

Sustainability Report

MESSAGE FROM THE CHIEF SUSTAINABILITY OFFICER

Dear stakeholder,

Corticeira Amorim presents its Sustainability Report for 2023, which reflects its contribution to sustainable development and value creation for all its stakeholders. It highlights the significant progress made in 2023 in the environmental, social and governance areas, demonstrating ambition, initiative and responsibility in the face of current global challenges.

In 2023, we consolidated our leading position in the area of environmental sustainability. Through sustainable forest management, we have impacted more than a thousand hectares of cork oak forest, improving its resilience, cork production and biodiversity. In the fight against climate change, we would like to emphasise the 9.1% reduction in energy consumption, the increase to 68.3% in the use of controlled renewable energy and the 8.8% reduction in CO₂ emissions. We have fulfilled our commitment to the circular economy with a significant reduction in non-renewable virgin material consumption: 88.7% of the materials used in our business are renewable.

Recognising the importance of a safe, healthy and inclusive working environment that promotes personal and professional development and progress, we have reinforced our commitments to the social dimension. We have implemented a rigorous occupational safety programme and a plan to promote equality, diversity and inclusion. Aware of the importance of the younger generations, both in the short and medium term, we have improved our practices with respect to our younger employees. One particular example was the launch of the Young@Cork Programme, which promotes integration and development for our young people through training, sharing and interaction with the various company teams, in a variety of contexts.

Our culture and practices have been recognised by Randstad's Employer Brand Research 2023, according to which Corticeira Amorim is among the 20 best companies to work for in Portugal, ranking third in the industry sector.

We have strengthened our governance model, increasing independence and transparency, and ensuring our business is managed responsibly and ethically. We have also broadened our internal regulations on ethics and conduct (codes, policies and procedures).

With over 150 years of experience, Corticeira Amorim is the global benchmark for transforming cork into high value-added products and solutions. Our passion for cork, combined with our constant innovation, allows us to offer our customers solutions that stand out for their performance and novelty, as well as their environmental value, since they also contribute to climate regulation.

Our activity continues to be aligned with the United Nations Sustainable Development Goals (SDGs) and the 2030 Agenda. We realise that sustainable development is essential for the future of the planet and people, and that our contribution is an important one. Our culture, practices and results are contagious and encourage many of our stakeholders to similarly contribute to the five SDG pillars: People, Planet, Prosperity, Peace, and Partnership. This is a common purpose that can only be achieved through the action and commitment of all.

We would like to thank everyone who makes this journey with us: our people, our partners and our stakeholders, for their invaluable contribution to Corticeira Amorim's success. Together, we will build a more sustainable future.

Kind regards,

Cristina Rios de Amorim

Board member and Chief Sustainability Officer



2023 KEY FACTS

Corticeira Amorim

- #1 in the world for cork processing
- >150 years of history
- €985,467 K consolidated sales
- 93% sales outside Portugal

Business Units

- 5 Business Units
- 1,150,000 m² of cork yards
- 5,600,000,000 stoppers sold
- 10,000,000 m² installed capacity in floor & wall coverings
- 195,440 blocks and cylinders produced
- 60,000 m³ installed capacity in insulation cork

World presence

- 28 countries
- 28 industrial units
- 10 raw material preparation units
- 3 agroforestry units
- 61 distribution units
- 7 joint ventures
- 30,000 customers in over 100 countries
- 4,958 workers
- 70% workers in Portugal

Cork, cork oak tree, 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 estimated value of the ecosystem services associated with a properly managed cork oak forest
- 1/36 biodiversity hotspots
- -73 tCO₂/1t 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 are 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
- 89% of stakeholders agree that Corticeira Amorim presents a clear vision of its economic, social and environmental responsibilities
- Internal codes, policies and regulations
- UN Global Compact participant

Value chain

- 1st FSC® chain of custody certificate in the cork industry (2004)
- 100% of non-cork suppliers covered by a supplier evaluation programme
- 96% of purchases of cork and cork products from controlled origin
- 72% of production units certified as complying with the International Code of Cork Stopper Manufacturing Practice
- 57% of production units with chain of custody certification for forest products

Cork oak forest

- €56,925 K value of forest estate acquisitions
- 8,181 ha forest estates under management (Herdade da Venda Nova, Herdade da Baliza and Herdade de Rio Frio)
- 1,405 ha intervened forest estates under management (+1,024 compared to 2022)
- 387,675 cork oak trees planted (+233,065 compared to 2022)
- 10 commitments to biodiversity (Act4nature Portugal)

Climate change

- 76.7% renewable energy
- 68.3% controlled renewable energy
- 4.3% energy efficiency
- 72,578 tCO₂eq emissions avoided
- 220,819 tCO₂eq emissions generated by the business activity and value chain (-11.0% compared to 2022)
- Photovoltaic project: 2021-2024 | + €11 M | 20% total electrical energy consumption in Portugal

Circular economy

- 92.2% sustainable materials (renewable and recycled) | 88.7% renewable materials
- 100% use of cork
- 87.2% waste recovery rate (non-cork)
- 11,693 t industrial waste produced (-20.5% compared to 2022)
- 915 t recycled cork (equivalent to 203.3 million cork stoppers)
- 5 continents with cork recycling programmes (including the projects Green Cork in Portugal, Ecobouchon in France and ETICO in Italy)

Green products

- 63.9% consolidated sales with life cycle assessments and carbon footprint studies
- 62.2% de consolidated sales with a positive impact on climate change mitigation
- 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

- 93.2% employees covered by collective bargaining agreements
- 81.7% workers with training
- 27.1% women workers
- 23.4% women in management positions
- 40.0% women in the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.

Safety, health and well-being

- 42.9% production units covered by ISO 45001 or SA 8000 certifications
- 9.5 lost time injury frequency rate (-33.9% compared to 2022)

Community/society

- 92.2% of economic value generated distributed to stakeholders
- 2.17× production multiplier in Portuguese economy
- 7× 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
- Green Cork: 106 thousand trees planted (1.6 million since 2008); 6.4 million recycled cork stoppers (117.5 million since 2008); 81 thousand students/users involved (681 thousand since 2008)

Innovation

- €11,253 K average R&D+I investment
- 7 joint ventures

Sustainable finance

- €119,200 K green financing allocated
- €126,600 K green financing agreed
 - €40,000 K in green bonds
 - €11,600 K in green commercial paper programme
 - €20,000 K in sustainability linked commercial paper programme
 - €20,000 K in green commercial paper programme
 - €35,000 K in green commercial paper programme

European Union Taxonomy

- 4.0% eligible and aligned turnover (92.6% not eligible)
- 13.0% eligible and aligned CAPEX (80.7% not eligible)
- 5.9% eligible and aligned OPEX (92.2% not eligible)

AWARDS AND RECOGNITION

Each year, Corticeira Amorim strengthens its ESG policies and practices and expands its engagement and communication with its stakeholders. The entities that assess Corticeira Amorim recognise this evolution, considering the Company a leader in its sector and a model in terms of contributions to sustainability. Some of these organisations and the recognitions obtained are listed below (as of 31 December 2023).

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 11.4	October 2023
 (www.msci.com) ²	Leader (AA/AAA) Average (BB/BBB/A) Laggard (CCC/B)	Leader AA	January 2023

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VOLUNTARY COMMITMENTS

Corticeira Amorim actively participates in discussion meetings with national and international entities on sustainable development of the geographical regions in which it operates. In various cases, the Company's representatives are members of the governing bodies of these initiatives and associations, collaborating in the promotion of their initiatives and generating significant and proactive results. Of the numerous associations, it is worth highlighting the following:

Global Compact Network Portugal

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. <https://unglobalcompact.org/what-is-gc/participants/149253-Corticeira-Amorim-S-G-P-S-S-A>

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/>

BRP – Business Roundtable Portugal

Association 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/>

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. <https://smartwasteportugal.com/>

ForestWISE – Collaborative Laboratory for Integrated Forestry and Fire Management

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/>

Sustainable Wine Roundtable

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

Associação Plataforma para a Construção Sustentável

A non-profit association involving a network of R&D institutions, municipalities and the significant business community in the Habitat sector, whose aim is to establish a specialisation in Sustainable Construction. It is also the managing body of the Sustainable Habitat Cluster. The Cluster has embraced the Sustainability topic as a dynamic and transversal factor for its strategic development, with the aim of contributing towards a true "Sustainable Habitat". <https://clusterhabitat.pt/en/>

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/>

APCOR – Portuguese Cork Association

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

AEM – Associação de Empresas Emitentes

The AEM's main mission is to represent and defend the collective interests of companies that issue securities admitted to trading on a domestic regulated market. With the creation of the AEM, the Portuguese institutional system now has a private organisation capable of promoting a competitive domestic capital market and, in particular, of monitoring, in an integrated and transversal way, the processes involved in preparing regulatory instruments that have a direct or indirect impact on the activity of listed companies. A common and informed voice for listed companies, the AEM plays a fundamental role in finding the most appropriate solutions for the proper development of the capital market and the Portuguese economic system through constructive dialogue with national and European public authorities and the public disclosure of their positions. www.emitentes.pt

AEP - Associação Empresarial de Portugal, Chamber of Commerce and Industry

The AEP's mission is to defend the interests of companies and offer services that boost their competitiveness. Its work with companies, through services designed to meet the needs identified by its technical teams or based on consultation with its members, is characterised by its diversity, multi-sectoral nature and national scope.

www.aeportugal.pt

COTEC PORTUGAL - Associação Empresarial para a Inovação

The purpose of COTEC PORTUGAL is to boost relations between all the entities involved in the National Innovation System, prioritise innovation policies and encourage and motivate companies to invest in research and development. Its activities include: promoting reflection on the impact of innovation processes on economic development; raising awareness among companies and encouraging them to invest in Research, Development and Innovation; promoting and encouraging links between centres of knowledge and the business community, particularly with regard to ensuring companies' human resources have the relevant qualifications; and leading the way in boosting relations between companies and public and private institutions involved in the National Innovation System. www.cotecportugal.pt

IPCG - Instituto Português de Corporate Governance

The IPCG's mission is to promote effective corporate governance in Portugal, foster transparency, responsibility and corporate ethics in order to maximise the creation of long-term value for all stakeholders, and increase corporate governance literacy across the various sectors in the Portuguese economy. The IPCG promotes a culture of responsibility and transparency, encouraging organisations to disclose their governance practices and financial and non-financial performance in a clear and accessible manner. It also develops and disseminates best practices, publicising relevant research and collaborating with experts to identify and promote effective governance practices. It works with legislators, regulators and associations in the various sectors to promote legislation and policies that improve transparency, accountability and corporate ethics. www.cgov.pt

ANPC - Associação Nacional de Proprietários Rurais, Gestão Cinegética e Biodiversidade

The ANPC's mission is to defend, enhance, promote and represent, at national and international level, the interests of landowners, the production, management and sustainable exploitation of wild and natural resources, such as hunting and fishing, the protection and enhancement of the environment and natural and built heritage, and the conservation of nature and biodiversity, as well as the promotion and development of related tourism. www.anpc.pt

Produtech - Production Technologies Association - Production Technologies Cluster

The aim of this association is to implement collective efficiency initiatives and strategies aimed at developing companies that produce production technologies, fostering their global competitiveness in a sustained manner, particularly in terms of internationalisation, innovation and expertise, and promoting, in a structured manner, the emergence of agglomeration economies, through co-operation and networking between companies, as well as between companies and other agents that are important for development in their respective sectors, namely enterprises, sectoral bodies, entities within the national scientific and technological system and other organisations in the main sectors using these technologies. It also promotes and manages the Production Technologies Centre. www.produtech.org

Passivhaus Portugal Association

The Passivhaus Portugal Association was created to implement and develop the Passivhaus concept in Portugal, with the following objectives: to disseminate (promote and develop) the Passive House concept in Portugal and contribute to energy independence and sustainability in Portugal. Passive House is a construction concept defining a high-performance standard that is energy efficient, healthy, comfortable, affordable and sustainable. www.passivhaus.pt

APFAC - Associação Portuguesa de Fabricantes de Argamassas e ETICS

APFAC's main mission is to support and represent mortar and ETICS system manufacturers in Portugal, defending their interests and rights before public and private organisations. The association aims to promote the appropriate use of mortars and ETICS systems, championing their quality and safety. APFAC's mission also involves promoting training and education, helping to develop technical and scientific knowledge among professionals and users in the mortar and ETICS systems sector. www.apfac.pt

APQ - Associação Portuguesa para a Qualidade

The purpose of the APQ is to promote and disseminate theoretical and practical knowledge in the field of Quality and Excellence in Portugal. The APQ carries out its activities either individually or in partnership with other entities, seeking to present innovative and stimulating solutions, creating value for its Members and contributing to the sustained development of Portuguese society. www.apq.pt

Porto Climate Pact

Designed to serve everyone, with the ultimate goal of defending the global climate system, it subsists largely on the basis of membership among different entities operating in Porto.

https://pactoparaoclima.portodigital.pt/wp-content/uploads/2022/11/Porto-Climate-Pact_ENG_v02.pdf

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://www.portoprotocol.com/>

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

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://www.bcdsportugal.org/act4nature-portugal>

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/home/>

Pacto Mais e Melhores Empregos para os Jovens

An initiative promoted by the José Neves Foundation that has received support from 50 Portuguese companies. Investing in young people is investing in the future and, for this reason, the signatories pledge to take action by 2026 to improve youth employment, implementing concrete measures aimed at, among other things, increasing the percentage of young people hired, ensuring more of them remain with the company, guaranteeing them quality jobs (with a level of pay and duties appropriate to their qualifications), supporting and developing youth training and giving young people a voice by increasing their participation on company boards.

<https://www.joseneves.org/pacto>



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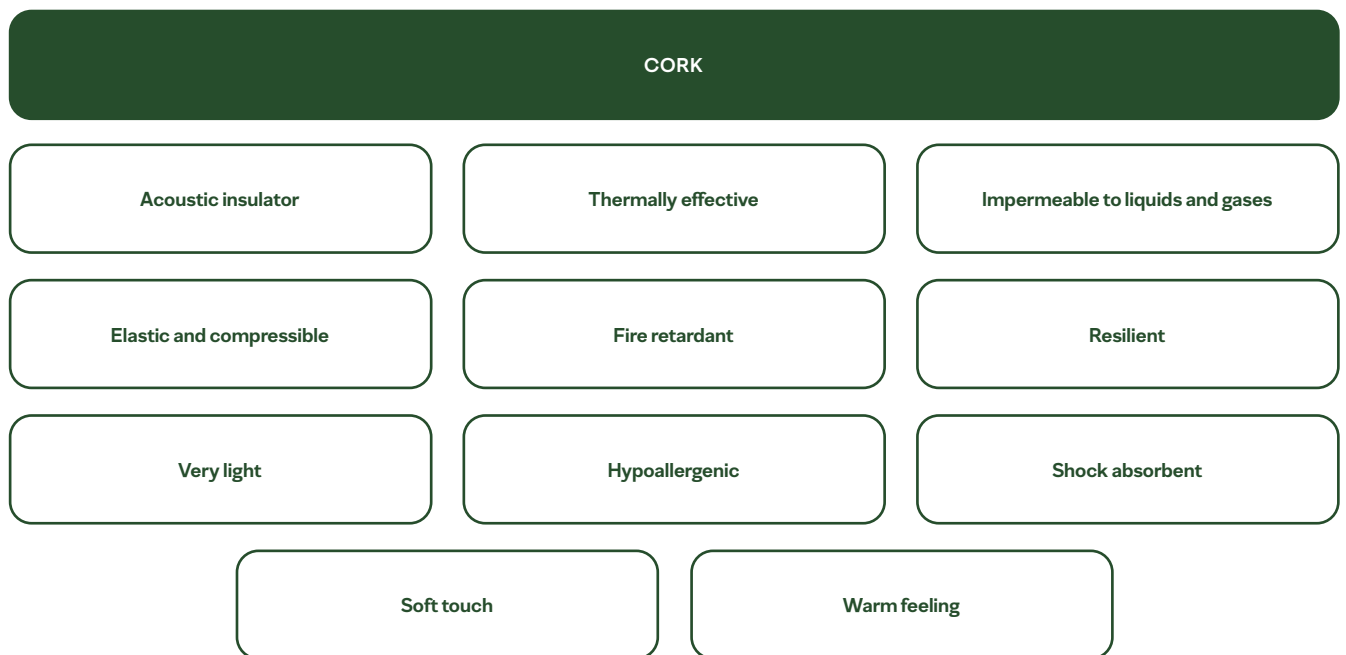
The cork oak forest (montado) regulates hydrological cycles, protects against soil erosion, fosters significant biodiversity, reduces the risk of desertification, acts as a barrier against forest fires, serves as an important natural carbon sink and is an engine of economic, environmental and social development.

CORK, CORK OAK TREE, CORK OAK FOREST



As the world's largest cork transformation group, Corticeira Amorim has contributed, like no other player, to the overall business, market, economy, innovation and sustainability of the entire cork industry.

Cork

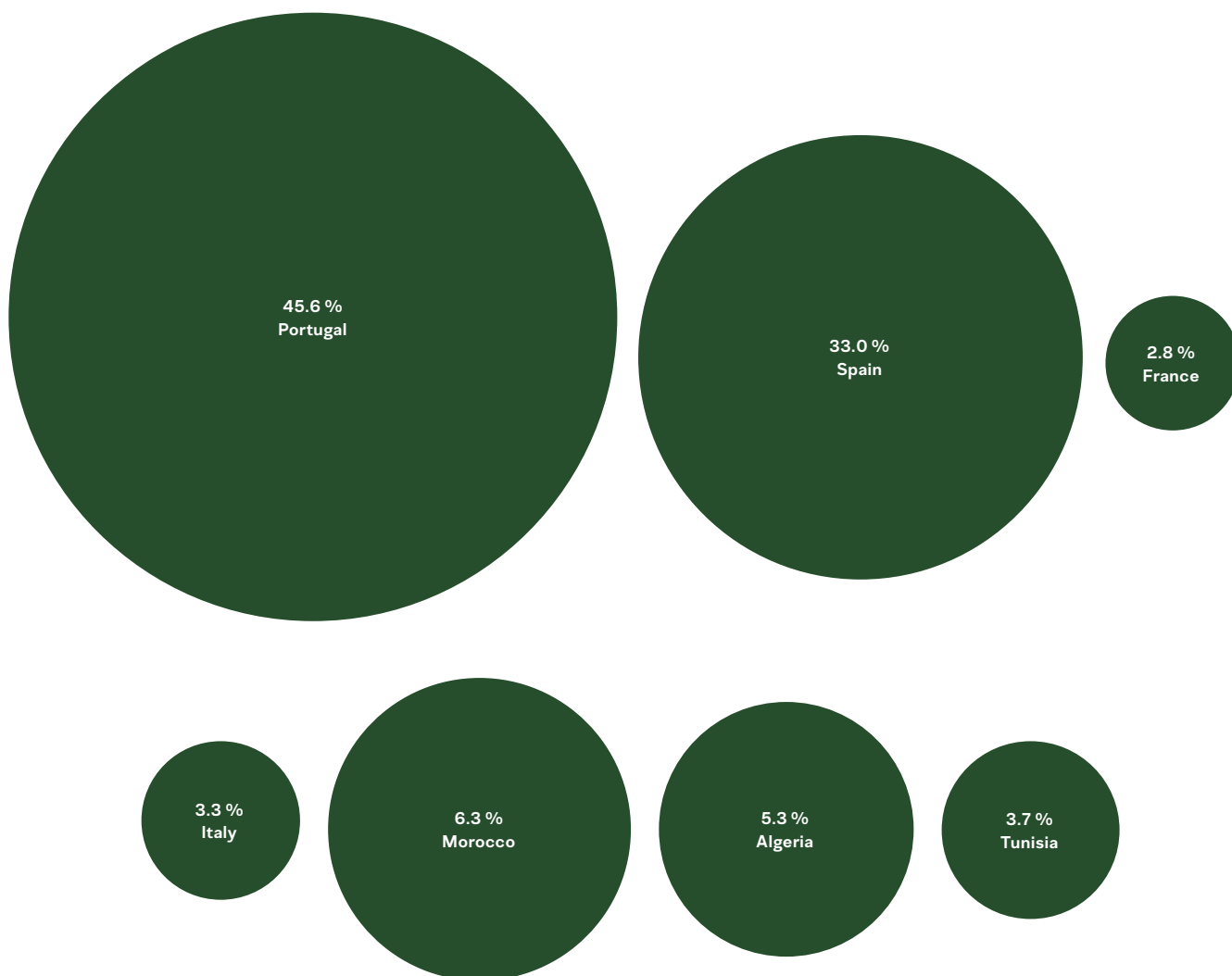


Cork is the name commonly given to the bark or protective cover that acts as the epidermis of the cork oak tree (*Quercus Suber L.*). It is a renewable, biodegradable, 100% natural and recyclable material that has truly exceptional properties. Cork cells, grouped in a characteristic alveolar structure, 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 provides resistance to microbiological attacks). Other compounds found in the cellular system of cork include polysaccharides, ceroids and tannins, albeit to a lesser extent.

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

Annual cork production³



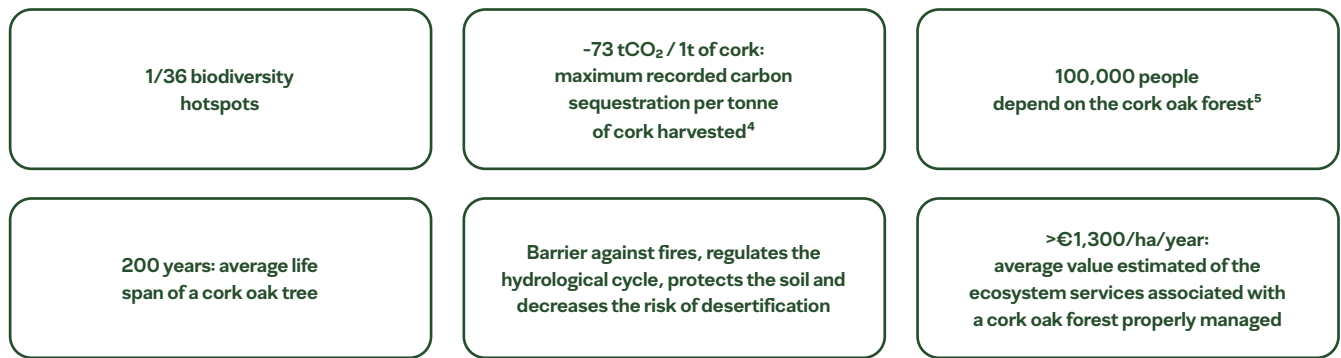
The cork oak tree from which cork is extracted belongs to the oak family. Its value is based not only on the products extracted from the tree, but on all of the agricultural, forest, silvopastoral and hunting activities that revolve around the cultivation of cork oak trees. The regular harvesting of cork makes a fundamental contribution to the environmental, economic and social sustainability of the Mediterranean region's rural areas, where the cork oak may be found.

The process of harvesting cork is called "*descortiçamento*" (stripping) in Portuguese. It occurs without deforestation and takes place during the period of greatest vegetative activity: from mid-May to the end of August. Nowadays, cork harvesting is mostly done by hand, with absolute precision, by specialised professionals who use a special axe, ensuring that the tree is not damaged.

The cork oak is a slow-growing tree, which can live for up to 200 years, which means that it can be stripped several times over the course of its life, keeping the tree alive. The first harvest only takes place when the trunk of the tree reaches a perimeter at breast height (PBH) of 70 cm. The cork removed in this first harvest is called "virgin cork". After nine years, "secondary cork" is harvested. After these two extractions, and every nine years, "*amadia* cork", is harvested. This cork has a regular structure with a smooth interior and exterior and the characteristics and qualities suitable for the production of stoppers.

³ Food and Agriculture Organization (FAO) (2010); AGRO.GES (2019)

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. Every year, approximately 200 thousand tonnes of cork are extracted 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 characterised by its multifunctionality, combined with a variety of integrated forestry and agricultural production systems, as well as 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. The plant biodiversity of this ecosystem is made up 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, which contributes to the high biodiversity that characterises the ecosystem. The cork oak forest combines the aforementioned elements with agricultural and livestock activity in the same space, allowing the benefits of the biological interactions between them to be maximised.

It is possible to find different types of landscapes in this ecosystem: forest, whose focus is on cork extraction, and a landscape in which agricultural activities, such as cereal cultivation, and livestock activities, such as cattle grazing, are mainly carried out.

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 biodiversity that exists and the multifunctional exploitation that characterises it. It also offers a set of economic and environmental goods and services, related to agro-silvopastoral activities and others, such as ecotourism, which strengthen the economic importance of this ecosystem.

⁴ https://www.apcor.pt/wp-content/uploads/2015/10/Brochura_Ambiente_EN.pdf#page=18

⁵ https://wwfeu.awsassets.panda.org/downloads/cork_rev12_print.pdf

1. GENERAL DISCLOSURES

1.1 BASIS FOR PREPARATION

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, adopted since 2006, fosters transparency and encourages the adoption of sustainability principles, both in the value chain and among the main stakeholders.

Corticeira Amorim breaks down the information reported into different levels of granularity, when necessary for a proper understanding of its material impacts, risks and opportunities. The levels of disaggregation can be: i) by country, when there are significant variations, meaning presenting the information in a more aggregated fashion would obscure material information; ii) by location or significant asset, when the material impacts, risks and opportunities are associated with a specific location or asset; iii) by other parameters such as gender, professional category, among others, when relevant to understanding the material impacts, risks and opportunities. To define the level of disaggregation for reporting, the Company took into account the disaggregation adopted in its materiality assessment.

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.

This document has been prepared in accordance with the guidelines of the Global Reporting Initiative, the GRI Standards (GRI), and also reports on Corticeira Amorim's performance in relation to the sustainability metrics defined in the Sustainable by nature programme (Chapter 3. Sustainable by nature programme), which may include topics and metrics different from those of the GRI framework. It also complies with the legal requirements introduced by Portugal's Decree-Law No. 89/2017, of 28 July, constituting, under the terms of Article 508-G of the Commercial Companies Code, the Consolidated Non-Financial Statement of Corticeira Amorim, S.G.P.S., S.A. It also complies with Article 8 of the EU Taxonomy Regulation and Delegated Act of the Article 8.

As Corticeira Amorim is a group of companies spread across the globe, there are difficulties in implementing uniform information collection systems, particularly in smaller companies. Therefore, the sustainability disclosures in this report relate to the Corticeira Amorim companies that are part of the sustainability perimeter and are prepared on a consolidated basis by the parent company. A plan is underway to increase the number of companies covered by this report. Further information on the companies included in the sustainability perimeter can be found in Chapter 9. References and scope of the report/9.1 Companies included in the consolidation of sustainability indicators.

Different teams in the Business Units (BUs) and the support areas, in particular the sustainability division, collect the information relating to the selected key performance indicators and prepare the report in accordance with GRI and other applicable benchmarks. The Board of Directors, the Executive Committee (CECA) and the ESG Committee (CESG) supervise drawing up the Sustainability Report and are informed of the recommendations resulting from the independent assurance work. The information contained in this report has been audited by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A. The Board of Directors approves the approach and scope of external verification of the Sustainability Report.

Navigating the Sustainability Report:

- Corticeira Amorim – Chapter 2
- Sustainable by nature programme and alignment with the UN SDGs – Chapter 3
- Environmental information, including European Union Taxonomy – Chapter 4
- Social information – Chapter 5
- Governance information – Chapter 6
- Sustainable finance – Chapter 7
- Consolidated sustainability indicators – Chapter 8
- References and scope of the report – Chapter 9
- GRI Table – Chapter 10
- Alignment with the TCFD – Chapter 11
- Independent assurance report – Chapter 12

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

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/>.

1.2 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

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

The CECA is responsible for overseeing the governance of sustainability issues and integrating ESG issues into the business. At least twice a year, the CECA meets to analyse the approach to ESG topics, the definition of targets, the performance and the review of the reporting.

The Board of Directors has set up the 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, ethics and environmental and social pillars. The committee’s attributions have been established in the respective Regulations. The CESG is chaired by an independent non-executive 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.

The management of ESG issues is led by the CSO and coordinated by the HCS, together with the other support divisions, including Human Resources, Procurement and Energy, Shipping Logistics, Compliance, Tax, Risk Management, Information Technology and Systems, Consolidation and Reporting, Sustainability and

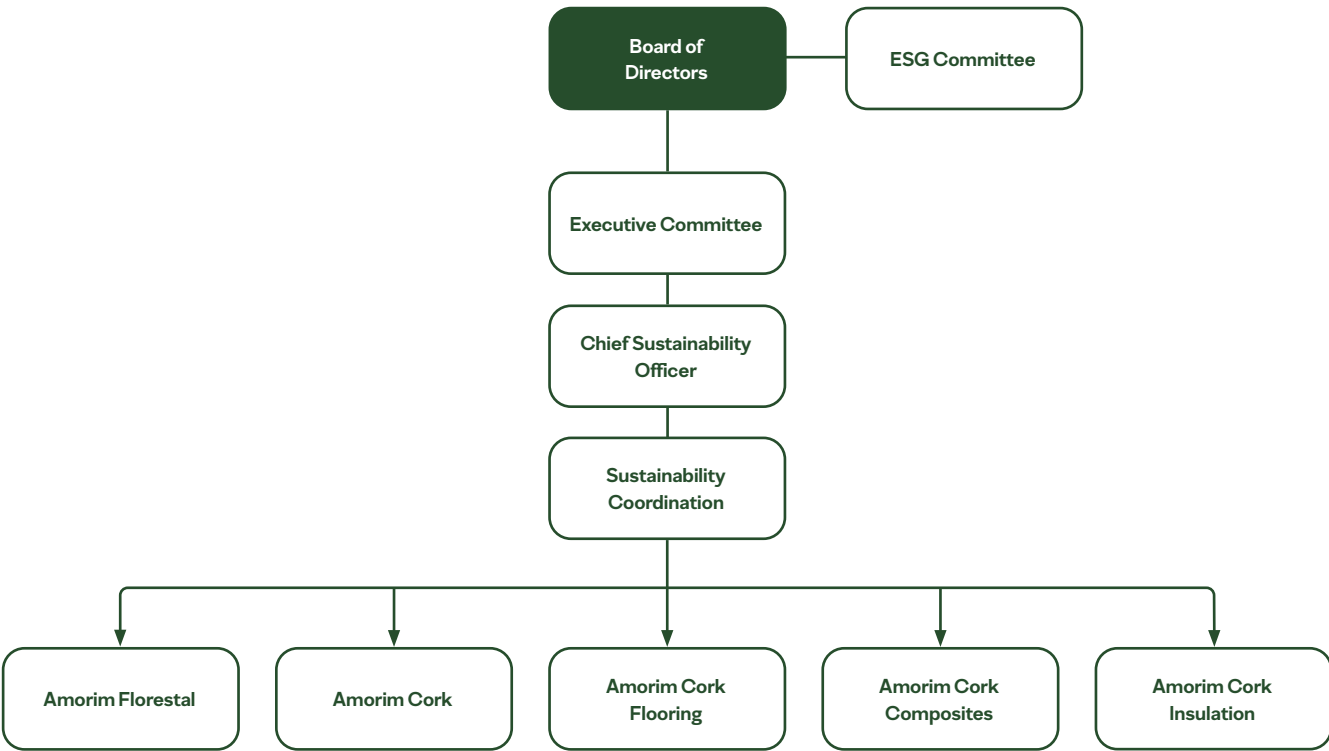
Corporate Governance. These support areas work together to ensure ESG activities are aligned and effective throughout the Company. Each BU has a sustainability officer who reports directly to the BU’s Chief Executive Officer (CEO), who is responsible for implementing initiatives and actions, monitoring and reporting on performance.

The competences and knowledge of the members of the Board of Directors, CECA and CESG are described in Chapter B – Corporate Boards and Committees of the Corporate Governance Report.

All of Corticeira Amorim’s workers 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 to the General Shareholders’ Meeting the financial statements, including the Sustainability Report. The General Shareholders’ Meeting deliberates on these documents, including the Sustainability Report, which are approved as long as they receive a majority of favourable votes from the shareholders present or represented at the General Meeting.

Board of Directors’ Regulations and ESG Committee Regulation available at:
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>



1.3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Performance evaluation of the executive directors

The Remuneration Policy for the three-year period 2022-2024, approved by the General Meeting of Shareholders on 28 April 2023, 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 those 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 the executive directors includes two components: annual variable remuneration and three-yearly variable remuneration. Both components of the variable remuneration are conditional on the Company's positive performance over that period, in terms of the economic and financial indicators and the medium and long-term targets described in the Policy, which includes ESG dimensions measured by the Sustainability Index, so their value is automatically adjusted if the results show a significant deterioration in the Company's performance in any of the last financial years. In the latter situation, the variable (deferred) remuneration may not be paid to the executive director. If the variable remuneration, in whole or in part, has been unduly awarded, even though it has been paid its reimbursement may be demanded, whether or not the beneficiary is still employed by the Company. For more information, see Point 25. Predefined criteria for assessing executive directors' performance and Point 70. Information on how remuneration is structured so as to enable the aligning of the interests of the members of the Board of Directors with the Company's long-term interests and how it is based on the performance assessment and how it discourages excessive risk taking, both from the Corporate Governance Report.

Performance evaluation - heads of the Energy, Sustainability, Human Resources and Industrial Operations divisions

The variable remuneration of the heads of the Energy, Sustainability, Human Resources and Industrial Operations support areas is linked to the fulfilment of specific objectives in the respective divisions, assessed based on defined performance indicators, namely:

- Energy: energy efficiency improvement, reduction in total energy consumption and implementation of an emissions reduction initiative;
- Sustainability: progress on objectives related to the Sustainable by nature programme, which includes progress and compliance with climate-related objectives and the Company's performance in sustainability indices;
- Human Resources: recruitment of women to management positions and to the workforce in general, access to training for employees and safety indicators;
- Industrial operations: safety indicators relating to the frequency and severity of accidents.

Remuneration Policy available at:

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

1.4 STATEMENT ON DUE DILIGENCE

Minimum social safeguards require the implementation of a management system that strictly monitors compliance with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational and the United Nations Guiding Principles on Business and Human Rights, as well as the Fundamental Conventions of the International Labour Organization (ILO) and the International Bill of Human Rights. In accordance with the 2021-2024 plan, in 2023 Corticeira Amorim reinforced its due diligence practices regarding respect for Human Rights by creating a Human Rights due diligence plan in accordance with the fundamental principles of the United Nations (UN) Guiding Principles on Business in the implementation of the "Protect, Respect and Remedy" framework.

The Monitoring Report on Respect for Human Rights identifies the main mechanisms and procedures in place to guarantee the protection of Human Rights. This Programme is continually being evaluated in order to respond to changes in the company's strategy, business model, activities, commercial relations, operational, procurement and sales contexts and includes the establishment and periodic review of robust policies and procedures.

Human Rights due diligence: (i) should cover adverse Human Rights impacts that the business enterprise may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships; (ii) will vary in complexity with the size of the business enterprise, the risk of severe Human Rights impacts, and the nature and context of its operations; and (iii) should be ongoing, recognizing that the Human Rights risks may change over time as the business enterprise's operations and operating context evolve. The result of Corticeira Amorim's sustainability due diligence process is considered in the Organisation's assessment of its material impacts, risks and opportunities and this is done before new operations, practices, processes and products are introduced.

Corticeira Amorim is committed to acting in a responsible and transparent manner, adopting sustainable practices at all levels of the Organisation and committing to work collaboratively with its stakeholders in order to promote sustainable practices.

In 2024, the Company intends to further bolster its Human Rights due diligence and develop its environmental due diligence.

