

Sustainability Report

05

One of the cornerstones of Corticeira Amorim's business activity is to implement circular economy principles. The combination of cork with waste from a wide range of industries, has engendered a panoply of new products, solutions and applications.



Message from the Chief Sustainability Officer

Dear stakeholder,

The absolutely extraordinary and unexpected events of the past few years have highlighted both the resilience and fragility of our world, at all levels: environmental, social and economic. We have had to confront a pandemic, war in Europe, natural disasters, interruptions in the supply chain, unbearable energy prices, galloping inflation and worsening living conditions for the most fragile populations.

In this context, we have the obligation to contribute to the construction of an equitable and sustainable system capable of protecting the current and future generations.

Sustainability is a fundamental aspect in the development of Corticeira Amorim's products and solutions. We are concerned with maximising the positive impacts of our business activity, namely the preservation of cork oak forests, while minimising any direct negative impacts along the value chain.

We know that by operating sustainably, we are building a more resilient business and creating value for all our stakeholders. We work together with our partners to present cork-based products and solutions that support the circular economy, contribute to decarbonisation of the economy and regeneration of natural systems.

In 2022, we strengthened our sustainability commitments and implemented the initiatives planned to attain the goals set for 2030 in the Sustainable by nature programme. Key highlights include:

- Acquisition of the Herdade de Rio Frio, an important milestone in the Forestry Intervention Project;
- The ambitious action plan in the fields of energy (improving efficiency, increasing the use of renewable energies and reducing Scope 3 emissions), water (reusing water from the cork boiling process) and sustainable packaging;
- Increased employee benefits with increased health plan coverage and extension of variable remuneration to all;
- Reinforcement of social responsibility practices through implementation of the SA 8000 Standard, which, together with the ISO 45001 Standard, covers more than 50% of workers;
- The new ambition of the 2023 Equality Plan;
- Strengthening of partnerships and commitments, inclusively with the UN Global Compact and the Porto Climate Pact;
- Continued support to the community/society through the annual planting of cork oak trees, the offer of grants for research projects linked to the cork oak forest and support for inclusive, disruptive and technological education models;

- Promotion of recycling of cork stoppers and of other cork products at the end of their life, extending the scope of selective collection of such products;
- Strengthening the governance, engagement and transparency model, in particular by formalising and disclosing commitments, policies and practices and adapting the sustainability report to align it with the new GRI 3 standards (GRI 1 and GRI 3), the Corporate Sustainability Reporting Directive and the European Union Taxonomy;
- Strengthening of sustainable finance, by contracting two new Green Commercial Paper Programmes.

We carry out our business activity with responsibility, always striving for excellence. On this path, we are guided by a solid culture of demanding standards and a cohesive set of internal regulations, which make it possible to align the expectations of all stakeholders, encourage balanced and prudent management, reinforce transparency and demonstrate the Company's commitment to developing its business activity in line with the principles of sustainable development.

But it is our employees, from various continents, and their constant determination to achieve more, surpass challenges, influence by example and foster the well-being of the communities that are closest to them, that underpin Corticeira Amorim's sustainable growth strategy.

The 2022 Sustainability Report, which I hereby present, provides further information on Corticeira Amorim's work to foster sustainable development, focusing in particular on the way that the company faces the risks and opportunities of climate change, supports its employees and the community in which it operates, and relates to all its stakeholders, producing results and responding to key global challenges.

We thank all employees and other stakeholders for their valuable contribution to promoting sustainability. We remain committed to working together to achieve a better future for all.

We uphold our permanent commitment to global peace and security. We hope that all parties involved in the conflict between Russia and Ukraine, as in all other conflicts around the world, will seek and find understanding for peace, security and prosperity for all.

Warm regards,

Cristina Rios de Amorim

Board Member and Chief Sustainability Officer



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Chromatography is a cork stopper analytic process that makes it possible to detect compounds and quantify them.

About this report

This Sustainability Report, included in Corticeira Amorim's Consolidated Annual Report, reflects the company's commitment and approach to sustainability issues, in particular its performance in relation to the Sustainable by nature programme, which establishes its goals for 2030.

The good practice of regular reporting, carried out since 2006, fosters transparency and encourages the adoption of sustainability principles, both in the value chain and among its main stakeholders.

This document has been prepared in accordance with the guidelines of the Global Reporting Initiative, the GRI Standards (GRI), whilst satisfying the legal requirements introduced by Portugal's Decree-Law no. 89/2017 of July 28, and pursuant to Article 508-G of the Commercial Companies Code, it is a Consolidated Non-Financial Statement of Corticeira Amorim, SGPS, S.A. It also complies with article 8 of the Taxonomy Regulation and article 10 (2) of article 8 of the Delegated Act.

The information contained in this report has been audited by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A.

To improve accessibility and transparency, Corticeira Amorim has made available a set of other documents, which will be itemised throughout the report.

Navigating the Sustainability Report:

- About Corticeira Amorim - **Chapter 1**
- Engagement with stakeholders - **Chapter 1.4**
- Characterization of the value chain - **Chapter 1.5**
- Ethics and governance of sustainability - **Chapter 2**
- Sustainable by nature programme and alignment with the UN SDGs - **Chapter 3**
- Sustainable finance - **Chapter 4**
- European Union Taxonomy - **Chapter 5**
- References and scope of the sustainability report - **Chapter 6**
- Consolidated sustainability indicators - **Chapter 7**
- GRI Table - **Chapter 8**
- Alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) - **Chapter 9**
- Independent assurance report - **Chapter 10**

This document is available at <https://www.amorim.com/en/sustainability/reports/> and any clarification may be requested from Corticeira Amorim, using the contact form available at: <https://www.amorim.com/en/contacts/>.

2022 Key Facts

Corticeira Amorim

- #1 in the world for cork processing
- >150 years of history
- €1,021,400,000 consolidated sales
- 93% sales outside Portugal

Business Units

- 5 business units
- 1,150,000 m² cork yards
- 6,100,000,000 stoppers
- 10,000,000 m² installed capacity in floor & wall coverings
- 203,783 blocks and 33,264 cylinders
- 60,000 m³ insulation cork

World Presence

- 30 countries where operating
- 20 industrial units
- 10 raw material preparation units
- 3 agroforestry units
- 63 distribution units
- 8 joint ventures
- 30,000 customers in over 100 countries

Cork, Cork Oak Tree And Cork Oak Forest

- >2,100,000 ha in the western Mediterranean basin
- 200 years average lifespan of a cork oak tree
- 100,000 people depend on cork oak forests
- >1,300 €/ha/year average value estimated of the ecosystem services associated with a cork oak forest properly managed
- 1/36 biodiversity hotspots
- -73t CO₂/1t cork produced
- Barrier against fires - Regulates the hydrological cycle - Protects the soil and decreases the risk of desertification

Strategy

- 2021 - most recent materiality review
- 12/17 SDGs aligned with the sustainability strategy
- 10 strategic goals
31 main targets
7 quantitative targets by 2030 (Portugal)
9 quantitative targets by 2024 (Portugal)

Ethics And Integrity

- 2006 date of first sustainability report
- 7,485 hours of training in the Code of Business Ethics and Professional Conduct
- Internal codes, policies and regulations
- 89% of stakeholders agree that the Group presents a clear vision of its economic, social and environmental responsibilities
- UN Global Compact Participant

Value Chain

- 1st FSC® certificate in the chain of custody in the cork industry (2004)
- 100% of non-cork suppliers covered with supplier evaluation programme
- 95% cork and cork products of controlled origin
- 82% production units with international code of cork stopper manufacturing practices
- 59% production units with forest products chain of custody certification

Cork Oak Forest

- €56,900,000 value of acquisitions of forest estates
- 8,181 ha forest estates under management (Herdade da Venda Nova, Herdade da Baliza and Herdade de Rio Frio)
- 381 ha intervened forest estates under management (Forestry Intervention Project)
- 154,610 cork oak trees planted (Forestry Intervention Project)
- 10 commitments to biodiversity (Act4nature Portugal)

Climate Change

- 77% renewable energy
- 68% controlled renewable energy
- 2.8% energy efficiency
- 81,442 tCO₂eq emissions avoided
- 243,866 tCO₂eq emissions generated by the business activity and value chain
- -5,100,000 tCO₂ approximate cork oak forest sequestration promoted (21 times more than the emissions generated by the activity and value chain)
- 670 m³ water consumed per €M
- Photovoltaic project:
 - 2021-2024 (4 years)
 - +11 €M
 - 30 GWh
 - 20% total electrical energy consumption in Portugal
 - 14.6 k tCO₂eq avoided

Circular Economy

- 100% use of cork
- 89% waste recovery rate (non-cork)
- 88% sustainable materials (renewable and recycled)
82% renewable materials
- 5 continents with cork recycling programmes (including the Green Cork project in Portugal, Ecobouchon project in France, ETICO programme in Italy)
- 1,052 t recycled cork (equivalent to 234 million cork stoppers)

Green Products

- >50% consolidated sales with life cycle assessments and carbon footprint studies
- CORK STOPPERS: 1st choice for customers who want better quality and to contribute to the mitigation of climate change
- FLOOR AND WALL COVERINGS: 100% of floor & wall coverings with indoor air quality certification and contributions to sustainable construction certifications, LEED/BREEAM
- Composite Cork: > 500 applications for various sectors, allying innovation and circular economy practices
- INSULATION CORK: 0% additives in products that are simultaneously 100% natural, recyclable, reusable and long-lasting

Development

- 4,999 workers
- 71% workers in Portugal
- 94% employees covered by collective bargaining agreements
- 26% women workers
- 26% women in management positions

Safety, Health and Well-Being

- 72% workers covered by ISO 45001 or SA 8000 certifications
- 14.3 lost time injury frequency rate

Communities / Society

- 120,000 trees planted in partnership (Green Cork)
- 6,518,000 recycled cork stoppers (Green Cork)
- 75,000 students involved in environmental education actions in partnership (Green Cork)
- 2.17 x production multiplier in Portuguese economy
- 7x direct value of the activity in Portugal multiplier (includes impacts of cork oak forest's ecosystem services)
- 39% contribution to total exports from the municipality of Santa Maria da Feira
- 51% of impact on employment in the forestry sector in Coruche and Ponte de Sor

Innovation

- €11,075,000 average R&D+i investment
- 8 joint ventures

Sustainable Finance





- €86,200,000 green financing allocated
- 5 green financial instruments
 - €40,000,000 in green bonds
 - €11,600,000 in the green commercial paper programme
 - €20,000,000 in sustainability linked commercial paper programme
 - €20,000,000 in green commercial paper programme
 - €35,000,000 in green commercial paper programme

EU Taxonomy

- 2 / 6 green objectives
- 8.0% eligible turnover
- 37.6% eligible Capex
- 5.9% eligible Opex

Awards and recognition

Each year, Corticeira Amorim strengthens its ESG (Environmental, Social & Governance) policies and practices and expands its engagement and communication with its stakeholders. This evolution is recognised by entities that assess Corticeira Amorim's performance, who recognise the Company as a leader in its sector and as a model in terms of its contributions to sustainability. Some of these organisations and the recognitions obtained are listed below.

Entity	Classification range	Corticeira Amorim's Classification	Last updated
 Climate Change 2022 (www.cdp.net)	Leadership (A-/A) Management (B-/B) Awareness (C-/C) Disclosure (D-/D)	Management B	December 2022
 (www.ecovadis.com)	Platinum - top 1% (overall score between 78 and 100) Gold - top 5% (overall score between 70 and 77) Silver - top 25% (overall score between 59 and 69) Bronze - top 50% (overall score between 50 and 58)	Gold 72	February 2023
 (www.sustainalytics.com) ¹	Negligible (0-10) Low (10-20) Medium (20-30) High (30-40) Severe (40+)	Low risk 14,7	September 2021
 (www.msci.com) ²	Leader (AA/AAA) Average (BB/BBB/A) Laggard (CCC/B)	Leader AA	January 2023

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Voluntary commitments

The Corticeira Amorim Group actively participates in discussion meetings with national and international entities on sustainable development of the geographical regions in which the group operates. In various cases, the Group's representatives are members of these initiatives and associations, in order to ensure a meaningful and proactive impact. Of the numerous associations, it is worth highlighting the following:

UN Global Compact

The Global Compact Network Portugal is the Portuguese network of the UN Global Compact (UNGC), which gathers the initiative's participants based or operating in Portugal. Its work is to share knowledge and methodologies between projects, programmes and tools in order to contribute to furthering implementation of the Ten Principles and create opportunities for intersectoral initiatives to develop in action, defence and dissemination of the UN SDGs Corticeira Amorim, S.G.P.S., S.A. | UN Global Compact

Sustainable Wine Roundtable

Global and independent coalition that aims to establish a universal sustainability standard for wine. <https://swroundtable.org/>

Smart Waste Portugal

Association whose objective is to contribute to the production and dissemination of knowledge in the area of waste; to stimulate initiatives that value cooperation between entities operating in the area of waste; promote and support activities and projects of its members that contribute to the pursuit of the association's objectives. <http://www.smartwasteportugal.com/pt/>

Porto Climate Pact

The Porto Climate Pact has been designed to serve everyone, with the ultimate goal of defending the global climate system. However, it subsists largely on the basis of membership among different entities operating in Porto. https://pactoparaoclima.portodigital.pt/?page_id=5850

IB-S (Institute of Science and Innovation for Bio-Sustainability)

Research unit at the University of Minho, dedicated to the sustainability of the built and natural environment. <http://ib-s.uminho.pt/>

ForestWISE - Collaborative Laboratory for Integrated Forestry and Fire Management

A private, non-profit association, whose mission is to promote the integrated management of forests and fire, based on (joint) research and development activities, knowledge and technology transfer, acting as a link between industry, the academic world and the Public Administration, with impacts on the forest and fire sectors and on society. <https://www.forestwise.pt/en/>

Centro Habitat

Group of companies, municipalities, research and development centres, business associations and other entities that focus on sustainability as a means of fostering innovation and competitiveness. <http://www.centrohabitat.net/en>

Charter of Principles of the Porto Protocol

International foundation, with hundreds of members spread throughout the wine value chain and around the world, whose mission is to build a network of change agents and viable solutions, with the aim of making the wine industry's response to the climate emergency more collaborative, faster and more robust. <https://climatechange-porto.com/porto-protocol/>

Charter of Principles of BCSD Portugal

An initiative promoted by BCSD Portugal that establishes the fundamental sustainability commitments that the subscribing companies voluntarily adopt for themselves and which they seek to extend to their value chain, within their sphere of influence. https://bcdsportugal.org/wp-content/uploads/2022/11/Charter-of-Principles_BCSDPortugal_ENG.pdf

BRP - Business Roundtable Portugal

With representation of the largest Portuguese business groups, it has a single purpose: to accelerate Portugal's economic and social growth to ensure a fairer, more prosperous and more sustainable country. <https://www.abrp.pt/>

BCSD Portugal

Business association, with broad sectorial representation in Portugal, which is part of the world network of the WBCSD - World Business Council for Sustainable Development, the largest international organisation working in the area of sustainable development. <https://bcdsportugal.org/en/>

APCOR - Portuguese Cork Association

Business association in the cork sector that represents, promotes, disseminates and researches the Portuguese cork industry. <https://www.apcor.pt/en/>

ACT4NATURE Portugal

Business initiative promoted by BCSD Portugal in which participating companies assume individual and joint commitments for the conservation of biodiversity and ecosystem services.

https://bcdsportugal.org/wp-content/uploads/2021/07/Act4nature_relatorio_2020_EN_VF.pdf

50 Sustainability & Climate Leaders

Project promoted by the TBM Media Group, with content distributed by the Bloomberg group, that aims to promote the exchange of ideas on how to achieve greater sustainability by focusing on recent technological solutions, favouring disruptive innovation and fostering socially responsible leaders.

<https://www.50climateleaders.com/>

Corticeira Amorim continues to highlight the urgency of climate change issues and the collective action required for protection and enhancement of biodiversity and natural capital. In this context, it has subscribed to the following manifestos, in 2022:

- **Manifesto Towards COP27**

Signed by 80 Portuguese companies, it presents six priority lines of action for an important contribution towards achieving a fairer, carbon-free global economy.

<https://bcdsportugal.org/manifesto-rumo-cop-27/>

- **Forest 2030: United for the future of forests and the territory**

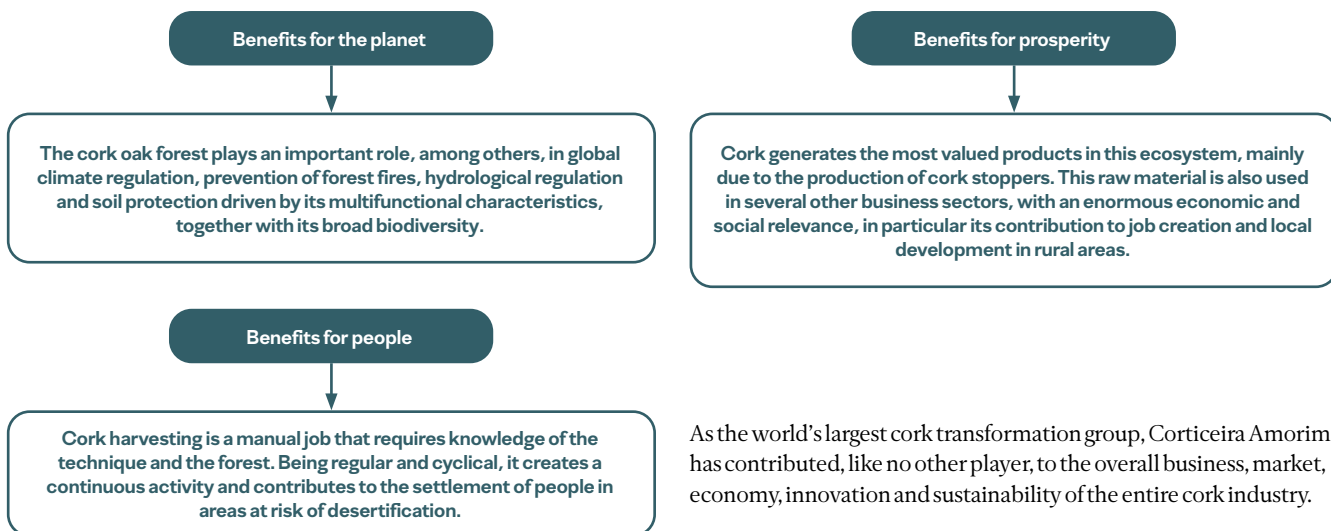
Signed by 25 organisations, entities and companies, it is an appeal to the participation of the entire society towards guaranteeing a Portuguese forest with a future.

<https://produtoresflorestais.pt/floresta-2030-um-compromisso-para-o-futuro/>

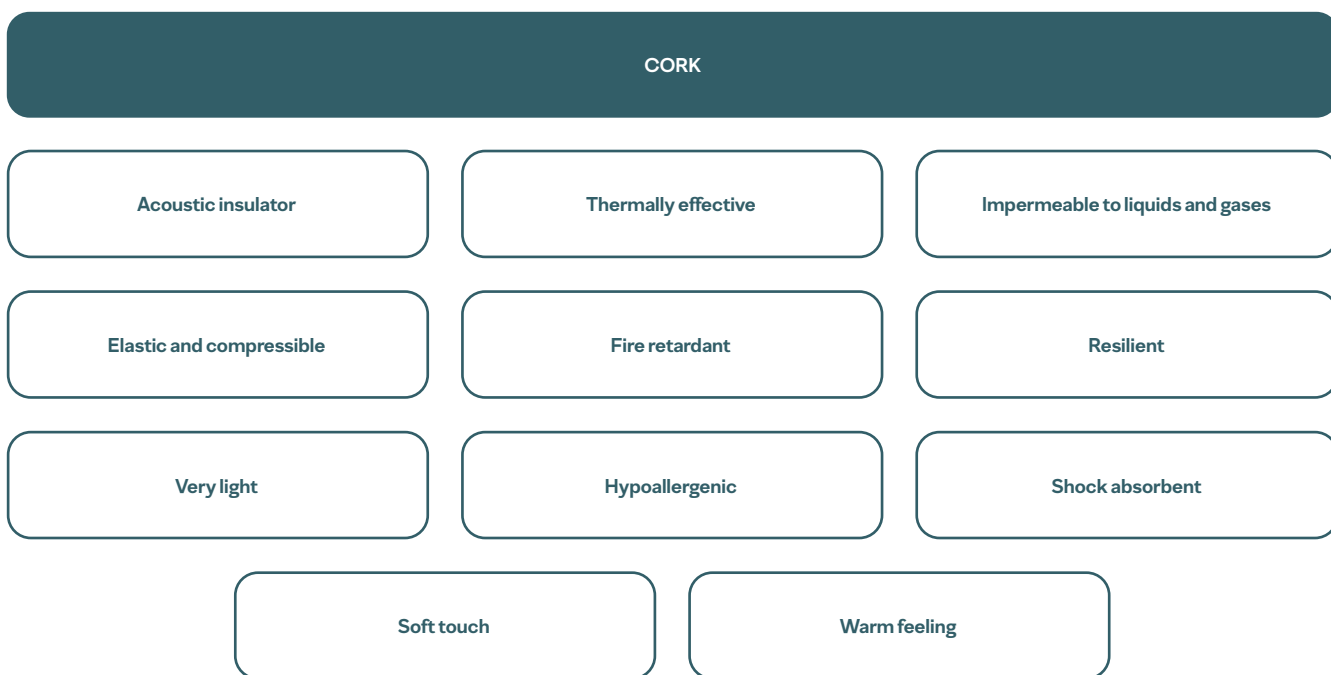
- **Manifesto Towards COP15**

Signed by 63 companies, it is a call for attention of the importance of Nature and the urgent need to reverse the loss of global biodiversity and move towards a paradigm of regenerative economy. <https://bcdsportugal.org/en/manifesto-por-um-acordo-pela-natureza-na-cop15/>

Cork, Cork Oak Tree, Cork Oak Forest



Cork



Cork is the name commonly given to the bark or protective cover that acts as the epidermis of the *cork oak tree* (*Quercus Suber L.*). It is a renewable, 100% natural and recyclable material that has truly exceptional characteristics. Cork cells, grouped in a characteristic alveolar structure, identical to that of a beehive, are filled with a mixture of air-like gases, whose walls are primarily coated with suberin (a kind of natural wax) and lignin (a three-dimensional macrocell that is resistant to microbiological attacks). Polysaccharides, ceroids and tannins, although with less expression, are other compounds found in cork's cellular system.

Each cork plank contains around 60% of gaseous elements – which explains its extraordinary lightness. These small cushions of air endow cork with remarkable compressibility, enabling it to recover its original shape after being compressed. Due to cork's resilience, compression does not cause expansion elsewhere in the material, which makes it a material that can be used in seals and joints and in thermal, acoustic and anti-vibration insulation. Cork's elasticity gives it a superior level of tolerance to changes in temperature and pressure. Its lightness and chemical inertia make cork an ideal closure for wines. It resists humidity and ageing, without any deterioration.

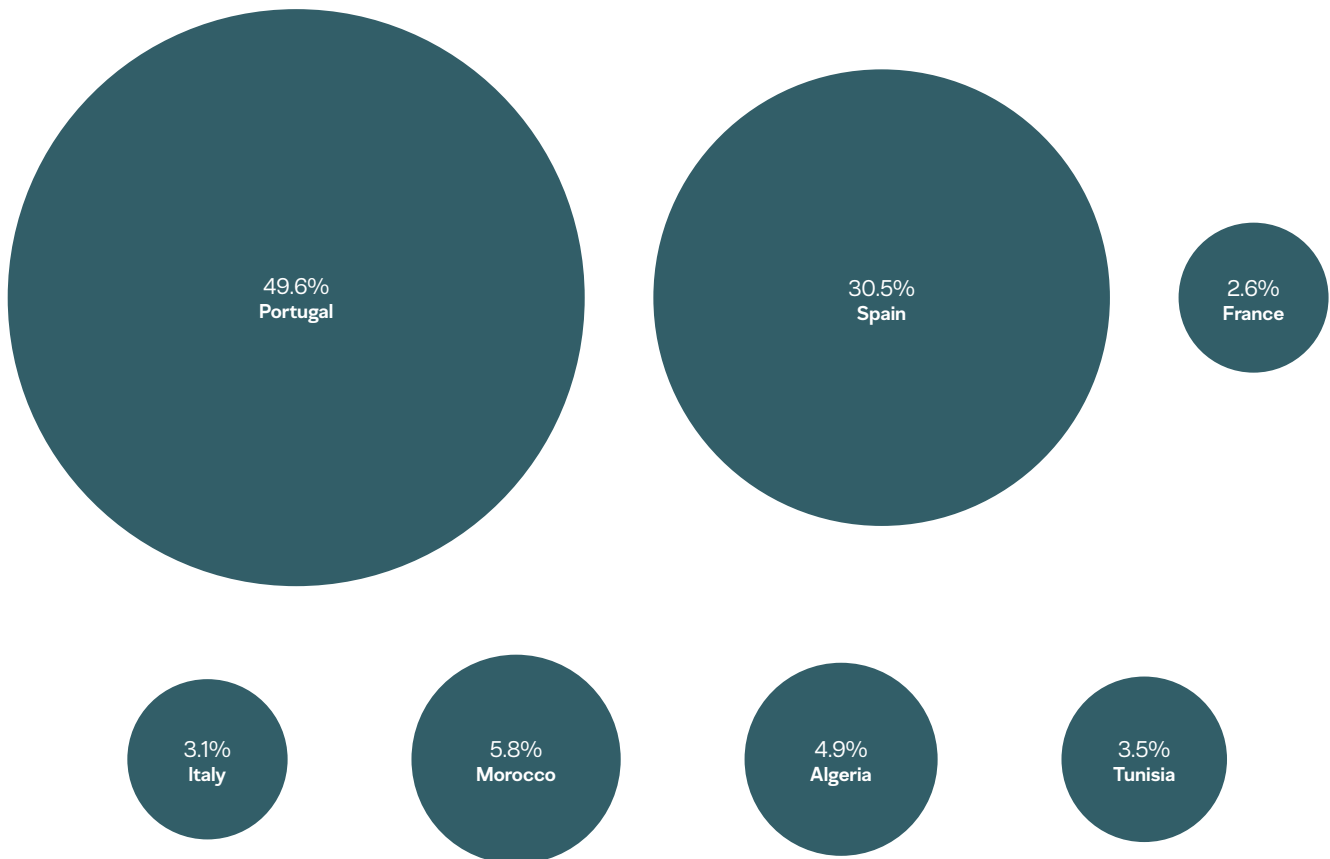
Cork oak tree

The cork oak tree from which cork is extracted, belongs to the oak family. Its value is not based solely on the products extracted from the tree, but on the entire set of agronomic, forestry, silvopastoral and hunting resources associated to cultivating cork oak trees. The regular harvesting of cork makes a fundamental contribution to the environmental, economic and social sustainability of the Mediterranean region's rural areas, where the cork oak tree can be found.

The process of harvesting cork is called "*descortiçamento*" (stripping) in Portuguese. It takes place during the period of greatest vegetative activity: from mid-May to the end of August. It occurs without deforestation and the cork oak trees can grow with minimal or no use of fertilisers, pesticides or pruning. Currently, the work of harvesting cork is mainly manual, conducted by specialised professionals, with absolute precision, using a special axe, ensuring that the tree is not damaged. Stripping is therefore considered to have minimal impact on wildlife and the degradation of biodiversity.

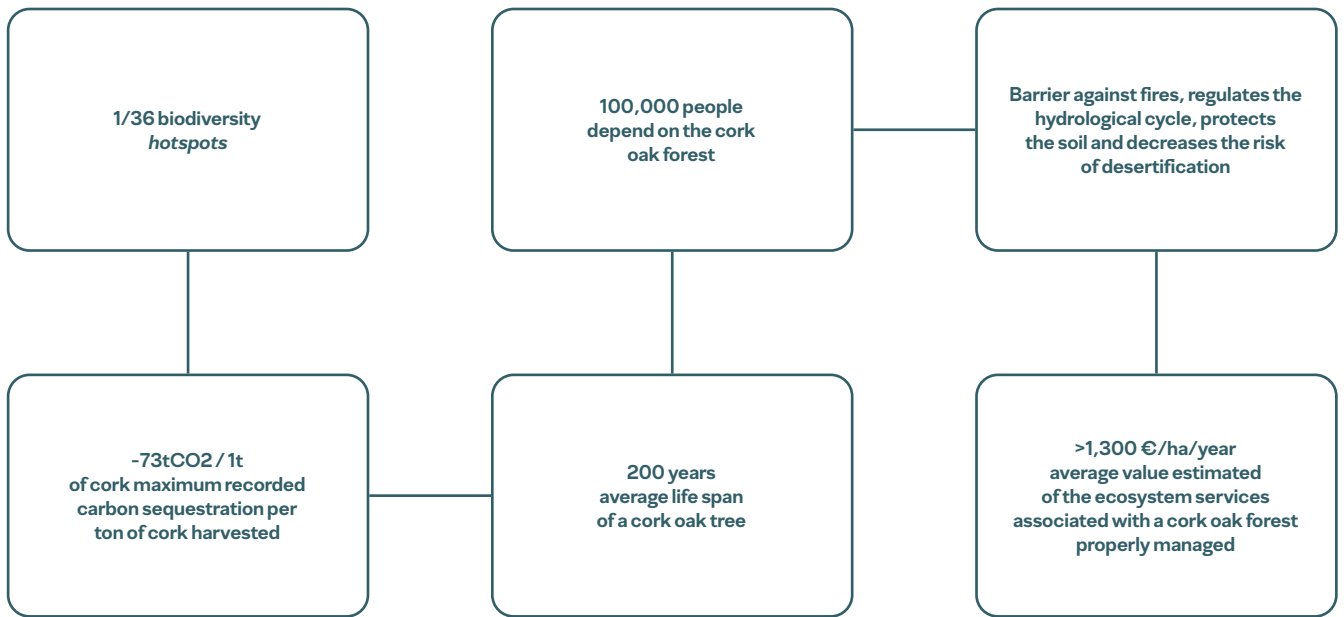
The cork oak is a slow-growing tree, which can live up to 200 years, from which cork may be harvested 15 to 18 times on average in its lifetime. The first harvest only takes place after 25 years, when the tree trunk reaches a perimeter of 70 cm. The cork removed in this first harvest is called "virgin cork". Nine years later, the "secondary cork" is extracted. After these two extractions, "*amadia cork*" is extracted every nine years, with a regular structure, with smooth internal and external surfaces, with the characteristics and qualities suitable for the production of stoppers.

Annual cork production



Source: FAO(2010)

Cork oak forest



The cork oak forests (*montados de sobro* and *florestas de sobreiros* in Portuguese) occupy an estimated area of more than 2.1 million hectares in the Western Mediterranean basin. Portugal, Spain, Morocco and Algeria harbour about 90% of the distribution area of the species. Approximately 200,000 tons of cork are extracted annually from the total area of cork oak forests. Portugal, which harbours one third of the global area of cork oak trees, is the world's largest cork producer.

The cork oak forest is an ecosystem that is characterised by its multifunctionality, combined with a variety of integrated forest and agricultural production systems. It is also characterised by the quality of the products supplied and by management practices that have a reduced impact on the environment.

This forest ecosystem mainly consists of cork oak trees (*Quercus suber L.*) in regions where the Atlantic influence is greater, and holm oaks (*Quercus ilex*), in the more interior regions, characterised by high temperatures and low rainfall. The vegetal biodiversity of this ecosystem is composed of a rich herbaceous layer and several shrub species, including aromatic and medicinal species, which play an important role in the nutrition of animals and people.

In this type of forest, it is also possible to find a great diversity of animal species, contributing to the high biodiversity that characterises its ecosystem. The cork oak forest combines the elements mentioned above with cultivation of crops and livestock production in the same space, taking advantage of the benefits of biological interactions between them.

It is possible to find three different types of landscapes in this ecosystem: (i) forest, whose focus is cork extraction; (ii) a savanna-like landscape, where multiple activities such as agriculture, forest management and grazing are carried out; (iii) and an silvopastoral landscape, in which cattle grazing and cereal cultivation are mainly practiced.

The cork oak forest plays an important role in promoting ecological functions such as soil conservation, carbon storage and water retention, due to the vast existing biodiversity and the multifunctional exploitation that characterises it. It also offers a set of economic and environmental goods and services, related to agro-silvo-pastoral activities and others, such as ecotourism, which significantly contribute to the economic importance of this ecosystem.

Cork is the most valued asset in the ecosystem, mainly due to its transformation into cork stoppers. Cork is also used for the production of applications for several other sectors of business activity due to its varied characteristics. As a result, in addition to its economic value, it has enormous social relevance because it creates employment and promotes the local development of rural areas.



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Natural cork stoppers (made from a single piece of cork) used in bottles of still wine, make it possible to sequester up to -309 g CO₂eq per stopper. This result - which considers the CO₂ sequestration by cork oak forests - makes a relevant contribution to decarbonisation of the wine industry.

1 – Corticeira Amorim

Corticeira Amorim is one of the largest, most entrepreneurial and dynamic multinationals of Portuguese origin. Its business activity in the cork business date back to 1870 and today it is the world leader of the sector. Operating under the maxim “not just one market, not just one customer, not just one currency, not just one product”, the company has been growing and reinventing itself, by introducing new products and entering new markets. Based on strong sustainability credentials and developing an activity with a positive impact on climate regulation, Corticeira Amorim provides a set of solutions, materials and articles for some of the most technological, disruptive and demanding activities in the world, as will be examples the aerospace, automotive, construction, sports, energy, interior design, and wine, sparkling and spirits industries. Currently under the leadership of the fourth generation of the family, which cultivates the values of pride, ambition, initiative, sobriety and attitude, the Company invests millions of euros annually in research, development and innovation (R&D+i) and registered, in 2022, €1.0214 billion in consolidated sales, 93% of which outside Portugal.

1.1 BUSINESS MODEL

The business model implemented is founded on an integrated and vertical process that uses circular economy principles in order to minimise waste created. Cork, which lies at the heart of Corticeira Amorim’s operations, derives from several forestry producers with whom the company maintains a medium-long term partnership and promotes good forest management practices, thereby ensuring the ecosystem services of the cork oak forests, in particular the continued production of a high-quality raw material (cork).

1.2 BUSINESS UNITS

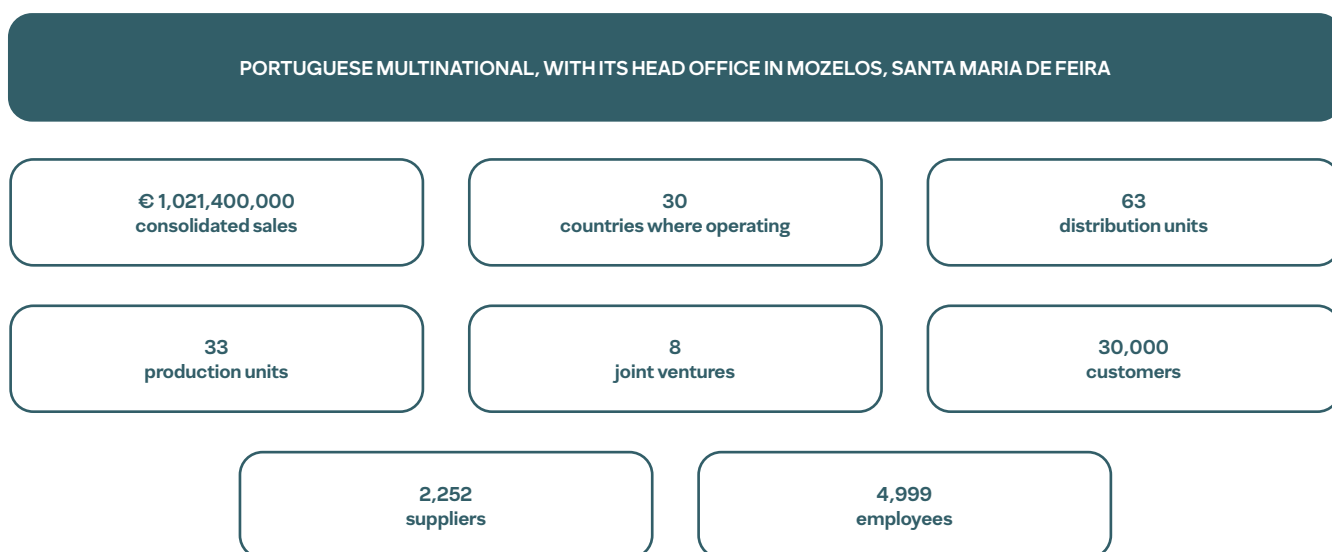
The Company has a vast product portfolio aimed at different markets and objectives and is structured into five Business Units (BU): raw materials, cork stoppers, floor & wall coverings, composite cork and insulation.

BU and products	Markets	Main references	Sales*
 <p>Raw Materials Responsible for overall and integrated management of the company’s value chain, it plays a key role in promoting synergies between the various business units to ensure optimisation of the flow and quality of cork</p>	Cork, agroforestry	1,150,000 m ² of cork yard 8,181 hectares of forest estates under management	204.4 €M
 <p>Cork Stoppers World leader in the production and supply of cork stoppers, this BU has its own distribution network, which places it in a unique position to provide the ideal stopper for any wine or spirits segment, anywhere in the world</p>	Still and sparkling wines, spirits, beer and cider	6,100,000,000 stoppers	754.0 €M
 <p>Floor & Wall Coverings Operating in more than 60 countries, it offers a range of high-quality and versatile flooring solutions with comfort and sustainability credentials, which promote higher quality of life, through the provision of greater acoustic and thermal insulation</p>	Floor & wall coverings	10,000,000 m ² installed capacity in floor & wall coverings	132.0 €M
 <p>Composite Cork Innovation is the driving force of this BU that proposes to redesign the world in a sustainable manner, reusing and reinventing materials with applications in a wide array of different areas</p>	Aerospace, mobility, energy, sealing, construction, sports and recreational surfaces, flooring, home, office and leisure goods, toys and footwear	203,783 blocks and 33,264 cylinders	124.6 €M
 <p>Insulation Cork Dedicated to the production of 100% natural insulation materials that offer exceptional technical performance, products that combine virtually unlimited durability, low embodied energy, and an A+ indoor air quality rating with excellent simultaneous thermal, acoustic and anti-vibration insulation properties</p>	Sustainable construction / insulation, interior and exterior design	60,000 m ³ of insulation cork	16.0 €M

*Sales of the BU

1.3 WORLD PRESENCE

With its head office in Portugal, the Corticeira Amorim Group is present in five continents through its operations, whether in production units (industrial, preparation of raw materials and agroforestry), distribution units or joint ventures, or through market agents. The Company's shares are listed on Euronext Lisbon.



1.4 STAKEHOLDERS

Corticeira Amorim relates with various stakeholders who have, or may come to have, influence, dependence and/or responsibility towards the Group, with whom it can share knowledge and best practices, opening new opportunities for the development of sustainable solutions throughout the value chain.

Corticeira Amorim has identified eight main groups of stakeholders: shareholders and investors, customers, employees, official and governmental entities, suppliers, media, NGOs and the community and partners and civil society.

1.4.1 COMMUNICATION CHANNELS

To foster stronger alignment with stakeholders' needs and expectations, Corticeira Amorim uses a distinct set of communication channels, that are regularly reviewed and permit a wide range of information to be made available to its stakeholders.

Shareholders and investors	Customers	Employees	Official and governmental bodies
<ul style="list-style-type: none"> • General shareholders' meetings • Meetings with investors and analysts • Periodic disclosure of evolution of the business • Annual reports & accounts • Sustainability report • Regular meetings and contacts • Responses to external requests • Visits to the cork oak forest and to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures 	<ul style="list-style-type: none"> • Sustainability report • Environmental education/awareness actions • Support for initiatives/projects • Satisfaction surveys • Participation in fairs and industry events • Awareness and technical support programmes • Cooperation agreements for R&D+i • Publication of technical articles • Working groups • Regular meetings and contacts • Various seminars and workshops • Responses to external requests • Visits to the cork oak forest and Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures 	<ul style="list-style-type: none"> • Sustainability report • Initiatives to defend the cork oak forest • Environmental education/awareness actions • Support for initiatives/projects • Satisfaction surveys • Information panels at the premises • Procedures and Policies • Intranet • Performance management systems • Various seminars and workshops • In-house thematic and awareness-raising initiatives • Responses to external requests • Visits to the cork oak forest and Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures • Periodic team meetings • Linkpeople (Human Resources ER) 	<ul style="list-style-type: none"> • Periodic disclosure of the evolution of the business activity • Annual Report & Accounts • Sustainability report • Initiatives to defend the cork oak forest • Participation in trade fairs and industry events • R&D+i collaboration protocols • Publication of technical articles • Support for initiatives/projects • Satisfaction surveys • Awareness and technical support programmes • Working groups • Periodic meetings and contacts • General and sectoral meetings • Various seminars and workshops • Responses to external requests • Visits to the cork oak forest and Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures

Suppliers	Media	NGO's and Community	Partners and civil society
<ul style="list-style-type: none"> Annual report & accounts Sustainability report Environmental education / awareness actions Support for initiatives / projects Selection and evaluation of suppliers Participation in trade fairs and sectorial events Awareness and technical support programmes R & D + I collaboration protocols Publication of technical articles Working groups Regular meetings and contacts Seminars and various workshops Responses to external requests Visits to the cork oak forest and Corticeira Amorim Website Social networks Newsletter and press releases Information brochures 	<ul style="list-style-type: none"> Periodic disclosure of the evolution of the business activity Annual report & accounts Sustainability report Support for initiatives / projects Participation in trade fairs and sectorial events Publication of technical articles Responses to external requests Visits to the cork oak forest and to Corticeira Amorim Website Social networks Newsletter and press releases Information brochures 	<ul style="list-style-type: none"> Periodic disclosure of the evolution of the business activity Annual report & accounts Sustainability report Initiatives to defend the cork oak forest and the environment Environmental education / awareness actions Community engagement initiatives Support for initiatives / projects R & D + I collaboration protocols Working groups Regular meetings and contacts General and sectoral meetings Seminars and various workshops In-house thematic and awareness-raising initiatives Responses to external requests Visits to the cork oak forest and Corticeira Amorim Website Social networks Newsletter and press releases Information brochures 	<ul style="list-style-type: none"> Sustainability report Initiatives to defend the cork oak forest and the environment Environmental education / awareness actions Community engagement initiatives Support for initiatives / projects Participation in fairs and sectorial events R & D + I collaboration protocols Publication of technical articles Working groups Regular meetings and contacts General and sectoral meetings - Seminars and various workshops Responses to external requests Visits to the cork oak forest and Corticeira Amorim Website Social networks Newsletter and press releases Information brochures

1.4.2 CONSULTATION

Corticeira Amorim has conducted a process of consultation and involvement with its stakeholders since 2009, concerned with promoting their participation and contribution to the definition of the Group's sustainability strategy and materiality review (Chapter 2.4 Definition of strategy/Materiality Review). This procedure has made it possible to understand external developments and market expectations, as well as to anticipate new opportunities and risks.

Detailed information on *stakeholder* consultations is available in the Sustainability Reports for the years 2009, 2011, 2013, 2015, 2018 and 2021 at <https://www.amorim.com/en/sustainability/reports/>.

The most recent stakeholder consultation process took place in 2018, and the materiality matrix and strategy were reviewed in 2021. The table below presents the main results.

Extended stakeholder consultation (2018) (direct consultation of the eight stakeholder groups)

137 stakeholders identified	8 main stakeholder groups consulted auscultados	74% response rate
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Top 5 most relevant topics:

- Promotion of the Montado (Cork Oak Forest), its biodiversity and ecosystem services
- Economic performance
- Ethics and anti-corruption
- Materials management
- Waste and effluent management

89% agree that the Group has a clear vision of its economic, social and environmental responsibilities	97% consider the information provided in the Sustainability Report to be good or very good
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Review (2021)

Documental research and direct consultation with customers and investors

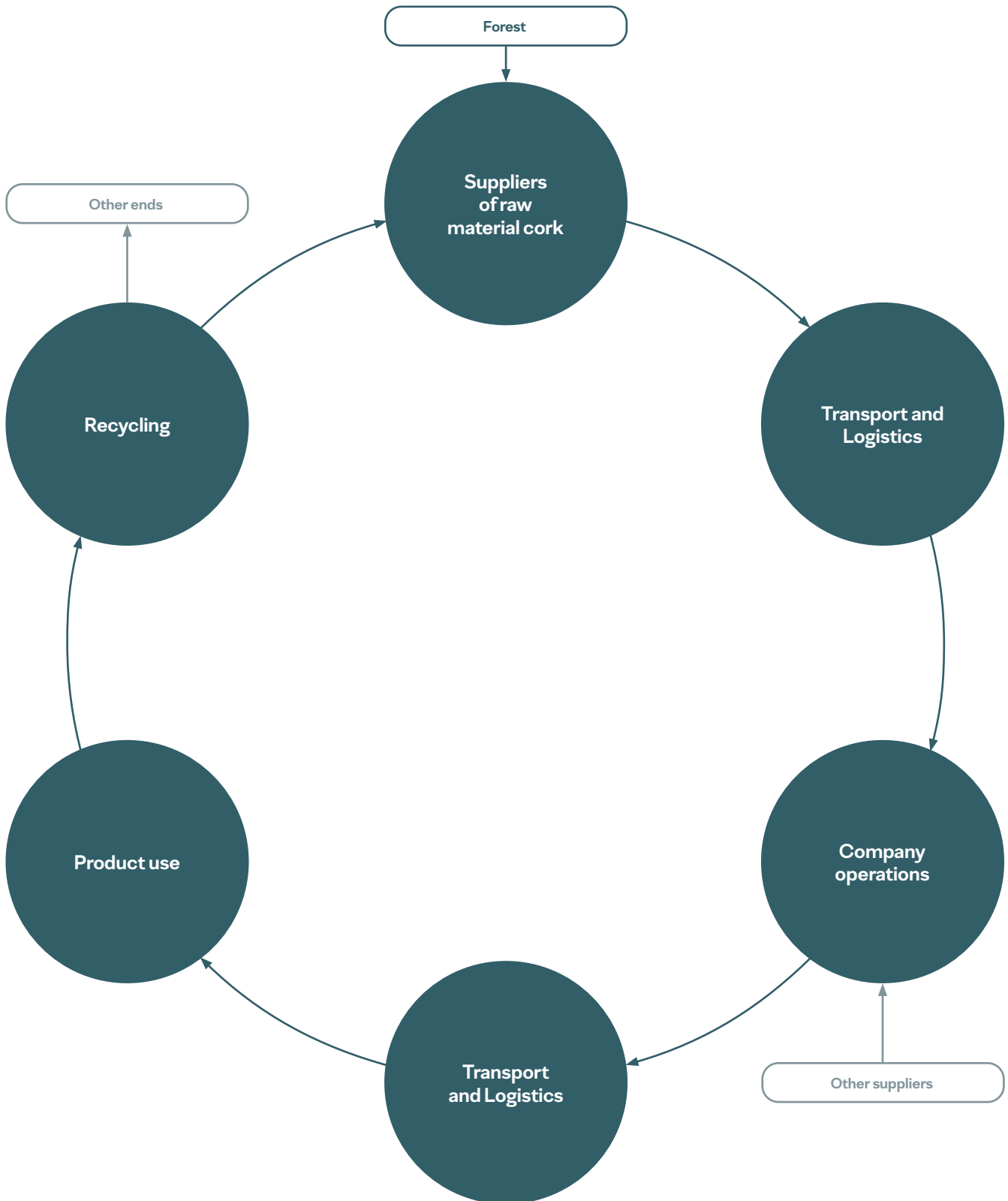
3 new topics identified:

- Transparency and communication
- Emissions management
- Customer satisfaction

1.5 CHARACTERIZATION OF THE VALUE CHAIN

Corticeira Amorim's business model spans all stages of production, from the purchase of the raw material to the logistical operations or entry and distribution (transport) to operations, recycling and marketing of various cork products.

