S.A.	(86 639)	-	-	-	-	-	-
João Paulo Araújo Oliveira	(194 175)	-	-	-	-	-	-
Letras Criativas, Unipessoal, Lda.	(60 000)	-	-	-	-	-	-
Nofigal, Lda.	(39 600)	-	-	-	-	-	-
Sociedade Agrícola da Herdade dos Fidalgos, Lda.	(980)	-	-	-	-	-	-
- Sonagi Imobiliária, S.A.	(778 699)	-	-	-	-	-	-
UTIS - Ultimate Technology to Industrial Savings, S.A.	-	-	237 511	-	-	-	-
	(1 279 766)	**-**	**237 511**	**-**	**-**	**-**	**10 100 105**
	(2 621 542)	**17 665 366**	**248 389**	**281 679**	**10 000 000**	**29 155 500**	**10 100 105**

Amounts in Euro	2023						
	Purchase of goods and services	Sales and services rendered	Recharges	Financial (expenses) / income	Amount of loans granted	Capital contribu-tions and additional capital	Donations awarded and initial funding
Shareholders (Note 5.2)							
Sodim, SGPS, S.A.	-	-	1 187	-	-	-	-
	-	**-**	**1 187**	**-**	**-**	**-**	**-**
Subsidiaries - direct shareholdings (Note 10.1)							
Aphelion, S.A.	-	-	-	(426)	-	179 950 000	-
ETSA Investimentos, SGPS, S.A.	-	384 925	575	24 059	14 000 000	-	-
Quotidian Podium, S.A.	-	-	-	-	-	50 000	-
Secil - Companhia Geral de Cal e Cimento, S.A.	-	4 238 317	-	-	-	-	-
Semapa Inversiones, S.L.	-	-	-	(431)	-	-	-
Semapa Next, S.A.	(1 019 886)	-	10 140	-	-	6 966 500	-
The Navigator Company, S.A.	-	9 710 177	-	-	-	-	-
	(1 019 886)	**14 333 419**	**10 715**	**23 202**	**14 000 000**	**186 966 500**	**-**
Other subsidiaries of Semapa Group							
ABAPOR – Comércio e Indústria de Carnes, S.A.	-	-	863	-	-	-	-
Empremédia – Corretores de Seguros, S.A.	(113 048)	-	-	-	-	-	-
ETSA Log, S.A.	-	-	575	-	-	-	-
ITS - Indústria Transformadora de Subprodutos, S.A.	-	-	575	-	-	-	-
SEBOL – Comércio e Indústria de Sebo, S.A.	-	-	575	-	-	-	-
Triangle's - Cycling Equipments, S.A	-	1 663 395	-	-	-	-	-
	(113 048)	**1 663 395**	**2 588**	**-**	**-**	**-**	**-**
Other related parties							
Aliança Florestal - Soc. Desenv. Agro-Florestal, S.A.	(93)	-	-	-	-	-	-
Bestweb, Lda.	(22 022)	-	-	-	-	-	-
CLA - Castro Caldas, Correia Lopes, Mendes de Almeida e Associa-dos, Soc. Advogados	(72 000)	-	-	-	-	-	-
Hotel Ritz, S.A.	(94 453)	-	-	-	-	-	-
João Paulo Araújo Oliveira	(45 906)	-	-	-	-	-	-
Letras Criativas, Unipessoal, Lda.	(60 000)	-	-	-	-	-	-
Nofigal, Lda.	(39 600)	-	-	-	-	-	-
Sociedade Agrícola da Herdade dos Fidalgos, Lda.	(347)	-	-	-	-	-	-
- Sonagi Imobiliária, S.A.	(696 141)	-	-	-	-	-	-
Cimigest, SGPS, S.A.	(3 198)	-	-	-	-	-	-
UTIS - Ultimate Technology to Industrial Savings, S.A.	-	-	146 568	-	-	-	-
	(1 033 760)	**-**	**146 568**	**-**	**-**	**-**	**-**
	(2 166 694)	**15 996 814**	**161 058**	**23 202**	**14 000 000**	**186 966 500**	**-**

In previous years, lease agreements were signed between Semapa and Sonagi – Imobiliária. S.A. relating to the lease of several office floors in the building owned by the latter and where Semapa's head office operates, on Av. Fontes Pereira de Melo, no. 14, in Lisbon.