Human Rights Policy, Purchasing Policy, Code of Ethics and Conduct for Suppliers and Monitoring Report on Respect for Human Rights available at:

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

1.5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Corticeira Amorim has an integrated multidisciplinary system aimed at identifying, assessing, prioritising, treating and monitoring risks. This internal control system covers risk management, compliance and internal auditing, and includes effective procedures for detecting and preventing irregularities. The system is continually improved, as a result of an internal analysis involving the Board of Directors, namely its CECA, the Risk Committee and the various support areas, such as Risk Management, Compliance and Organisational Development, Strategic Planning and Sustainability, while support is also received from specialised external consultants when necessary. The Internal Audit support division plays a crucial role in monitoring and evaluating the effectiveness of the controls implemented, as well as planning and carrying out risk-based audits and performing tests to assess effective 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, who is responsible for advising the Board of Directors on monitoring risk management activities at Corticeira Amorim.

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 as being a material risk. A substantive strategic or operational impact is determined in Corticeira Amorim's risk management process as one that produces an effect on consolidated results that exceeds five million euros.

Therefore, given the specificities of Corticeira Amorim's framework and business model - in particular: 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) the robust control systems implemented and (vi) the dual corporate supervision (Audit Committee (CAU) and Statutory Auditor) - it can be concluded that Corticeira Amorim's internal control system (comprising Risk Management, Compliance and Internal Control) is 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.

For more information on internal control and risk management, see Chapter C – Internal Organisation / III. Internal control and risk management of the Corporate Governance Report.

Risk Management Policy available at:

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

2. CORTICEIRA AMORIM

Founded in 1870, Corticeira Amorim stands out as one of the most innovative and entrepreneurial multinationals of Portuguese origin and a world leader in cork processing, having recognised the vast potential of this 100% natural raw material early on and positioning cork as a material of choice in an increasingly open, informed and prosperous society. Operating under the maxim “not just one market, not just one customer, not just one currency, not just one product”, Corticeira Amorim has continuously expanded its portfolio, entering new markets and developing innovative products. With a strong commitment to sustainability, which manifests itself in both positive climate regulation and the development of value-added, nature-based solutions, the Company serves challenging and technological industries, including the aerospace, automotive, construction, sports, energy, interior design, and wine and spirits sectors. Under the management of the fourth generation of the Amorim family, which preserves values such as pride, ambition, initiative, sobriety and attitude, the Company invests significant sums in research, development and innovation (R&D+I), every year, including an investment in R&D+I of 11.3 million euros this year. In 2023, Corticeira Amorim recorded consolidated sales of 985.5 million euros, 93.2% of which were made internationally.

2.1 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. Key to operations, cork is obtained from a network of producers with whom the Company establishes medium and long-term partnerships, promoting good forest management practices and there by maximising the ecosystem services of the cork oak forests, namely the continuous production of good quality cork.

2.2 BUSINESS UNITS

The Company has a broad portfolio of cork-based products for different markets and applications and is structured into five BUs. Amorim Florestal, Amorim Cork, Amorim Cork Flooring, Amorim Cork Composites and Amorim Cork Insulation.

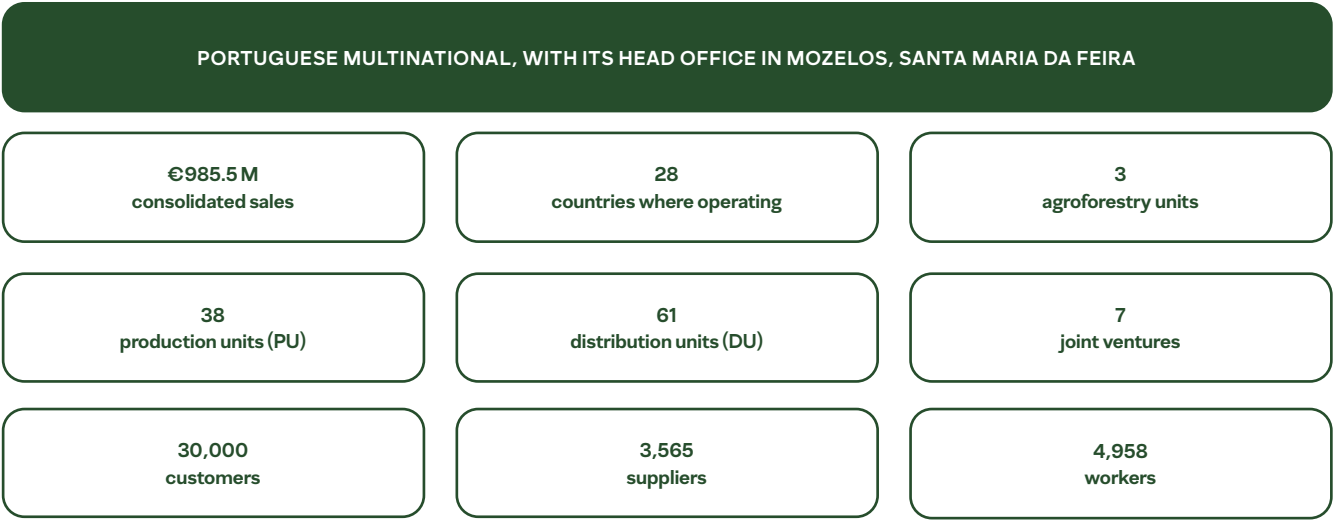
BU and products	Markets	Main references	Sales*
 Amorim Florestal Responsible for overall and integrated management of the company's value chain, it plays a key role in promoting synergies between the various business units to ensure optimisation of the flow and quality of cork	Agroforestry and cork preparation	1,150,000 m ² of cork yard 8,181 hectares of forest estates under management	€234.0 M
 Amorim Cork 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 and type, anywhere in the world	Still and sparkling wines, spirits, beer and cider	5,600,000,000 stoppers sold/year	€759.4 M
 Amorim Cork Flooring 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	Floor & wall coverings	10,000,000 m ² installed capacity in floor & wall coverings/year	€92.2 M
 Amorim Cork Composites 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	Aerospace, mobility, maritime, energy, sealing, construction, sports and recreational surfaces, flooring, home, office and leisure goods, toys and footwear	195,440 blocks and cylinders produced/year	€119.8 M
 Amorim Cork Insulation 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	Sustainable construction / insulation, interior and exterior design	60,000 m ³ installed capacity in insulation cork/year	€18.2 M

* Sales of the BU

2.3 WORLD PRESENCE

Headquartered in Portugal, Corticeira Amorim operates on five continents, with a global presence through various operations. These include not only industrial activities, such as raw material

processing and agroforestry management, but also product distribution and strategic joint ventures. The Company also has an extensive network of market agents, which plays a crucial role in extending its global reach. The Company's shares are listed on Euronext Lisbon.

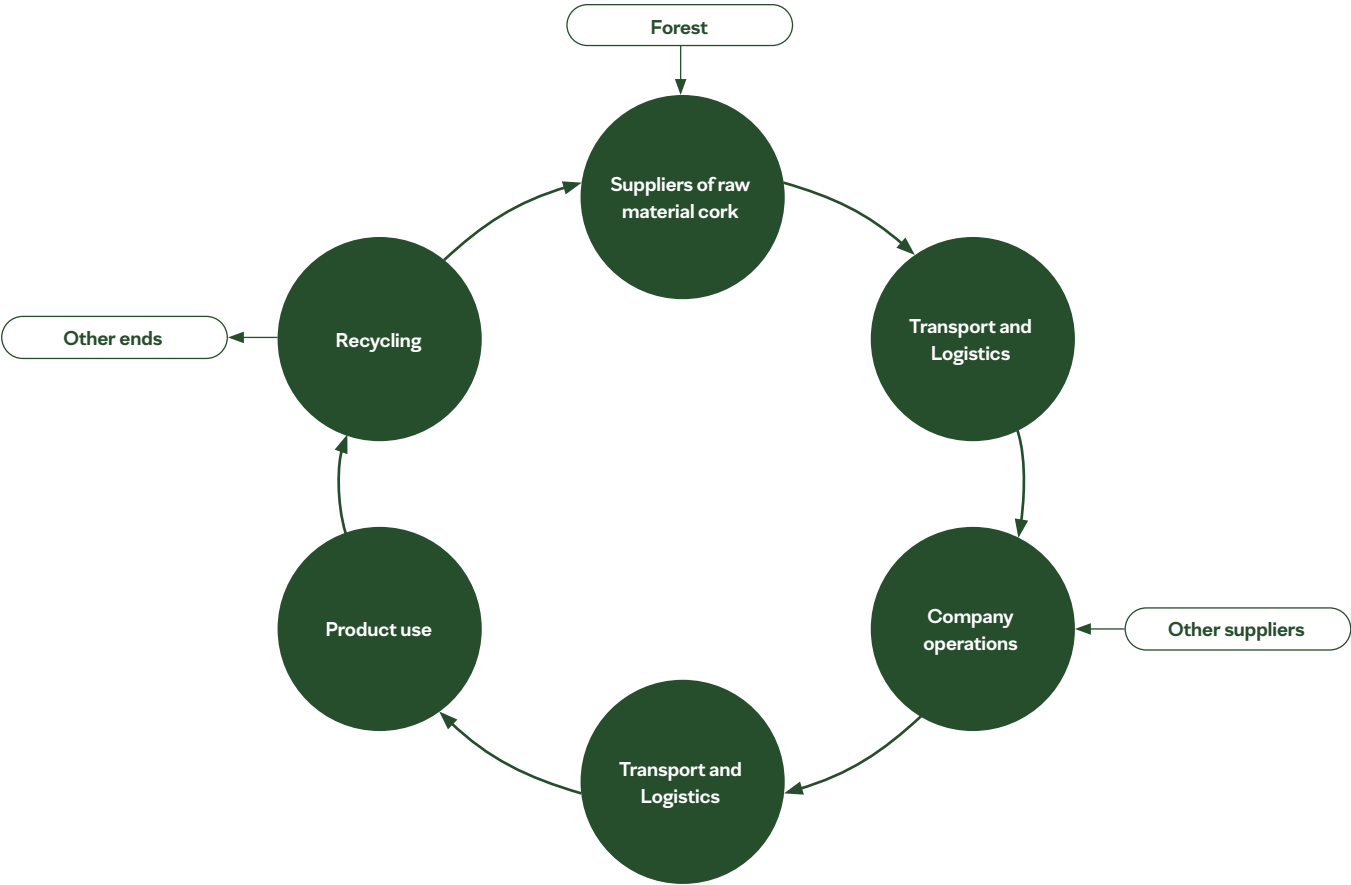


PU = raw material preparation units and industrial units

2.4 CHARACTERIZATION OF THE VALUE CHAIN

Corticeira Amorim actively promotes ethical commitments and environmental, social and economic responsibility throughout its business and value chain, encouraging, as will be mentioned throughout this report, the responsible use of resources, the application of circular economy practices, the reduction of waste and the amount of raw materials used, the minimisation of packaging and the prioritisation of recycled, recyclable and/or compostable materials.

The Company has adopted a verticalized business model that spans all stages of production, from the purchase of the raw material, through inbound logistics and distribution (transport) to operations, recycling and marketing of various cork-based products. In addition, being aware of the urgent need to protect the cork oak forests, the Company also has an agroforestry division, investing directly in forest estates that contain cork oaks.



2.4.1 SUPPLY CHAIN AND TRANSPORT AND LOGISTICS

As well as innovating, improving existing products and developing new ones, Corticeira Amorim also seeks out environmentally responsible packaging solutions. To this end, the Company works to reduce the use of non-renewable virgin materials and creates designs that enable recycling into long-lasting products.

The main raw material used in Corticeira Amorim's activities is cork – a renewable and biodegradable material, both 100% natural and recyclable, which is extracted without deforestation – and cork products account for around 83.8% of total revenue. It also uses other natural resources such as wood, water and energy, as well as other raw materials such as chemicals and plastics, as well as services such as transport.

In 2023, Corticeira Amorim made purchases of cork and non-cork materials from 3,565 direct suppliers around the world; around 70.9% of the value of these purchases was in Portugal.

The Company considers it essential to establish a stable chain of suppliers of raw materials, in particular cork, and transport services, in order to guarantee good sustainability practices, both at the point of origin and in the operating processes. To this end, and in order to promote responsible production and consumption, Corticeira Amorim works with suppliers who are committed to adopting sustainable practices and favours those that adopt good ESG practices. The Organisation has a process for selecting and assessing the environmental and social impact of suppliers, which is described in Chapter 6. Governance information/6.1 Business conduct/6.1.2 Metrics and targets/6.1.2.2 Management of relationships with suppliers.

With regard to cork and cork products, the preparation and implementation of the Company's multi-annual procurement policy is the responsibility of the Amorim Florestal BU, which ensures an optimal flow of all types of cork raw materials used in the other BUs for their respective products and applications. Cork is 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 promotes conservation and social and economic investment in these areas. The geographical distribution of purchases, by purchase value, is as follows: 96.0% in Portugal and Spain, 3.3% in North Africa and 0.7% in other locations.

The management of suppliers and purchases of all non-cork products, services, contractors and transport is the responsibility of Corticeira Amorim's cross-cutting support areas Procurement & Energy and Shipping Logistics. From a global perspective,

management focuses on the pursuit of excellence in the goods purchased and services provided, in line with the Organisation's strategic objectives, with the aim of progressively adding more value in terms of sustainability, while maintaining commitment, credibility, integrity (ethics) and the pursuit of excellence throughout the Company's activities.

Upstream transport and logistics have a significant economic and environmental impact on the business, particularly in terms of transport, labour and infrastructure costs, pollution and greenhouse gas emissions, so it is a priority to ensure that they are managed sustainably.

Disruption in the supply chain and logistics has been identified by the company as a risk in its Risk Matrix, so mitigation measures have been defined, the main ones being: (i) development of a logistical model that ensures the best logistical solutions in the short and medium-long term; (ii) identify alternatives to the current options for the main destinations; (iii) diversification of transportation and logistical suppliers; (iv) selection of suppliers and search for solutions depending on their geographical location; (v) implementation of a transport tracking system; and (vi) monitoring and updating security plans/recovery plans following loss of significant suppliers.

Among the main initiatives to reduce negative impacts, mitigate risks and boost opportunities is the preference for maritime transport. In addition, with a view to maximising the amount of product transported per packaging unit and/or reducing packaging weight, various initiatives have been developed and implemented to optimise the transport flows of raw materials and products. Finally, in order to improve and consolidate the methodology used to calculate transport impacts, the Company has developed its information systems accordingly. Further information on these projects and initiatives can be found in Chapter 4. Environmental information/4.6 Circular economy/4.6.2 Metrics and targets/4.6.2.2 Packaging materials e no Chapter 4. Environmental information/4.2 Climate change/4.2.3 Metrics and targets/4.2.3.4 Other indirect (scope 3) GHG emissions.

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

In 2023, there were no significant changes in Corticeira Amorim's supply chain.

Purchasing Policy, Code of Ethics and Conduct for Suppliers and Risk Management Policy available at:
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>



As part of its commitment to biodiversity and nature conservation, Corticeira Amorim has joined Act4nature Portugal, a business initiative promoted by the BCSD Portugal, in which member companies make joint and individual commitments to the conservation of biodiversity and ecosystem services.

2.4.2 COMPANY OPERATIONS AND PRODUCT USE

Corticeira Amorim is the world's largest cork processing group and develops its business activity based on the bioeconomy, seeking 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, which contribute to mitigating climate change.

In addition to the production and distribution activities identified in Chapter 2. Corticeira Amorim/2.2 Business Units, Corticeira Amorim also carries out other activities which do not generate revenue but which have an impact on sustainability, such as: forest management, the production of heat/cold from bioenergy, the renovation of catchment systems, the treatment and supply of water, the installation, maintenance and repair of energy-efficient equipment and the acquisition and renovation of buildings. These additional activities are consistent with the materiality assessment carried out and the impacts are disclosed in this report.

Corticeira Amorim works closely with customers to understand their needs, offer customised solutions, optimise processes, reduce waste and improve efficiency. This is done through a variety of communication channels, including dialogue, partnerships, education/awareness actions, support for initiatives, responding to surveys, among others. In 2023, Corticeira Amorim had approximately 30 thousand customers and 93.2% of sales were outside Portugal, in more than 100 countries.

The Company's operations and product use have a major impact on society, since the demand for sustainable products has been growing in recent years. 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 contribute to mitigating climate change. In recent years, operations have been guided by a number of key principles, including: developing new products and markets for cork, involving customers in this process, thereby maintaining proximity and making them cork ambassadors; seeking new technological solutions at product level, in partnership with customers, suppliers and other organisations; strengthening the reputation of its brands by constantly evolving its offer in response to new market and consumer trends.

The development of alternative stoppers is identified as a strategic and exogenous risk in Corticeira Amorim's Risk Matrix, and mitigation measures have therefore been defined: (i) investment and continuous monitoring of the quality and reliability of cork stoppers and the quality of cork raw materials; (ii) ongoing reinforcement of market perception of the natural origin of cork stoppers; (iii) strengthening of communication campaigns to promote the attributes of cork products; (iv) investment in promoting cork stoppers as an "oenological product"; (v) continuous investment in R&D and the development of new solutions and composites for the cork stopper; (vi) compliance with certifications and requirements both of purchase materials as well as manufactured products. Among the various initiatives that are being implemented, we highlight the studies aimed at assessing the environmental impacts of the main products, with a focus on the different stages of the life cycle. Additional information in

Chapter 4. Environmental information/4.7 Green products/4.7.2 Metrics and targets/4.7.2.2 Life cycle assessments.

At the end of 2023, Corticeira Amorim had approximately five thousand workers, around the world who are passionate about the business, striving to go further, overcoming challenges, influencing by positive example and promoting the development and well-being of the communities closest to them and of society in general.

Purchasing Policy, Code of Ethics and Conduct for Suppliers and Risk Management Policy available at:

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

2.4.3 RECYCLING

Cork is a material that can be reused and recycled several times in the economy. Recycling cork products extends the life cycle of cork and, consequently, its environmental benefits, in particular its CO₂ retention capacity.

The Company currently has several cork recycling initiatives. In particular, several programmes are under way, with various partners, for selective cork stopper collection on five continents, which together have enabled the collection and recycling of 915 t of cork, corresponding to 1.3 t of cork recycled per million euros sold or 3.5% of the cork stoppers produced by Corticeira Amorim in 2023.

Recycled cork can never be used for cork stoppers again, but it can have a second life and be used in a wide array of other products. Recycling projects also have a social responsibility and environmental awareness aspect aimed at 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 circular economy principles.

Corticeira Amorim collaborates 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 and/or composting.

Additional information Chapter 4. Environmental information/4.6 Circular economy/4.6.2 Metrics and targets/4.6.2.1 Materials and 4.6.2.4 Cork recycling.

2.5 STAKEHOLDERS

Corticeira Amorim interacts with various stakeholders who have, or may come to have, influence, dependence and/or responsibility towards the Company, 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, Non-Governmental Organisations (NGOs) and the community, and partners and civil society.

Stakeholder involvement is important for the Company, as understanding their concerns and expectations regarding the issues to be monitored and communicated is fundamental for validating and identifying strategic priorities.

2.5.1 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 entities
• General shareholders' meetings • Meetings with investors and analysts • Periodic disclosure of evolution of the business • Consolidated Annual Report and 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 • Response to enquiries	• Sustainability Report • Environmental education/awareness actions • Support for initiatives/projects • Satisfaction surveys • Participation in fairs and industry events • Awareness and technical support • 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 to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures • Response to enquiries	• 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 • Responses to external requests • Visits to the cork oak forest and to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures • Periodic team meetings • Linkpeople (Human Resources ER)	• Periodic disclosure of evolution of the business • Consolidated Annual Report and Accounts • Sustainability Report • Initiatives to defend the cork oak forest • Participation in fairs and industry events • Cooperation agreements for R&D+I • Publication of technical articles • Support for initiatives/projects • Satisfaction surveys • Awareness and technical support • Working groups • Regular meetings and contacts • General and sectoral meetings • Various seminars and workshops • Responses to external requests • Visits to the cork oak forest and to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures
Suppliers	Media	NGOs and community	Partners and civil society
• Consolidated Annual Report and Accounts • Sustainability Report • Environmental education/awareness actions • Support for initiatives/projects • Selection and evaluation of suppliers • Participation in fairs and industry events • Awareness and technical support • 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 to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures	• Periodic disclosure of evolution of the business • Consolidated Annual Report and Accounts • Sustainability Report • Support for initiatives/projects • Participation in fairs and industry 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	• Periodic disclosure of evolution of the business • Consolidated Annual Report and Accounts • Sustainability Report • Initiatives to defend the cork oak forest and the environment • Environmental education/awareness actions • Community engagement initiatives • Support for initiatives/projects • Cooperation agreements for R&D+I • Working groups • Regular meetings and contacts • General and sectoral meetings • Various seminars and workshops • Responses to external requests • Visits to the cork oak forest and to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures	• 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 industry events • Cooperation agreements for R&D+I • Publication of technical articles • Working groups • Regular meetings and contacts • General and sectoral meetings • Various seminars and workshops • Responses to external requests • Visits to the cork oak forest and to Corticeira Amorim • Website • Social networks • Newsletter and press releases • Information brochures

2.5.2 CONSULTATION

Corticeira Amorim has conducted a process of consultation and involvement with its stakeholders since 2009. This is a crucial stage in the development of its materiality matrix and, consequently, in the creation of its sustainability strategy. This process has enabled Corticeira Amorim to understand external developments and market concerns and expectations, as well as to anticipate new opportunities and emerging risks (Chapter 2. Corticeira Amorim/2.6 Definition of strategy).

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

For more information on stakeholder consultations, see the Sustainability Reports for the years 2009, 2011, 2013, 2015, 2018 e 2021 available at <https://www.amorim.com/en/sustainability/reports/>.

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

137 stakeholders identified **8** main stakeholder groups consulted **74%** response rate

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 effluents management

89% agree that the Organisation 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

Review (2021)

Documental research and direct consultation with customers and investors

3 new topics identified

- Transparency and communication
- Emissions management
- Customer satisfaction

2.6 DEFINITION OF STRATEGY

The definition of Corticeira Amorim's strategic sustainability priorities is developed by the Sustainability support area with the collaboration of other support areas and involves a materiality analysis that takes into account the Company's mission, vision and values, 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 (SDG) and stakeholder expectations (Chapter 2. Corticeira Amorim/2.5 Stakeholders/2.5.2 Consultation).

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

The implementation of the initiatives and actions needed to fulfil the objectives defined in the short (up to 1 year), medium (1 to 3 years) and long (3 to 10 years) terms, as well as the monitoring and regular reporting of performance, are the responsibility of the teams of each BU, and they are also responsible for identifying and proposing actions to fulfil the objectives and targets defined, as well as identifying and proposing new challenges.

Top management approval	Board of Directors
Monitoring and implementation 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

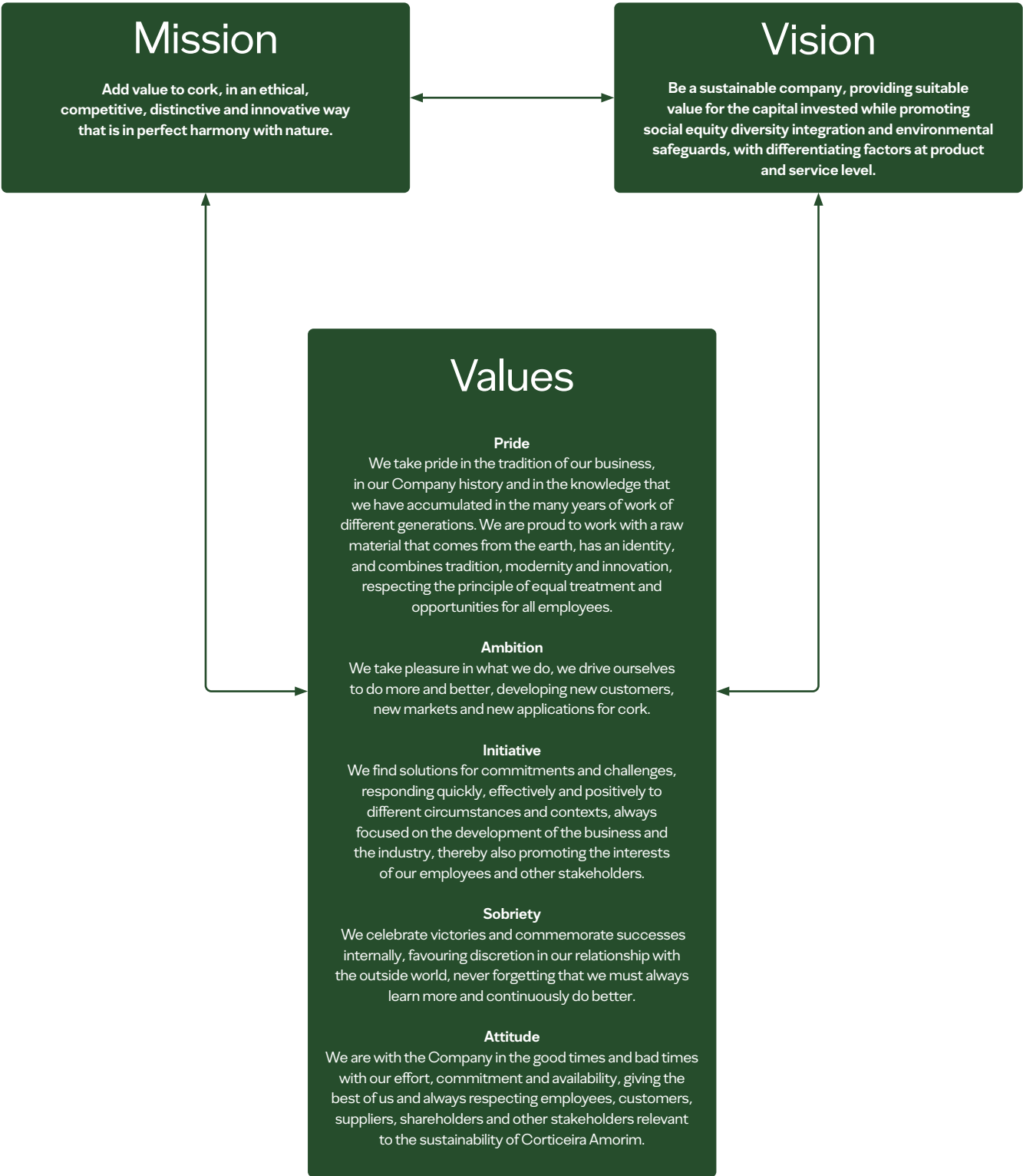
2.6.1 MISSION, VISION AND VALUES

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 economic, environmental and social benefits.

The Company’s mission, vision and values reflect its belief in the uniqueness of cork as a natural material, its ambition for success and its commitment to long-term sustainability. The purpose is

simple: to combine knowledge, technology and innovation with this age-old material and promote an activity with a sustainable balance, generating added value for all stakeholders and the planet.

These guidelines direct the strategic priorities for sustainable development, which incorporate economic, environmental and social concerns and define a clear roadmap for making strategic, operational and investment decisions, both now and in the future.



2.6.2 MATERIALITY MATRIX

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. Given the implementation of the

new GRI standards (GRI 1 and GRI 3) and the path that Corticeira Amorim is following to ensure alignment with the Corporate Sustainability Reporting Directive (CSRD), it was considered essential to review the results of the materiality review conducted in 2021, in line with the concept of double materiality.

Materiality analysis	
The materiality analysis conducted in 2018 and its review (2021) were supported by external experts and involved four main steps:	
Documental research	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. 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. The results provided relevant information for prioritisation of issues and identification of strategic opportunities for improvement of future performance.
Involvement of Corticeira Amorim's employees	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.
Engagement with relevant external stakeholders	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 7.4% (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.
Approval	The CECA approved the definition and the final materiality matrix.

Therefore, for the materiality matrix presented in this report, the material impacts of Corticeira Amorim's activity on people and/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.

Throughout the report, the material themes for Corticeira Amorim are highlighted, according to the materiality matrix:

- Environmental disclosures: promotion of the "montado" (cork oak forest), its biodiversity and associated ecosystem services; energy efficiency and climate change; emissions management; circular economy, which includes the subject matter of materials management;
- Social disclosures: economic performance and research, development and innovation that incorporates impact on the community; health and safety at work; the environmental impact of the product, including the subject matters of product responsibility and quality, customer satisfaction and customer privacy. 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;
- Governance disclosures: marrying the Company's environmental and social responsibility values with corporate governance rules and principles in order to ensure these values are part of the Company's decision-making process; transparency and communication; compliance that integrates ethics and anti-corruption and sustainable supplier management.

Materiality Matrix



2.6.3 POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS

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 formalises the following commitments:

- 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 ILO);
- 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 small and medium-sized enterprises (SMEs) and future local entrepreneurs to achieve sustainable results and thus boost national entrepreneurship.

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

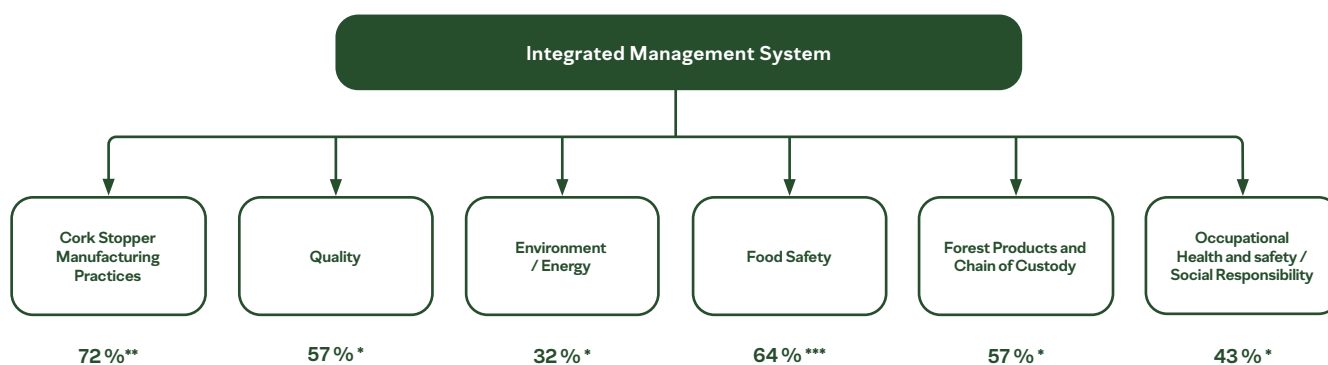
Corporate regulation and policies, in particular the General Sustainability Policy available at:
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

Management systems

Corticeira Amorim's companies 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 internal requirements, standards and legal 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, a statutory annual compliance verification audit is also carried out. All the systems have underlying performance improvement policies and objectives, which are supported by an activity plan, and there are evaluation mechanisms and indicators defined for each one. Due to the different characteristics of the companies and their activities (agroforestry, raw material preparation, industrial, distribution), each one implements the model that best suits the associated non-financial risks or emerging opportunities in the markets in which they operate, which is why there are so many different certifications: the management system of cork stopper manufacturing practices (Systcode), quality (ISO 9001), environment (ISO 14001), energy (ISO 50001), food safety (B-BBEE, BRC, BRCGS packaging materials, FSSC 22000, HACCP, IFS Broker, ISO 22000), forest products and chain of custody (FSC, PEFC), occupational health and safety (ISO 45001) and social responsibility (SA 8000).

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 28 PUs (*), 25 PUs in the Amorim Florestal and Amorim Cork BUs (**) and 14 PUs in the Amorim Cork BU (***), respectively.



In 2018, after consulting its stakeholders, Corticeira Amorim aligned the Group's economic, environmental and social objectives with the UN's Sustainable Development Goals (SDGs), designing and implementing the Sustainable by Nature programme.

3. SUSTAINABLE BY NATURE PROGRAMME

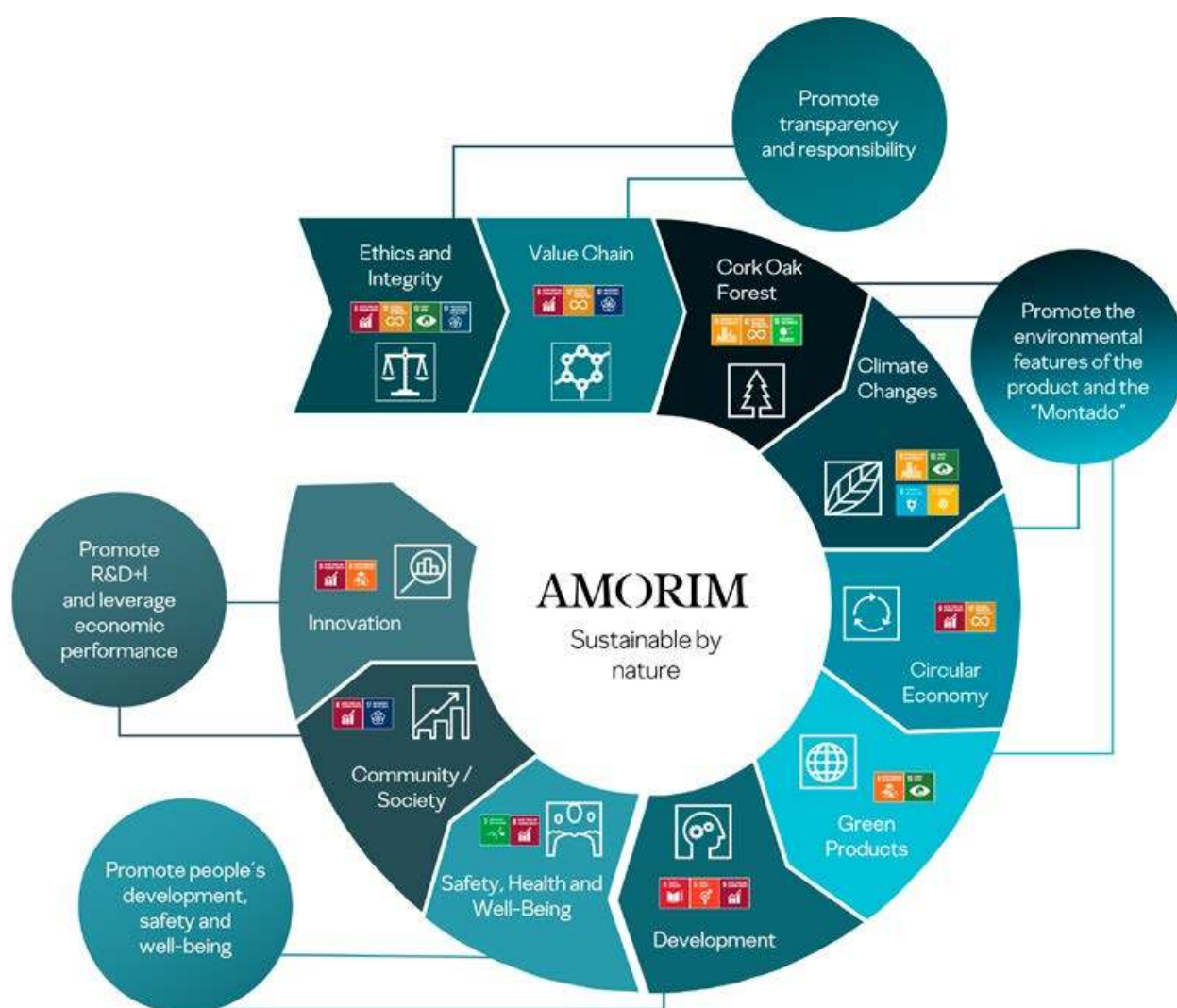
In 2018, Corticeira Amorim aligned the Company's objectives with the United Nations SDGs and laid the foundations for the Sustainable by nature programme, which sets out the ambition to be met by 2030.

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.	   	• 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.	  	• 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.	  	• 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.	   	• Increase the use of renewable energy; • Improve energy efficiency; • Increase efficiency in water use; • Reduce the negative environmental impacts.
Circular economy 	Apply the principles of circular economy through the reduction of waste, extend the life of materials and regeneration of natural systems.	 	• 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.	 	• 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.	  	• 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.	 	• Promote safe and secure work environments for all workers; • Provide access to essential quality health services; • Reduce the number of work-related accidents.
Community/ society 	Boost economic growth in a sustainable and inclusive manner, ensuring efficient production and decent work for all.	 	• Sustain economic growth; • Strengthen the global partnership for sustainable development.
Innovation 	Support and promote research, development and innovation and foster sustainable solutions.	 	• 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 that have the potential to produce a significant impact on the Sustainable by nature programme's priority areas and that cover the majority of Corticeira Amorim's operations. In terms of the financial perimeter, these companies represent: 65.0% of consolidated sales, 65.6% of workers and 60.5% of PUs.