Corticeira Amorim actively fosters ethics and economic, environmental and social responsibility at all levels of the business, as referred to throughout this report.



Supply chain

The main raw material used at Corticeira Amorim is cork. Cork products account for over 80% of the company's total revenues. The Company also uses other natural resources, including wood, water and energy and other raw materials, such as chemicals, plastics, and various services, such as transport, which it obtains by preferentially selecting suppliers that adopt good ESG practices. Corticeira Amorim has a supplier evaluation and selection procedure for this purpose.

In 2022, Corticeira Amorim purchased materials from 2,252 direct suppliers around the world; the vast majority of materials were purchased in Portugal (about 70% of total value of purchases).

Cork and cork products are primarily purchased in the Mediterranean basin, in particular: Portugal, Spain, France, Italy, Morocco, Tunisia and Algeria, involving a large number of suppliers with whom the Company maintains medium-long term partnerships. It is also in these regions that the majority of Corticeira Amorim's operations are located, and it makes conservation and social and economic investment in these areas. The great majority of purchases are made in Portugal and Spain (95% of total acquisition value). The volume of purchases in North Africa is 4.6% and less than 0.5% of purchases were made in other locations. The Raw Materials BU is responsible for preparing and discussing the company's multi-annual supply policy, ensuring the optimisation of the flow of all types of cork raw materials to be used in the remaining BUs, for the production of their respective products and applications.

Corticeira Amorim's transversal support areas - Procurement & Energy and Shipping Logistics - are responsible for the management of suppliers and purchases of all non-cork products, services and contractors and transport. From an overall perspective, management is focused on seeking excellence in the goods acquired and services provided, and is also aligned with the Company's strategic objectives, thereby allowing the Group to add increasing value in terms of sustainability.

The Company has identified the risk of disruption in the supply chain and logistics in its risk matrix and has the following main mitigation measures: development of a logistics model that make it possible to permit the best logistic solutions in the short and medium-long term; identification of alternatives to the current options for the main destinations; diversification of transport and logistics suppliers; selection of suppliers and search for solutions depending on their geographical location; implementation of a transport *tracking* system; monitoring and updating of security plans/recovery plans for the loss of relevant suppliers.

Corticeira Amorim does not directly import or process minerals from conflict zones (tin, tantalum, tungsten, gold).

There were no significant changes in Corticeira Amorim's supply chain in 2022.

Additional information on Purchasing Policy and Code of Ethics and Conduct for Suppliers: Chapter 3.2.2 Value Chain.

Additional information on supplier selection and evaluation against ESG criteria: Chapter 3.2.2 Value Chain.

Additional information on supplier audits: Chapter 3.2.2 Value Chain.

Transport and logistics

The transport and logistics of products along Corticeira Amorim's value chain have a significant impact on the business, both economically and environmentally, and therefore ensuring their sustainable management is a priority.

Corticeira Amorim has been working to promote good ESG practices with its suppliers and clients in terms of logistics, encouraging them to use resources responsibly, apply circular economy practices, reduce waste, reduce the number of raw materials used, limit packaging and choose recycled, recyclable and/or compostable materials. To this end, it has created the sustainable packaging project.

In terms of transport, Corticeira Amorim's Shipping Logistics area aims to structure an integrated platform for providing services to the different BUs, while ensuring, in its business activities, that the company upholds the values of commitment, credibility, integrity (ethics) and the pursuit of excellence. Corticeira Amorim has been implementing new ways of mitigating the impact of transport and, for this reason, differentiates itself positively in terms of the international competitiveness of its business. One example of these actions is the preference for maritime transport. Various initiatives have been developed and implemented with a view to maximising the quantity of product transported per packaging unit and/or reducing packaging weight, thereby optimising transport flows of raw materials and products. The Company has also been working on its information systems to improve and consolidate the methodology used in the calculation of the impacts of its transport activities.

Additional information on the initiatives of the sustainable packaging project: Chapter 3.3.4 Green products/ Maintain a proactive role in the vast scope of applications of cork/ packaging materials.

Additional information on initiatives to mitigate the impact in transport: Chapter 3.3.2 Climate change/ Reduce the environmental impact of operations/ Other indirect emissions (scope 3).

Company operations and product use

Corticeira Amorim develops its business activity based on the bioeconomy and seeks to have a business activity that has a positive impact on ecosystems throughout the value chain. The most relevant benefits for the planet include work to help preserve the cork oak forest and ecosystem services, the development of eco-efficient processes with a view to reducing the impact of operations, the application of circular economy practices and the offer of products based on Nature.

Cork products provide an alternative to other items produced from materials that have a major impact on the environment. They support the protection and restoration of biodiversity and ecosystems, promote the transition to a circular economy and contribute to mitigating climate change.

Corticeira Amorim has 4,999 employees, located throughout the world, who have a passion for this business, and strive to go further, overcome challenges, influence by example and promote the development and well-being of the communities closest to them and society in general.

The Company currently has more than 30,000 clients and 93% of sales are made outside Portugal, to more than 100 countries.

Additional information on sustainable development goals for 2030: Chapter 3 Sustainable by nature Programme / 3.1 Quantitative targets for 2030 and progress.

Additional information on activities, products and services and markets: Chapter 1 Corticeira Amorim.

Additional information on Corticeira Amorim's management systems: Chapter 2.5 Management systems.

Additional information on green products: Chapter 3.3.4 Green products.

Recycling

Cork is a 100% natural material, renewable, biodegradable, reusable and can be recycled for several times in the economy. Recycling cork products extends the life cycle of cork and its environmental benefits, in particular its CO₂ retention capacity.

The Company currently operates selective cork stopper collection initiatives on the five continents, which together have enabled the collection and recycling of 1,052 tons of cork, corresponding to 1.48 tons of cork recycled per €1 million sold, or 3.8% of the cork stoppers produced by Corticeira Amorim in 2022.

Although recycled cork will never be used in cork stoppers, it can have a second life and be used in a wide array of other products. Recycling projects also have an aspect linked to social responsibility and environmental awareness for all stakeholders and the community in general.

In addition to 100% use of cork, and whenever feasible, Corticeira Amorim promotes industrial symbioses and uses recycled materials or by-products from other industries, thereby saving the planet's natural resources and reducing the problems associated with waste disposal. This management, which is possible thanks to cork's characteristics, also makes it possible to extend the diversity of applications based on the circular economy.

Corticeira Amorim is collaborating with stakeholders throughout the value chain to attain the goal of zero impact of packaging and is committed to developing innovative, durable and high-quality products designed for a sustainable end of life, through reuse, recycling or composting.

Additional information about recycling cork products: Chapter 3.3.3 Circular economy/ Applying the principles of circular economy/ Cork recycling.

Additional information on industrial symbioses: Chapter 3.3.3 Circular economy/ Apply the principles of circular economy/ Materials.

2 – Ethics and Governance of sustainability

Corticeira Amorim is governed by a solid and cohesive set of internal regulations, comprising statutes, codes, regulations and policies, which enable its stakeholder's expectations to be aligned, and thereby foster balanced and prudent management, reinforce transparency and demonstrate the Company's commitments to developing its business activity in line with sustainable development.

Corticeira Amorim seeks to identify and integrate issues that may have an impact on governance of sustainability, such as regulation or stakeholder perceptions, and respond to the challenges that arise in the markets in which it operates.

The General Sustainability Policy considers the commitments to achieve the following:

- Act in full compliance with the laws and regulations in force in the regions where it operates, and to collaborate with the authorities as far as possible;
- Integrate sustainability into the decision-making process;
- Respect Employees, Customers, Suppliers, Shareholders and other Stakeholders that are important to the sustainability of Corticeira Amorim;
- Manage risks and opportunities associated with the Organisation's activities, so as to avoid negative impacts on people and the environment;
- Conduct business according to principles of trust, transparency and ethics, encouraging communication channels to inform, involve and maintain an ongoing dialogue with stakeholders;
- Build and foster a framework of respect for the fundamental values of Human Rights (as proclaimed by the United Nations Universal Declaration of Human Rights) and Labour Rights (as proclaimed by the International Labour Organization);
- Encourage free trade, striving to prioritise responsible and sustainable relationships with its suppliers and having common commitments to sustainable development;
- Repay the support of the communities where it operates, contributing to the progress, economic development and well-being of those communities, encouraging SMEs and future local entrepreneurs to achieve sustainable results and thus boost national entrepreneurship.

The Organisation regularly notifies employees of updates to this set of guidelines and promotes their dissemination and adoption throughout the Organisation.

Corporate Regulation and Policies:

<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

General Sustainability Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/2021-12-06_General_Sustainability_Policy.pdf

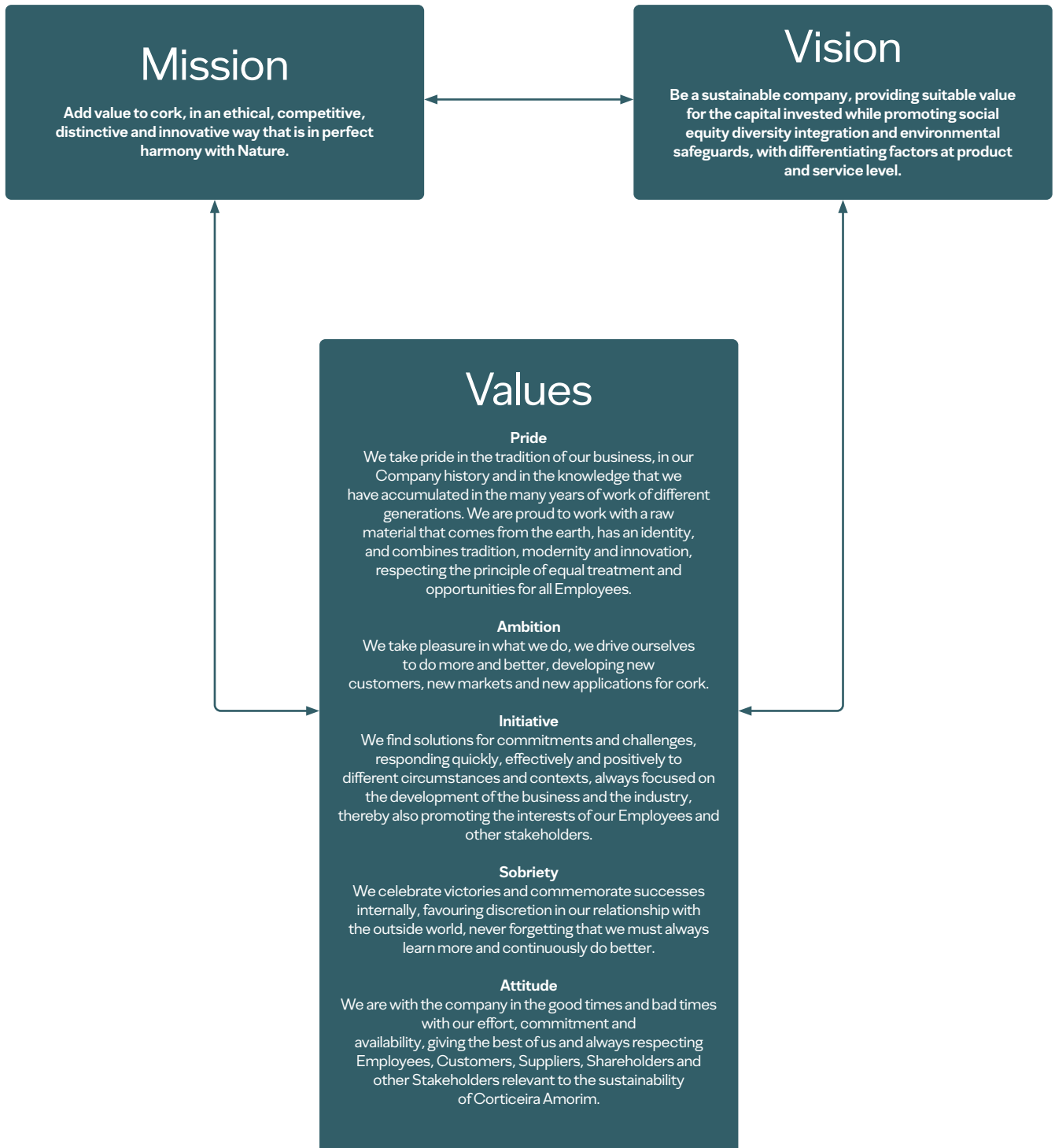
2.1 MISSION, VISION AND VALUES

By promoting the cyclical extraction of cork, without damaging the trees, Corticeira Amorim contributes to making the cork oak forest a viable, natural and renewable resource, delivering numerous environmental, economic and social benefits.

The Company's mission, vision and values outlines its ambition for success, and guarantees long-term sustainability and reflects, in addition to its firm conviction based on the knowledge that cork is a unique material that

comes directly from nature. The mission is aligned with the purpose of combining knowledge, technology and innovation with a centuries-old natural material, promoting a sustainable equilibrium, and thereby generate added value for all stakeholders and for the planet.

The Company's strategic priorities for sustainable development are aligned with its mission and fundamental values, incorporating economic, environmental and social concerns and making it possible to define a clear roadmap for strategic, operational and investment decisions, now and in the future.



2.2 MANAGEMENT MODEL

Corticeira Amorim’s Board of Directors, which includes the Chief Sustainability Officer (CSO), is responsible for promoting ESG topics in the business, and approve the strategic objectives and initiatives and priority actions.

The Executive Committee (CECA) is responsible for overseeing the governance of sustainability issues and integrating ESG issues into the business. At least twice a year, the CECA analyses the approach to ESG topics, and defines the goals, performance and review of the reporting.

The Board of Directors has set up Corticeira Amorim’s E.S.G. committee (CESG), a permanent specialised internal committee, which is responsible for providing advice, monitoring, supervision and strategic guidance to Corticeira Amorim in the field of corporate governance, social responsibility, environment and ethics matters. The committee’s attributions have been established in the respective regulations. The CESG is chaired by an independent member of the Board of Directors and is mainly composed of members of the Company’s corporate bodies, including the CSO and includes the Head of Corporate Sustainability (HCS) as a permanent guest.

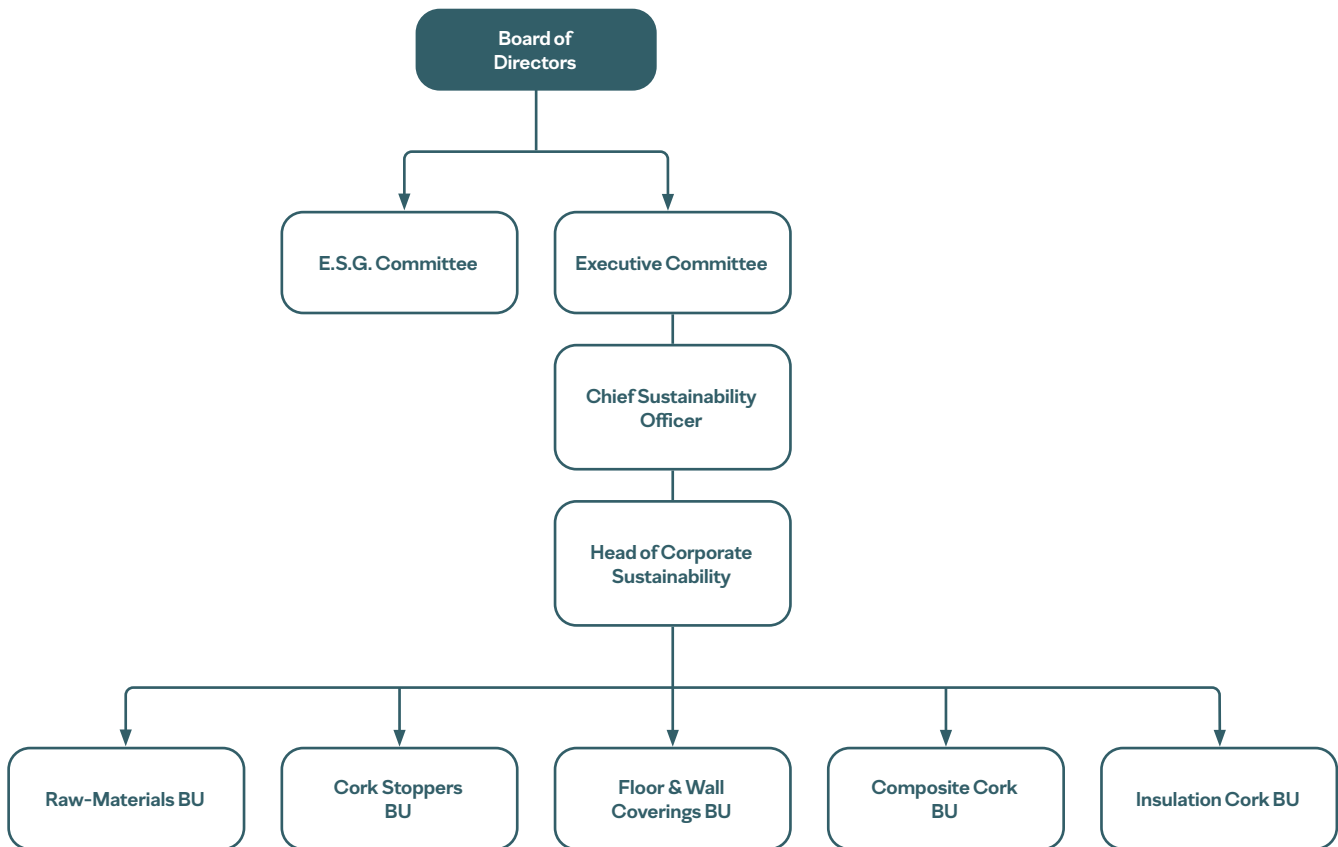
Day-to-day management of ESG topics, is led by the CSO and coordinated by the HCS, together with the other support areas and the sustainability officers of the five BUs. Each BU has its own

sustainability officer, who reports directly to the Chief Executive Officer (CEO) of the respective BU and who is, among other tasks, responsible for suggesting and implementing the initiatives and actions necessary to fulfil the defined objectives, monitoring and reporting performance.

All of Corticeira Amorim’s employees are responsible for contributing to the achievement of the defined priorities, either through the defence and observance of the principles of good governance, also enshrined in the Company’s Code of Business Ethics and Professional Conduct, or through direct functions in the areas of sustainability.

The Board of Directors is responsible for preparing and submitting financial reporting documents, including the Sustainability Report, to the Annual General Meeting of Shareholders, which deliberates on these documents, including the Sustainability Report, which are approved provided they gather the majority of favourable votes of the shareholders present or represented at the Annual General Meeting.

E.S.G. Committee Regulation:
https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/20210531_Regulamento_da_Comissao_ESG_2021-2023-EN.pdf



2.3 RISKS AND OPPORTUNITIES

Corticeira Amorim has an integrated multidisciplinary system aimed at identifying, assessing, prioritising, treating and monitoring risks. The internal control system, encompassing risk management, *compliance* and internal audit, as well as the procedures for the detection/prevention of irregularities currently implemented in the Company is a robust system, in continuous improvement, the result of internal reflection within the Company, involving both the Board of Directors, in particular its CECA, the Risk Committee and the different support areas - specifically the Risk area, *Compliance* area and the Organisational Development and Strategic Planning area - and supported by specialised external consultants, when appropriate. The Internal Audit area is responsible for supervising and evaluating compliance with and the effectiveness of the controls implemented; planning and carrying out risk-based audits; and testing the controls to evaluate the effectiveness of management and risk prevention.

The Risk Committee is a permanent specialised internal committee, appointed by the Board of Directors, composed mainly of members of the governing bodies and chaired by an independent, non-executive director. It is responsible for advising the Board of Directors on monitoring risk management activities at Corticeira Amorim.

Corticeira Amorim has implemented a process of identifying the risks that could affect its strategy and has subjected all its activities to a global risk analysis. The Company has a catalogue of identified risks and defined mitigation measures, to minimise the probability of their occurrence and/or impact, as well as indicators or risk assessments for each risk, which act as monitoring instruments and enable changes or deviations to be anticipated.

Corticeira Amorim has defined the impact of a risk on the consolidated results of Corticeira Amorim Group as being a material risk. A substantive strategic or operational impact is defined in Corticeira Amorim's Risk Management process as one that produces an effect on consolidated results that exceeds €5 million.

Therefore, given the specificities of Corticeira Amorim's framework and business model - in particular (i) the development of an essentially stable business; (ii) the know-how and skills accumulated over 150 years of activity, continuously enhanced through innovation, development and training programmes; (iii) diversification in terms of products, currencies, markets, the vast portfolio of clients (iv) the effective management and monitoring of the business' critical factors by the Board of Directors and other functions related to the management of these factors; (v) robust control systems implemented and (vi) the dual corporate supervision (Audit Committee and Statutory Auditor), it can be concluded that Corticeira Amorim's risk management and internal control are structured and sized appropriately for its activity.

The substantive impacts with strategic or operational effects on Corticeira Amorim's business activity are defined in the Risk Management Policy. Further information on internal control and risk management is available in Chapter C - Internal Organisation / III. Internal Control and Risk Management of the Corporate Governance Report 2022.

Risk Management Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/2022-02-23_Politica_de_Gestao_de_Risco_EN.pdf

2.4 DEFINITION OF STRATEGY

The definition of Corticeira Amorim's strategic sustainability priorities is developed by the Sustainability area with the collaboration of other areas and involves a materiality analysis that takes into account the evolution of the business activity, risks and opportunities, as well as sustainability trends and benchmarks, changes in legislation, external commitments and internal policies, alignment with the Sustainable Development Goals (SDGs) and stakeholder expectations (Chapter 1.4.2 Consultation).

The Board of Directors is responsible for approving the strategic objectives, strategic initiatives and priority actions, and the CECA is responsible for monitoring them. The alignment of the entire Organisation is enhanced using the balanced scorecard methodology.

The implementation of initiatives and actions necessary to meet the objectives defined, as well as the monitoring and regular reporting of performance is the responsibility of the teams of each BU.

Top management approval	Board of Directors
Monitoring by top management	Executive Committee
Proposal of strategic priorities and consolidation of sustainability indicators	Sustainability support area with the collaboration of other support areas
Implementation of initiatives and actions, monitoring and internal reporting	Teams responsible for implementing sustainable development practices in each BU

Materiality review

To ensure that the sustainability strategy is kept up to date and to support the risk management process, Corticeira Amorim carries out regular materiality analyses, with the support of external experts.

The last process took place in 2018 and was reviewed in 2021. With the analysis conducted in 2021, the intention was to obtain a renewed vision of the overall sustainability context and trends, as well as to validate the main material issues identified as a result of the stakeholder consultation and considering both the materiality of impacts and the materiality of financial information, in line with the concept of double materiality.

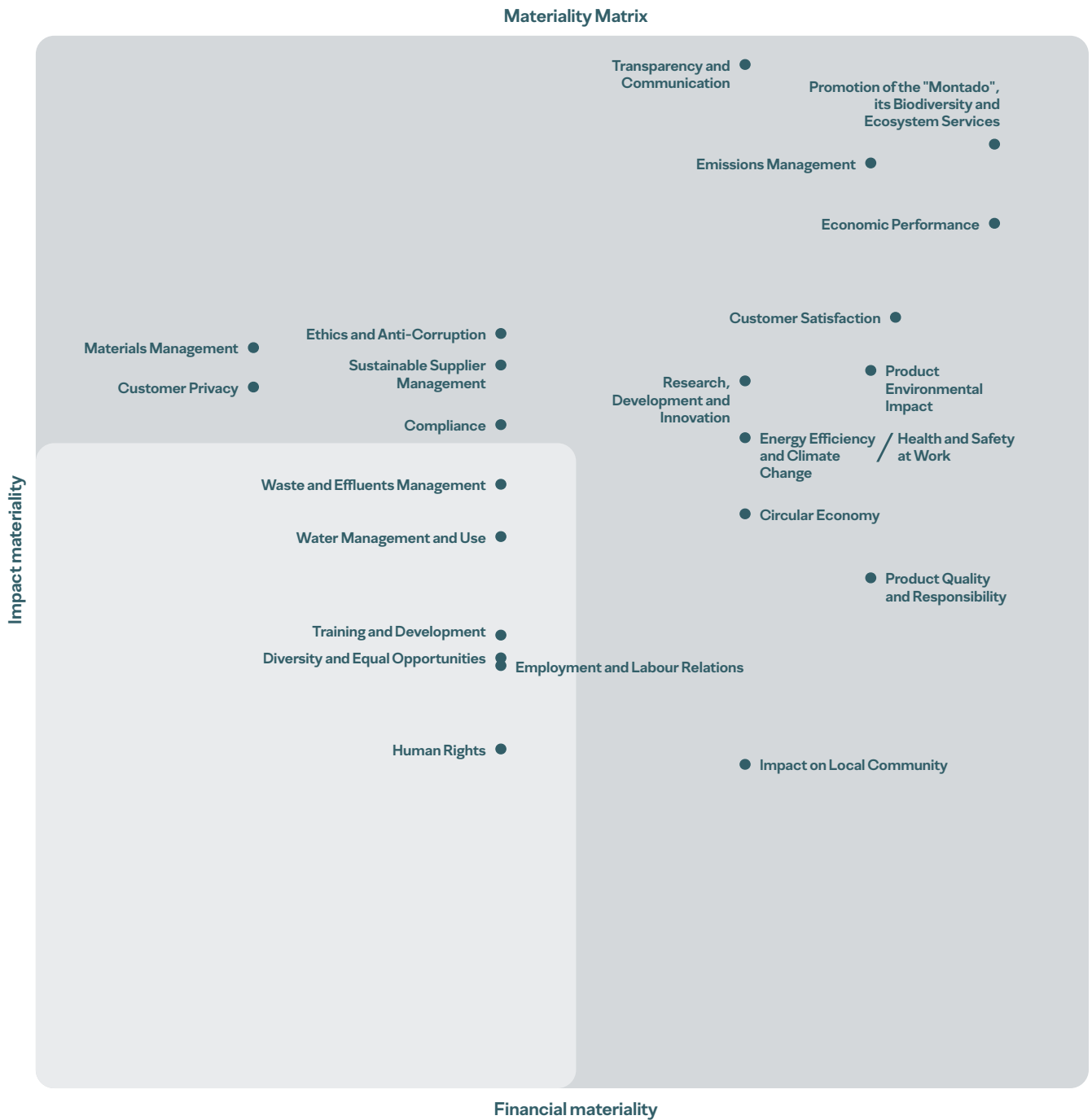
Therefore, Corticeira Amorim's material impacts on people or the environment were considered, as well as those impacts that may generate risks or opportunities and that have a material influence on the Company's ability to create value in a sustainable way.

Materiality analysis	
The materiality analysis conducted in 2018 and its review (2021) were supported by external experts and involved four main steps:	
Documental research	<p>The documental research relied on reliable sources of information to identify and prioritise the most relevant sustainability topics for Corticeira Amorim's stakeholders. This work included an analysis of current and emerging market and stakeholder trends, as well as identification of the main changes in the Company's external environment. The analysis focused on publicly available information from relevant companies, including industry peers, customers, suppliers, partners and opinion makers.</p> <p>The themes identified were given a score between 1 (not important) and 5 (very important), reflecting the importance that the organisations attached to the issues included in terms of evaluation and impact of the actions taken.</p> <p>The results provided relevant information for prioritisation of issues and identification of strategic opportunities for improvement of future performance.</p>
Involvement of Corticeira Amorim's employees	<p>This step was considered in the 2018 process in a broad manner and in the 2021 review in a more restricted manner. In 2018 a broad group of employees from all the BUs was invited to classify several themes identified in the documental research, based on their perceived importance for Corticeira Amorim and performance, wherein 1 is not important and 5 is very important. The survey was sent to 32 employees and had a response rate of 94%. To complement the internal survey, two focus groups were organised, one with the participation of various support areas, in particular human resources, legal, risk, investor relations, consolidation, communication and corporate governance, and another with top management, to obtain information on the assessment of material issues. The 2021 review involved the organisation of focus groups, with special importance given to the perception of the potential impact of the issues on the Organisation's financial performance and its ability to create value.</p>
Engagement with relevant external stakeholders	<p>This step was considered in the 2018 process in a broad manner and in the 2021 review in a more restricted manner. In 2018, the external stakeholders belonged to the following groups: shareholders and investors, customers, official and governmental entities, partners and civil society, suppliers, media and NGOs and the community. They were asked, through questionnaires, to classify several themes identified in the documental research, based on their perceived importance for Corticeira Amorim and performance, wherein 1 is not important and 5 is very important. The survey was sent to 105 stakeholders and had an overall response rate of 74% (including employees). The 2021 review involved interviews with six stakeholders belonging to the shareholder and investors and customers groups which allowed for further refinement of the material issues and provided additional information on the main sustainability topics and their impacts.</p>
CECA approval	<p>The CECA approved the definition and the final materiality matrix.</p>

Materiality matrix

Given the implementation of the new GRI standards (GRI1 and GRI3) and the path that Corticeira Amorim is following to ensure alignment with the Corporate Sustainability Reporting Directive (CSRD), it was considered essential to revisit the results of the materiality review conducted in 2021, and thereby ensure better alignment with these trends, in particular with the concept of double materiality. This reflection resulted in the matrix presented in this report.

Throughout the report, the material themes for Corticeira Amorim are highlighted, in accordance with the materiality matrix: transparency and communication; promotion of Montado (cork oak forests), its biodiversity and ecosystem services; economic performance, research, development and innovation; energy efficiency and climate change; emissions management; health and safety at work; circular economy and the product environmental impact, including the themes of product quality and responsibility and customer satisfaction. Given their importance for the Organisation, training and development, which include diversity and equal opportunities, are also considered to be material topics for the purposes of this report.



2.5 MANAGEMENT SYSTEMS

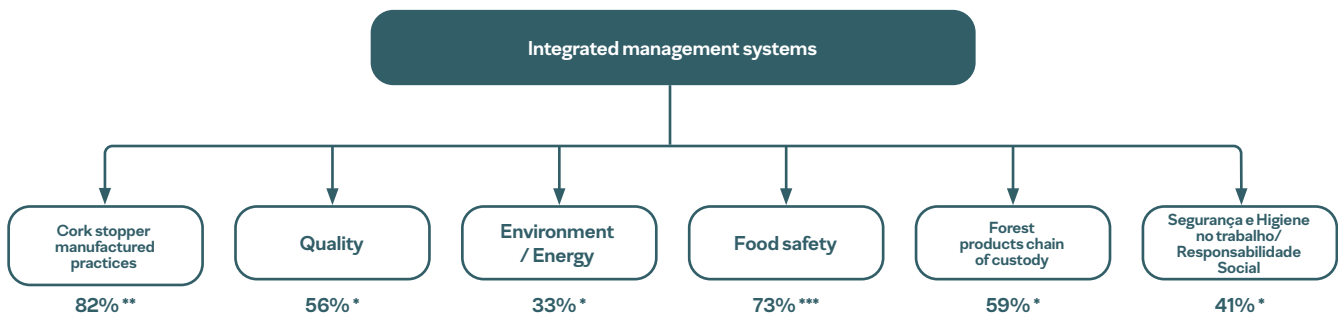
The companies of the Corticeira Amorim Group have an Integrated Management System (IMS), in which quality, environmental and safety indicators are monitored and possible improvement actions and associated resource needs are identified.

The IMS is an important tool for achieving internal and external compliance with legal rules and regulations, as well as company objectives and practices.

The management systems are audited internally and externally, according to the schedule defined for each system. In addition, an annual compliance verification audit is also carried out.

Due to the different characteristics of the companies and industrial units/ preparation of raw materials/ distribution/ agroforestry, each company/unit implements the model that best suits the associated non-financial risks or the opportunities emerging in the markets in which they operate, which explains the diversity of external certifications that may include: the management system of cork stopper manufacturing practices, quality, environment, energy, food safety, forest products and chain of custody, health and safety and social responsibility.

In all establishments not covered by external certifications, there are evaluation mechanisms and indicators defined for each of the systems.



* Considers the number of certifications on the total of 27 PUs

** Considers 22 PUs of the Raw-Materials and Cork Stoppers BUs

*** Considers 11 PUs of the Cork Stoppers BU

2.6 PERFORMANCE EVALUATION OF THE EXECUTIVE DIRECTORS

The Remuneration Policy for the three-year period 2022-2024, approved by the Annual General Meeting of Shareholders on April 28, 2022, recommends, in relation to the executive directors, the attribution of a variable component in remuneration, with a view to creating a competitive remuneration framework and implementing an incentive system that ensures the alignment of the interests of the executive directors with the interests of the Company and its respective stakeholders, from a perspective of economic, social and environmental sustainability in the medium-long term.

The variable remuneration of executive directors has two components:

- **Annual variable remuneration.**
Each year, the objectives and goals of the Corticeira Amorim Group are established and spread across the different areas of responsibility, with the respective evaluation of the performance of the Corticeira Amorim Group conducted based on the consolidated net profit achieved each year;
- **Three-year variable remuneration.**
In this component, targets are set for each three-year cycle of the Corticeira Amorim Group. The three-year performance assessment will be based on the achievement of consistent results over three years combining the evolution of consolidated net profits and the results obtained in the ESG dimensions measured by the Sustainability Index, an indicator composed of the main objectives and targets of the ESG dimensions.

Remuneration Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2022-04-28_Política_de_remuneracoes_EN.pdf

2.7 HUMAN RIGHTS

Respect for Human Rights is assumed as a structural principle of all Corticeira Amorim's business activity. This principle is embodied in the Human Rights Policy, in which the Group undertakes to build and foster a framework of respect for the fundamental values of Human Rights and Labour Rights, which is imperative for the entire Company and progressively extends to all stakeholders.

In particular, the Company is opposed to arbitrary detention, torture or execution; the Company is in favour of human dignity, non-discrimination, equal rights, safety and well-being, education, personal and professional development and the freedoms of conscience, religion, organisation, association, opinion and expression. In 2022, Corticeira Amorim promoted - and will continue to promote during the enrolment and integration of new employees - online and in-class training courses on this issue.

Corticeira Amorim recognises the impact that its supply chain can have. It has therefore developed a Purchasing Policy and Code of Ethics and Conduct for Suppliers, which favours contracting suppliers who adhere to this Code, and may terminate the relationship with suppliers who do not comply with internationally recognised human rights and/or allow any violation of those rights within their industrial and/or commercial operations.

Also in this regard, Corticeira Amorim is developing an internal Human Rights Due Diligence process with the aim of strengthening its practices and commitments related to its operations.

Additionally, there are several procedures in place when purchasing materials to ensure the mitigation of potential negative impacts, in particular for purchases of cork, cork products and non-cork products (3.2.2 Value Chain).

Human Rights Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2021-12-06_Human_Rights_Policy.pdf

Purchasing Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2021-12-06_Purchasing_Policy.pdf

Code of Ethics and Conduct for Suppliers:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/Corticeira_Amorim_-_Codigo_de_Etica_e_Conduta_para_Fornecedores.pdf

2.8 COMBATING CORRUPTION AND ATTEMPTED BRIBERY

The phenomenon of corruption exists in all societies and extends across various historical moments, affecting social development and economic growth, also generating situations of discredit and reputational crises in institutions.

Corticeira Amorim absolutely rejects all and any unethical or dishonest conduct or behaviour, in particular fraud, corruption, money laundering or financing of criminal or terrorist organisations, and has a position of zero tolerance in relation to any act or omission that could, even potentially, lead to situations of conflict of interest, undue advantage, inducement or permeability. In this manner, the company aims to promote free competition and loyalty in the market.

Corticeira Amorim is committed to ensuring, through appropriate compliance programmes, all the necessary conditions for compliance with the rules on the prevention of corruption.

To manage corruption issues, and as a complement to the Code of Business Ethics and Professional Conduct and the Code of Ethics and Conduct for Suppliers, the Company has the following instruments: Risk Prevention Plan for Corruption and Related Infractions, Anti-Corruption Code of Conduct, an internal training plan on the subject; a whistleblowing channel and a compliance officer. These documents and procedures define and regulate the behaviour and measures to be adopted by Corticeira Amorim and its stakeholders. The Risk Prevention Plan for Corruption and Related Infractions, which will be permanently monitored and periodically reviewed, identifies, analyses and classifies, for each Group entity and business and support area, the potential risks of corruption or related infractions associated with the business activity, systematises the measures already in place to prevent these risks, as well as the corrective measures to reduce the probability of occurrence and impact of the risks and situations identified. In 2022, specific training was given to managers on this subject.

Code of Business Ethics and Professional Conduct:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2022-02-23_Codigo_de_Etica_EN.pdf

Code of Ethics and Conduct for Suppliers:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/Corticeira_Amorim_-_Codigo_de_Etica_e_Conduta_para_Fornecedores.pdf

Risk Prevention Plan for Corruption and Related Infractions:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/Corticeira_Amorim_-_Plano_de_Prevencao_de_Riscos_de_Corruptao_e_Infracoes_Conexas.pdf

Anti-Corruption Code of Conduct:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/Corticeira_Amorim_-_Codigo_de_Conduta_Anticorruptao.pdf

Procedure for reporting irregularities:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2022-02-23_Procedimento_de_reporte_de_irregularidades.pdf

2.9 APPROACH TO TAX

Corticeira Amorim is committed to contributing to the welfare of the community in which it operates and to developing ethical and socially responsible behaviour and is fully committed to its responsibility to contribute to sustaining public spending, implementing good practices in matters of taxes and contributions, in particular to public Social Security schemes, and considers that any form of fraud against the various tax and Social Security authorities is reprehensible.

The Corticeira Amorim Group complies with the tax and corresponding tax disclosure requirements in each jurisdiction in which its companies operate, in accordance with the applicable laws and regulations, taking the necessary measures to ensure prompt compliance with all its obligations.

Corticeira Amorim, as detailed in its Tax Policy, is committed to:

- Act in full compliance with the laws and regulations in force in the regions where it operates, and to collaborate with the authorities as far as possible;
- Implementing good practices in terms of taxes and social security, considering any form of fraud against the various tax and social security authorities to be reprehensible;
- The Organisation undertakes to observe procedures to prevent and detect illegal practices in financial and accounting matters, including money laundering and the financing of terrorism, by Employees or third parties;
- Pay special attention to the nature of the transaction when there are abnormal payments and receipts in cash, or cheques and currencies other than those included in the agreed payment terms, complying with the regulations in force in all circumstances and at all times.

Governance, control and fiscal risk management

Corticeira Amorim presents an integrated flow of governance of the risk management process, including tax risks, based on the concept of the lines of defence described in detail in Chapter C - Internal Organisation / III. Internal control and risk management of the Corporate Governance Report.

In operational terms (1st Line of Defence), each BU has its own officer responsible for tax matters, who reports directly to the CEO of the BU.

The support division of Tax is responsible for monitoring and coordinating the activities of the holding company, the BUs and their respective operational areas with monitoring by CECA. This division provides support to the BUs and provides the general guidelines that the entire Corticeira Amorim Group, which, in particular, specifies:

- Ensure full compliance with the tax obligations established in the respective legislation and resulting from the economic and social activities carried out in each country, through compliance with all reporting obligations and payment of the taxes, contributions and other levies that are due;
- Guarantee the adequate and prudent interpretation of the legislation in force applicable to the operations carried out, with the support of external consultants and requesting the opinion of the local tax authorities when necessary and possible, in order to ensure full *compliance* with the applicable rules;
- Build a proactive, healthy and close cooperation relationship with the tax authorities of the various countries in which it operates, in order to ensure the provision of information, documentation and clarifications necessary for a proper understanding of the Group's operations in those countries;
- Develop the tax function with the utmost rigour and professionalism, in line with the Group's Tax Policy aimed at:
 - Implementation of the options that prove to be most appropriate for the business and shareholders, in strict compliance with the law;
 - Use tax benefits and incentives that are applicable and appropriate to the business conducted;
 - Definition of the terms and conditions of intra-group transactions, taking into account the rules, the Organisation for Economic Co-operation and Development (OECD) guidelines and the best international practices applicable to transfer pricing;
 - Full (content) and prompt compliance with the obligations of disclosure and reporting of information of a fiscal and para-fiscal nature, including, among others, the *country-by-country reporting* to which the Group companies are obliged.

Corticeira Amorim implements an appropriate governance model to monitor, measure and manage tax risks, taking into consideration the best practices, experiences and perspectives, as well as the specific aspects of each jurisdiction in which it has subsidiaries. The Company maintains adequate supervision of its tax practices to reduce potential financial and reputational impacts.

Engaging stakeholders and managing their tax concerns

Corticeira Amorim's presence in different jurisdictions is based on commercial and business objectives. Therefore, the Company adopts tax strategies aligned with its business activity, ensuring that decisions are taken based on legitimate commercial and business considerations and not for tax reasons.

To promote transparent and trustworthy relationships with the tax authorities and other stakeholders, the Company adopts several practices, in particular:

- Management of the relationship with the tax authorities so as to minimise the risk of litigation, disputes or others;
- Appropriate tax advice, with the participation of internal specialists and external consultants, reinforcing the internal control environment;
- Adequate disclosure of its Fiscal Policy, as well as the nature and amount of payments made to public entities.

Tax Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicas_Regulamentos/2021-12-06_Tax_Policy.pdf

2.10 REPORTING OF IRREGULARITIES

The communication of identified irregularities (addressed to the Company's Audit Committee) is made according to a defined procedure and may be presented by shareholders, employees, stakeholders or other persons/entities. The Audit Committee, composed entirely of independent members, is responsible for analysing the reports received and following up on them, in accordance with the procedure referred to above, including the suggestion of measures to mitigate and prevent the occurrence of such irregularities.

The Organisation ensures that the contents of the communications received are, in the first place, known to the Audit Committee (no employee of the Organisation is authorised to open correspondence addressed specifically to this corporate body or to any of its members individually identified).

Those who request advice or wish to report an incident will be treated with respect and dignity, in accordance with the following principles:

- **Confidentiality:** The details and statements made will be treated in the strictest confidentiality during all phases of the investigation. The maximum confidentiality of the information transmitted and the identity of the information transferor is guaranteed, whenever the transferor requests it. Anonymous reporting will also be considered, and it is important to note that this option may limit the ability to carry out an investigation.
- **Thoroughness:** Information received about potential violations of the Code of Business Ethics and Professional Conduct, or associated Regulations, Policies or Principles, should be investigated fully and thoroughly to determine the truthfulness of the reported situation.
- **Respect and dignity:** Those seeking advice or wishing to report an incident will be treated with the utmost respect and dignity, always respecting the fundamental rights of those involved in possible violations. Before evaluating the information reported about situations, the third parties and/or Employees affected will be entitled to provide the reasons and explanations they deem necessary.
- **Fundamentals:** Any decision must be adopted in a reasonable, proportional and appropriate manner, considering the circumstances and the nature of the events.

More detailed information can be found in Chapter C - Internal organisation/ II. Reporting of irregularities of the Corporate Governance Report and in the Procedure for Reporting Irregularities (which includes a form for reporting irregularities).

In 2022, two communications of irregularities were received through this procedure.