In 2024, the amount of loans granted of Euro 10 000 000 relates to short-term treasury operations bearing interest at market rates, debited monthly.

RECEIVABLES AND PAYABLES – TAX CONSOLIDATION (RETGS)

The balances receivable and payable to the subsidiaries included in the Company's tax sub-group related to RETGS operations (Note 6.1) are as follows:

Amounts in Euro	31/12/2024		31/12/2023	
	Receivable	Payable	Receivable	Payable
Income tax on subsidiaries	5 147 168	10 959 379	5 349 198	1 987 780
Corporate Income Tax receivables	(3 642 552)	(10 270 920)	(2 727 051)	(4 957 633)
Withholding tax recoverable	(35 363)	(181 877)	(12 010)	(101 152)
International double taxation	-	(369 106)	-	(318 361)
Corporate Income Tax from prior years	1 853 297	(2 089 165)	-	64 256
	3 322 550	**(1 951 688)**	**2 610 137**	**(3 325 110)**

As mentioned in Note 6.1, as of 1 January 2023, the amounts relating to income tax are recorded in receivables and payables to the parent company Sodim.

Amounts in Euro	31/12/2024	31/12/2023
	Receivable	Receivable
Income tax on subsidiaries	(2 642 257)	-
Corporate Income Tax receivables	3 553 239	2 300 382
Withholding tax recoverable	635 787	776 643
International double taxation	369 106	318 361
Corporate Income Tax from prior years	1 528 955	(2 324 961)
	3 444 831	**1 070 425**

OTHER RELATED PARTY DISCLOSURES

In 2018, the subsidiary Semapa Next. S.A. entered into an agreement to invest 12 million dollars in Alter Venture Partners Fund 1, an entity in which a member of the executive team is also a non-executive board member of Semapa. As at 31 December 2024, the Group had invested USD 11 million in Alter Venture Partners Fund 1, corresponding to Euro 9.9 million.

The remuneration of the Company's key management personnel is detailed in Note 7.3 – Remuneration of corpo-rate bodies.

Lisboa, 3 de abril de 2025

11 EXPLANATION ADDED FOR TRANSLATION

These financial statements are a free translation of the financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

Lisbon, 03 April 2025

THE CERTIFIED ACCOUNTANT

Paulo Jorge Morais Costa

BOARD OF DIRECTORS

CHAIRMAN

José Antônio do Prado Fay

MEMBERS

Ricardo Miguel dos Santos Pacheco Pires

Vítor Paulo Paranhos Pereira

Filipa Mendes de Almeida de Queiroz Pereira

Mafalda Mendes de Almeida de Queiroz Pereira

Lua Mónica Mendes de Almeida de Queiroz Pereira

António Pedro de Carvalho Viana-Baptista

Paulo José Lameiras Martins

KPMG

STATUTORY AUDITORS' REPORT AND AUDITORS' REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.** (the Entity), which comprise the statement of financial position as at 31 December 2024 (showing a total of Euro 1,884,472,862 and total equity of Euro 1,639,701,654, including a net profit for the period of Euro 232,735,949), and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and the accompanying notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of **Semapa – Sociedade de Investimento e Gestão, 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 the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and further technical and ethical standards and guidelines as issued by *Ordem dos Revisores Oficiais de Contas* (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section below. We are independent from the Entity under the terms of the law, and we comply with the other ethical requirements under the code of ethics of the Portuguese Institute of Statutory Auditors.

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 judgement, 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.