The Sustainable by nature programme is not static. Every year a review is carried out which may lead to a readjustment of some of the objectives outlined or the introduction of new ones.

In 2023 there was a continued determination to achieve the quantitative objectives 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 2023
Ethics and integrity	Act in an appropriate and ethical way, with transparency and responsibility, stimulating competitiveness and the creation of long-term value.	- Integrate climate change measures; - Protect the labour rights; - Foster balanced and prudent management and sustainability; - Be transparent and accountable; - Sustain economic growth.	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 due diligence process;		◐ *
			Formalise/review policies;		● *
			Define the Risk Catalogue;		● **
			Implement a risk monitoring and reporting model.		◐ **
Value chain	Reinforce responsible production and consumption, preferably selecting suppliers that adopt good ESG practices.	- 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.	Establish and promote adherence to the Code of Ethics and Conduct for Suppliers.		◐ *
Cork oak forest	Preserve the cork oak forest and ecosystem services by increasing knowledge, mobilizing resources and proposing initiatives.	- 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.	+ 3,000 ha intervened forest estates under management by 2024.		◐ 1,405 ha intervened forest estates under management.

Climate change	Reduce the environmental impact of operations by adopting renewable, affordable and efficient solutions.	- Increase the use of renewable energy; - Improve energy efficiency; - Increase efficiency in water use; - Reduce the negative environmental impacts.	≥2/3 of controlled renewable energy/year; +2% energy efficiency/year; -1% water consumption intensity/year.	100% controlled renewable electrical energy; - Zero carbon footprint (scopes 1 and 2).	69.8% controlled renewable energy; 4.5% energy efficiency; 0.5% water consumption intensity; 8.9% controlled renewable electrical energy; 30,675 tCO₂e carbon footprint (scopes 1 and 2).
Circular economy	Apply the principles of circular economy through the reduction of waste, extend the life of materials and regeneration of natural systems.	- 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.	-5% weight of non-renewable virgin materials/year; ≥ 90% waste recovery rate (non-cork) / year.	100% waste recovery rate.	-37.5% weight of non-renewable virgin materials; 91.1% waste recovery rate (non-cork); 100% use of cork.
Green products	Maintain a proactive role in developing the already vast scope of application of cork, sustained by the innate properties of the material.	- Strengthen resilience and adaptability to climate-related risks; - Upgrade infrastructure and rehabilitate industries to make them sustainable; - Reduce the negative environmental impact.		100% recyclable packaging materials; 0% non-renewable virgin packaging materials.	90.5% renewable and/or recycled packaging materials; 9.5% non-renewable virgin packaging materials.
Development	Promote personal and professional development for all.	- Provide training for all; - Ensure equal access to opportunities; - End all forms of discrimination.	95% workers with training by 2024; 25% women in management positions by 2024.	100% workers with training; 33.3% women in management positions; 33.3% women workers.	87.6% workers with training; 24.1% women in management positions; 27.1% women workers.
Safety, health and well-being	Ensure the safety of workers in the workplace and access to quality health conditions.	- Promote safe and secure work environments for all workers; - Provide access to essential quality health services; - Reduce the number of work-related accidents.	Zero recordable work-related injuries by 2024.	Zero recordable work-related injuries.	55 recordable work-related injuries.
Community/society and innovation	- 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.	- 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.	Develop a volunteer plan.		***

* <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 5. Social information/ 5.2 Community/society and innovation/ 5.2.2 Metrics and targets.

● Fulfilled

◐ In progress

○ Not fulfilled

4. ENVIRONMENTAL INFORMATION

4.1 EUROPEAN UNION TAXONOMY

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.

Until 2022, only the first two environmental objectives, Climate Change Mitigation and Adaptation, were regulated by the Climate Delegated Act (2021/2139), published in 2021, which was later supplemented by a Complementary Delegated Act (2022/1214) on certain activities related to nuclear energy and fossil gas. In 2023, the Climate Delegated Act was updated by the Delegated Regulation (2023/2485), and new activities were included for mitigation and adaptation objectives. In addition, the Environmental Delegated Act (2023/2486) was published, which regulates the other environmental objectives: the sustainable use and protection of water and marine resources; the transition to a circular economy; the prevention and control of pollution and the protection and restoration of biodiversity and ecosystems.

The Taxonomy Regulation defines a set of 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) that are aligned with the EU Taxonomy. Article 8 of the Delegated Act (2021/2178) determines which contents, methodology and information must be disclosed by companies, as defined by the EU Taxonomy. These disclosures have also been updated by the Environmental Delegated Act.

In 2024, companies must continue to report alignment with respect to Climate Delegated Act activities and all activities introduced in the amendments to this Delegated Act. For the new activities included in the Environmental Delegated Act, it is only necessary to report eligibility.

4.1.1 ELIGIBILITY

For a given activity to be considered eligible under the EU Taxonomy, it must be included in the Climate Delegated Act for the Climate Change Mitigation and Adaptation objectives, in the Complementary Delegated Act (relating to fossil gas and nuclear energy) and in the Environmental Delegated Act for the other environmental objectives.

Corticeira Amorim is the largest cork transformation group in the world. The cork processing activity is not included in the Climate Delegated Act or the Environmental Delegated Act and is therefore currently considered to be ineligible for the EU Taxonomy. However, the Company 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 in the Delegated Act. The table below lists the activities identified as eligible in fiscal year 2023, taking into account Corticeira Amorim's sales, CAPEX and OPEX when applying the environmental taxonomy.

Objective and activity no.	Name of activity	Elig. "Sales"	Elig. "CAPEX and/or OPEX"
CCM 1.3 / CCA 1.3	Forest management		X
CCM 3.5 / CCA 3.5	Manufacture of energy efficiency equipment for buildings	X	X
CCM 4.24 / CCA 4.24	Production of heat/cool from bioenergy		X
CCM 5.2 / CCA 5.2	Renewal of water collection, treatment and supply systems		X
CCM 5.3 / CCA 5.3	Construction, extension and operation of wastewater collection and treatment		X
CCM 5.4 / CCA 5.4	Renewal of wastewater collection and treatment		X
CCM 5.9 / CCA 5.9	Material recovery from non-hazardous waste		X
CCM 6.5 / CCA 6.5	Transport by motorbikes, passenger cars and light commercial vehicles		X
CCM 7.2 / CCA 7.2 / CE 3.2	Renovation of existing buildings		X
CCM 7.3 / CCA 7.3	Installation, maintenance and repair of energy efficiency equipment		X
CCM 7.4 / CCA 7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings		X
CCM 7.5 / CCA 7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings		X
CCM 7.6 / CCA 7.6	Installation, maintenance and repair of renewable energy technologies		X
CCM 7.7 / CCA 7.7	Acquisition and ownership of buildings		X
CCM 9.1	Close to market research, development and innovation		X

CCM (Climate change mitigation); CCA (Climate change adaptation); CE (Circular economy)

The economic activities identified above as eligible in terms of the Climate Delegated Act fulfil the description in Annexes I and II, which means that they are eligible for the climate change mitigation objective and the climate change adaptation objectives. However, eligibility and the respective KPI calculation were assigned to the mitigation objective, since the contribution to climate change adaptation is less significant. For the new activities included in the Environmental Delegated Act, one eligible activity was identified for the circular economy objective (Activity 3.2 – Renovation of existing buildings).

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.

4.1.2 ALIGNMENT

For an economic activity to qualify as aligned with the EU Taxonomy it must make a substantial contribution (SC) to at least one of the defined environmental objectives, do no significant harm (DNSH) to the achievement of any of the other environmental objectives of the EU Taxonomy, and comply with minimum social safeguards.

For 2023, Corticeira Amorim assessed the alignment of the activities initially included in the Mitigation and Adaptation objectives. For the new activities included in the Climate Delegated Act and the Environmental Delegated Act, a statutory eligibility analysis was carried out. The alignment analysis included an assessment of SC and DNSH criteria, with the latter relating to the application of the Appendices (A, B, C and D), taking into account criteria that are transversal to the whole Organisation, as well as minimum social safeguards.

4.1.2.1 SUBSTANTIAL CONTRIBUTION AND DO 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	SC and DNSH analysis
CCM 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 2.1 million hectares in the Mediterranean Basin. The Company also owns an area of 8,181 hectares, 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 was considered to be in line with the taxonomy's technical criteria. As part of this activity, the Company included investments to support forestry management (equipment, plantations, land preparation) in its CAPEX KPI.
CCM 3.5 Manufacture of energy efficiency equipment for buildings	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. For the DNSH 2 (Climate change adaptation), DNSH 3 (Sustainable use and protection of water and marine resources) and DNSH 6 (Protection and restoration of biodiversity and ecosystems) criteria, additional information is provided below this table. For DNSH 4 (Transition to a circular economy), compliance with the respective criteria is confirmed. The turnover associated with this activity corresponds to sales of eligible and/or aligned products. The CAPEX associated with this activity correspond to investments related to the production of eligible/aligned insulation products.
CCM 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 Company owns several facilities for producing energy in the form of heat from biomass. The forest biomass used meets the criteria set out in Article 29 (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 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.
CCM 5.2 Renewal of water collection, treatment and supply systems	Corticeira Amorim's direct operations need water and discharge it. Most of the water used by Corticeira Amorim is sourced from groundwater, the rest being obtained from the public network. Therefore, the renewal of water collection, treatment and supply systems, including the renewal of water collection, treatment and distribution infrastructures to meet the Company'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. The CAPEX and OPEX associated with this activity correspond to the expenses incurred in maintaining and repairing capture systems.
CCM 5.3 Construction, extension and operation of wastewater collection and treatment	Corticeira Amorim's direct operations need water and discharge it. The larger industrial facilities treat wastewater in their own industrial wastewater treatment plants (WWTPs). Therefore, the construction, expansion and operation of wastewater collection and treatment systems is part of the Organisation's activity, and the renovation and optimisation of these systems allows for an increase in their energy efficiency, reducing the system's net energy consumption. The CAPEX associated with this activity corresponds to investments made in wastewater collection and treatment systems.
CCM 5.4 Renewal of wastewater collection and treatment	Corticeira Amorim's direct operations need water and discharge it. In terms of treatment, the larger industrial facilities collect and treat wastewater in WWTPs. Corticeira Amorim continuously invests in the optimisation of the WWTPs. This activity replaces the more greenhouse gas (GHG) intensive treatment systems (such as septic tanks and anaerobic lagoons). Based on 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 investments to improve the rainwater network. The OPEX corresponds to expenses related to wastewater treatment.
CCM 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 Amorim Cork Composites, Amorim Cork Flooring and/or Amorim Cork Insulation BUs, 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 with this activity corresponds to investments in equipment, and OPEX to maintenance and repair costs.
CCM 6.5 Transport by light 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.
CCM 7.2 / CE 3.2 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.
CCM 7.3 Energy efficiency	Corticeira Amorim made a number of investments (CAPEX) in air conditioning, lighting, windows and other energy-efficient equipment, and also has a number of operating expenses (OPEX) related to this activity. A significant portion of the investments and operating costs included in this activity were considered to be aligned.
CCM 7.4 Charging stations for electric vehicles	The Organisation has its own electric vehicle charging stations on its premises, having made investments in this type of equipment during fiscal year 2023 (CAPEX). This activity was considered to be aligned with the EU Taxonomy.
CCM 7.5 Controlling energy performance of buildings	During fiscal year 2023, Corticeira Amorim made a set of investments (CAPEX) associated with building energy management systems and energy management systems. The investments were considered to be aligned with the EU Taxonomy.
CCM 7.6 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.
CCM 7.7 Ownership of buildings	The OPEX reported for this activity is associated with operating expenses for 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.
CCM 9.1 Close to market research, development and innovation	Corticeira Amorim has a solid commitment to and significant investments in RDI across all BUs. These investments are aimed at enhancing the value of cork in a competitive, innovative and sustainable way. During fiscal year 2023, the Company developed a set of projects and initiatives that contributed to the reduction of GHG emissions from its activities. Only some of the operating expenses related to RDI 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 Company conducted an analysis of different types of risks whose occurrence could have an impact on Corticeira Amorim's business in the future and analysed climate risks. The risk of forest fires and water stress were identified as the most relevant physical climate risks for our 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 Chapter 1. General disclosures/1.5 Risk management and internal controls over sustainability reporting and in Chapter 11. 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 (EMS). When applicable, due analyses are made to assess the chemical, ecological and quantitative status of the water bodies used. The Aqueduct Water Risk Atlas tool (wri.org) is used to identify 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 Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment, as 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 No. 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 10. GRI Table/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, health and safety in the workplace, the Company has a set of external certifications that attest to compliance with the specific requirements of different sectors and markets. These include the management system of cork stopper manufacturing practices, quality, environment, energy, food safety, forest products and chain of custody, occupational health and safety and social responsibility (Chapter 2. Corticeira Amorim/2.6 Definition of strategy/2.6.3 Policies adopted to manage material sustainability matters/Management systems). 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. 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. 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, 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. The Company also believes that these substances are used under controlled conditions.

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 Forestry Stewardship Council (FSC®) certification and maintains a medium to long-term partnership relationship with cork suppliers.

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 demanded in all its activities. In its industrial operations, Corticeira Amorim does not operate in protected areas. Part of Herdade da Baliza's agroforestry operation is located in Natura 2000 protected areas, where mitigation measures have been implemented.

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, which are described in Chapter 4. Environmental information/4.5 Biodiversity and ecosystems/4.5.2 Policies related to biodiversity and ecosystems.

4.1.2.2 MINIMUM SAFEGUARDS

The definition of Minimum Safeguards, introduced by Article 18 of the Taxonomy Regulation, implies the alignment of a company "with the OECD Guidelines for Multinational Enterprises and the 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 Organization Declaration on the Fundamental Principles and Rights at Work and the International Bill of Human Rights". In other words, according to the EU Taxonomy, to be considered environmentally sustainable, an activity must also safeguard social issues.

In June 2023, the European Commission published a Communication on the interpretation of Minimum Safeguards, in which it referred to the Final Report on Minimum Safeguards of the Platform on Sustainable Finance, published in October 2022, as good practice. This report indicates that companies should address four topics – Human Rights, Corruption, Taxation and Fair Competition.

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 Organisation'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, which is imperative for the entire Company, but also progressive, in the sense that these values are intended to spread to other stakeholders. In particular, the Company is against arbitrary arrest, torture or execution and in favour of human

dignity, non-discrimination, equal rights, safety and well-being, education, personal and professional development and freedom of conscience, religion, organisation, association, opinion and expression. As part of the training plan for the 2021–2024 period, the commitment is to ensure that all workers are trained in the Code of Business Ethics and Professional Conduct. Thus, since 2022, 9,364 hours of training have been given on this Code.

In the area of Human Rights, 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 reflects 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. The Company 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 ICCSMP and 96.0% of cork purchases in 2023 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 a 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.

Corticeira Amorim has an Irregularities' Internal Reporting Procedure and makes available on its website an Irregularities' Internal Communication Form, through which any person or entity may report an infraction within the scope of their professional/commercial relationship with the Company. Also in this regard, Corticeira Amorim has implemented an internal Monitoring Report on Respect for Human Rights with the aim of strengthening its practices and commitments related to the due diligence process within its operations. This programme identifies the main mechanisms and procedures in place to guarantee the protection of Human Rights.

To manage corruption issues, and as a complement to the Code of Business Ethics and Professional Conduct, the following instruments have been developed: Risk Prevention Plan for Corruption and Related Infractions and the Anti-corruption Code of Conduct, which together define and regulate the behaviour and measures to be adopted by the Company and its stakeholders, including in

relation to corruption issues. Corticeira Amorim absolutely rejects all and any unethical or dishonest conduct or behaviour and, in particular, fraud, corruption, money laundering or financing of criminal or terrorist organisations. The Risk Prevention Plan for Corruption and Related Infractions analyses and classifies, for each entity and area of the Organisation, the potential risks of corruption or associated infractions, and 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 2023, specific training was given to managers on this subject.

With regard to 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 6. Governance information/6.1 Business conduct/6.1.2 Metrics and targets/6.1.2.4 Approach to tax.

Finally, regarding fair competition, the Company develops a transparent and loyal competitive practice, respecting the competition legislation, in particular regarding the prohibition of restrictive practices and the discipline applicable to company mergers. Furthermore, Corticeira Amorim 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 2023, no convictions were identified in the four areas mentioned above. In summary, based on its internal codes, policies and procedures, Corticeira Amorim manages and prevents the different risks associated with the topics of Human Rights, Corruption, Taxation and Fair Competition.

4.1.3 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 (%)	Non-eligible (%)
Turnover	985,467	4.0%	3.5%	92.6%
Capital expenditure (CAPEX)	95,280	13.0%	6.3%	80.7%
Operating expenditure (OPEX)	26,501	5.9%	1.8%	92.2%

4.1.3.1 TURNOVER

Financial year 2023	2023			Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")										
Economic activities (1)	Code (2)	Turnover (3), K€	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N1 (18)	Category enabling activity (19)	Category transitional activity (20)	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of energy efficient equipment for buildings	CCM 3.5	38,996	4.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.9%	E		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		38,996	4.0%	4.0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3.9%			
Of which enabling		38,996	4.0%	4.0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3.9%	E		
Of which transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T	
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of energy efficient equipment for buildings	CCM 3.5	34,356	3.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.1%			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		34,356	3.5%	3.5%	0%	0%	0%	0%	0%								4.1%			
A. Turnover of taxonomy eligible activities (A.1+A.2)		73,352	7.4%	7.4%	0%	0%	0%	0%	0%								8.0%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		912,115	92.6%																	
Total (A + B)		985,467	100%																	

4.1.3.2 CAPEX

Financial year 2023	2023			Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")										
Economic activities (1)	Code (2)	Turnover (3) K€	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N1 (18)	Category enabling activity (19)	Category transitional activity (20)	
	A. TAXONOMY-ELIGIBLE ACTIVITIES																			
	A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
	Forest management	CCM 1.3	2,309	2.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
	Manufacture of energy efficient equipment for buildings	CCM 3.5	168	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
	Production of heat/cool from bioenergy	CCM 4.24	1,305	1.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.5%		
	Renewal of water collection, treatment and supply systems	CCM 5.2	29	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
	Construction, extension and operation of wastewater collection and treatment	CCM 5.3	20	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
	Renewal of wastewater collection and treatment	CCM 5.4	72	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%		
	Material recovery from non-hazardous waste	CCM 5.9	1,147	1.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	132	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	8	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	3	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	6,332	6.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.9%	E		
Close to market research, development and innovation	CCM 9.1	892	0.9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E		
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		12,416	13.0%	13.0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	9.3%			
Of which enabling		7,533	7.9%	7.9%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	7.2%	E		
Of which transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T	
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Forest management	CCM 1.3	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								23.9%			
Manufacture of energy efficient equipment for buildings	CCM 3.5	4,691	4.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.6%			
Renovation of existing buildings	CCM 7.2 / CE 3.2	1,226	1.3%	EL	N/EL	N/EL	N/EL	EL	N/EL								1.6%			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	63	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%			
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		5,980	6.3%	6.3%	0%	0%	0%	0%	0%								28.3%			
A. CAPEX of taxonomy eligible activities (A.1+A.2)		18,396	19.3%	19.3%	0%	0%	0%	0%	0%								37.6%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CAPEX of Taxonomy-non-eligible activities (B)		76,884	81%																	
Total (A + B)		95,280	100%																	

4.1.3.3 OPEX

Financial year 2023	2023			Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")						Category transitional activity (20)			Category enabling activity (19)		Proportion of Taxonomy aligned (A.1) or eligible (A.2.) turnover, year N1 (18)		Minimum Safeguards (17)	
Economic activities (1)	Code (2)	Turnover (3), K€	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)									
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
Production of heat/cool from bioenergy	CCM 4.24	727	2.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	2.9%						
Renewal of water collection, treatment and supply systems	CCM 5.2	21	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.0%						
Renewal of wastewater collection and treatment	CCM 5.4	178	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.1%						
Material recovery from non-hazardous waste	CCM 5.9	254	1.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.9%						
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	6	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.1%	E					
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	16	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.1%	E					
Close to market research, development and innovation	CCM 9.1	373	1.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.3%	E					
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,576	5.9%	5.9%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	Y	4.5%						
Of which enabling		396	1.5%	1.5%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	Y	0.6%	E					
Of which transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	Y	0%		T				
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																								
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	312	1.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.1%						
Renovation of existing buildings	CCM 7.2 / CE 3.2	4	0.0%	EL	N/EL	N/EL	N/EL	EL	N/EL									0.0%						
Acquisition and ownership of buildings	CCM 7.7	164	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.9%						
Close to market research, development and innovation	CCM 9.1	10	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.1%						
OPEX of Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		489	1.8%	1.8%	0%	0%	0%	0%	0%									1.3%						
A. OPEX of taxonomy eligible activities (A.1+A.2)		2,065	7.8%	7.8%	0%	0%	0%	0%	0%									5.8%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
OPEX of Taxonomy-non-eligible activities (B)		24,436	92.2%																					
Total (A + B)		26,501	100%																					

4.1.3.4 COMPLEMENTARY DELEGATED ACT MODEL 1

The EU Taxonomy Regulation also requires, through Article 8 of the Delegated Act, that non-financial entities disclose the models for activities related to nuclear energy and fossil gas. Corticeira Amorim does not engage in operations related to these activities and discloses Model 1 below, as required by the aforementioned Delegated Act.

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Row	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

With regard to the use of fossil gas, Corticeira Amorim has some boilers that use natural gas or propane. The Company considers such consumption to be minor and it relates to situations where biomass boilers are being maintained or when there is a need for an alternative to this fuel for heat production.

4.1.4 DEFINITIONS AND ACCOUNTING POLICIES

4.1.4.1 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 European Commission Regulation 1126/2008. In 2023, 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 7 of the Notes to the consolidated financial statements, and the related accounting policies are detailed in Note 2 of the same. The numerator corresponds to the amount of the denominator resulting from Taxonomy-aligned economic activities, detailed above in Chapter 4. Environmental information/ 4.1 European Union Taxonomy/ 4.1.2 Alignment.

Additional information

Analysis of annual turnover only covers the economic activities associated with 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 the CCM (Climate Change Mitigation) environmental objective, and there are no additional amounts to be included in the numerator that relates solely to the CCA (Climate Change Adaptation) environmental objective.

4.1.4.2 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
- 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.

In 2023, 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 8, 9 and 11 of the notes to the consolidated financial statements, and the respective accounting policies are detailed in note 2 of the same. In 2023, the numerator corresponds to the part of the denominator associated with Taxonomy-aligned economic activities, detailed above in Chapter 4. Environmental information/4.1 European Union Taxonomy/4.1.2 Alignment, including activities intended for the Company's internal consumption, as well as the acquisition of output from economic activities aligned with the Taxonomy.

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 Corticeira Amorim's Taxonomy-aligned economic activities. If they do not qualify as aligned activities of the Company, 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 there is sufficient 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.

4.1.4.3 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 activities; 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 27) 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 EU Taxonomy definition of total OPEX.

In 2023, the numerator corresponds to the part of the denominator associated with Taxonomy-aligned economic activities, detailed above in Chapter 4. Environmental information/4.1 European Union Taxonomy/4.1.2 Alignment, including activities intended for the Organisation's internal consumption, as well as the acquisition of output from economic activities aligned with the Taxonomy. 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 values of the denominator are first analysed to ascertain whether they are associated with Corticeira Amorim's Taxonomy-aligned economic activities. If they do not qualify as Taxonomy-aligned activities of the Organisation, the amounts are assessed individually to determine whether they result from the acquisition of the output from a Taxonomy-aligned economic activity. In such cases, the alignment is assessed based on the information made available by third parties or is assessed directly.

4.1.5 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. For every tonne of cork produced, the cork oak forest sequesters up to 73 tonnes of CO₂. Given that the cork oak forest is a carbon sink and that the cork oak lives for an average of 200 years and can grow with minimal or no use of fertilisers, pesticides or pruning, it plays an important role in achieving this goal.

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 the lack of forest management. 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, which also includes the chestnut and oak tree). 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. Cork processing companies are a driving force in creating economic interest for cork oak forest owners to continue harvesting cork.

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 balance⁶ when considering the sequestration of cork oak forests and the emissions associated with their production.

⁶ Claims regarding carbon sequestration potential are based on studies carried out by the respective entities of the studies, available at <https://www.amorim.com/en/sustainability/studies/>. More information in Chapter 9. References and scope of the report/9.3 GHG emissions/Additional information on the carbon sequestration potential of cork oak forests.

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 almost 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 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 (2,4,6-Trichloroanisole)⁷ 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 technologies). Including the values of the cork stopper production activity in the assessment of KPIs related to the EU Taxonomy would have the following results:

KPI eligibility and alignment	Total (K€)	Eligible and aligned (%)	Eligible and non-aligned (%)	Not eligible (%)
Turnover	985,467	62.2%	21.6%	16.2%
Capital expenditure (CAPEX)	95,280	48.0%	17.2%	34.8%
Operating expenditure (OPEX)	26,501	43.5%	13.6%	42.9%

⁷ 2,4,6-Trichloroanisole is a harmless chemical that can affect the flavour and aroma of wine.

4.1.6 NEXT STEPS

During 2024, Corticeira Amorim will continue to develop procedures and actions to ensure an adequate response to the Taxonomy alignment criteria. These activities include:

- Following up on updates from the European Commission or the Platform on Sustainable Finance;
- Applying technical alignment criteria relating to the new environmental objectives;
- Progressively developing the Human Rights Due Diligence process to strengthen practices and commitments related to its operations;
- Monitoring updates to the analysis of the physical risks of its business activities and continuing work to ascertain the existing risks for its raw materials, as well as associated risks;
- Analysing potential extensions of the Taxonomy regulations to other activities and implementing guidelines that may have a significant impact on Corticeira Amorim's eligibility classification and alignment in the future;
- Implementing a digital platform aimed at increasing the quality of data collection, analysis and transformation associated with the application of the Taxonomy.

4.2 CLIMATE CHANGE

(SDGs 6, 7, 11, 13)

4.2.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

As in any other industrial activity, Corticeira Amorim's transformation processes have associated environmental impacts, particularly those related to climate change. Climate change is one of the biggest challenges facing the world and is also one of the most important issues for Corticeira Amorim's stakeholders. The Company is committed to the fight against climate change and believes that all companies have an important role to play in the transition to a sustainable economy.

Climate considerations in remuneration

Given the importance of aligning the remuneration of members of management bodies with climate-related targets, the performance of executive directors is assessed on the basis of specific management targets in these areas. Currently, 20% of the variable remuneration is linked to agreed Sustainability Index | ESG targets, particularly those related to the climate, encouraging practices and decisions that are in line with environmental sustainability. Additional information in Chapter D - Remuneration/70. Information on how remuneration is structured so as to enable the aligning of the interests of the members of the Board of Directors with the Company's long-term interests and how it is based on the performance assessment and how it discourages excessive risk taking of the Corporate Governance Report.

Transition plan for climate change mitigation

Corticeira Amorim has established quantitative targets for five material aspects related to sustainability, including climate change, for the period 2021-2024 (reference year 2020), and four material aspects related to sustainability, including climate change, for 2030. These targets apply to operations in Portugal.

Corticeira Amorim expects a reduction in scope 1 and 2 emissions from its operations of at least 2.5% per year, in line with the well-below 2°C scenario, since it has been actively implementing different projects and measures in the following areas:

- Consistently and continuously improving energy efficiency by 2% year (energy efficiency project);
- Increasing the share of renewable sources in electricity consumption to 100%, achieving 20% of electricity consumed from controlled renewable sources in the 2021-2024 period (photovoltaic project);
- Use of renewable energy sources as the main source of energy, gradually eliminating fossil energy sources and guaranteeing controlled renewable energy consumption above 66.7% (renewable energy project (biomass)).

Corticeira Amorim is also focused on reducing scope 3 emissions and is working on an emissions reduction programme, with the aim of setting science-based targets over the next two years (sustainable packaging project).

The plan has been approved by the CECA and is integrated and aligned with the Company's global strategy and financial planning, ensuring that the strategy and business models are compatible with the transition to a sustainable economy. This plan is constantly reviewed to ensure that it is adapted to changes in the market and the Company's needs.

Corticeira Amorim participates in the UN Global Compact, the Porto Climate Pact, the Porto Protocol and the 50 Sustainability & Climate Leaders, reinforcing its commitment to the United Nations 2030 Agenda.

Material impacts, 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 agroforestry, raw material preparation, industrial or distribution units and their respective locations using the Think Hazard! 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.

The aim is to actively manage the risks related to climate change. To this end, climate risks with an impact on Corticeira Amorim's business and value chain have already been identified and assessed, and a climate adaptation plan has been developed, focusing mainly on the Company's own operations. The next step will be to carry out a climate scenario analysis and examine the resilience of Corticeira Amorim's business model in the context of different climate change scenarios, and incorporate climate risks into the management system, as well as complete the climate adaptation plan.

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.

The cork oak tree and cork (raw material and products) can also sequester carbon, which contributes to mitigating GHG emissions. 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 tonne of cork produced, the cork oak forest sequesters up to 73 tonnes of carbon dioxide⁸.

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 NGOs programmes 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 differentiating cork products.

Further information on Corticeira Amorim's risk analysis (physical and transitional) can be found in Chapter 1. General disclosures/1.5 Risk management and internal controls over sustainability reporting, in Chapter 4. Environmental information/4.2 Climate change/4.2.1 Strategy and impact, risk and opportunity management and in Chapter 11. Alignment with the TCFD.

8 https://www.apcor.pt/wp-content/uploads/2015/10/Brochura_Ambiente__EN.pdf#page=18

4.2.2 POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Energy, Environment and Biodiversity Policy

In line with its 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 and other requirements to which the Organisation subscribes, applicable to the environmental aspects of its activities, products and services;
- Monitor 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 by the CECA and the Procurement and Energy, new products and packaging departments.

Commitments to the rational use of energy and other resources

Corticeira Amorim undertakes to apply environmental criteria in all planning and decision-making 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 that respect the environment and energy efficiency and seek carbon neutrality.

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

Actions and resources in relation to climate change policies

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.

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, which are outlined in the following subchapters.

4.2.3 METRICS AND TARGETS

4.2.3.1 CERTIFICATIONS/AUDITS/VERIFICATIONS

	Production units
ISO 14001	14.3 %
ISO 50001*	17.9 %
Internal EMS	67.9 %
Total	100 %

* Not included in ISO 14001.
Includes 28 PUs of the sustainability perimeter.

Corticeira Amorim companies have an Integrated Management System, which includes an Environmental Management System. 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, according to the schedule defined for each system. In addition, an annual audit to verify compliance is also carried out. All the systems have underlying performance improvement policies and objectives, which are supported by an activity plan, and there are evaluation mechanisms and indicators defined for each one. They are also available in several languages.

By the end of 2023, 32.1% of the production units had their Environmental or Energy Management System certified by international standards, such as ISO 14001 and ISO 50001, respectively. Additionally, 16 of the 28 production units (57.1%) had their chain of custody certified according to the FSC®, which confirms to the market the Company's commitment to protecting biodiversity, the rights of workers and indigenous peoples, and areas of significant environmental impact of cultural importance (Chapter 2. Corticeira Amorim/2.6 Definition of strategy/2.6.3 Policies adopted to manage material sustainability matters).

4.2.3.2 ENERGY CONSUMPTION WITHIN THE ORGANISATION

	Unit of measurement	2023	2022	2021
Energy consumption				
Natural gas	GJ	36,387	35,224	44,889
Propane gas	GJ	10,430	12,458	6,163
Gasoline	GJ	410	406	481
Diesel	GJ	36,339	34,488	34,979
Biomass	GJ	1,083,540	1,210,409	1,301,858
Electrical	GJ	483,100	522,886	541,494
Total energy consumption	GJ	1,650,206	1,815,871	1,929,864
Renewable energy	%	76.7%	76.7%	78.5%
Controlled renewable energy	%	68.3%	67.6%	67.8%
Energy efficiency	%	4.3%	2.8%	3.8%
Energy intensity	GJ/M€	2,309	2,548	2,862

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.

Corticeira Amorim uses various energy sources: natural gas, propane gas, gasoline, diesel, biomass and electrical. Most of the energy consumed comes from renewable sources, such as renewable electrical energy and biomass, the latter of which is used to produce the heat needed for the industrial process. The non-renewable energy consumed comes from non-renewable electrical energy, natural gas, propane gas, gasoline and diesel. Natural gas and propane gas are used to supplement biomass for heat production. Propane gas, gasoline and diesel are used to fuel the internal fleet and some forklift trucks.

In line with Corticeira Amorim's objectives, total energy consumption decreased by 9.1% between 2022 and 2023 due to a number of factors, such as the implementation of energy efficiency measures, the switch to more efficient energy sources and the slowdown in activity. This translates into an effective reduction in energy intensity of 9.4% between 2022 and 2023.

The percentage of total renewable energy consumed remained at 76.7% in 2023, but there was an increase in controlled renewable energy as a result of ongoing energy efficiency, renewable energy and photovoltaic projects. The electrical energy from the photovoltaic project accounted for 9.0% of total electricity consumption (2022: 3.2%).

In order to monitor the energy consumption available in the operations in Portugal, comply with the objectives established within the Sustainable by nature programme, 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 executives in charge of energy issues.

Energy efficiency project

Corticeira Amorim's commitment to energy efficiency is renewed annually and has as a goal, for operations in Portugal, achieving an energy efficiency rate of 2% per year. In 2023, the energy consumed by Corticeira Amorim totalled 1.65 million GJ, with around 76 energy efficiency measures having been implemented, resulting in an investment of approximately 772.4 thousand euros, which made it possible to achieve: 4.3% energy efficiency, 70 thousand GJ of energy saved and approximately 871 tCO₂eq avoided. These measures include both simple and intuitive actions, such as changing the lighting or intervening in the various electrical installations (15 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 (19 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 (30 measures). The remaining 12 measures were developed in order to improve the efficiency of processes, motors and others. Once these actions have been implemented, a rigorous monitoring programme will follow, calculating the impacts generated and preparing any additional and/or corrective measures that may be necessary.

Renewable energy project (biomass)

This project came about in response 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: (i) optimising the yield of cork powder for burning; (ii) converting boilers to burn other biomass (olive stones, almond shells or pellets); (iii) acquiring new, more efficient boilers; and (iv) optimising the thermal energy distribution network.

In 2023, an investment of more than 513 thousand euros was made in this project, spread over 30 measures, which resulted in 266 tCO₂eq avoided.

Photovoltaic project

Corticeira Amorim is committed to increasing the use 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 euros during the period 2021-2024, around 24 MWp 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, representing 20% of the electrical energy consumed by Corticeira Amorim.

In 2023, 15.41 MWp were installed, producing 40,225 GJ of energy from these panels, which corresponds to 8.9% of the total electrical energy consumed in Portugal (450,062 GJ).

Energy efficiency forum

The efficiency forum is an annual or biannual meeting in which the different energy managers take part, acting as a means of sharing and interaction. The aim of this meeting is to: (i) monitor the consumption of energy resources available to the Company's factories (in particular cork powder, electrical energy, natural gas and propane gas); (ii) maintain involvement and the urgent need to adapt technology to increase production and ensure the quality of the industrial units; (iii) forecast needs and present scenarios for consumption of energy resources, with evaluation of scenarios between needs and adaptation of technology; and (iv) motivate, carry out and control the development and performance of actions. In 2023, the 37th forum was held, involving the participation of 28 employees from these areas.