Procedure for Reporting Irregularities:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicas_Regulamentos/2022-02-23_Irregularities_internal_reporting_procedure.pdf

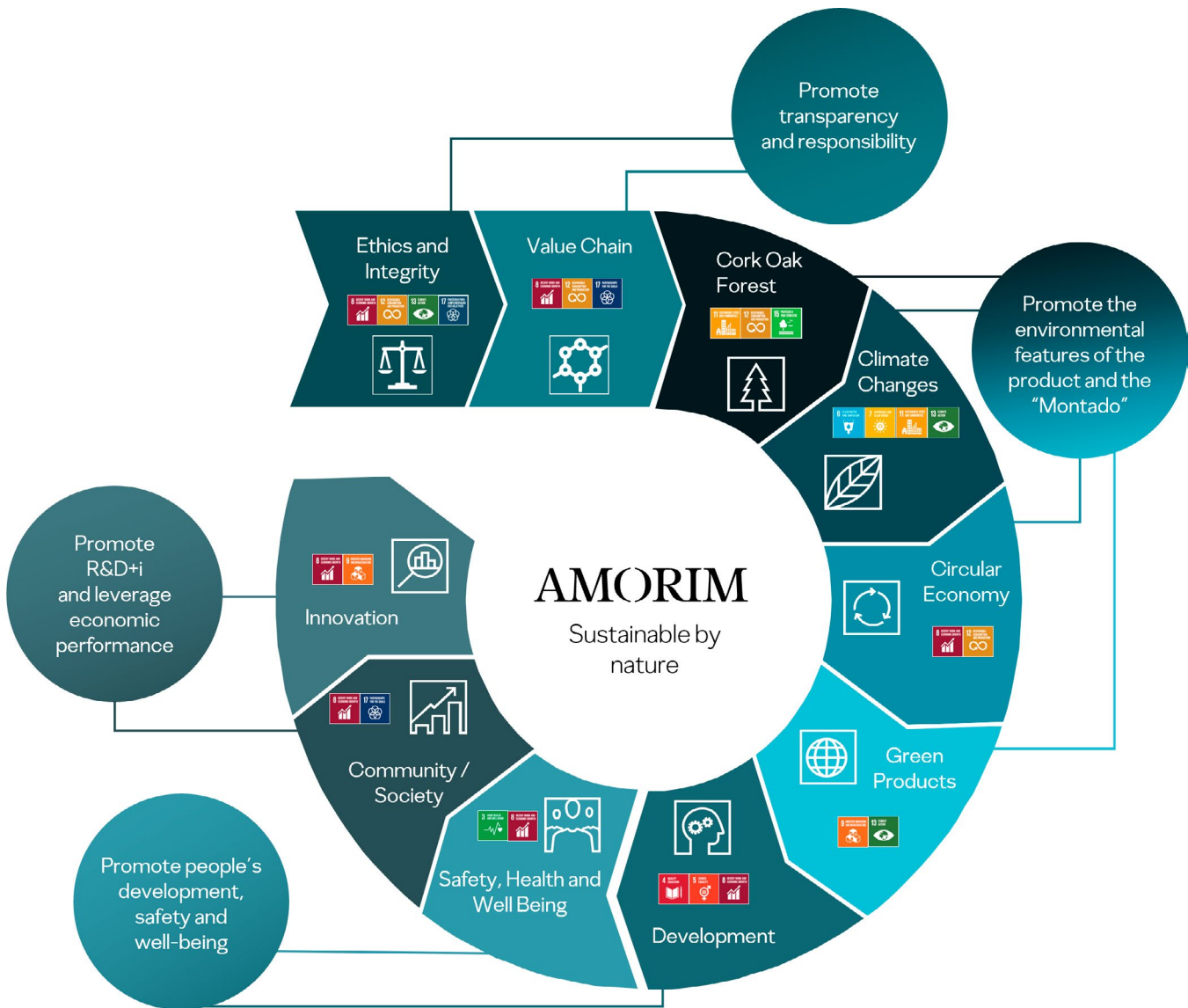
3 – Sustainable by nature Programme

In 2018, Corticeira Amorim aligned the Company’s objectives with the United Nations SDGs and laid the foundations for the Sustainable by nature programme, which sets out the ambition to be met by 2030.

This programme is based on four fundamental pillars: promote transparency and responsibility; promote the environmental feature of the product and the “Montado”; promote people’s development, safety and well-being; promote R&D+i and leverage economic performance.

Currently, ten major objectives have been defined that guide the actions of the entire Organisation, focusing on ethics and integrity, the value chain, the cork oak forest, climate change, circular economy, green products, development, health, safety and well-being, community/society and innovation.

Corticeira Amorim promotes regular monitoring of the actions envisaged in the sustainability programme, which includes quantitative objectives, performance indicators and control procedures, which guarantee, with comparable levels of rigour and integrity, the reporting of its priorities and progress in these matters, and whose results are disclosed throughout this report.



Ethics and Integrity	Act in an appropriate and ethical way, with transparency and responsibility, stimulating competitiveness and the creation of long-term value.		<ul style="list-style-type: none"> • Integrate climate change measures; • Protect the labour rights; • Foster balanced and prudent management and sustainability; • Be transparent and accountable; • Sustain economic growth.
Value Chain	Reinforce responsible production and consumption, preferably selecting suppliers that adopt good ESG practices.		<ul style="list-style-type: none"> • Eradicate forced labour worldwide and ensure a global elimination on child labour; • Promote sustainable management and efficient use of resources; • Strengthen partnerships for sustainable development.
Cork Oak Forest	Preserve the cork oak forest and ecosystem services by increasing knowledge, mobilizing resources and proposing initiatives.		<ul style="list-style-type: none"> • Strengthen efforts to protect and safeguard cultural and natural heritage; • Promote the implementation of sustainable forest management and mobilise resources; • Integrate the values of ecosystems and biodiversity.
Climate Change	Reduce the environmental impact of operations by adopting renewable, affordable and efficient solutions.		<ul style="list-style-type: none"> • Increase the use of renewable energy; • Improve energy efficiency; • Reduce the negative environmental impacts; • Increase efficiency in water use.
Circular Economy	Apply the principles of circular economy through the reduction of waste, extend the life of materials and regeneration of natural systems.		<ul style="list-style-type: none"> • Improve the efficiency of global resources, thereby achieving sustainable management; • Substantially reduce the generation of waste through reducing, recycling and reusing materials; • Manage use of chemicals in an environmentally sound manner.
Green Products	Maintain a proactive role in developing the already vast scope of application of cork, sustained by the innate properties of the material.		<ul style="list-style-type: none"> • Strengthen resilience and adaptability to climate-related risks; • Upgrade infrastructure and rehabilitate industries to make them sustainable; • Reduce the negative environmental impact.
Development	Promote personal and professional development for all.		<ul style="list-style-type: none"> • Provide training for all; • Ensure equal access to opportunities; • End all forms of discrimination.
Safety, Health and Well-being	Ensure the safety of employees in the workplace and access to quality health conditions.		<ul style="list-style-type: none"> • Reduce the number of accidents and the ability to manage these; • Provide access to essential quality health services; • Promote safe and secure work environments for all workers.
Community/Society	Boost economic growth in a sustainable and inclusive manner, ensuring efficient production and decent work for all.		<ul style="list-style-type: none"> • Sustain economic growth; • Strengthen the global partnership for sustainable development.
Innovation	Support and promote research, development and innovation and foster sustainable solutions.		<ul style="list-style-type: none"> • Promote development-oriented policies that support productive activities, entrepreneurship, creativity and innovation; • Enhance scientific research.

3.1 QUANTITATIVE TARGETS FOR 2030 AND PROGRESS (scope: Portugal perimeter)

Corticeira Amorim continues to develop and implement its Sustainable by nature programme, which currently sets out seven quantitative goals for 2030 and nine quantitative targets for the period 2021-2024.

The scope considered in these quantitative objectives corresponds to companies in Portugal, which have the potential to produce a significant impact on the priority areas of the Sustainable by nature programme and which cover the majority of the business operations of Corticeira Amorim (63% of consolidated sales originate in Portugal, 71% of employees are in Portugal and 64% of the PUs are located in Portugal).

Corticeira Amorim believes that the Sustainable by nature programme is not static. Every year a reflection is carried out which may lead to a readjustment of some of the objectives outlined or the introduction of new ones.

In 2022 the focus remained on achieving the quantitative objectives which are summarised in the table below:



Sustainable by nature programme (sustainability perimeter)			Quantitative targets (Portugal perimeter)		
Pillar	Goal 2030	2030 Targets	Plan 2021-24	Target 2030	Performance 2022
Ethics and Integrity	<ul style="list-style-type: none"> Act in an appropriate and ethical way, with transparency and responsibility, stimulating competitiveness and the creation of long-term value. 	<ul style="list-style-type: none"> Integrate climate change measures; Protect the labour rights; Foster balanced and prudent management and sustainability; Be transparent and accountable; Sustain economic growth. 	<ul style="list-style-type: none"> Review Code of Business Ethics and Professional Conduct; Formalise regulations for the functioning of the main corporate bodies and committees; Develop the Anti Corruption Code and Plan; Implement a human rights <i>due diligence</i> process; Formalise/review policies; Define the Risk Catalogue; Implement a risk monitoring and reporting model. 	<ul style="list-style-type: none"> Target 2030 	●*
					●*
					●*
					●*
					●**
					●**
Value Chain	<ul style="list-style-type: none"> Reinforce responsible production and consumption, preferably selecting suppliers that adopt good ESG practices. 	<ul style="list-style-type: none"> Eradicate forced labour worldwide and ensure a global elimination on child labour; Promote sustainable management and efficient use of resources; Strengthen partnerships for sustainable development. 	<ul style="list-style-type: none"> Establish and promote adherence to the Code of Ethics and Conduct for Suppliers. 	<ul style="list-style-type: none"> Target 2030 	●*
Cork oak forest	<ul style="list-style-type: none"> Preserve the cork oak forest and ecosystem services by increasing knowledge, mobilizing resources and proposing initiatives. 	<ul style="list-style-type: none"> Strengthen efforts to protect and safeguard cultural and natural heritage; Promote the implementation of sustainable forest management and mobilise resources; Integrate the values of ecosystems and biodiversity. 	<ul style="list-style-type: none"> + 3,000 ha intervened forest estates under management by 2024. 	<ul style="list-style-type: none"> Target 2030 	● 381 ha intervened forest estates under management.

Climate Change	<ul style="list-style-type: none"> Reduce the environmental impact of operations by adopting renewable, affordable and efficient solutions. 	<ul style="list-style-type: none"> Increase the use of renewable energy; Improve energy efficiency; Reduce the negative environmental impacts; Increase efficiency in water use. 	<ul style="list-style-type: none"> ≥2/3 of controlled renewable energy/year; +2% energy efficiency/year; -1% water consumption intensity /year. 	<ul style="list-style-type: none"> 100% controlled renewable electrical energy; Zero carbon footprint (scopes 1 and 2). 	<ul style="list-style-type: none"> 69% controlled renewable energy; 2.9% energy efficiency; -6.9% water consumption intensity; 3.4% controlled renewable electrical energy; 33,272 tCO₂eq carbon footprint (scopes 1 and 2).
Circular Economy	<ul style="list-style-type: none"> Apply the principles of circular economy through the reduction of waste, extend the life of materials and regeneration of natural systems. 	<ul style="list-style-type: none"> Improve the efficiency of global resources, thereby achieving sustainable management; Substantially reduce the generation of waste through reducing, recycling and reusing materials; Manage use of chemicals in an environmentally sound manner. 	<ul style="list-style-type: none"> -5% weight of non-renewable virgin materials/year; ≥ 90% waste recovery rate (non cork) / year. 	<ul style="list-style-type: none"> 100% waste recovery rate. 	<ul style="list-style-type: none"> -12% weight of non-renewable virgin materials; 96% waste recovery rate (non-cork); 100% use of cork.
Green Products	<ul style="list-style-type: none"> Maintain a proactive role in developing the already vast scope of application of cork, sustained by the innate properties of the material. 	<ul style="list-style-type: none"> Strengthen resilience and adaptability to climate-related risks; Upgrade infrastructure and rehabilitate industries to make them sustainable; Reduce the negative environmental impact. 		<ul style="list-style-type: none"> 100% recyclable packaging materials; 0% non-renewable virgin packaging materials. 	<ul style="list-style-type: none"> 88% renewable and/or recycled packaging materials; 13% non-renewable virgin packaging materials
Development	<ul style="list-style-type: none"> Promote personal and professional development for all. 	<ul style="list-style-type: none"> Provide training for all; Ensure equal access to opportunities; End all forms of discrimination. 	<ul style="list-style-type: none"> 95% workers with training by 2024; 25% women in management positions by 2024. 	<ul style="list-style-type: none"> 100% workers with training; 33.3% women in management positions; 33.3% women workers. 	<ul style="list-style-type: none"> 91% workers with training; 26% women in management positions; 26% women workers.
Safety, Health and Well-being	<ul style="list-style-type: none"> Ensure the safety of employees in the workplace and access to quality health conditions. 	<ul style="list-style-type: none"> Reduce the number of accidents and the ability to manage these; Provide access to essential quality health services; Promote safe and secure work environments for all workers. 	<ul style="list-style-type: none"> Zero recordable work-related injuries by 2024. 	<ul style="list-style-type: none"> Zero recordable work-related injuries. 	<ul style="list-style-type: none"> 74 recordable work-related injuries.
Community / Society Innovation	<ul style="list-style-type: none"> Boost economic growth in a sustainable and inclusive manner, ensuring efficient production and decent work for all; Support and promote research, development and innovation and foster sustainable solutions. 	<ul style="list-style-type: none"> Sustain economic growth; Strengthen the global partnership for sustainable development; Promote development-oriented policies that support productive activities, entrepreneurship, creativity and innovation; Enhance scientific research. 	<ul style="list-style-type: none"> Develop a volunteer plan. 		<ul style="list-style-type: none"> ***

* <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

** Chapter C - Internal Organisation / III. Internal Control and Risk Management of the Corporate Governance Report

** Chapter 3.5.1 Community / Society and Innovation / Culture and Knowledge.

- **Fulfilled**
- **In progress**
- **Not fulfilled**



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Corticeira Amorim is committed to unlimited customisation of packaging, including logos and specific formats, various engraving techniques and a wide range of colours and materials (ceramics, glass, wood, stones, metals, etc.).

3.2 PROMOTING TRANSPARENCY AND RESPONSIBILITY

The foundations of Corticeira Amorim's success are deeply embedded: entrepreneurial vision, responsibility and rigour, creativity and innovation. The Company has a set of internal regulations and policies which, associated with the Company's Articles of Association, the Code of Business Ethics and Professional Conduct and strict guidelines and processes, supported by appropriate training, enable the interests of its stakeholders to be aligned, foster the balanced and prudent management and sustainability of the Group, mitigate risks and guarantee compliance with legal and other requirements to which the Organisation is committed, in its operations and in the value chain, in favour of competitiveness and the creation of long-term value. Always with transparency and responsibility.

3.2.1 ETHICS AND INTEGRITY

(SDG 8, 12, 13 and 17)

Corticeira Amorim bases its operations on high standards of business ethics, fostering appropriate professional and ethical conduct in all relationships with its stakeholders. It thereby delivers results that are the fruit of its management vision, the efficiency of its processes, continuous innovation, the professionalism and competence of the team, the competitiveness of its offer and its reputation in the marketplace. To this effect, it assumes a set of commitments in matters of ethics and environmental and social responsibility, in particular through the formalisation of coherent and comprehensive internal regulations (codes, policies, regulations and procedures), which materialise the principles by which it governs its business activity, promoting these principles in its sphere of influence, in particular in the supply chain, and it invites suppliers and service providers to adhere to the same principles.

Aware of the risks to which its business activity is subject and the interests of its stakeholders, Corticeira Amorim regularly analyses these matters, promoting reflection thereof, with a view to bridging possible *gaps* and maintaining the alignment of internal regulations with best international practices.

To this end, the Board of Directors has delegated powers to an CECA and set up three specialised internal committees: Risk Committee; Appointments, Evaluation and Remuneration Committee and CESG.

The CESG met four times in 2022. The processes that it appraised, and in which it actively collaborated, are specified in Chapter B Corporate Boards and Committees / II Management and Supervision / c) Committees within the Board of Directors / III. E.S.G. Committee. Key activities included assessment of the action plans to guarantee the adoption of the practices envisaged in the Code of Business Ethics and Professional Conduct, in particular the degree of implementation of the training plan; proposed changes to this Code; assessment of the Anti-Corruption Code of Conduct, which replaces the former Anti-Corruption Policy; appreciation of the Risk Prevention Plan for Corruption and Related Infractions and the Code of Ethics and Conduct for Suppliers and appreciation of the Corporate Governance Report and the Sustainability Report, which are part of Corticeira Amorim's consolidated accounts for the year 2021.

Regulations of the Risk Committee, the Appointments, Evaluation and Remuneration Committee and the E.S.G. Committee:

<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

Training plan for the Code of Business Ethics and Professional Conduct

The Code of Business Ethics and Professional Conduct formalises a set of rules and guidelines that should guide the decisions and daily actions of Corticeira Amorim and its employees, both in terms of internal relations (with other employees) and in external relations, with other business partners (investors, clients, suppliers of goods and services, public and private institutions, local communities and society in general). It is important for Corticeira Amorim that all employees are aware and sensitive both to ensuring compliance with the rules specified in the Code of Business Ethics and Professional Conduct and to adoption of behaviour in line with the principles and values defended by this Code. For this purpose, Corticeira Amorim has promoted online and in-class training courses on this subject, and will continue to organise such initiatives during enrolment and integration of new employees. These courses should cover 100% of the Group's employees. In this context, a training programme on the Code of Business Ethics and Professional Conduct was prepared in a 30-minute multimedia format (e-learning). The training can be conducted individually, via computer or mobile phone, and was only concluded when each employee passed a final test, with at least an 80% success rate. Over 250 training sessions were held in 2022, in English and Portuguese, on topics related to the Code, equivalent to a total of about 7,500 hours. 2660 employees attended the courses, primarily in Portugal and partly in the USA. French and Spanish versions will be produced in 2023 to be taught in some of the subsidiaries outside Portugal, in addition to the remaining employees who haven't yet taken part. The Code is available on the Company's website and accessible to all stakeholders. Additionally, a summary brochure was delivered to the employees who took the training course and all employees receive a full and complete version of the Code of Business Ethics and Professional Conduct, which constitutes an annex to their employment contract.

3.2.2 VALUE CHAIN

(SDG 8, 12 and 17)

Corticeira Amorim gives preference, whenever possible, to suppliers who adopt good ESG practices, both with regard to the source of materials and the exploitation processes. It also aims to cooperate with suppliers by propagating the same values of ethics and conduct as the Organisation, reinforcing responsible behaviour throughout the value chain.

The Purchasing Policy and the new Code of Ethics and Conduct for Suppliers set out the Company's commitments, mirror its culture and define appropriate behaviour in terms of the ethical, social and environmental conduct that Corticeira Amorim expects from its suppliers of goods and services.

All the company's suppliers and business partners must, in conjunction with Corticeira Amorim, guide their actions by the highest principles of integrity, transparency, honesty and good business practices, while absolutely repudiating all forms of conduct, behaviour or practices that are, or they may consider to be, irregular, illegal, unethical and/or dishonest.

Various initiatives are conducted to ensure that suppliers comply with the technical ESG and legal requirements required by the Company. Corticeira Amorim has therefore implemented supplier selection and evaluation processes in which all suppliers are required to submit documents proving their compliance with

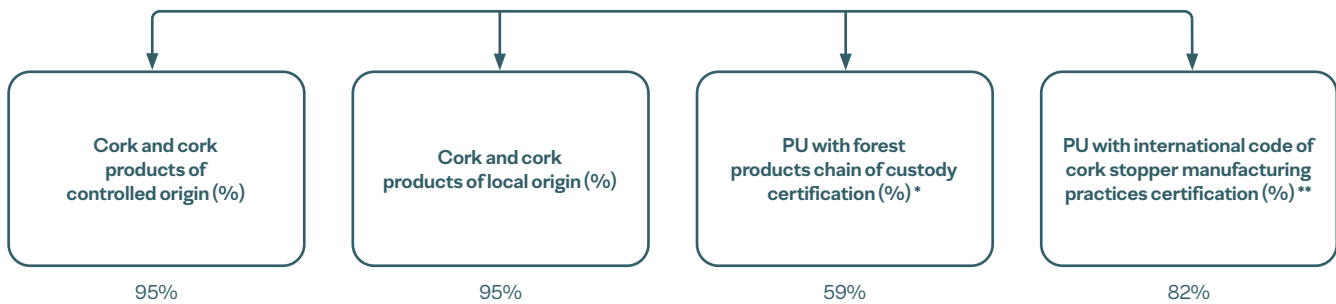
requirements in terms of environmental and social aspects, as well as compliance with prevailing legislation and specific qualification standards. In addition, the Company has an annual training plan available for employees working in the field of purchasing, that covers the topics of the Code of Business Ethics and Professional Conduct and the Anti-Corruption Code of Conduct.

Corticeira Amorim will strive to promote adherence to the new Code of Ethics and Conduct for Suppliers throughout its supply chain, and thereby strengthen the process of selecting and assessing suppliers.

Purchasing Policy:
https://www.amorim.com/xms/files/Investidores/Estatutos_Politiclas_Regulamentos/2021-12-06_Purchasing_Policy.pdf

Code of Ethics and Conduct for Suppliers:
https://www.amorim.com/xms/files/Investidores/Estatutos_Politiclas_Regulamentos/Corticeira_Amorim_-_Codigo_de_Etica_e_Conduta_para_Fornecedores.pdf

Procurement and supply of cork



* Considers the number of certifications amongst the total of 27 PUs
 ** Considers the number of certifications amongst the 22 PUs of the Raw Materials and Cork Stoppers BUs

For the purposes of this report, local origin is considered to be sourced from Portugal and Spain and controlled origin is considered to be low risk for all five categories of unacceptable sources, under the FSC* controlled wood system, which also covers cork, i.e. the countries of Portugal and Spain.

As a leader in the sector, Corticeira Amorim recognises the influence of its business activities in enhancing the value of the cork oak forest and implementing best management practices. Therefore, in addition to managing the supply of cork, Corticeira Amorim, through its Raw Materials BU, carries out a vast range of activities aimed at increasing knowledge of the cork oak forest and the production of high-quality cork. A particularly notable example is its investment in forestry projects and land management, such as in the Herdade da Baliza, the Herdade da Venda Nova and the Herdade de Rio Frio. These three projects are part of the Forestry Intervention Project (FIP) and occupy a total area of 8,181 hectares. The company aims to conduct concept tests of the new cork forest management techniques. The cork produced from these three estates corresponds to about 1% of the Company's total raw material purchases, which will continue to purchase primarily from a controlled network of suppliers. For further information see Chapter 3.3.1 - Cork oak forests.

Medium-long term partnership relationship with cork suppliers

The Raw Materials BU has developed a knowledge and georeferencing database that provides access to highly reliable data on the quantitative and qualitative evolution of cork production in the different cork-producing areas, regions and countries. In the Iberian Peninsula there are currently 10,000 estates, with cork oak groves, recorded by Amorim Florestal. This means that today, in terms of information management, Amorim Florestal already has the location and size of each estate, the year of harvesting and the profile of the producer.

Purchases in controlled origin

	Reference	2022	2021	2020
Purchases of cork and cork products				
Portugal and Spain (K€)	GRI 204-1	314,171	277,206	231,153
North Africa (K€)	GRI 204-1	15,048	12,782	14,845
Other locations (K€)	GRI 204-1	1,470	1,588	591
Total (K€)	GRI 204-1	330,689	291,577	246,589

In 2022, Corticeira Amorim made purchases of cork and cork products totalling €331 million, 95% in Portugal and Spain. These are regions considered to be of controlled origin, i.e. low risk for all five categories of unacceptable sources under the *Forest Stewardship Council* (FSC®) controlled wood programme, which also covers cork. Corticeira Amorim also purchases cork from Morocco, Algeria and Tunisia (4.6%). In these countries, the sales process is conducted by the State - the only forestry producer in those territories - by private or public auction.

Adding value to certified forests

The entire purchasing process of the Raw Materials BU results from historical knowledge and the evaluation of cork in the harvest year or the immediately preceding year. Those responsible for managing the properties have the possibility of certifying their good practices by submitting them to the FSC® certification process. Corticeira Amorim favours suppliers who comply with the International Code of Cork Stopper Manufacturing Practices (ICCSMP) and forest certification, in particular FSC® certification, wherein these standards are also adopted by the Group: 82% of Corticeira Amorim's production units have external certification attesting to compliance with the ICCSMP and 59% of production units have chain of custody certification in accordance with the forest products chain of custody thereby confirming to the market the commitment and action to protect biodiversity, the rights of employees, the rights of indigenous peoples and areas of significant environmental and cultural importance.

Amorim Cork Composites, S.A.² received FSC® certification in 2004, thereby becoming the first company in the cork industry to achieve this certification.

Between 2008 and 2015, Corticeira Amorim developed, in partnership with other institutions, a programme of initiatives aimed at the enhancement of the value and sustainability of the cork oak tree and associated biodiversity. Among the key initiatives undertaken include the provision of a free technical advisory service to owners and the institution of two awards: one which distinguished the best research work and the other which distinguished best management practices with regard to the enhancement of the value and sustainability of the cork oak tree and associated biodiversity. This partnership was created when Corticeira Amorim joined the European Commission's "Business and Biodiversity" initiative and its partners were the Portuguese Institute for Nature Conservation and Forests (ICNF), the World Wildlife Fund and Quercus.

Procurement and supplies of non-cork products

100% of suppliers of non-cork products are assessed by Corticeira Amorim's methodology for pre-qualifying, qualifying and assessing suppliers.

The acquisition of non-cork products includes a pre-qualification, qualification and evaluation of suppliers. The aim is to gain detailed knowledge of the practices of suppliers, preferably selecting those that offer the best negotiating conditions and share Corticeira Amorim's principles and commitments in ESG matters, in particular those stipulated in the Code of Ethics and Conduct for Suppliers.

Qualified suppliers must meet the quality standards of the supplies, delivery deadlines and indices of social and environmental responsibility defined by Corticeira Amorim. For this purpose, a methodology established by the Company is applied, characterised by indices of social responsibility (IRSoc) and of environmental responsibility (IRAmb), that determine that companies which would like to be suppliers to Corticeira Amorim must make the following commitments:

- Do not violate privacy or lose any customer data, in particular from Corticeira Amorim companies;
- Do not use child labour;
- Do not use forced or compulsory labour;
- Do not practice any type of discrimination;
- Reduce waste and effluents;
- Handle chemicals in an environmentally safe manner;
- Handle, store and forward hazardous waste in an environmentally safe manner;
- Contribute to the recycling and reuse of materials and products.

IRSoc and IRAmb are calculated according to the percentage of requirements fulfilled by the supplier. If the supplier is certified by the NP 4469 standard or similar, the supplier will have an IRSoc of 100%. If the supplier is certified by the ISO 14001 standard or similar, the supplier will have an IRAmb of 100%.

According to the index under analysis, for each requirement that the supplier does not commit to comply with, 25% will be taken from the IRSoc or IRAmb. If the supplier fails to comply with one or more requirements in its commitment, the IRSoc or IRAmb will be zero.

The selected suppliers are subject to an annual audit programme based on the following criteria:

- Performance from the previous year;
- Criticality of the products / services provided; or
- Product quality and good environmental and social practices in the case of new suppliers.

After each audit, the suppliers' performance is evaluated in order to validate the criteria necessary for qualification and to detect non-conformities. When non-conformities are identified, an action plan is requested and, depending on the criticality of the non-conformities detected, follow-up audits and verification of measures to mitigate the non-conformities are carried out. Furthermore, it may also be necessary to collaborate with the supplier to resolve the non-conformities or find alternatives to that supplier. In 2022, Corticeira Amorim did not replace any suppliers as a result of the supplier prequalification, quantification and evaluation process.

² In 2004, called Corticeira Amorim - Indústria, S.A.



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i.cork factory uses technologies such as compression moulding and thermoforming in its incessant quest to enhance cork's unique characteristics.

3.3 PROMOTE THE ENVIRONMENTAL FEATURES OF THE PRODUCT AND THE “MONTADO”

Corticeira Amorim recognises that its business activity has environmental impacts throughout the value chain and works continuously to reduce them.

The Energy, Environment and Biodiversity Policy formalises Corticeira Amorim’s commitment to caring for, and respecting, the environment and protecting biodiversity in the daily pursuit of its operations.

All of Corticeira Amorim’s policies take into consideration the transition to a more sustainable economy through the allocation of available resources to maximise their efficient use, aimed at decarbonising the company’s production activities, seeking to minimise risks to the climate, human health and biodiversity. The Energy, Environment and Biodiversity Policy applies to all industrial, raw material preparation, agroforestry and distribution activities, products and services, waste management and also to the company’s suppliers, service providers, subcontractors and other business partners.

The Company reports environmental indicators in accordance with the sustainability perimeter, as noted in Chapter 6 References and scope of the report/ Companies included in the consolidation of sustainability indicators. The organisational boundaries of these indicators have not changed in relation to 2021 and correspond to 70% of the consolidated sales volume, as per the consolidated financial statements.

The indicators presented in this Chapter are within the framework of the independent limited assurance review performed in accordance with the International Standard on Assurance Engagements (ISAE 3000, revised) and which is available in Chapter 10 Independent assurance report.

Corticeira Amorim already has information systems capable of monitoring financial data connected to certain activities and projects related to its environmental impacts, in particular projects associated with sustainable finance (Chapter 4 Sustainable finance) and activities reported under the European Union Taxonomy (Chapter 5 European Union Taxonomy).

Certifications / Audits / Verifications

	Production Units	All Units
ISO 14001	15%	15%
ISO 5001*	19%	15%
Internal EMS	67%	70%
Total	100%	100%

* Not included in ISO 14001

Total units considers production and distribution units in a total of 33
Production units considers production and distribution units in a total of 27

The companies of the Corticeira Amorim Group have an IMS, which includes an environmental management system (EMS). Due to the different characteristics of the companies and activities, each company implements the model that best suits the associated non-financial risks or the opportunities emerging in the markets in which they operate. This is the reason for the diversity of external certifications. The management systems are audited, internally and externally, according to the schedule defined for each system. In addition, an annual audit to verify compliance is also carried out.

In all of these systems there are evaluation mechanisms and indicators defined for each system.

By the end of 2022, 33% of the production units had their environmental/energy management system certified by international standards, such as ISO 14001 and ISO 50001, respectively. Additionally, 16 of the 27 production units (59%) had their chain of custody certified according to the FSC®, which confirms to the market the Company’s concern and action in the protection of biodiversity, employees’ rights, indigenous peoples and areas of significant environmental impact of cultural importance (Chapter 2.5 Management Systems).

Agroforestry activity

The growing awareness of the urgent need for intervention in cork oak forests led Corticeira Amorim to launch the Forestry Intervention Project in 2013 and invest directly in forest estates involving cork oak trees. Currently, three forestry projects are under management, with a total area of 8,181 hectares: Herdade da Baliza, Herdade da Venda Nova and Herdade de Rio Frio, with about 100,000 cork oak trees planted in 251 hectares of the Herdade da Venda Nova and about 54,000 cork oak trees planted in 130 hectares of the Herdade da Baliza (Chapter 3.3.1. Cork oak forest).

Given the characteristics of these projects, the environmental indicators of the companies associated with them (Cosabe, Amorim Florestal III and Herdade de Rio Frio) are not being consolidated for the purposes of this report. Separate information is provided in relation to the impact on water. Corticeira Amorim aims to work to strengthen the methodology used for reporting environmental aspects related to agroforestry activity.

Energy, Environment and Biodiversity Policy:
https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2021-12-06_Energy_Environment_and_Biodiversity_Policy.pdf

3.3.1 CORK OAK FOREST

(SDG 11,12,15)

In view of the activities developed by Corticeira Amorim, based on the use of cork, the promotion of cork oak forests, its biodiversity and ecosystem services assumes fundamental importance.

Corticeira Amorim undertakes numerous actions for the preservation, development and enhancement of the value of cork oak forests, based on the following axes:

- Increased knowledge about the environmental impact of cork products and their associated ecosystems;
- Affirmation of cork-based solutions and the development of the cork oak forests, as guarantors of the ecosystem;
- Promotion of internal and external awareness initiatives;
- Proactive approach to the discussion of policies and proposal of measures for protection of the cork oak tree, preservation of the cork oak forest, promotion of the cork sector, certification of forest management systems and remuneration for the environmental services provided by the cork oak forest. The Company has assumed various commitments, which are reflected in its internal policies or external commitments.

Commitment to biodiversity

The promotion of the cork oak forest, biodiversity and associated ecosystem services is one of Corticeira Amorim’s core material issues. The Company is committed to preserving the cork oak forest and ecosystem services, including biodiversity, by increasing knowledge, mobilising resources and proposing measures.

Corticeira Amorim made a voluntary commitment to Act4nature Portugal, a business initiative launched by BCSD Portugal (part of the WBCSD worldwide network). The scope of the commitment includes Corticeira Amorim’s operations in Portugal.

The table below shows the progress made in relation to the ten commitments:

Individual commitments	Monitoring indicators	Start / End	Progress in 2022	References
Include the protection of biodiversity in the corporate Code of Business Ethics and Professional Conduct	Code of Business Ethics and Professional Conduct published on the Corticeira Amorim’s website	2020-2020	●	Code of Business Ethics and Professional Conduct available at https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/ .
Develop initiatives that foster cork oak forests, biodiversity and ecosystem services	Number of initiatives and results	2021-2024	●	Numerous actions were carried out to promote cork oak forests, biodiversity and ecosystem services. Information available in Chapter 3.3.1 Cork oak forest/Preserving the Cork oak forest/ Forestry Intervention Project.
Expand knowledge on the environmental impact of cork products and of the ecosystem that they support	Number of studies and results	2021-2024	●	Studies were developed on the environmental impact of cork products and the cork oak forest ecosystem. Information available in Chapter 3.3.1 Cork oak forest/Preserving the Cork oak forest/ Remunerating Ecosystems Services and in Chapter 3.3.4 Green products/ Maintain a proactive role in the vast scope of applications of cork/ Life cycle assessments.
Promote biodiversity in the value chain, ensuring a 5% reduction in the consumption of virgin non-renewable plastics/chemicals per year	Annual variation in the consumption of virgin non-renewable plastics/chemicals	2021-2024	●	Information on achievement of 2030 targets and progress in Chapter 3.1 Quantitative targets for 2030 and progress.
Encourage the integration of biodiversity into the production process by ensuring that 2/3 of the energy consumed is from renewable sources	Percentage of renewable energy in the production process	2021-2024	●	Information on achievement of 2030 targets and progress in Chapter 3.1 Quantitative targets for 2030 and progress.
Reduce the impacts on the production process by ensuring energy efficiency savings of 2% per year	Percentage of avoided energy in the production process	2021-2024	●	Information on achievement of 2030 targets and progress in Chapter 3.1 Quantitative targets for 2030 and progress.
Increase resource management efficiency by ensuring a waste recovery rate of 90% or higher	Waste recovery rate (% of non-cork recovered waste)	2021-2024	●	Information on achievement of 2030 targets and progress in Chapter 3.1 Quantitative targets for 2030 and progress.
Keep a proactive role in the development of what is already a vast field of cork applications, in order to ensure the sustainability and biodiversity of cork oak forest associated biodiversity	Annual investment in R&D+i and results	2021-2024	●	Innovation lies at the heart of Corticeira Amorim’s strategy, which aims to extend the concept of innovation to all BUs and improve areas such as portfolio diversification, process efficiency and quality and the circular economy. Additional information in Chapter 3.3.4 Green Products/ Maintain a proactive role in the vast scope of applications of cork/ Innovation in products and solutions.
Implement initiatives that raise employee awareness of biodiversity issues	Number of initiatives and their results	2021-2024	●	Corticeira Amorim’s environmental education programme was designed with the objective of supporting schools in environmental education and raising the awareness of the community in general and employees, of the need to protect and enhance the value of Portugal’s forests, including cork oak forests, and to promote cork recycling. Information on the initiatives undertaken is available in Chapter 3.5.1 Community/ Society and Innovation/ Culture and knowledge/ Environmental education and action.
Publish the monitoring of the commitments made	Annual sustainability report published on the Corticeira Amorim’s website	2021-2024	●	This report.

https://bcdsportugal.org/wp-content/uploads/2021/07/Act4nature_relatorio_2020_EN_VF.pdf

- Fulfilled
- In progress
- Not fulfilled

Commitment to non-deforestation

The cyclical nature of the harvesting and regeneration of the bark of the cork oak tree (cork) occurs without deforestation. The cork oak tree is a slow growing tree, from which cork can be harvested 15 to 18 times during its lifetime. The first harvest can only occur when the trunk of the tree reaches a perimeter of 70 cm. The cork removed in this first harvest is called “virgin”. After nine years, “secondary” cork is harvested. Then, “amadia” or “reproduction” cork is harvested every nine years. The process of cork harvesting is called “descortiçamento” (stripping).

Cork oak forests are located in the Mediterranean basin, one of the world’s 36 biodiversity *hotspots*. As an indigenous species, the cork oak is perfectly adapted to local climatic conditions and arid soils, lives on average 200 years and offers a very relevant set of ecosystem services, in particular cork supply, climate regulation, fire prevention, soil protection and prevention of desertification, in addition to maintaining biodiversity.

Preserve the cork oak forest

Over the last few decades, cork oak trees have been losing their vitality, attributed to poor management practices, the occurrence of harmful biotic agents and climate change. The preservation of the cork oak tree and of the cork oak forest ecosystem is essential if we are to continue to enjoy not only the cork produced but also many other ecosystem services valuable to the populations of the Mediterranean basin.

Each year, Corticeira Amorim implements various actions to maintain and increase the areas of cork oak forest, with a view to promoting the conservation of the respective natural and socio-cultural values, including ecosystem services, preservation of species and respect for the rights of employees and local communities.

Although no trees are cut down to obtain cork, forest management certification ensures best practices in responsible forest management.

For this reason, Corticeira Amorim invests in forest certification, safety at work, technical training and support programmes for forest owners, far beyond the forest areas under its direct management, with the aim of reaching a greater number of owners and encouraging them to use best management practices and to invest in the conservation of cork oak forests and their ecosystem services, whether it be the provision of cork, climate regulation, fire prevention, hydrological regulation and soil protection or the maintenance of habitats and biodiversity.

Forestry Intervention Project

	Reference	2022	2021	2020
Forestry Intervention Project				
Forest estates under management (HA)	GRI 304-1	8,181	6,326	3,076
Intervened forest estates under management (HA)	GRI 304-3	381	251	251
Planted cork oak trees (Nr)	GRI 304-3	154,610	100,400	100,400

Accumulated values

To alleviate growing concern over the reduction in productivity of existing cork oak plantations, Corticeira Amorim has been developing the Forestry Intervention Programme (FIP), which aims to preserve and ensure the sustainable development of cork oak forests.

Under the motto “Caring for the present, building the future”, the FIP began in 2013, as a research project that sought a new model of suberculture using drip irrigation. This technique allows a very significant increase in the success of the planting and, at the same time, a greater initial growth of the trees, thus reducing the first cycle of exploitation from the current 25 years to around half that time. Drip irrigation will be used until the first harvesting of cork, at which point it will be removed and the cork oak will return to its normal growth, with cork harvesting conducted at nine-year intervals.

The FIP has a plan that focuses on three key areas:

- **Forest management (Induction)** - Coordinate new plantations and provide owners with technical support in the forestry area. Currently, 130 ha of forest areas that do not belong to, or are not managed by, Corticeira Amorim are being monitored. The work conducted to date aims to collect and compile existing knowledge on various topics and to produce support and supporting documentation with practical application, both in existing cork oak forests and in new plantations. The forest management office also aims to provide advice to forest producers on such diverse subjects as treatments for pests, fertilisation and pruning.
- **Applied forestry R&D (Intervention)** - To carry out applied research into the impacts of irrigation, fertilisation, nutrition and soil on the cork oak tree. To date, several cork oak plantations have been carried out in which there has been study of the methods of deep and surface irrigation, the effect and effectiveness of fertilisers in different quantities on the growth of cork oak trees, assessment of productivity and valuation and economic and technical viability of cork oak plantations subject to irrigation. In the future, this action will make it possible to define the best protocol to follow for the plantation of cork oak trees.
- **Fundamental forestry R&D (Investigation)** - To produce cork oaks plus (better adapted to emerging climatic scenarios, pests and diseases) through a cork oak improvement programme. Phenotypically selected specimens of cork oak trees from different origins and soil and climate conditions, in order to establish a multiplication and improvement programme. In parallel, molecular markers associated with phenotypic characteristics of interest, such as rapid growth and cork quality, are being identified. In the future, these markers will make it possible to identify, select and produce cork oak trees adapted to different conditions, maximising productivity and resilience.

Intervention in forest estates

The growing awareness of the urgent need for intervention in cork oak forests has led Corticeira Amorim to invest directly in forest estates, involving cork oak trees, in which a drip irrigation system will be used. Currently, three forestry projects are under management, with a total area of 8,181 hectares: the Herdade da Baliza, the Herdade da Venda Nova and the Herdade de Rio Frio, with around 100,000 cork oak trees planted on 251 hectares of Herdade da Venda Nova and around 54,000 cork oak trees planted on 130 hectares of Herdade da Baliza. Corticeira Amorim intends to continue and increase its active participation in intervention in new cork oak areas through the purchase of land, leasing or partnerships (densification of existing areas through partnerships with forest owners), with the target of intervening in an area of 3,000 hectares of forest by 2024. The goal is to conduct applied research into the impacts of irrigation, fertilisation, nutrition and soil on the cork oak and to help promote and disseminate the implementation of new planting and management techniques for the cork oak forest that are more efficient and resilient to the forecast climate scenarios.

To finance the investment in forest estates, which amounted to € 56.9 million, Corticeira Amorim has made use of green financing instruments, which are noted in Chapter 4 Sustainable finance. Green financing instruments are considered effective tools to support projects with positive impacts on climate change mitigation and are aligned with the four components of the London Market Association's Green Loan Principles of February 2021 and the International Capital Market Association's Green Bond Principles of June 2021 (with Appendix 1 of June 2022), respectively.

Cork oak tree improvement programme

The aim is to produce cork oak trees that are better adapted to emerging climatic scenarios, pests and diseases, maximising their productivity and resilience. To this end, specimens of cork oaks plus from different origins and soil and climate conditions have been selected with a view to establishing a multiplication and improvement programme. Among the actions underway is the identification of molecular markers associated with phenotypic characteristics of interest, such as:

Rapid growth - Fast-growing trees will enter the cork production cycle sooner, enabling their economic exploitation to start sooner;

Resistance to drought - Plants that are resistant to climate change will make it possible to increase the survival rate in new plantations, as well as being more tolerant to the scarcity of water, which will result in a differentiated development;

Resistance to insects (flathead oak borer) – The identification, selection and multiplication of trees naturally resistant to insects (flathead oak borer) is essential to maintain the quality of cork and to increase the availability of useful cork;

Quality of the cork – The quality of cork is a fundamental feature of a cork oak genetic improvement programme. Fast growth - trees with fast growth will enter the cork production cycle earlier, which will make it possible to start harvesting them more quickly.

Remunerating ecosystem services

Ecosystem services can be translated as direct and indirect contributions of nature to human well-being. Biodiversity loss significantly affects the provision of ecosystem services on which humans depend, since biodiversity underpins several ecological processes. There is a consensus that quantifying ecosystem services in monetary and non-monetary values is a necessary tool to operationalise this concept in decision-making and to contribute to a pathway aligned with the biodiversity strategies, European Ecological Pact and the UN SDGs.

The cork oak forest plays an important role in promoting ecological functions such as soil conservation, carbon storage and water retention, enhanced by its multifunctional characteristics and existing biodiversity. Portugal has the world's largest area of cork oak forest and is simultaneously the world's largest producer of cork. The vitality of cork oak forests has been declining over the years, weakening their potential to provide services to society.

Corticeira Amorim is the world's largest producer of cork products, playing an important role in promoting sustainable forest management and creating a set of valuable interconnections between cork oak forests, business and people, as well as increasing knowledge of cork oak forests and the ecosystem services they make possible.

In this context, it began studying the value of ecosystem services more than ten years ago, a subject that has already been launched for public discussion by various specialists. In the most recent study, produced by EY in 2019, it was concluded that, on average, the ecosystem services of a well-managed cork oak forest provide benefits to society of over 1300 €/ha/year.



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Process of mixing cork with other materials, resulting from circular economy practices.

The value of the cork oak montado ecosystem services

In 2019, Corticeira Amorim commissioned a study entitled "The value of the montado ecosystem services", produced by EY, in which it was concluded that more profitable and biodiverse ecosystems can be enhanced and perpetuated through more sustainable production systems, thereby fostering the services provided, combating biodiversity loss and also contributing to carbon neutrality and the UN SDGs.

By considering four case studies, EY was able to identify the three main groups of ecosystem services provided by cork oak forests. The quantitative analysis was based on the estimation of the costs avoided and demonstrated that the capacity of cork oak forests to provide services to society is highly variable and fundamentally depends on management practices and the soil and climate conditions of the territory.

Provision	Regulation	Cultural
<ul style="list-style-type: none"> ▪ Cork ▪ Wood ▪ Animal products ▪ Medicinal and aromatic plants and herbs ▪ Mushrooms ▪ Honey 	<ul style="list-style-type: none"> ▪ Global climate regulation ▪ Extreme events regulation: fire prevention ▪ Hydrological regulation and soil protection ▪ Habitat maintenance and biodiversity ▪ Pollination 	<ul style="list-style-type: none"> ▪ Recreation activities and tourism ▪ Scientific and educational activities ▪ Cultural identity and landscape

Three of the ecosystem services were monetised: global climate regulation, extreme event regulation: fire prevention and hydrological regulation and soil protection. The other services identified were evaluated with quantitative data wherever possible but were not monetised.

The study concluded that, on average, the ecosystem services of a well-managed cork oak forest provide benefits to society in excess of 1,300 €/ha/year.

Global climate regulation	Fire prevention	Hydrological regulation and soil protection
596€	546€	220€

Evaluation of the values of ecosystem services in the estates under Corticeira Amorim’s management

Corticeira Amorim is developing, with the support of external experts, a methodology for the first assessment of ecosystem services, which will enable an initial survey to be carried out of the values of ecosystem services in the three estates under Group management: Venda Nova, Rio Frio and Baliza. These values correspond to the classification of ecosystem services in a base year, which may be contrasted with reference values or subsequent evaluations, to support the monitoring and verification of the conservation, promotion or degradation of natural values. The methodology is based on informative indicators of different property management outcomes in water, biodiversity and carbon at the time of the project.

