

Progress Report on Meeting Act4nature Portugal Commitments



INDIVIDUAL COMMITMENT 1 | Finalise the approach to integrating B&ES conservation into corporate strategy, in line with available scientific knowledge and voluntarily accepted commitments by Dec. 2024.

2023 | Document under internal discussion.

INDIVIDUAL COMMITMENT 2 | Carry out the annual species and habitat monitoring plans and work to maintain, improve the state of conservation and restore B&ES in the forestry holdings managed by the Company, in the following areas: (i) conservation; (ii) rehabilitation; and (iii) ecological restoration. With regard to ecological restoration, start and/or maintain actions on at least 110 hectares by 2030. Maintain the remaining conservation status maintenance and improvement activities (actions on at least 30 ha/year) until 2030; Carry out at least one recovery project for an endangered species and support another until 2030.

2023 | Monitoring carried out in annual plans and specific projects.

Overall cumulative results of the annual monitoring plans:

With more than 20 properties monitored, highlighting the important record of a well-preserved nucleus of the habitat included in the Natura 2000 Network directive - Riparian formations on intermittent Mediterranean water courses with *Rhododendron ponticum*, on a property in Oliveira de Azeméis. It is a rare species, endemic to the Iberian Peninsula and reliquial (to the laurisilva). These communities with a restricted distribution usually occur in two distinct clusters, in the Vouga basin (Cambarinho wood and other scattered areas), in the Serra de Monchique and small mountains to the north of it, so this cluster represents an important record of this subpopulation.

By 2023 (included), around 1,000 species and subspecies of flora and 253 species of fauna have been identified in the forests managed by the company and 51 different types of habitats included in the Habitats Directive, leading to a small increase in the types of habitats present and species identified, as a result of the greater effort put into the area monitored.

Around 12 % of its area is made up of areas of conservation interest, of which 4,420 hectares are classified as habitats protected by the Natura 2000 Network, divided into 51 types. In 2023, around 81 hectares were target of restoration or rehabilitation, with the aim of maintaining or improving the conservation status of natural and semi-natural habitats, and the start of the ecological restoration of Zambujo in an area of around 110 hectares, with the company converting 40 hectares of forest production to holm oak forest. The action is being promoted by The Navigator Company in partnership with RAIZ - Instituto de Investigação da Floresta e Papel (Forest and Paper research Institute), with an overall budget of 225774.79 euros and is funded by the COMPETE 2020 Program under the measure “Support to climate transition/Resilience of territories to risk: Fighting desertification through reforestation and actions to fix carbon and nutrients in the soil” (REACT-EU/ERDF).

Monitoring of nesting birds: 6 nesting sites for Bonelli's eagle (*Aquila fasciata*) in the Vulnerable (VU) category, 4 of which were successfully occupied, resulting in two chicks at each of these 4 sites. The nest of Black Stork (*Ciconia nigra*) in the Endangered (EN) category was monitored, resulting in 3 juveniles. Two nests were also recorded on the Espirra Estate, one of a Booted Eagle (*Hieraetus pennatus*) which fledged a juvenile and another nest probably occupied by a Euroasian Sparrowhawk (*Accipiter nisus*), both of which are classified as Least Concern (LC) according to the Red List of Birds of Mainland Portugal 2022.

In view of the decline in insects and knowing their importance for pollination and the objectives to reverse this decline, the company sowed seeds for pollinators in Espirra in an initial trial with the aim of understanding the impact on diversity and the increase in species. The results were monitored by the Xzen Club Association. In the sown plot, almost twice as many species were detected as in the unsown plot, with the presence of several bedbugs (*Hemiptera*), butterflies (*Lepidoptera*) and ladybugs (*Coleoptera*) due to the greater presence of flowers.

Also of note are two species of velvet ants (*Mutillidae*) and two other species, although less common: *Hemipenthes maura* and *Ectemnius lituratus*.

More individuals were recorded on the unsown plot, a result that was, however, influenced by the presence of an anthill on the transect. In this particular location, 26 ants of the *Messor* sp. species were counted. If this anthill had not been found, the number of individuals would have dropped to 31, which compared to the sown plot would have been almost half of the individuals counted. The sown plot had a higher number of individuals and almost twice as

many species as the unsown plot.

Start of the “Genetic improvement and forest reproduction materials RRP (Recovery and Resilience Plan) Transform project”, which includes an activity aimed at Biodiversity conservation, starting in 2023:

Genetic conservation and ecosystem recovery, with particular emphasis on some of the most endangered trees in Portugal, such as the Critically endangered *Quercus canariensis* and associated tree species. The recovery of the Monchique oak and its habitat is included in the “Genetic improvement, production and conservation of forest reproductive materials” project, which aims to increase the resilience of Portuguese forests to the effects of climate change. The RRP supported the idea, which will take place between the end of 2022 and 2025, under the joint coordination of RAIZ - Instituto de Investigação da Floresta e Papel and INIAV - Instituto Nacional de Investigação Agrária e Veterinária (National Institute for Agricultural and Veterinary Research), in partnership with the company's forestry division.

In 2023, the first field visits were made with the support of BIOPOLIS-CIBIO and the Botanical Garden of the University of Porto to collect genetic material, characterize and map the species and molecularly characterize selected trees, using genomic tools to identify characteristic specimens of the species, analyse the potential degree of hybridization with the Portuguese oak and characterize the diversity of the Portuguese subpopulations of this species. The material collected is now in the Aliança nurseries and in the Instituto Politécnico de Castelo Branco (Castelo Branco Polytechnic Institute) for vegetative propagation trials.

[Support the survival of the Monchique oak in Portugal \(biodiversity.com.pt\)](https://biodiversity.com.pt).