4.2.3.3 DIRECT (SCOPE 1) AND INDIRECT (SCOPE 2) GHG EMISSIONS

	Unit of measurement	2023	2022	2021
GHG emissions (scope 1 and 2)				
Direct emissions (scope 1)	tCO ₂ eq	5,719	5,687	5,898
Indirect emissions (scope 2)	tCO ₂ eq	28,209	31,534	38,397
Total GHG emissions (scope 1 and 2)	tCO ₂ eq	33,928	37,221	44,294
Carbon intensity	tCO ₂ eq/M€	47.5	52.2	65.7

Indirect emissions (scope 2) calculated using the market method.
Carbon intensity: energy consumption over the consolidated sales of the sustainability perimeter.

Scope 1 and 2 emissions fell by 8.8% compared to the previous period, while carbon intensity fell to 47.5 tCO₂eq/M€ (2022: 52.2 tCO₂eq/M€).

These reductions, in line with the transition plan for climate change mitigation, were due to various initiatives such as:

- Promoting energy efficiency (6.2%);
- Renewable energy consumption (29.1%);
- Use of renewable energy sources as the main source of energy, reduction of activities related to coal, oil and gas and variation in activity (64.8%).

4.2.3.4 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS

	Unit of measurement	2023	2022	2021
GHG emissions (scope 3)				
Purchase of goods and services	tCO ₂ eq	112,699	129,885	145,114
Upstream transportation and distribution	tCO ₂ eq	49,016	31,417	22,558
Downstream transportation and distribution	tCO ₂ eq	21,844	42,034	39,834
Employees commuting	tCO ₂ eq	2,403	2,697	3,231
Business travel	tCO ₂ eq	722	344	307
Waste generated in operations	tCO ₂ eq	207	270	288
Total GHG emissions (scope 3)	tCO ₂ eq	186,891	206,646	211,332

Corticeira Amorim annually monitors its scope 3 emissions. To determine the categories to be monitored, as well as the 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 (for further information, please consult 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.

In 2023, scope 3 emissions fell by 11.4% to 186,891 tCO₂eq. The main changes result from the purchase of goods and services and upstream and downstream transportation and distribution categories. The reduction in the Company's activity was the main cause of the reduction in emissions in the purchase of goods and services and downstream transportation and distribution categories. The integration of new activities in Amorim Cork's spirits segment had an impact on the localisation of some supplies, which led to an increase in CO₂eq emissions in the upstream transportation and distribution category. The Company is also implementing a sustainable packaging project, which has resulted in a reduction in CO₂eq emissions in the downstream transportation and distribution category.

Corticeira Amorim continues to work towards reducing 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, it has launched the scope 3 emissions reduction programme, with various initiatives and projects.

Scope 3 emissions reduction programme

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 three areas of intervention for this programme:

- **Reduction:**
 - Replacing carbon-intensive raw materials with more sustainable alternatives;
 - Taking action as regards packaging and logistics to reduce environmental impact;
- **Measurement:**
 - Increasing the coverage of organisational boundaries in the calculation of the Company's carbon footprint;
 - Improving information collation methodologies;
 - Increasing the percentage of emissions calculated based on data obtained directly from suppliers or partners in the value chain;
- **Suppliers:**
 - Selecting suppliers according to their GHG emission reduction targets;
 - Encouraging suppliers to adopt more sustainable practices.

A number of initiatives and projects are being implemented, including: setting quantitative targets for the consumption of non-renewable virgin materials, the sustainable packaging project and the implementation of a sustainability information system.

Sustainability information system

As a result of the growing demands on the sustainability reporting model and the number of companies in Corticeira Amorim's universe, as well as the need to harmonise the sustainability perimeter with the financial perimeter, there was an urgent need to implement a system for managing and communicating sustainability information.

This new system represents a significant milestone in Corticeira Amorim's journey towards its strategic goals, enabling a more robust approach to collecting, analysing and communicating sustainability-related data, including with regard to scope 3 emissions. The new system allows sustainability data to be centralised on a single, scalable platform, improving data robustness, efficiency and accessibility for internal and external stakeholders.

4.2.3.5 AVOIDED GHG EMISSIONS

	Unit of measurement	2023	2022	2021
Avoided GHG emissions				
Biomass	tCO ₂ eq	67,607	77,587	83,449
Photovoltaic	tCO ₂ eq	4,100	1,164	36
Cogeneration	tCO ₂ eq	0	1,016	433
Efficiency measures	tCO ₂ eq	871	1,675	2,193
Total avoided GHG emissions	tCO₂eq	72,578	81,442	86,111

In terms of the Company's operations, the commitment to renewable energies and other good practices resulted in around 72.6 thousand tCO₂eq avoided in 2023, due to the use of biomass to replace natural gas (68 thousand tCO₂eq), the use of renewable electrical energy to substitute fossil fuels (4.1 thousand tCO₂eq) and the implementation of energy efficiency measures (871 tCO₂eq).

Contribution of cork oak forests to climate regulation

Researchers coordinated by the University of Aveiro have developed a simulation model to calculate the carbon footprint of the cork sector. Applying this model to Portugal, the world leader in cork production, showed that the biggest impact is from cork agglomeration due to the materials used for the agglomeration process (e.g. resins).

The study found that considering biogenic emissions and carbon sequestration in the calculation of the cork sector's carbon footprint has a major influence on the result. Specifically, taking biogenic carbon into account results in a decrease in the sector's carbon footprint, mainly due to the carbon sequestration that occurs in the forest.

According to this study, the sequestration of carbon dioxide from the atmosphere is greater than the gases emitted throughout the sector from the forest to the final destination of the cork products and, therefore, the cork sector is an effective greenhouse gas sink.

The study emphasises the importance of cork oak forests in mitigating climate change. The sequestered carbon is not released into the atmosphere and remains stored for a long time, bearing in mind that cork is harvested without deforestation and cork oaks can live for up to 200 years on average.

Further information available at:

<https://www.sciencedirect.com/science/article/abs/pii/S0048969716310658>.



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NDtech technology, which for the first time introduces individual sorting on cork stopper production lines, using gas chromatography and in a short space of time.

4.3 AIR QUALITY AND POLLUTION

(SDGs 6, 7, 11, 13)

4.3.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

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 noise, such as cladding of machines and engines;
- 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 containment 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 communication of the lessons learned.

Corticeira Amorim is committed to minimising its impact resulting from atmospheric emissions. It is therefore working to modernise and adapt its boilers, having invested around 2.03 million euros by 2023, in actions that include conservation and repair, improvements in safety, optimisation and monitoring, and adaptation for the 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.

4.3.2 METRICS AND TARGETS

4.3.2.1 POLLUTANT EMISSIONS

	Unit of measurement	2023	2022	2021
Atmospheric emissions				
Particles	t	67	85	66
Nitrogen oxide (NOx)	t	142	129	125
Volatile organic compounds (VOCs)	t	45	55	56

Atmospheric emissions at Corticeira Amorim result mainly from the burning of fuels in boilers to generate energy. Emissions include carbon dioxide (CO₂), total suspended particles (TSP), nitrogen oxides (NOx) and volatile organic compounds (VOCs), and these are not associated with emissions of odorous gases.

In addition, the Company monitors pollutant emissions of gases or particles into the atmosphere using methods based on existing standards and applicable to emission limit values in accordance with the law in force.

In 2023, TSP emissions totalled 67 t, NOx emissions 142 t and VOCs 45 t.

Corticeira Amorim remains committed to reducing its environmental impacts and is implementing various initiatives to reduce emissions, such as:

- Investing in cleaner and more efficient technologies, particularly in terms of modernising and adapting boilers;
- Optimising production processes;
- Implementing environmental control measures;
- Monitoring emissions.

4.4 WATER RESOURCES

(SDGs 6, 7, 11, 13)

4.4.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Corticeira Amorim recognises the importance of responsible water resource management in its upstream and downstream operations and value chain, and takes action to identify the impacts, risks and opportunities associated with these resources.

The Company implements a comprehensive approach to analysing activities that have an impact on water resources, meaning it considers applicable laws and regulations, international standards and guidelines, and best practices in the sector.

The Organisation works to mitigate negative impacts and seize opportunities related to water resources. Specifically, the impacts on water collection, consumption, effluent treatment and discharge are monitored. In addition, it analyses water stress areas using the Aqueduct Water Risk Atlas tool (wri.org), with the aim of identifying the areas most at risk of water scarcity and developing more efficient management measures.

As for the impact on the upstream and downstream value chain, it assesses the direct and indirect water footprint associated with operations and products by carrying out life cycle assessments on those products. Currently, the products analysed account for 63.9% of the Company's consolidated sales. Additional information in Chapter 4. Environmental information/4.7 Green products/4.7.2 Metrics and targets/4.7.2.2 Life cycle assessments.

Recognising the importance of stakeholder participation in the decision-making process, open and continuous dialogue sessions are held to understand stakeholder concerns, expectations and perceptions on sustainability issues, particularly as regards the use of water resources. Information on stakeholder communication channels is available in Chapter 2. Corticeira Amorim/2.5 Stakeholders/2.5.1 Communication channels.

Corticeira Amorim is committed to the responsible management of water resources and, to this end, has adopted a series of policies and practices aimed at identifying, evaluating, managing and/or addressing the material impacts, risks and opportunities related to these resources. The Company's approach is based on three pillars:

- Reducing consumption: the aim is to reduce water use and improve efficiency in the use of this resource;
- Treatment: the aim is to reduce water pollution;
- Hydrological regulation: the aim is to conserve water resources through projects to restore and protect aquatic ecosystems.

Commitment to rational water consumption

The Energy, Environment and Biodiversity Policy, formalises the Company's commitment to making rational use of resources, minimising the consumption of water, paper and energy, reducing the generation of waste and emissions, encouraging recycling and seeking environmentally friendly solutions.

In addition, as part of the Sustainable by nature programme, a target has been set for activities in Portugal for the 2021-2024 period: 1%/year reduction in water consumption intensity.

Herdade da Venda Nova

With an area of 251 hectares, a Herdade da Venda Nova is currently the largest cork oak plantation, using a drip irrigation technology. It is part of the FIP that Corticeira Amorim has been implementing since 2013 (Chapter 4. Environmental information/4.5 Biodiversity and ecosystems/4.5.3 Metrics and targets/4.5.3.1 Forestry Intervention Project). 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 halving the time needed to harvest cork and increasing the success of the plantations, the aim is to ensure greater profitability on the one hand and, on the other, greater future availability of raw materials to ensure the sustainability of the industry.

This estate has around 100 thousand cork oak trees and a water storage tank of approximately 30 thousand 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.

4.4.2 METRICS AND TARGETS

4.4.2.1 WATER CONSUMPTION

	Unit of measurement	2023	2022	2021
Water consumption				
Water withdrawal	m ³	629,088	631,704	654,309
Water discharges (effluent)	m ³	151,728	154,394	163,831
Water consumption	m ³	477,445	477,470	490,846
Water consumption intensity	m ³ /M€	668	670	728
Change in specific consumption	%	-0.3%	-7.9%	-31.0%

Unit of measurement used is m³; to convert to ML, values should be divided by 1000.
Water consumption = water withdrawal – water discharges +/- water storage.
Water consumption intensity: water consumption over the consolidated sales of the sustainability perimeter.

Water withdrawal totalled 629.1 thousand m³. Most of the water used by Corticeira Amorim is sourced from groundwater (91.5%), with the remaining (8.5%) obtained from third-party water suppliers. Around 24.1% of the water was returned to the environment and approximately 75.9% was consumed – integrated into the product or used to produce 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 50.8% 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 established a plan for the 2021-2024 cycle to reinforce its commitments to the use of water resources.

In order to achieve the goal of reducing water consumption intensity by 1% per year by 2024 in its operations in Portugal, a working group was set up in 2021, which brings together those responsible for the different BUs on a quarterly basis in order to discuss measures to reduce water consumption and share good practices.

Several initiatives have been implemented:

- **Audit and methodology:** an audit was carried out on all facilities in Portugal and a common methodology for determining water consumption was established;
- **Actions:** based on the best practices of the BUs, a list of various actions was drawn up, including: i) introducing improvements to the water network map, including the supply line to consumers and consumers' discharge into the WWTP or sewerage; ii) acquiring automatic metering systems, especially in facilities where there are already a large number of meters, with the aim of reducing the possibility of errors in collecting information; iii) listing the variables that influence water consumption by process, especially in areas of intensive consumption; iv) adopting the good practices of the ISO46001 Standard - Water efficiency management systems, namely the creation and monitoring of performance indicators for the main water consumers.

In 2023, the operating costs and investments made in this area totalled more than 321.1 thousand euros in 21 measures. Amorim Cork Composites' measures include the reuse of water from the pans of the laminators, which has resulted in savings of 13 m³/year.

Water reuse project

This project, launched by Amorim Florestal, involves the utilisation of industrial wastewater from the cooking process. After physicochemical and biological treatment, a filtration and disinfection system using ultraviolet (UV) radiation was installed. The filtration system consists of three filters: 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 (UV) enables 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, and increase the availability of water, thereby relieving water resources, as well as reducing costs. In 2023, it was possible to reuse around 6,687 m³ of water, around 12% of the BU's industrial effluent. Given the success of the system installed, Amorim Florestal will make the necessary adaptations to the infrastructure in 2024 in order to mainstream this system in all industrial units by 2025.

4.5 BIODIVERSITY AND ECOSYSTEMS

(SDGs 11, 12, 15)

4.5.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Over the last few decades, cork oak trees (*Quercus suber* L.) have been losing their vitality, which is 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 the many other ecosystem services that are so valuable to the people 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 workers 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.

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 assume fundamental importance.

Reducing consumption

Various actions are under way, mainly centred on management and monitoring, including the launch of the water reuse project by Amorim Florestal.

Treatment

The larger industrial facilities collect and treat wastewater in their own wastewater treatment plants. 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.

Hydrological regulation

One of the ecosystem services provided by cork oak forests is the regulation of 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 in protecting the soil from water erosion, thereby contributing to the fight against desertification. Information on Corticeira Amorim's actions to protect the cork oak forests and their ecosystem services is available in Chapter 4. Environmental information/4.5 Biodiversity and ecosystems.

Corticeira Amorim undertakes 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.

4.5.2 POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

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 2023	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	Fulfilled	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	Fulfilled	Numerous actions were carried out to promote cork oak forests, biodiversity and ecosystem services. Information available in Chapter 4. Environmental information/4.5 Biodiversity and ecosystems.
Expand knowledge on the environmental impact of cork products and of the ecosystem that they support	Number of studies and results	2021-2024	Fulfilled	Studies were developed on the environmental impact of cork products and the cork oak forest ecosystem. Information available in Chapter 4. Environmental information/4.5 Biodiversity and ecosystems and in 4.7 Green products.
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	Fulfilled	Information on achievement of 2030 targets and progress in Chapter 3. Sustainable by nature programme/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	Fulfilled	Information on achievement of 2030 targets and progress in Chapter 3. Sustainable by nature programme/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	Fulfilled	Information on achievement of 2030 targets and progress in Chapter 3. Sustainable by nature programme/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	Fulfilled	Information on achievement of 2030 targets and progress in Chapter 3. Sustainable by nature programme/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	Fulfilled	Chapter 4. Environmental information/4.7 Green products.
Implement initiatives that raise employee awareness of biodiversity issues	Number of initiatives and their results	2021-2024	Fulfilled	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 5. Social information/5.2 Community/society and innovation/5.2.2 Metrics and targets/5.2.2.2 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	Fulfilled	This report.

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

Commitment to non-deforestation

The cyclical nature of the regeneration of cork oak bark (cork) allows harvesting to take place 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 PBH 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 “descortçamento” (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.

Agroforestry activity

Given their special characteristics, the environmental indicators of the Cosabe, Amorim Florestal III and Herdade de Rio Frio companies associated with agroforestry projects are not consolidated for the purposes of this report. Corticeira Amorim aims to work to strengthen the methodology used for reporting environmental aspects related to agroforestry activity.

Energy, Environment and Biodiversity Policy available at:
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

4.5.3 METRICS AND TARGETS

4.5.3.1 FORESTRY INTERVENTION PROJECT

	Unit of measurement	2023	2022	2021
Forestry Intervention Project				
Forest estates under management	ha	8,181	8,181	6,326
Intervened forest estates under management	ha	1,405	381	251
Planted/densified forest estates under management	ha	1,029	381	251
Planted cork oak trees	no.	387,675	154,610	100,400

Accumulated values at the end of the period.

To alleviate growing concern over the reduction in productivity of existing cork oak plantations, Corticeira Amorim has been developing the 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 subericulture 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.

- **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 support to forest producers on such diverse subjects as treatments for pests, fertilisation and pruning.
- **Applied forestry R&D (Intervention):** Some areas of cork oak trees were planted with drip irrigation to aid in their establishment. The primary objective behind this initiative is to study this new forestry model by assessing the effect of water on cork production and its economic viability. In the future, this activity will make it possible to define the best protocol to follow for planting and managing areas using this forestry model.
- **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. Cork oak plus specimens from different origins and soil and climate conditions were phenotypically selected 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

Awareness of the urgent need for intervention in cork oak forests has led Corticeira Amorim to invest directly in agroforestry estates, totalling 8,181 ha: Herdade da Baliza, Herdade da Venda Nova and Herdade de Rio Frio. In these properties, since 2021, around 1,405 ha have been intervened with management actions aimed at the cork oaks, of which 1,029 ha consisted of plantations/densifications, where around 388 thousand cork oaks were installed.

Corticeira Amorim intends to continue increasing its active participation in intervention in new cork oak areas, 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 euros, Corticeira Amorim has made use of green financing instruments, which are noted in Chapter 7. 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 main aim of this project is to identify and produce cork oak trees that are better adapted to emerging climate scenarios, pests and diseases, maximising their productivity and resilience. To this end, cork oak plus specimens from different origins and soil and climate conditions were selected and an *in vitro* micropropagation programme was established. At the same time, several molecular markers associated with phenotypic characteristics of interest, such as growth, resistance to insects (flathead oak borer) and cork quality, are being identified and selected, which will make it possible to validate the quality of the genotypes produced. There are also plans to create a molecular chip with which it will be possible to identify new genotypes for introduction into the micropropagation programme. The first field trials are scheduled for 2024-2025.

4.5.3.2 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 about 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 €1,300/ha/year.

The Company remains committed to promoting, protecting and increasing knowledge about the cork oak forest to enable more sustainable management, namely by proactively discussing policies and proposing measures for the protection of the cork oak, the preservation of the cork oak forest, the promotion of the cork sector, the certification of forest management systems and the remuneration of the cork oak forest's environmental services.

The value of the cork oak forest 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:	Culture:
▪ Cork; ▪ Wood; ▪ Animal products; ▪ Medicinal and aromatic plants and herbs; ▪ Mushrooms; ▪ Honey.	▪ Climate regulation; ▪ Extreme events regulation: fire prevention; ▪ Hydrological regulation and soil protection; ▪ Habitat maintenance and biodiversity; ▪ Pollination.	▪ 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; 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.

Climate regulation:	Fire prevention:	Hydrological regulation and soil protection:
€596	€546	€220



Cork inlay for Amorim Cork Flooring.

4.6 CIRCULAR ECONOMY

(SDGs 8, 12)

4.6.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

The Company acknowledges the importance of operating sustainably and incorporating circular economy principles in its practices. As such, one of its principal mottos is “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.

The Company regularly analyses its assets and activities in order to identify impacts, risks and opportunities, taking into account direct and indirect operations along the value chain. Rigorous methodologies are used for this, namely life cycle assessments, as described in Chapter 4. Environmental information/4.2 Climate change and 4.7 Green products. The assumptions include analysing the resources consumed and the waste generated. To ensure a holistic view, consultations are held with stakeholders, allowing their concerns to be integrated into decisions, as described in Chapter 2. Corticeira Amorim/2.5 Stakeholders and 2.6 Definition of strategy.

Commitment to eco-efficient processes and the circular economy

Corticeira Amorim's Energy, Environment and Biodiversity Policy establishes, 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).

Corticeira Amorim integrates sustainable practices in the development of its products by choosing materials with less environmental impact and applying an integrated production process that, since 1963, has promoted the reuse of all by-products associated with cork processing and the production of durable products that can be reused, recycled or composted. These practices are now one of the Organisation's flagships 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 valorisation;
- Extending the life of materials through industrial symbioses;
- Recycling of cork products at the end of their life cycle.

Energy, Environment and Biodiversity Policy available at:
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

4.6.2 METRICS AND TARGETS

4.6.2.1 MATERIALS

	Unit of measurement	2023	2022	2021
Weight of materials				
Renewable virgin	%	88.7%	82.3%	81.9%
Non-renewable virgin	%	7.8%	11.5%	11.8%
Recycled	%	3.6%	6.2%	6.3%
Change in weight of non-renewable virgin materials	%	-32.5%	-2.7%	-10.6%

More detailed information in Chapter 8. Consolidated sustainability indicators/8.2 Environmental.

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, metal or minerals represent less than 0.1% of the total. To the best of its knowledge, Corticeira Amorim does not use gold, tin, tantalum, tungsten or rare earths in its production process.

Corticeira Amorim recognises the importance of integrating circular economy principles into all stages of a product's life cycle. It therefore prioritises the use of renewable and/or recycled materials upstream, the reuse of materials during the production process and durability and recyclability during the product's use phase.

The Company 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.

Corticeira Amorim achieved its 2023 targets and reduced its consumption of non-renewable virgin materials, increasing its use of renewable alternatives.

As a result, the weight of non-renewable virgin materials fell by approximately 32.5%, accounting for only 7.8% of total materials consumed (2022: 11.5%). This result is reflected in the increased consumption of renewable materials, which reached 88.7% of the total in 2023 (2022: 82.3%).

The 40% reduction in plastic consumption at both Amorim Cork Flooring and Amorim Cork should also be emphasised. In this regard, we should highlight the fact that PVC⁹ ceased to be used in the entire range of Wicanders Wise products from the beginning of 2024, while the packaging process has been robotised, which has made it possible to maximise the amount of cork stoppers packaged per transport unit.

Materials were quantified through direct measurements, such as weighing or counting, and conversion assumptions were made to standardise units of measurement based on historical data or information obtained from suppliers.

⁹ Polyvinyl chloride

Circular economy project

The circular economy 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.

One of the most recent examples is the Go4Cork One underlay, developed by the Amorim Cork Composites BU. This is a cork solution that uses recycled PET¹⁰ foam from wind turbine blade waste, embedded between fabric and a vapour barrier, both made of PET. Innovative technology was used in the conception and design of the product, making it possible to produce this integrated system in a single process. At the same time, only one type of PET material was used in its production, thus reducing the amount of waste and facilitating its circularity. To this end, a partnership was established for the supply of PET foam to make raw materials logistics more efficient and minimise the environmental impact.

Other examples include the Amorim Wise Cork Inspire 700 product range, a PVC-free waterproof flooring solution suitable for all types of spaces, as well as underlays and underscreeds for application in the construction sector.

Another example is the Go4cork Blend underlay, whose composition includes cork composites and EVA¹¹ foam, sourced from the surplus of Nike's footwear manufacturing process (Nike Grind).

In recent years there has been a consistent commitment to incorporating recycled materials, which in 2023 accounted for 3.6% of the total materials consumed.

Amorim Cork Flooring's 100% PVC-free portfolio

Amorim Cork Flooring launched the Wicanders Wise brand, managing to make its entire product range 100% PVC-free by 2024, bringing forward the strategic objectives set for 2025. Amorim Cork Flooring's strategy is based on replacing the ranges that still used PVC with new products based on digital printing technology. This decision entailed an investment of around 7 million euros to acquire a new digital printing line which, in addition to the lifelike quality of the printed image, directly onto cork, succeeds in replicating the texture of the visuals, whether based on wood or stone.

Wicanders Wise brings together the two existing brands "in a fusion between the comfort and performance of Wicanders and the sustainability of Amorim Wise" and also presents the Bionatural option, a product made from cork and natural and recycled materials, with a 100% natural core that is 100% plant-based and 100% free from fossil-based plastics.

4.6.2.2 PACKAGING MATERIALS

	Unit of measurement	2023	2022	2021
Weight of packaging materials				
Renewable virgin	%	85.6 %	82.7 %	86.5 %
Non-renewable virgin	%	13.1 %	16.1 %	13.5 %
Recycled	%	1.3 %	1.2 %	0 %

More detailed information in Chapter 8. Consolidated sustainability indicators/ 8.2 Environmental.

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.

Currently, the weight of non-renewable virgin packaging materials is 13.1%, a significant reduction compared to the previous year (16.1%).

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

¹⁰ Polyethylene terephthalate

¹¹ Ethylene Vinyl Acetate

Sustainable packaging project

With the participation of managers from all the BUs, the aim of this project is to achieve 100% sustainable packaging in operations in Portugal by 2030. This will be achieved 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, improving packaging and favouring renewable and recycled materials that are either recyclable or compostable at the end of their 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.

Among the most important projects in 2023 were the automation of the packaging sectors and the optimisation of cork stopper transport between Corticeira Amorim units, implemented in Amorim Cork's still and sparkling wine segments. A mechanical arm was purchased for the packaging stage, which entailed an investment of 1.2 million euros and, by maximising the number of stoppers packaged per transport unit, operating costs were reduced by more than 40% and transport costs by around 30%.

In addition, initiatives were continued with regard to stretch film, aimed at reducing its thickness or replacing it with paper alternatives or pallet strapping. A number of other projects have also been implemented: eliminating inserts, replacing cardboard boxes containing plastic with paper bags, replacing raffia bags with renewable or recycled alternatives, incorporating recycled materials into shrink film, recycling pallets and rethinking packaging for use between companies. Through these measures it was possible to ensure that packaging incorporated 1.3% of recycled materials.

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), since 100% of the cork is used in Corticeira Amorim's production process. Even the smallest cork granules are used as a source of energy. In 2023, the Company consumed 988,850 GJ of energy from burning biomass (cork powder), corresponding to 59.9% of the total energy consumed. Additional information is available in Chapter 4. Environmental information/4.2 Climate change/4.2.3 Metrics and targets/4.2.3.2 Energy consumption within the organisation.

In 2023, there was a 20.5% reduction in overall waste production, as a result of greater efficiency in the use of materials. Conversely, the consequent reduction in the generation of recoverable waste led to a slight decrease in the waste recovery rate, from 88.8% in 2022 to 87.2% in 2023, while still achieving the targets set for 2023, with a non-cork waste recovery rate of over 90% envisaged for operations in Portugal in the 2021-2024 cycle.

Recovered waste is sent to waste management operators, where it is sorted and assigned a destination for composting, recycling or energy recovery. Disposed waste, which accounted for 12.8% of the total industrial waste produced, is incinerated, in the case of biomass, or goes to landfill, in the case of textiles.

Hazardous waste, which represents 5.9% of industrial waste (691 tonnes), has its own labelling, storage, handling and transport processes and is duly transported and treated through authorised agents.

Waste is quantified through direct measurements, such as weighing or counting, and in some cases conversion assumptions are made to standardise units of measurement based on historical data or information obtained from suppliers.

Corticeira Amorim works with different partners and invests in various initiatives to achieve its goals in this area and support the circular economy, both in operations and in the value chain.

4.6.2.3 WASTE

	Unit of measurement	2023	2022	2021
Industrial waste (non-cork)				
Recovered	t	10,191	13,070	14,090
Eliminated	t	1,501	1,642	1,060
Total industrial waste	t	11,693	14,712	15,151
Waste recovery rate / Industrial waste recovered	%	87.2%	88.8%	93.0%
Industrial waste by sales volume	t/M€	16.4	20.6	22.5

More detailed information in Chapter 8. Consolidated sustainability indicators/8.2 Environmental.

The application of circular economy principles extends to the waste reduction and management strategy, whereby Corticeira Amorim takes a proactive approach to minimising waste in the production process. Materials are carefully selected and pre-consumer waste is efficiently incorporated into the production process or sent to recycling programmes.

Project to increase efficiency

This project aims to intervene at different stages of the production process for cork stoppers, flooring, coverings and insulation products, to enable better use of the raw material and a reduction in the amount of waste generated. It includes the Recupera, Recork and Recupera Wise initiatives, with a total investment of 826 thousand euros, which made it possible to recover 521 tonnes of waste in 2023, through the classification of waste by homogeneous properties and the reuse of cork composite by-products created in the production of flooring. Another initiative led to a 72% reduction in the specific consumption of granules in the moulding process at the Amorim Cork BU, through reductions in compression rates, adjustments to steam valves, among other actions, which enabled 647 tonnes of waste to be recovered. Over the year as a whole, this project's various actions led to the recovery of 4,577 tonnes of materials.

4.6.2.4 CORK RECYCLING

	Unit of measurement	2023	2022	2021
Recycled cork incorporated into production				
Total	t	915	1,052	801
By sales volume	t/M€	1.28	1.48	1.19

Recycled cork by sales volume corresponds to recycled cork incorporated into production over the consolidated sales of the sustainability perimeter.

The circular economy approach is not limited to the production phase. After use, Corticeira Amorim encourages the recirculation of products, materials and waste. As such, it works on programmes to selectively collect cork stoppers for recycling, transforming them into granules that give rise to new products or are used in the manufacture of new products. This significantly increases the useful life of materials, reducing dependence on virgin resources.

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 been attentive, pioneering and proactive in understanding the strategic importance of circularity. The Company's strategy to enhance the value of cork has led to development of unprecedented initiatives for the selective collection of cork stoppers for recycling. These initiatives, which originated in Portugal, are already strongly supported by other countries across five continents.

Corticeira Amorim receives cork stoppers and other end-of-life cork for treatment and grinding, in three industrial units licensed in the Portuguese territory for cork recycling. 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 Amorim Cork Composites and Amorim Cork Insulation products.

In 2023, the amount of recycled cork incorporated into production fell by 13.1% to 915 tonnes (equivalent to around 203.3 million cork stoppers).

Recycled cork came from cork stoppers (69.7%) and other cork products (30.3%), mainly expanded cork agglomerate obtained from building demolitions. The reduction in the volume collected was the result of a lack of consistency in terms of collecting and recycling other cork products, with a fall of 37.9% in this area in 2023.

As for the selective collection of cork stoppers, Corticeira Amorim has stepped up its support for various initiatives involving the selective collection and recycling of cork stoppers, having collected 5.2% more cork stoppers for recycling than in 2023.

Cork stopper recycling project

Corticeira Amorim supports various initiatives for the selective collection and recycling of cork stoppers on the five continents. In 2008, it joined Green Cork, a project organised by the Environmental Non-Governmental Organisation (ENGO), Quercus, which involves various partners. This project would trigger a global movement in reuse, recovery and recycling, while also promoting reforestation with native trees. Since 2008, Green Cork has collected more than 528 tonnes of cork stoppers (2023: 29 t) and planted more than 1.6 million native trees (2023: 106 thousand). 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 had Quercus, Missão Continente, Corticeira Amorim and BA Glass as partners and involved around 425 entities (IPSS, schools and scout groups) and 81 thousand students/users; the second 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, made it possible to set up a door-to-door selective collection network in 2022 with more than 300 participating hotel and catering establishments.

Corticeira Amorim's Ecobouchon project in France is the world leader in the selective collection of cork for recycling. Thanks to the collection and recycling programme set up 14 years ago and the enthusiasm of the organisations involved, since the project began, France has collected and recycled around 517 million cork stoppers, equivalent to more than two thousand tonnes of cork. To date, more than 600 thousand euros have been donated for research to 50 associations, including Agir Cancer Gironde, NICOLAS, France Cancer, Bouchons Bonheur and Handi' Chiens - a project that Corticeira Amorim intends to strengthen and develop as part of its environmental commitments, calling for partnerships throughout France.

There are other initiatives in various countries: 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 following. 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.

The raw material recovered in this way is used for a wide variety of purposes: equipment for cars, buses, trains, boats and aeroplanes; design objects, footwear and clothing; sports materials such as surfboards or kayaks; flooring for play, 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.

More examples at

<https://www.amorim.com/en/sustainability/environmental/recycling/4301/>.

Reuse of end-of-contract equipment

In 2023, Amorim Cork IT extended its partnership with Corticeira Amorim's IT equipment supplier to include the reuse of end-of-contract equipment for purposes other than dismantling/recycling.

The first collection was finalised in 2023 and involved 174 pieces of equipment, 93% of which were put back on the market, making it possible to avoid 26 tCO₂eq, contribute to the circular economy and reduce waste and environmental impact. It is hoped that in the future there will be an average of two collection campaigns a year.

4.7 GREEN PRODUCTS

(SDGs 9, 13)

4.7.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

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

Managing the environmental impact of products is a major concern for Corticeira Amorim's stakeholders. The Company is aware of the challenges facing today's world and seeks to capitalise on market opportunities and minimise the risks of harm to both people and the environment when developing its products and solutions. In addition, the Company believes that product management processes add value to products, thereby reducing potential liabilities.

In line with the commitments made in the Sustainable by nature programme, Corticeira Amorim adopts various practices in which it seeks to increase the number of products with environmental benefits and/or life cycle assessments in order to identify opportunities for reducing environmental impact at each stage of the life cycle. It also develops various initiatives to engage with stakeholders in managing the product's environmental impact and implements environmental management systems to ensure compliance with standards and regulations. It works closely with customers to understand their needs and sustainability concerns, developing customised products and solutions that meet their requirements while minimising environmental impact.

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, support the transition to a circular economy and contribute to mitigating climate change. In recent years, the Company's actions have been 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 products, in partnership with customers, suppliers and other entities;
- Strengthen the reputation of own brands by constantly evolving the offer in response to new market and consumer trends;
- Promoting a culture of innovation through an environment that fosters creativity, critical thinking and initiative among its workers, encouraging teamwork and mutual support across the board;
- Enhance 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 workers;
- Facilitate internal and external communication, establishing new and improved channels for exchanging information;
- Implement best management practices and continuously monitor their processes, identifying opportunities for improvement.

4.7.2 METRICS AND TARGETS

4.7.2.1 ENVIRONMENTAL BENEFIT OF THE PRODUCTS

Environmental benefit of the products	Total (K€)	Proportion related to mitigation of climate change through the manufacture of energy efficient equipment for buildings (%)	Proportion related to mitigation of climate change by contributing to the decarbonisation of the wine industry (%)	Total
Turnover	985,467	4.0 %	58.2 %	62.2 %

Percentage of consolidated sales within the financial perimeter.

Corticeira Amorim considers that its activity related to the production of insulation and cork stoppers has a positive impact on the mitigation of climate change. Together, these products accounted for 62.2% of the Company's consolidated sales in 2023.

The production of thermal, acoustic and anti-vibration insulation solutions 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, cork's natural thermal insulation properties reduce energy consumption, as well as providing an ideal temperature all year round and a pleasant feel, 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. The trees are not cut down during cork harvesting, a process that takes place every 9 years without damaging the tree, which can live for up to 200 years.

What is more, each tonne of cork produced can sequester up to 73 tonnes of CO₂¹². As such, Corticeira Amorim recognises that its cork stopper production activity not only has a positive environmental impact, but also makes a significant contribution to the global goal of transitioning to a low-carbon economy. Meanwhile, cork stoppers are a packaging product with low energy consumption, which extend shelf life and reduce waste, making them an excellent option for customers looking for the best quality, while also contributing to climate regulation (Chapter 4. Environmental information/4.1 European Union Taxonomy/4.1.5 Voluntary disclosures).

4.7.2.2 LIFE CYCLE ASSESSMENTS

Life cycle assessments	Total (K€)	Proportion with complete life cycle assessments (%)	Proportion with carbon footprints (%)	Total
Turnover	985,467	24.6 %	39.3 %	63.9 %

Percentage of consolidated sales within the financial perimeter

Corticeira Amorim has been conducting 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 and/or cradle-to-grave 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 thousand national and international customers with quantifiable information on how to reduce the carbon footprint of their products.

Complete life cycle assessments can include the following impacts in particular: resource use: abiotic depletion (fossil fuels, minerals), water depletion; ecological consequences: acidification, eutrophication, global warming, ozone depletion, photochemical ozone formation. On the other hand, studies related to carbon footprints include the impact on global warming.

These studies, which cover products and solutions whose sales exceed 63.9% of Corticeira Amorim's consolidated sales, allow us to conclude, without exception, that their carbon balance is negative¹³, 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.

4.7.2.3 CONSUMERS AND END-USERS

The Company recognises that its operations and value chain can have an impact on consumers and end users of its products and services.