3.3.2 CLIMATE CHANGE
(SDG 6, 7, 11 and 13)

As in any other industrial activity, Corticeira Amorim’s transformation processes have associated environmental impacts. In order to minimise these impacts and in coherence with the Energy, Environment and Biodiversity Policy, the Company implements throughout its value chain - from cork production to its transformation into products with low or negative carbon impact up to the end of the product’s life - sustainable practices that are based on the following fundamentals:

- Ensure compliance with legal requirements, as well as other requirements that the organisation subscribes to, applicable to the environmental aspects of its activities, products and services;
- Control significant environmental aspects, contributing to the prevention of pollution;
- Assume a proactive attitude, identifying, evaluating and implementing the appropriate preventive measures to minimise the specific environmental impacts of each activity, using, whenever feasible, the best available practices and technologies.

To ensure that climate-related ambitions and targets are incorporated throughout the Company and that management is held accountable for the achievement of those targets, Corticeira Amorim, in its management by objectives system, contemplates climate change issues, including the achievement of targets at the level of the Procurement and Energy area, new product departments and packaging areas.

Commitment to the use of energy and other resources

Corticeira Amorim undertakes to apply environmental criteria and the rational use of energy, in all planning and decision-making work on issues that may have an impact on the environment, and also implement the necessary tools to avoid pollution and reduce energy consumption, investing in cleaner energy sources and more ecological technologies.

In addition, Corticeira Amorim undertakes to contribute to research and to encourage the development and dissemination of technologies, which respect the environment and energy efficiency and seek carbon neutrality.

It also undertakes to make rational use of resources, minimising water, paper and energy consumption, reducing waste generation and emissions, favouring recycling and seeking ecologically correct solutions.

Climate-related risks and opportunities

Climate risks are part of an integrated multidisciplinary system regarding risk identification, assessment, prioritisation, treatment and monitoring.

Corticeira Amorim conducted an assessment of the physical climate risks for each of its industrial, raw material preparation, agroforestry or distribution units and their respective locations using the ThinkHazard! tool, which identifies the greatest physical dangers to which certain countries are exposed, classifies them by risk levels and also offers recommendations on solutions for adapting to these risks.

Although it does not yet carry out a climate-related physical risk assessment for its industrial activity through climate scenarios, the Company plans to implement this step in the future.

The Company has identified the risk of forest fires and the risk of water stress as the relevant physical climatic risks for the main raw material used in its activities. For this reason, Corticeira Amorim already develops several initiatives that promote the adaptation of cork oak forests to the risks that threaten them. For example, the FIP aims to preserve cork oak trees and cork oak forest ecosystems, through programmes that promote their resistance to drought, pests and diseases and increase their survival rate. Further information on Corticeira Amorim's risk analysis (physical and transitional) can be found in Chapter 2.3 Risks and opportunities and in Chapter 9 Alignment with the TCFD.

The cork oak tree and cork (raw material and products) can also sequester carbon, which contributes to mitigating greenhouse gas emissions (GHG). In this regard, the conclusions of research conducted by the Instituto Superior de Agronomia leave no doubt as to the importance of the role of the cork oak tree and the ecosystem surrounding it: for every ton of cork produced, the cork oak forest sequesters over 73 tons of carbon dioxide.

The cork oak tree is the basis of an ecological system unique in the world, contributing to the survival of many species of indigenous fauna and to the safeguarding of the environment. It is found in seven countries in the western Mediterranean basin - Portugal, Spain, France, Italy, Morocco, Algeria and Tunisia - where it acts as a barrier against the advance of desertification because it can withstand climates with low rainfall, and help fix soil and organic matter, thereby reducing erosion and increasing water retention.

The use of Corticeira Amorim's products also contributes to mitigating climate change, both through their capacity to retain carbon and by replacing more energy-intensive alternative products. The industrial processing of cork, that has been harvested from cork oak trees, is the best way to guarantee the preservation and development of cork oak forests, ensuring their economic viability. Specific legislation is in place to protect them, as well as several programmes of non-governmental organisations that seek to preserve forests by improving and certifying forest management practices. It is essential to foster the development of subculture that is capable of promoting the crucial role played by the cork oak forest and, at the same time, fuel the growth of the market for cork products. The facts described above will therefore provide an opportunity for the differentiation of cork products.

Corticeira Amorim is strengthening its process of identifying, describing and quantifying the risks and opportunities and the associated potential financial implications and also the costs of responding to these risks.

Reduce the environmental impact of operations

Corticeira Amorim's activity uses resources and its environmental impacts predominantly arise in its production units. Most of the energy used in the production process is renewable and locally generated. In some operations energy sourced from fossil fuels is also used. This results in GHG and other atmospheric emissions, which have an impact on the environment. The production processes also consume water and release effluents and waste. In particular, hazardous waste poses a threat to the environment and may generate future liabilities.

Aided by different working groups, Corticeira Amorim identifies initiatives and engages with external stakeholders in order to reduce the company's environmental impact and achieve the goals set out in the Sustainable by nature programme (Chapter 3.1 Quantitative targets for 2030 and progress).

Energy consumption within the organisation

	Reference	2022	2021	2020
Energy consumption				
Energy consumption (GJ)	GRI 302-1	1,815,871	1,929,864	1,638,115
Energy Intensity (GJ/M€)	GRI 302-3	2,548	2,862	2,652
Renewable energy (%)	GRI 302-1	77%	79%	83%
Controlled renewable energy (%)	GRI 302-1	68%	68%	66%
Energy efficiency (%)	GRI 302-4	2.8%	3.8%	3.4%

The unit of measurement used is GJ; to convert to MWh, the values should be divided by 3.6. Energy intensity = energy consumption / consolidated sales of the sustainability perimeter.

The energy consumed during 2022 was 1,816 thousand GJ, 77% originating from renewable sources. The majority of renewable energy results from burning biomass (87%), primarily cork powder generated endogenously in production (79%). Other renewable energy sources result from the production of electrical energy from photovoltaic solar panels (0.9%), cogeneration (0.3%) and purchased renewable electrical energy (12%).

Energy from renewable sources controlled by the Group represented 68% of the total energy consumed, corresponding to 1,227,000 GJ. The proportion of energy produced from biomass was 67%.

The energy intensity indicator decreased by 11% as a result of the various energy efficiency measures implemented in recent years as part of the energy efficiency project.

In order to monitor the energy consumption available in the factories in Portugal, comply with the objectives established within the Sustainable by nature programme and maintain involvement and the urgent need to adapt technology to increased production and quality, among other objectives, the Company holds an annual Energy Efficiency Forum involving the participation of the company's executives in charge of energy issues.

Energy Efficiency Forum

Held once or twice a year the Forum is attended by the company's different energy managers and serves as a means to foster sharing and interaction. Among other objectives, the Forum aims to: monitor the consumption of energy resources available to the company's factories (in particular cork powder, electrical energy, natural gas and propane gas); maintain involvement and the urgent need to adapt technology to increase production and ensure the quality of the industrial units; forecast needs and present scenarios for consumption of energy resources, with evaluation of scenarios between needs and adaptation of technology; motivate, carry out and control the development and performance of actions. In 2022, the 36th Forum was held, involving the participation of around 26 employees from these areas.

Energy efficiency project

The commitment to energy efficiency is renewed annually and has as a goal, for operations in Portugal, to achieve an energy efficiency rate of 2% per year. In 2022, the energy consumed by the Company totalled 1,816,000 GJ, and around 69 energy efficiency measures were implemented. This resulted in an investment of approximately €1,126,000 and in a 2.8% energy efficiency rate, a saving of around 50,000 GJ and more than 1,675 t CO₂eq avoided. Among these measures, we find both simple and intuitive actions, such as changing the lighting installations, or intervention in the electrical installations in the various facilities (17 measures), and more complex actions, that require major investments and adaptations. This is the case of the use of compressed air to generate movement in industrial processes (18 measures). Other measures that had a major impact, with a significant investment, are those carried out at a thermal level, especially in terms of boilers. The boilers in operation, despite already operating with renewable energy from biomass, are the target of constant interventions, to keep them modern and efficient (28 measures). The remaining six measures were developed in order to improve the efficiency of processes, motors and others. However, the work doesn't stop with the implementation. It is followed by a rigorous programme of monitoring the actions, calculating the impacts and preparing additional and/or corrective measures.

- Reduce energy consumption through energy efficiency measures, with the aim of achieving an energy efficiency rate of 2% per year in operations in Portugal - energy efficiency project;
- Achieve 20% of electrical energy consumed from controlled renewable sources for the period 2021-24, through the implementation of the photovoltaic project;
- Select energy suppliers according to the proportion of renewable energies in their mix and purchase renewable electrical energy, sourcing 100% of electrical energy from renewable sources by 2030 in operations in Portugal.

Renewable energy project (biomass)

The project aims to respond to the reduction in the availability of cork powder for use at the energy level, which results from the constant search to optimise the yield of cork consumed in the industrial cycle. The various initiatives include optimising the yield of cork powder for burning, converting boilers for burning other biomass (olive stones, almond shells or broken pallets) and acquiring new, more efficient boilers. In 2022, an investment of over €689,000 was made in this project, distributed over 28 measures, resulting in a saving of 482 tCO₂eq avoided.

Photovoltaic project

Corticeira Amorim is determined to increase the consumption of energy from renewable sources, both through the selection of energy suppliers according to the proportion of renewable energy in their mix and through direct investment in photovoltaic projects. With an investment in excess of €11 million, during the period 2021-2024, 22,000 KWp will be installed, using more than 40,000 solar panels placed on factory roofs. The goal is to have the main industrial units with part of their energy consumption derived from photovoltaic energy. The energy produced will be for self-consumption, represents 20% of the electrical energy consumed by the Group, and will avoid the emission of around 14,600 tCO₂eq per year. In 2022, 12,672 GJ of energy were produced from these panels which, together with the electrical energy produced through cogeneration (4,019 GJ), corresponds to 3.2% of the total electrical energy consumed (522,886 GJ).

Direct (scope 1) and indirect (scope 2) GHG emissions

	Reference	2022	2021	2020
GHG emissions (scope 1 and 2)				
Direct emissions (scope 1) (tCO ₂ eq)	GRI 305-1	5,687	5,898	6,432
Indirect emissions (scope 2)* (tCO ₂ eq)	GRI 305-2	31,534	38,397	26,958
Total (scope 1 and 2) (tCO₂eq)		37,221	44,294	33,390
Carbon intensity** (tCO ₂ eq/M€)	GRI 305-4	52.2	65.7	54.1

* Market Method

** The indicator was adjusted and was calculated considering the energy consumption over the consolidated sales of the sustainability perimeter.

The CO₂eq emissions of the business activity (scopes 1 and 2) attained a total of 37,221 tCO₂eq, calculated by the market method. On the one hand, there was a reduction of 16% compared to the previous year as a result of emissions avoided, due to the increased level of self-generated electrical energy (solar photovoltaic energy and cogeneration), energy efficiency measures and a more favourable mix of electrical energy purchased from the grid. On the other hand, the positive effect of renewable energy consumption from biomass sources was slightly reduced, due to the fact that most of the energy efficiency measures were related to the modernisation and efficiency of biomass boilers (28 / 69 measures).

Corticeira Amorim's goal for 2030 is to achieve zero scope 1 and 2 emissions in its operations in Portugal and to this end it is counting on maintaining some projects that have been launched in recent years and other projects that it will implement, in particular:

- Maintain and strengthen the strategy of using biomass as the main source of energy - renewable energy project (biomass);

Other indirect (scope 3) GHG emissions

	Reference	2022	2021	2020
Scope 3 GHG emissions				
Purchase of goods and services (tCO ₂ eq)	GRI 305-3	129,885	145,114	119,451
Upstream transportation and distribution (tCO ₂ eq)	GRI 305-3	31,417	22,558	30,642
Downstream transportation and distribution (tCO ₂ eq)	GRI 305-3	42,034	39,834	45,011
Employees commuting (tCO ₂ eq)	GRI 305-3	2,697	3,231	2,602
Business travel (tCO ₂ eq)	GRI 305-3	344	307	360
Waste generated in operations (tCO ₂ eq)	GRI 305-3	270	288	235
Total (tCO₂eq)	GRI 305-3	206,646	211,332	198,301

Corticeira Amorim annually monitors its scope 3 emissions. To determine the categories to be monitored, methodologies and assumptions to be applied, Corticeira Amorim regularly conducts an exhaustive corporate GHG inventory, drawn up by external experts. The last one was carried out by EY, based on information from the year 2018, which covered the activities developed in Portugal and was based on the GHG Protocol methodology (further information in the Sustainability Report 2018, available at <https://www.amorim.com/en/sustainability/reports/>).

In order to define the scope 3 emission categories to be monitored, Corticeira Amorim applied a materiality limit of 3%, taking into account the proportion of the category in total scope 3 emissions. To ensure comparison with previous years, the transport categories of waste generated in operations and business travel (which have proportions of less than 3% in the total scope 3 categories) were also included.

Corticeira Amorim's scope 3 emissions derive primarily from the purchase of goods and services, upstream and downstream

transportation and distribution, with a minor contribution from waste generated in operations, business travel and employees commuting.

Corticeira Amorim considers that emissions associated with the processing of sold products, use of sold products and end-of-life treatment of sold products do not have material importance. Additionally, the Company does not have the necessary information to account for the emissions associated with these activities due to the comprehensive nature of the waste treatment systems in the different countries to which it exports and the complexity of the information gathering process.

Corticeira Amorim is working on the reduction of scope 3 emissions and intends to establish reduction targets based on science, through replacement of carbon-intensive raw materials, selection of logistics suppliers with reduced CO₂ emissions and action at the level of packaging and logistics. To this end, with the involvement of all BUs, it launched the scope 3 emissions reduction programme, which currently includes the organisational limits project and the sustainable packaging project.

Emission reduction programme - scope 3

The involvement of the entire Organisation and supply chain, especially suppliers of raw materials and transport, is fundamental for the reduction of scope 3 GHG emissions. Corticeira Amorim has defined the following areas of intervention for this programme:

- Increase the coverage of organisational boundaries in calculation of the Company's carbon footprint;
- Improve the methodologies for the calculation of information and increase the percentage of emissions calculated based on data obtained directly from suppliers or partners in the value chain;
- Assess the most carbon-intensive materials consumed (raw materials and packaging materials), for example non-renewable virgin materials, in order to consider the feasibility of substitution by alternatives with a lower carbon footprint, in particular renewable or recycled materials;

- Select suppliers in function of their GHG emission reduction targets and plans.

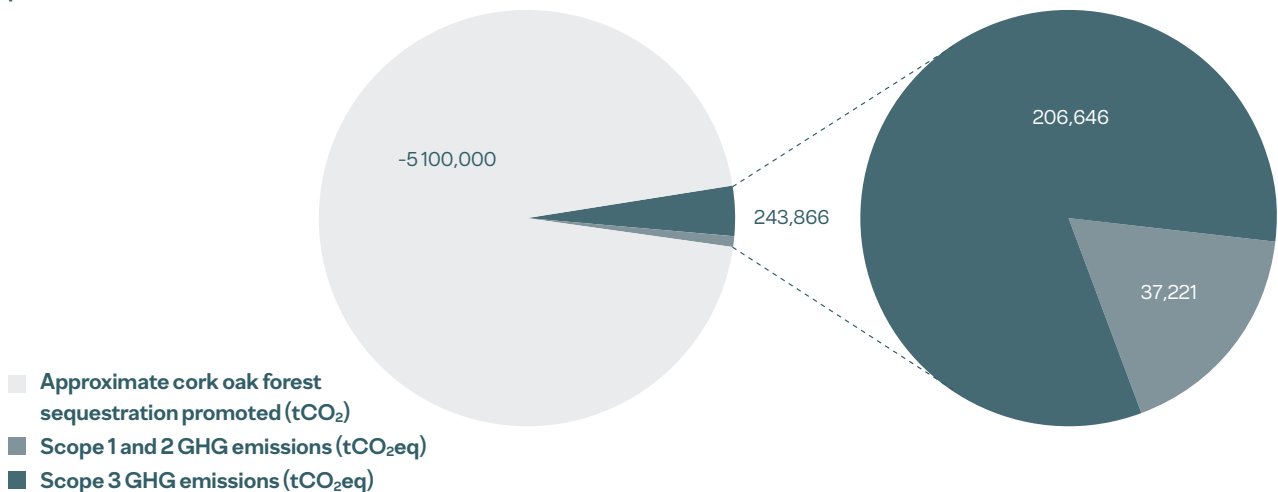
In 2022, the Company began a process of reflection on the organisational limits of environmental indicators, including the carbon footprint. As a result, the methodology for calculating scope 3 emissions was revised to include all the companies in the sustainability perimeter and the information gathering system was extended to some of the Cork Stoppers BU's main distribution units located outside Portugal, in particular: Amorim Cork America, Amorim Cork Beijing, Amorim Cork Spain, Amorim Cork Italy, Amorim France, Bourrasse, Portocork America, Portocork France, Portocork Italy with a view to integrating the respective calculation in the future.

During 2023 and 2024, Corticeira Amorim will continue to consolidate the calculation systems and methodology, with the aim of stabilising the organisational limits for reporting GHG emissions.

Avoided GHG emissions

For the purpose of this reporting, avoided emissions are the reductions in GHG emissions that occur in the value chain of a product as a result of its production or use.

Cork oak forest sequestration promoted (tCO₂)



At the level of the supply chain, the Company promoted the sequestration of about 5,100,000 tCO₂ in cork oak forests, insofar as cork is the main raw material used by Corticeira Amorim in its production activities and cork products are the main economic catalyst of cork oak forests. This value corresponds to more than 21 times the emissions from Corticeira Amorim's business activity and value chain (scope 1, 2 and 3 emissions). During the cork harvesting process, only the outer bark of the tree is removed and cork oak trees can grow for an average of 200 years. On the other hand, cork harvested from the cork oak tree only represents 4% of the total fixation of atmospheric CO₂ and has negligible impacts on the total carbon stored by the tree.

	Reference	2022	2021	2020
Avoided GHG emissions				
Biomass (tCO ₂ eq)	GRI 305-5	77,587	83,449	68,910
Photovoltaic (tCO ₂ eq)	GRI 305-5	1,164	36	0
Cogeneration (tCO ₂ eq)	GRI 305-5	1,016	433	0
Efficiency measures (tCO ₂ eq)	GRI 305-5	1,675	2,193	2,464
Total (tCO₂eq)	GRI 305-5	81,442	86,111	71,374

In terms of the Company's operations, the commitment to renewable energies and other good practices resulted in the avoidance of more than 81 thousand tCO₂eq through the use of biomass to substitute natural gas (77.6 thousand tCO₂eq), the use of renewable electrical energy to substitute fossil fuels (2.2 thousand tCO₂eq) and the implementation of energy efficiency measures (1.7 thousand tCO₂eq).

In terms of product use, Corticeira Amorim considers that its thermal and/or acoustic insulation products, fire-resistant products or those which enable a reduced surface weight to be maintained, depending on the requirements of the end application, as well as the production of cork stoppers, allow emissions to be avoided. In the first case, by saving energy in the use of the product, in the case of cork stoppers, because it corresponds to a packaging product, with low energy incorporation, which prolongs shelf life and reduces waste, being the best alternative for clients who want better quality and to contribute to climate regulation (Chapter 3.3.4 Green products / Environmental benefit of the products /).

Air Quality and Pollution

	Reference	2022	2021	2020
Atmospheric emissions				
Particles (t)	GRI 305-7	85	66	65
Nitrogen oxide (NOx) (t)	GRI 305-7	129	125	122
Volatile organic compounds (COV) (t)	GRI 305-7	55	56	59

Corticeira Amorim has appropriate management systems in place to meet legal requirements, internal regulations and established policies on atmospheric emissions and pollution, implementing measures to mitigate the specific impacts of each BU, in particular through:

- Compliance with all legal requirements;
- Audits for pollution control, in particular to detect failures in systems and processes;
- Regular noise measurements and active measures to reduce it, such as encapsulation of machines and motors;

- Controls of gaseous emissions from chimneys and specific measures to avoid dust or particulate emissions, such as the application of filters;
- Training for employees and third parties on best practices to prevent the occurrence of spillages, making spill kits available;
- Response procedures in place for emergencies and installation or maintenance of pollution prevention devices (such as containment basins, among other measures);
- Mitigation actions for future occurrences, which include detailed investigation of the occurrence, corrective actions to prevent recurrence and communicate the lessons learned.

With regard to atmospheric emissions, these primarily result from the burning of fuels in boilers to generate energy. Emissions include carbon dioxide (CO₂), fine particles, nitrogen oxides (NOx) and volatile organic compounds (VOC), and these are not associated with emissions of odour gases.

Corticeira Amorim is committed to minimising its impact resulting from atmospheric emissions. Therefore, it continuously invests in the modernisation and adaptation of the boilers, having invested around €2.4 million by 2022, in actions that include areas of conservation and repair, improvements in safety, optimisation and monitoring and adaptation for use of other biomasses. In addition, it regularly monitors pollutant emissions of gases or particles into the atmosphere using methods based on existing standards and applicable to emission limit values (ELVs) in accordance with the law in force. In 2022, emissions of fine particles amounted to 85 t, NOx emissions totalled 129 t and VOCs attained 55 t.

Water consumption

	Reference	2022	2021	2020
Water consumption				
Water withdrawal (m ³)	GRI 303-3	631,704	654,309	770,116
Water discharges (effluent) (m ³)	GRI 303-4	154,394	163,831	118,514
Water consumption (m³)	GRI 303-5	477,470	490,846	651,983
Water consumption intensity (m ³ /M€)	GRI 303-5	670	728	1056

Unit of measurement used is m³; to convert to ML, values should be divided by 1000.
Water consumption = water withdrawal - water discharge +/- water storage.

Water consumption intensity: the indicator was adjusted and was calculated considering water consumption over the consolidated sales of the sustainability perimeter.

Water withdrawal attained 631,704 m³. Most of the water used by Corticeira Amorim is sourced from groundwater (92%), with the remaining (8%) obtained from the third-party water. Around 24% of the water was returned to the environment and approximately 76% was consumed - integrated into the product or in the production of steam. Corticeira Amorim has no indication that the hydrographic basins in which the water is collected are under water stress. For the classification of water-stressed areas in the scope of this report, the Aqueduct Water Risk Atlas (wri.org) tool was used, according to which 51% of the water withdrawal activities occur in high-risk water-stressed areas.

Aware of the need to preserve this fundamental resource for the planet, Corticeira Amorim has an approach based on three pillars: reduction of consumption, treatment and hydrological regulation, which is supported by the zero-water waste programme.

Zero-water waste programme

Corticeira Amorim intends to continue to strengthen its commitments to reducing negative environmental impacts. During 2021, it began an audit of all facilities in Portugal, with a view to gauging a common methodology for determining water consumption. In addition, a list of several actions was drawn up based on best practices in the BUs. Among the actions is the introduction of improvements in the water network map, with the inclusion of the supply line to consumers and the discharge of consumers to the WWTP or sanitation. Another action has to do with the acquisition of automatic meter systems, especially in facilities where there is already a high number of meters, in order to reduce the possibility of error in the collection of information. Another example is adopting some good practices of ISO46001 - water efficiency management systems, in particular the creation and monitoring of performance indicators for the main consumers of water, and listing the variables that influence water consumption by process, especially in intensive consumption areas.

Reducing consumption

A target is set for the period 2021-2024 for activities in Portugal to reduce water consumption intensity by 1%/year, which was met in 2022.

Several actions implemented over the last two years are underway, mainly focused on management and monitoring. Of particular note is the launch of the water reuse project by the Raw Materials BU.

Water reuse project

Launched by the Raw Materials BU, it consists of reuse of industrial wastewater from the cooking process. After physical-chemical and biological treatment, an ultraviolet-based filtration and disinfection system was installed. The filtration system consists of three filters, in particular activated carbon, glass and sand. Filtration permits the removal of particles that were not removed in decantation, as well as associated microorganisms, and disinfection by photo oxidation (ultraviolet) which allows the elimination of bacteria, thus ensuring good effluent quality.

The conservation of water resources and the efficient use of water are highly relevant objectives for the Company. With the new filtration and disinfection system, the aim is to reuse all industrial effluent, reducing the consumption of water from boreholes and discharges into the municipal collector; to increase the availability of water, thereby relieving water resources, as well as reducing costs. In 2022, the year in which the project was launched, it has already been possible to reuse around 1,358 m³ of water (around 1% of the BU's total consumption).

Treatment

The larger industrial facilities collect and treat wastewater in their own industrial water treatment plants (WWTPs). Effluent treatment is directly linked to pollution prevention and involves the removal of impurities generated in the manufacture of products, through primary, secondary or tertiary treatment, as appropriate. The treated effluent is discharged into a municipal collector. Periodic analytical controls of the volumes and parameters of the discharges are conducted, as well as monitoring of the receiving environment, in accordance with the stipulations established in the wastewater discharge licence. Corticeira Amorim continuously invests in order to optimise the WWTPs. In 2022, investment in these activities amounted to around €120,000 and focused on projects to adapt production layouts and increase capacity.

Hydrological regulation

One of the ecosystem services provided by cork oak forests is their capacity to regulate the water cycle. The left bank of the Tagus-Sado rivers is about 36% occupied by cork oak trees and is one of the most productive and deepest aquifer systems in the Iberian Peninsula, which is recharged by the infiltration of rainwater into the soil. The interception of rainwater by cork oak trees is important to protect the soil from water erosion, contributing to the fight against desertification. Information on Corticeira Amorim's activities in favour of the protection of cork oak forests and their ecosystem services is available in Chapter 3.3.1 Cork oak forest.

Herdade da Venda Nova

With an area of 251 hectares, the Herdade da Venda Nova estate is currently the largest cork oak plantation, using a drip irrigation technology and is part of the Forestry Intervention Project that Corticeira Amorim has been implementing since 2013 (Chapter 3.3.1 Cork oak forest). Drip irrigation, which will be used only until the first harvest of cork, aims to ensure ideal conditions for the survival and growth of cork oak trees, ensuring a faster and more effective occupation of the forest area. By reducing the period required for cork harvesting by about half and increasing the success of the plantations, it is intended, on the one hand, to guarantee greater profitability and, on the other, greater future availability of raw material, to ensure the sustainability of the industry.

The estate has around 100,000 cork oak trees and a water storage tank with 30,000 m³. Given the project's special characteristics, the aspects related to water are not consolidated with the information included in this report. It is Corticeira Amorim's intention to work in order to consolidate the methodology used for reporting environmental aspects related to agroforestry activities.

3.3.3 CIRCULAR ECONOMY

(SDG 8 and 12)

One of Corticeira Amorim's principal mottos is the expression "nothing is lost, everything is valued", because 100% of cork is used in the production process, including the smallest granules of the raw material, which are used as an energy source. Since 1963, Corticeira Amorim has been implementing an integrated production process, which permits, promotes and leverages the reuse of all by-products associated with cork processing. These practices are now one of the Group's flagships, extend to other materials and are focused on the following lines of action:

- Integrated production process that reuses all by-products associated with cork processing;
- Reducing the generation of non-cork waste and promoting its valorization;
- Extending the life of materials through industrial symbioses;
- Recycling of cork products at the end of their life-cycle.

Commitment to eco-efficient processes and the circular economy

Corticeira Amorim’s Energy, Environment and Biodiversity Policy assumes, among other commitments, the principle of promoting good environmental practices among its suppliers and clients, encouraging responsible consumption and the circular economy by reducing waste, reducing the amount of raw materials used, limiting packaging and favouring recycled and/or recyclable materials and “sustainable” raw materials (for example, from sustainably managed forests).

Energy, Environment and Biodiversity Policy:
https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/2021-12-06_Politica_de_Energia_Ambiente_e_Biodiversidade.pdf

Apply the principles of circular economy

Corticeira Amorim integrates sustainable practices in the development of its products, through the choice of materials with less environmental impact, in addition to the application of an integrated production process that promotes the reuse of all by-products associated with cork processing and the production of durable products that can be reused, recycled or composted.

Materials

	Reference	2022	2021	2020
Weight of materials				
Renewable virgin (%)	GRI 301-1	82%	82%	81%
Non-renewable virgin (%)	GRI 301-1	12%	12%	13%
Recycled (%)	GRI 301-2	6.2%	6.3%	6.3%
Change in weight of non-renewable virgin materials (%)		-2.7%	-10.6%	-12.2%

To develop its business activity, Corticeira Amorim consumes a set of materials, in particular raw materials, subsidiary materials and packaging materials, including cork, wood, paper, plastics and chemicals. Materials such as glass or metal represent less than 0.01% of the total. From product design to responsible consumption, the choice of materials and efficiency in their use is an extremely relevant topic for Corticeira Amorim.

One of the most significant impacts of any company’s activity on the environment is in the form of waste. The consumption of recycled or renewable materials reduces the overall environmental impact of the final product and is in line with the commitments to sustainable development and sustainable procurement. At Corticeira Amorim, of the materials consumed, 82% are virgin renewable, 6.2% are recycled and only 12% are non-renewable virgin.

Corticeira Amorim continuously strives to reduce the weight of non-renewable virgin materials in order to achieve the target set for the period 2021-2024 of a 5% annual reduction in this indicator, in its operations in Portugal. Although there has been a reduction in the weight of these materials, this has been less than the target. This is due, in part, to the current challenges at the level of supply chains, plus the major transformation at the level of materials. The Company remains committed to the search for lower impact materials and is currently studying various alternatives.

Current initiatives include a focus on the consumption of materials that result from industrial symbioses and which, combined with cork, incorporate a wide range of products from different activities. Since 2020 the consumption of these materials has increased by 13%.

Also of note is the emphasis placed on increasing knowledge of the characteristics of materials in order to gain a better understanding of the possibilities of their use, subsequent recovery and reuse, and the work that has been conducted at the level of the sustainable packaging working group, whose goals for 2030 are to guarantee 100% recyclable materials and 0% non-renewable virgin materials within the Portugal perimeter (Chapter 3.3.4 Green products/ Maintain a proactive role in the vast scope of applications of cork/ packaging materials).

Circular economy project

This project aims to develop new technologies for processing cork not suitable for the cork stopper industry and other industrial by-products (industrial symbioses). These technologies aim to produce a wider range of composite cork of/with cork in combinations, thicknesses, densities and widths that have not been used until now. This will make it possible to extend the supply of circular economy products to the market, helping to reduce pollution and reuse materials that would otherwise be waste. Examples include the Amorim Wise Cork Inspire 700 product range, a PVC-free waterproof flooring solution suitable for all types of spaces and the underlays and underscreeds for application in the construction sector. Since 2019, the incorporation of recycled products in production has seen a 20% increase. In 2022, the sales of products associated with this project exceeded €41 million.

Circular products

Corticeira Amorim launched a new underlay, whose composition includes cork composites and EVA foam, sourced from the surplus of Nike's footwear manufacturing process (Nike Grind). The Go4cork Blend with Nike Grind underlay is produced by Amorim Cork Composites and is intended to have a positive impact on the environment by creating a sustainable solution based on circular economy principles. The new solution is based on a formulation that aims to provide high underlayment performance due to the unique characteristics that cork confers to this application: durability, comfort, impermeability, anti-vibration and thermal and acoustic insulation. According to a study carried out by the consultancy firm, EY, the Go4cork Blend underlay with Nike Grind has a negative carbon balance, representing -5.6kg CO₂ eq/m². This means that this product promotes carbon sequestration in the cork oak forest which is higher than the CO₂ emissions resulting from its production. The life cycle study of the Go4cork Blend underlay with Nike Grind was conducted using a *cradle-to-gate* approach, contemplating the environmental impacts of all activities, from the extraction of the raw material, through the production of all components, to the factory gate. The methodology of the studies was based on the CO₂ sequestration promoted by the cork oak forest, as well as the ISO 14040/44 standards, complemented with the guidelines of the International Reference Life Cycle Data System (ILCD). The data associated with product production was supplied by Amorim Cork Composites, while the general processes associated with the production of raw materials, energy, transport and waste management were obtained from the ecoinvent 3.5 database.

Cork supplied by Corticeira Amorim has been used inside the new 100% electric Mobilize cars of the Renault Group's urban mobility brand. Cork was used in the seats of the Mobilize Duo and Mobilize Solo models, and also in the rear interior panel of the latter vehicle, because it is a natural and sustainable raw material. Supplied by Amorim Cork Composites, cork provides the Mobilize Duo and Mobilize Solo with comfort, well-being and lightness. It also actively contributes to the promotion of unique, disruptive and innovative design, higher levels of sustainability and strengthening of circular economy practices. Using thermoforming techniques, the Mobilize Duo and Mobilize Solo, presented at the last edition of the Paris Motor Show, were developed with 50% recycled raw materials and are 95% recyclable, following ecodesign principles. The idea is to redefine the concept of urban mobility, making it more appealing, attractive and fun. Ideal for city driving, very small in size and with a small footprint, Mobilize cars, thanks to their connected electronic architecture, will also allow better network services. The urgent need to decarbonise the economy makes cork an indispensable material in this urgent paradigm shift.

Cork Recycling

	Reference	2022	2021	2020
Recycled cork incorporated into production				
Total (t)	GRI 301-3	1,052	801	736
By sales volume (t/M€)	GRI 301-3	1.5	1.2	1.2

Recycled cork incorporated in production, by sales volume: the indicator was adjusted and calculated considering the recycled cork incorporated in production over the consolidated sales of the sustainability perimeter.

Since the establishment in 1963 of an industrial unit for the production of cork agglomerates from the waste left from the manufacture of cork stoppers, Corticeira Amorim has made an attentive, pioneering and proactive interpretation of the strategic importance of circularity. The company's strategy to enhance the value of cork has led to the

development of unprecedented cork stopper recycling initiatives, which already benefit from significant adhesion across all five continents.

In its three industrial units, licensed in the Portuguese territory for cork recycling, Corticeira Amorim receives cork stoppers and other end-of-life cork applications, for treatment and grinding. After being transformed into cork granules, the material returns to the production process and, although it can never again be used for the production of cork stoppers, it is incorporated into products of the Composite Cork BU and Insulation Cork BU.

During 2022, the recycled cork incorporated into production increased by 31% - rising to 1,052 tons of cork and is the result of recycling cork stoppers and other materials, particularly expanded cork agglomerate from the demolition of buildings. The cork recycled in 2022 is equivalent to 234 million stoppers, or 3.8% of the total number of stoppers produced in 2022 by the Company (6.1 billion stoppers). This recycled material has gained a new purpose, extending the life cycle of a natural resource, increasing the field of possible applications and extending the carbon retention that is inherent to cork.

Cork stopper recycling project

Corticeira Amorim supports various initiatives for selective collection and recycling of cork stoppers on the five continents. In 2008, it joined Green Cork, a project organised by Quercus and involving various partners, which triggered a global movement for reuse, recovery and recycling, also encouraging reforestation with autochthonous trees. Since 2008, Green Cork has collected over 500 tons of cork stoppers (30 tons in 2022) and planted over 1.4 million autochthonous trees (120,000 in 2022). A number of campaigns conducted throughout the year have contributed to these figures, including the Green Cork Schools/IPSS/Schoolchildren Campaign and the *Rolha a Rolha, Semeie a Recolha* (Stopper by Stopper, We Sow Collection) Campaign. The first campaign had Quercus, Missão Continente, Corticeira Amorim and BA Glass as partners, and involved about 500 entities and 75,000 students/users. The second campaign was a partnership between Quercus, Lipor, Maiambiente, Porto Ambiente and the Municipality of Vila do Conde which, with the support of BA Glass, Corticeira Amorim and Extruplás, created a door-to-door selective collection network, with more than 300 participating hotel and restaurant establishments and which aims, during the year 2023, to attain 1,000 participating establishments in this region.

Other initiatives have been implemented in various countries: Ecobouchon (France), Etico (Italy), Recork (North America), Cork Life (South Africa) and Cork2Cork (Belgium, Germany, Holland, Spain, France and Italy, in partnership with NH Hotels), generating enthusiasm and a large number of members. Located around the world, these initiatives have a significant impact on the community, combining and supporting reforestation actions, environmental education initiatives and social responsibility activities. More examples at <https://www.amorim.com/en/sustainability/environmental/recycling/4301/>

Recycled cork from the collected stoppers is used in a wide array of applications, from equipment for cars, buses, trains, boats and aeroplanes; components for satellites, rockets and space vehicles; design objects, footwear and clothing; sports materials, such as surfboards or kayaks; flooring for games, leisure and recreational areas; insulation products for residential, private and public buildings; and flooring for the construction sector, among others. An endless range of solutions that often result from combining the second life of this recycled cork, with waste from industries such as the automobile, footwear or bedding industries. Corticeira Amorim thereby helps save the planet's natural resources, reduces the costs associated with their disposal and offers the market various products that contribute to climate regulation.

Waste

	Reference	2022	2021	2020
Industrial waste (non-cork)				
Valued (t)	GRI 306-4	13,070	14,090	10,163
Eliminated (t)	GRI 306-5	1,642	1,060	1,095
Total (t)	GRI 306-3	14,712	15,151	11,257
Waste recovery rate (%)		89%	93%	90%
Industrial waste by sales volume (t/M€)		20.6	22.5	18.2

Industrial waste by sales volume: the indicator was adjusted and was calculated considering industrial waste compared to consolidated sales of the sustainability perimeter.

Corticeira Amorim does not consider any cork material to be waste (including virgin cork and other cork materials generated as a result of the Company's operations) where 100% of the cork is used in Corticeira Amorim's production process. Even the smallest cork granules are used as a source of energy, as noted in Chapter 3.3.2 Climate change/ Reduce the environmental impact of operations/ Energy consumption within the organisation.

With regard to non-cork waste, Corticeira Amorim respects the hierarchy of waste products, in order to avoid them, reuse them and recycle them, ensuring that they are not sent to landfill sites.

In 2022, 14,712 tons of industrial waste were generated, of which 11% were disposed of, including 9.2% to landfill and 89% to recovery, i.e. sent to waste management operators, where they are sorted and assigned the destination of either composting, recycling and energy recovery.

Hazardous waste, which represents 3.3% of industrial waste (479 tons), has its own labelling, storage, handling and transport processes and is duly transported and treated through authorised agents.

Within the framework of the Sustainable by nature programme, the aim is to achieve 100% waste recovery in 2030 in Portugal, with a target of maintaining a recovery rate of non-cork waste, above 90% in the 2021-2024 cycle.

Corticeira Amorim will therefore continue to work with different partners and invest in various initiatives to achieve this goal and support the circular economy, both in operations and in the value chain.

Project to increase efficiency

This project aims to make investments in different stages of the production process of cork stoppers, flooring, coverings and insulation products, to enable better use of the raw material and reduction of the amount of waste generated. The initiatives of this project include Recupera, Recork and Recupera Wise, with a total investment of €826,000, which has enabled, through micronisation, classification by homogeneous properties, the reuse of cork composite by-products created in the production of flooring. In 2022, this Amorim Cork Flooring project recovered 1,376 tons of materials for the production process.

3.3.4 GREEN PRODUCTS

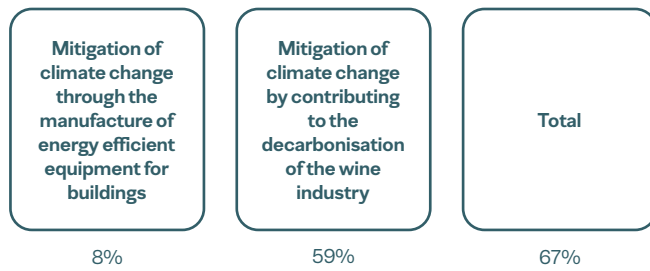
(SDG 9 and 13)

The demand for sustainable products has been growing in recent years. Corticeira Amorim's actions to ensure quality, based on the continuous improvement of processes, products and services provided and the search for innovative solutions supported by technological development, allow it to serve customers with sustainable, high-quality, differentiated solutions, adapted to needs and which help them attain their sustainability goals.

Cork is an excellent renewable and recyclable alternative to high-impact materials and, in a world where innovation and ecology go hand in hand, developing products based on this raw material enables Corticeira Amorim to leverage economic growth while making it possible to support the transition to the circular economy and contributing to mitigating climate change. In recent years, the company's action is guided by the following key principles:

- Develop new products and markets for cork, involving customers in this process, maintaining proximity and making them ambassadors for cork;
- Search for new technological solutions for its products, in partnership with customers, suppliers and other entities;
- Reinforce awareness of its brands, through constant evolution of the commercial offer in response to new market and consumer trends;
- Promote a culture of innovation, through an environment that is conducive to creativity, and a critical and initiative spirit of its employees, fostering teamwork and transversal mutual assistance;
- Valuing innovative practices;
- Create an environment that encourages boldness, and assumes both risk and failure as a core component of the innovation process;
- Provide ongoing training for employees to ensure their professional and personal fulfilment;
- Facilitate internal and external communication, establishing new and improved channels for exchanging information;
- Seek to implement best management practices and continuously monitor their processes, identifying opportunities for improvement..

Environmental benefit of the products



Percentage of consolidated sales within the financial perimeter (€1,021.4 million).

Corticeira Amorim considers that its activities related to the manufacture of insulation products and the production of cork stoppers have a positive impact on mitigating climate change.

The production of products with thermal, acoustic and anti-vibratic insulation properties can reduce noise in a room (footfall noise) and act as an acoustic barrier (impact noise), which makes their use extremely efficient. On the other hand, the natural thermal insulation properties of cork make it possible to reduce energy consumption, while providing a pleasant touch and an ideal temperature throughout the year, contributing to general comfort.

With regard to the production of cork stoppers, Corticeira Amorim considers that cork processing companies are a driving force in creating an economic interest for forest owners to maintain their estates. The cork oak forest is a carbon sink, since no cork oak tree is cut during the stripping process, the cork can be harvested every nine years without damaging the tree and the cork oak tree can live an average of 200 years - for every ton of cork produced, cork oak forests sequester up to 73 tons of CO₂; the carbon balance can attain -288 g CO₂eq, taking into account the carbon sequestration of cork oak forests and the emissions associated with the production of a Naturity stopper. In this context, Corticeira Amorim considers that the production of cork stoppers has a positive environmental impact and contributes towards Portugal's goal of becoming a low carbon economy. In addition, the production of cork stoppers corresponds to a packaging product, with low energy incorporation, which prolongs shelf life and reduces waste, being the best alternative for clients who want better quality and to contribute to climate regulation (Chapter 5.5 Voluntary disclosures).

Customer satisfaction

Corticeira Amorim's predominant business model is business to business (B2B), which is why customer engagement programmes are a fundamental aspect of quality management, aimed, on the one hand, at better understanding customer perceptions in relation to services and products and, on the other, at adopting measures to improve the business in order to satisfy all needs and expectations.

Committed to continuous improvement and with a view to standardising methodologies and criteria, Corticeira Amorim has been working on the implementation of a global customer satisfaction assessment programme through the application of a questionnaire and procedures common to all the Group's BUs.

Engagement with customers

Currently, the group's larger companies have already implemented customer engagement projects that, although they were carry out every two years, the poor adhesion and also constraints related to the pandemic, led to a reflection on the way this process was being developed. The BUs are therefore working on a new survey model in order to obtain a greater number of responses so that the results may effectively become a benchmark for continuous improvement.

Taking into account the latest surveys conducted by the Cork Stoppers BU and Floor and Wall Coverings BU, which represent 85% of the Group's turnover, it was concluded that the performance of these BUs was positively assessed by their customers, obtaining an overall average satisfaction rate of 83%.

Corticeira Amorim believes that safety, performance and sustainability will increase in importance for customers in the future, and therefore continuously strengthens its commitment to supplying high quality products that respond to the challenges of today's society, benefiting people, the planet and the sustained growth of organisations.

Maintain a proactive role in the vast scope of applications of cork

Green products			
Amorim Cork	Amorim Cork Flooring	Amorim Cork Composites	Amorim Cork Insulation
1st choice for customers who want better quality stoppers and contribute to the mitigation of climate change.	100% floors & wall coverings with indoor air quality certification and contributions to sustainable construction certifications, LEED/BREEAM.	>500 applications for various sectors, allying innovation and circular economy practices.	0% additives in products that are simultaneously 100% natural, recyclable, reusable and long-lasting.

Sustainability is an important aspect in the development of the products and solutions offered by Corticeira Amorim. The company is concerned with the materials adopted and works in conjunction with partners to present cork-based products and solutions that support a circular economy and contribute to decarbonisation of the economy.

In keeping with the commitments of its Sustainable by nature programme, Corticeira Amorim seeks opportunities to increase the use of renewable and recycled materials as part of the transition to a more circular economy. Promoting efficiency in the use of materials, product safety and avoiding waste are also important aspects in the development of Corticeira Amorim's products.

Innovation in products and solutions

Innovation lies at the heart of Corticeira Amorim's strategy, whose vision is to extend the concept of innovation to all its BUs and improve areas such as portfolio diversification, process efficiency and quality and the circular economy. Currently, the average investment in R&D+i is around €11 million per year.

Each BU has its own R&D+i unit. However, there is a group-wide innovation structure: Amorim Cork Research and Amorim Cork Ventures (ACV). The latter is a business incubator that was launched in 2014. The Organisation currently supports the business development of two companies through ACV: Ecochic and TDCork. The former has a value proposition focused on the use of more environmentally friendly materials, in which cork-based soles play a differentiating role. TDCork is a pioneer in the production of cork-based rugs. Activity in this field is completed with Corkeen and Corkeen North America, Amorim Sports and Amorim Sports North America and Korko - Made by nature, which are *joint ventures* of the Composite Cork BU involving specialist partners in the segment of playground surfaces, leisure and recreational spaces, sports surfaces and toys, respectively. Further information on Corticeira Amorim's innovation activity can be found in Chapter 3.5.1 Community/Society and Innovation/Innovation and entrepreneurship).