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Valuation of financial investments (Euro 1,676,722,681)	
See Note 1.6 Main estimates and judgements and Note 10.1 of the Financial Statements	
The Risk	**Our response to the identified risk**
The valuation of the Entity's financial investments requires a high degree of estimate and judgement by the Board of Directors, namely with regard to the calculation of the recoverable value of the investments made when signs of impairment are identified.	Our audit procedures included, amongst others, those that we describe below: ▪ We assessed the design and implementation of the main controls implemented by the Entity related to this matter and analysed the budgeting procedures on which projections are based, by comparing the current performance with estimates made in previous years, and the integrity of the discounted cash flow model; ▪ We assessed whether there were signs of impairment in the financial investments; ▪ We performed and analysed impairment tests on financial investments, based on discounted cash flow models, performing the following procedures: - We verified the arithmetic accuracy of the models; - We assessed the internal and external assumptions used and their reasonableness, such as current business trends, market performance, inflation, projected economic growth and discount rates; - We performed sensitivity analyses of the assumptions and forecasts used; - We involved experts in the calculation of the weighted average cost of capital; and ▪ We reviewed the adequacy of the disclosures in the financial statements, in accordance with the applicable accounting standard.

Responsibilities of Management and the Supervisory Board for the Financial Statements

Management is responsible for:

- the preparation of financial statements that give a true and fair view of the Entity's financial position, financial performance and the cash flows, in accordance with the International Financial Reporting Standards as adopted by the European Union;

- the preparation of the management report, the corporate governance report 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,
- the assessment of the Entity's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about 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 responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditors' 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 ISA 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 judgement 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 auditors' 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 auditors' 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 the 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

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significant audit findings including any significant deficiencies in internal control that we identify during our audit;

- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes their public disclosure; and,
- provide the supervisory body with a statement that we have complied with the relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our responsibility also includes the verification that the information contained in the management report is consistent with the financial statements, and the verification of the requirements as provided in Article 451(4) and (5) of the Portuguese Companies' Code regarding the corporate governance report, as well as the verification that the remunerations report was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the management report

According to Article 451(3)(e) of the Portuguese Companies' Code, in our opinion the management report has been prepared in accordance with the applicable legal and regulatory requirements and the financial information contained therein is consistent with the audited financial statements, and no material inconsistencies have been identified.

On the corporate governance report

According to Article 451(4) of the Portuguese Companies' Code, it is our opinion that the corporate governance report includes the information required to the Group to provide under Article 29-H of the Securities Code, and we have not identified any material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and l) of paragraph 1 of that Article.

On the remuneration report

According to Article 26-G, paragraph 6, of the Portuguese Securities Code, we hereby inform that the Entity has included in a separate chapter of its corporate governance report the information required under paragraph 2 of that Article.

On the European single electronic format (ESEF)

The financial statements of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. for the period ended 31 December 2023 shall comply with the applicable requirements established by the European Commission Delegated Regulation 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for the preparation and disclosure of the annual report in accordance with the ESEF Regulation.

We are responsible for obtaining reasonable assurance as to 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 (Portuguese Institute of Statutory Auditors) Technical Application Guide on ESEF reporting and included obtaining an understanding of the financial reporting process, including the presentation of the annual report in a valid XHTML format.

In our opinion, the financial statements, included in the annual report, are presented, in all material respects, in accordance with the requirements established by the ESEF Regulation.

On the additional matters provided in Article 10 of the Regulation (EU) 537/2014

According to Article 10 of the Regulation (EU) 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 first appointed as auditors of the Entity at the general shareholders' meeting held on 22 September 2017 for a mandate from 2018 to 2021. We were reappointed as auditors of the Entity at the general shareholders' meeting held on 27 May 2022 for a second mandate from 2022 to 2024.
- Management as confirmed to us 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 ISA we maintained professional scepticism, 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 of the financial statements due to fraud.
- We confirm that the audit opinion we issue is consistent with the additional report that we prepared and delivered to the supervisory body of the Entity on 30 April 2025.
- We declare that we have not provided any prohibited services as described in Article 5 of Regulation (EU) 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.

30 April 2025

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, S.A.
(no. 189 and registered at CMVM with no. 20161489)
represented by
Paulo Alexandre Martins Quintas Paixão
(ROC no. 1427 and registered at CMVM with no. 20161037)

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SEMAPA - Sociedade de Investimento e Gestão, SGPS, S.A.

Report and Opinion of the Audit Board
Separate Financial Statements

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

Year 2024

Dear Shareholders,

1. As laid down by law, established in the articles of association and in carrying out the mandate entrusted to us, we hereby deliver our report on the audit activities carried out in 2024 and issue our opinion on the Management Report and the Separate Financial Statements submitted by the Board of Directors of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A., for the year ended 31 December 2024.