The Company maintains a robust and dynamic management system, which is continually reviewed to ensure excellence in operations. This system is subject to regular reviews by internal and external organisations, ensuring a comprehensive and impartial approach to assessing processes and practices. During the reviews, a number of key aspects are carefully assessed, ensuring that the highest standards of quality and performance are met. The results of internal and external audits are also analysed, as well as the follow-up of corrective actions implemented as a result of these audits. In addition, the performance of external suppliers, structural or circumstantial changes that may impact operations, environmental performance and the degree of fulfilment of environmental objectives and targets, customer satisfaction, legal compliance and social performance, among others, are reviewed.

Particular attention is paid to assessing the effectiveness of actions designed to address risks and opportunities, ensuring that risks are being managed efficiently and opportunities capitalised on.

Every year, various measures are implemented to prevent, mitigate or remedy the negative impacts identified, and key areas such as product quality and safety are prioritised. In addition, customer engagement programmes are promoted to better understand their perception of services and products and to adopt business improvement measures in order to meet their needs and expectations.

Product quality and safety

In order to ensure that operations and products comply with all quality and safety 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 Broker, B-BBEE, BRC, BRCGS Packaging Materials 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 customer and ensure that the integrity and confidentiality of information is protected.

Detailed information can be found in Chapter 2. Corticeira Amorim/2.6 Definition of strategy/2.6.3 Policies adopted to manage material sustainability matters/Management systems.

¹² https://www.apcor.pt/wp-content/uploads/2015/10/Brochura_Ambiente_EN.pdf#page=18

¹³ Claims regarding carbon sequestration potential are based on studies carried out by the respective entities of the studies, available at <https://www.amorim.com/en/sustainability/studies/>. More information in Chapter 9. References and scope of the report/9.3 GHG emissions/Additional information on the carbon sequestration potential of cork oak forests.

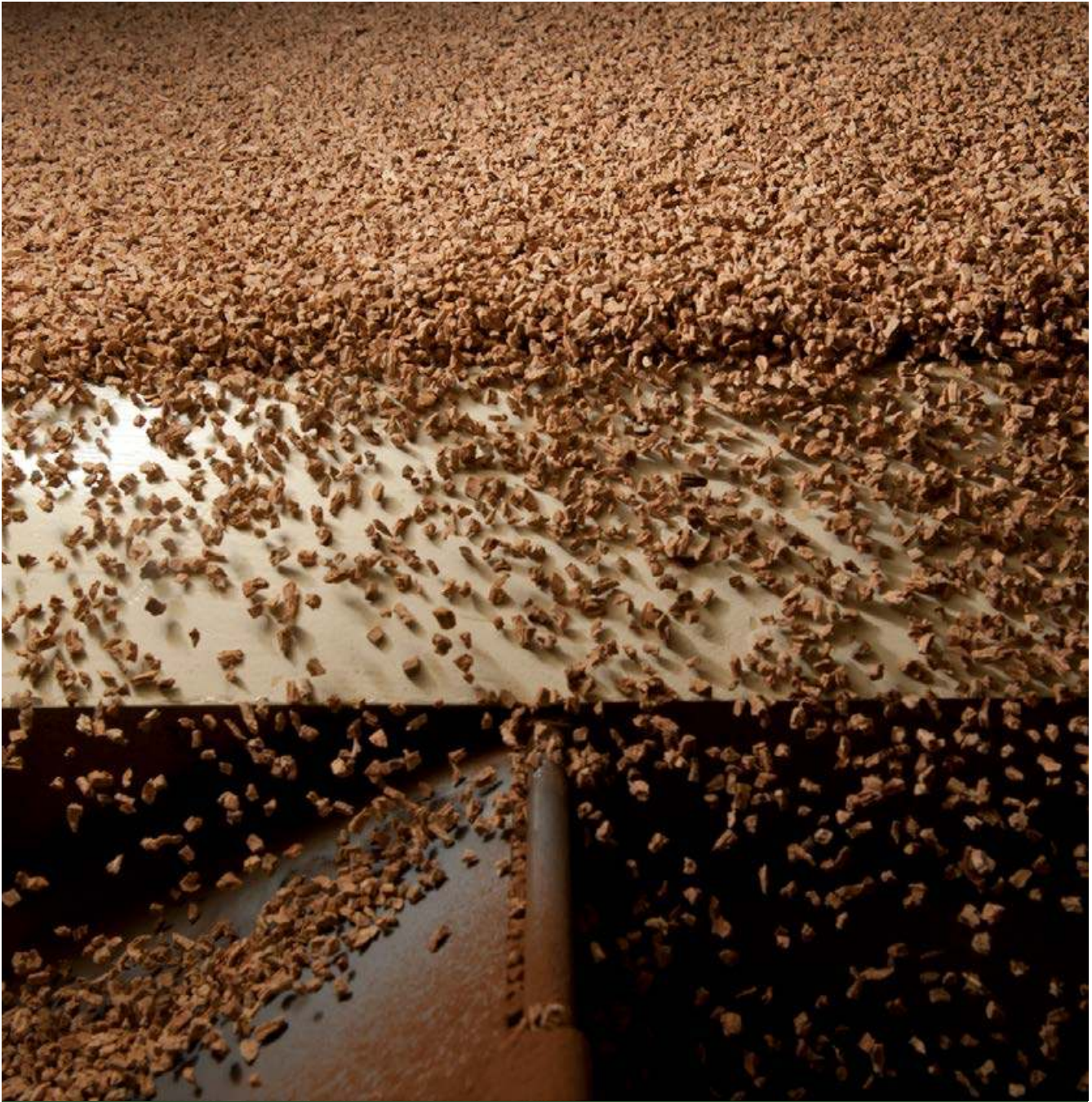
Processes for dialogue on impacts

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 improvement measures in order to satisfy all needs and expectations.

Currently, larger companies already have customer engagement projects in place, namely a biannual consultation, but the low take-up and also the constraints related to the pandemic led to a reflection on how this process was being developed.

New customer engagement models are therefore being worked on in order to obtain a representative response on product and service performance, so that the results can be an effective benchmark for continuous improvement.

The latest surveys showed an overall average satisfaction rate of 83%.



© Augusto Brázio, 2017

The mixture of cork granules and various polymers results in a diverse portfolio of materials for sound insulation and vibration control.

5. SOCIAL INFORMATION

5.1 OWN WORKFORCE

(SDGs 3, 4, 5, 8)

5.1.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Corticeira Amorim believes that the interests, views and rights of its workforce, including respect for Human Rights, are fundamental to its strategy and business model. The Company is committed to creating a working environment where workers are respected and valued, and where they can develop their potential.

The Company endeavours to incorporate the interests and views of its workers in all its strategic decisions. To this end, it regularly consults with workers, to gauge their concerns and opinions and uses this information to improve its policies and practices. In the area of Human Rights, the Company guarantees that all its workers receive a fair wage, work in safe and healthy conditions and have the opportunity to develop professionally.

Corticeira Amorim has a significant impact on its own workforce, namely by offering employment opportunities regardless of gender or sexual orientation, race, place of origin or language, age, ethnicity or religion, political or ideological conviction or trade union membership.

Corticeira Amorim recognises the shortage of skilled labour in specific areas and that accidents at work pose risks to its business. These factors can jeopardise the Company's competitiveness, especially in global markets that require increasingly skilled workers. They can also lead to loss of productivity and reputational damage due to accidents, occupational diseases, absenteeism and employee turnover.

However, the Company identifies opportunities when training and developing its workers. Investing in this area can help attract and retain skilled labour. The diversity of the workforce can also contribute to innovation and creativity, while a safe and healthy working environment can increase productivity and worker satisfaction.

Corticeira Amorim promotes safe, healthy and physically, socially and psychologically balanced working environments, where employees feel encouraged to achieve high levels of performance, reaching levels of fulfilment and personal and professional development that meet their expectations. In the pursuit of these goals, Corticeira Amorim identifies initiatives and actively engages with stakeholders.

Policies related to own workforce

Corticeira Amorim has formalised and implemented a Human Resources Policy that includes principles and commitments in the areas of respect for human and labour rights; working conditions; free employment; eradication of child labour; prohibition of harassment at work; health, hygiene and safety; 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 also monitors the working conditions of its suppliers and under no circumstances will physical or psychological punishment or harassment of any kind or abuse of power be tolerated, with employees' basic rights always being respected. Lastly, it invests in projects that promote education and professional development among workers, as well as others that contribute to a qualified, diverse, inclusive and safe workforce.

Commitment to development for all

Corticeira Amorim's personnel management strategy follows the following guidelines:

- 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 Business 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 recruitment, skills development and remuneration management that foster non-discrimination and guarantee equal opportunities, building work environments in which plurality and difference are a factor for continuous improvement and innovation;
- Adopt practices of leadership by example, which value learning and development, and practices of recognition and compensation based on merit and free from discriminatory judgements.

Commitment to professional achievement and development

Corticeira Amorim 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.

It is also committed to promoting employee motivation, involvement, participation and accountability, namely through training and qualification processes and incentive, recognition and/or compensation systems that take into account performance evaluation.

Furthermore, Corticeira Amorim is committed to fostering the personal and socio-professional development of its employees, encouraging their involvement in improving their own capacities and skills.

Commitment to an adequate salary

Working time and remuneration comply with the international rules on working time established by the International Labour Organization, the legislation in force and the applicable instruments of collective labour regulation, with the one that best protects employees being followed.

The remuneration of the Organisation's employees is fair and in accordance with the instruments of collective labour regulation and applicable legislation and with balanced and healthy people management policies and practices.

Social protection

Corticeira Amorim's employees are covered by the social protection systems in force in the countries where the companies are located and these cover a significant portion of the situations in which there may be a loss of remuneration, namely illness, parenthood and retirement. However, the range of benefits offered by the Company supplements these public systems, especially in cases where such systems may not be as robust. Of particular note are the Company's provision of health insurance, an accident supplement and possible occasional loans to assist in a variety of situations.

Commitment to occupational health and safety protection

Corticeira Amorim has formalised and implemented a policy that includes the protection of Occupational Health and Safety (OHS), 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 Organization, 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 occupational health and safety 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.

Randstad's Employer Brand Research 2023

According to Randstad's Employer Brand Research 2023, Corticeira Amorim is among the 20 best companies to work for in Portugal, ranking third in the industry sector. Employer Brand Research is an independent study that provides valuable information to help employers shape their employer branding. In this edition, the 150 largest employers in Portugal were evaluated.

Code of Business Ethics and Professional Conduct and Human Resources Policy available at:

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

5.1.2 METRICS AND TARGETS

5.1.2.1 CHARACTERISTICS OF THE OWN WORKFORCE

Employment demographics

	Unit of measurement	2023	2022	2021
Workers				
Workers	no.	3,704	3,829	3,796
By type of contract				
Permanent	%	83.6%	78.6%	78.4%
Fixed term	%	10.1%	12.4%	11.5%
Temporary workers	%	6.3%	8.9%	10.1%
By type of employment				
Full time	%	99.6%	99.8%	99.6%
Part-time	%	0.4%	0.2%	0.4%
By gender				
Women	%	27.1%	26.5%	24.8%
Men	%	72.9%	73.5%	75.2%
By age				
<30	%	18.0%	19.9%	15.7%
30-50	%	50.1%	49.4%	54.9%
>50	%	32.0%	30.7%	29.4%
By professional category				
Board members	%	0.6%	0.6%	0.6%
Directors	%	2.7%	2.4%	2.4%
Heads of department	%	3.1%	2.6%	2.6%
Sales staff	%	1.9%	2.0%	2.2%
Management support technicians	%	6.6%	6.8%	6.4%
Team leaders	%	4.5%	2.8%	2.4%
Administrative staff	%	7.1%	6.5%	6.3%
Maintenance, quality and logistics technicians	%	11.3%	10.5%	10.4%
Production operators	%	62.2%	65.8%	66.7%
By geography				
Portugal	%	87.7%	87.7%	87.2%
Rest of the world	%	12.3%	12.3%	12.8%

Number of workers concerns the sustainability perimeter.

At the end of 2023, there was a total of 4,958 workers, in all the entities included in the financial perimeter, a decrease of 0.8% compared to 2022 (4,999). The organisational boundaries of the indicators covered in this report have not changed significantly compared to the previous year and correspond to 74.7% of the workforce, according to the consolidated financial statements.

Of the universe of workers represented in this report, the vast majority belong to industrial-based companies. The indicators disclosed in this chapter are therefore influenced by the predominance of production activities and should be understood in perspective.

The commitment to managing people with policies that favour stability and a medium and long-term commitment to the workforce is reflected in the type of employment relationship: 83.6% on permanent employment contracts.

In terms of age, the majority of workers belong to the 30-50 age group (50.1%), followed by the >50 age group (32.0%) and the under 30 age group (18.0%). Although this was not the case in 2023, the percentage of workers under the age of 30 has increased in recent years, stabilising the average employee age and rejuvenating the workforce. Most workers have qualification level 2 and/or 3, with an increase in the average qualification level in recent years.

In 2023, the absenteeism rate fell to 5.9% from 6.4% in 2022, with a reduction in the number of days lost for practically all reasons. Compared to previous years, there was an upward trend in unjustified absences and short-term absences. This trend is associated with greater employee turnover and an increase in the number of people leaving work. This continues to be one of the Company's priority issues for analysis and follow-up.

5.1.2.2 LABOUR RELATIONS AND SOCIAL CLIMATE

Collective bargaining coverage and social dialogue

	Unit of measurement	2023	2022	2021
Freedom of association				
Collective bargaining agreements	%	93.2 %	94.4 %	93.8 %
Associativism	%	14.6 %	15.8 %	17.0 %

Percentage of employees within the sustainability perimeter

(2023: 3,471; 2022: 3,487; 2021: 3,412).

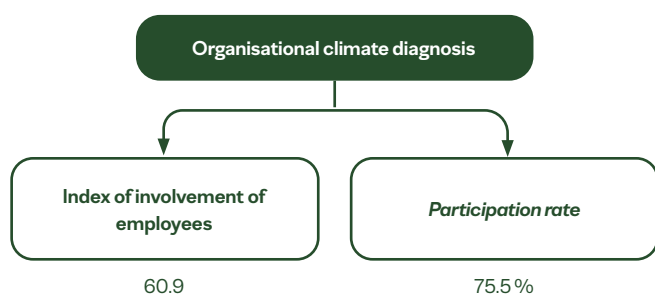
More detailed information in Chapter 8. Consolidated sustainability indicators / 8.3 Social.

Collective bargaining agreements cover 93.2% of 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 the size of the companies they work for, employees elect representative structures (workers' 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 BUs' personnel and administrative departments meet twice a year, with these structures, to discuss the Organisation'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, equality and inclusion, and economic issues.

The workers' representatives are also elected to sit on another advisory body in each company, the Occupational Health and Safety committees, which are responsible for monitoring and advising on the companies' occupational health and safety performance.

Social climate



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

Within this framework, the periodic measurement of 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 (relating to employee perception) makes it possible to analyse matters and themes that could be improved, enabling analyses both in overall terms and by age range, gender and professional category, with each BU being responsible for defining specific action plans in line with developments.

To calculate the Organisation's overall results, a methodology is used that aggregates the companies' latest results, taking into account the two most recent years, even if the results were achieved in the previous year.

Thus, in 2023, the response rate to the questionnaire was 75.5% and the level of satisfaction of Corticeira Amorim's professionals was 60.9 points (out of 100 points). Areas such as recognition, remuneration and the physical working environment were the lowest scoring and were addressed in the action plans implemented in 2023, namely through the introduction of variable remuneration for all employees, changes to physical working spaces and a global communication campaign to recognise and appreciate employees. Leadership programmes were also continued, involving the Company's different hierarchical levels.

5.1.2.3 ATTRACTING AND RETAINING TALENT

	Unit of measurement	2023	2022	2021
Rate of new hirings and turnover				
Number of entries	no.	518	522	410
Number of turnover	no.	515	426	341
Rate of new hirings	%	14.9 %	15.0 %	12.0 %
Turnover rate	%	14.8 %	12.2 %	10.0 %

More detailed information in Chapter 8. Consolidated sustainability indicators/8.3 Social.

Corticeira Amorim recognises the importance of attracting and retaining talent to ensure its long-term success. To achieve this, it makes a number of commitments to its employees, thereby creating an empowering and attractive working environment.

The rate of new hirings was 14.9% and was higher among female employees and in the under 30 age group. This is the result of measures to achieve the renewal and rejuvenation objectives, as well as the pursuit of a more gender-diverse workforce. There was an increase in the turnover rate to 14.8% of employees, with a higher incidence in the under 30 age group. This may also be due to the labour market becoming more accessible and the resulting increase in opportunities.

Attracting and retaining talent is one of the priority action areas, especially as regards recruiting young people. The Company has always favoured long-term relationships and commitments when it comes to its employees. Recruitment often involves the Company's trainee programmes, with continuous investments made in training these employees and developing their skills. In a climate in which it is generally more difficult to attract and retain talent, the Company has responded with a series of initiatives aimed at ensuring it can still attract and retain a range of skill sets. The most important initiatives during the year included:

- Employer branding: Corticeira Amorim stepped up its institutional presence at various Job Fairs and Career Days, in conjunction with the respective educational institutions;
- Curricular and professional internship programmes: resulting from collaborations and protocols with universities and higher education institutions, which continue to be vital sources of recruitment. Each of Corticeira Amorim's companies has 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 Organisation's companies;
- Internal mobility: the Mobility+ programme is aimed at internal recruitment and is both a way of attracting and retaining talent. By making internal job vacancies available, this programme aims to contribute to integrated people management, promoting new challenges and career development opportunities;
- Retraining and upgrading skills: with a special focus on the professional categories of industrial operations maintenance and support, these initiatives are aimed at upgrading the skills needed in order to keep up with technological developments;
- Onboarding and integration: the On Cork Programme and the Young @ Cork Programme stand out in this area, being aimed at enabling better integration through training/sharing sessions and visits to the Company's various BUs.

On Cork programme

This onboarding programme takes place twice a year and brings together those hired during the semester. This is a joint day for newly hired employees in management and support roles who, over the course of four days, attend workshops on the business, corporate culture and cork as a raw material, visiting all of Corticeira Amorim's units and having the opportunity to interact with and question the Executive Committee. The new employees thus have the opportunity to get to know all of the Company's businesses in an integrated and diversified way and to explore different perspectives on its organisational culture.

The first edition of the programme took place in 2023, with 52 employees taking part, who each completed 36 hours of training. On Cork is one of the initiatives of Young @ Cork, a Corticeira Amorim programme aimed at young employees.

Young @ Cork programme

In 2023, the Young@Amorim programme was launched, with the aim of developing four main areas of activity among Corticeira Amorim's young staff (under 30):

- Ensuring a quality induction, providing a complete and integrated view of the Company's business and multiple contexts, promoting knowledge and developing a solid corporate culture;
- Stimulating creativity and the development of skills linked to innovation and entrepreneurship;
- Bringing together and encouraging direct and open communication between younger employees and senior management (Executive Committee and management from the various BUs), encouraging expectations, questions and suggestions to be shared;
- Developing a transversal mentoring programme that allows younger people to feel guided and supported in their career development.

This programme was launched in 2023 at the WE ARE ON! event, which was attended by around 200 young people from the different companies that make up Corticeira Amorim.

5.1.2.4 EQUALITY AND RESPECT FOR DIVERSITY, INCLUSION AND NON-DISCRIMINATION

Equal treatment and opportunities for employees is a basic principle of 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 equity, excellence, responsibility and profitability.

During the year, commitments to equality, diversity and the promotion of anti-harassment measures were reinforced. The Code of Business Ethics and Professional Conduct and 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 for companies in Portugal was also renewed and formally extended to include the dimensions of diversity and inclusion, while maintaining the targets that aim for zero discrimination by 2030 - the objective of one third of women in the total number of workers and an equal percentage in management positions in companies in Portugal. As part of the Equality Plan, there were themed campaigns on Diversity, Equity and Inclusion (DEI) issues, namely the #Abraçaraequidade# (Embrace Equity) campaign on International Women's Day and DEI week in November.

In Portugal, Corticeira Amorim responded to the gender surveys and audits carried out by the official bodies mandated for this purpose: the Commission for Equality in Labour and Employment (CITE) and the Authority for Working Conditions. The surveys and audits carried out are designed to assess the representation of women in the various positions and any pay discrepancies. These information reports and audits have made it possible to verify the degree to which the Equality Plans have been implemented in different areas and have also contributed to change and improvement.

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 2023, four incidents of discrimination and harassment were reported. Additional information in Chapter 6. Governance information/6.1 Business conduct/6.1.2 Metrics and targets/6.1.2.1 Corporate culture and business conduct policies/Reporting of irregularities.

Commitment not to tolerate any kind of discrimination or harassment

Harassment in the workplace is expressly prohibited.

The Organisation and its employees reject and do not tolerate any kind of harassment, discrimination, coercion, abuse, violence or exploitation at work, within their sphere of influence.

Workplace harassment is any behaviour, namely based on a discriminatory factor or of a sexual nature, with the purpose or effect of disturbing or embarrassing a person, affecting his/her dignity, or creating an intimidating, degrading, humiliating or destabilising environment.

Employees have a duty to report inappropriate behaviour that indicates harassment at work, with a view to clarifying the situation and initiating disciplinary inquiries. Specifically, anyone who suffers or has knowledge of the practice of harassment in the workplace must report the situation to the Human Resources Department or to their superior or use the Procedure for Reporting Irregularities available on Corticeira Amorim's website.

Employees are also expected to support victims of harassment, either by showing verbal disapproval of the harassing behaviour or by not associating with others who attempt to mock/ridicule the victim. In this way, everyone must contribute, when necessary, to an inspiring and pleasant environment, and not allow any form of harassment.

The Organisation affords full legal protection to employees in the event they suffer or report workplace harassment.

In this respect, members of the governing bodies and holders of management and leadership positions are bound by a special duty of care to consider the possible effects of their behaviour, even if unintentional.

Human Rights Policy, Human Resources Policy and Monitoring Report on Respect for Human Rights available at:
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

Diversity and inclusion metrics

	Unit of measurement	2023	2022	2021
Women workers	%	27.1%	26.5%	24.8%
Women in management positions	%	23.4%	25.5%	24.6%

More detailed information in Chapter 8. Consolidated sustainability indicators/ 8.3 Social.

The objectives set three years ago in Portugal regarding female (the under-represented gender) representation have been achieved. The reversal recorded in 2023 with regard to women in management positions is the result of some cyclical aspects, namely the departure of women from some positions that have not been replaced and internal professional reclassification that has changed the mix of professional categories covered by the managerial position classification.

Corticeira Amorim reaffirms its commitment to building an inclusive and diverse working environment, in which women have equal opportunities for career advancement. To this end, it is strengthening its measures to promote gender equality, with the aim of addressing the recent trend reversal and achieving its long-term goals. Some of the measures being implemented include:

- Renewing the Equality Plan with a new scope extended to the dimensions of diversity and inclusion;
- Enhancing training on topics such as diversity, equity and inclusion for all employees, with a focus on raising awareness about unconscious biases and promoting inclusive behaviour;
- Regular follow-up meetings with Company leaders to monitor the progress of diversity and inclusion initiatives and identify opportunities for improvement;
- Reviewing recruitment and selection policies to ensure that there are no barriers to women joining the Company;
- Promoting diversity weeks and celebrating international anniversaries that contribute to general awareness;
- Clearly defining the objective of hiring women for positions where they are under-represented, without compromising skills and merit.

Corticeira Amorim is confident that these measures will make it possible to achieve the objectives and build a more diverse and inclusive team.

Embrace Equity

Under the slogan “Together we want to embrace equity”, Corticeira Amorim marked International Women’s Day with a communication campaign highlighting some of the achievements already made and some of the progress still needed in its companies as far as gender equality is concerned. Organised through the Company’s various media and promoted in all BUs, the campaign saw the participation of several employees, who literally embraced equality in large format photographs. At the same time, Corticeira Amorim invited each of its employees to recognise, distinguish and encourage someone by giving them a card with a message about progress, improvement and growth.

People with declared disabilities >60%

	Unit of measurement	Women	Men	Total
Employees with a declared disability	no.	11	23	34
Employees with a declared disability	%	1.2%	0.9%	1.0%

In 2023, the Equality Plan, applied to companies in Portugal, was extended to the dimensions of diversity and inclusion, with actions planned in the areas of training, events to promote inclusion and the creation of partnerships.

Corticeira Amorim believes that inclusion is an ongoing journey and is committed to creating a working environment where everyone feels valued and committed, as well as a sense of belonging.

Partnerships and protocols were established with associations working to integrate people with disabilities into the labour market, such as CRPG (Gaia Professional Rehabilitation Centre), while the Company also participated in inclusive recruitment events. Corticeira Amorim’s Human Resources teams were also involved in a training programme on the subject.

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 was materialised through a set of annual and pluri-annual initiatives, that focused not only on previously established objectives for gender equality, but also objectives related to the hiring of young people, as well as intervention in workplaces, with a view to creating infrastructures that cater to workers with special needs.

Corticeira Amorim’s Programme for Equality, Diversity and Inclusion is available at:

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

Diversity in the governing bodies

	Unit of measurement	2023	2022	2021
Women on the Board of Directors of Corticeira Amorim	%	40.0%	40.0%	40.0%

With regard to the governing bodies of Corticeira Amorim, a policy of diversity is advocated in their composition, in particular for 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;
- 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. 40.0% of the members of the Board of Directors are currently women.

5.1.2.5 TRAINING AND DEVELOPMENT

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

Therefore, it provides all its workers with access to relevant and quality training, promoting learning opportunities and improving not only technical skills, but also management and behavioural skills.

Training and skills development metrics

	Unit of measurement	2023	2022	2021
Training				
Training hours	h	79,281	74,792	67,094
Average hours of training	h	21.4	19.5	17.67
Workers with training	%	81.7%	84.9%	79.2%

More detailed information in Chapter 8. Consolidated sustainability indicators/8.3 Social.

In 2023, the number of training hours (h) rose to 79,281, equivalent to a 6.0% growth in training volume. The average number of hours of training also rose to 21.4 per worker. The professional categories with the highest average number of training hours maintained the tradition established in previous years: heads of department (55h), team leaders (33h), sales staff (38h) and management support technicians (37h). The majority of the training hours correspond to technical training, a significant part of which takes place on the job but also in the classroom. There is also management training in leadership skills and managing people, teams and projects. The e-learning format is beginning to take hold, with triple the number of hours in this type of training compared to the previous year.

Training was provided to 81.7% of the Company's staff. The reversal of the positive trend seen since 2021 illustrates the challenges that exist in the area of training, particularly regarding the professional and personal development of all employees, bearing in mind the diverse profiles and needs within the Company. The challenge is to find training formats that are accessible to everyone, regardless of skills, learning styles or availability. The Company's commitments in this area remain unchanged, particularly as regards ensuring that 95% of the workforce in Portugal receives annual training by the end of 2024 and 100% by 2030.

In 2023, a number of training programmes started in 2021 were further consolidated. Highlights include:

- Medium-term programmes in the areas of leadership (Lead Up and Executive Coaching for Leaders), customer focus (Think Customer) and professional development (Knowledge For Growth, in partnership with the Católica Porto Business School);
- Talent programmes with an expected duration of three years aimed at high-potential employees that the Company wants to develop in a more intensive and targeted way (Cork Up);
- E-learning programmes as a distinctive development methodology. 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;
- Succession plans that consider developing employees for planned internal mobility.

Leadership development programmes

Corticeira Amorim has leadership programmes designed to boost quality and ensure this has a direct impact on the Organisation's results and performance. 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. The Lead Up, Executive Coaching for Leaders, and Knowledge For Growth programmes are just a few examples. 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 supervisor integrates the behaviours expected of a leader into their daily practice;
- Transfer knowledge and leadership practices so that leaders are increasingly autonomous and efficient in their role.

In 2023, more than 15,000 hours of training were given to management positions.

Management by objectives, performance assessment and alignment of incentives

	Unit of measurement	2023	2022	2021
Workers with regular performance and career development reviews	%	86.7 %	57.0 %	54.9 %

More detailed information in Chapter 8. Consolidated sustainability indicators/8.3 Social.

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 Organisation'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 the administrative workforce.

The general objective includes having all workers 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.

This programme began in 2022 and has achieved results in line with expectations. The global indicator shows that 86.7% of the workforce is covered by this system and in Portugal this has reached 95.0%.

These results demonstrate Corticeira Amorim's commitment to performance management and the development of its employees. The Company believes that this tool is essential for improving individual and organisational performance.

5.1.2.6 HEALTH AND SAFETY METRICS

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 workers, 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, Corticeira Amorim is governed by the following lines of action:

- Compliance with all requirements, standards and legal procedures in the area of OHS, including training for employees and service providers;
- Implementation of OHS programmes;
- Committees and formal meetings involving employees and/or their representatives to monitor performance;
- Sharing, debate and adoption of a set of best practices in all BUs.

Ensure the safety, health and well-being

Worker's health is promoted through compliance with all legal requirements, standards and procedures in the area of OHS, in all countries where Corticeira Amorim operates, by applying good practices, in particular:

- Provision of occupational medicine and nursing services, curative medicine and health care in general;
- Regulatory occupational medicine examinations for admission and periodic examinations;
- Screening and training in the field of occupational health;
- 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;
- Availability of personal protective equipment;
- OHS training for employees and service providers adapted to the specific characteristics of each job;
- OHS 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 Organisation;
- 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.

Each company has an Occupational Health and Safety Committee, made up of worker representatives, safety technicians and management representatives, which does the following:

- Request and assess suggestions from workers 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.

Human Resources Policy available at:

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

UN Global Compact:

<https://unglobalcompact.org/what-is-gc/participants/149253-Corticeira-Amorim-S-G-P-S-S-A->

Charter of Principles of the BCSD Portugal:

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

Risk assessment and investigation of incidents

The hazard identification and risk assessment procedures apply to all tasks and processes carried out in the Company that involve an OHS risk. These include routine, occasional and emergency activities conducted by permanent employees, temporary workers or service providers on Company premises.

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

Workers 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 is 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.

Certifications/audits/verifications

	Production units
ISO 45001	14.3 %
SA 8000*	28.6 %
Internal SRMS	57.1 %
Total	100 %

* Not included in ISO 45001.

Includes 28 PUs of the sustainability perimeter.

Corticeira Amorim'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. All the systems have underlying policies and objectives for improving OHS performance, which are supported by an activity plan and there are evaluation mechanisms and indicators defined for each one. They are also available in several languages.

External certification of management systems is increasingly becoming a priority. Certification according to international standards of safety and health at work/social responsibility, such as ISO 45001 and SA 8000, is implemented in 42.9% of PUs.

Work-related injury or ill health

	Unit of measurement	2023	2022	2021
Recordable work-related injuries	no.	60	91	76
High-consequence work-related injuries	no.	4	7	2
Fatalities	no.	0	0	0
Work-related ill health	no.	42	73	65
Lost time injury frequency rate		9.5	14.3	12.4
Rate of high-consequence work-related injuries		0.6	1.1	0.3
Lost workday rate		307.1	783.9	553.6
Rate of fatalities as a result of work-related injury		0.0	0.0	0.0
Rate of work-related ill health		6.6	11.5	10.6

More detailed information in Chapter 8. Consolidated sustainability indicators/8.3 Social.

Corticeira Amorim has given new impetus to Occupational Health and Safety in 2023, with measures that demonstrate its commitment to its workers' health and safety. Noteworthy in this respect are the action plans implemented at the different BUs, which resulted in a significant reduction in the number of accidents throughout the year:

- Creation of a transversal role aimed at creating a global alignment programme and boosting all initiatives linked to this area;
- Launch of the structural safety development programme with a survey of all companies to determine what stage the safety culture is at and, on the basis of this assessment, to define areas for general and specific development for each company;
- Development of a safety training programme for all the Organisation's managers, which will start in early 2024, and which will also form part of a plan for cross audits for safety and various company-specific initiatives (Safety Dialogues, Safety Walks, Themed Weeks);
- Organisation of the OHS forum with the participation of Health and Safety representatives, Human Resources directors, general managers, and industrial and operations directors from all BUs, led by the Chairman of Corticeira Amorim. This dynamic has allowed for constant sharing and debate on best practices in this area, fostering significant progress and the transversal adoption of a set of practices.

Highlight on the issue of occupational health, with initiatives to improve the ergonomics of a number of workstations and to continue with workplace gymnastics and physiotherapy programmes, which are fundamental to reducing the incidence of work-related musculoskeletal disorders. In addition, and following an internal communication campaign, the topic of mental health in the workplace was addressed.

The main results for 2023 include a significant reduction in the lost time injury frequency rate, the rate of high-consequence work-related injuries, the lost workday rate and the rate of work-related ill health.



WE'RE ON! New Generations marks a new era for Amorim's young workers. The event was attended by around 200 young people from the different companies that make up Corticeira Amorim.

OHS training

Within the framework of OHS, special importance is given to training when welcoming new employees, as well as OHS training in the workplace, which is compulsory whenever an employee starts working in a new workplace. The content of OHS training is regularly revised in order to ensure that knowledge is updated and that there is the necessary awareness of occupational health and safety issues. Increasingly, priority is given to the development of on-the-job OHS training rather than classroom training, always with the objective of customising the training and, in this way, improving the transmission of safety knowledge to employees. During 2023, more than 14,419 hours of training were provided in this field.

Workplace gymnastics project

After rolling out workplace gymnastics programmes in the Amorim Florestal and Amorim Cork Composites BUs, similar programmes were implemented in the other BUs in 2023. The main objectives of these programmes are to prevent work-related injuries and improve posture. They also make it possible to reduce absenteeism, improve employees' perception of the Company, improve attention and concentration, and promote physical activity and a healthy lifestyle. Implementation of the workplace gymnastics programmes begins with an ergonomic analysis of each employee's workstation and physical condition. This is followed by initial training for in-house facilitators, focusing on the most common work-related musculoskeletal disorders (WMSDs), risky postural behaviour, a preventive framework for exercise in the workplace, tools to guide workplace gymnastics sessions, exercises and their basics, teaching strategies and training on the exercise plan. It 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. It is then up to the internal facilitators to organise the workplace gymnastics for their teams at the start of each shift.

- 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;
- Daily life assistance benefits: access to the Company's canteens by the employees' direct family members, wherein employees can also purchase 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 leave

Maternity/paternity leave	Unit of measurement	Women	Men	Total
Return-to-work rate	%	100 %	97.9 %	98.4 %
Retention rate	%	75.0 %	94.7 %	90.8 %

All Corticeira Amorim employees in Portugal are entitled to family leave, which is guaranteed by the legislation in force.

In order to guarantee the right of workers to take parental leave, Corticeira Amorim has created and keeps updated a chapter in its internal network - Linkpeople - on the legislation on parenthood, which provides for 120 days of leave paid at 100% or 150 days paid at 80% for mothers, and 20 working days paid at 100% for fathers.

In addition, employees benefit from various services and support, including support for their children's education, with the award of school grants and merit-based scholarships (currently more than 30 young people a year), as well as donations of toys.

5.1.2.8 COMPENSATION METRICS

	Unit of measurement	2023	2022	2021
Ratio of salary of women to men	no.	0.99	0.98	0.96
Ratio of remuneration of women	no.	0.89	0.88	0.88
Gender pay gap	%	10.9 %	12.0 %	12.1 %

More detailed information in Chapter 8. Consolidated sustainability indicators./8.3 Social.

5.1.2.7 WORK-LIFE BALANCE

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, birthday gifts, seniority awards and various recognition awards;

Corticeira Amorim recommends that the principle of equal treatment and opportunities should be applied, among other things, to career opportunities and salary levels. There has been a positive trend over the last three years as regards the fixed salary gap between male and female employees, which has narrowed. 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 roles/genders represented, which could lead to some bias.

Corticeira Amorim has planned a set of procedures in order to collect information and apply possible corrective measures. Therefore, as well as regularly monitoring the pay/wage ratio between women and men by professional category, detailed analyses will be carried out, specifically job analyses and salary comparisons. 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).