Continuing its collaboration with FCUL (Faculty of Sciences of the University of Lisbon) and university of Aveiro on the “Wildforest project - Conservation of wildlife and exotic production forests: the need for a two-way relationship in sustainable landscapes” <http://wildforests.pt/pt/>, the company will provide logistical support for a new FCT (Fundação para a Ciência e tecnologia) project called “FORCE – FORest Certification as a tool to preserve vertebrate biodiversity in exotic forestry plantations”, with the main aim of understanding the importance of Forest Certification as a tool to ensure the functional and conservation role of Eucalyptus Plantations for vertebrates. Partners in the project “Adapting Serras do Porto to Climate Change - LIFE SERRAS DO PORTO” (LIFE21 CCA/PT/4476), whose core theme is the forest and includes an integrated set of interventions with a high positive impact on the landscape and ecosystems, as well as monitoring, dissemination, awareness raising and civic engagement. Among other actions,

the company aims to strengthen the compatibility of production with conservation and adaptation to climate change in that area. It will focus on restoring and requalification of plots to improve the conservation status of natural habitats. Some of the measures include the control of exotic and invasive species in watercourses in other forest plots and actions to promote the natural regeneration, planting and staking of the species that naturally make up these spaces. These actions are complementary to others carried out by the other partners in this project, allowing for an intervention with a positive impact on the landscape and ecosystems, and they began this year (2023). The aim is also to measure the evolution of the intervened plots to assess the positive impact on biodiversity. In addition to the project partners, the company has the support of Montis- ACN and Floradata in order to achieve the proposed goals.

INDIVIDUAL COMMITMENT 3 | By 2026, define a simplified framework, in line with the key elements of global reference frameworks (e.g Natural Capital Protocol), to systematise the assessment of B&ES impacts and dependencies, testing the approach in a pilot project.

2023 | Start estimated for 2024.

INDIVIDUAL COMMITMENT 4 | Ensure that the Company's wood consumption include no less than 80% certified wood by 2030 and promote forest management certification in Portugal to help achieve it.

2023 | 68.7% Wood used comes from areas with certified forest management.

92.1 % Wood suppliers with certified chain of custody in Portugal.

INDIVIDUAL COMMITMENT 5 | By 2030, run training programmes with content relating to B&ES conservation topics and raise awareness of good business practices, for internal and external Employees.

2023 | A 4-hour training course was held on: Identification and Characterization of Flora, Vegetation and Habitats, Plant Biodiversity in Portugal. Attended by 28 internal staff from different divisions within the company (including RAIZ) and 6 external staff. Training given by Floradata - Biodiversidade, Ambiente e Recursos Naturais, Lda.

Tec4Forest – Programme for training and transferring technical know-how to external stakeholders. In 2023, 41 sessions were held for technicians and producers, with a total of 474 participants: Syllabus content included in training in good practices applicable to the main activities of Forest Producers' Organizations (FPOs) and certification groups.

Syllabus content included in training in good practices applicable to main activities (installation of plantations, maintenance and operation) include guidelines and procedures relating to soil and water conservation, conservation of areas of conservation interest, including preservation of protection strips along water courses, protection of nests and dens/burrows, protection of cultural and archaeological heritage, protection of flora species of conservation interest and management of waste resulting from different activities.

INDIVIDUAL COMMITMENT 6 | By 2030 promote and/or participate in innovation projects and the development of nature-based solutions applicable to the management of natural spaces, processes or products.

2023 | At the 15th session of The Navigator Company's Sustainability Forum (internal session), under the theme “Climate and Nature: Disclosure Challenges”, a debate was held on “Exploring the link between Climate & Nature Action”, with the help of the Director of the Forest Solutions Group (FSG) at the World Business Council for Sustainable Development (WBCSD), Angela Graham-Brown. Following this discussion, a workshop was also organized with the aim of presenting suggestions for the launch of a future “Nature-based Solutions (NbS) for Climate and Nature” Pilot Project.

INDIVIDUAL COMMITMENT 7 | Disclose, on a regular basis, information from multistakeholder initiatives in which the company takes part in order to promote B&ES conservation, directly or indirectly.

2023 | Continued participation in BCSD Act4nature initiatives and BCSD Portugal's Biodiversity working group. As part of the “Natura Connect - Designing a Resilient and Coherent Trans-European Network for Nature and People” project, funded by the European Union, the company (via the forestry division) was invited to take part in a Think Tank aimed at “establishing prolific dialogues on the political, socio-economic and technical challenges associated with implementing the European Biodiversity Strategy 2030 in terrestrial systems in mainland Portugal”. This Think Tank includes representatives from civil society, companies, NGOs, public bodies such as the ICNF - Institute for Nature Conservation and Forests, FlorestGal, DGT - Directorate-General for Territory, APA - Portuguese Environment Agency and has the support of the Ministry for the Environment and Climate Change.

Dissemination of content on biodiversity and ecosystem services, including Portuguese forest habitats and their importance for conservation, on social networks and on the Biodiversidade.com.pt and Florestas.pt platforms.



Conference “Valuing forests: for people and the planet”, promoted on June 28 by Florestas.pt and The Navigator Company, in partnership with the newspaper Expresso (portuguese newspaper).

Participating in a new series of documentaries entitled “Visão 2045” (Vision 2045), the idea was to share the path that the Company has been following to contribute to a more sustainable world, namely through the 2030 Agenda. Through the documentary “Shaping the Future of Responsible Forestry”, Navigator was presented as an example of a company that has incorporated ESG criteria into its day-to-day operations and is committed to continuous improvement in its sustainability policies.

INDIVIDUAL COMMITMENT 9 | Report publicly, on an annual basis, progress in implementing act4nature Portugal's commitments and give visibility to the company's main actions under this initiative.

2023 | Progress report available online on The Navigator Company Website.