2. During the year, we monitored the company's activity on a regularly basis, with the frequency and to the extent that we deemed appropriate, namely through regular meetings with the Company's Management and Directors. We oversaw the reviewing of the accounting records and the supporting documents, and the efficacy of the risk management, internal control and audit systems. We ensured compliance with the law and the Articles of Association. We did not run up against any obstacles in the exercise of our duties.

3. We met several times with the Statutory Auditor and the External Auditor, KPMG & Associados, SROC, S.A., to monitor the audits conducted and supervise their independence. We have analysed the legal Accounts Certificate and Audit Report, and merit our agreement.

4. The Audit Board analysed the proposals that were presented to it for non-audit services by the Statutory and External Auditor, having approved those that related with permitted services, did not affect the independence of the Statutory and External Auditor and fulfil the other legal requirements.

5. Within the scope of our competences, we find that:

   a) The separate Income Statement, the separate Financial Statement, the separate Statement of Comprehensive Income, the separate Statement of Changes in Equity and the separate Cash Flow Statement and its Notes to the separate financial statements give a true and fair view of the financial position of the company, in respect of its results, comprehensive income, changes in equity and cash flow;

   b) The accounting policies and valuation criteria applied are in conformity with the International Financial Reporting Standards (IFRS), as adopted in the European Union, and ensure that a true and fair assessment of the company's assets and results is given, and the findings and recommendations of the external auditor have been followed through;

   c) The Management Report clearly shows the development of the business and the situation of the company, highlighting key aspects of the activity;

   d) The Corporate Governance Report covers all of the points required under the terms of Article 29 H of the Securities Code and considered the recommendations to the Code of the Portuguese Corporate Governance Institute (IPCG).

6. We are of the opinion that the allocation of profits as proposed by the Board of Directors does not run counter to the applicable legal or statutory provisions.

7. Consequently, taking into account the information delivered by the company's Board of Directors and Departments, and the conclusions of the legal Accounts Certificate and Audit Report, we are of the opinion that:

   a) The Management Report should be approved;

   b) The separate Financial Statements should be approved;

   c) The allocation of results as proposed by the Board of Directors should be approved.

8. Finally, the members of the Audit Board are grateful to the Board of Directors, the key supervisors and other company staff, as well as to the statutory auditor KPMG & Associados, SROC, S.A. for their collaboration.

Lisbon, 30 April 2025

The Chairman of the Audit Board

José Manuel Oliveira Vitorino

Member of the Audit Board,

Gonçalo Nuno Palha Gaio Picão Caldeira

Member of the Audit Board,

Maria da Luz Gonçalves de Andrade Campos

MAKING IT BETTER SEMAPA

PUBLICATION CYCLE AND REPORTING PERIOD
This report refers to the activities conducted during 2024.
(from 1 January to 31 December 2024) and is published annually.

DATE OF PUBLICATION
April 2025

ESG TECHNICAL SUPPORT
Stravillia Sustainability Hub

CONCEPTION AND DESIGN
Get Brand

FEEDBACK AND CONTACTS
We value your opinion. For any clarification, please contact:
SEMAPA – Sociedade de Investimento e Gestão, SGPS, S.A.
Av. Fontes Pereira de Melo, 14-10º, 1050-121 Lisboa, Portugal
Tel. (+351) 213 184 700
investors@semapa.pt
Company Registration and Corporate Taxpayer Number: 502 593 130 | Share Capital 81 270 000 euros
ISIN: PTSEM0AM0004 | LEI: 549300HNGOW85KIOH584 | Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)

MAKING IT BETTER SEMAPA

EUROPEAN SINGLE ELECTRONIC FORMAT (ESEF)

This document constitutes a non-ESEF compliant and unaudited version of the Annual Report for the year 2024 of Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.. The final and audited version of the aforementioned Annual Report in ESEF format can be consulted at www.cmvm.pt and at www.semapa.pt. If there are differences between this version in PDF format and the aforementioned version in ESEF format, the content in the latter will prevail.