5.2 COMMUNITY/SOCIETY AND INNOVATION (SDGs 8, 9, 17)

5.2.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

For over 150 years, Corticeira Amorim has been dedicated to positively impacting society and promoting harmony through active and sustainable participation.

Corticeira Amorim identifies communities as a key stakeholder group, recognising that community views, interests and rights, including Human Rights (and the rights of indigenous peoples) are essential to its strategy and business model.

Firstly, when defining its strategy and business model, the Company integrates the views, interests and rights of the communities impacted by its activities. To this end, it holds regular consultations with its stakeholders, including communities, to understand their needs and concerns. Secondly, as part of its strategy and business model, the Company takes into account the actual and potential impacts on communities resulting from its activities, through a regular assessment of the related material impacts, risks and opportunities.

Positive impacts include providing jobs, significant investments, contributions and taxes, and business partnerships. Simultaneously, several significant complementary impacts on the economy and society stand out, which emphasise the Company's importance 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 are the Company's role as:

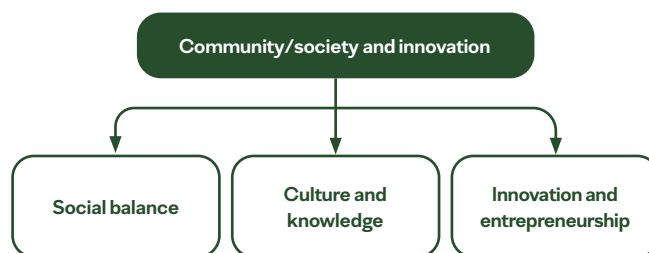
- A benchmark for the Portuguese cork cluster and one of the best examples of how to economically develop a natural resource, combining best practices to maximise profitability with environmental and social responsibility;
- A promoter of cork and the perception of the material as natural and inimitable,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

Corticeira Amorim's commitments to communities, expressed in its Community/Society Policy, include compliance with the law, respect for local communities, innovation, minimising negative impact, giving back to the community, being sensitive to the needs and concerns of local communities and promoting environmental awareness actions.

Corticeira Amorim considers possible conflicts with impacted communities and legal sanctions to be potential risks associated with its activity, insofar as they may affect its reputation. On the other hand, contributing towards building resilient communities and accessing new markets can be opportunities, as they tend to improve the Company's reputation and induce growth and innovation.

To this end, Corticeira Amorim reinvests part of its profits in the countries where it operates. Management structures have the necessary tools and processes in place to recognise and manage impacts and understand the needs and interests of communities, as well as identify long-term investment opportunities in those 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.



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;
- 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.

Community/Society Policy available at:

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

5.2.2 METRICS AND TARGETS

5.2.2.1 SOCIAL BALANCE

	Unit of measurement	2023	2022	2021
Direct economic value generated and distributed				
Economic value generated	K€	996,009	1,034,630	842,171
Operating costs	K€	641,620	690,303	548,884
Employees	K€	189,732	182,950	146,098
Capital providers	K€	52,848	46,715	39,580
State	K€	33,283	23,581	19,729
Communities	K€	598	361	225
Retained economic value	K€	77,927	90,720	87,656

Corticeira Amorim plays 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 2023, Corticeira Amorim generated economic value of 996 million euros, with 92.2% distributed to its stakeholders (2022: 91.2%).

5.2.2.2 CULTURE AND KNOWLEDGE

In 2023, Corticeira Amorim launched a number of initiatives, placing the team's know-how and technical expertise at society's disposal in its most diverse forms, 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.

Through multiple actions and partnerships in the area of education and culture, ranging from student internships to protocols with academic institutions, from environmental education to cultural patronage, a significant positive impact is generated in Corticeira Amorim's priority areas in terms of sustainable development.

Promote scientific and technological knowledge

Corticeira Amorim supported various projects in 2023 with the aim of raising the profile of cork as an exceptional natural raw material and strengthening the Company's position as a leader in the industry and sector. These projects are aligned with three of Corticeira Amorim's strategic objectives for sustainability: 1) cork oak forests, by preserving cork oak forests and their ecosystem services through increased knowledge; 2) green products, by maintaining a proactive role in developing new applications for cork; 3) innovation, by supporting research, development and innovation, and fostering sustainable solutions.

- The **Amorim Academy**, an international organisation created by Corticeira Amorim with the aim of encouraging research in oenology, knowledge about wine, and innovation in viticulture practices, organised the 30th edition of the Grand Prix Sciences & Recherche, honouring Antonin Duillet, an agronomist with a doctorate in Agronomic Sciences, for his "Multi-year study of the airborne spore of *Plasmopara viticola* by molecular quantification: a new risk indicator for epidemics of grapevine downy mildew". The Amorim Academy is a pool of talents and personalities linked to the vine and wine industry and a permanent source of shared knowledge;
- **Corticeira Amorim's association with the School 42, as a corporate partner:** launched in Paris in 2013, 42 has more than 15,000 students in 25 countries and is recognised as one of the best programming schools in the world. 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;
- **Álvaro Siza Vieira, 90 Years:** Corticeira Amorim supported initiatives to mark the 90th birthday of this remarkable

Portuguese architect, whose thinking and practice contributed greatly to the construction of modern Portugal. The documentary *SIZA*, directed by Augusto Custódio and promoted by the streaming platform Gallery and the Casa da Arquitectura, and the *SIZA 90 Years* edition, a collection of testimonies about the architect's life and work, organised by António Choupina, provide the specialised and non-specialised public alike with real lessons about this major figure in world architecture;

- **PlantBiology 2023:** support for the 18th edition of the Iberian Congress on Biology and Plants, organised by the University of Minho, which brought together more than 400 participants in Braga to debate "The Sustainability of the Future";
- **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) and 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, knowledge of cork and experimentation with it by students in areas such as design, architecture and engineering are also encouraged. Every year, workshops, classes and visits are organised, materials are provided and ambitious research projects are monitored, with the following being highlighted in 2023:

- **The Thick Skin:** Cork as Material for Designing New Futures: Corticeira Amorim and the Parsons School of Design, one of the most prestigious design schools in the world, have signed a collaboration agreement that will allow students at the New York university to learn more about the benefits, qualities and characteristics of cork as a material for the conception and development of their creative proposals in the fields of industrial design, architecture, arts, interior design and similar activities. The focus is on research, testing, investigation, experimentation and hands-on making with the aim of discovering new functionalities and applications for the material, in the hope that disruptive solutions and products will emerge whose design can respond, in a sustainable manner, to the major challenges facing our societies. The course's first initiative was led by Daniel Michalik, designer and assistant professor of product and industrial design, and included a week of experimentation and product development at the i.cork factory;
- **Explorations in Cork:** responding to a challenge from Dana D'Amico, professor at the Pratt Institute, the i.cork factory collaborated in the design and development of an experimental cork studio, aimed at understanding the material and its properties, a fundamental step for innovation and design success. Over the course of a semester, Pratt students developed experimental projects with cork, a naturally sustainable material, understanding how it is produced, extracted and used today. As a result, the teacher and students got the opportunity to spend a week getting to know Corticeira Amorim and learning more about the new production technologies available at the i.cork factory. The course resulted in a series of insights into cork's unique opportunities, as well as proposals for applications and products in various sectors, including furniture and storage systems.

Environmental education and action

Corticeira Amorim's environmental education programme aims to support educational institutions and raise community awareness of the importance of the forest in general, the cork oak forest specifically, and cork recycling. This programme is aligned with three of the Company's strategic objectives for sustainability: 1) cork oak forests, through the preservation of such forests and their ecosystem services, achieved by increasing knowledge; 2) circular economy, through the promotion of cork recycling and the application of circular economy principles; 3) community/society, through the sustainable and inclusive boost to economic growth, with a focus on community well-being. In 2023, the promotion of personal balance is also worth mentioning. The following initiatives stand out:

- **"No Poupar Está o Ganho" (A Penny Saved is a Penny Earned),** a financial education project promoted by the Dr António Cupertino de Miranda Foundation, which provides pre-school, primary, secondary and vocational school students with financial education knowledge so that they can acquire the skills to make correct, conscious and informed decisions in the future, helping them to become more responsible consumers. In 2023, more than 18,000 students took part in the 13th edition of this project;
- **Annual planting in 2023, carried out by Corticeira Amorim volunteers.** In the 2023 edition, around 125 volunteers gathered at Herdade da Baliza, in Castelo Branco, to plant 2,500 cork oaks. 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 27,000 native trees in Portugal, helping to create more biodiverse and resilient forests;
- **Aldeias Suber Protegidas (Suber-Protected Villages),** an innovative initiative developed by Quercus and supported by Corticeira Amorim, whose main objective is to improve the resilience of forest areas and increase safety and quality of life in villages located in areas at high risk of rural or forest fires. The pilot project was launched in Unhais da Serra and was a hugely significant moment, not only due to the symbolic planting and sowing of 500 cork oaks, but also the involvement of the local community, including 30 volunteers from the Escola EB 2/3 de Paul school. This pilot project, in an area previously devastated by a major fire in 2018, is the start of a wider journey to protect these villages and the natural environment that surrounds them;
- **Amorim em Movimento (Amorim in Movement),** an open invitation to families to join Corticeira Amorim on a journey of well-being, reminding them of the importance of self-care. To mark World Mental Health Day, the importance of promoting balance and happiness was emphasised. The registration fee was donated to the Encontrar+se Association, which promotes mental health and access to the best practices in mental health treatment. For every euro donated by participants and their families to the association, Corticeira Amorim donated double;
- **Green Cork Schools,** a Quercus initiative supported by Missão Continente, Corticeira Amorim and BA Glass, among other partners, which endeavours to involve the school, welfare and scout communities in promoting more conscious and responsible environmental initiatives to preserve and respect nature. The programme aims to promote sustainability and raise awareness about cork as a totally recyclable and reusable material. Collecting cork stoppers helps fund native tree reforestation initiatives that include the cork oak. In 2023, the initiative involved around 425 organisations (social

welfare organisations, schools and scout groups) and 81 thousand students/users and contributed to the collection of approximately 29 tonnes of cork stoppers and the planting of more than 106 thousand trees through the “Floresta Comum” (Common Forest) project.

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 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 stages:

- **Sponsorship for the Casa da Arquitectura**, contributing to its activities (archive, programming, study and documentation centre and educational service). The Casa da Arquitectura is a non-profit cultural institution whose aim is to promote and publicise architecture in general and the collections it has acquired, namely by holding exhibitions, conferences, workshops, themed visits to places of architectural interest and any leisure, cultural, tourist and social activity that contributes to a better understanding of architectural heritage, both nationally and internationally;
- **Spirit of Place**, the cork installation conceived by designer Simone Brewster for the London Design Festival 2023, inspired by Portuguese cork oaks and cork oak forests, placed a display of our natural heritage in the centre of London, underlining its characteristics and added value. This initiative highlights the vital role that Corticeira Amorim plays in conserving cork oak forests and helping to revitalise the biodiversity of this ecosystem – one of the world’s 36 biodiversity hotspots –, thereby enhancing the raw material’s sustainability and technical characteristics. Spirit of Place, built and supported by Corticeira Amorim, emphasised the importance of cork as a unique material available to those who are designing the cities of the future today, prioritising comfort and well-being, safety and inclusion, functionality and sustainability;
- **Generation Proxima**: Emerging Environmental Practices in Portuguese Architecture, the exhibition at the Center for Architecture in New York, which highlights the approach and strategies of seven environmentally orientated Portuguese studios within the context of climate emergency. Corticeira Amorim’s cork plays a vital role in this exhibition, from the construction of models to the design features that line parts of the gallery’s walls, emphasising cork as a material with great visual charisma and excellent performance and sustainability;
- **Not Post-Modernism. Dan Graham and 20th Century Architecture**, the exhibition at Serralves, conceived by the artist himself, highlights eight architects whose work profoundly influenced Graham. Transformed into a curatorial space by Atelier Bow-Wow, it promotes creative dialogue and a dynamic interaction between ideas and forms. At the centre of this exhibition is the transformative power of Corticeira Amorim cork, a material that transcends mere function to become an integral element in design and sustainability;
- **Micro|Macro**: cork at Serralves in Ryoji Ikeda’s immersive pavilion. At the crossroads of art, science, architecture, technology and experimental music, the installation “Micro | Macro” by Japanese artist Ryoji Ikeda, on show at the Serralves Foundation, explores the relationship between human beings

and nature and the cosmos and is based on the notion of scale. In the temporary pavilion created by Portuguese architect Nuno Brandão Costa and based on Ikeda’s concept, cork is once again elevated to the status of a work of art. Due to its tactile nature and its thermal and acoustic performance, cork creates the perfect environment for this experience. The fact that it is a 100% natural, recyclable and renewable material made the choice of cork even more pertinent.

5.2.2.3 INNOVATION AND ENTREPRENEURSHIP

	Unit of measurement	2023	2022	2021
Average investment in R&D+I	K€	11,253	11,075	10,363

Innovation is at the centre of Corticeira Amorim’s strategy, encompassing all its BUs. This approach aims to diversify the portfolio, improve the efficiency and quality of processes and promote the circular economy. Currently, the average investment in R&D+I is around 11.3 million euros.

Corticeira Amorim disseminates its 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 one impact of Corticeira Amorim’s activity, which is generated by direct initiative and has a significant outcome in promoting innovation in the sector, since Corticeira Amorim is the only incubator for cork-related companies, through which innovative ideas and businesses are stimulated and supported. In the same vein, it encourages the creation of companies by former workers, the appearance of new uses for cork and the emergence of companies to support the cork industry.

Each BU has its own RDI centre, with its own competences, and there is also a Company-wide innovation structure, namely Amorim Cork Research (ACR) and Amorim Cork Ventures (ACV), the latter a business incubator 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. Amorim Cork Composites’ activity in this area is completed by its partnerships with specialists in the segment that encompasses play, leisure and recreational surfaces, as well as sports surfaces and toys.

Corticeira Amorim works closely with customers and scientific and industrial partners in these areas. In 2023, the key interactions included:

- **Amorim Florestal**: R&D+I is paramount and has recently been divided into specialised branches, covering forestry research and industrial innovation. In forestry research, there are three distinct areas: forestry management (induction), applied forestry R&D (intervention) and fundamental forestry R&D (investigation). Of particular note is the FIP, started in 2013, which arose from a realisation of the need to take action in new cork oak plantations to ensure their viability. Amorim

Florestal works closely with partners and stakeholders in its R&D+I projects, which include forestry producers, customers and academia. More information on the FIP can be found in Chapter 4. Environmental information/4.5 Biodiversity and ecosystems/4.5.3 Metrics and targets/4.5.3.1 Forestry Intervention Project;

- **Amorim Cork:** of particular note is the scientific research conducted, with studies publishing on the interaction between cork stoppers and wine, applying artificial intelligence and deep learning technologies. At product level, Xpür technology was launched in 2021 for micro-granulated stoppers, with non-detectable TCA performance¹⁴. The Naturity thermal desorption process, launched in 2021, treats natural stoppers prior to NDtech analysis, significantly increasing NDtech's productivity. NDtech technology, launched in 2014, is constantly evolving, and while it boasts the most up-to-date equipment, improvements are always being sought, such as a new algorithm that is more effective at detecting TCA. These developments, in partnership with customers, scientific and industrial partners and academia, make it possible to adapt closures to each wine, recognising the oenological role of the stopper in the evolution of the wine itself, and to segment the product portfolio, offering solutions that are increasingly adapted to each wine;
- **Amorim Cork Flooring:** proposes customisation as a business strategy, focusing on differentiation as added value, especially when it comes to cork. The combination of cork, sustainability, distinctive features and differentiating solutions are essential for a premium product. The emphasis is on sustainability, with projects under development, as is the case with Dekwall, cork wall coverings with greater fire resistance. New projects include innovative finishes such as digital printing (registered embossing), simulating wood grain without using harmful plastics. The application of varnishes provides high resistance to wear in both domestic and commercial settings. The importance of monitoring the market and working in partnership with customers and other stakeholders is particularly emphasised. The commitment to products that are free from fossil-based plastic, investment in the circular economy and the elimination of compounds such as PVC by 2024 are clear targets. Innovation is a crucial aspect for fulfilling these objectives and ensuring the Company remains a pioneer in a constantly evolving market;
- **Amorim Cork Composites:** Corkeen, a solution for shock-absorbing surfaces, was one of the highlights of 2020, but the BU is currently investing in various projects encompassing mobility, energy, sustainable toys and the aerospace industry. Innovation is a fundamental part of the strategy, which includes constantly seeking to add value to cork. In mobility, cork is used to reduce the carbon footprint and provide thermal insulation for electric batteries, while in the aerospace industry it is chosen as a coating for satellites. In energy, the pioneering use of cork with recycled polymers in the Alqueva floating photovoltaic plant stands out. The i.cork factory, a pilot plant and innovation hub, plays a crucial role. The new ACC Design Studio department will strengthen the focus on product design. In the area of sustainable toys, Korko, the cork toy brand in partnership with Hape, is leading the way with the launch of a new collection. Sustainability and circularity form the basis of these projects, and Amorim Cork Composites is a company that balances conventional applications with innovation. Partnerships with stakeholders, including customers, are essential if the Company is to drive innovation;
- **Amorim Cork Insulation:** innovation means making progress on applications for the 100% natural material, cork, in collaboration with various partners. The importance of offering solutions to architectural and environmental challenges is emphasised,

while continuous progress is promoted. The MDFachada solution incorporates visible cork into buildings and gives rise to aesthetically diverse decorations. The utilisation of by-products in solutions for natural turf, initially for stadiums, is now applied to landscaped roofs and vertical gardens, reducing water consumption and keeping thermal variation to a minimum. In addition to architecture and interior design, innovation also extends to environmental protection, as is the case with Corksorb, which has been tested to treat hydrocarbon spills and is evolving to treat water for reuse. The wall vaporisation system for protection against fire and climate change uses cork in a system that administers water in extreme conditions. Amorim Cork Insulation stresses circularity, stepping up its efforts to use industry by-products and promote recycling in order to fully integrate into the circular economy.

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 have not 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 solutions. As well as contributing to the culture of innovation that is part of 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/>

¹⁴ Releasable TCA content below the quantification limit of 0.5 ng/L.



The i.cork factory serves as a true hub of innovation and creativity for the development of new products and new formulae for manufacturing composite materials with cork.

6. GOVERNANCE INFORMATION

6.1 BUSINESS CONDUCT

(SDGs 8, 12, 13, 17)

6.1.1 STRATEGY AND IMPACT, RISK AND OPPORTUNITY MANAGEMENT

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 the Company 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 and value chain are subject and the interests of its stakeholders, Corticeira Amorim regularly analyses these matters, promoting reflection with a view to bridging possible gaps and maintaining the alignment of internal regulations with best international practices.

To identify the material impacts, risks and opportunities related to business conduct, it also takes into account environmental, social and economic impacts. This process also takes into account the location, the activity and the sector, ensuring a complete assessment of the different operational contexts. To ensure transparency and that stakeholders understand the process and results, all the relevant criteria used in the process of identifying impacts, risks and opportunities are disclosed in Chapter 2. Corticeira Amorim/2.6 Definition of strategy.

The Board of Directors delegated powers to a CECA and established two specialised internal committees: a Risk Committee and the ESG. The General Meeting also established an Appointments, Evaluation and Remuneration Committee (CNAR). These committees have specialised knowledge of business conduct issues and take part in ongoing training and refresher courses, ensuring their ability to deal with emerging challenges in this area. In this way, they play a crucial role in promoting responsible business conduct.

The ESG met four times in 2023. The processes that it appraised, and in which it actively collaborated, are specified in Chapter B - Corporate Boards and Committees/II. Management and supervision/Committees within the Board of Directors/III. ESG Committee. Of particular note are the management, alignment and monitoring of the progress of compliance with the targets established in social and environmental matters; the analysis of external recommendations on sustainability reporting practices; the updating of Corticeira Amorim's sustainability roadmap; the monitoring of key indicators, in particular those related to work-related injuries, equality and inclusion; regular monitoring of the implementation

of the Equality Plan for 2023; analysis of the progress, objectives, actions and targets for the Equality, Diversity and Inclusion Plan 2024; review of the Code of Business Ethics and Professional Conduct; appraisal of the Anti-corruption Code of Conduct, which replaces the previous Anti-corruption Policy; appraisal of the Risk Prevention Plan for Corruption and Related Infractions and the Code of Ethics and Conduct for Suppliers; appraisal of procedures for verifying compliance in Human Rights matters; appraisal of the Corporate Governance Report and the Sustainability Report, which form part of Corticeira Amorim's consolidated accounts for 2022.

The Company will continue to strengthen its business conduct mechanisms, always striving for excellence in this area. A commitment to sustainability is a commitment to the future, and responsible business behaviour is a fundamental pillar for building a fairer, more equitable and sustainable future.

Training plan for the Code of Business Ethics and Professional Conduct

It is crucial for Corticeira Amorim that all workers are aware of and committed to ensuring compliance with the rules specified in the Code of Business Ethics and Professional Conduct and behave in line with the principles and values advocated by this Code.

The commitment is to ensure that all workers are trained in the Code of Business Ethics and Professional Conduct.

With this in mind, a multimedia training programme (e-learning) was developed, which can be undertaken individually, either on a computer or a mobile phone. This training has a test at the end and is only completed when each worker achieves a minimum score of 80%.

This year, the training was finalised for workers in Portugal who were already part of the Company. In 2024, the aim is to cover 100% of companies outside Portugal and ensure that all new workers are trained in the Code of Business Ethics and Professional Conduct.

Since the start of the project in 2022, 9,364 hours of training have been given on this Code.

Those who undertook the training received a summary copy, while all employees receive a full and complete version of the Code of Business Ethics and Professional Conduct, which is attached to their employment contract. The Code is available and accessible to all stakeholders on the Corticeira Amorim website.

Code of Business Ethics and Professional Conduct, Risk Committee Regulation, Appointments, Evaluation and Remuneration Committee Regulation and ESG Committee Regulation available at:

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

6.1.2 METRICS AND TARGETS

6.1.2.1 CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

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 Company, 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 the interests of competitiveness and the creation of long-term value in a transparent and responsible manner.

The Company has established a robust mechanism for identifying, reporting and investigating irregularities: the Company's internal whistleblowing channel (set up in accordance with Law 93/2021 of 20 December, which transposed into national law Directive (EU) 2019/1937 of the European Parliament and of the Council on the protection of whistleblowers), which deals with: (i) incidents concerning business conduct, including corruption and bribery and (ii) unlawful behaviour or behaviour contrary to the Code of Business Ethics and Professional Conduct – whistleblowing mechanism. This mechanism considers information provided by internal and external stakeholders. The Company encourages the reporting of irregularities through this channel and ensures that workers receive adequate information and training on this subject.

Reporting of irregularities

In line with its strict sense of ethics, Corticeira Amorim has formalised an internal reporting procedure, designed to prevent and detect improper and/or illegal behaviour within the context of professional activity, and to protect those who report it in good faith and with serious grounds, as well as related persons and entities.

The rights and guarantees of those submitting a report, namely regarding confidentiality and anonymity, the processing of personal data, as well as the conditions and measures for their protection, are legally established in this specific scheme and in other applicable ones, as well as in the Privacy Policy (attached to this Procedure), and are duly observed. These include the prohibition of retaliation against those submitting the report and any acts or the omission thereof that, in a professional context and motivated by the report, directly or indirectly cause or may cause harm to the person submitting the report.

More detailed information can be found in Chapter C - Internal Organisation/II. Reporting of irregularities/49. Reporting means and policy on the reporting of irregularities in the Company of the Corporate Governance Report and in the Procedure for Reporting Irregularities.

In 2023, ten reports of irregularities were received through this procedure. Of these, five were related to social aspects:

- Labour safety conditions: an external audit was requested and no serious situations were revealed. However, there were improvements in specific situations;
- Discrimination in labour conditions: two issues relating to unequal pay for night work, shifts and fixed hours were examined and clarified, with no irregularities detected. In addition, there was another complaint about inequality in annual increments, also with no irregularities detected;
- Ethnic discrimination: an anonymous complaint was received, with no details and no targets, so it could not be assessed.

In addition, five environmental complaints were received regarding the same situation. As they had previously been reported through external public channels, they could not be assessed in the internal channel, but the appropriate and necessary measures are already being monitored by the competent authorities.

Procedure for Reporting Irregularities and Irregularities' Internal Communication Form available at:

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

Internal irregularities reporting channel:

<https://corticeiraamorim.integrityline.com/?lang=en>

6.1.2.2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Corticeira Amorim seeks an in-depth understanding of its suppliers' behaviour and practices. To this end, the selection of suppliers is based on criteria that go beyond technical and economic aspects. Whenever possible, Corticeira Amorim gives preference to suppliers who adopt good ESG practices, both with regard to the source of materials and operational processes. It also explains the Organisation's ethical and conduct values to suppliers, encouraging them to adopt them and thereby reinforcing responsible behaviour throughout the value chain.

The Company has clear procedures to avoid late payments, especially to SMEs. These practices are designed to ensure that suppliers are paid fairly and within the agreed deadlines.

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

All 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 which 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 in the purchasing areas, that covers the topics of the Code of Business Ethics and Professional Conduct and the Anti-corruption Code of Conduct. Finally, Corticeira Amorim actively collaborates with suppliers to encourage more sustainable practices, through environmental education and awareness-raising activities and technical support.

In 2023, through its subsidiary Amorim Florestal, it created the first ESG financing line for suppliers of raw cork in an effort to reinforce its commitment to sustainable development and the preservation of forests. The agreement centres around a revamped financing line dedicated exclusively to cork suppliers, with particularly advantageous conditions linked to sustainability criteria.

Corticeira Amorim has been striving to promote adherence to the Code of Ethics and Conduct for Suppliers throughout its supply chain, thereby improving the process of selecting and assessing suppliers.

ESG credit line for raw-material cork suppliers, in partnership with Caixa Geral de Depósitos

In 2023, Corticeira Amorim, through its subsidiary Amorim Florestal, established an innovative partnership with Caixa Geral de Depósitos (CGD), launching the first ESG operation in the sector, which aims to reinforce both companies' commitment to sustainable development and the preservation of forests. The agreement centres around a revamped financing line dedicated exclusively to cork suppliers, with particularly advantageous conditions linked to sustainability criteria.

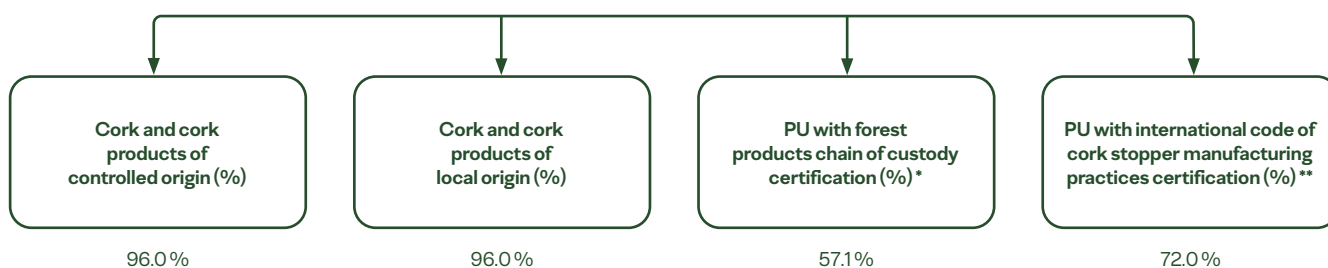
Corticeira Amorim's cork suppliers will thus be able to benefit from a discount on the financing spread granted by CGD, determined by their level of ESG classification and their FSC® forest certification status, which is directly proportional to their respective level of development as regards ESG practices and forest management. These special conditions aim to encourage Corticeira Amorim's cork suppliers to adopt responsible and sustainable management practices, thus contributing to a more positive environmental and social impact.

This is an innovative operation, fully conceived and structured by the two organisations. It is the first supply chain financing organised by Corticeira Amorim and is aimed at encouraging best ESG practices throughout the entire chain.

Purchasing Policy and Code of Ethics and Conduct for Suppliers available at:

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

Procurement and supply of cork



Considers the number of certifications amongst the total of 28 PUs (*), 25 PUs of the Amorim Florestal and Amorim Cork 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 cork oak forests and implementing best management practices, and its major investment in forestry research and development and process innovation is a constant priority and a determining factor for its business competitiveness. As part of these action areas, the Company pursues responsible purchasing practices in controlled areas, establishes medium to long-term partnerships with cork suppliers and actively promotes the development of certified forests. These actions demonstrate the Company's ongoing commitment to sustainability and social responsibility throughout its value chain.

Medium-long term partnership relationship with cork suppliers

The Amorim Florestal 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, ten thousand estates with cork oak groves, as classified by the Amorim Florestal BU. This means that today, in terms of information management, Amorim Florestal has already identified the location and size of each estate, the year of harvesting and the profile of the producer.

Purchases in controlled origin

	Unit of measurement	2023	2022	2021
Purchases of cork and cork products				
Portugal and Spain	K€	404,252	314,171	277,206
North Africa	K€	13,730	15,048	12,782
Other locations	K€	3,094	1,470	1,588
Total purchases of cork and cork products	K€	421,077	330,689	291,577

In 2023, Corticeira Amorim made purchases of cork and cork products totalling 421.1 million euros, 96.0% of which were 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 FSC® controlled wood programme, which also covers cork. Corticeira Amorim also acquires cork from Morocco, Algeria and Tunisia (3.3%). 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

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

The entire purchasing process of the Amorim Florestal BU results from historical knowledge and the evaluation of cork in the harvest year or the immediately preceding year. Those responsible for managing the estates can certify their good practices by submitting them to the FSC® certification process. Corticeira Amorim favours suppliers that comply with the International Code of Cork Stopper Manufacturing Practice (ICCSMP) and have a forestry certification, in particular FSC® certification, these standards also being adopted by the Company: 72.0% of Corticeira Amorim's production units have external certification attesting to compliance with the ICCSMP and 57.1% of production units have chain of custody certification in accordance with the FSC®, thereby confirming the commitments and actions in place to protect biodiversity, the rights of employees, the rights of indigenous peoples and areas of significant environmental and cultural importance.

Programme to enhance the value and sustainability of the cork oak and associated biodiversity

Between 2008 and 2015, Corticeira Amorim developed, in partnership with other institutions, a programme of initiatives aimed at enhancing 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 establishment of two awards: one which distinguished the best research work and the other which distinguished best management practices with regard to enhancing 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, this initiative having contributed to the certification of more than 20 thousand hectares of cork oak forest in Portugal.

Procurement and supplies of non-cork products

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 fulfil the quality standards for supplies, delivery deadlines and social and environmental responsibility indices 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. An IRSoc of 100% is applied if the supplier is NP 4469 or similarly certified. An IRAmb of 100% is applied if the supplier is ISO 14001 certified.

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 assess the criteria required for qualification and to be able 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 2023, Corticeira Amorim did not replace any suppliers as a result of the supplier prequalification, quantification and evaluation process.

6.1.2.3 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

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 regulatory compliance programmes, all the necessary conditions for compliance with the rules on the prevention of corruption.

The Company considers that the roles most exposed to the risk of corruption and bribery are those involved in negotiations, purchases, sales and relations with external partners. 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, as well as an internal whistleblowing channel and a compliance officer. These documents and procedures, which define and regulate the behaviour and measures to be adopted by Corticeira Amorim and its stakeholders, are in line with the United Nations Convention against Corruption. Additional information on the internal training plan, in which the topics of corruption and bribery are dealt with, is provided in Chapter 6. Governance information/6.1 Business conduct/6.1.1 Strategy and impact, risk and opportunity management.

The Risk Prevention Plan for Corruption and Related Infractions, which will be permanently monitored and periodically reviewed by an independent committee, identifies, analyses and classifies, for each of the Organisation's entities and business and support areas, the potential risks of corruption or related offences associated with the activity, and systematises the measures already in place to prevent these risks, as well as the corrective measures to reduce the likelihood of occurrence and the impact of the risks and situations identified. In 2023, specific training on the subject continued to be given, especially to managers, with a total of 1,879 hours of training provided. To ensure it is easily accessible to all

stakeholders, the plan is communicated on Corticeira Amorim's corporate website, as is the interim evaluation report on the high-risk situations identified.

Corticeira Amorim adopts the Anglo-American governance model, with an extended Board of Directors, including an Audit Committee, in the current term of office composed entirely of independent members, as well as dual supervision by the Audit Committee (inspection/supervision) and the Statutory Auditor (financial supervision). The Audit Committee issues a report on its inspections, giving its opinion on the Management Report and Financial Statements. Its activities include, among other things, reporting to the Board of Directors on the irregularities reported, while maintaining anonymity and confidentiality. In 2023, there were no confirmed cases of corruption or bribery within the Company or in the value chain where its employees are directly involved, meaning the Company did not pay any fines or penalties for breaches of anti-corruption and anti-bribery laws.

Code of Business Ethics and Professional Conduct, Code of Ethics and Conduct for Suppliers, Risk Prevention Plan for Corruption and Related Infractions, Anti-corruption Code of Conduct, Irregularities' internal reporting procedure and Interim assessment report of identified high-risk situations of the Risks of Corruption and Related Offences Prevention Plan available at:

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

6.1.2.4 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 (national and international) tax and Social Security authorities is reprehensible.

The Organisation complies with the tax and corresponding tax disclosure requirements in each jurisdiction in which Corticeira Amorim 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 respective BU.

There is also a transversal tax support division, which is responsible for monitoring and coordinating the activities of the holding company, the BUs and their respective operational areas, with monitoring by the CECA. This division provides support to the BUs and provides the general guidelines that Corticeira Amorim as a whole must follow, which, in particular, specify the following:

- 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 Company's operations in those countries;
- Develop the tax function with the utmost rigour and professionalism, in line with Corticeira Amorim'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 intragroup 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 and those arising from the application of the BEPS 2.0 Pillar Two Global Anti-Base Erosion Model Rules, to which the Organisation 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:

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

Tax Policy available at:

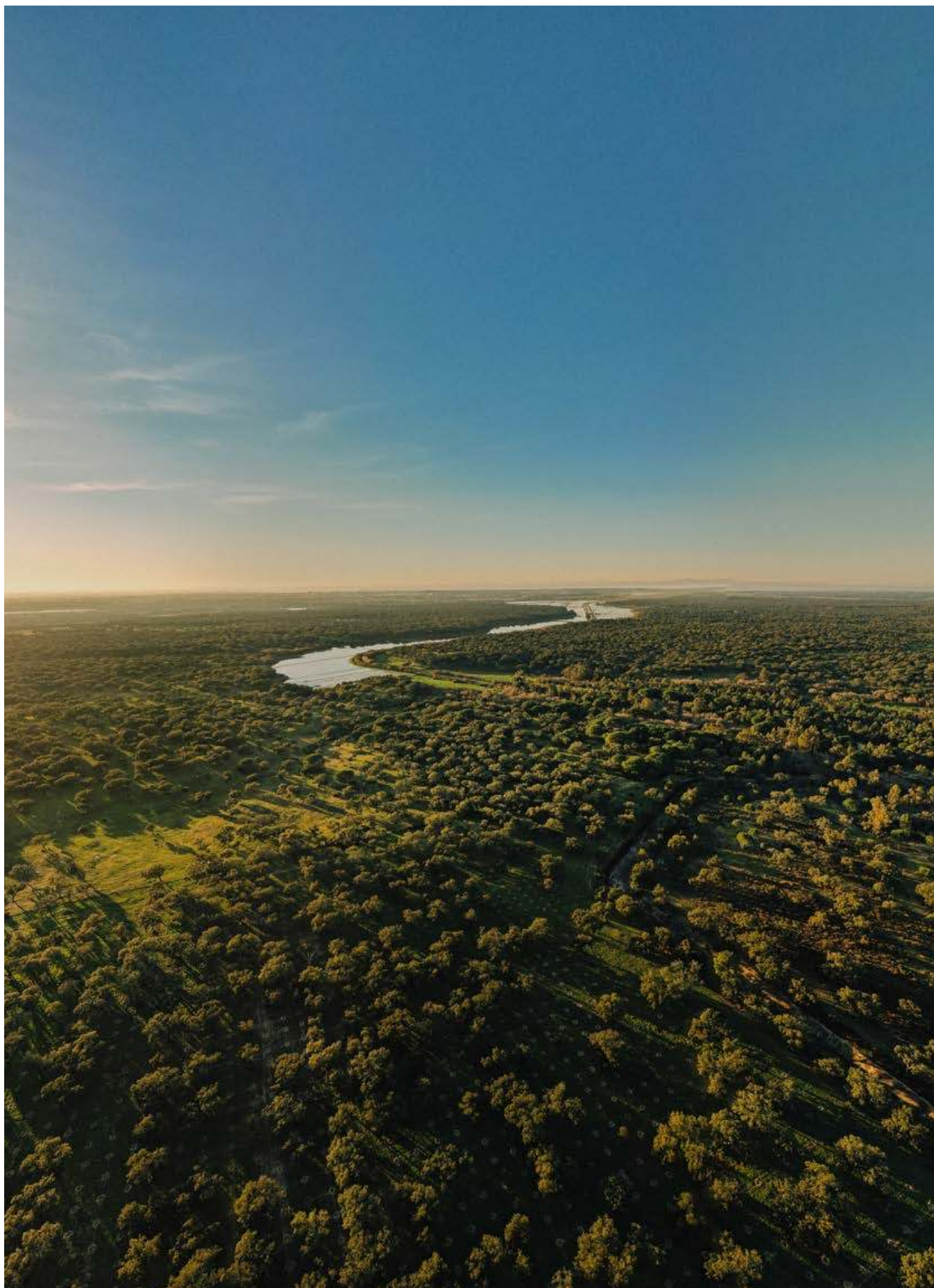
<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

6.1.2.5 POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

Corticeira Amorim assumes itself to be a non-partisan and non-political organisation. Corticeira Amorim companies actively participate in national and international initiatives and associations in the geographical regions where they operate. Many of the Company's representatives take part in these initiatives in order to maximise their impact. Corticeira Amorim's stakeholder representation activities address a variety of important topics, and the Company maintains clear positions on these issues. These positions are outlined in relation to the material impacts, risks and opportunities identified. In 2023, the value of the contributions totalled around 706.8 thousand euros for the financial perimeter.