Corticeira Amorim works together with clients, scientific and industrial partners in these fields. In 2022, the key interactions included:

- **Building Blocks:** Corticeira Amorim and HAPE, a world leader in the field of wooden toys, have joined forces in order to explore the market for cork toys. The first collection of these new cork-based toys is called Building Blocks and is based on the concept developed by the German specialist in early childhood education, Friedrich Froebel: the blocks give children an experience of feeling and experimenting, acting and representing, thinking and recognising. This collection also responds to a wider environmental concern shared by parents, educators and guardians who want to make children aware, from an early age, of the importance of using planet-friendly materials. At the same time, toys made from natural raw materials, such as cork, are more durable and resistant. They also promote children's creative development, playful learning and skills training. Produced at Amorim Cork Composites, the Building Blocks collection has driven the installation of new technologies, the development of new formulae and the implementation of new industrial processes to meet the needs of this market.
- **Spirit of Innovation:** this is the world's fastest all-electric aircraft, which uses agglomerated cork supplied by the Company in the insulating lining of its battery box. This project is the result of a long-term partnership between Rolls-Royce, a British car manufacturer, YASA, a British electric motor manufacturer, and Electroflight, a British specialist in energy storage for aviation and a client of Corticeira Amorim in this project. Electroflight designed the entire powertrain and integrated battery system for the Spirit of Innovation, using three YASA 750 R axial-flow electric motors and over 6000 Murata VTC6, 18650 NCA cylindrical cells. The company then needed a material for the battery box that was not only structurally robust, but also lightweight and extremely fire-resistant. Electroflight worked closely with Amorim Cork Composites to develop

a fireproof agglomerated cork solution for the interior lining of the battery casing. This unique invention, now patented, had the added benefit of being made from sustainable natural materials - a vital component given the overall objective of the UK government's ACCEL project: accelerating the decarbonisation of aviation.

- **Floating solar park structure:** EDP, Corticeira Amorim and Isigenere created a cork-based float for the solar park in the Alqueva dam, which resulted from the challenge of creating a cork composite to be incorporated in more than 11,000 panels and 25,000 floats. After intensive collaboration between Amorim Cork Composites and the Spanish manufacturer, Isigenere, it was possible to develop an innovative cork-based product, tested for the first time in a renewable energy production project. This new solution combines cork with recycled polymers and was developed in the i.Cork factory. The project stands out for its unprecedented use of cork in this type of application - cork replaced part of the virgin plastic used in conventional floats and made it possible to achieve a reduction in the carbon footprint of this pilot project. In addition to helping to raise the profile of cork in this application, in terms of sustainability, this project strengthens Corticeira Amorim's position in terms of its technological and innovation capacity in the energy sector.

Product quality and safety

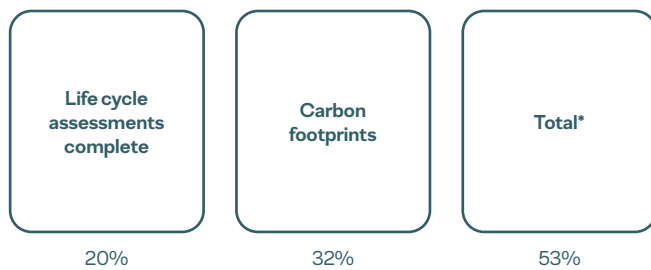
In order to ensure that operations and products comply with all quality, safety and hygiene requirements, Corticeira Amorim has a set of external certifications that attest to compliance with the specific requirements of different sectors and markets. These include the ISO 9001, ISO 22000, FSSC 22000, HACCP, IFS Standard PAC Secur, IFS Broker, BBEEE and BRC certifications.

Corticeira Amorim's products are also subjected to voluntary or compulsory tests and audits, which guarantee that high standards of quality and safety are maintained.

The production processes and the characteristics of the products are clearly communicated to all stakeholders, and Corticeira Amorim has systems in place to manage the relationship with the client and ensure protection of the respective integrity and confidentiality.

More detailed information can be found in Chapter 2.5 Management systems.

Life cycle assessments



*Percentagem das vendas consolidadas do perímetro financeiro (1 021,4 milhões de euros).

Corticeira Amorim has developed several studies in order to assess the environmental impacts/carbon footprint of its main products, focusing on different stages of the life cycle, using a *cradle-to-gate* approach, in particular: forestry activities; preparation of cork, including transportation from the forests, production, finishing and packaging. The assessment also included additional information on the carbon sequestration of cork oak forests.

These studies provide relevant information on the environmental contribution of cork products and provide Corticeira Amorim's 30,000 national and international clients with quantifiable information on how to reduce the carbon footprint of their products.

The complete life cycle assessments include the following impacts: 1) Resource use: abiotic depletion (fossil fuels, minerals), water depletion; 2) Ecological consequences: acidification, eutrophication, global warming, ozone depletion, photochemical ozone formation. Carbon footprints, on the other hand, include the impact on global warming.

These studies, which cover products and solutions whose sales exceed 50% of the Group's consolidated sales, concluded, without exception, that their carbon balance is negative, when considering the sequestration of cork oak forests and the emissions associated with their production.

At a time when carbon neutrality is one of society's challenges to ensure the preservation of planet Earth, these results illustrate the differentiating factor of cork in relation to other forest products and attest to the fact that Corticeira Amorim carries out a business activity that has a positive impact on climate regulation.

Amorim Cork
Still wines
- 288 g CO ₂ eq per Naturity stopper
- 392 g CO ₂ eq per Neutrocork stopper
- 297g CO ₂ eq per Twin Top Evo stopper
- 322g CO ₂ eq per Twin Top stopper
- 328 g CO ₂ eq per Advantec stopper
- 335 g CO ₂ eq per Acquamark stopper
Spirits wines
- 96 g CO ₂ eq per natural cork with a wooden capsule
- 148 g CO ₂ eq per micro granulated stopper with a wooden capsule
- 87 g CO ₂ eq per natural stopper with a plastic capsule
- 138 g CO ₂ eq per micro granulated stopper with a plastic capsule
Sparkling wines
- 562 g CO ₂ eq per sparkling wine stopper with two discs
- 540 g CO ₂ eq per agglomerated sparkling wine stopper

Amorim Cork Flooring
- 101 kg CO ₂ eq per m ² of Amorim Wise cork Inspire 700 flooring
- 93 kg CO ₂ eq per m ² of Amorim Wise wood Inspire 700 SRT flooring
- 125 kg CO ₂ eq per m ² of flooring Amorim Wise Cork Pure PUPF 4mm
- 186 kg CO ₂ eq per m ² of flooring Amorim Wise cork pure PUPF 6mm
- 129 kg CO ₂ eq per m ² of Amorim Wise cork pure UV 4mm flooring
- 193 kg CO ₂ eq per m ² of floorings Amorim Wise Cork Pure UV 6mm

Amorim Cork Composites
- 39.3 kg CO ₂ eq per m ² of NRT [®] Top Layer 94
- 11.8 kg CO ₂ eq per m ² of NRT [®] 62 integrated Underlay
- 10.5 kg CO ₂ eq per m ² of integrated Underlay NRT [®] 62 BV
- 14.2 kg CO ₂ eq per m ² of Underlay Go4Cork Fusion
- 13.45 kg CO ₂ eq per m ² of Underlay Go4Cork Fusion BV
- 12.4 kg CO ₂ eq per m ² of Underlay Go4Cork Nature
- 12.0 kg CO ₂ eq per m ² of Underlay Go4Cork Nature BV
- 8.1 kg CO ₂ eq per m ² of Underlay Go4Cork Plus
- 7.8 kg CO ₂ eq per m ² of Underlay Go4Cork Plus BV
- 5.6 kg CO ₂ eq per m ² of Underlay Go4Cork Blend with Nike Grind BV
- 8.2 kg CO ₂ eq per m ² of Footcork [®] Evolution
- 102 kg CO ₂ eq per m ² of Corkeen
- 72.5 kg CO ₂ eq/kg of Amorim Sports Nature Infills
- 18.6 kg CO ₂ eq per m ² of Acousticork T10 Essence Underlay
- 18.0 kg CO ₂ eq per m ² of Acousticork T10 Essence BV Underlay
- 5.2 kg CO ₂ eq per m ² of Acousticork T56 Endurance Underlay
- 6.25 CO ₂ eq per kg CPC's CorkAl
- 6.37 CO ₂ eq per kg CPC's Floats

Carbon balance when considering the carbon sequestration of cork oak forests
Additional information available at <https://www.amorim.com/en/sustainability/studies/>

Packaging materials

	Reference	2022	2021	2020
Weight of packaging materials				
Renewable virgin (%)	GRI 301-1	83%	87%	75%
Non-renewable virgin (%)	GRI 301-1	16%	13%	25%
Recycled materials (%)	GRI 301-2	1.2%	0.0%	0.0%

In order to carry out its business activity, Corticeira Amorim consumes raw materials and packaging materials. From product design to responsible consumption, the choice of materials and their efficient use is a very important issue for Corticeira Amorim.

Corticeira Amorim does not use glass or metallic materials in its packaging.

Currently, the weight of non-renewable virgin packaging materials is 16%, a significant reduction from 25% in 2020.

Corticeira Amorim has an ongoing sustainable packaging project which aims to achieve 100% sustainable packaging by 2030 in its operations in Portugal, through the promotion of good environmental practices among suppliers and customers, encouraging responsible consumption and the circular economy through waste reduction, reducing the number of materials used, limiting packaging and favouring recycled and renewable materials, which are recyclable or compostable at their end of life.

Sustainable packaging project

With the participation of the executives in charge of logistics and sustainability in the BUs and support areas, the aim is to achieve 100% sustainable packaging in operations in Portugal, by promoting good environmental practices among suppliers and customers, encouraging responsible consumption and promoting the circular economy by reducing the quantities of raw materials used and waste generated, intervening in packaging and favouring renewable and recycled materials that are recyclable or compostable at their end of life.

This project currently has four axes of intervention and two goals:

- Recycle - ensure that all materials are recyclable after consumption; 100% post-consumer recyclable materials;
- Reduce - reduce the amount consumed by packaging;
- Rethink - use the best available alternative in terms of sustainable materials; 0% virgin non-renewable materials;
- Reuse/recondition - lessen the environmental impact of upstream and downstream transport.

In 2022, it is highlighted the initiatives in terms of use of stretch film, that is currently primarily comprised by plastic, which aimed to identify alternatives, in particular, in order to reduce thicknesses, incorporating recycled materials or made from alternative, renewable materials, such as paper. Several alternatives were tested, and several projects were implemented to reduce thicknesses and incorporate recycled materials, contributing to the result attained of a 1.2% weight of recycled packaging materials.

3.4 PROMOTE PEOPLE'S DEVELOPMENT, SAFETY AND WELL-BEING

Corticeira Amorim's activity has an impact on people. At the end of 2022, the total number of employees in the entities included in the financial perimeter was 4,999, 7.7% higher than the previous year, with no considerable change in the percentage share of the workforce in Portugal, which remained at 71%.

Corticeira Amorim has formalised and implemented a Human Resources Policy, aimed at promoting a safe and stimulating work environment, committing to the training and professional development of people and teams, encouraging innovation and development, promoting inclusion and diversity of gender, age, cultures, beliefs and nationalities. The Policy includes the Company's principles and commitments in the areas of respect for human and labour rights; working conditions; free employment; child labour; harassment at work; health, hygiene and safety protection; employment contracts; working time and pay; freedom of association and the right to collective bargaining; the principle of equal treatment and opportunities; diversity, inclusion and non-discrimination; professional fulfilment and development.

The Company reports environmental indicators in accordance with the sustainability perimeter, as noted in Chapter 6 References and scope of the report / Companies included in the consolidation of sustainability indicators. The organisational boundaries of these indicators have not changed compared to 2021 and correspond to 77% of the workforce, according to the consolidated financial statements.

The indicators presented in this chapter stand within the framework of the independent limited assurance review performed in accordance with the International Standard on Assurance Engagements (ISAE 3000, revised) and which is available in Chapter 10 Independent assurance report.

Of the universe of employees represented in this report, more than 96% belong to industrial-based companies. The indicators disclosed in this chapter are therefore influenced by the predominance of operational management activities and should thereby be put into perspective.

Human Resources Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/2021-12-06_Human_Resources.pdf

Certifications/Audits/Verifications

	Production Units	All Units
ISO 45001	15%	12%
SA 8000*	26%	21%
Internal SRMS	59%	67%
Total	100%	100%

* not included in ISO 45001
All units: 33 | Production units: 27

The Corticeira Amorim Group's companies have an IMS, which includes Social Responsibility Management Systems (SRMS). Due to the different characteristics of the various companies and activities, each implement the model that best suits the associated non-financial risks or the opportunities emerging in the markets in which they operate, which justifies the diversity of external certifications. The management systems are audited internally and externally, in accordance with the schedule defined for each system. In addition, an annual audit to verify compliance is also carried out. In all systems there are evaluation mechanisms and indicators defined for each one.

External certification of management systems is increasingly becoming a priority. Certification according to international standards of safety and hygiene at work / social responsibility, such as ISO 45001 and SA 8000, is implemented in 41% of the BUs and currently covers around 72% of employees.

Management systems - SA 8000

Aware that it is necessary to continually improve practices and strengthen efforts in the area of social responsibility, Amorim Cork has embarked on yet another change in its organisational culture by implementing the SA 8000 standard, guaranteeing compliance with all regulatory requirements, as well as with the international instruments inherent to each: child labour, forced or compulsory labour, health and safety, freedom of association and the right to collective bargaining, discrimination, disciplinary practices, working hours, remuneration and management systems.

The SA 8000 project aims to:

- Develop, maintain and apply socially acceptable practices in the workplace, that protect employees' basic rights and thereby increasing well-being at work;
- Increase employees' involvement in the company's continuous improvement
- Contribute towards an internationally recognised benchmark in the field of social responsibility
- Promote the credibility of the brand

Ensure positive differentiation from the competition
In 2022, over 95% of the employees had training in the SA 8000 standard and in the Code of Business Ethics and Professional Conduct, which includes the requirements of the SA 8000 standard, either through e-learning courses and/or face-to-face sessions, with a volume of 1,280 hours.

Employment Demographics

	Reference	2022	2021	2020
Employees				
Employees (Nr)		3,829	3,796	3,592
By type of contract				
Permanent (%)	GRI 2-7	79%	78%	79%
Fixed term (%)	GRI 2-7	12%	11%	13%
Temporary workers (%)	GRI 2-7	9%	10%	8%
By type of employment				
Full time (%)	GRI 2-7	99.8%	99.6%	99.6%
Part-time (%)	GRI 2-7	0.2%	0.4%	0.4%
By gender				
Women (%)	GRI 2-7	26%	25%	24%
Men (%)	GRI 2-7	74%	75%	76%
By age				
<30 (%)	GRI 2-7	20%	16%	15%
30-50 (%)	GRI 2-7	49%	55%	55%
>50 (%)	GRI 2-7	31%	29%	30%
By geography				
Portugal (%)	GRI 2-7	88%	87%	87%
Rest of the world (%)	GRI 2-7	12%	13%	13%

Number of employees concerns the sustainability perimeter; for the financial perimeter: 4,999 (2022); 4,642 (2021); 4,357 (2020)

The commitment to manage people with policies that favour stability and medium and long-term commitment is reflected in the labour relationship established: 79% through permanent employment contracts and without significant variations throughout the year, with some exceptions for reasons of greater demand in terms of the market. The exception is the cork harvesting activity and maintenance operations in the PUs, which may result in variations in the number of temporary employees.

In terms of age, the majority of employees belong to the 30-50 age group (49%), followed by the >50 age group (31%) and the under-30 age group (20%). The percentage of workers under-30 has increased in recent years, which has allowed the average age of employees to stabilise and rejuvenate the population. Most workers have qualification level 2 and/or 3, with an increase in the average qualification level in recent years.

Absenteeism has been on the rise in recent years, and 2022 was no exception. Following the trend of previous years, there is an increase in the absenteeism rate to 6.4% (2021: 5.8%), mainly linked to short-term illnesses, but also to other reasons in general. This increase is linked to a higher rotation of the workforce, to the post-pandemic period and also to some changes in the employee population. As the Company's productivity is highly impacted by this fact, this is a priority area for study and intervention.

3.4.1 DEVELOPMENT

(SDG 4, 5 and 8)

It is a source of pride to work with an extraordinary raw material such as cork, which, besides being natural and versatile, fosters a unique cultural, environmental and social heritage in the Mediterranean basin. But it is the company's employees, from all continents, and their determination to always achieve more, overcoming challenges, influencing by example and promoting the well-being of the communities that are closest to them, that underpin Corticeira Amorim's sustainable growth strategy. Corticeira Amorim's personnel management strategy follows the following fundamental principles:

- Adopt and assume the principle of freedom of association;
- Promote a physically, socially and psychologically safe and healthy work environment, that constantly seeks to evolve through the adoption of the best techniques and practices in the field;
- Foster implementation of the principles and adoption of the behaviour mentioned in the Code of Ethics and Professional Conduct, which should structure the internal relations between employees, as well as their interactions with different stakeholders;
- Implement personnel management practices in the framework of recruitment and skills development that foster non-discrimination of any kind and guarantee equal opportunities, building work contexts in which plurality and difference are a factor of continuous improvement and innovation;
- Adopt practises of leading-by-example, that value learning and evolution, and recognition and compensation practices, based on merit and free from judgments..

Commitment not to tolerate any kind of discrimination or harassment

Corticeira Amorim does not tolerate any kind of harassment, discrimination, coercion, abuse, violence or exploitation at work within its sphere of influence. Workplace harassment is expressly prohibited at the company, in particular any verbal or physical conduct that denigrates, shows hostility to, actively harms or takes advantage of any individual, because of their ethnic or racial origin, territory of origin or language, gender, sexual orientation, disability, religious, political or ideological conviction, trade union membership or any other characteristic protected by law.

The Organisation recognises full legal protection of employees in the case of harassment in the workplace, and supports the victims of such harassment and condemns harassing conduct, emphasising that the members of corporate bodies and those exercising management and supervisory functions have a special duty of care to consider the possible effects of their behaviour, even if unintentional.

Corticeira Amorim has an internal reporting procedure, used to report incidents, that aims to prevent and detect improper and/or illicit behaviour within the framework of professional activity, and protecting those who, in good faith and with legitimate motives, report them, as well as the people and entities related to them. In 2022, Corticeira Amorim recorded zero reported incidents of discrimination and harassment.

Commitment to professional achievement and development

The Organisation strives to provide employees with an empowering and attractive work environment that offers high levels of job satisfaction and fulfilment, paying fair remuneration and ensuring a safe and healthy working environment.

The Organisation undertakes to promote the motivation, involvement, participation and accountability of its employees, in particular through training and qualification processes and incentive, recognition and/or compensation systems that take performance evaluation into consideration.

The Organisation also undertakes to foster the personal and socio-professional development of its employees, encouraging their involvement in improving their own capacities and skills.

Promote development for all

Corticeira Amorim focuses on promoting safe, healthy and physically, socially and psychologically balanced working environments, where employees feel stimulated to achieve high levels of performance, attaining levels of achievement and personal and professional development that meet their expectations. In the pursuit of these goals, Corticeira Amorim identifies initiatives, and actively engages with stakeholders to achieve commitments.

Freedom of association

	Reference	2022	2021	2020
Freedom of association				
Collective bargaining agreements (%)	GRI 2-30	94%	94%	94%
Associativism (%)	GRI 2-30	16%	17%	18%

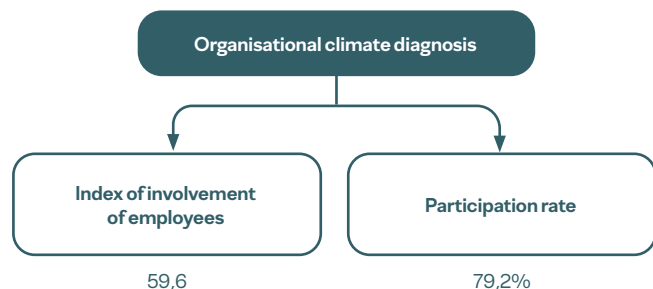
Percentage of employees (2022: 3,487; 2021: 3,412; 2020: 3,314).

Collective bargaining agreements cover 94% of the employees and include the regulation of employees' working conditions, which include, among other aspects, working hours, remuneration, access to training and career progression.

Depending on their size, the employees of each Group company elect structures for employee representation (employees' committees and trade union committees), mandated by them to represent them. In each company there are union delegates or committees, or employees' committees (each one with specific powers and mandates). On average, the BU's personnel and administrative departments meet twice a year, with these structures, to discuss the company's results and general and transversal issues concerning the management of the company and its employees, in particular restructuring, changes in working hours, changes in business activity and economic issues.

The employees' representatives are also elected to integrate another consultative body in each company - the Occupational Hygiene and Safety Committees, which are responsible for monitoring and advising on the companies' performance in terms of hygiene and safety at work.

Labour relations and social climate



Corticeira Amorim considers that it is important to carry out organisational climate surveys as tools for assessing employees' perception in areas and fields of work and the Company, which may influence their satisfaction and motivation at work, as well as their well-being, attachment and commitment to the Company.

Within this framework, measuring these perceptions, in a transversal and periodic manner throughout the Organisation, is a way to monitor and follow the evolution of important indicators, as well as a barometer of cultural evolution. Social climate surveys are carried out every two years, in addition to the definition and implementation of action plans consistent with the results achieved, as well as monitoring of their effectiveness.

Corticeira Amorim uses the survey produced by the National Human Resources Observatory (ONRH), which analyses different dimensions of the social climate: organisational context, workplace, recognition and reward, cooperation and

communication, policy and strategy, change and innovation, relations with supervisors and expectations. The results in these different dimensions make it possible to measure employee satisfaction, which in turn is linked to the degree of loyalty that determines the involvement of each employee.

In these surveys, all employees are invited to answer anonymous questionnaires, in line with the best international practices in this field. The data compiled (on employees' perceptions) makes it possible to analyse matters and themes for improvement, facilitating analysis both in overall terms and by age range, gender and professional category, wherein each BU is responsible for defining specific action plans in accordance with developments.

In 2022, Corticeira Amorim's companies conducted the survey in Portugal. In the case of Amorim Cork Composites and Amorim Cork Flooring, this survey covered all employees of companies located outside Portugal. The response rate to the questionnaire was 79.2%, higher than the global average of the ONRH, 72.1%. This reveals a strong commitment and degree of involvement. The level of satisfaction of Corticeira Amorim's professionals is 59.6 points (out of 100 points), very close to the average of all companies using this survey.

In order to evolve globally in all dimensions, but primarily in the indicators with lower scores, specific action plans are being prepared to be implemented in each company.

Attracting and retaining talent

	Reference	2022	2021	2020
Rate of new hirings and turnover				
Number of entries (Nr)	GRI 401-1	522	410	303
Number of turnover (Nr)	GRI 401-1	426	341	404
Rate of new hirings (%)	GRI 401-1	15%	12%	9%
Turnover rate (%)	GRI 401-1	12%	10%	12%

The priority in relation to attracting talent and retention is evident in Corticeira Amorim's following commitments:

- Provide employees with an empowering and attractive work environment that provides high levels of job satisfaction and fulfilment, paying fair remuneration and ensuring a safe and healthy working environment;
- Promote employee motivation, involvement, participation and accountability, in particular through training and qualification processes and incentives, recognition and/or compensation systems that take performance evaluation into consideration;
- Foster the personal and socio-professional development of its employees, encouraging their involvement in improving their own capacities and skills;
- Seek to balance work in the Company with employees' personal and family lives, promoting conciliation programmes aimed at achieving this goal;
- The rate of new hirings was 15% and was higher among female employees and in the under-30 age group. The turnover rate rose to 12% and was higher in the under-30 age group, similar for men and women (7.3 Social).

Recruiting and retaining, rejuvenating and renewing are priorities for Corticeira Amorim's companies. In this context, the recruitment of young people plays an important role. Employer Branding work, with relevant educational institutions was intensified, with Corticeira Amorim's institutional presence at various Employment Fairs and *Career Days*.

The curricular and professional internship programmes arising from collaborations and protocols with universities and higher education institutions, continue to be a vital source of talent recruitment. Each of the companies of the Corticeira Amorim Group develops internship programmes for young people, at the start of their careers. In particular, the Cork Potential and Cork Talent programmes have provided a wealth of skills and qualifications which, in the medium term, will underpin the workforce of the Group's companies.

The Mobilidade+ programme is aimed at internal recruitment and is both a way of attracting and retaining talent that, by making internal job vacancies available, aims to contribute to integrated personnel management, promoting new challenges and career development opportunities.

On the other hand, specific programmes for the retraining of professionals in the areas of maintenance and support to industrial operations have proved fundamental, aimed at re-qualifying and upgrading skills, due to the investments that have been made in technological evolution.

Young Talent Programmes: Cork Potential and Cork Talent

Corticeira Amorim has programmes aimed at young employees, in which it offers internship opportunities aimed at students and recent graduates, preferably with academic qualifications in the areas of Engineering (Mechanical, Industrial, Materials and Chemical Management), Marketing, International Relations, Management and Finance. By means of these programmes, students are given the opportunity to acquire knowledge and experience, implement academic concepts and develop activities integrated into the normal functioning of the Company, allowing both the consolidation of the training acquired and the acquisition of professional experience, while these young people also collaborate in the normal development of the Company's activity. The following key objectives should be highlighted:

- Identify talent that can strengthen the structure of Corticeira Amorim's companies;
- Enable the development of specific projects;
- Enable better evaluation and selection of candidates;
- Respond to recruitment processes underway in the Company.

Individual performance assessment

	Reference	2022	2021	2020
Employees with performance evaluation (%)	GRI 404-3	57%	55%	47%

Corticeira Amorim has implemented a performance management system that encompasses management by objectives, performance assessment and development of skills (professional development plans). It is a management tool with proven track records in promoting individual and organisational performance in companies. It covers all the Group's upper and middle management.

The Company is implementing a similarly sized system specific to operational functions, which covers direct and indirect industrial operators and also the administrative population. During 2022, Amorim Cork Flooring has moved forward with most of its population included in the system, and Amorim Cork Composites has ensured implementation in a significant part of the manufacturing population.

The general objective will be foreseen for 2023 and includes having all employees in Portugal covered by an integrated system of performance management in which the component of Management by Objectives and performance evaluation is added to a system of incentives.

Performance management system for all

For several years, the Company has been implementing a management by objectives system that covers the middle and senior management population. It is based on the *balanced scorecard* system, which operationalises the companies' strategy and directs the Company's objectives towards specific area and individual objectives. performance is monitored and there is an incentive system linked to attainment of objectives.

Under the same principles (management by objectives, performance assessment), specific systems have been created for direct and indirect industrial employees, as well as for administrative employees. In the first case, these are team objectives which are defined and monitored on a quarterly basis and which give rise to a quarterly bonus, corrected for individual attendance (objectives and attendance bonus). In the second case, it is an annual bonus based on the achievement of the objectives of the Company and team and individual assessment.

Alignment of these systems is fundamental. In this manner, the goal is to involve everyone in the company's results.

Training and education

	Reference	2022	2021	2020
Training				
Training hours (h)	GRI 404-1	74,792	67,094	56,870
Average hours of training (h)	GRI 404-1	20	18	16
Workers with training (%)	GRI 404-2	85%	79%	74%

Corticeira Amorim is committed to valuing its employees through training and development, thereby contributing to the success of its sustainability strategy.

Therefore, it provides all its employees with access to relevant and quality training, promoting learning opportunities and perfecting of skills, not only technical, but also managerial and behavioural skills.

By 2022, the number of training hours (h) rose to 74,792, equivalent to 11% growth in training volume. The average number of training hours also rose to 20 hours per employee. Taking into account the restrictions implemented as a result of the pandemic, which were still in force in the early part of 2022, this volume of training hours is even more significant. The professional categories with the highest average number of training hours maintained the tradition established in previous years: department heads (58 h), team supervisors (41 h), sales executives (40 h) and management support technicians (37 h). These numbers result from leadership training, in the development programmes for sales executives and also in the technical training provided to these groups.

2022 was a year of continuity in a series of medium-duration training programmes that began in 2021. Of note are Amorim Cork Composites' Leadership development programmes (Lead Up), Amorim Cork's, Champcork's and Top Series' Executive Coaching for Leaders programme, and Amorim Cork's Think Customer continuity programmes (covering sales, operations and support areas), as well as Knowledge For Growth (a partnership between Corticeira Amorim and the Católica Porto Business School). Of particular note is Amorim Cork Composites' new Young Talent programme (Cork UP), a modular training project with a broad scope and an expected 3-year duration, which began with identification of eight high-potential employees, and which the Company wishes to promote in a more intensive and targeted manner.

The focus on *e-learning* as a differentiating development methodology should also be highlighted. The availability of a specific platform, with more than 200 courses in English and Portuguese, permitted access to content related to management, behavioural area, micro-computing and languages. This platform aims to use digital tools in order to cover a wide range of employees and, at the same time, permits easy and flexible access to training content. In 2022, there were nearly 5,000 hours of *e-learning* training and the goal is for this number to rise rapidly over the near future.

Training was provided to 85% of the Company's staff. The Company aims to ensure that 95% of its workforce in Portugal will have annual training, by the end of 2024, and 100% by 2030.

In 2022, the succession plans for management positions in all Corticeira Amorim's companies were updated and action plans were defined, which include the development of employees for a programmed internal mobility.

Bark to Business Programme

The modular training programmes that explain the business and transformation processes are transversal to the Group and focus on training in raw materials, products and industrial processes, or on the 16 segments in which the Composite Cork BU operates.

In 2022, in the Cork Stoppers BU and Raw Materials BU, 31 employees completed 130 hours of theoretical and practical training that make up this benchmark course at Corticeira Amorim, characterised by e-learning components, synchronous online training, in class and in the field, involving the Bark to bottle initiative.

Leadership development programmes

Corticeira Amorim has leadership programmes aimed at enhancing quality and its direct impact on the results and performance of the Organisation, designed to develop, with a view to continuous improvement, the transversal principles of leadership, always respecting the individuality of each person and the various leadership styles, attending to the different organisational levels and the various functional areas, preparing leaders for the future, always taking into account the multiple internal realities, including remote team management, multiculturalism and generational diversity. Among the objectives, the following stand out:

- Create a culture of leadership in Corticeira Amorim's companies;
- Identify the leadership principles that should guide the actions of the Organisation's leaders;
- Clarify and ensure that each of the supervisors knows what is expected of them and integrates the behaviours of a leader into their daily practice;
- Transfer knowledge and leadership practices so that leaders are increasingly autonomous and efficient in their role.

In 2022, at Amorim Cork, more than 200 employees completed over 2,000 hours of theoretical and practical training in this programme, involving initiatives such as Coaching, Leader in the Field, Leadership Handbook, Annual Meetings, Cork Talent Retention, among others.

Equality and respect for diversity, inclusion and non-discrimination

Equal treatment and opportunities for employees is a principle that inspires the Human Resources policies. This principle is applied to hiring, training, career opportunities, salary levels, as well as other aspects of the work relationship, within the framework of an internal culture of excellence, responsibility and profitability.

The Company seeks to orient its labour policies and procedures towards:

- Respect the principle of equality between men and women and the right to privacy;
- Prevent discrimination and differential treatment on the basis of ethnic or social origin, gender, sexual orientation, age, creed, marital status, physical characteristics or disability, religious beliefs, political orientation, opinion, family situation, social class, birthplace, trade union membership, pregnancy or any other personal distinction.

Workforce by gender

	Reference	2022	2021	2020
Diversity				
Women workers (%)	GRI 2-7	26%	25%	24%
Women in management positions (%)	GRI 405-1	26%	25%	22%

For the third consecutive year, the objectives set three years ago in Portugal regarding the representation of women and their occupation in management positions have been achieved.

By 2022 the percentage of female employees in the organisation will have increased to 26%. Just as important is the fact that the number of women in management positions has kept pace with this increase. There has been an increase across practically all professional categories.

These results have been achieved mainly due to the focus on recruitment and awareness-raising actions for managers and the general workforce. This has made it possible to break down obstacles and paradigms regarding the hiring of women. One example was the hiring of female employees for jobs which, until now, had never been held by women, such as in Amorim Cork Insulation's industrial units in Silves and Vendas Novas.

During the year, commitments to equality, diversity and the promotion of measures against harassment were reiterated and strengthened, with the improvement and wider dissemination of a specific procedure for reporting non-compliance, formalising the role of the Nomination, Evaluation and Remuneration Committee in these processes. Similarly, the formalisation of Corticeira Amorim's policies, specifically the Human Rights Policy and the Human Resources Policy, strengthens the Company's commitment to principles and practices that foster non-discrimination and the creation of inclusive, balanced and fair working environments.

The Equality Plan, applied to companies in Portugal, was also renewed for the fourth consecutive year and formally extended to the dimensions of diversity and inclusion, with new, more demanding targets, in particular the one defining zero discrimination for 2030 - the objective of one third of female employees in the total number of employees and an equal percentage in management positions.

Human Rights Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/2021-12-06_Human_Rights_Policy.pdf

Human Resources Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/2021-12-06_Human_Resources.pdf

2023 Equality Plan:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicar_Regulamentos/Equality_Plan_2023.pdf

Programme for equality, diversity and inclusion

The scope of Corticeira Amorim's Plan for Equality was extended to the dimensions of diversity and inclusion and is leveraged on six fundamental axes:

- Internal and external commitment to issues of gender balance, definition of objectives, targets, action plans and respective monitoring;
 - Awareness-raising, involvement and training of all employees on Gender Equality issues;
 - Increase the representation of women amongst all Employees;;
 - Evolution in ratios regarding the inclusion of people with disabilities;
 - Create more equal and inclusive contexts and working conditions;
 - Promote in a systematic, structured and appropriate manner, cascaded and extended debate in the Organisation on diverse and inclusive contexts, based on quantitative and qualitative indicators, in the dimensions of representativeness, equity and culture..
- Intervention in this axis was materialised through a set of annual and pluri-annual initiatives, that focused not only on previously established objectives for gender equality, but also related to the hiring of young people, as well as intervention in workplaces, with a view to creating infrastructures that cater to employees with special needs.

Project equal access to employment and opportunities

The global objective of increasing the number of female employees in the total workforce is taken into account, in particular in recruitment actions, and all Human Resources departments in Portugal were recommended to guarantee the presence in any final recruitment of someone from the under-represented gender in that functional group. There were also internal training actions for Human Resources departments and recruitment technicians on unconscious biases in recruitment.

Diversity in the governing bodies

	Reference	2022	2021	2020
Women on the Board of Directors of Corticeira Amorim, S.G.P.S., S.A. (%)	GRI 405-1	40.0%	40.0%	33.3%

With regard to the governing bodies of Corticeira Amorim, S.G.P.S., S.A., a policy of diversity is advocated in the composition of its governing bodies, in particular the Board of Directors and the Audit Committee, as a means to:

- Promote diversity in the composition of the respective body;
- Enhance the performance of each body and each individual member of those bodies;
- Encourage wide-ranging, balanced and innovative analyses with a view to facilitating well-founded and agile decision-making and control processes; and
- Contribute to increased innovation and to the self-renewal of the Company, together with its sustained development and the creation of long-term value for its shareholders and other stakeholders.

Corticeira Amorim recognises the need to continuously promote diversity in its governing bodies, in particular in the Board of Directors and the Audit Committee. 40% of the members of the Board of Directors are currently women.

Salary gap

	Reference	2022	2021	2020
Ratio of salary of women to men	GRI 405-2	0.98	0.96	0.92
Ratio of remuneration of women to men	GRI 405-2	0.87	0.88	0.86

Corticeira Amorim recommends that the principle of equal treatment and opportunities should be applied, among other things, to career opportunities and salary levels. The *gap* in the fixed salary between male and female employees has generally shown a positive evolution over the last three years. The same applies to the remuneration *gap* (all salary components).

Despite this generally positive trend, a detailed analysis by functional group still reveals unfavourable trends due to a different level of recruitment by group, the inclusion of different profiles in the same functional area and the fact that the groups include a group of employees from different countries, with different average salary levels. These groups are also not homogeneous in the composition of the functions/genders represented and may generate some bias.

Corticeira Amorim has planned a set of procedures in order to collect information and apply possible corrective measures. Thus, in addition to maintaining regular monitoring of the ratio indicators of salary/remuneration between women and men by professional category, detailed analyses will be conducted, specifically including analysis of job functions and comparison of salaries. The company also plans to introduce, in the corporate climate surveys, questions on satisfaction with regard to equality aspects and suggestions for actions to be taken in this area, as well as to maintain the training actions for managers, aimed at identifying and preventing gender biases in Human Resources management processes (performance evaluation, professional and salary evolution).

3.4.2 SAFETY, HEALTH AND WELL-BEING (SDG 3 and 8)

Corticeira Amorim considers that working conditions are one of the fundamental factors underpinning the success of an organisation. In this context, it promotes and fosters a culture of safety among all employees, guaranteeing a working environment that preserves physical and psychological integrity, while also encouraging a healthy and sustainable lifestyle. Within the framework of Occupational Health and Safety (OHS), Corticeira Amorim is governed by the following lines of action:

- Compliance with all requirements, standards and legal procedures in the area of occupational health and safety including training for employees and service providers;
- Implementation of occupational health and safety programmes including health screenings, specific physical activity and labor gymnastics programs;
- Meetings and formal commissions with the participation of employees and/or their representatives to monitor performance;
- Sharing, debate and adoption of a set of best practices in all BU.

Commitment to health, hygiene and safety protection

Corticeira Amorim has formalised and implemented a policy that includes the protection of occupational health, hygiene and safety, which is aligned with the main applicable international frameworks, such as the principles of the 1948 Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organisation, the guiding principles of the OECD for multinational companies, the ten principles of the United Nations Global Compact and the Charter of Principles of BCSD Portugal. The Company undertakes to:

- Guarantee health and safety conditions in the workplace, regularly checking, in particular, its facilities' compliance with current standards according to the specific associated risks;
- Ensure that its activities do not harm the health and safety of its employees and subcontractors, those involved in operations, neighbouring populations or users of its products;
- Ensure a safe and healthy working environment for Employees, subcontractors and those involved in operations, adopting all appropriate measures to prevent risks and accidents at work and ensuring access to drinking water and clean facilities, including lavatories;
- Comply with and respect regulations on the prevention of occupational risks and to provide the necessary means for Employees to carry out their professional activities with the appropriate safety and hygiene measures in order to safeguard their lives, health and physical and psychological integrity.
- Have a preventive approach to the health and safety of its Employees, providing them with regular training on health and safety in the workplace;
- Give priority to the safety, health and well-being of its Employees, ensuring the development of adequate occupational health and safety management systems, through qualified technicians in these areas and in environmental issues..

Human Resources Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politicis_Regulamentos/2021-12-06_HumanResources.pdf

UN Global Compact:

Corticeira Amorim, S.G.P.S., S.A. | UN Global Compact

Charter of Principles of BCSD Portugal:

https://bcsdportugal.org/wp-content/uploads/2022/11/Charter-of-Principles_BCSDPortugal_ENG.pdf

Risk assessment and investigation of incidents

The procedures of hazard identification and risk assessment apply to all tasks and processes developed in the Company, which imply a OHS risk. These include routine, occasional and emergency activities conducted by permanent, temporary or service providers on company premises.

The OSH departments are responsible for ensuring identification of hazards, assessing the risk and proposing/validating corrective, preventive or opportunity improvement measures.

Employees are involved and consulted, through seeking their point of view, within the framework of hazard identification and risk assessment, as well as the definition of control measures. Whenever there are substantial changes in the hazards that could alter the risk, the risk will then be reassessed. All the incidents that occur in the Company are analysed by a multidisciplinary team, which includes members of the OHS team, the person(s) in charge of the area in which the incident occurred and the support areas that may be relevant in analysing the occurrence, as well as the employees of the area, with a view to identifying the root cause of the incident and defining actions to eliminate or control the risk. The results of the incident analysis are disseminated within the Company.

Ensure the safety, health and well-being

Employee health is promoted through compliance with all legal requirements, standards and procedures in the area of OHS, in all countries where it operates, by applying good practices, in particular:

- Provision of occupational medicine and nursing services, curative medicine and health care in general;
- Risk and hazard assessments to identify what may cause incidents or accidents in the workplace;
- Prioritisation and integration of action plans with quantified targets for dealing with risks;
- Regulatory occupational medicine examinations for admission and periodic examinations;
- Availability of personal protective equipment;
- Health and safety training for employees and service providers adapted to the specific characteristics of each job;
- Health and safety committees, with the participation of employees and/or their representatives;
- Specific procedures for handling hazardous substances;
- Action plans prepared for emergency situations.
- Specific procedures to investigate work-related injuries, ill health, illness and incidents and forums to discuss best practice within the Group;
- Internal and external audits, in particular according to ISO 45001 and/or SA 8000 standards;
- More specific programmes, such as workplace exercise, aimed at preventing musculoskeletal injuries;
- Objectives and performance indicators to assess progress;
- Screening and training in the field of occupational health.

Each company has an OSH committee, made up of worker representatives, safety technicians and management representatives, which does the following:

- Request and assess suggestions from employees on health and safety issues;

- Visit workplaces to recognise health and safety risks and evaluate the preventive measures adopted;
- Propose initiatives within the framework of risk prevention for occupational health and safety, with a view to improving working conditions and correcting any shortcomings detected;
- Participate in the definition of measures to be included in the prevention plan;
- Analyse the available data on workplace accidents and occupational illnesses;
- Participate in the development of the department's annual OSH programme and follow up on it.

Additionally, indicators are monitored, more specific programmes are developed and multiple screenings and training actions are carried out.

Work-related injury or ill health

	Reference	2022	2021	2020
Recordable work-related injuries (n ²)	GRI 403-9	91	76	82
High-consequence work-related injuries (n ²)	GRI 403-9	7	2	2
Fatalities (n ²)	GRI 403-9	0	0	0
Work-related ill health (n ²)	GRI 403-9	73	65	35
Lost time injury frequency rate	GRI 403-9	14.3	12.4	13.9
Rate of high-consequence work-related injuries	GRI 403-9	1.1	0.3	0.3
Lost workday rate	GRI 403-9	784	554	551
Rate of fatalities as a result of work-related injury	GRI 403-9	0	0	0
Rate of work-related ill health	GRI 403-10	11.5	10.6	5.9

In 2022, there was a reversal in the downward trend in the number of workplace accidents registered in the previous four years. The results were not uniform across all group companies, so the negative result in two BUs led to an increase in the total number of accidents and, consequently, in the overall accident frequency index. Following this performance, which was well below expectations, an action plan was set in motion in order to return to the favourable evolution recorded in previous years, in pursuit of the goal of achieving zero accidents in the four-year cycle (2021-2024), in operations in Portugal.

The achievement of an integrated and solid safety culture requires a careful and continuous dynamic process. The Company, despite existing good practices, intends to strengthen its performance in this area and, in addition to that which has already been implemented and in progress, bring fresh dynamics and new approaches to this subject.

Occupational Safety Forum

Four times a year, this Forum is held with the participation of Health and Safety representatives, Human Resources Directors and the General Managers of all the BUs and is promoted by the Chairman of Corticeira Amorim. It is a dynamic initiative that has made it possible to maintain this issue as a priority, providing constant sharing and debate on best practices in this area, fostering very significant progress and transversal adoption of a set of practices. In mid-2022, this Forum was attended by all Industrial and Operations Directors, with the aim of aligning, involving and holding accountable the main promoters and drivers of good OHS practices.

OHS Training

Within the framework of OSH, special importance is given to training when welcoming new employees, as well as OSH training in the workplace, which is compulsory whenever an employee starts working in a new workplace. The content of OSH training is regularly revised in order to ensure the necessary knowledge updating and awareness of occupational health and safety issues. Increasingly, priority is given to the development of on-the-job OSH training to the detriment of classroom training, always with the objective of individualising the training and, in this way, foster a better transmission of knowledge about safety to employees. During 2022, more than 14,500 hours of training were provided in this field, an increase of about 14% compared to 2021.

Workplace gymnastics project

It has been observed that a large proportion of work-related accidents in companies are musculoskeletal. With the objectives of preventing work-related injuries, improving body posture, reducing absenteeism, improving the organisational climate, improving attention and concentration, promoting physical activity and a healthy lifestyle, an action plan was drawn up that involved restructuring the *layout* and processes, as well as promoting workplace exercise. The project begins with an analysis focused on ergonomic issues at the workstations and the individual physical condition of each worker. This is followed by initial training for internal facilitators, focusing on the most common work-related musculoskeletal disorders (WMSDs), risky postural behaviour, the preventive framework for exercise in the workplace, tools to guide workplace exercise sessions, exercises and their basics, teaching strategies and training on the exercise plan. This project also includes the development of improvement proposals both at the ergonomic level of the workplace and at the level of task standardisation, individual postural training for the development of work tasks with less risk of musculoskeletal injury, implementation of physical activity programmes and also active recovery programmes aimed at the treatment of specific pathologies, in groups. In 2022, employees from the Raw Materials BU and Composite Cork BU were involved in these programmes. Thus, the shifts begin (twice a day) with a daily Kaizen meeting followed by a short duration physical activity (5-10 minutes), guided by the sector manager. Given the positive results, the Cork Stoppers BU also intends to implement a similar project.

Wellness, benefits and protocols

Corticeira Amorim's employees benefit from several advantages, in particular the purchase of products and services (our own and those resulting from partnerships and protocols), salary bonuses and support that encourage conciliation between personal and family life and work, in particular

- Benefits in health services: hospitalisation insurance is provided in all companies in Portugal; in the larger units (or head offices), curative medicine appointments are organised twice a week; there are protocols with clinical analysis laboratories, which carry out collections in the companies, and with pharmacies that accept orders and deliver medication to the premises. Several screenings (ophthalmologic, hypertension, healthy habits) are conducted regularly in order to promote health. Each year, a flu vaccination campaign is carried out;
- Recognition and celebration benefits and initiatives throughout the year: Christmas hampers, seniority awards and various recognition awards;
- Online platform for access to hundreds of products (clothing, footwear, electrical appliances, telecommunications equipment) and services (insurance, travel, gyms, health and beauty care, among others) called Amorim Vantagens+, available to all employees in Portugal;
- Benefits to support daily life: access to Company canteens by the direct family members of employees, also allowing employees to buy meals to take home;
- Protection of parenthood: information on legislation on parenthood, support for the education of employees and their children, offer of toys for employees' children.

Parental protection

In order to guarantee the right of employees to take parental leave, the Company created and keeps updated a chapter in the internal network - Linkpeople - referring to the legislation on parenthood, which provides for 120 days for the mother and 20 working days, paid at 100%, for the father. Additionally, employees benefit from various services and support, with a view to strengthening the Company's action in these matters, in particular:

- Support in the education of employees and their children, with the attribution of school subsidies and merit-based scholarships for employees' children (currently more than 30 young people per year);
- Offer of toys to employees' children.

Health insurance

It was decided in 2022, the significant extension of coverage and insured capital of the Health Plan for employees, now with the possibility of extending it to their families. This initiative is intended to support employees in such an important and valued aspect.

3.5 PROMOTING R&D+I AND LEVERAGING ECONOMIC PERFORMANCE

Building resilient communities is vital to achieving sustainable development and companies play a key role in this construction. With 4,999 employees around the world, Corticeira Amorim recognises the importance of being an active agent in supporting communities to overcome the challenges that they face.

Having an impact on society in general and promoting its balance through active, long-term participation has been a concern of the Group throughout its more than 150 years of trading.

Corticeira Amorim's business activity generates economic value for the communities in which it is present, at international, national, regional and local levels, directly, indirectly and induced, in particular as a major employer, investor, taxpayer and business partner. Simultaneously, several complementary but quite important impacts on the economy and society stand out, which emphasise the relevance of the Company in promoting entrepreneurship, environmental sustainability and innovation. In particular, its activities have an important impact on other companies and sectors, at a national level, upstream. Among the main contributions, the Company's role stands out in terms of the following:

- As a benchmark for the Portuguese cork *cluster* and one of the best examples of how to economically develop a natural resource, combining best practices to maximise profitability with environmental and social responsibility;
- As a promoter of cork and the perception of the material as exclusive, high quality and sustainable, with a prosperous future ahead of it;
- As a leader in the implementation of circular economy principles in the cork industry.

The Policy towards Community/Society, includes the following commitments:

- Strengthen efforts to protect and safeguard cork oak forests;
- Act in full compliance with the laws and regulations in force in the regions where it operates, and to collaborate with the authorities as far as possible;
- Be part of a value chain that generates income in the places where it is established, respecting the local culture and communities and providing high quality products and a deep commitment to economic, social and environmental sustainability;
- Foster the ambition to continuously develop new cork solutions that add value to the market compared with conventional solutions, and that uniquely combine technical performance, a premium element and unmatched sustainability credentials;
- Minimise the negative impact that its activities have or may have on the communities where they are carried out, demonstrating openness and honesty, respecting local cultures and traditions, and supporting and promoting initiatives in relation to institutions, populations and local communities in general;

- Repay community support by contributing to the progress, economic development and well-being of communities, encouraging SMEs and future local entrepreneurs to achieve sustainable results and thus boost national entrepreneurship;
- Be sensitive to the needs of local communities, listening and seeking to respond to their concerns, in an inclusive manner, and ensuring that, within the Organisation's operations, everyone is heard, in order to understand how to minimise any possible negative impacts;
- Promote internal and external environmental awareness-raising activities..

Community/Society Policy:

https://www.amorim.com/xms/files/Investidores/Estatutos_Politiclas_Regulamentos/2021-12-06_CommunityPolicy.pdf

Economic, environmental and social impacts

A study conducted by EY on the environmental, economic and social impacts of Corticeira Amorim's operations in Portugal accounted for the value created and sustained in 2018.

Adopting an input-output methodology applied to the intersectoral data of the Portuguese economy, the study calculated the direct impacts and estimated the indirect impacts and induced impacts arising from household consumption, generated by Corticeira Amorim's operations. For environmental impacts, the following metrics were used: GHG emissions, water consumption, waste production, forest carbon sink. For the economic and social impacts, Corticeira Amorim's gross value added for its operations in Portugal was used.

The results show the relevant contribution of Corticeira Amorim, through the creation of value, the creation of employment and opportunities, product innovation and diversification and support for the promotion of responsible management of cork oak forests and use of natural resources. In numbers:

- **7x** - direct value of the activity in Portugal multiplier (includes impacts of cork oak forest's ecosystem services) (the total net value added when the environmental, social and cork oak forest ecosystem service impacts made viable are incorporated is 7x greater than the direct value added);
- **2.17x** - production multiplier in Portuguese economy (each euro of Corticeira Amorim's production generates, in total, 2.17 euros in national production);
- **93%** exports to over 100 countries;
- **75%** of the purchases made by the Portuguese subsidiaries are from Portuguese suppliers;
- **39%** contribution to total exports from the municipality of Santa Maria da Feira;
- **51%** of impact on employment in the forestry sector in Coruche and Ponte de Sor.

The study showed that the total impacts of Corticeira Amorim's activity exceed what is shown in the financial statements.

The Company has several examples of projects that enhance its effects in terms of innovation, entrepreneurship and the environment, and which have very important indirect impacts on the Portuguese economy and society.

3.5.1 COMMUNITY / SOCIETY AND INNOVATION
(SDG 8, 9 and 17)

Corticeira Amorim reinvests a significant part of the economic value generated in the various countries where it has operations. Management structures have the necessary processes and tools in place to recognise and manage impacts and understand the needs and interests of communities, as well as identify opportunities for long term investment in local communities.

Programmes generating positive long-term benefits are prioritised, in particular:

- Promote social balance, in particular well-being, respect for Human Rights and social inclusion of the people and local communities where Corticeira Amorim is present;
- Support culture and knowledge in favour of promoting the values of Biodiversity and Circular Economy and raising awareness of the impacts of Climate Change and the importance of caring for the planet;
- Strengthen entrepreneurship, creativity and innovation by providing the dissemination of knowledge and innovation in the cork sector to society.



Social balance

	Reference	2022	2021	2020
Economic value generated (K€)	GRI 201-1	1,034,630	842,171	748,287
Operating costs (K€)	GRI 201-1	690,303	548,884	474,396
Employees (K€)	GRI 201-1	182,950	146,098	138,054
Capital providers (K€)	GRI 201-1	46,715	39,580	28,550
State (K€)	GRI 201-1	23,581	19,729	15,321
Communities (K€)	GRI 201-1	361	225	381
Retained economic value (K€)	GRI 201-1	90,720	87,656	91,585

Corticeira Amorim develops an important role in building resilient communities with the fundamental objective of being an agent of change and value creation. Direct impacts include salaries paid to employees, investments in the community and payments to the State in the form of taxes, contributions and fees, which may be reinvested in social and economic programmes that benefit the communities and regions where Corticeira Amorim operates.

In 2022, Corticeira Amorim generated an economic value of €1,035 million, and distributed €944 million to its stakeholders.

Culture and knowledge

In 2022, Corticeira Amorim continued to design and develop various initiatives that placed important resources at the disposal of society: cork, in its most diverse forms, the overall expertise and technical expertise of the team, encouraging knowledge of the material and enabling the development of educational, research and artistic projects aimed at employees and their families, as well as the wider community.

In this way, and through multiple actions and partnerships in the area of education and culture - from student internships to protocols with academic institutions, from environmental education to cultural patronage - a positive impact is generated that is relevant to Corticeira Amorim's priority areas in terms of sustainable development.

Promote scientific and technological knowledge

With a view to raising the profile of both cork, strengthening its perception as an exceptional natural raw material, and Corticeira Amorim, as the leader of the sector, ensuring Portugal's world leadership and in line with the achievement of three of Corticeira Amorim's strategic objectives for sustainability - 1) cork oak forests, through preservation of cork oak forests and ecosystem services through increased knowledge 2) green products, by maintaining a proactive role in the vast scope of applications of cork; 3) innovation, by supporting research, development and innovation, and fostering sustainable solutions - in 2022, Corticeira Amorim supported the following projects:

- **The Amorim Academy - an international organisation created by Corticeira Amorim with the aim of encouraging research in oenology, knowledge about wine and innovation in winemaking practices** - promoted the conference "Climate Evolution and the Challenges for Vines and Wine". The meeting, which marked the Academy's 30th anniversary, was attended by renowned specialists from the world of wine, including Jocelyne Pérard, one of the great names in research into climatology and wine, professor at the University of Dijon (Burgundy - France) and creator of the UNESCO Chair in Culture and Traditions of Wine. During the event, the Grand Prix Sciences & Recherche was awarded to Charlotte Brault for her thesis *Optimisation of grape variety selection using genomic and phenomic prediction* and the Prix Coup de Coeur was awarded to Aurélien Nouvion, for her study on *Times and actors of vine and wine in the Middle Ages: a comparative study of Burgundy - Champagne (5th - 16th centuries)*. Over the past 30 years, the Amorim Academy has consolidated itself as a pool of talent and personalities and a permanent source of shared knowledge.
- **Corticeira Amorim's association to the school 42, as a corporate partner:** launched in Paris in 2013, 42 has over 15,000 students in 25 countries, and is recognised as one of the world's best programming schools. In 2022, it also began operating in Porto. Based on a method that promotes learning without the traditional classroom format, without teachers and without timetables, at 42 Porto students learn in a practical manner, developing projects among peers. In addition to technical skills, each student enhances their

communication skills, teamwork and problem solving, as well as their creativity, autonomy and resilience. The teaching is free, thanks to support from sponsors such as Corticeira Amorim.

- **Conference "Discovering Cork for the Architecture of Today and Tomorrow"**: organised by Amorim Cork Flooring Italia, held in Milan and aimed at architects, planners and designers, it fostered debate on the role of architecture as a tool for sustainability. A plan in which cork plays a leading role, thanks to its inherent natural characteristics, as a renewable, recyclable and reusable raw material.
- **8th International Cork Conference**, promoted by Amorim Cork Insulation, which brought together architects, business people and builders from almost two dozen countries and included a visit to the cork oak forest and to Amorim Cork Insulation's premises in Vendas Novas, as well as a seminar held at the Centro Cultural de Belém, in which cork's unique properties were once again highlighted.
- **Corticeira Amorim funds six scholarships in the area of Forest Engineering**. These scholarships provide 100% of the tuition fees for BSc degrees in the above area at the University of Trás-os-Montes and Alto Douro and the University of Porto (UTAD and UP), the Higher Institute of Agronomy (ISA) or the Coimbra Higher Agrarian School (ESAC). The Company thereby intends to stimulate the interest of potential students in an area of strategic importance for Portugal, increasing the availability of specialists in the forestry area to meet the growing demand from the job market.

As part of the **i-cork factory's** activities, the knowledge of cork and its experimentation by students in areas such as design, architecture and engineering is also promoted. Each year, workshops, classes and visits are developed, materials are provided and ambitious research projects are accompanied, of which the following are highlighted in 2022:

- Technical support and monitoring of the research project, Vertical Grounds, developed by students from University College London, Faculty of the Built Environment, Bartlett School of Architecture and the Faculty of Engineering Sciences, Department of Biochemical Engineering. This project was exhibited at the Lisbon Architecture Triennale;
- El Corcho workshop (virtual classes and cork transfer), developed for a class at the **Saint-Luc School**;
- Workshop and mentoring of two research projects by students at the **Dubai Institute of design and Innovation**;
- Design and lecture about cork given to a group of students from the **University of Aveiro, Master's degree in design, Materials Department**;
- Workshop, virtual class and visit of students from the **Polytechnic Institute of Viana do Castelo**;
- Workshop and visit by students from the School of Arts and Design, Master's Degree in Interior design.

Environmental education and action

Corticeira Amorim's environmental education programme was designed with the aim of supporting schools in environmental education and raising community awareness, in general, regarding the need to protect and value the forest, including the cork oak forest, and to promote cork recycling, aligned with three of Corticeira Amorim's strategic objectives for sustainability: 1) cork oak forests, by preserving cork oak forests and ecosystem services through increased knowledge; 2) circular economy, by applying circular economy principles; and 3) community/society, by boosting economic growth in a sustainable and inclusive manner.

As the COVID-19 pandemic situation imposed significant restrictions on some of the activities carried out, such as visits and environmental education activities for schools, which had to be temporarily suspended, these activities were prudently and progressively resumed, and new forms of interaction with the respective target audiences were also adopted, in particular visits to Corticeira Amorim's companies, in compliance with a carefully prepared and strictly implemented safety and hygiene plan to safeguard the health and safety of all visitors. Corticeira Amorim plans to develop a volunteer plan over the next two years, with emphasis, in the first phase, on the environmental education programme.

In 2022, it should be noted the collaboration with the Financial Education Project "No Poupar Está o Ganho" (A Penny Saved is a Penny Earned), promoted by Dr. António Cupertino de Miranda Foundation, which transmits knowledge of financial education to pre-school, primary and secondary school and vocational education students, so that they acquire skills to be able to make correct, conscious and informed decisions in the future, contributing to them becoming more responsible consumers. In 2022, over 13,000 students participated in this project.

The traditional annual tree planting exercise, carried out by Corticeira Amorim's volunteers, should also be highlighted. In the 2022 edition, as part of Amorim Cork's 100th anniversary celebrations, around 150 volunteers gathered at the Quinta Grande estate, in Coruche, to plant 3,000 cork oak trees. The initiative was conducted in close partnership with Quercus, as part of Green Cork, a programme promoted by the Portuguese environmental association, which promotes the recycling of cork stoppers and the planting of autochthonous trees. Corticeira Amorim employees have been involved in this activity since 2011 and to date they have contributed to the planting of 24,500 trees in Portugal.

Art and culture

An ambitious strategy is also being pursued to position cork at an outstanding level worldwide in the fields of architecture and design, promoting its use in the construction of more sustainable and resilient cities. In line with the strategic objectives of Green Products, Community/Society and Innovation, Corticeira Amorim has embraced a number of initiatives, ranging from the experimentation with cork by students from around the world, to its use by major figures in architecture, design and the arts, as well as its presentation on the world's biggest creative events:

- **Sponsorship for the Casa da Arquitectura**, contributing to the activities developed at the Casa da Arquitectura (archive, programming, study and documentation centre and educational service) and to the exhibition, FLASHBACK Carrilho da Graça.

The Casa da Arquitectura is a non-profit, cultural institution, whose purpose is the promotion and dissemination of architecture, in general, and of the collections and holdings it has acquired, in particular through exhibitions, conferences, workshops, thematic visits to spaces of architectural interest, or any activity of a recreational, cultural, touristic and social nature, which contributes to a better knowledge of the architectural heritage, at national and international level.

- Portuguese artist **Pedro Cabrita Reis** chose cork to create one of his most recent international projects, **The Three Graces, a work inspired by Classical Antiquity, exhibited in the Tuileries Garden in Paris**. Part of the 2022 France-Portugal Season, and the result of an invitation made by Laurence des Cars, president of the Louvre Museum, to the multifaceted artist, the original work, comprised by three monumental, autonomous elements, was entirely made of cork, in a new formulation specially designed by Amorim Cork Composites. Each of the sculptures, painted in a delicate ivory-white colour at the end of the creative process, weighed approximately 500 kg, was approximately 4.50 metres high and supported by an iron base weighing 400 kg (the total perimeter was nine metres in diameter).
- **Design with Nature, an installation with cork designed by the architect Mario Cucinella, presented at the Salone Del Mobile in Milan**. The 60th edition of this Salon offered *insights* for reflection on the future of design practice, exploring the themes of the circular economy, recycling and reuse, based on the idea of cities as possible reserves of both resources and raw materials. Design with Nature and thereby demonstrated different ways of creating products in harmony with nature, through the adoption of virtuous ecological practices and behaviour.
- Cork has become a permanent feature of the **Domaine de Boisbucet**, one of the most renowned international centres for research in design and architecture, and was used as a sustainable material in the *Maison du Jardin*, a circular construction designed by the Belgian atelier, dmvA. The inauguration was included in the **opening programme of the 2022 edition of the French Design Week**. Since 2011, Corticeira Amorim has participated in and supported several workshops in the Domaine de Boisbucet, workshops led by some of the most renowned professionals in the field, involving an eclectic international community of both established designers and architects and students seeking hands-on experience.
- **Micro/Macro, the temporary pavilion designed by the artist Ryoji Ikeda for Serralves Park**, and materialised in an ephemeral architecture project by Nuno Brandão Costa, integrated only eco-sustainable materials, including, in particular, cork, supplied by Amorim Cork Insulation.
- **Exhibition Toquem fusta! Disseny, fusta i sostenibilitat (knock on wood! Design, wood and sustainability) at the Museu del Disseny in Barcelona**, which presented a wide range of cork objects from the collections of Corticeira Amorim's various business units, as well as a house purpose-built in the museum, based on sustainable solutions in which cork solutions supplied by Amorim have played an important role, were used in the flooring (Wise

Cork Pure by Amorim Cork Flooring) and in the internal and external insulation of the home (MDFachada by Amorim Cork Insulation). The entire exhibition highlights cork as a key material serving human cultural evolution, sustainability, the planet and as the basis of the circular bioeconomy.

Innovation and entrepreneurship

Reference	2022	2021	2020
Average R&D+i investment (K€)	11,075	10,363	9,792

Innovation lies at the heart of Corticeira Amorim's strategy, extending to all its BUs, aimed at portfolio diversification, efficiency and quality of processes, as well as the circular economy. The average investment in R&D+i is currently around €11 million per year.

Information on Corticeira Amorim's innovation activity is available in Chapter 4 Innovation, research and product development of the Consolidated Management Report and in Chapter 3.3.4 Green products/ Maintain a proactive role in the vast scope of applications of cork/ Innovation in product and solutions).

Corticeira Amorim disseminates knowledge and innovation throughout society both directly (when the Company voluntarily grants access to knowledge and certain innovations) and indirectly, through the generation of positive externalities arising from its business activity, which include innovation projects in partnership with universities and specialised companies, purchasing products from local producers, inducing innovation in support industries, developing new applications for cork, communicating the benefits of cork and disseminating good circular economy practices.

The promotion of entrepreneurship is another element that has an impact on Corticeira Amorim's activity, which is generated by direct initiative, through the Amorim Cork Ventures, and has a significant result in promoting innovation in the sector, since this is the only incubator for cork-related companies, through which innovative ideas and businesses are stimulated and supported. In the same sense, the Group encourages the creation of companies by former employees, the appearance of new uses for cork and the emergence of support companies for the cork industry.

Amorim Cork Ventures (ACV)

Created in 2014, with the aim of supporting entrepreneurs with innovative products, solutions and applications for the cork sector. The ACV's main purpose is focused on fostering the launch, growth and expansion of cork-related businesses, mainly oriented towards foreign markets. A challenge that includes the development of new approaches, paths and formulae for cork in its natural state or combined with other materials. Since its creation, the ACV has analysed over 340 projects from 25 different countries and has organised five pre-acceleration programmes for *start-ups/entrepreneurs*. More than 20 projects have been supported (10 of which remain active) and eight applications for patents and utility models have been submitted. Currently, two *startups* remain in the Company's investment portfolio, with aggregate sales in 2022 of €3.76 million (21% increase compared to 2021), of which more than 82% outside Portugal.
<https://www.amorimcorkventures.com/about-us/>

i.cork factory

Built in 2018, it is fully dedicated to the research and development of new and innovative products that add value to cork, with the main mission of designing new materials, as well as testing and exploring the application of technologies not yet industrialised in the sector. The i.cork factory functions as a true hub of innovation and creativity for the development of new products and new formulae for manufacturing composite materials with cork, in which opportunities to incorporate materials from the circular economy are explored on a daily basis, aiming to design new materials and explore the application of technologies that haven't yet been industrialised in the sector. Given its proximity to the market, the innovation factory also functions as a platform for cooperation and collaborative work, from which synergies are developed with universities, research centres and customers, in search of *high-performance* and often disruptive. In addition to contributing to the culture of innovation found in Amorim Cork Composites' DNA, the i.cork factory also plays a fundamental role in expanding the product portfolio and training technicians, customers and distributors.
<https://amorimcorkcomposites.com/en/?>



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Corticeira Amorim is committed to developing more efficient processes and implementing technologies that continuously improve its environmental performance, while also promoting the preservation and enhancement of cork oak forests and providing a growing range of products with a low carbon footprint.

4– Sustainable finance

Corticeira Amorim is committed to carrying out its business activity, while applying ESG principles and best practices.

The Company believes that Green Finance Instruments are effective tools for channelling investments into projects that have demonstrated climate benefits. Through the issuance of Green Finance Instruments, Corticeira Amorim intends to continue supporting its Sustainable by nature programme.

In December 2020, Corticeira Amorim issued its first Green Bond, in the amount of €40 million, with a maturity of 5 years. In 2021, it completed a €20 million Sustainability Linked Commercial Paper Programme and a €11.6 million Green Commercial Paper Programme, with maturities of 3 and 5 years, respectively. In December 2022, two more Green Commercial Paper Programmes were signed for amounts of €20 million, scheduled to mature in 2027 and €35 million, scheduled to mature in 2029.

Further information:

<https://www.amorim.com/en/investors/market-information/>
<https://www.amorim.com/en/sustainability/reports/>

€126.6m of Green Finance Instruments				
€86.2m of Green Financing Allocated				
€40 M	€20 M	€11.6 M	€20 M	€35 M
Green Bonds	Sustainability Linked Commercial Paper Programme	Green Commercial Paper Programme	Green Commercial Paper Programme	Green Commercial Paper Programme
2020-2025	2021-2024	2021-2026	2022-2027	2022-2029

4.1 GREEN BONDS €40 MILLION - DECEMBER 2020

In 2020, under the Green Bond Framework - November 2020, Corticeira Amorim launched its first Green Bond issue, which was also the cork industry's first Green Bond issue, representing an important milestone in its sustainability strategy, reaffirming its ongoing commitment to the application of ESG principles and best practices.

The organisation, assembly and subscription guarantee were provided by Banco BPI, S.A. (www.bancobpi.pt), which also acted as paying agent.

This loan was intended to refinance a diversified set of green investments, conducted in 2017, 2018, 2019 and the 1st half of 2020 by eight companies belonging to the five BUs of the Corticeira Amorim Group, in the following eligible green categories:

- Environmentally sustainable management of living natural resources and land use;
- Renewable, low-carbon, eco-efficient and/or circular economy adapted products, production technologies and processes;
- Waste management and resource efficiency;
- Renewable energy and waste to energy.

Through the allocation of the proceeds of the Green Bonds, Corticeira Amorim supports the pursuit of the UN SDGs, in particular SDG 7 Affordable and Clean Energy, SDG 8 Decent Work and Economic Growth, SDG 9 Industry, Innovation and Infrastructure, SDG 11 Sustainable Cities and Communities, SDG 12 Responsible Consumption and Production, SDG 13 Climate Action and SDG 15 Life on Land.

Sustainalytics (a specialist ESG research, ratings and information company - www.sustainalytics.com) has reviewed the Green Bond Framework - November 2020 and issued its Second Party Opinion (SPO), confirming its alignment with the Green Bond Principles specified on June 2018 by the International Capital Markets Association (ICMA).

The Allocation and Impact Reports for 2021 and 2022, respectively, were verified by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A.

Further information:

https://www.amorim.com/xms/files/v1/Investidores/7_Comunicados/2020-12-03_-_CA_-_press_release_-_Ingles-.pdf
https://www.amorim.com/xms/files/v1/Investidores/7_Comunicados/Corticeira_Amorim_Green_Bond_40_M_2020-25_Framework_-_26-11-2020.pdf
https://www.amorim.com/xms/files/v1/Investidores/7_Comunicados/Corticeira_Amorim_Green_Bond_40_M_2020-25_Sustainalytics_SPO_-_27-11-2020.pdf

1 st Green Bonds in the cork industry		
Maturity 2025	Issued capital 40 M€	ISIN PTCOR0AE0006

100% Allocated to eligible projects under the Green Bond Framework - November 2020			
Environmentally sustainable management of living natural resources and land use	Renewable, low-carbon, eco-efficient and/or circular economy products, production technologies and processes	Waste management and resource efficiency	Renewable energy and waste to energy

4.2 SUSTAINABILITY LINKED COMMERCIAL PAPER PROGRAMME €20 MILLION - AUGUST 2021

In 2021, Corticeira Amorim completed the first Sustainability Linked Commercial Paper programme in the amount of €20 million, scheduled to mature in 2024.

The interest rate to be charged on the commercial paper issued under this programme is dependent on the evolution of the following two key performance indicators (KPI) for operations in Portugal:

- KPI1 - energy consumption from controlled renewable sources;
- KPI2 - Proportion of non-cork waste sent for recovery.

Sustainalytics has issued a professional opinion, confirming that Corticeira Amorim's Sustainability Linked Commercial Paper Issuance programme is aligned with the four components of the Loan Market Association's (LMA) 2020 Sustainability Linked Loan Principles.

Caixa - Banco de Investimento, S.A. (CaixaBI) was responsible for organising and setting up the programme and also acted as the paying agent and registering institution. Caixa Geral de Depósitos, S.A. (CGD) provided the subscription guarantee.

Corticeira Amorim publicly discloses the evolution of the KPIs associated with this funding in its annual Sustainability Report, which includes an Independent Verification Report, conducted by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A.

Further information:

<https://www.amorim.com/xms/files/Investidores/Comunicados/20210805CorticeiraAmorimGCPP.pdf>
<https://www.amorim.com/en/sustainability/reports/GREEN>

4.3 COMMERCIAL PAPER PROGRAMME €11.6 MILLION - DECEMBER 2020

Corticeira Amorim implemented a Green Commercial Paper programme with a maximum nominal amount of €11.6 million and a maturity of up to 2026.

The Company is determined to increase the use of renewable energies. Thus, emissions under this programme are intended to finance the acquisition of photovoltaic panels by various companies in the Corticeira Amorim Group, in the period from 2021 to 2024, which will enable an additional 30 GWh to be generated, avoiding the emission of around 14,600 tCO₂eq.

Banco Bilbao Vizcaya Argentaria, S.A., the Portuguese branch, assumed the organisation, subscription guarantee and also the functions of paying agent, dealer bank and registering institution.

Corticeira Amorim publicly discloses the impacts associated with the acquisition of photovoltaic panels, as part of its annual Sustainability Report, which includes an Independent Assurance Report by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A.

Further information:

https://www.amorim.com/xms/files/Investidores/Comunicados/20211220CorticeiraAmorimGreenCPP_EN.pdf
<https://www.amorim.com/en/sustainability/reports/>

4.4 GREEN COMERCIAL PAPER PROGRAMME €20 MILLION - DECEMBER 2022

Corticeira Amorim has agreed with CaixaBI and CGD on a €20 million Commercial Paper Programme (PPC), scheduled to mature in 2027, with CaixaBI acting as organiser, leader, paying agent and registering institution and CGD providing the subscription guarantee.

The capital issued under the PPC was fully allocated to the acquisition, by the subsidiary Herdade de Rio Frio, S.A., of a plot of land with 1,855 hectares, which includes a set of properties used for forestry operations, adjacent to the properties already owned by that subsidiary. Corticeira Amorim intends to improve the productivity of the agroforestry activity of Herdade de Rio Frio, in particular through implementation of densification in this unique cork oak forest, supporting the pursuit of SDG 11 Sustainable Cities and Communities, SDG 12 Responsible Consumption and Production and SDG 15 Life on Land.

The commercial paper issued under this programme qualifies as a Green Finance Instrument under the Green Finance Framework - November 2022 falling under the eligible category of environmentally sustainable management of living natural resources and land use.

KPMG & Associados - S.R.O.C., S.A. has confirmed, through the issuance of a limited assurance report, the alignment of the Green Finance Framework - November 2022 with the four components of the London Market Association's February 2021 Green Loan Principles and the International Capital Market Association's June 2021 Green Bond Principles (with Appendix 1 of June 2022).

ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A. was responsible for verifying the information in the Allocation and Impact Report, for the year 2022.

Further information:

https://www.amorim.com/xms/files/Investidores/Comunicados/2022-12-22_-_Press_Release_EN.pdf
https://www.amorim.com/xms/files/Investidores/Comunicados/2022_11_28_-_Green_Finance_Framework_nov2022.pdf
https://www.amorim.com/xms/files/Investidores/Comunicados/2022_11_30_-_Limited_Assurance_report___Amorims_Green_Finance_Framework.pdf

4.5 GREEN COMERCIAL PAPER PROGRAMME €35 MILLION - DECEMBER 2022

Corticeira Amorim signed with Banco de Sabadell, S.A. - Sucursal em Portugal (BSabadell) a Commercial Paper Programme (PPC) in the amount of €35 million, scheduled to mature in 2029.

The proceeds of this operation, in which the organisation, structuring and subscription guarantee were ensured by BSabadell, which assumed the service of paying agent, are unallocated and will be used to refinance the acquisition of Herdade de Rio Frio, S.A. (the company that owns a significant part of the Herdade de Rio Frio) and to finance investment in new cork oak plantations, supporting the pursuit of SDG 11 Sustainable Cities and Communities, SDG 12 Responsible Consumption and Production and SDG 15 Life on Land.

Commercial paper issued under this programme qualifies as a Green Finance Instrument under the Green Finance Framework - November 2022, falling under the eligible category of environmentally sustainable management of living natural resources and land use.

KPMG & Associados - S.R.O.C., S.A. has confirmed, through the issuance of a limited assurance report, the alignment of the Green Finance Framework - November 2022 with the four components of the London Market Association's February 2021 Green Loan Principles and the International Capital Market Association's June 2021 Green Bond Principles (with Appendix 1 of June 2022).

Further information:

https://www.amorim.com/xms/files/Investidores/Comunicados/20221219PressReleaseEN_PPC.pdf
https://www.amorim.com/xms/files/Investidores/Comunicados/2022_11_28_-_Green_Finance_Framework_nov2022.pdf
https://www.amorim.com/xms/files/Investidores/Comunicados/2022_11_30_-_Limited_Assurance_report___Amorims_Green_Finance_Framework.pdf

4.6 ALLOCATION AND IMPACT

SDG	Green financing instruments		Eligible projects	Maturity	Allocated proceeds (k€)	Environmental objective
SDG 11, 15	4.1	Green Bonds €40 million - December 2020	Herdade da Baliza	2020-2025	4,914	Promote the implementation of sustainable forest management and mobilise resources
SDG 11, 15	4.1	Green Bonds €40 million - December 2020	Herdade Venda Nova	2020-2025	1,210	Promote the implementation of sustainable forest management and mobilise resources
SDG 8, 9, 12 and 13	4.1	Green Bonds €40 million - December 2020	Eco-efficient products project	2020-2025	9,032	Strengthen resilience and adaptability to climate-related risks
SDG 8, 9, 12 and 13	4.1	Green Bonds €40 million - December 2020	Circular economy project	2020-2025	15,222	Strengthen resilience and adaptability to climate-related risks
SDG 12	4.1	Green Bonds €40 million - December 2020	Project to increase efficiency	2020-2025	6,077	Improve the efficiency of global resources, thereby achieving sustainable management
SDG 7	4.1	Green Bonds €40 million - December 2020	Renewable energy project (biomass)	2020-2025	3,462	Increase the use of renewable energy
SDG 7, 12	4.2	Sustainability Linked Commercial Paper programme €20 million - August 2021	NA	2021-2024	20,000	Increase the use of renewable energy and improve the efficiency of global resources, thereby achieving sustainable management
SDG 7	4.3	Green Commercial Paper programme €11.6 million - December 2020	Photovoltaic project	2021-2026	6,200	Increase the use of renewable energy
SDG 11, 15	4.4	Green Commercial Paper programme €20 million - December 2022	Herdade de Rio Frio (1855 ha)	2020-2027	20,000	Promote the implementation of sustainable forest management and mobilise resources
SDG 11, 15	4.5	Green Commercial Paper programme €35 million - December 2022	Herdade de Rio Frio (3250 ha)	2022-2029	0	Promote the implementation of sustainable forest management and mobilise resources

Framework	Eligible Category	Use of proceeds	KPI	Impact 2022	Accumulated Impact
Green Bond Framework – November 2020	Environmentally sustainable management of living natural resources and land use	Refinance the acquisition, plantation, maintenance and management of cork oak forests using new silviculture models based on drip irrigation	Intervened forest estates under management (ha)	130	130
			Cork oak trees planted (nr)	54,210	54,210
Green Bond Framework – November 2020	Environmentally sustainable management of living natural resources and land use	Refinance the acquisition, plantation, maintenance and management of cork oak forests using new silviculture models based on drip irrigation	Intervened forest estates under management (ha)	0	251
			Cork oak trees planted (nr)	0	100,400
Green Bond Framework – November 2020	Renewable, low carbon, eco-efficient and/or circular economy adapted products, production technologies and processes	Refinance equipment and infrastructures to increase the quantity and quality of production of renewable, low carbon, eco-efficient products with the purpose of replacing fossil-based and other non-renewable materials with bio-based alternatives and refinancing the research, development, equipment and infrastructures for the manufacture of circular economy products	Revenue of renewable, low carbon, eco-efficient and/or circular economy adapted products, production technologies and processes (K€)	41,059	81,280
Green Bond Framework – November 2020	Renewable, low carbon, eco-efficient and/or circular economy adapted products, production technologies and processes	Refinance equipment and infrastructures to increase the quantity and quality of production of renewable, low carbon, eco-efficient products with the purpose of replacing fossil-based and other non-renewable materials with bio-based alternatives and refinancing the research, development, equipment and infrastructures for the manufacture of circular economy products	Revenue of renewable, low carbon, eco-efficient and/or circular economy adapted products, production technologies and processes (K€)	160,286	341,397
Green Bond Framework – November 2020	Waste management and resource efficiency	Refinance equipment and infrastructures involved in resource efficiency and/or waste reduction, minimisation and reuse processes in operations	Industrial waste recovery (t)	6,949	15,184
Green Bond Framework – November 2020	Renewable energy and waste-to-energy	Refinance the maintenance and upgrading of equipment and infrastructures used to produce energy from biomass and waste products	GHG emissions avoided (tCO ₂ eq)	6,111	13,907
NA	NA	NA	Energy consumption from controlled renewable	69% controlled renewable energy	NA
	NA	NA	Proportion of non-cork waste sent for recovery (t)	96% waste recovery rate (non-cork)	NA
NA	NA	Financing the purchase of photovoltaic panels	Controlled renewable photovoltaic electrical energy (G.J)	12,672	13,172
Green Finance Framework – November 2022	Environmentally sustainable management of living natural resources and land use	Refinance the acquisition, plantation, maintenance and management of cork oak forests using new silviculture models based on drip irrigation	Intervened forest estates under management (ha)	0	0
			Cork oak trees planted (nr)	0	0
Green Finance Framework – November 2022	Environmentally sustainable management of living natural resources and land use	Refinance/ finance the acquisition, planting, maintenance and management of cork oak forests using new forestry models based on drip irrigation	Intervened forest estates under management (ha)	0	0
			Cork oak trees planted (nr)	0	0



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CorkNova é uma tecnologia de tratamento dos discos de cortiça natural aplicados em rolhas para vinhos efervescentes e tranquilos que permite atingir uma *performance* de TCA não detetável nestes produtos.

5 – European Union Taxonomy

The adaption of adoption of the European Green Deal in 2019, the European Union (EU) has set in motion the classification of more sustainable investments. The EU Environmental Taxonomy (Taxonomy) seeks to enlighten companies, capital markets and policy issuers about which economic activities make the biggest contribution to achieving the EU's environmental objectives, in order to improve the flow of funds to these activities. The goal is to achieve carbon neutrality in the EU by 2050.

The Taxonomy Regulation (2020/852¹) states that an economic activity, to be environmentally sustainable, must ¹⁾ contribute to at least one, of the six environmental objectives identified in that Regulation (climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems); ²⁾ not significantly harm any of the other five objectives and ³⁾ comply with minimum social safeguards, on human rights, corruption, taxation and fair competition.

Only the technical assessment criteria for two of the six environmental objectives have been defined: climate change mitigation and climate change adaptation. The criteria are described in the Climate Delegated Act (2021/2139²), published in 2021, which was subsequently complemented by a Complementary Delegated Act (2022/1214³) on certain activities related to nuclear energy and gas. The criteria will be subject to periodic review.

The Taxonomy Regulation defines a set of key performance indicators (KPIs) associated with economic activities considered to be environmentally sustainable, which non-financial companies must disclose: the proportion of their turnover (turnover KPI), the proportion of their capital expenditure (Capex KPI) and the proportion of their operating expenditure (Opex KPI). The Article 8 Delegated Act, determines which contents, methodology and information must be disclosed by companies as defined by the EU Taxonomy.

In 2022, non-financial companies had to disclose only the proportion of eligible and non-eligible economic activities regarding those three indicators, as well as certain qualitative information. From 2023 onwards, non-financial companies will also have to report alignment for the same indicators. In other words, in addition to eligible activities, they must comply with technical criteria applicable to the environmental objective for which they are concurring; comply with the “Do no significant harm” criteria, which make it possible to assess whether the economic activity does not harm other environmental objectives and comply with minimum social safeguards.

Corticeira Amorim began to disclose its eligible activities in 2021, which, in 2022, were also assessed in terms of alignment with the EU Taxonomy.

5.1 ELIGIBILITY

For a given activity to be considered eligible under the EU Taxonomy it must appear in the Delegated Acts concerning environmental objectives (currently only climate objectives are regulated).

Corticeira Amorim is the world's largest cork processing group. Cork processing activity is not included in the Climate Delegated Act and is therefore currently considered to be ineligible for the EU Taxonomy. However, the Group develops the business activity of manufacturing insulation products, which is included in the Climate Delegated Act (activity 3.5) and presents a set of investments in other activities that are also referred in the Delegated Act.

Activity	Turnover	Capex and/or Opex
1.3 Forest management		X
3.5 Manufacture of energy efficient equipment for buildings	X	X
4.20 Cogeneration of heat/cool and power from bioenergy		X
4.24 Production of heat/cool from bioenergy		X
5.2 Renewal of water collection, treatment, and supply systems		X
5.4 Renewal of waste water collection and treatment		X
5.9 Material recovery from non-hazardous waste		X
6.5 Transport by motorbikes, passenger cars and light commercial vehicles		X
7.2 Renovation of existing buildings		X
7.3 Installation, maintenance and repair of energy efficiency equipment		X
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)		X
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling the energy performance of buildings		X
7.6 Installation, maintenance and repair of renewable energy technologies		X
7.7 Acquisition and ownership of buildings		X
9.1 Close to market research, development and innovation.		X

EU Taxonomy-eligible economic activities comply with the description according to Annexes I and II of the Delegated Act, which means they are eligible for both environmental objectives. However, calculation of the KPIs was attributed to climate change mitigation, since the contribution to climate change adaptation is less expressive.

In relation to the provisions of the Complementary Delegated Act concerning certain energy activities (nuclear and fossil gas), Corticeira Amorim has no economic activities that fall under this regulation.

1 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a regime for the promotion of sustainable investment

2 Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021

3 Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022

5.2 ALIGNMENT

According to the EU Taxonomy, to be qualified as aligned, an economic activity must make a substantial contribution (SC) to at least one of the defined environmental objectives (mitigation and/or adaptation to climate change), and do no significant harm (DNSH) to the achievement of any of the other environmental objectives of the EU Taxonomy and occur in compliance with minimum social safeguards.

For each economic activity, Corticeira Amorim carried out a SC assessment. Once the activities make a substantial contribution to one of the environmental objectives identified, they should not harm any of the other objectives, and therefore the DNSH criteria were analysed. It should be noted that the DNSH criteria referring to the Appendices (A, B, C and D) were analysed taking into account criteria which are transversal to the entire Group, as well as the minimum social safeguards.

5.2.1 SUBSTANTIAL CONTRIBUTION AND NO SIGNIFICANT HARM

This section briefly describes the analysis of alignment to the SC and DNSH criteria identified in the Climate Delegated Act. These conclusions are based on the best knowledge available at the time of the analysis of these criteria.

Activity 1.3 - Forest management	Corticeira Amorim is the world's leading cork manufacturer and, for this reason, contributes to the exploration and maintenance of cork oak forests, which currently occupy a total area of 2,100,000 ha. The Company also owns an area of 8,181 ha, where it intends to promote and disseminate new planting techniques, which will enable more efficient and resilient management of the cork oak forest, to cope with the expected climate scenarios. This activity is considered eligible, although it has not yet been possible to assess its alignment. Within the scope of this activity, the Group considered in its Capex KPI the acquisition of forest land, as well as other investments supporting forest management, in particular cork harvesting machines and other equipment and land preparation.
Activity 3.5 - Cogeneration of heat/cool and power from bioenergy	Corticeira Amorim has a vast portfolio of products, aimed at different markets and objectives, produced using cork, in particular floor and wall covering materials, insulation and energy-efficient composite cork for use in structures and buildings. For the technical assessment of the SC criteria: i) insulating products with a lambda value equal to or lower than 0.06 W were considered to be aligned; ii) the remaining products, endowed with energy efficiency, were considered eligible, but not aligned. Regarding the DNSH criteria: i) For criteria relating to objectives 2, 3 and 6, see below justification of compliance with the criteria. For objective 4 (Transition towards a circular economy), compliance with the DNSH criteria is confirmed. The turnover associated with this activity corresponds to sales of eligible/aligned products. The Capex and Opex associated with this activity correspond to investments related to the production of eligible/aligned insulation products.
Activity 4.20 - Cogeneration of heat/cold and electricity from bioenergy	Corticeira Amorim uses biomass (mainly cork powder) as the main source of energy for the production of heat and electricity. Cork powder is generated endogenously in production. The Company considers that the forest biomass used meets the criteria set out in Article 29, paragraphs 6 and 7 of EU Directive 2018/2001, in that the risks of using forest biomass from non-sustainable production are minimised. The Company considers that, after analysis of the SC and DNSH criteria, the business activity is in line with Taxonomy. The Opex associated to this activity corresponds to the operating expenses related to maintenance and repair of turbines.
Activity 4.24 - Production of heat/cool from bioenergy	Corticeira Amorim uses biomass (mainly cork powder) as the main source of energy for heat production. The cork powder is generated endogenously in production. The Group owns several installations for producing energy in the form of heat/cold from biomass. The forest biomass used meets the criteria set out in Article 29, paragraphs 6 and 7 of Directive 2018/2001, in that the risks of using forest biomass from non-sustainable production are minimised. The Company considers that, after analysis of the SC and DNSH criteria, the business activity is in line with the EU Taxonomy. The Capex and Opex associated with this activity correspond to investments and operating expenses related to repairs and maintenance and improvement of equipment and technology.
Activity 5.2 - Renewal of water collection, treatment and supply systems	Most of the water used by Corticeira Amorim is sourced from groundwater, the rest is obtained from the third-party water. Therefore, the renewal of water collection, treatment and supply systems, including the renewal of water collection, treatment and distribution infrastructures to meet the Group's industrial needs is part of the Organisation's activity, and the renovation and optimisation of these systems allows an increase in their energy efficiency, reducing the system's net energy consumption. It has not yet been possible to confirm the alignment of the SC and DNSH technical criteria defined in the Delegated Act, so this activity is considered not aligned with the EU Taxonomy. The Opex associated to this activity corresponds to the operating expenses related to maintenance and repair actions of the capture systems.
Activity 5.4 - Renewal of waste water collection and treatment	In terms of treatment, the larger industrial facilities collect and treat wastewater in their own industrial water treatment plants (WWTP). Corticeira Amorim continuously invests in the optimisation of the WWTPs. This activity replaces the more GHG intensive treatment systems (such as septic tanks and anaerobic lagoons). By the technical assessment of the SC and DNSH criteria defined in the Delegated Act, this activity is considered to be aligned with the EU Taxonomy. The Capex associated with this activity corresponds to the works performed in the WWTPs, and the Opex to the costs associated with maintenance/repair.
Activity 5.9 - Material recovery from non-hazardous waste	In the industrial units licensed in the Portuguese territory for recycling materials, Corticeira Amorim receives cork stoppers and other end-of-life cork applications, as well as by-products from other industries (materials that result from industrial symbiosis), for treatment and grinding. After being transformed into granules, the material returns to the production process and is incorporated into products of the Composite Cork, Floor and Wall Coverings and/or Insulation Cork Business Units (BU), as appropriate. By the technical assessment of the SC and DNSH criteria defined in the Delegated Act, this activity was classified to be aligned with the EU Taxonomy. The Capex associated to this activity corresponds to investments in equipment, and Opex to maintenance and repair costs.
Activity 6.5 - Transport by motorbikes, passenger cars and light commercial vehicles	Corticeira Amorim makes use of car rental services to carry out its activities. This activity results from the renting vehicles and excludes right-of-use assets. It was not possible to assess the technical compliance with all the SC and DNSH criteria defined in the Delegated Act. Thus, the business activity was classified as eligible, but not aligned with the EU Taxonomy. In 2022, the operating expenses incurred with the lease of hybrid and/or electric vehicles were considered as Opex associated to this activity.