The members of Corticeira Amorim's management and supervisory bodies do not hold comparable positions in the Public Administration (including regulators), nor did they in the two years prior to their appointment.

For additional information on the experience of the representatives and the amounts of their contributions, see Chapter B – Corporate Boards and Committees of the Corporate Governance Report/III. Supervision/33. Professional qualifications of each member of the supervisory body and other important curricular information and Chapter 5. Social information/5.2 Community/society and innovation/5.2.2 Metrics and targets/5.2.2.1 Social balance of this report and Chapter 30 – Other income and Gains/Other Costs and Losses of the Notes to the Consolidated Financial Statements, respectively, and the Chapter Voluntary commitments.



With the acquisition of Herdade de Rio Frio, we are combining history with innovation and commitment. This estate is home to one of the largest swathes of planted cork oak forest in the world, and also the largest area planted with cork oaks at a defined pace.

7. SUSTAINABLE FINANCE

For Corticeira Amorim, sustainable finance instruments play a pivotal role in advancing environmental and social sustainability objectives, while also fostering transparency and risk mitigation within the financial system by ensuring the proper governance of financial and corporate stakeholders.

The Company uses sustainable finance instruments as the main source of funding for projects included in the Sustainable by nature programme.

In 2020, Corticeira Amorim was a pioneer in the cork industry, launching its first Green Bond issue. Since then, it has significantly expanded the use of such instruments, with various issues in different formats.

Corticeira Amorim has adopted two sustainable finance frameworks:

- Green Bond Framework (GBF) - implemented in November 2020, it is aligned with the four components of the Green Bond Principles (GBP) of the International Capital Markets Association (June 2018 version). Under the GBF, green bonds worth 40 million euros;
- Green Finance Framework (GFF) - implemented in November 2022, it is aligned with the London Market Association's Green Loan Principles (February 2021 version). Under the GFF, two Green Commercial Paper Programmes were contracted, totalling 55 million euros.

A 20 million euros Sustainability Linked Commercial Paper Programme and an 11.6 million euros Green Commercial Paper Programme were also agreed.

Thus, as of 2023, Corticeira Amorim has implemented five Sustainable Finance Instruments, totalling 126.6 million euros.

Corticeira Amorim believes that financial instruments with ESG criteria are effective tools for supporting sustainable economic growth, both in its own operations and in the value chain. As an example of the latter, in September 2023 Corticeira Amorim, through its subsidiary Amorim Florestal, established the first ESG financing line for suppliers of cork raw materials, in partnership with Caixa Geral de Depósitos. Corticeira Amorim's cork suppliers will thus be able to benefit from a discount on the financing spread granted by said financial institution, determined by their level of ESG classification and FSC® forest certification status, which is directly proportional to their respective level of development as regards ESG practices and forest management. These special conditions aim to encourage Corticeira Amorim's cork suppliers to adopt responsible and sustainable management practices, thus contributing to a more positive environmental and social impact.

€126,600 K of Sustainable Finance Instruments contracted				
€119,200 K of Sustainable Finance allocated				
€40,000 K Green bonds 2020-2025	€20,000 K Sustainability linked commercial paper programme 2021-2024	€11,600 K Green commercial paper programme 2021-2026	€20,000 K Green commercial paper programme 2022-2027	€35,000 K Green commercial paper programme 2022-2029

Further information available at:

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

<https://www.amorim.com/en/sustainability/reports/>

7.1 ALLOCATION

In 2023, 119.2 million euros of sustainable finance was allocated to eligible sustainable projects, corresponding to the full Green Bonds €40 M - December 2020, Green commercial paper programme €20 M – December 2022 and Sustainability linked commercial

paper programme €20 M – August 2021 and, part of the Green commercial paper programme €35 M - December 2022 and the Green commercial paper programme €11.6 M – December 2021.

	Amount allocated
Characteristic	
Refinancing	89,000
Financing	30,200
By Business Unit	
Amorim Florestal	57,897
Amorim Cork	13,657
Amorim Cork Flooring	11,412
Amorim Cork Composites	5,500
Amorim Cork Insulation	452
Holding	30,200
Management fees	83
By operation and instrument	
Green bonds	
Green bonds €40 M – December 2020	40,000
Green finance	
Green commercial paper programme €11.6 M - December 2021	10,200
Green commercial paper programme €20 M - December 2022	20,000
Green commercial paper programme €35 M - December 2022	29,000
Sustainability Linked	
Sustainability linked commercial paper programme €20 M – August 2021	20,000
By instrument and eligible category	
Green bonds/Green finance	
Environmentally sustainable management of living natural resources and land use	55,124
Renewable, low-carbon, eco-efficient and/or circular economy adapted products, production technologies and processes	24,254
Renewable energy and waste to energy	13,662
Waste management and resource efficiency	6,077
Management fees	83
Sustainability Linked	
Renewable energy and waste to energy and waste management and resource efficiency	20,000
By category	
Environmentally sustainable management of living natural resources and land use	55,124
Renewable, low-carbon, eco-efficient and/or circular economy adapted products, production technologies and processes	24,254
Renewable energy and waste to energy	13,662
Waste management and resource efficiency	6,077
Renewable energy and waste to energy and waste management and resource efficiency	20,000
Management fees	83
Total	119,200

Amounts in thousand euros.

7.1.1 GREEN BOND FRAMEWORK - DECEMBER 2020

In 2020, Corticeira Amorim issued the cork industry's first Green Bonds under the Green Bond Framework, in what was an important milestone in its sustainability strategy.

The proceeds of this Green Finance Facility were disbursed and fully allocated and were used to refinance projects totalling 40 million euros, selected in accordance with the project evaluation and selection process described in section 3.2 of the GBF. Only projects belonging to the following Eligible Green Categories were considered eligible:

- 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.

Sustainalytics 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). Banco BPI, S.A. (www.bancobpi.pt), was responsible for organising, structuring and guaranteeing the subscription, as well as acting as paying agent.

Through the allocation of the proceeds of the Green Bonds, Corticeira Amorim supports the pursuit of UN SDGs 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.

Corticeira Amorim publicly discloses the Allocation and Impact Report. This report is annual and is independently verified by ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A.

Further information available at:

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

Description of the investment and use of proceeds:

Eligible category	Amount allocated (K€)	Use of proceeds	Sustainable objective	SDG	Eligible projects
Green bonds €40 M - December 2020 BBPI 2020-2025					
Environmentally sustainable management of living natural resources and land use	4,914	Refinance the acquisition, plantation, maintenance and management of cork oak forests using new silviculture models based on drip irrigation	Promote the implementation of sustainable forest management and mobilise resources	11, 15	Herdade da Baliza
	1,210	Refinance the acquisition, plantation, maintenance and management of cork oak forests using new silviculture models based on drip irrigation	Promote the implementation of sustainable forest management and mobilise resources	11, 15	Herdade da Venda Nova
Renewable, low carbon, eco-efficient and/or circular economy adapted products, production technologies and processes	9,032	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	Strengthen resilience and adaptability to climate-related risks	8, 9, 12, 13	Eco-efficient products project
	15,222	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	Strengthen resilience and adaptability to climate-related risks	8, 9, 12, 13	Circular economy project
Renewable energy and waste to energy	3,462	Refinance the maintenance and upgrading of equipment and infrastructures used to produce energy from biomass and waste products	Increase the use of renewable energy and improve the efficiency of global resources, thereby achieving sustainable management	7	Renewable energy project (biomass)
Waste management and resource efficiency	6,077	Refinance equipment and infrastructures involved in resource efficiency and/or waste reduction, minimisation and reuse processes in Corticeira Amorim's operations	Improve the efficiency of global resources, thereby achieving sustainable management	12	Project to increase efficiency
Total	40,000				

Including banking fee

7.1.2 GREEN FINANCE FRAMEWORK – NOVEMBER 2022

Under the Green Finance Framework – November 2022, in December 2022 Corticeira Amorim agreed a 20 million euros Commercial Paper Programme (CPP), maturing in 2027, with Caixa - Banco de Investimento, S.A. (organiser, leader, paying agent and registering institution) and Caixa Geral de Depósitos, S.A. (subscription guarantee), and a 35 million euros, Commercial Paper Programme, maturing in 2029, with Banco de Sabadell, S.A. – Portuguese branch (organisation, structuring, subscription guarantee and paying agent).

The proceeds from these operations were used to refinance the acquisition of Herdade de Rio Frio, S.A. (the company that owns a significant part of the so-called Herdade de Rio Frio estate) and to finance investment in new cork oak plantations, supporting the pursuit of SDG 11 Sustainable Cities and Communities, SDG 12 Responsible Production and Consumption and SDG 15 Life on Land.

The commercial paper issued under these programmes qualifies as a Green Finance Facility 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).

Corticeira Amorim publicly discloses the Allocation and Impact Report. This report is annual and is independently verified by ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A.

Further information available at:

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
https://www.amorim.com/xms/files/Investidores/Comunicados/20221219PressReleaseEN_PPC.pdf

Description of the investment and use of proceeds:

Eligible category	Amount allocated (K€)	Use of proceeds	Sustainable objective	SDG	Eligible projects
Green commercial paper programme €20 M - December 2022 Caixa BI 2022-2027					
Environmentally sustainable management of living natural resources and land use	20,000	Finance and/or refinance projects related to increasing the area occupied by cork oaks (<i>Quercus Suber</i>) and improving existing areas, as part of the ongoing Forestry Intervention Project. These projects will include actions such as land acquisition, new plantations, increased tree planting density, research and development, maintenance, rehabilitation, restoration and management, partly using new forestry models.	Promote the implementation of sustainable forest management and mobilise resources	11, 15	Herdade de Rio Frio (1,855 ha)
Green commercial paper programme €35 M - December 2022 BSabadell 2022-2029					
Environmentally sustainable management of living natural resources and land use	29,000	Finance and/or refinance projects related to increasing the area occupied by cork oaks (<i>Quercus Suber</i>) and improving existing areas, as part of the ongoing Forestry Intervention Project. These projects will include actions such as land acquisition, new plantations, increased tree planting density, research and development, maintenance, rehabilitation, restoration and management, partly using new forestry models.	Promote the implementation of sustainable forest management and mobilise resources	11, 15	Herdade de Rio Frio (3,250 ha)
Total	49,000				

7.1.3 SUSTAINABILITY LINKED - AUGUST 2021

Corticeira Amorim has had a 20 million euros Sustainability linked commercial paper programme under way since 2021, which matures in 2024.

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.

The interest rate to be charged on the commercial paper issued under this programme is dependent on the evolution of the following two KPIs for operations in Portugal:

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

Corticeira Amorim publicly discloses the evolution of the KPIs associated with this financing in its Sustainability Report and Allocation and Impact Report. These reports are annual and have independent verification, carried out by ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A.

Further information available at:

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

Description of the investment and use of proceeds:

Eligible category	Amount allocated (K€)	Use of proceeds	Sustainable objective	SDG	Eligible projects
Sustainability linked commercial paper programme €20 M – August 2021 Caixa BI 2021-2024					
Renewable energy and waste to energy and waste management and resource efficiency	20,000	Finance the Company's activities, in particular the Sustainable by nature programme	Increase the use of renewable energy and improve the efficiency of global resources, thereby achieving sustainable management	7, 12	Sustainability Linked
Total	20,000				

7.1.4 OTHER INSTRUMENTS

Corticeira Amorim implemented a Green commercial paper programme with a maximum nominal amount of 11.6 million euros 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 purchase of photovoltaic panels by various Corticeira Amorim companies between 2021 and 2024, which will make it possible to install around 24 MWp, using more than 40 thousand solar panels placed on the roofs of industrial unit buildings. The energy produced will be for self-consumption, representing around 20% of the electricity consumed by Corticeira Amorim, and will make it possible to reduce the Company's scope 2 CO₂ emissions.

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 evolution of the KPIs associated with this financing in its Sustainability Report and Allocation and Impact Report. These reports are annual and have independent verification, carried out by ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A.

Further information available at:

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

Description of the investment and use of proceeds:

Eligible category	Amount allocated (K€)	Use of proceeds	Sustainable objective	SDG	Eligible projects
Green commercial paper programme €11.6 M – December 2021 BBVA 2021-2026					
Renewable energy and waste to energy	10,200	Financing the purchase of photovoltaic panels	Increase the use of renewable energy	7	Photovoltaic project
Total	10,200				

7.2 IMPACT

Through sustainable finance instruments, Corticeira Amorim drives positive change in areas crucial to sustainable development. The results and impacts generated by these instruments are presented through the evolution of KPIs, demonstrating the impact of sustainable finance in the following 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;
- Renewable energy and waste to energy;
- Waste management and resource efficiency.

7.2.1 ENVIRONMENTALLY SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES AND LAND USE

Cork oak forests are located in the Mediterranean basin and form part of 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 highly positive set of ecosystem services, which include cork supply, climate regulation, fire prevention, soil protection and prevention of desertification, as well as biodiversity. A study carried out by EY in 2019 estimated an average value of more than €1,300/ha/year for the ecosystem services associated with a well-managed cork oak forest.

An awareness of the urgent need to take action, combined with the knowledge accumulated, has led Corticeira Amorim to invest directly in forestry projects involving cork oaks, using a drip irrigation system. This system significantly improves the plantation's chances of success and, at the same time, makes it possible to achieve greater initial tree growth, thus reducing the time it takes to harvest the first virgin cork, from the current 25 years to around half that period.

The aim is to promote the implementation of sustainable forest management and mobilise resources by promoting and disseminating new techniques for planting and managing Portuguese cork oak forests that are more efficient and resilient to the forecast climate scenarios, in alignment with SDGs 11 and 15. The performance indicators selected to assess the impact generated were: intervened forest estates (ha) and planted cork oak trees (no.).

		2023	2022	2021
Eligible projects	KPI			
Green Bond Framework - December 2020				
Green bonds €40 M - December 2020				
Herdade da Baliza	Intervened forest estates under management (ha)	265	130	
	Planted cork oak trees (no.)	110,505	54,210	
Herdade da Venda Nova	Intervened forest estates under management (ha)	26		251
	Planted cork oak trees (no.)			100,400
Green Finance Framework – November 2022				
Green commercial paper programme €20 M - December 2022				
Herdade de Rio Frio (1,855 ha)	Intervened forest estates under management (ha)	266		
	Planted cork oak trees (no.)	44,535		
Green commercial paper programme €35 M - December 2022				
Herdade de Rio Frio (3,250 ha)	Intervened forest estates under management (ha)	467		
	Planted cork oak trees (no.)	78,025		

7.2.2. RENEWABLE, LOW-CARBON, ECO-EFFICIENT AND/OR CIRCULAR ECONOMY ADAPTED PRODUCTS, PRODUCTION TECHNOLOGIES AND PROCESSES

As a 100% natural, renewable, recyclable and reusable product, cork is an excellent alternative for reducing global dependence on non-renewable products and for reducing the carbon footprint of end products. The cyclical extraction of cork, without damaging the trees, ensures that cork oak forests continue to provide numerous environmental, economic and social benefits.

Corticeira Amorim has implemented the eco-efficient products project, which involves different technologies aimed at detecting, reducing and eliminating sensory issues associated with cork, including TCA, and which are applicable to the production of a wide range of cork stoppers, namely: natural cork stoppers, agglomerated cork stoppers, Twin Top Evo cork stoppers, Advantec cork stoppers and two-disc cork stoppers for sparkling wines. Cork with significant sensory deviations is not suitable for cork stopper production and can lead to a decrease in the competitiveness of products and an

increase in the use of oil-derived or metal closures, which entail a more carbon-intensive production process.

The Company has also been developing the circular economy project, which 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, helping to reduce pollution and reuse materials that would otherwise be waste. Examples: the Amorim Wise Cork Inspire 700 product range, a PVC-free waterproof flooring solution suitable for all types of spaces, and underlays and underscreeds for application in the construction sector.

Through these projects, the Company endeavours to strengthen resilience and adaptability to climate-related risks by making low-carbon, eco-efficient and/or circular economy adapted products available to the market, in alignment with SDGs 8, 9, 12 and 13. The performance indicator selected to assess the impact generated was the volume of sales of these products.

		2023	2022	2021
Eligible projects	KPI			
Green Bond Framework - December 2020				
Green bonds €40 M - December 2020				
Eco-efficient products project	Sales of low-carbon, eco-efficient and/or circular economy adapted products (K€)	161,913	160,286	181,111
Circular economy project	Sales of low-carbon, eco-efficient and/or circular economy adapted products (K€)	32,981	41,059	40,220

7.2.3 RENEWABLE ENERGY AND WASTE TO ENERGY

Preventing products and materials from becoming waste for as long as possible and turning unavoidable waste into resources are fundamental actions for achieving a greener and more circular economy. During Corticeira Amorim's production processes, cork powder is generated. This dust, together with other waste from other industries, such as olive stones, almond shells or broken pallets, are important sources of biomass, which are used to produce energy for the production process. This biomass (particularly cork powder) is the main source of energy consumed by industrial units (more than 60%). The renewable energy (biomass) project involves the acquisition of new boilers, the respective restructuring of the network and various interventions on existing boilers, namely in thermal fluid and steam systems, in order to increase capacity, improve the yield of cork powder in energy production and adapt boilers for the use of other biomass sources.

Corticeira Amorim is also committed to increasing the use 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 euros during the 2021-2024 period, the Company aims to install around 24 MWp, using more than 40 thousand solar panels placed on industrial unit roofs. The energy produced will be for self-consumption, representing 20% of the electricity consumed by Corticeira Amorim.

The use of natural gas and renewable electricity helps avoid CO₂eq emissions. Therefore, the performance indicator selected to assess the impact generated was: tCO₂ avoided by the respective projects.

		2023	2022	2021
Eligible projects	KPI			
Green Bond Framework - December 2020				
Green bonds €40 M - December 2020				
Renewable energy project (biomass)	Avoided GHG emissions (tCO ₂ eq)	6,779	6,111	7,795
Other				
Green commercial paper programme €11,6 M - December 2020				
Photovoltaic project	Controlled renewable photovoltaic electrical energy (tCO ₂ eq)	4,100	1,164	36

CO₂ emissions resulting from the use of biomass (mainly cork powder) as an energy source are considered to be zero because they are renewable sources in which there is reasonable confidence that GHGs will be naturally offset or neutralised.

7.2.4 WASTE MANAGEMENT AND RESOURCE EFFICIENCY

Eliminating waste and pollution, keeping products and materials in use and regenerating natural systems are inspiring principles that drive Corticeira Amorim to constantly innovate in order to improve resource efficiency and minimise waste by reducing, recycling and reusing resources.

To this end, the Company has made a number of investments at different stages of the production process for cork stoppers, flooring, coverings and insulation products, in order to make

better use of raw materials and reduce the amount of waste before it is recycled, used for energy production or landfilled.

This project's initiatives include Recupera, Recork and Recupera Wise, which have enabled, through micronisation, classifications by homogeneous properties and the reuse of cork composite by-products created in the production of flooring.

This endeavour seeks to improve the efficiency of global resources, achieving sustainable management, and is in line with SDG 12. The performance indicator selected to assess the impact was: industrial waste recovered through the project.

		2023	2022	2021
Eligible projects	KPI			
Green Bond Framework - December 2020				
Green bonds €40 M - December 2020				
Project to increase efficiency	Industrial waste recovery (t)	4,577	6,949	8,234

7.2.5 SUSTAINABILITY LINKED

Sustainability linked finance correlates the cost of financing with the Company's performance as regards the fulfilment of pre-defined KPIs.

The Company's performance in 2023 proves its commitment to sustainability. The proposed targets have been met, making a positive impact on the environment and society.

The following table shows the evolution of the KPIs associated with Corticeira Amorim's sustainability linked operations.

			2023	2022	2021
Eligible projects	KPI	Target			
Sustainability Linked - August 2021					
	Energy consumption from controlled renewable sources as a percentage of total energy consumption (%)	> 66.7%/year	69.8%	69.3%	69.2%
	Proportion of non-cork waste sent for recovery (%)	> 90%/year	91.1%	95.6%	96.2%

Operations in Portugal.

8. CONSOLIDATED SUSTAINABILITY INDICATORS

8.1 ECONOMICS AND VALUE CHAIN

	Unit of measurement	2023	2022	2021
Direct economic value generated and distributed				
Economic value generated	K€	996,009	1,034,630	842,171
Operating costs	K€	641,620	690,303	548,884
Employees	K€	189,732	182,950	146,098
Capital providers	K€	52,848	46,715	39,580
State	K€	33,283	23,581	19,729
Communities	K€	598	361	225
Retained economic value	K€	77,927	90,720	87,656
Contributions to local social security schemes				
	K€	29,155	28,172	22,722
Average investment in R&D+I				
	K€	11,253	11,075	10,363
Purchases of cork and cork products				
Portugal and Spain	K€	404,252	314,171	277,206
North Africa	K€	13,730	15,048	12,782
Other locations	K€	3,094	1,470	1,588
Total purchases of cork and cork products	K€	421,077	330,689	291,577
Forestry Intervention Project				
Forest estates under management	ha	8,181	8,181	6,326
Intervened forest estates under management	ha	1,405	381	251
Planted cork oak trees	no.	387,675	154,610	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 = Keuros = K€) or in million euros (million euros = Meuros = M€).

8.2 ENVIRONMENTAL

	Unit of measurement	2023	2022	2021
Energy consumption				
Natural gas	GJ	36,387	35,224	44,889
Propane gas	GJ	10,430	12,458	6,163
Gasoline	GJ	410	406	481
Diesel	GJ	36,339	34,488	34,979
Biomass	GJ	1,083,540	1,210,409	1,301,858
Electrical	GJ	483,100	522,886	541,494
Total energy consumption	GJ	1,650,206	1,815,871	1,929,864
Energy intensity	GJ/M€	2,309	2,548	2,862
Renewable energy				
Controlled (self-generated)	GJ	1,127,260	1,227,101	1,308,392
Biomass – cork powder	GJ	988,850	1,103,378	1,159,905
Biomass – other	GJ	94,690	107,031	141,953
Photovoltaic	GJ	43,720	12,672	500
Cogeneration	GJ	0	4,019	6,034
Purchased from	GJ	137,878	165,123	207,021
REC	GJ	0	0	0
Grid mix	GJ	137,878	165,123	207,021
Total	GJ	1,265,137	1,392,224	1,515,412
Renewable energy	%	76.7%	76.7%	78.5%
Controlled renewable energy	%	68.3%	67.6%	67.8%
REC – Renewable Energy Certificate.				
Electrical energy				
Renewable	GJ	181,597	181,815	213,555
Photovoltaic	GJ	43,720	12,672	500
Cogeneration	GJ	0	4,019	6,034
REC	GJ	0	0	0
Grid mix	GJ	137,878	165,123	207,021
Non-renewable	GJ	301,503	341,072	327,940
Grid mix	GJ	301,503	341,072	327,940
Total	GJ	483,100	522,886	541,494
Renewable electrical energy	%	37.6%	34.8%	39.4%
Controlled renewable electrical energy	%	9.0%	3.2%	1.2%

	Unit of measurement	2023	2022	2021
Energy consumption by country				
Portugal	GJ	1,568,618	1,717,584	1,826,681
Germany	GJ	1,767	1,767	1,737
Morocco	GJ	5,778	5,753	5,118
Netherlands	GJ	1,314	1,314	1,363
Spain	GJ	48,532	53,407	67,294
Sweden	GJ	4,497	11,289	4,583
Switzerland	GJ	21	21	16
Tunisia	GJ	8,376	10,388	9,941
USA	GJ	11,304	14,349	13,132
Total energy consumption	GJ	1,650,206	1,815,871	1,929,864
Energy efficiency				
Number of measures	no.	76	69	91
Investment	K€	772	1,126	1,930
Energy saved	GJ	70,405	49,946	72,625
Energy efficiency	%	4.3%	2.8%	3.8%
Energy consumption				
Portugal				
Energy consumption	GJ	1,568,618	1,717,584	1,826,681
Controlled renewable energy	%	69.8%	69.3%	69.2%
Controlled renewable electrical energy	%	8.9%	3.4%	1.3%
Energy efficiency	%	4.5%	2.9%	4.0%
GHG emissions (scope 1 and 2)				
Direct emissions (scope 1)	tCO ₂ eq	5,719	5,687	5,898
Indirect emissions (scope 2)	tCO ₂ eq	28,209	31,534	38,397
Total GHG emissions (scopes 1 and 2)	tCO₂eq	33,928	37,221	44,294
Carbon intensity	tCO₂eq / M€	47.5	52.2	65.7
GHG emissions (scope 1)				
Natural gas	tCO ₂ eq	2,332	2,258	2,877
Propane gas	tCO ₂ eq	657	785	388
Gasoline	tCO ₂ eq	28	28	33
Diesel	tCO ₂ eq	2,689	2,552	2,588
Biomass	tCO ₂ eq	0	0	0
Other	tCO ₂ eq	13	64	10
Total GHG emissions (scope 1)	tCO₂eq	5,719	5,687	5,898
GHG emissions (scope 2)				
Market method	tCO ₂ eq	28,209	31,534	38,397
Location method	tCO ₂ eq	57,364	66,087	69,842
Biogenic emissions and stored carbon				
Biogenic emissions	tCO ₂ eq	121,357	135,566	145,808
Stored carbon	tCO ₂ eq	471,408	281,663	318,161

	Unit of measurement	2023	2022	2021
GHG emissions (scope 3)				
Purchase of goods and services	tCO ₂ eq	112,699	129,885	145,114
Upstream transportation and distribution	tCO ₂ eq	49,016	31,417	22,558
Downstream transportation and distribution	tCO ₂ eq	21,844	42,034	39,834
Employees commuting	tCO ₂ eq	2,403	2,697	3,231
Business travel	tCO ₂ eq	722	344	307
Waste generated in operations	tCO ₂ eq	207	270	288
Total GHG emissions (scope 3)	tCO₂eq	186,891	206,646	211,332

Avoided GHG emissions				
Biomass	tCO ₂ eq	67,607	77,587	83,449
Photovoltaic	tCO ₂ eq	4,100	1,164	36
Cogeneration	tCO ₂ eq	0	1,016	433
Efficiency measures	tCO ₂ eq	871	1,675	2,193
Total avoided GHG emissions	tCO₂eq	72,578	81,442	86,111

GHG by country		Scope 1	Scope 2*	Scope 3
Portugal	tCO ₂ eq	4,363	26,312	179,361
Germany	tCO ₂ eq	88	25	35
Morocco	tCO ₂ eq	72	100	74
Netherlands	tCO ₂ eq	72	12	9
Spain	tCO ₂ eq	348	1,127	3,341
Sweden	tCO ₂ eq	0	289	2,264
Switzerland	tCO ₂ eq	0	1	5
Tunisia	tCO ₂ eq	310	85	504
USA	tCO ₂ eq	467	258	1,298
Total	tCO₂eq	5,719	28,209	186,891

*Market method

	Unit of measurement	2023	2022	2021
GHG Emissions				
Direct emissions (scope 1)	tCO ₂ eq	5,719	5,687	5,898
Indirect emissions (scope 2) *	tCO ₂ eq	28,209	31,534	38,397
Indirect emissions (scope 3)	tCO ₂ eq	186,891	206,646	211,332
Total GHG emissions	tCO₂eq	220,819	243,866	255,627
Carbon intensity	tCO ₂ eq / M€	47.5	52.2	65.7
Avoided emissions	tCO ₂ eq	72,578	81,442	86,111

*Market method

Atmospheric emissions				
Particles	t	67	85	66
Nitrogen oxide (NOx)	t	142	129	125
Volatile organic compounds (VOCs)	t	45	55	56

	Unit of measurement	2023	2022	2021
Water withdrawal				
Groundwater	m³	575,533	580,597	604,289
Public network	m³	53,555	51,107	50,020
Total water withdrawal	m³	629,088	631,704	654,309
Water discharges (effluent)				
Discharge with treatment	m³	110,952	115,135	122,125
Discharge to be reused internally	m³	6,690	1,358	0
Other destinations	m³	34,086	37,901	41,706
Total	m³	151,728	154,394	163,831
Water consumption				
Water withdrawal	m³	629,088	631,704	654,309
Water discharges (effluent)	m³	151,728	154,394	163,831
Water consumption	m³	477,445	477,470	490,846
Water consumption intensity	m³/M€	668	670	728
Water consumption in high-risk water stress area				
Withdrawal	m³	319,596	319,042	209,938
Discharges	m³	76,173	77,439	49,335
Water consumption in high-risk water stress area	m³	243,423	241,762	160,603
Water consumption in high-risk water stress area	%	51.0%	50.6%	32.7%
Water consumption in low-risk water stress area				
Withdrawal	m³	309,492	312,662	444,371
Discharges	m³	75,555	76,955	114,496
Water consumption in low-risk water stress area	m³	234,022	241,762	329,875
Water consumption in low-risk water stress area	%	49.0%	49.4%	67.3%
Water consumption				
Portugal				
Water withdrawal	m³	576,400	577,413	594,284
Water discharges (effluent)	m³	126,840	128,163	132,354
Water consumption	m³	449,645	449,410	462,298
Water consumption intensity	m³/M€	702	698	749

	Unit of measurement	2023	2022	2021
Weight of materials				
By source				
Renewable virgin	%	88.7%	82.3%	81.9%
Non-renewable virgin	%	7.8%	11.5%	11.8%
Recycled	%	3.6%	6.2%	6.3%
Change in weight of non-renewable virgin materials	%	-32.5%	-2.7%	-10.6%
Weight of materials				
Portugal				
Renewable virgin	%	86.0%	79.5%	79.3%
Non-renewable virgin	%	9.4%	15.1%	15.3%
Recycled	%	4.6%	4.8%	5.1%
Change in weight of non-renewable virgin materials	%	-37.5%	-1.2%	-5.9%
Recycled cork incorporated into production				
Total	t	915	1,052	801
By sales volume	t/M€	1.3	1.5	1.2
Weight of packaging materials				
By source				
Renewable virgin	%	85.6%	82.7%	86.5%
Non-renewable virgin	%	13.1%	16.1%	13.5%
Recycled	%	1.3%	1.2%	0%
Weight of packaging materials				
Portugal				
Renewable virgin	%	89.1%	86.2%	89.5%
Non-renewable virgin	%	9.5%	12.5%	10.5%
Recycled	%	1.4%	1.3%	0%

	Unit of measurement	2023	2022	2021
Industrial waste (non-cork)				
Recovered	t	10,191	13,070	14,090
Eliminated	t	1,501	1,642	1,060
Total industrial waste	t	11,693	14,712	15,151
Waste recovery rate / Industrial waste recovered	%	87.2%	88.8%	93.0%
Industrial waste by sales volume	t / M€	16.4	20.6	22.5
Hazardous industrial waste				
Recovered	t	181	239	210
Eliminated	t	510	240	142
Total hazardous industrial waste	t	691	479	352
Total hazardous industrial waste	%	5.9%	3.3%	2.3%
Non-Hazardous industrial waste				
Recovered	t	10,010	12,831	13,880
Eliminated	t	991	1,402	919
Total non-hazardous industrial waste	t	11,002	14,233	14,799
Total non-hazardous industrial waste	%	94.1%	96.7%	97.7%
Industrial waste (non-cork)				
Portugal				
Recovered	t	9,415	12,653	13,531
Eliminated	t	923	581	532
Total industrial waste	t	10,338	13,233	14,063
Waste recovery rate / Industrial waste recovered in Portugal	%	91.1%	95.6%	96.2%

Notes:

Energy efficiency is measured by the weight of savings obtained from implemented measures in 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.