Activity 7.2 - Renovation of existing buildings	Corticeira Amorim made a significant set of investments (Capex) associated with the renovation of buildings and civil engineering works. The Company considered these investments as non-aligned, as it was not possible to assess the technical compliance with all the SC and DNSH criteria defined in the Delegated Act.
Activity 7.3 - Installation, maintenance and repair of energy efficiency equipment	Corticeira Amorim made a diverse range of investments (Capex) in air conditioning, lighting, windows and other energy efficient equipment. The Company considered these investments to be aligned with the EU Taxonomy.
Activity 7.4 - Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	The Organisation has its own electric vehicle charging stations on its premises, having made investments in this type of equipment during fiscal year 2022. This activity was considered to be aligned with the EU Taxonomy.
Activity 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	During fiscal year 2022, Corticeira Amorim made a set of investments (Capex) associated with energy management systems for buildings (SGEE) and energy management systems (SGE). The investments were considered to be aligned with the EU Taxonomy.
Activity 7.6 Installation, maintenance and repair of renewable energy technologies	The Capex reported for this activity is associated with investments made in projects for the installation of photovoltaic panels in the Company's different BUs, which were considered to be aligned with the EU Taxonomy.
Activity 7.7 Acquisition and ownership of buildings	The Opex reported for this activity is associated with operating expenses with real estate rentals. This activity was considered eligible, but not aligned, as it was not possible to assess the technical compliance with all the SC and DNSH criteria defined in the Delegated Act.
Activity 9.1 Close to market research, development and innovation	Corticeira Amorim has a solid commitment and significant investments in R&D+i (research, development and innovation) across all BUs. These investments are aimed at enhancing the value of cork in a competitive, innovative and sustainable way. During fiscal year 2022, the Company developed a set of projects and initiatives that contributed to the reduction of GHG emissions of its activities. Only some of the operating expenses related to R&D+i projects contributing to climate change mitigation were considered in the analysis of eligibility and alignment.

Application of the DNSH criteria related to the Appendices of Annex I to the Delegated Act Climate

Adaptation to climate change (Appendix A)

The Group conducted an analysis of different types of risk whose occurrence could have an impact on Corticeira Amorim's business in the future and analysed the climatic risks. The risk of forest fires and water stress were identified as the most relevant physical climate risks for the Group's activities. Corticeira Amorim already has an overview of the different physical risks, related to nature and climate, for each of the establishments and respective locations. Based on Appendix A of the Climate Delegated Act (Mitigation Annex), the Classification of Climate-Related Hazards table, an assessment of physical climate risks was carried out using the ThinkHazard! tool, which identifies the greatest physical hazards to which certain locations are exposed, classifying them by risk levels and also offering recommendations on solutions to adapt to them. Although we do not yet carry out an assessment of the impact of physical risks through climate scenarios, we plan to do so in the future in order to obtain a more rigorous evaluation.

Regarding adaptation solutions, Corticeira Amorim already develops several initiatives that promote the adaptation of its forests to the risks that threaten them. For example: the Forestry Intervention Project (FIP) aims to preserve cork oak trees and cork oak forest ecosystems, through programmes that promote their resistance to drought, pests and diseases and increase their survival rate. Further information on Corticeira Amorim's risk analysis (physical and transitional) can be found in chapters 2.3 Risks and opportunities and in Chapter 9 Alignment with the TCFD.

Sustainable use and protection of water and marine resources (Appendix B)

Water is essential for socio-economic development, the maintenance of healthy ecosystems, the sustainability of the planet and human survival. Aware of the need to preserve this fundamental resource for the planet, Corticeira Amorim has an approach based on three pillars: reduction of consumption, treatment and hydrological regulation. With regard to consumption, Corticeira Amorim has established for 2021-2024 the goal, in its activities in Portugal, of reducing the intensity of water consumption by 1%/year, through a set of actions to be implemented during this period. In 2021, it began an audit of all facilities in Portugal with a view to gauging a common methodology for determining water consumption. Additionally,

a list was drawn up with several actions, based on the best practices among the business units. Another example is the adoption of some good practices of ISO 46001 - Water Efficiency Management Systems, in particular the creation and monitoring of performance indicators for the main water consumers, and listing the variables that influence water consumption per process, especially in intensive consumption areas.

The identification and mitigation of the risks of environmental degradation, linked to the preservation of water quality and prevention of water stress, are processes incorporated into the Organisation's Environmental Management System. When applicable, due analyses are made to assess the chemical, ecological and quantitative status of the water bodies used. The Aqueduct Water Risk Atlas (wri.org) tool is used to characterise water stressed areas.

In Portugal, the legal regime for Environmental Impact Assessment (EIA) is defined by Decree-Law No. 152-B/2017, of 11 December, which transposes into national legal order Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment, now amended by Directive 2014/52/EU. The Water Law, which transposes the Water Framework Directive (Directive 2000/60/EC of the European Parliament and of the Council, of 23 October 2000) into national legislation, is established by Law 58/2005, of 29 December. Corticeira Amorim diligently complies with national legislation in all its activities and an assessment of legal compliance is carried out annually by external verifying entities. There were no significant cases of non-compliance with environmental laws and regulations during the reporting period (Chapter 8 Table GRI/ 2-27).

Prevention and control of pollution with regard to the use and presence of chemicals (Appendix C)

In order to ensure that Corticeira Amorim's operations and products meet all the guarantees of quality, safety and hygiene, the Group has a set of external certifications that attest to compliance with the specific requirements of different sectors and markets. These include the management system for cork stopper practices, quality, environment, energy, food safety, forest products and chain of custody, occupational health and safety and social responsibility (Chapter 2.5 Management Systems). Amorim Cork Insulation uses 0% additives in its insulation products, which are simultaneously 100% natural, recyclable, reusable and long-lasting, and 100% of its flooring and wall coverings are certified for indoor air quality and contribute towards sustainable construction certifications, LEED/BREEAM. It should also be noted that Corticeira Amorim's products are subject to tests, as well as voluntary and compulsory audits, which guarantee the maintenance of high standards of quality and safety. Corticeira Amorim does not use, manufacture or place on the market substances listed in Appendix C, except in cases where it considers them to be indispensable for the operation of the business activity and/or, to the best of its knowledge, there are no available products that are more acceptable from the environmental and health points of view than those currently used.

Protection and restoration of biodiversity and ecosystems (Appendix D)

Corticeira Amorim integrates the conservation of biodiversity into its management model and annually implements various actions to maintain and increase the areas of cork oak forest, taking care to promote the conservation of the respective natural and socio-cultural values. The Company promotes Forest Stewardship Council (FSC®) certification and maintains a medium to long-term partnership relationship with cork suppliers.

As part of its commitment to the conservation of biodiversity and nature, Corticeira Amorim joined act4nature Portugal, a business initiative, promoted by BCSD Portugal, in which member companies make common and individual commitments to the conservation of biodiversity and ecosystem services. In addition to implementing the ten common commitments of act4nature Portugal, Corticeira Amorim strengthens its commitment through a set of individual SMART commitments, including:

- Include biodiversity protection in the Code of Business Ethics and Professional Conduct;
- Develop actions for the promotion of cork oak forests, its biodiversity and ecosystem services;
- Expand knowledge about the environmental impact of cork products and the ecosystem they support;
- Promote biodiversity in the value chain;
- Encourage the integration of biodiversity in the production process; reduce impacts in the production process;
- Increase the efficient management of resources;
- Maintain a proactive role in developing the already vast field of application of cork in order to guarantee the sustainability of the cork oak forest and associated biodiversity; carry out initiatives to raise awareness among employees on the issue of biodiversity;

- Report publicly on the monitoring of commitments made.

The European Union's EIA directive (Directive 2011/92/EU) is implemented in Portugal by Decree-Law No. 152-B/2017, of 11 December, which assesses the effects of certain public and private projects on the environment. Corticeira Amorim diligently complies with national legislation and the requirements claimed in all its activities.

5.2.2 MINIMUM SAFEGUARDS

The definition of Minimum Safeguards, introduced by Article 18 of the Taxonomy Regulation, implies the alignment of a company with:

- OECD Guidelines for Multinational Enterprises,
- UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work,
- International Bill of Human Rights.

In other words, according to the EU Taxonomy, for an activity to be considered environmentally sustainable, an activity must also ensure that it safeguards social issues. As a way to support companies in understanding the requirements to meet this criterion, the European Commission's Sustainable Finance Platform on published the Final Report on Minimum Safeguards, which indicates how companies should address the issues of Human Rights, Corruption, Taxation and Fair Competition. Until the European Commission transmits the official requirements, the compliance with Minimum Safeguards is analysed based on Article 18 of the Taxonomy Regulation and the Final Report on Minimum Safeguards. In this context, it should be noted that Corticeira Amorim is governed by a solid set of internal regulations and policies which, associated with the Company's Articles of Association and Code of Business Ethics and Professional Conduct, reinforce Corticeira Amorim's position in relation to sustainable development.

Respect for Human Rights is assumed as a structural principle of all the Group's activity. This principle is embodied in the Human Rights Policy, in which the Company undertakes to build and foster a framework of respect for the fundamental values of Human Rights and Labour, of an imperative nature for the entire Company, but also progressive, in the sense that it is intended that these values should spread to the other stakeholders. In particular, the Group is against arbitrary detention, torture or execution and in favour of human dignity, non-discrimination, equal rights, safety and well-being, education, personal and professional development and freedoms of conscience, religion, organisation, association, opinion and expression. In 2022, under the training plan, 2,660 employees underwent training in the Code of Business Ethics and Professional Conduct, covering the referred topics. This training plan will continue to be implemented in 2023.

Recognising the impact that its supply chain can have, two fundamental instruments were developed: the Purchasing Policy and the Code of Ethics and Conduct for Suppliers. The Purchasing Policy defines a set of objectives to be followed in order to evaluate and select new suppliers based on economic, social, ethical and environmental criteria. The Code of Ethics and Conduct for Suppliers mirrors the culture of the Organisation and defines the appropriate behaviour with regard to ethical, social

and environmental conduct that Corticeira Amorim expects of its suppliers of goods and services. Corticeira Amorim favours contracting suppliers that adhere to the Code of Ethics and Conduct for Suppliers, and may terminate the relationship with suppliers that do not comply with internationally recognised Human Rights and/or allow any breach of those rights within their industrial and/or commercial operations.

In addition to these instruments, there are several procedures in the purchase of materials that guarantee the mitigation of potential impacts. Purchases of cork and cork products, where applicable, are made preferably from suppliers who follow the CIPR and 95% of cork purchases in 2022 were sourced locally: Portugal and Spain. These are also regions considered controlled origin, i.e. low risk for all five categories of unacceptable sources under the FSC® controlled wood system.

The acquisition of non-cork products includes pre-qualification, qualification and evaluation of suppliers. Suppliers are subject to an audit programme, which takes place annually, according to the following criteria: supplier performance in the previous year; criticality of the products or services supplied; in the case of new suppliers: quality, environmental and social aspects. After each audit, the suppliers' performance is evaluated in order to validate the criteria necessary for qualification and identification of non-conformities. When non-conformities are identified, an action plan is requested and, depending on the seriousness of the non-conformities, follow-up audits and verification of mitigation measures are carried out. There may be room to collaborate with the supplier in order to resolve the non-conformities or, as a last resort, to find alternatives to the supplier.

Also in this regard, Corticeira Amorim is developing an internal Human Rights Due Diligence process with the aim of strengthening its practices and commitments related to its operations.

Furthermore, Corticeira Amorim has an Internal Procedure for Reporting Irregularities and makes available on its website an Internal Communication Form, through which any person or entity may report an infraction within the scope of their professional/commercial relationship with the Company.

To manage Corruption issues, and as a complement to the Code of Business Ethics and Professional Conduct, the following instruments were developed: Plan for the Prevention of Risks of Corruption and Related Infractions and the Anti-Corruption Code of Conduct which, as a whole, define and regulate the behaviour and measures to be adopted by Corticeira Amorim and its stakeholders. The Risk Prevention Plan for Corruption and Related Infractions analyses and classifies, for each entity and area of the Group, the potential risks of corruption or associated infractions, systematises the measures already in place to prevent these risks, as well as the corrective measures to reduce the probability of occurrence and impact of the risks and situations identified. In 2022, specific training was given to managers on this subject. On taxation, the Tax Policy was formalised, in which a commitment is made to maintain procedures for the prevention and detection of illegal practices in financial and accounting matters, including money laundering or financing of terrorism, by employees or third parties, and in which a commitment is made to implement good practices in tax and social security matters, considering any form of fraud as reprehensible. To learn more about Corticeira Amorim's approach to tax, please see Chapter 2.9 Approach to tax.

Finally, regarding fair competition, the Company develops a dynamic and loyal competitive practice, respecting the competition legislation, in particular regarding the prohibition of restrictive practices and the discipline applicable to company mergers. Furthermore, the Company and its employees undertake both to respect competing companies and their representatives, refraining from any practice that promotes unfair competition and, in particular, to respect the confidentiality of information and the intellectual property of entities related to the Company and to refrain from abusing dominant positions in the negotiation and management of contracts.

During 2022, no convictions were identified in the four areas mentioned above. In summary, Corticeira Amorim, based on its internal codes, policies and procedures manages and prevents the different risks associated with the topics of Human Rights, Corruption, Taxation and Fair Competition.

5.3 KPI CALCULATION

In accordance with the requirements of the Climate Delegated Act article 8, companies must report KPIs in three separate tables, each referring to one indicator - turnover, Capex and Opex. A summary of the results is presented below:

KPI eligibility and alignment	Total (K€)	Eligible and aligned (%)	Eligible and non-aligned (%)	Not eligible (%)
Turnover	1,021,391	3.9%	4.1%	92.0%
Capital expenditure (capex)	98,953	9.3%	28.3%	62.4%
Operating expenditure (opex)	30,475	4.5%	1.3%	94.1%

5.3.1 TURNOVER

Economic activities	Code	Absolute turnover	Proportion of turnover	Criteria for substantial contribution						
				(1)	(2)	(3)	(4)	(5)	(6)	
				%	%	%	%	%	%	
		K€	%	%	%	%	%	%	%	
A. Taxonomy-eligible Activities										
A.1. Taxonomy-aligned activities										
3.5 Manufacture of energy efficient equipment for buildings	16.29	39,694	4%	100%						
Turnover from Taxonomy-aligned activities (A1)		39,694	4%	100%						
A.2 Taxonomy-eligible activities, but not Taxonomy-aligned activities (A2)										
3.5 Manufacture of energy efficient equipment for buildings	16.29	41,661	4%							
Taxonomy-eligible activities, but not Taxonomy-aligned activities (A2)		41,661	4%							
Total (A.1 + A.2)		81,355	8%							
B. Taxonomy non-eligible activities										
Turnover from Taxonomy non-eligible activities (B)		940,036	92%							
Total (A + B)		1,021,391	100%							

5.3.2 CAPEX

Economic activities	Code	Absolute Capex	Proportion of Capex	Criteria for substantial contribution						
				(1)	(2)	(3)	(4)	(5)	(6)	
				%	%	%	%	%	%	
		K€	%	%	%	%	%	%	%	
A. EU Taxonomy-Eligible Activities										
A.1. Taxonomy-aligned Activities										
3.5 Manufacture of energy efficient equipment for buildings	16.29	180	0%	100%						
4.24. Production of heat/cold from bioenergy	35.11	1,461	1%	100%						
5.4 Renewal of waste water collection and treatment	37	62	0%	100%						
5.9 Material recovery from non-hazardous waste	38.32	537	1%	100%						
7.3 Installation, maintenance and repair of energy efficient equipment	43.2	43	0%	100%						
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	27	22	0%	100%						
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	43	43	0%	100%						
7.6 Installation, maintenance and repair of renewable energy technologies	35.11	6,786	7%	100%						
9.1 Close to market research, development and innovation	72.1	73	0%	100%						
Capex of Taxonomy-aligned activities (A1)		9,207	9%							
A.2 Taxonomy-eligible activities, but not Taxonomy-aligned activities (A2)										
1.3 Forest management	02.30	23,654	24%							
3.5 Manufacture of energy efficient equipment for buildings	16.29	2,588	3%							
7.2 Renovation of existing buildings	43	1,551	2%							
9.1 Close to market research, development and innovation	72.1	251	0%							
Capex of Taxonomy-eligible activities but not Taxonomy-aligned activities (A2)		28,044	28%							
Total (A.1 + A.2)		37,250	38%							
B. Taxonomy non-eligible activities										
Capex of Taxonomy non-eligible activities (B)		61,703	62%							
Total (A + B)		98,953	100%							

5.3.1 TURNOVER

DNSH										
(1)	(2)	(3)	(4)	(5)	(6)	Minimum Safeguards	Turnover aligned to EU Taxonomy, year N	Turnover aligned to EU Taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	Y	Y	Y	Y	Y	Y	4%		E	
							4%		4%	

5.3.2 CAPEX

DNSH										
(1)	(2)	(3)	(4)	(5)	(6)	Minimum Safeguards	Proportion of Capex aligned to EU Taxonomy, year N	Proportion of Capex aligned to EU Taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	Y	Y	Y	Y	Y	Y	0%		C	
	Y	Y		Y	Y	Y	1%			
	Y	Y		Y	Y	Y	0%			
	Y				Y	Y	1%			
	Y			Y		Y	0%		C	
	Y					Y	0%		C	
	Y					Y	0%		C	
	Y					Y	7%		C	
	Y	Y	Y	Y	Y	Y	0%		C	
							9%		7%	

5.3.3 OPEX

Economic Activities	Code	Absolute Opex	Proportion of Opex	Criteria for substantial contribution					
				(1)	(2)	(3)	(4)	(5)	(6)
		K€	%	%	%	%	%	%	%
A. Taxonomy Eligible Activities									
A.1. Taxonomy-aligned Activities									
4.20. Cogeneration of heat/cool and power from bioenergy	35.11	37	0%	100%					
4.24. Production of heat/cold from bioenergy	35.11	889	3%	100%					
5.4 Renewal of waste water collection and treatment	37	17	0%	100%					
5.9 Material recovery from non-hazardous waste	38.32	268	1%	100%					
7.3 Installation, maintenance and repair of energy efficient equipment	43.2	37	0%	100%					
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings	43	31	0%	100%					
9.1 Close to market research, development and innovation	72.1	106	0%	100%					
Opex of Taxonomy-aligned activities (A1)		1,386	5%						
A.2 Taxonomy-eligible activities, but not Taxonomy-aligned activities (A2)									
5.2 Renewal of water collection, treatment and supply systems	37	41	0%						
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	49	41	0%						
7.7. Acquisition and ownership of buildings	68	287	1%						
9.1 Close to market research, development and innovation	72.1	28	0%						
Opex of Taxonomy-eligible but not Taxonomy-aligned activities (A2)		397	1%						
Total (A.1 + A.2)		1,783	6%						
B. Taxonomy non-eligible activities									
Opex of Taxonomy non-eligible activities (B)		28,692	94%						
Total (A + B)		30,475	100%						

DNSH										
(1)	(2)	(3)	(4)	(5)	(6)	Minimum Safeguards	Proportion of Opex aligned to EU Taxonomy, year N	Proportion of Opex aligned to EU Taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	Y	Y		Y	Y	Y	0%			
	Y	Y		Y	Y	Y	3%			
	Y	Y		Y	Y	Y	0%			
	Y				Y	Y	1%			
	Y			Y		Y	0%		E	
	Y					Y	0%		E	
	Y	Y	Y	Y	Y	Y	0%		E	
							5%			1%

Legend - Environmental Objectives

- (1) - Climate change mitigation
- (2) - Climate change adaptation
- (3) - The sustainable use and protection of water and marine resources
- (4) - The transition to a circular economy
- (5) - Pollution prevention and control
- (6) - The protection and restoration of biodiversity and ecosystems

5.4 DEFINITIONS AND ACCOUNTING POLICIES

5.4.1 TURNOVER

Definition and reconciliation

The proportion of turnover is calculated as the portion of annual net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator) divided by net turnover (denominator) within the meaning of Article 2(5) of Directive 2013/34/EU. Net turnover includes income recognised in accordance with International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) 1126/2008. In 2022, the denominator of the turnover ratio consists of total sales and services rendered, as presented in the consolidated income statement, excluding construction income from concession assets. The denominator can be reconciled with the total revenue presented in Note 8 of the Notes to the consolidated financial statements, and the related accounting policies are detailed in Note 2 of the same notes. The numerator corresponds to the amount of the denominator resulting from Taxonomy-aligned economic activities, detailed above in Chapter 5.2. Alignment.

Additional information

Analysis of annual turnover only covers the economic activities associated to revenue from sales and services rendered to third parties, since intra-group transactions are eliminated when drawing up the consolidated accounts. The amounts included in the numerator are considered according to their contribution to environmental objective 1. climate change mitigation, and there are no additional amounts to be included in the numerator only according to environmental objective 2. climate change adaptation.

5.4.2 CAPEX

Definition and reconciliation

The proportion of capital expenditure is defined as Taxonomy-aligned Capex (numerator) divided by total Capex (denominator).

In accordance with the Delegated Act of Article 8 of the EU Taxonomy, total Capex consists of the value of additions to tangible and intangible assets during the year, prior to consideration of depreciation, amortisation and any re-measurements, in particular those resulting from revaluations and impairments, and excluding changes in fair value. Additions of property, plant and equipment (IAS 16), intangible assets (IAS 38), right-of-use assets (IFRS 16), investment property (IAS 40) and biological assets (IAS 41) are included. Goodwill additions are not included.

The numerator is the part of the capital expenditure included in the denominator that:

- Is related to assets or processes associated with Taxonomy-aligned economic activities;
- Is part of a plan to expand Taxonomy-aligned economic activities or to enable Taxonomy-eligible economic activities to become Taxonomy-aligned activities; or
- It is related to the acquisition of the output of Taxonomy-aligned economic activities and to individual measures enabling the transformation of the activities concerned to low-carbon activities, or leading to reductions in greenhouse gas emissions, provided that these measures are implemented and operational within 18 months.

In 2022, the denominator of the Capex KPI consists of the total annual additions to tangible and intangible fixed assets, including right-of-use assets. The denominator can be reconciled with the total additions presented in notes 9, 10 and 11 of the notes to the consolidated financial statements, and the respective accounting policies are detailed in note 2 of the same notes. In 2022, the numerator corresponds to the part of the denominator associated with Taxonomy-aligned economic activities, detailed above in Chapter 5.2 Alignment, including activities intended for internal consumption of the Group, and also the acquisition of the production of Taxonomy-aligned economic activities.

Additional information

In order to be included in the numerator, the values of the denominator are first analysed to ascertain whether they are associated with the Group's Taxonomy-aligned economic activities.

In case they do not qualify as aligned activities of the Group, the amounts are assessed individually to verify whether they result from acquisition of the output of another Taxonomy-aligned economic activity. In such cases, investments were analysed, for which the suppliers provided the necessary information, to identify whether the respective eligible economic activity is Taxonomy-aligned, including compliance with the DNSH criteria and minimum safeguards, or otherwise for which it was possible to assess directly was considered.

5.4.3 OPEX

Definition

The proportion of operating expenditure is defined as the Taxonomy-aligned Opex (numerator), divided by total Opex (denominator). In accordance with the Delegated Act under Article 8 of the EU Taxonomy, total Opex consists of the direct costs not capitalised during the year relating to research and development, building refurbishment measures, short-term leases, maintenance and repair, and other direct expenditure associated with day-to-day servicing of fixed assets necessary to ensure their functioning.

The numerator corresponds to the part of operating expenses included in the denominator that:

- Is related to assets or processes associated with Taxonomy-aligned economic activities, including training and other adaptation needs of human resources;
- Is part of a plan to expand Taxonomy-aligned economic activities or to enable Taxonomy-eligible economic activities to become Taxonomy-aligned; or
- Is related to the acquisition of the output from Taxonomy-aligned economic activities and to individual measures enabling the transformation of the respective activities to low-carbon activities or leading to reductions in greenhouse gas emissions, provided that these measures are implemented and operational within 18 months.

The amounts are included in the consolidated profit and loss statement under External Supplies and Services (note 28) of the notes to the consolidated financial statements). Amounts under personnel costs are not included since they do not incorporate expenses of a nature that meets the definition of total Opex of the EU Taxonomy.

In 2022, the numerator corresponds to the part of the denominator associated with Taxonomy-aligned economic activities, detailed above in Chapter 5.2 Alignment, including activities intended for internal consumption of the Group, and also the acquisition of production from Taxonomy-aligned economic activities. Training costs are not included in the Opex KPI, since it is not foreseen to include them in the denominator.

Additional information

In order to be included in the numerator, the denominator values are first analysed to determine whether they are associated with the Group's Taxonomy-aligned economic activities.

In case they do not qualify as Taxonomy-aligned activities of the Group, the amounts are assessed individually to determine whether they result from the acquisition of the output from an Taxonomy-aligned economic activity. In such cases, the alignment is assessed based on the information made available by the suppliers or is assessed directly.

5.5 VOLUNTARY DISCLOSURES

Portugal has set itself the target of becoming carbon neutral by 2050. In this context, the country recognises the importance of forests to achieve this goal, due to their role in carbon sequestration. Given that the cork oak forest is a carbon sink, the production of cork products has the capacity to offset carbon emissions. For every ton of cork produced, the cork oak forest sequesters up to 73 tons of CO₂. In the case of the Naturity cork stopper the carbon balance may reach -288 gCO₂eq, when considering the carbon sequestration of cork oak forests and the emissions associated with its production.

Cork processing companies are a driving force in creating economic interest for cork oak forest owners to continue harvesting cork. Additionally, cork is a naturally sustainable product, given that no cork oak tree is cut during the harvesting process, that cork can be removed from the trunk of the cork oak tree every nine years without damaging the tree and that the cork oak tree can live for an average of 200 years. Based on this context, Corticeira Amorim considers that the business activity of producing cork stoppers, including activities to improve efficiency in the use of this raw material and research and development associated with its manufacturing process, has a positive environmental impact and contributes to the goal of transforming Portugal into a low carbon economy. Corticeira Amorim has also conducted several studies on the life cycle assessments of cork stoppers in various segments (still wines, sparkling wines and spirits) and concluded that all these stoppers have a negative carbon balance when considering the sequestration of cork oak forests and the emissions associated with their production.

The future EU forest strategy will promote the management of forests for environmental, social and economic sustainability. Portugal has one of the highest forest fire risk ratings in Europe, mainly due to lack of forest management. In 2017, more than 500,000 hectares burned, setting a record for the country's burnt area. Poorly managed forests and forests with high volumes of residual biomass, which act as fuel in excessively dry climates, represent an increased risk for the occurrence of forest fires, which highlights the importance of sustainable forest management. To reduce the probability of forest fires, specialists suggest planting species that are more resistant to fire, such as the cork oak tree (an evergreen tree belonging to the Phagaceae family - *Quercus suber* L, which also includes the chestnut and oak tree). Given the cyclical nature of cork production without deforestation, the cork oak tree can live for 200 years on average and can grow with minimal or no use of fertilisers, pesticides or pruning. In this context, investment in the maintenance and management of cork oak forests and in increasing the availability of cork has the potential to contribute to reducing the risk of forest fires in Portugal.

Corticeira Amorim voluntarily conducted the exercise of calculating Taxonomy indicators with the inclusion of the production of cork stoppers. For this exercise, it was considered that around 100% of production corresponds to revenue-generating activities specifically related to packaging technologies with low energy incorporation, which extend shelf life and reduce waste, and constitute the best alternative for clients who are looking for better quality and who wish to contribute to climate regulation. Corticeira Amorim uses technologies, throughout its entire cork stopper portfolio, aimed at improving the quality of stoppers by removing detectable TCA (trichloroanisole) and other compounds. The Company assessed, on a voluntary basis, the incorporation of the cork stoppers production activity in activity 3.6 of the Climate Delegated Act (Manufacture of other low-carbon emitting technologies). The inclusion of the values of the production activity of cork stoppers in the assessment of KPIs related to the EU Taxonomy would have the following results:

KPI eligibility and alignment	Total (K€)	Eligible and aligned activities (%)	Eligible and non-aligned activities (%)	Not eligible activities (%)
Turnover	1,021,391	47.4%	19.4%	33.1%
Capital expenditure (Capex)	98,953	32.9%	36.7%	30.5%
Operating expenditure (Opex)	30,475	39.9%	1.3%	58.8%

5.6 NEXT STEPS

During 2023, Corticeira Amorim will continue to develop procedures and actions to ensure an adequate response to the Taxonomy alignment criteria. These activities include:

- Follow up on updates concerning the remaining four environmental objectives;
- Analysis of potential extensions of the Taxonomy regulations to other activities and implementation of guidelines that may have a significant impact on the Group's eligibility classification and alignment in the future;
- Development of a Human Rights Due Diligence process to robust its practices and commitments related to its operations;
- Monitoring of updates of the analysis of the physical risks of its business activities and continuation of research into existing risks for its raw materials, as well as risks associated with climate change, thereby continuing the evaluation of possible mitigation measures, with the respective strategic mapping and forest adaptation projects.

6 – References and scope of the report

The 2022 Sustainability Report refers to the period from January 1, 2022 to December 31, 2022 and is integrated in Corticeira Amorim's Consolidated Annual Report 2022.

The previous reporting of sustainability information was approved by the General Meeting of Corticeira Amorim and published on the Company's website in April 2022 and relates to the period from January 1, 2021 to December 31, 2021.

6.1 REPORT FORMAT

This report notes Corticeira Amorim's approach to sustainable development and performance in 2022, focusing on environmental, social and governance aspects of sustainability. It has been prepared in accordance with the Global Reporting Initiative, the GRI Standards (GRI).

Corticeira Amorim has applied the GRI Guidelines in its Sustainability Report since 2016. The Company believes that this standard is the best way to present sustainability reporting in a transparent, accurate and reliable manner, being guided through various internal and external processes, including risk management (Chapter 2.3 Risks and opportunities), materiality assessment (Chapter 2.4 Definition of strategy) and engagement with stakeholders (Chapter 1.4 stakeholders).

Corticeira Amorim's performance in relation to the sustainability metrics defined under the Sustainable by nature programme is also reported (Chapter 3 Sustainable by nature programme), which may include topics and metrics different from those of the GRI.

To ensure better readability, the figures are sometimes rounded to zero or one decimal place. However, the calculations have been made considering the actual performance figures. In addition, progress on commitments made on a year-on-year or cumulative basis against a baseline year is reported.

6.2 COMPANIES INCLUDED IN THE CONSOLIDATION OF SUSTAINABILITY INDICATORS

Company	Location	Country	2022	2021
Raw materials				
Amorim Florestal, S.A. (former Amorim Natural Cork, S.A)	Vale de Cortiças – Abrantes	PORTUGAL	100%	100%
Amorim Florestal, S.A.	Ponte de Sor	PORTUGAL	-	100%
Amorim Florestal III, S.A.	Ponte de Sor	PORTUGAL	100%	100%
Amorim Florestal España, S.L.	San Vicente Alcántara	SPAIN	100%	100%
Amorim Florestal Mediterráneo, S.L.	Cádiz	SPAIN	100%	100%
Amorim Tunisie, S.A.R.L.	Tabarka	TUNISIA	100%	100%
Comatral - C. de Maroc. de Transf. du Liège, S.A.	Skhirat	MOROCCO	100%	100%
Cosabe - Companhia Silvo-Agrícola da Beira S.A.	Lisboa	PORTUGAL	100%	100%
Société Nouvelle du Liège, S.A. (SNL)	Tabarka	TUNISIA	100%	100%
Société Tunisienne d'Industrie Bouchonnière	Tabarka	TUNISIA	55%	55%
Cork Stoppers				
Amorim Cork, S.G.P.S, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
All Closures In, S.A.	Paços de Brandão	PORTUGAL	75%	75%
Amorim Cork, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
Amorim Bartop, S.A.	Vergada	PORTUGAL	75%	75%
Amorim Champcork, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
Amorim Top Series, S.A.	Vergada	PORTUGAL	75%	75%
Biocape - Importação e Exportação de Cápsulas, Lda.	Mozelos	PORTUGAL	60%	60%
Elfverson & Co AB	Paryd	SWEDEN	37.5%	75%
Francisco Oller, S.A.	Girona	SPAIN	98%	94%
Socori, S.A.	Rio Meão	PORTUGAL	100%	80%
Floor and Wall Coverings				
Amorim Cork Flooring, S.A.	S. Paio de Oleiros	PORTUGAL	100%	100%
Amorim Benelux, BV	Tholen	NETHERLANDS	100%	100%
Amorim Deutschland, GmbH	Delmenhorts	GERMANY	100%	100%
Amorim Subertech, S.A.	S. Paio de Oleiros	PORTUGAL	100%	100%
Amorim Flooring (Switzerland) AG	Zug	SWITZERLAND	100%	100%
Amorim Flooring North America Inc.	Hanover – Maryland	U.S.A.	100%	100%
Composite Cork				
Amorim Cork Composites, S.A.	Mozelos	PORTUGAL	100%	100%
Amorim Cork Composites, Inc.	Trevor – Wisconsin	U.S.A.	100%	100%
Amorim Sports, Lda.	Mozelos	PORTUGAL	70%	70%
Corkeen Europe	Mozelos	PORTUGAL	85%	85%
Insulation Cork				
Amorim Cork Insulation, S.A.	Vendas Novas	PORTUGAL	100%	100%
Holding Company				
Corticeira Amorim, S.G.P.S., S.A.	Mozelos	PORTUGAL	100%	100%
Amorim Cork Research, Lda.	Mozelos	PORTUGAL	100%	100%
Amorim Cork Services, Lda.	Mozelos	PORTUGAL	100%	100%
Amorim Cork Ventures, Lda.	Mozelos	PORTUGAL	100%	100%

Corticeira Amorim is a group of companies spread around the world and given the consequent difficulty in implementing uniform information gathering systems in smaller companies, the organisational boundaries of the consolidated sustainability statements (sustainability perimeter) differ from the organisational boundaries of the consolidated financial statements (financial perimeter).

In 2022, there were no changes in the universe of companies that make up the sustainability perimeter, whereas there were changes in the financial perimeter, as noted in Chapter 6 Companies, included in the consolidation of the Notes to the Consolidated Financial Statements.

Unless otherwise indicated, in 2022, the sustainability perimeter indicators represent, compared to the financial perimeter, 70% of consolidated sales, 77% of workers and 82% of the PU.

The environmental indicators of the agroforestry units (Cosabe, Amorim Florestal III and Herdade de Rio Frio) are not consolidated with the information included in this report, and separate information is being provided.

The organisational boundaries considered in the quantitative objectives for 2030 and the quantitative targets of the 2021-2024 plan, of the Sustainable by nature programme, are the Portuguese companies that are consolidated within the scope of this report (Portugal perimeter). These companies represent, compared to the financial perimeter: 63% of consolidated sales, 71% of workers and 64% of PU.

6.3 GHG EMISSIONS

Corticeira Amorim monitors its GHG emissions. To determine the categories to be monitored, the methodologies and assumptions to be applied, Corticeira Amorim regularly carries out an exhaustive corporate GHG inventory, using external experts. The last one was conducted in 2019 by EY, based on information from the year 2018, covered the activities developed in Portugal and was based on the GHG Protocol methodology (further information in the Sustainability Report 2018, available at <https://www.amorim.com/en/sustainability/reports/> and in Chapter 3.3.2 Climate Change).

Scope 1 and 2 emissions were calculated in accordance with the GHG Protocol, published by the WBCSD and World Resources Institute (WRI) and ISO 14064-1. Corticeira Amorim reports GHG emissions in CO₂eq and takes into consideration emissions from leaks from refrigeration systems and other electrical equipment.

To calculate CO₂eq emissions, the conversion factors used in audits under SGCIE, Order 17313/2008, were considered, as shown in the table below. The emissions associated with the burning of biomass are considered to be neutral, considering that there is reasonable confidence that the CO₂eq released (biogenic CO₂eq) was stored in the past by the product and is no more than a delayed emission.

The calculation of scope 1 GHG emissions includes fuel consumption in Corticeira Amorim's operations, in particular natural gas, propane gas, diesel, gasoline and biomass.

For scope 2 GHG emissions, Corticeira Amorim considers the electrical energy purchased using the market method and the location method. The energy consumed outside Portugal (around 7%) was assumed to be immaterial. Thus, the reference of the SGCIE was considered for the market method and the information available on the date of preparation of the report of the energy supplier(s) for the location method. The latter considers a weighted average of the first three quarters of the year 2022.

For scope 3 emissions, the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" was used and had as requirements the ISO 14064-1 Greenhouse gases - Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals (2018).

The source of information of the emission factors was the factors published by GHG Protocol and Defra - Department for Environment, Food & Rural Affairs. When not available, it was used the factors considered in the GHG emissions inventory 2018, conducted by EY in 2019, and which had the "Ecoinvent database 3.5" as reference.

The Sustainability Report, including information on Corticeira Amorim's GHG emissions, has been independently reviewed for the limited assurance engagement, carried out in accordance with the International Standard on Assurance Engagements (ISAE 3000, revised) which was conducted by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A., and the report is available in Chapter 10 Independent assurance report.

Energy conversion factors

	Unit measuring	Conversion factor
Natural gas	GJ/1000 m ³	37.9
Propane gas	GJ/t	46.65
Diesel	GJ/t	42.8
Gasoline	GJ/t	44.5
Biomass (cork powder)	GJ/t	15.7
Biomass (firewood)	GJ/t	11.6
Electrical energy (own production)	GJ/kWh	0.0036
Electrical energy (supplier - REC)	GJ/kWh	0.0036
Electrical energy (supplier)	GJ/kWh	0.0036

Emission factors

	Unit measuring	Emission factors
Natural Gas	kg CO ₂ /GJ	64.1
Propane Gas	kg CO ₂ /GJ	63
Diesel	kg CO ₂ /GJ	74
Gasoline	kg CO ₂ /GJ	69.2
Biomass (cork powder)	kg CO ₂ /GJ	0
Biomass (other)	kg CO ₂ /GJ	0
Electrical energy (own production)	kg CO ₂ /kWh	0
Electrical energy (supplier - REC)	kg CO ₂ /kWh	0
Electrical energy (supplier) - market method	kg CO ₂ /kWh	224.3
Electrical energy (supplier) - location method	kg CO ₂ /kWh	470.0

Biogenic emissions

In the production of energy from biomass, materials such as cork powder and other forest-based products can be used as an energy source, leading to a reduction in waste generation and indirect energy consumption in industrial processes. Given that, in its business activity, Corticeira Amorim reuses materials generated in its industrial processes for the production of energy through biomass, this process is within the borders analysed. Thus, the biogenic emissions that are generated by the incineration of the aforementioned materials in the biomass boiler for energy production were estimated and reported separately from the results of the GHG emissions inventory (Chapter 7 Consolidated sustainability indicators).

Carbon storage

Corticeira Amorim calculated the GHG removals associated with purchased forest-based materials that store carbon. The materials included in this analysis were only from external suppliers, to avoid double counting of materials, since one business unit may be the supplier of another business unit of Corticeira Amorim (Chapter 7 Consolidated sustainability indicators).

Carbon sequestration in cork oak forests

During the process of photosynthesis, atmospheric CO₂ is removed by trees. In most cases, the extraction process of forest-based products results in trees being felled. In a life cycle approach, carbon sequestration by these trees is considered to be temporary carbon storage, since carbon is only stored for a limited period (<100 years). The benefits of carbon sequestration by trees are therefore excluded. After extraction, a fraction of the carbon is temporarily stored in the product. This fraction is only considered to be permanent carbon storage if the biogenic carbon is released more than 100 years after it has been sequestered.

During cork harvesting, only the outer bark of the tree is removed. On the other hand, the cork extracted from the cork oak tree only represents 4% of the total sequestration of atmospheric CO₂ and has negligible impacts on the total carbon stored by the tree. The cork oak forest thereby acts as an important carbon sink, since cork oak trees are not felled during harvesting and can grow for more than 200 years.

Cork is the main raw material used by Corticeira Amorim in its production activities. Taking this context into consideration, Corticeira Amorim calculated the carbon sequestration of cork oak forests that can be indirectly attributed to the cork acquired by Corticeira Amorim, since the activities of the cork processing industry contribute to exploitation and maintenance of cork oak forests.

Carbon sequestration by cork oak forests varies according to various factors, such as tree density, soil and climate conditions. To account for the carbon sequestration potential of cork oak forests, data is collected on the cork acquired from external suppliers and an average carbon sequestration scenario, used in different corporate inventories of GHG emissions conducted by Corticeira Amorim, was used.

6.4 STANDARDISATION OF FACTORS

Except when mentioned, to standardise the environmental indicators, the consolidated sales of the sustainability perimeter were used and for the social indicators the number of employees was used. Values in euros can be presented in thousand euros (thousand euros = K euros = €000) or in million euros (million euros = M euros = €M).

	Reference	2022	2021	2020
Consolidated sales				
Sustainability perimeter (K€)	GRI 2-2	712,644	674,402	617,700
Financial perimeter (K€)	GRI 2-2	1,021,391	837,820	740,113
Sustainability perimeter (%)	GRI 2-2	70%	80%	83%

	Reference	2022	2021	2020
Employees				
Sustainability perimeter (Nr)	GRI 2-2	3,829	3,796	3,592
Financial perimeter (Nr)	GRI 2-2	4,999	4,642	4,357
Sustainability perimeter (%)	GRI 2-2	77%	82%	82%

6.5 INDEPENDENT VERIFICATION

External verification plays an important role in the reporting of sustainability information and provides stakeholders with assurance regarding Corticeira Amorim's performance. The Sustainability Report therefore has an independent limited assurance review, conducted in accordance with the International Standard on Assurance Engagements (ISAE 3000, revised) which was carried out by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A., and the report is available in Chapter 10 Independent assurance report.

Different teams in the BUs and the support divisions, in particular the sustainability division, collect the information relating to the selected KPIs and prepare the report in accordance with GRI and other applicable benchmarks. The Board of Directors, the CECA and CESG supervise drawing up the Sustainability Report and are informed of the recommendations resulting from the independent verification work. The Board of Directors approves the approach and scope of external verification of the Sustainability Report.

6.6 ADDITIONAL INFORMATION

The 2022 Sustainability Report and other information - including statutes, regulations and policies, report archives, case studies, supported associations, useful links and sustainability contacts - can be found at: <https://www.amorim.com/en/>.

7 – Consolidated sustainability indicators

7.1 ECONOMIC AND VALUE CHAIN

	Reference	2022	2021	2020
Direct economic value generated and distributed				
Economic value generated (K€)	GRI 201-1	1,034,630	842,171	748,287
Operating costs (K€)	GRI 201-1	690,303	548,884	474,396
Employees (K€)	GRI 201-1	182,950	146,098	138,054
Capital providers (K€)	GRI 201-1	46,715	39,580	28,550
State (K€)	GRI 201-1	23,581	19,729	15,321
Communities (K€)	GRI 201-1	361	225	381
Retained economic value (K€)	GRI 201-1	90,720	87,656	91,585
Contributions to local social security schemes (K€)				
	GRI 201-3	28,172	22,722	22,321
Average R&D+i investment (K€)				
		11,075	10,363	9,792

Purchases of cork and cork products				
Portugal and Spain (K€)	GRI 204-1	314,171	277,206	231,153
North Africa (K€)	GRI 204-1	15,048	12,782	14,845
Other locations (K€)	GRI 204-1	1,470	1,588	591
Total (K€)	GRI 204-1	330,689	291,577	246,589

Forestry Intervention Project				
Forest estates under management (HA)	GRI 304-1	8,181	6,326	3,076
Intervened forest estates under management (HA)	GRI 304-3	381	251	251
Planted cork oak trees (Nr)	GRI 304-3	154,610	100,400	100,400

Accumulated values

Notes:

The values shown in the indicator of direct economic value generated and distributed refer to the total perimeter. Revenues corresponds to the sum of the following items: sales and services provided, supplementary income, operating subsidies, own works, other operating income, financial income and gains and capital gains from real state (after deducting capital losses). Operating costs do not include depreciation. Investment in the community includes only the value of cash donations and does not include contributions and donations in kind.

For the purposes of this report, local origin is considered to be the geographies of Portugal and Spain and controlled origin is considered to be low risk for all five categories of unacceptable sources under the FSC® Controlled Wood System, which also covers cork, i.e. the geographies of Portugal and Spain.

Except when mentioned, all monetary values are stated in thousand euros (Thousand euros = K euros = €000) or in million euros (Million euros = M euros = €M).

7.2 Environmental

	Reference	2022	2021	2020
Energy consumption				
Natural gas (GJ)	GRI 302-1	35,224	44,889	54,878
Propane gas (GJ)	GRI 302-1	12,458	6,163	8,309
Gasoline (GJ)	GRI 302-1	406	481	304
Diesel (GJ)	GRI 302-1	34,488	34,979	31,298
Biomass (GJ)	GRI 302-1	1,210,409	1,301,858	1,075,032
Electrical energy (GJ)	GRI 302-1	522,886	541,494	468,294
Total (GJ)	GRI 302-1	1,815,871	1,929,864	1,638,115
Energy Intensity (GJ / €M)	GRI 302-3	2,548	2,862	2,652
Renewable energy				
Controlled (self-generated) (GJ)	GRI 302-1	1,227,101	1,308,392	1,075,032
Biomass - cork powder (GJ)	GRI 302-1	1,103,378	1,159,905	937,375
Biomass - other (GJ)	GRI 302-1	107,031	141,953	137,658
Photovoltaic (GJ)	GRI 302-1	12,672	500	
Cogeneration (GJ)	GRI 302-1	4,019	6,034	
Purchased from (GJ)	GRI 302-1	165,123	207,021	289,484
REC (GJ)	GRI 302-1	0	0	0
Network mix (GJ)	GRI 302-1	165,123	207,021	289,484
Total (GJ)	GRI 302-1	1,392,224	1,515,412	1,364,516
Renewable energy (%)	GRI 302-1	77%	79%	83%
Controlled renewable energy (%)	GRI 302-1	68%	68%	66%
Electrical energy				
Renewable (GJ)	GRI 302-1	181,815	213,555	289,484
Photovoltaic (GJ)	GRI 302-1	12,672	500	
Cogeneration (GJ)	GRI 302-1	4,019	6,034	
REC (GJ)	GRI 302-1	0	0	0
Grid mix (GJ)	GRI 302-1	165,123	207,021	289,484
Non-renewable (GJ)	GRI 302-1	341,072	327,940	178,810
Grid mix (GJ)	GRI 302-1	341,072	327,940	178,810
Total (GJ)	GRI 302-1	522,886	541,494	468,294
Renewable electrical energy (%)	GRI 302-1	35%	39%	62%
Controlled renewable Electrical energy (%)	GRI 302-1	3.2%	1.2%	0.0%
Energy consumption by country				
Portugal (GJ)	GRI 302-1	1,717,584	1,826,681	1,570,140
Germany (GJ)	GRI 302-1	1,767	1,737	1,271
Morocco (GJ)	GRI 302-1	5,753	5,118	6,675
Netherlands (GJ)	GRI 302-1	1,314	1,363	1,583
Spain (GJ)	GRI 302-1	53,407	67,294	31,549
Sweden (GJ)	GRI 302-1	11,289	4,583	4,168
Switzerland (GJ)	GRI 302-1	21	16	25
Tunisia (GJ)	GRI 302-1	10,388	9,941	8,415
USA (GJ)	GRI 302-1	14,349	13,132	14,288
Total (GJ)	GRI 302-1	1,815,871	1,929,864	1,638,115
Energy efficiency				
Number of measures (Nr)	GRI 302-4	69	91	101
Investment (K€)	GRI 302-4	1,126	1,930	2,113
Energy saved (GJ)	GRI 302-4	49,946	72,625	56,182
Energy efficiency (%)	GRI 302-4	2.8%	3.8%	3.4%

	Reference	2022	2021	2020
Energy consumption				
Portugal				
Energy consumption (GJ)	GRI 302-1	1,717,584	1,826,681	1,570,140
Controlled renewable energy (%)	GRI 302-1	69%	69%	66%
Controlled renewable electrical energy (%)	GRI 302-1	3.4%	1.3%	0.0%
Energy efficiency (%)	GRI 302-4	2.9%	4.0%	3.6%
GHG emissions (scope 1 and 2)				
Direct emissions (scope 1) (tCO ₂ eq)	GRI 305-1	5,687	5,898	6,432
Indirect emissions (scope 2) (tCO ₂ eq)	GRI 305-2	31,534	38,397	26,958
Total (scopes 1 and 2) (tCO₂eq)		37,221	44,294	33,390
Carbon intensity (tCO₂eq/€M)	GRI 305-4	52.2	65.7	54.1
GHG emissions (scope 1)				
Natural gas (tCO ₂ eq)	GRI 305-1	2,258	2,877	3,518
Propane gas (tCO ₂ eq)	GRI 305-1	785	388	523
Gasoline (tCO ₂ eq)	GRI 305-1	28	33	21
Diesel (tCO ₂ eq)	GRI 305-1	2,552	2,588	2,316
Biomass (tCO ₂ eq)	GRI 305-1	0	0	0
Other (tCO ₂ eq)	GRI 305-1	64	10	54
Total (tCO₂eq)	GRI 305-1	5,687	5,898	6,432
GHG emissions (scope 2)				
Market Method (tCO ₂ eq)	GRI 305-2	31,534	38,397	26,958
Location method (tCO ₂ eq)	GRI 305-2	66,087	69,842	61,138
Biogenic emissions and stored carbon				
Biogenic emissions (tCO ₂ eq)		135,566	145,808	120,404
Stored carbon (tCO ₂ eq)		281,663	318,161	306,961
GHG emissions (scope 3)				
Purchase of goods and services (tCO ₂ eq)	GRI 305-3	129,885	145,114	119,451
Upstream transportation and distribution (tCO ₂ eq)	GRI 305-3	31,417	22,558	30,642
Downstream transportation and distribution (tCO ₂ eq)	GRI 305-3	42,034	39,834	45,011
Employees commuting (tCO ₂ eq)	GRI 305-3	2,697	3,231	2,602
Business travel (tCO ₂ eq)	GRI 305-3	344	307	360
Waste generated in operations (tCO ₂ eq)	GRI 305-3	270	288	235
Total (tCO₂eq)	GRI 305-3	206,646	211,332	198,301
Avoided GHG emissions				
Biomass (tCO ₂ eq)	GRI 305-5	77,587	83,449	68,910
Photovoltaic (tCO ₂ eq)	GRI 305-5	1,164	36	0
Cogeneration (tCO ₂ eq)	GRI 305-5	1,016	433	0
Efficiency measures (tCO ₂ eq)	GRI 305-5	1,675	2,193	2,464
Total (tCO₂eq)	GRI 305-5	81,442	86,111	71,374

Reference	2022	2021	2020	
	Scope 1	Scope 2*	Scope 3	
GHG by country				
Portugal (tCO ₂ eq)	4,055	29,218	183,931	
Germany (tCO ₂ eq)	88	24	0	
Morocco (tCO ₂ eq)	83	97	241	
Netherlands (tCO ₂ eq)	72	12	0	
Spain (tCO ₂ eq)	373	1,500	13,098	
Sweden (tCO ₂ eq)	0	276	2,550	
Switzerland (tCO ₂ eq)	0	1	0	
Tunisia (tCO ₂ eq)	384	125	1,150	
United States of America (tCO ₂ eq)	632	279	5,675	
Total (tCO₂eq)	5,687	31,534	206,646	
*Market method				
GHG emissions				
Direct emissions (scope 1) (tCO ₂ eq)	GRI 305-1	5,687	5,898	6,432
Indirect emissions (scope 2)* (tCO ₂ eq)	GRI 305-2	31,534	38,397	26,958
Indirect emissions (scope 3) (tCO ₂ eq)	GRI 305-3	206,646	211,332	198,301
Total (tCO₂eq)		243,866	255,627	231,692
* Market Method				
Atmospheric emissions				
Particles (t)	GRI 305-7	85	66	65
Nitrogen oxide (NOx) (t)	GRI 305-7	129	125	122
Volatile organic compounds (VOCs) (t)	GRI 305-7	55	56	59
Water withdrawal				
Groundwater (m ³)	GRI 303-3	580,597	604,289	724,140
Third-party water (m ³)	GRI 303-3	51,107	50,020	45,976
Total (m³)	GRI 303-3	631,704	654,309	770,116
Water discharges (effluent)				
Discharge with treatment (m ³)	GRI 303-4	115,135	122,125	108,754
Discharge to be reused internally (m ³)	GRI 303-4	1,358	0	0
Other destinations (m ³)	GRI 303-4	37,901	41,706	9,760
Total (m³)	GRI 303-4	154,394	163,831	118,514
Water consumption				
Water withdrawal (m ³)	GRI 303-3	631,704	654,309	770,116
Water discharges (effluent) (m ³)	GRI 303-4	154,394	163,831	118,514
Water consumption (m³)	GRI 303-5	477,470	490,846	651,983
Water consumption intensity (m³/€M)	GRI 303-5	670	728	1056
Water consumption in high-risk water stress area				
Withdrawal (m ³)	GRI 303-3	319,042	209,938	205,231
Discharges (m ³)	GRI 303-4	77,439	49,335	25,670
Water consumption in high-risk water stress area (m³)	GRI 303-5	241,762	160,603	179,561
Water consumption in high-risk water stress area	GRI 303-5	51%	33%	28%
Water consumption in low-risk water stress area				
Withdrawal (m ³)	GRI 303-3	312,662	444,371	564,885
Discharges (m ³)	GRI 303-4	76,955	114,496	92,844
Water consumption in low-risk water stress area (m³)	GRI 303-5	241,762	329,875	472,041
Water consumption in low-risk water stress area (%)	GRI 303-5	49%	67%	72%
Water consumption				
Portugal				
Water withdrawal (m ³)	GRI 303-3	577,413	594,284	720,364
Water discharges (effluent) (m ³)	GRI 303-4	128,163	132,354	100,164
Water consumption (m³)	GRI 303-5	449,410	462,298	620,581
Water consumption intensity (m³/€M)	GRI 303-5	698	749	1094

	Reference	2022	2021	2020
Weight of materials				
Renewable virgin materials (%)	GRI 301-1	82%	82%	81%
Non-renewable virgin materials (%)	GRI 301-1	12%	12%	13%
Recycled materials (%)	GRI 301-2	6.2%	6.3%	6.3%
Change in weight of non-renewable virgin materials (%)		-2.7%	-10.6%	-12.2%
Weight of materials				
Portugal				
Renewable virgin materials (%)	GRI 301-1	79%	79%	80%
Non-renewable virgin materials (%)	GRI 301-1	15%	15%	16%
Recycled materials (%)	GRI 301-2	4.8%	5.1%	3.0%
Change in weight of non-renewable virgin materials (%)		-1.2%	-5.9%	0.7%
Recycled cork incorporated into production				
Total (t)	GRI 301-3	1,052	801	736
By sales volume (t/€M)	GRI 301-3	1.5	1.2	1.2
Weight of packaging materials				
Renewable virgin materials (%)	GRI 301-1	83%	87%	75%
Non-renewable virgin materials (%)	GRI 301-1	16%	13%	25%
Recycled materials (%)	GRI 301-2	1.2%	0.0%	0.0%
Weight of packaging materials				
Portugal				
Renewable virgin materials (%)	GRI 301-1	86%	89%	77%
Non-renewable virgin materials (%)	GRI 301-1	13%	11%	23%
Recycled materials (%)	GRI 301-2	1.3%	0.0%	0.1%
Industrial waste				
Recovered (t)	GRI 306-4	13,070	14,090	10,163
Eliminated (t)	GRI 306-5	1,642	1,060	1,095
Total (t)	GRI 306-3	14,712	15,151	11,257
Waste recovery rate (%)	GRI 306-4	89%	93%	90%
Industrial waste by sales volume* (t/€M)		20.6	22.5	18.2
Hazardous industrial waste				
Recovered (t)	GRI 306-4	239	210	324
Eliminated (t)	GRI 306-5	240	142	181
Total (t)	GRI 306-3	479	352	506
Hazardous industrial waste (%)	GRI 306-3	3.3%	2.3%	4.5%
Non-hazardous industrial waste				
Recovered (t)	GRI 306-4	12,831	13,880	9,838
Eliminated (t)	GRI 306-5	1,402	919	913
Total (t)	GRI 306-3	14,233	14,799	10,751
Non-hazardous industrial waste (%)	GRI 306-3	97%	98%	96%
Industrial waste				
Portugal				
Recovered (t)	GRI 306-4	12,653	13,531	9,697
Eliminated (t)	GRI 306-5	581	532	634
Total (t)	GRI 306-3	13,233	14,063	10,331
Waste recovery rate (%)		96%	96%	94%

Notes

The formula for calculating energy intensity, carbon intensity, water consumption intensity, recycled cork incorporated into production per sales volume and industrial waste by sales volume was adjusted and considers the consolidated sales of the sustainability perimeter in the denominator; in the case of the Portugal indicators, the sales of the Portugal perimeter are used.

Energy efficiency is measured by the proportion of savings obtained with implemented measures in the total annual consumption.

When the unit of measurement used is GJ, to convert to MWh, the values should be divided by 3.6.

When the unit of measurement is m³ of water, to convert into megalitres (ML), the values should be divided by 1000.

For classification of water stressed areas within the scope of this report, the Aqueduct Water Risk Atlas tool (wri.org), updated in January 2023, was used.

Water consumption = Water withdrawal - water discharge +/- water storage

REC - Renewable Energy Certificate.



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Packaging of granulated cork.

7.3 Social

	Reference	2022	2021	2020
Workers				
Workers (Nr)	GRI 2-7	3,829	3,796	3,592
By type of contract				
Permanent (Nr)	GRI 2-7	79%	78%	79%
Fixed term (Nr)	GRI 2-7	12%	11%	13%
Temporary workers (Nr)	GRI 2-7	9%	10%	8%
By type of employment				
Full time (Nr)	GRI 2-7	99,8%	99,6%	99,6%
Part-time (Nr)	GRI 2-7	0,2%	0,4%	0,4%
By gender				
Women (Nr)	GRI 2-7	26%	25%	24%
Men (Nr)	GRI 2-7	74%	75%	76%
By age				
<30 (Nr)	GRI 2-7	20%	16%	15%
30-50 (Nr)	GRI 2-7	49%	55%	55%
>50 (Nr)	GRI 2-7	31%	29%	30%
By geography				
Portugal (Nr)	GRI 2-7	88%	87%	87%
Rest of the world (Nr)	GRI 2-7	12%	13%	13%
Collective bargaining agreements				
Portugal (Nr)	GRI 2-30	3,038	2,940	2,869
Rest of the World (Nr)	GRI 2-30	254	260	253
Total (Nr)	GRI 2-30	3,292	3,200	3,122
Associativism				
Portugal (Nr)	GRI 2-30	430	443	454
Rest of the World (Nr)	GRI 2-30	122	137	132
Total (Nr)	GRI 2-30	552	580	586
Rate of new hires				
Number of new hires (Nr)	GRI 401-1	522	410	303
By age				
<30 (Nr)	GRI 401-1	42%	35%	28%
30-50 (Nr)	GRI 401-1	13%	10%	8%
>50 (Nr)	GRI 401-1	5%	3%	2%
By gender				
Women (Nr)	GRI 401-1	20%	11%	8%
Men (Nr)	GRI 401-1	13%	12%	10%
By geography				
Portugal (Nr)	GRI 401-1	14%	11%	8%
Rest of the World (Nr)	GRI 401-1	23%	21%	15%
Rate of new hires (%)	GRI 401-1	15%	12%	9%

	Reference	2022	2021	2020
Turnover rate				
Number of turnover (Nr)	GRI 401-1	426	341	404
By age				
<30 (Nr)	GRI 401-1	24%	17%	19%
30 to 50 (Nr)	GRI 401-1	11%	9%	9%
>50 (Nr)	GRI 401-1	9%	9%	14%
By gender				
Women (Nr)	GRI 401-1	12%	12%	15%
Men (Nr)	GRI 401-1	12%	9%	11%
By geography				
Portugal (Nr)	GRI 401-1	10%	8%	11%
Rest of the World (Nr)	GRI 401-1	27%	20%	22%
Turnover rate (%)	GRI 401-1	12%	10%	12%
Employees with performance evaluation (%)	GRI 404-3	57%	55%	47%
Average hours of training				
By employment contract				
Employees (Nr)	GRI 404-1	18	15	13
Temporary workers (Nr)	GRI 404-1	40	38	45
By gender				
Women (Nr)	GRI 404-1	22	21	15
Men (Nr)	GRI 404-1	19	17	12
By geography				
Portugal (Nr)	GRI 404-1	20	19	17
Rest of the World (Nr)	GRI 404-1	13	12	6
By professional category				
Board members (Nr)	GRI 404-1	7	6	9
Directors (Nr)	GRI 404-1	33	28	25
Heads of department (Nr)	GRI 404-1	58	30	18
Sales staff (Nr)	GRI 404-1	40	32	20
Management support technicians (Nr)	GRI 404-1	37	34	29
Team leaders (Nr)	GRI 404-1	41	34	24
Administrative staff (Nr)	GRI 404-1	23	14	15
Maintenance, quality and logistics technicians (Nr)	GRI 404-1	17	19	14
Production operators (Nr)	GRI 404-1	14	14	9
Total (Nr)	GRI 404-1	20	18	16
Workers with training				
By employment contract				
Employees (%)	GRI 404-2	84%	74%	74%
Temporary workers (%)	GRI 404-2	89%	100%	71%
By gender				
Women (%)	GRI 404-2	79%	79%	74%
Men (%)	GRI 404-2	87%	79%	74%
By geography				
Portugal (%)	GRI 404-2	91%	85%	78%
Rest of the World (%)	GRI 404-2	43%	41%	43%
Total (%)	GRI 404-2	85%	79%	74%

	Age			Gender		Total
	< 30	30 - 50	>50	Women	Men	
Board members	0	2	20	3	19	22
Directors	0	56	37	13	80	93
Heads of department	15	61	23	39	60	99
Sales staff	7	41	28	18	58	76
Management support technicians	106	118	38	106	156	262
Team leaders	6	58	43	27	80	107
Administrative staff	38	127	82	157	90	247
Maintenance, quality, and logistics technicians	55	211	137	90	313	403
Production operators	534	1,218	768	560	1,960	2,520
Total 2020	535	1,972	1,085	879	2,713	3,592
Total 2021	598	2,081	1,117	940	2,856	3,796
Total 2022	761	1,892	1,176	1,013	2,816	3,829

	Reference	2022	2021	2020
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Composition of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.

By gender				
Women (Nr)	GRI 405-1	4	4	2
Men (Nr)	GRI 405-1	6	6	4
By age				
<30 (Nr)	GRI 405-1	0	0	0
30 e 50 (Nr)	GRI 405-1	1	1	2
> 50 (Nr)	GRI 405-1	9	9	4
By independence				
Independent (Nr)	GRI 405-1	4	4	0
Non-independent (Nr)	GRI 405-1	6	6	6
Total (Nr)	GRI 405-1	10	10	6

Management positions

Women (Nr)	GRI 405-1	82	75	63
Men (Nr)	GRI 405-1	239	230	229
Total (Nr)	GRI 405-1	321	305	292
Women (%)	GRI 405-1	26%	25%	22%

	Women		Men	
	Total	%	Total	%
STEM positions	26	25%	78	75%

Ratio of wages of women to men by professional category

Directors	GRI 405-2	0.70	0.77	0.95
Heads of department	GRI 405-2	0.93	0.94	0.96
Sales staff	GRI 405-2	0.61	0.53	0.55
Management support technicians	GRI 405-2	0.83	0.82	0.81
Team leaders	GRI 405-2	1.48	1.33	1.23
Administrative staff	GRI 405-2	1.15	1.13	1.08
Maintenance, quality, and logistics technicians	GRI 405-2	1.00	0.90	0.88
Production operators	GRI 405-2	0.97	1.02	1.03
Ratio of wages of women to men	GRI 405-2	0.98	0.96	0.92
Gender Pay Gap (wage)		0.02	0.04	0.08
Ratio of remuneration of women to men by professional category				
Directors	GRI 405-2	0.55	0.68	0.84
Heads of department	GRI 405-2	0.95	0.92	0.95
Sales staff	GRI 405-2	0.63	0.54	0.55
Management support technicians	GRI 405-2	0.77	0.85	0.82
Team leaders	GRI 405-2	1.35	1.22	1.17
Administrative staff	GRI 405-2	0.99	1.05	1.00
Maintenance, quality and logistics technicians	GRI 405-2	0.93	0.73	0.82
Production operators	GRI 405-2	0.90	0.93	0.94

	Reference	2022	2021	2020
Ratio of remuneration of women to men	GRI 405-2	0.87	0.88	0.86
Gender Pay Gap (remuneration)		0.13	0.12	0.14
Zero discrimination				
Portugal				
Women employees (%)	GRI 2-7	26%	24%	24%
Women in management positions (%)	GRI 405-1	26%	25%	22%
Recordable work-related injuries				
By employment contract				
Employees (Nr)	GRI 403-9	71	68	76
Temporary workers (Nr)	GRI 403-9	20	8	6
By gender				
Women (Nr)	GRI 403-9	12	10	15
Men (Nr)	GRI 403-9	79	66	67
By geography				
Portugal (Nr)	GRI 403-9	74	54	60
Rest of the world (Nr)	GRI 403-9	17	22	22
Total recordable work-related injuries (Nr)	GRI 403-9	91	76	82
Total fatalities as a result of work-related injury (Nr)	GRI 403-9	0	0	0
High-consequence work-related injuries				
By employment contract				
Employees (Nr)	GRI 403-9	7	2	2
Temporary workers (Nr)	GRI 403-9	0	0	0
By gender				
Women (Nr)	GRI 403-9	0	0	0
Men (Nr)	GRI 403-9	7	2	2
By geography				
Portugal (Nr)	GRI 403-9	7	0	2
Rest of the world (Nr)	GRI 403-9	0	2	0
Total high-consequence work-related injuries (Nr)	GRI 403-9	7	2	2
Lost time injury frequency rate (LTIFR)				
By employment contract				
Employees	GRI 403-9	12.4	12.3	13.7
Temporary workers	GRI 403-9	30.5	13.6	16.6
By gender				
Women	GRI 403-9	7.3	6.9	10.6
Men	GRI 403-9	16.7	14.1	14.9
By geography				
Portugal	GRI 403-9	13.4	10.0	12.0
Rest of the world	GRI 403-9	19.7	29.0	28.9
Lost time injury frequency rate	GRI 403-9	14.3	12.4	13.9
Rate of high-consequence work-related injuries				
By employment contract				
Employees	GRI 403-9	1.2	0.4	0.4
Temporary workers	GRI 403-9	0.0	0.0	0.0
By gender				
Women	GRI 403-9	0.0	0.0	0.0
Men	GRI 403-9	1.5	0.4	0.4
By geography				
Portugal	GRI 403-9	1.3	0.0	0.4
Rest of the world	GRI 403-9	0.0	0.0	0.0
Rate of high-consequence work-related injuries	GRI 403-9	1.1	0.3	0.3

	Reference	2022	2021	2020
Work-related ill health				
By employment contract				
Employees (Nr)	GRI 403-10	70	65	35
Temporary workers (Nr)	GRI 403-10	3	0	0
By gender				
Women (Nr)	GRI 403-10	19	34	22
Men (Nr)	GRI 403-10	54	31	13
By geography				
Portugal (Nr)	GRI 403-10	71	64	34
Rest of the world (Nr)	GRI 403-10	2	1	1
Total work-related ill health (Nr)	GRI 403-10	73	65	35
Total fatalities as a result of work-related ill health (Nr)	GRI 403-10	0.0	0.0	0.0
Rate of work-related ill health				
By employment contract				
Employees	GRI 403-10	12.3	11.7	6.3
Temporary workers	GRI 403-10	4.6	0.0	0.0
By gender				
Women	GRI 403-10	11.5	25.0	15.5
Men	GRI 403-10	11.4	6.6	2.9
By geography				
Portugal	GRI 403-10	12.9	13.0	6.6
Rest of the world	GRI 403-10	0.0	1.0	1.0
Rate of work-related ill health	GRI 403-10	11.5	10.6	5.9
Lost workday rate (LWD)				
By employment contract				
Employees	GRI 403-9	733	555	551
Temporary workers	GRI 403-9	1,227	545	560
By gender				
Women	GRI 403-9	862	555	551
Men	GRI 403-9	757	545	560
By geography				
Portugal	GRI 403-9	583	412	548
Rest of the world	GRI 403-9	2,065	1,561	573
Lost workday rate	GRI 403-9	784	554	551
Absenteeism rate				
By employment contract				
Employees (%)	GRI 403-9	6.3%	5.8%	5.0%
Temporary workers (%)	GRI 403-9	7.4%	4.0%	3.7%
By gender				
Women (%)	GRI 403-9	7.2%	6.7%	6.6%
Men (%)	GRI 403-9	6.1%	5.5%	4.4%
By geography				
Portugal (%)	GRI 403-9	6.7%	5.1%	5.4%
Rest of the world (%)	GRI 403-9	4.8%	10.2%	2.3%
Absenteeism rate (%)	GRI 403-9	6.4%	5.8%	5.0%

Notes

Turnover rate is calculated considering the number of departing employees in relation to the total number of employees.

Rate of new admissions is calculated considering the number of new employees in relation to the total number of employees.

The procedure for calculating the frequency index and the rate of days lost is in accordance with *ILO Code of Practice*. The formulae considered are as follows:

- Lost time injury frequency rate = Number of recordable work related injuries / Number of hours worked x 1,000,000;
- Rate of high-consequence work-related injuries = Number of high-consequence work-related injuries (excluding fatalities) / Number of hours worked x 1,000,000;
- Lost workday rate (severity index) = Number of days lost / Hours worked x 1,000,000;
- Absenteeism rate = Days of absence / Potential days of work.

When calculating the potential days, public holidays are not taken into account. When calculating the lost time injury frequency rate, only accidents that result in lost days are taken into account. In calculating lost days, the number of working days is taken into account and starts to be counted from the day following that on which the accident occurred until the injured worker returns to work.



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Double Press Belt technology, which makes it possible to produce rolls of high-density cork, for incorporation into flooring.

8 – GRI Table

Statement of use	Corticeira Amorim reports in accordance with the GRI Standards for the period from January 1, 2022 to December 31, 2022		
GRI 1 used	GRI 1: Foundation 2021		
Applicable GRI Sector Standard(s)	Not applicable		
GRI Standard	Disclosure	Value/Location	SDGS
GRI 2: General Contents 2021	2-1 Organisational details	1 Corticeira Amorim	
	2-2 Entities included in the organisation's sustainability reporting	6.2 Companies included in the consolidation of sustainability indicators	
	2-3 Reporting period, frequency and contact point	6 References and scope of the report Corticeira Amorim publishes a Sustainability Report on an annual basis. The 2022 Sustainability Report refers to the period from January 1, 2022 to December 31, 2022 and is integrated in the Consolidated Annual Report of Corticeira Amorim. The previous Sustainability Information Report was approved by the General Meeting of Corticeira Amorim and published on the Company's website in April 2022 and relates to the period from January 1, 2022 until December 31, 2022. The 2022 Sustainability Report and other information - including statutes, regulations and policies, report archives, case studies, associations we support, useful links and contacts for the sustainability area - can be found at: www.amorim.com .	
	2-4 Restatements of information	In 2022, there were no changes in the universe of companies that make up the boundaries of the consolidation of sustainability indicators. The changes to the consolidation limits of the financial indicators are available in Chapter 6 Companies included in the consolidation in the Notes to the consolidated financial statements.	
	2-5 External assurance	The Sustainability Report has an independent limited assurance review, conducted in accordance with the International Standard on Assurance Engagements (ISAE 3000, revised), which was conducted by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A, and the report is available in Chapter 10 Independent assurance report.	
	2-6 Activities, value chain and other business relationships	1.5 Characterization of the value chain	
	2-7 Employees	3.4 Promote the development, safety and well-being of staff/ Employment demographics 7 Consolidated sustainability indicators	
	2-8 Workers who are not employees	3.4 Promote the development, safety and well-being of staff/ Employment demographics 7 Consolidated sustainability indicators	
	2-9 Governance structure and composition	2 Ethics and governance of sustainability Corporate Governance Report / B. Corporate Boards and committees	
	2-10 Nomination and selection for the highest governance body	Corporate Governance Report / B. Corporate Boards and Committees	
	2-11 Chair of the highest governance body	Corporate Governance Report / B. Corporate Boards and Committees	
	2-12 Role of the highest governance body in overseeing the management of impacts	2.2 Management model	
	2-13 Delegation of responsibility for managing impacts	2.2 Management model	
	2-14 Role of the highest governance body in sustainability reporting	2.2 Management model	
	2-15 Conflicts of interest	Code of Business Ethics and Professional Conduct/ 3.2 - Conflict of interests: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2022-02-23_Codigo_de_Etica_EN.pdf Anti-corruption Code of Conduct: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/Corticeira_Amorim_-_Codigo_de_Conduta_Anticorruptcao.pdf Regulation on Transactions with Related Parties: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/20210712Regulation_on_transactions_with_related_parties.pdf Board of Directors' Regulation/21. Conflicts of Interest: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/20220223_Regulamento_do_Conselho_de_Administracao_EN.pdf Board of Directors' Executive Committee Regulations/ article 12, paragraph 4: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/20220223_Regulamento_da_Comissao_Executiva_EN.pdf	

GRI Standard	Disclosure	Value/Location	SDGS
	2-16 Communication of critical concerns	2.10 Reporting of Irregularities Reporting of Irregularities procedure: https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/Internal-Reporting-Form : https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2022-02-23_Irregularities_internal_communication_form.pdf	
	2-17 Collective knowledge of the highest governance body	2.2 Management model	
	2-18 Evaluation of the performance of the highest governance body	2.6 Performance evaluation of the executive directors	
	2-19 Remuneration policies	Remuneration Policy: https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2022-04-28_Política_de_remuneracoes_EN.pdf	
	2-20 Process to determine remuneration	2.6 Performance evaluation of the executive directors Remuneration Policy: https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2022-04-28_Política_de_remuneracoes_EN.pdf	
	2-21 Annual total compensation ratio	Corporate Governance Report/ D - Remuneration: The annual compensation ratio is 18.4, taking into account the total compensation attributed to the Chairman and the average compensation of the Organisation.	
	2-22 Statement on sustainable development strategy	Message from the Chairman and Message from the Board Member and Chief Sustainability Officer.	
	2-23 Policy commitments	Corticeira Amorim is governed by a solid and cohesive set of internal rules, consisting of statutes, regulations and policies, which allow the alignment of its stakeholders' expectations, encourage balanced and prudent management, reinforce transparency and demonstrate the Company's commitments to develop its business activity in line with sustainable development: https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/ .	
	2-24 Embedding policy commitments	2 Ethics and governance of sustainability	
	2-25 Processes to remediate negative impacts	The processes are presented throughout the Sustainability Report. Each material topic describes the actions and initiatives developed to manage and remedy the impacts associated with the Company's activity. Since 2009, Corticeira Amorim has carried out a process of consultation and engagement with its stakeholders, seeking to promote their participation and contribution to the definition of the group's sustainability strategy and review of materiality (2.4 Definition of strategy). This procedure has enabled external developments and market expectations to be understood, as well as anticipating new opportunities and risks.	
	2-26 Mechanisms for seeking advice and raising concerns	The Company has developed and made available a procedure for reporting irregularities: https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2022-02-23_Irregularities_internal_reporting_procedure.pdf as well as an internal communication form: https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2022-02-23_Irregularities_internal_communication_form.pdf .	
	2-27 Compliance with laws and regulations	There are no significant cases of non-compliance with environmental and/or social laws and regulations during the reporting period, in particular no significant fines or non-monetary sanctions were applied. All detected non-conformities are monitored and a response and mitigation plan is implemented for future reoccurrences. These actions include detailed investigation of the occurrence, corrective actions to prevent reoccurrence and communication of lessons learned. A "Significant" fine or sanction means that it has an individual cost of more than €3,000 (or equivalent when converted from local currency). Although there is no information at corporate level of any non-compliance at the sustainability perimeter, this information was only confirmed at the Portugal perimeter. 6.2 Companies included in the consolidation of sustainability indicators	
	2-28 Membership associations	Voluntary commitments	
	2-29 Approach to stakeholder engagement	1.4 stakeholders	
	2-30 Collective bargaining agreements	3.4.1 Development/ Promote development for all/ Freedom of association	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	2.4 Definition of strategy/Materiality review	
	3-2 List of material topics	2.4 Definition of strategy/Materiality matrix	
	3-3 Management of material topics	Throughout this report, relevant impacts on the economy, environment and people, including Human Rights, are specified for each material topic. Actions taken to manage these impacts and the processes for monitoring them are also described. Stakeholders are involved in defining the Group's sustainability strategy and reviewing materiality (2.4 Definition of strategy).	

GRI Standard	Disclosure	Value/Location	SDGS		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	3.5.1 Community/Society and Innovation/ Social Balance	8, 17		
	201-2 Financial implications and other risks and opportunities due to climate change	2.3 Risks and opportunities	8,9,13,17		
		3.3.2 Climate change/ Climate related risks and opportunities			
		9 Alignment with the TCFD			
GRI 201-3 Defined benefit plan obligations and other retirement plans		In all countries where it operates, Corticeira Amorim contributes to local social security schemes, according to the terms of specific applicable legislation, which cover all of its employees. In 2022, the total amount was 28,172,000 euros (2021: 22,722,000 euros; 2020: 22,321,000 euros).	8,17		
		GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	1.5 Characterization of the value chain / Supply chain	8,12,17
			3.2.2 Value Chain / Procurement and supply of cork		
	7 Consolidated sustainability indicators				
GRI 207: Tax 2019	207-1 Approach to tax	2.9 Approach to tax			
	207-2 Tax governance, control, and risk management	2.9 Approach to tax / Governance, control and fiscal risk management			
	207-3 Stakeholder engagement and management of concerns related to tax	2.9 Approach to tax / Engaging stakeholder and managing their tax concerns			
GRI 301: Materials 2016	301-1 - Materials used by weight or volume	3.3.3 Circular economy/ Applying circular economy principles/ Materials	7 Consolidated sustainability indicators		
	301-2 Recycled input materials used	3.3.3 Circular economy/ Applying circular economy principles/ Materials			
	301-3 Reclaimed products and their packaging materials	3.3.3 Circular economy/ Apply the principles of circular economy/ Cork recycling			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	3.3.2 Climate change/ Reduce the environmental impact of operations/ Energy consumption within the organisation	7, 11, 13		
		7 Consolidated sustainability indicators			
	302-3 Energy intensity	3.3.2 Climate change/ Reduce the environmental impact of operations/ Energy consumption within the organisation	7, 11, 13		
		7 Consolidated sustainability indicators			
	302-4 Reduction of energy consumption	3.3.2 Climate change/ Reduce the environmental impact of operations/ Energy consumption within the organisation	7, 11, 13		
	7 Consolidated sustainability indicators				
	302-5 Reductions in energy requirements of products and services	3.3.4 Green products/ Environmental benefit of the products	7, 11, 9, 13		
		7 Consolidated sustainability indicators			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	3.3.2 Climate change/ Reduce the environmental impact of operations/ Water consumption	6		
		7 Consolidated sustainability indicators			
	303-2 Management of water discharge-related impacts	3.3.2 Climate change/ Reduce the environmental impact of operations/ Water consumption	6		
		7 Consolidated sustainability indicators			
	303-3 Water withdrawal	3.3.2 Climate change/ Reduce the environmental impact of operations/ Water consumption	6		
	7 Consolidated sustainability indicators				
	303-4 Water discharge	3.3.2 Climate change/ Reduce the environmental impact of operations/ Water consumption	6		
	7 Consolidated sustainability indicators				
	303-5 Water consumption	3.3.2 Climate change/ Reduce the environmental impact of operations/ Water consumption	6		
		7 Consolidated sustainability indicators			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	3.3.1 Cork oak forest/ Preserve the cork oak forest	11, 12, 15		
		7 Consolidated sustainability indicators			
	304-2 Significant impacts of activities, products and services on biodiversity	3.3.4 Green products/ Environmental benefit of the products	11, 12, 15		
		7 Consolidated sustainability indicators			
	304-3 Habitats protected or restored	3.3.1 Cork oak forest/ Preserve the cork oak forest			
		7 Consolidated sustainability indicators			



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Amorim Florestal is developing mechanised loading tools, using tweezers and other instruments that eliminate the need for human intervention in the loading of trucks.

GRI Standard	Disclosure	Value/Location	SDGS
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	3.3.2 Climate change/ Reduce the environmental impact of operations/ Direct (scope 1) and indirect (scope 2) GHG emissions 7 Consolidated sustainability indicators	7, 11, 13
	305-2 Energy indirect (Scope 2) GHG emissions	3.3.2 Climate change/ Reduce the environmental impact of operations/ Direct (scope 1) and indirect (scope 2) GHG emissions 7 Consolidated sustainability indicators	7, 11, 13
	305-3 Other indirect (Scope 3) GHG emissions	3.3.2 Climate change/ Reduce the environmental impact of operations/ Other indirect emissions (scope 3) of GHG 7 Consolidated sustainability indicators	7, 11, 13
	305-4 GHG emissions intensity	3.3.2 Climate change/ Reduce the environmental impact of operations/ Direct (scope 1) and indirect (scope 2) GHG emissions 7 Consolidated sustainability indicators	7, 11, 13
	305-5 Reduction of GHG emissions	3.3.2 Climate change/ Reduce the environmental impact of operations/ Direct (scope 1) and indirect (scope 2) GHG emissions 7 Consolidated sustainability indicators	7, 11, 13
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	3.3.2 Climate change/ Reduce the environmental impact of operations/ Air quality and pollution 7 Consolidated sustainability indicators	
	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	3.3.3 Circular economy/ Apply the principles of circular economy/ Waste 7 Consolidated sustainability indicators
306-2 Management of significant waste-related impacts		3.3.3 Circular economy/ Apply the principles of circular economy/ Waste 7 Consolidated sustainability indicators	8, 12
306-3 Waste generated		3.3.3 Circular economy/ Apply the principles of circular economy/ Waste 7 Consolidated sustainability indicators	
306-4 Waste diverted from disposal		3.3.3 Circular economy/ Apply the principles of circular economy/ Waste 7 Consolidated sustainability indicators	
306-5 Waste directed to disposal		3.3.3 Circular economy/ Apply the principles of circular economy/ Waste 7 Consolidated sustainability indicators	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.2.2 Value Chain	
	308-2 Negative environmental impacts in the supply chain and actions taken	1.5 Characterization of the value chain 3.2.2 Value Chain	8, 12, 17
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	3.4.1 Development/ Promote development for all/ Attracting and retaining talent 7 Consolidated sustainability indicators	5, 8
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Regulations with reference to prior notices relating to the workplace (in particular those that should govern any alterations) are complied with by Corticeira Amorim.	8
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	3.4.2 Safety, health and well-being	
	403-2 Hazard identification, risk assessment, and incident investigation	3.4.2 Safety, health and well-being / Risk assessment and investigation of incidents	3, 8
	403-3 Occupational health services	3.4.2 Safety, health and well-being	3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	3.4.2 Safety, health and well-being	3, 8
	403-5 Worker training on occupational health and safety	3.4.2 Safety, health and well-being	3, 8
	403-6 Promotion of worker health	3.4.2 Safety, health and well-being	3, 8
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The work carried out in the Corticeira Amorim supply chain takes place in accordance with institutional and legal structures. The working conditions in the Corticeira Amorim's chain of suppliers comply with the labour legislation in force in each geography where the business activity is carried out. Corticeira Amorim has a Code of Ethics and Conduct for Suppliers which favours contracting suppliers that adhere to this Code and may terminate the relationship with suppliers that do not comply with internationally recognised Human Rights and/or allow any violation of these rights within their industrial and/or commercial operations. Also in this regard, Corticeira Amorim is developing an internal Human Rights Due Diligence process with the aim of strengthening its practices and commitments related to its operations. Additionally, there are several procedures in place when purchasing materials to ensure the mitigation of potential negative impacts, in particular for purchases of cork, cork products and non-cork (3.2.2 Value Chain).	3, 8

GRI Standard	Disclosure	Value/Location	SDGS
	403-8 Workers covered by an occupational health and safety management system	The Company has implemented an OSH management system that covers all the activities carried out by its employees (employees and temporary employees) and subcontractors. The management system has an underlying policy and objectives to improve OSH performance, which are supported by an activity plan and is available in several languages. Additionally, around 41% of the BU, corresponding to 72% of the employees, are covered by systems certified according to international standard ISO 45001 or SA 8000. Information about management systems with external certifications is available in Chapter 2.5 Management systems and in Chapter 3.4.2 Safety, health and well-being/Ensure the safety, health and well-being / Work-related injury or ill health.	3, 8
	403-9 Work-related injuries	3.4.2 Safety, health and well-being / Ensure the safety, health and well-being/ Work-related injury or ill health.	3, 8
	403-10 Work-related ill health	3.4.2 Safety, health and well-being / Ensure the safety, health and well-being/ Work-related injury or ill health.	3, 8
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	3.4.1 Development/ Promote development for all/ Training and Education 7 Consolidated sustainability indicators	4, 5, 8
	404-2 Programs for upgrading employee skills and transition assistance programs	3.4.1 Development/ Promote development for all/ Attracting and retaining talent	
	404-3 Percentage of employees receiving regular performance and career development reviews	3.4.1 Development/ Promote development for all/ Individual performance assessment 7 Consolidated sustainability indicators	4, 5, 8
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	3.4.1 Development/ Equality and respect for diversity, inclusion and non-discrimination/ Workforce by gender and Diversity in governing bodies 7 Consolidated sustainability indicators	4, 5, 8
	405-2 Ratio of basic salary and remuneration of women to men	3.4.1 Development/ Promote development for all/ Salary gap 7 Consolidated sustainability indicators	4, 5, 8
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	3.4.1 Development/ Commitment not to tolerate of any kind of discrimination or harassment	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	3.5.1 Community / Society and Innovation	
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	3.2.2 Value Chain	8, 12, 17
GRI 415: Public Policy 2016	415-1 Political contributions	Corticeira Amorim assumes itself to be a non-partisan and non-political organisation. It does not support financially or in kind, under any circumstances, political parties, organisations or individuals associated with these, whose mission is essentially political.	

9 – Alignment with the TCFD

The **Task Force on Climate-Related Financial Disclosures (TCFD)** on climate-related financial disclosures recommends a framework for disclosing climate-related risks and opportunities. The table below notes the alignment of Corticeira Amorim’s disclosures with the TCFD’s recommendations, making reference to where these issues are addressed in the Consolidated Annual Report.

Area	Recommended disclosures	Value/Location
Governance		
Disclose the organization’s governance around climate-related risks and opportunities.	a) Describe the board’s oversight of climate-related risks and opportunities.	Corporate Governance Report / C - Internal Organisation / III. Internal Control and Risk Management / 50. Individuals, boards or committees responsible for the internal audit and/or implementation of the internal control systems / 51. Details, even including organisational structure, of hierarchical and/or functional dependency in relation to other boards or committees of the Company / 52. Other functional areas responsible for risk control. Chapter 2 Ethics and governance of sustainability / Risks and opportunities.
	b) Describe management’s role in assessing and managing climate-related risks and opportunities.	Corporate Governance Report / C - Internal Organisation / III. Internal Control and Risk Management / 52. Other functional areas responsible for risk control. Chapter 2 Ethics and governance of sustainability / Risks and opportunities.
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Corporate Governance Report / C - Internal Organisation / III. Internal Control and Risk Management / 53. Details and description of the major economic, financial and legal risks to which the Company is exposed in pursuing its business activity / Climate change. Chapter 3.3.2 Climate Change/ Climate-related risks and opportunities.
	b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	Corporate Governance Report/ C - Internal Organisation/ III. Internal Control and Risk Management Consolidated Management Report/ Chapter 2 Operating activities by BU.
	c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Corticeira Amorim is strengthening the process to identify, describe and quantify climate-related risks and opportunities, as well as the potential financial implications and associated costs of responding to those risks.
Risk management		
Disclose how the Organisation identifies, assesses and manages climate-related risks.	a) Describe the organization’s processes for identifying and assessing climate-related risks.	Corporate Governance Report/ C - Internal Organisation/ III. Internal Control and Risk Management / 53. Details and description of the major economic, financial and legal risks to which the Company is exposed in pursuing its business activity. Chapter 3.3.2 Climate Change/ Climate-related risks and opportunities.
	b) Describe the organization’s processes for managing climate-related risks.	Chapter 3.3.2 Climate Change/ Climate-related risks and opportunities
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	Chapter 3.3.2 Climate Change/ Climate-related risks and opportunities.
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities	a) Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	Chapter 3.3.1 Cork oak forest; Chapter 3.3.2 Climate Change; Chapter 3.3.3 Circular Economy; Chapter 3.3.4 Green Products and Chapter 7 Consolidated sustainability indicators.
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Chapter 3.3.2 Climate Change / Direct (scope 1) and indirect (scope 2) GHG emissions/ Other indirect emissions (scope 3) of GHG
	c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	3.1 Quantitative targets for 2030 and progress



Amorim Cork - Corticeira Amorim's cork stopper unit - produces 6.1 billion cork stoppers annually.

10 – Independent assurance report

(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails)

Independent Limited Assurance Report

To the Board of Directors of
Corticeira Amorim, S.G.P.S., S.A

Scope

We have been engaged by Corticeira Amorim, S.G.P.S., S.A. (“Corticeira Amorim”) to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on the sustainability disclosures included in the Sustainability Report 2022, identified in the chapter “8. GRI Table”, which include the sustainability information included in the Consolidated Annual Report 2022 (the “Sustainability Information”), for the year ended 31 December 2022.

Criteria applied

Corticeira Amorim prepared the Sustainability Information in accordance with the sustainability reporting standards of the Global Reporting Initiative - GRI Standards and with the provisions of article 508.º-G of the Commercial Companies Code (*Código das Sociedades Comerciais*) and article 29.º-H, nº1, paragraph q) of the Securities Code (*Código dos Valores Mobiliários*) with respect to non-financial and diversity disclosures (together the “Criteria”).

Responsibilities of the Management

Corticeira Amorim’s management is responsible for selecting the Criteria, and for preparing the Sustainability Information in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining an appropriate internal control system, maintaining adequate records and making estimates that are relevant to the preparation of the Sustainability Information, such that it is free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to examine the Sustainability Information prepared by Corticeira Amorim and to issue a limited assurance report based on the evidence obtained.

Our engagement was conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information - ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Sustainability Information is prepared in accordance with the Criteria.

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. In these circumstances, our independent review procedures comprised the following:

- ▶ Inquiries to management with the objective to understand the business context and the sustainability reporting process;
- ▶ Conducting interviews with personnel responsible for preparing the information in order to understand the processes for collecting, collating, reporting and validating of the Sustainability Information for the reporting period;

- ▶ Conducting analytical review procedures to support the reasonableness of the data;
- ▶ Execution, on a sample basis, of tests to the calculations carried out, as well as tests to prove the quantitative and qualitative information included in the report;
- ▶ Verification of the conformity of the Sustainability Information with the results of our work and with the Criteria applied.

We consider that the evidence obtained is sufficient and appropriate to provide the basis for our conclusion.

Quality and Independence

We apply the International Standard on Quality Control 1 and, accordingly, maintain a system of quality control 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 *Ordem dos Revisores Oficiais de Contas'* Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Conclusion

Based on our work and evidence obtained, nothing has come to our attention that cause us to believe that the Sustainability Information, for the year ended 31 December 2022, has not been prepared, in all material respects, in accordance with the Criteria.

Lisbon, 05 April 2023

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(signed)

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nº 1410
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