8.3 SOCIAL

	Unit of measurement	2023	2022	2021
Workers				
Workers	no.	3,704	3,829	3,796
By type of contract				
Permanent	%	83.6%	78.6%	78.4%
Fixed term	%	10.1%	12.4%	11.5%
Temporary workers	%	6.3%	8.9%	10.1%
By type of employment				
Full time	%	99.6%	99.8%	99.6%
Part-time	%	0.4%	0.2%	0.4%
By gender				
Women	%	27.1%	26.5%	24.8%
Men	%	72.9%	73.5%	75.2%
By age				
<30	%	18.0%	19.9%	15.7%
30-50	%	50.1%	49.4%	54.9%
>50	%	32.0%	30.7%	29.4%
By professional category				
Board members	%	0.6%	0.6%	0.6%
Directors	%	2.7%	2.4%	2.4%
Heads of department	%	3.1%	2.6%	2.6%
Sales staff	%	1.9%	2.0%	2.2%
Management support technicians	%	6.6%	6.8%	6.4%
Team leaders	%	4.5%	2.8%	2.4%
Administrative staff	%	7.1%	6.5%	6.3%
Maintenance, quality and logistics technicians	%	11.3%	10.5%	10.4%
Production operators	%	62.2%	65.8%	66.7%
By geography				
Portugal	%	87.7%	87.7%	87.2%
Rest of the world	%	12.3%	12.3%	12.8%
Collective bargaining agreements				
Portugal	no.	3,022	3,038	2,940
Rest of the world	no.	214	254	260
Total	no.	3,236	3,292	3,200
Portugal	%	100.0%	100.0%	100.0%
Rest of the world	%	47.7%	56.6%	55.1%
Total	%	93.2%	94.4%	93.8%
Associativism				
Portugal	no.	411	430	443
Rest of the world	no.	95	122	137
Total	no.	506	552	580
Portugal	%	13.6%	14.2%	15.1%
Rest of the world	%	21.2%	27.2%	29.0%
Total	%	14.6%	15.8%	17.0%

	Unit of measurement	2023	2022	2021
Rate of new hires				
Number of hires	no.	518	522	410
By age				
<30	%	36.9%	41.8%	35.5%
30-50	%	14.4%	12.8%	10.0%
>50	%	5.5%	4.9%	3.3%
By gender				
Women	%	18.5%	19.6%	11.2%
Men	%	13.6%	13.3%	12.3%
By geography				
Portugal	%	14.8%	13.8%	10.5%
Rest of the world	%	16.0%	22.9%	21.4%
Rate of new hires	%	14.9%	15.0%	12.0%

Turnover rate				
Number of exits	no.	515	426	341
By age				
<30	%	29.1%	23.7%	17.2%
30-50	%	12.4%	10.8%	8.5%
>50	%	11.9%	8.6%	8.6%
By gender				
Women	%	15.4%	12.3%	11.5%
Men	%	14.6%	12.2%	9.5%
By geography				
Portugal	%	14.4%	10.0%	8.4%
Rest of the world	%	18.0%	26.9%	19.9%
Turnover rate	%	14.8%	12.2%	10.0%

Workers with regular performance and career development reviews				
By gender				
Women	%	87.4%	61.2%	66.5%
Men	%	86.4%	53.7%	65.3%
By employment contract				
Employees	%	86.0%	54.2%	62.0%
Temporary workers	%	97.0%	70.5%	97.1%
By geography				
Portugal	%	95.0%	60.4%	72.4%
Rest of the world	%	26.7%	21.8%	18.9%

	Unit of measurement	2023	2022	2021
Average hours of training				
By employment contract				
Employees	h	19	18	15
Temporary workers	h	52	40	38
By gender				
Women	h	25	22	21
Men	h	20	19	17
By geography				
Portugal	h	23	20	19
Rest of the world	h	7	13	12
By professional category				
Board members	h	13	7	6
Directors	h	31	33	28
Heads of department	h	55	58	30
Sales staff	h	38	40	32
Management support technicians	h	37	37	34
Team leaders	h	33	41	34
Administrative staff	h	21	23	14
Maintenance, quality and logistics technicians	h	25	17	19
Production operators	h	16	14	14
Average total hours of training	h	21	20	18

Workers with training				
By employment contract				
Employees	%	81.4%	84.4%	74.3%
Temporary workers	%	86.3%	89.5%	100%
By gender				
Women	%	83.4%	79.4%	79.3%
Men	%	81.1%	86.9%	79.2%
By geography				
Portugal	%	87.6%	90.7%	84.8%
Rest of the world	%	39.9%	43.2%	40.9%
Total	%	81.7%	84.9%	79.2%

	Age			Gender		Total
	<30	30-50	>50	Women	Men	
Board members	0	2	19	2	19	21
Directors	0	60	40	17	83	100
Heads of department	10	73	32	45	70	115
Sales staff	8	35	29	19	53	72
Management support technicians	96	118	29	118	125	243
Team leaders	17	90	58	30	135	165
Administrative staff	41	123	99	158	105	263
Maintenance, quality and logistics technicians	66	216	138	94	326	420
Production operators	428	1,137	740	519	1,786	2,305
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
Total 2023	666	1,854	1,184	1,002	2,702	3,704

	Unit of measurement	2023	2022	2021
Composition of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.				
By role				
Executive members	no.	4	4	4
Non-executive members	no.	6	6	6
By gender				
Women	no.	4	4	4
Men	no.	6	6	6
By age				
<30	no.	0	0	0
30-50	no.	1	1	1
>50	no.	9	9	9
By independence				
Independent	no.	4	4	4
Non-independent	no.	6	6	6
By nationality				
Portuguese	no.	9	9	9
Rest of the world	no.	1	1	1
Total	no.	10	10	10

Management positions				
Women	no.	94	82	75
Men	no.	307	239	230
Total	no.	401	321	305
Women	%	23.4%	25.5%	24.6%

	Women		Men	
STEM	Total	%	Total	%
STEM positions	38	33.6%	75	66.4%

	2023	2022	2021
Ratio of salary of women to men			
By professional category			
Directors	0.81	0.70	0.77
Heads of department	1.00	0.93	0.94
Sales staff	0.64	0.61	0.53
Management support technicians	0.84	0.83	0.82
Team leaders	1.25	1.48	1.33
Administrative staff	1.07	1.15	1.13
Maintenance, quality and logistics technicians	0.93	1.00	0.90
Production operators	1.00	0.97	1.02
By geography			
Portugal	0.98	0.96	0.98
Rest of the world	1.01	1.05	0.84
Salary ratio between women and men	0.99	0.98	0.96

Ratio of remuneration of women			
By professional category			
Directors	0.68	0.55	0.68
Heads of department	0.96	0.95	0.92
Sales staff	0.62	0.63	0.54
Management support technicians	0.80	0.77	0.85
Team leaders	1.20	1.35	1.22
Administrative staff	1.03	0.99	1.05
Maintenance, quality and logistics technicians	0.86	0.93	0.73
Production operators	0.92	0.90	0.93
By geography			
Portugal	0.89	0.86	0.88
Rest of the world	0.89	0.97	0.82
Ratio of remuneration of women	0.89	0.87	0.88

	Unit of measurement	2023	2022	2021
Gender pay gap				
By professional category				
Directors	%	32.1%	45.5%	31.6%
Heads of department	%	4.4%	5.5%	8.4%
Sales staff	%	38.1%	33.4%	45.8%
Management support technicians	%	20.2%	23.2%	14.5%
Team leaders	%	-20.0%	-35.0%	-21.9%
Administrative staff	%	-2.7%	-6.7%	-4.8%
Maintenance, quality and logistics technicians	%	14.3%	7.0%	27.6%
Production operators	%	7.8%	10.2%	7.2%
By geography				
Portugal		10.9%	14.0%	11.6%
Rest of the world		10.7%	2.7%	18.4%
Total gender pay gap	%	10.9%	12.0%	12.1%

	Unit of measurement	2023	2022	2021
Zero discrimination				
Portugal				
Women workers	%	27.1%	26.4%	24.4%
Women in management positions	%	24.1%	25.9%	25.0%
Recordable work-related injuries				
By employment contract				
Employees	no.	57	71	68
Temporary workers	no.	3	20	8
By gender				
Women	no.	9	12	10
Men	no.	51	79	66
By geography				
Portugal	no.	55	74	54
Rest of the world	no.	5	17	22
Total recordable work-related injuries	no.	60	91	76
Total fatalities as a result of work-related injury	no.	0	0	0
High-consequence work-related injuries				
By employment contract				
Employees	no.	4	7	2
Temporary workers	no.	0	0	0
By gender				
Women	no.	0	0	0
Men	no.	4	7	2
By geography				
Portugal	no.	4	7	0
Rest of the world	no.	0	0	2
Total high-consequence work-related injuries	no.	4	7	2
Lost time injury frequency rate (LTIFR)				
By employment contract				
Employees		9.7	12.4	12.3
Temporary workers		6.1	30.5	13.6
By gender				
Women		5.7	7.3	6.9
Men		10.7	16.7	14.1
By geography				
Portugal		9.7	13.4	10.0
Rest of the world		7.1	19.7	29.1
Total lost time injury frequency rate		9.5	14.3	12.4
Rate of high-consequence work-related injuries				
By employment contract				
Employees		0.7	1.2	0.4
Temporary workers		0.0	0.0	0.0
By gender				
Women		0.0	0.0	0.0
Men		0.8	1.5	0.4
By geography				
Portugal		0.7	1.3	0.0
Rest of the world		0.0	0.0	0.0
Total rate of high-consequence work-related injuries		0.6	1.1	0.3

	Unit of measurement	2023	2022	2021
Work-related ill health				
By employment contract				
Employees	no.	42	70	65
Temporary workers	no.	0	3	0
By gender				
Women	no.	16	19	34
Men	no.	26	54	31
By geography				
Portugal	no.	40	71	64
Rest of the world	no.	2	2	1
Total work-related ill health	no.	42	73	65
Total fatalities as a result of work-related ill health	no.	0.0	0.0	0.0

Rate of work-related ill health				
By employment contract				
Employees		7.2	12.3	11.7
Temporary workers		0.0	4.6	0.0
By gender				
Women		10.2	11.5	25.0
Men		5.4	11.4	6.6
By geography				
Portugal		7.1	12.9	13.0
Rest of the world		0.0	0.0	1.0
Rate of work-related ill health		6.6	11.5	10.6

Lost workday rate				
By employment contract				
Employees		322	733	555
Temporary workers		130	1,227	545
By gender				
Women		222	862	555
Men		335	757	545
By geography				
Portugal		306	583	412
Rest of the world		313	2,065	1,561
Total lost workday rate		307	784	554

Absenteeism rate				
By employment contract				
Employees	%	6.0%	6.3%	5.8%
Temporary workers	%	5.0%	7.4%	4.0%
By gender				
Women	%	7.4%	7.2%	6.7%
Men	%	5.4%	6.1%	5.5%
By geography				
Portugal	%	6.1%	6.7%	5.1%
Rest of the world	%	4.5%	4.8%	10.2%
Total absenteeism rate	%	5.9%	6.4%	5.8%

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;
- High-consequence work-related injury rate = Number of high-consequence work-related injuries / 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 worked.

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.

STEM - Science, Technology, Engineering and Mathematics.

9. REFERENCES AND SCOPE OF THE REPORT

The aim of this chapter is to provide an understanding of the structure of Corticeira Amorim's Sustainability Report, the writing conventions and fundamental concepts used, as well

as the general requirements for preparing and presenting sustainability information in accordance with Directive 2013/34/EU, as amended by Directive (EU) 2022/2464.

The 2023 Sustainability Report refers to the period from January 1, 2023 to December 31, 2023 and is part of Corticeira Amorim's Consolidated Annual Report 2023.

The previous reporting of sustainability information was approved by the General Meeting of Corticeira Amorim and published on the Company's website in April 2023 and relates to the period from January 1, 2022 to December 31, 2022.

9.1 COMPANIES INCLUDED IN THE CONSOLIDATION OF SUSTAINABILITY INDICATORS

Company	Location	Country	2023	2022
Amorim Florestal BU				
Amorim Florestal, S.A.	Vale de Cortiças – Abrantes	PORTUGAL	100%	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 Mediterrâneo, 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%
Amorim Cork BU				
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	75%	60%
Elfverson & Co. AB	Paryd	SWEDEN	37.5%	37.5%
Francisco Oller, S.A.	Girona	SPAIN	98%	98%
Socori, S.A.	Rio Meão	PORTUGAL	100%	100%
Amorim Cork Flooring BU				
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%
Amorim Flooring (Switzerland) AG	Zug	SWITZERLAND	100%	100%
Amorim Flooring North America Inc.	Hanover – Maryland	USA	100%	100%
Amorim Cork Composites BU				
Amorim Cork Composites, S.A.	Mozelos	PORTUGAL	100%	100%
Amorim Cork Composites, Inc.	Trevor	USA	100%	100%
Amorim Sports, Lda.	Mozelos	PORTUGAL	100%	70%
Corkeen Europe	Mozelos	PORTUGAL	85%	85%
Amorim Cork Insulation BU				
Amorim Cork Insulation, S.A.	Vendas Novas	PORTUGAL	100%	100%
Holding and Support Areas				
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%

Notes:

Amorim Subertech, S.A.: merged into Amorim Cork Flooring, S.A.

Biocape – Importação e Exportação de Cápsulas, Lda.: increase in percentage of interest.

Amorim Sports, Lda.: increase in percentage of interest.

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 2023, 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 Consolidated Statements of the Notes to the Consolidated Financial Statements.

Unless otherwise indicated, in 2023, the sustainability perimeter indicators represent, compared to the financial perimeter, 72.5% of consolidated sales, 74.7% of workers and 73.7% of PUs.

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). In terms of the financial perimeter, these companies represent: 65.0% of consolidated sales, 65.6% of employees and 60.5% of PUs.

In the information considered in Chapter 5. Social information/5.2 Community/society and innovation, in particular regarding the distributed economic value, the consolidated figures of the financial perimeter are presented, as well as the information considered in Chapter 4. Environmental information/4.1 European Union Taxonomy.

9.2 STANDARDISATION OF FACTORS AND DEFINITIONS

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 workers was used.

Values in euros can be presented in thousand euros (thousand euros = K euros = K€) or in million euros (million euros = M euros = M€).

Workers are considered to be those who have an employment relationship with the Company (also referred to as salaried workers or employees) and self-employed workers who are individual contractors supplying labour to the Company (also referred to as self-employed workers or subcontractors) or people supplied by companies who are mainly engaged in work activities (also referred to as temporary workers).

	Unit of measurement	2023	2022	2021
Consolidated sales				
Sustainability perimeter	K€	714,558	712,644	674,402
Financial perimeter	K€	985,467	1,021,391	837,820
Sustainability perimeter	%	72.5%	69.8%	80.5%
Workers				
Sustainability perimeter	no.	3,704	3,829	3,796
Financial perimeter	no.	4,958	4,999	4,642
Sustainability perimeter	%	74.7%	76.6%	81.8%

9.3 GHG EMISSIONS

Corticeira Amorim monitors its GHG emissions. To determine the categories to be monitored, as well as 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 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 4. Environmental information/4.2 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 the Intensive Energy Consumption Management System (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 (6.8%) was assumed to be immaterial. Therefore, the SGCIE reference was taken into account for the location method and the information available at the time of drawing up the report from the energy supplier(s) for the market method. The latter considers a weighted average of the first three quarters of 2023.

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

The emission factors considered were based on information published by the GHG Protocol and Defra – Department for Environment, Food & Rural Affairs. When not available, the factors considered in the 2018 GHG emissions inventory carried out by EY in 2019 were used, with reference to "Ecoinvent database 3.5".

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) and was conducted by ERNST & YOUNG AUDIT & ASSOCIADOS - SROC, S.A., and the report is available in Chapter 12. Independent assurance report.

Energy conversion factors

		2023
	Unit of measurement	Conversion factors
Natural gas	GJ/1000 m ³	37.9
Propane gas	GJ/t	46.7
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

		2023
	Unit of measurement	Emission factors
Natural gas	kg CO ₂ /GJ	64.1
Propane gas	kg CO ₂ /GJ	63.0
Diesel	kg CO ₂ /GJ	74.0
Gasoline	kg CO ₂ /GJ	69.2
Biomass (cork powder)	kg CO ₂ /GJ	0.0
Biomass (firewood)	kg CO ₂ /GJ	0.0
Electrical energy (own production)	kg CO ₂ / kWh	0.0
Electrical energy (supplier - REC)	kg CO ₂ / kWh	0.0
Electrical energy (supplier) - market method	kg CO ₂ / kWh	231.1
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 8. Consolidated sustainability indicators/8.2 Environmental).

Stored carbon

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 8. Consolidated sustainability indicators/8.2 Environmental).

Additional information on the carbon sequestration potential in cork oak forests

Studies

Claims regarding carbon sequestration potential are based on studies carried out by consultants hired by Corticeira Amorim companies, available at <https://www.amorim.com/en/sustainability/studies/> (hereinafter “Studies”), relating to specific products and carried out exclusively for Corticeira Amorim, in accordance with the methodology and assumptions indicated therein and in a Cradle-to-Gate or Cradle-to-Grave approach, and may not be used in relation to any other company or product. The Studies have not been verified by any regulatory, certifying or similar body outside Corticeira Amorim. The Studies also consider a sensitivity analysis and simulation relating to the carbon sequestration of cork oak forests to provide a broader perspective on the global balance of Greenhouse Gases (GHG). This link is simulated by analysing carbon sequestration scenarios that can be associated with cork products. Cork production is indisputably the main economic activity of an exploited cork oak forest. As such, it can be argued that cork processing companies are a driving force in creating economic incentives for cork oak forest owners to continue cultivating cork oaks. This reflects the spirit of the Product Environmental Footprint Category Rule (PEFCR) for the wine sector, which states that the carbon contained in cork oaks should be included in the analysis as additional environmental information, since their carbon storage exceeds 100 years. The studies therefore considered the carbon sequestration of the cork oak forest associated with cork production.

Conclusions

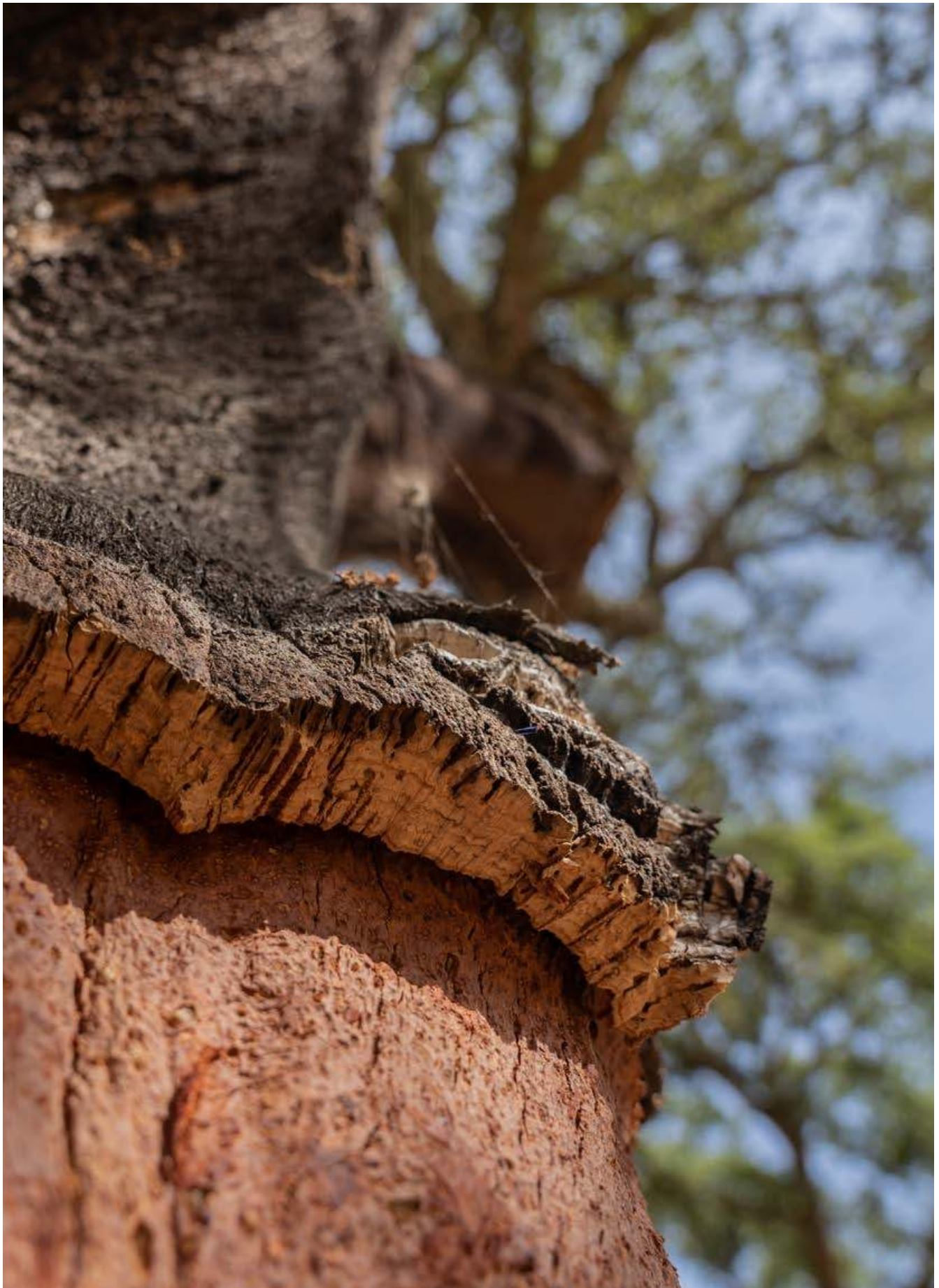
Thus, the conclusions regarding the estimation of the carbon sequestration potential of the products specifically considered in Corticeira Amorim’s Studies (hereinafter “Conclusions”) are based on: (i) the sources of emissions and assumptions indicated in the Studies, in the locations and period referred to therein, such as: consumption of raw materials, energy consumption and transport of raw materials, products and by-products; (ii) the carbon sequestration of the cork oak forest, indirectly attributed to Corticeira Amorim’s products, considering that its activities contribute to the exploitation of the cork oak forest. If the Company, product and/or these facts, circumstances or hypotheses change, the conclusions will necessarily be different.

Purpose

The Studies and Conclusions are intended to provide non-exhaustive information and conclusions based on the facts, assumptions and methodologies accepted by Corticeira Amorim companies and do not constitute and should not be construed as advice, statements, guarantees or commercial representations as to the quality(s) and/or ownership(s) of the Product(s). The results and conclusions of the Studies should be considered altogether and not separately. Although Corticeira Amorim believes in the reasonableness of the assumptions, circumstances and methodologies used in the Studies, they are all inherently subject to risks, uncertainties, contingencies and other important factors, known or unknown, which may be difficult or impossible to predict, such as the Company’s sales or financial strategy, national and international economic and financial market conditions, technology, legal and regulatory conditions, the evolution of the utilities sector, hydrological and climatic conditions, the cost of raw materials and energy, among others, which may lead to significant differences between the actual results and the claims and conclusions made. Corticeira Amorim cannot be held liable for any direct, indirect or other damages resulting from the use of the Conclusions and/or the associated Studies, either in relation to counterparties or third parties to whom these Conclusions and/or the associated Studies have been shown or disclosed in any way.

9.4 ADDITIONAL INFORMATION

The 2023 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: www.amorim.com/en/.



On average, a cork oak lives for 200 years, and for every tonne of cork produced, the cork oak forest sequesters up to 73 tonnes of CO₂.

10. GRI TABLE

Statement of use	Corticeira Amorim reports in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023		
GRI 1 used	GRI 1: Foundation 2021		
Applicable GRI Sector Standard(s)	Not applicable		
GRI Standard	Disclosure	Value/Location	SDG
GRI 2: General Disclosures 2021	2-1 Organizational details	2. Corticeira Amorim	
	2-2 Entities included in the organization's sustainability reporting	9.1 Companies included in the consolidation of sustainability indicators	
	2-3 Reporting period, frequency and contact point	9. References and scope of the report Corticeira Amorim publishes a Sustainability Report on an annual basis. The 2023 Sustainability Report refers to the period from January 1, 2023 to December 31, 2023 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 2023 and relates to the period from January 1, 2022 until December 31, 2022. The 2023 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: https://www.amorim.com/en/	
	2-4 Restatements of information	In 2023, 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 1.2. Independent assurance report.	
	2-6 Activities, value chain and other business relationships	2.4 Characterization of the value chain	
	2-7 Employees	5.1.2.1 Characteristics of the own workforce 8. Consolidated sustainability indicators/8.3 Social	
	2-8 Workers who are not employees	5.1.2.1 Characteristics of the own workforce 8. Consolidated sustainability indicators/8.3 Social	
	2-9 Governance structure and composition	1. General disclosures 2.6 Definition of strategy Corporate Governance Report / B. Corporate Boards and committees	
	2-10 Nomination and selection of 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	1.2 The role of the administrative, management and supervisory bodies	
	2-13 Delegation of responsibility for managing impacts	1.2 The role of the administrative, management and supervisory bodies	
	2-14 Role of the highest governance body in sustainability reporting	1.2 The role of the administrative, management and supervisory bodies	

GRI Standard	Disclosure	Value/Location	SDG
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Code of Business Ethics and Professional Conduct/ IV.5. Conflict of Interests: https://www.amorim.com/xms/files/Codigo_Etica/Codigo_de_Etica_e_Conduta_Profissional_EN_Versao3_4_dezembro_2023.pdf Anti-corruption Code of Conduct: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/Codigo_de_Conduta_Anticorruptcao_EN_Ir.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' Regulations/ 21. Conflict 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	
	2-16 Communication of critical concerns	6.1.2.1 Corporate culture and business conduct policies/Reporting of irregularities Irregularities' Internal Reporting Procedure: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2023.12.4_-_Procedimento_de_Comunicacao_Interna_EN.pdf Irregularities' Internal Communication Form: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2023.12.4_-_Formulario_final_2.pdf	
	2-17 Collective knowledge of the highest governance body	1.2 The role of the administrative, management and supervisory bodies	
	2-18 Evaluation of the performance of the highest governance body	1.3 Integration of sustainability-related performance in incentive schemes/Performance evaluation of the executive directors	
	2-19 Remuneration policies	Remuneration Policy: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2023-04-28_Politica_de_remuneracoes_EN.pdf	
	2-20 Process to determine remuneration	1.3 Integration of sustainability-related performance in incentive schemes Remuneration Policy: https://www.amorim.com/xms/files/Investidores/Estatutos_Politicass_Regulamentos/2023-04-28_Politica_de_remuneracoes_EN.pdf	
	2-21 Annual total compensation ratio	Corporate Governance Report/ D – Remuneration: a) Ratio of the annual total compensation: 14.2 (2022: 18.4), taking into account the total compensation attributed to the Chairperson of the Board of Directors of Corticeira Amorim and the average compensation of the Organisation (excluding the Chairperson of the Board of Directors of Corticeira Amorim) b) Ratio of the percentage increase in annual total compensation: -22.9%	
	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	1. General disclosures 2.6 Definition of strategy	

GRI Standard	Disclosure	Value/Location	SDG
GRI 2: General Disclosures 2021	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 (2.6 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 an Irregularities' Internal Reporting Procedure (https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2023.12.4_-_Procedimento_de_Comunicacao_Interna_EN.pdf), as well as an Irregularities' Internal Communication Form (https://www.amorim.com/xms/files/Investidores/Estatutos_Políticas_Regulamentos/2023.12.4_-_Formulario_final_2.pdf).	
	2-27 Compliance with laws and regulations	There are no significant cases of non-compliance with environmental laws and regulations during the reporting period, in particular no significant fines or non-monetary sanctions were applied. With regard to social issues, three significant cases of non-compliance with laws and regulations were recorded. a) Total number of significant cases of non-compliance with laws and regulations: Environmental: 0 Social: 3 b) Monetary value of fines for cases of non-compliance with laws and regulations Environmental: 0 euros Social: 25.6 thousand euros. 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 three thousand euros (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 (9.1 Companies included in the consolidation of sustainability indicators).	
	2-28 Membership associations	Voluntary commitments	
	2-29 Approach to stakeholder engagement	2.5 Stakeholders	
	2-30 Collective bargaining agreements	5.1.2.2 Labour relations and social climate/Collective bargaining coverage and social dialogue	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	2.6.2 Materiality matrix	
	3-2 List of material topics	2.6.2 Materiality matrix	
	3-3 Management of material topics	Throughout this report, relevant impacts on the environment, people, and economy, 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 Organisation's sustainability strategy and reviewing materiality (2.6 Definition of strategy).	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	5.2.2.1 Social balance	8, 17
	201-2 Financial implications and other risks and opportunities due to climate change	1.5 Risk management and internal controls over sustainability reporting	8, 9, 13, 17
		4.2 Climate change/4.2.1 Strategy and impact, risk and opportunity management	
	201-3 Defined benefit plan obligations and other retirement plans	11. Alignment with the TCFD 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 2023, the total amount was 29,155 thousand euros (2022: 28,172 thousand euros; 2021: 22,722 thousand euros).	8, 17
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	2.4.1 Supply chain and transport and logistics	8, 12, 17
		6.1.2.2 Management of relationships with suppliers/Procurement and supply of cork	
		8. Consolidated sustainability indicators/8.1 Economics and value chain	

GRI Standard	Disclosure	Value/Location	SDG
GRI 207: Tax 2019	207-1 Approach to tax	6.1.2.4 Approach to tax	
	207-2 Tax governance, control, and risk management	6.1.2.4 Approach to tax/Governance, control and fiscal risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	6.1.2.4 Approach to tax/Engaging stakeholders and managing their tax concerns	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	4.6 Circular economy/4.6.2 Metrics and targets/4.6.2.1 Materials 8. Consolidated sustainability indicators/8.2 Environmental	
	301-2 Recycled input materials used	4.6 Circular economy/4.6.2 Metrics and targets/4.6.2.1 Materials 8. Consolidated sustainability indicators/8.2 Environmental	
	301-3 Reclaimed products and their packaging materials	4.6 Circular economy/4.6.2 Metrics and targets/4.6.2.3 Cork recycling 8. Consolidated sustainability indicators/8.2 Environmental	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.2 Climate change/4.2.3 Metrics and targets/ 4.2.3.2 Energy consumption within the organisation 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	302-3 Energy intensity	4.2 Climate change/4.2.3 Metrics and targets/ 4.2.3.2 Energy consumption within the organisation 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	302-4 Reduction of energy consumption	4.2 Climate change/4.2.3 Metrics and targets/ 4.2.3.2 Energy consumption within the organisation 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	302-5 Reductions in energy requirements of products and services	4.7 Green products/4.7.2 Metrics and targets/ 4.7.2.1 Environmental benefit of the products 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 9, 13
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	4.4 Water resources/4.4.2 Metrics and targets/4.4.2.1 Water consumption 8. Consolidated sustainability indicators/8.2 Environmental	6
	303-2 Management of water discharge related impacts	4.4 Water resources/4.4.2 Metrics and targets/4.4.2.1 Water consumption 8. Consolidated sustainability indicators/8.2 Environmental	6
	303-3 Water withdrawal	4.4 Water resources/4.4.2 Metrics and targets/4.4.2.1 Water consumption 8. Consolidated sustainability indicators/8.2 Environmental	6
	303-4 Water discharge	4.4 Water resources/4.4.2 Metrics and targets/4.4.2.1 Water consumption 8. Consolidated sustainability indicators/8.2 Environmental	6
	303-5 Water consumption	4.4 Water resources/4.4.2 Metrics and targets/4.4.2.1 Water consumption 8. Consolidated sustainability indicators/8.2 Environmental	6
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	4.5 Biodiversity and ecosystems/4.5.3 Metrics and targets 8. Consolidated sustainability indicators/8.2 Environmental	11, 12, 15
	304-2 Significant impacts of activities, products and services on biodiversity	4.7 Green products/4.7.2 Metrics and targets/ 4.7.2.1 Environmental benefit of the products 8. Consolidated sustainability indicators/8.2 Environmental	11, 12, 15
	304-3 Habitats protected or restored	4.5 Biodiversity and ecosystems/4.5.3 Metrics and targets 8. Consolidated sustainability indicators/8.2 Environmental	

GRI Standard	Disclosure	Value/Location	SDG
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.2 Climate change/4.2.3 Metrics and targets/4.2.3.3 Direct (scope 1) and indirect (scope 2) GHG emissions 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	305-2 Energy indirect (Scope 2) GHG emissions	4.2 Climate change/4.2.3 Metrics and targets/4.2.3.3 Direct (scope 1) and indirect (scope 2) GHG emissions 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	305-3 Other indirect (Scope 3) GHG emissions	4.2 Climate change/4.2.3 Metrics and targets/4.2.3.4 Other indirect (scope 3) GHG emissions 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	305-4 GHG emissions intensity	4.2 Climate change/4.2.3 Metrics and targets/4.2.3.3 Direct (scope 1) and indirect (scope 2) GHG emissions 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	305-5 Reduction of GHG emissions	4.2 Climate change/4.2.3 Metrics and targets/4.2.3.3 Direct (scope 1) and indirect (scope 2) GHG emissions 8. Consolidated sustainability indicators/8.2 Environmental	7, 11, 13
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.3 Air quality and pollution/4.3.2 Metrics and targets/4.3.2.1 Pollutant emissions 8. Consolidated sustainability indicators/8.2 Environmental	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	4.6 Circular economy/ 4.6.2 Metrics and targets/4.6.2.3 Waste 8. Consolidated sustainability indicators/8.2 Environmental	
	306-2 Management of significant waste-related impacts	4.6 Circular economy/ 4.6.2 Metrics and targets/4.6.2.3 Waste 8. Consolidated sustainability indicators/8.2 Environmental	8, 12
	306-3 Waste generated	4.6 Circular economy/ 4.6.2 Metrics and targets/4.6.2.3 Waste 8. Consolidated sustainability indicators/8.2 Environmental	
	306-4 Waste diverted from disposal	4.6 Circular economy/ 4.6.2 Metrics and targets/4.6.2.3 Waste 8. Consolidated sustainability indicators/8.2 Environmental	
	306-5 Waste directed to disposal	4.6 Circular economy/ 4.6.2 Metrics and targets/4.6.2.3 Waste 8. Consolidated sustainability indicators/8.2 Environmental	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	6.1.2.2 Management of relationships with suppliers	
	308-2 Negative environmental impacts in the supply chain and actions taken	2.4 Characterization of the value chain 6.1.2.2 Management of relationships with suppliers	8, 12, 17
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.1.2.3 Attracting and retaining talent 8. Consolidated sustainability indicators/8.3 Social	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 Standard	Disclosure	Value/Location	SDG
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.1.2.6 Health and safety metrics	
	403-2 Hazard identification, risk assessment, and incident investigation	5.1.2.6 Health and safety metrics/Risk assessment and investigation of incidents	3, 8
	403-3 Occupational health services	5.1.2.6 Health and safety metrics	3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.1.2.6 Health and safety metrics	3, 8
	403-5 Worker training on occupational health and safety	5.1.2.6 Health and safety metrics	3, 8
	403-6 Promotion of worker health	5.1.2.6 Health and safety metrics	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 has implemented an internal Monitoring Report on Respect for Human Rights with the aim of strengthening its practices and commitments related to the due diligence process within its operations. This programme identifies the main mechanisms and procedures in place to guarantee the protection of Human Rights. 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 (6.1.2.2 Management of relationships with suppliers).	3, 8
	403-8 Workers covered by an occupational health and safety management system	Chapter 2.6.3 Policies adopted to manage material sustainability matters/Management systems Chapter 5.1.2.6 Health and safety metrics/Certifications/audits/verifications.	3, 8
	403-9 Work-related injuries	5.1.2.6 Health and safety metrics/Work-related injury or ill health 8. Consolidated sustainability indicators/8.3 Social	3, 8
	403-10 Work-related ill health	5.1.2.6 Health and safety metrics/Work-related injury or ill health 8. Consolidated sustainability indicators/8.3 Social	3, 8
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.1.2.5 Training and development/Training and skills development metrics 8. Consolidated sustainability indicators/8.3 Social	4, 5, 8
	404-2 Programs for upgrading employee skills and transition assistance programs	5.1.2.3 Attracting and retaining talent 5.1.2.5 Training and development/Training and skills development metrics	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.1.2.5 Training and development/Management by objectives, performance assessment and alignment of incentives 8. Consolidated sustainability indicators/8.3 Social	4, 5, 8
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	5.1.2.4 Equality and respect for diversity, inclusion and non-discrimination 8. Consolidated sustainability indicators/8.3 Social	4, 5, 8
	405-2 Ratio of basic salary and remuneration of women to men	5.1.2.8 Compensation metrics 8. Consolidated sustainability indicators/8.3 Social	4, 5, 8
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.1.2.4 Equality and respect for diversity, inclusion and non-discrimination/Commitment not to tolerate any kind of discrimination or harassment	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	5.2 Community/society and innovation	
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	6.1.2.2 Management of relationships with suppliers	8, 12, 17
GRI 415: Public Policy 2016	415-1 Political contributions	6.1.2.5 Political influence and lobbying activities	

11. ALIGNMENT WITH THE TCFD

A 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. 1. General disclosures/ 1.5 Risk management and internal controls over sustainability reporting
	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. 1. General disclosures/ 1.5 Risk management and internal controls over sustainability reporting
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. 4. Environmental information/ 4.2 Climate change/ 4.2.1 Strategy and impact, risk and opportunity management
	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. 4. Environmental information/ 4.2 Climate change/ 4.2.1 Strategy and impact, risk and opportunity management
	b) Describe the organization's processes for managing climate related risks.	4. Environmental information/ 4.2 Climate change/ 4.2.1 Strategy and impact, risk and opportunity management
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	4. Environmental information/ 4.2 Climate change/ 4.2.1 Strategy and impact, risk and opportunity management
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.	4. Environmental information/ 4.2 Climate change/ 4.2.3 Metrics and targets
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	4. Environmental information/ 4.2 Climate change/ 4.2.3 Metrics and targets/ 4.2.3.3 Direct (scope 1) and indirect (scope 2) GHG emissions 4. Environmental information/ 4.2 Climate change/ 4.2.3 Metrics and targets/ 4.2.3.4 Other indirect (scope 3) GHG emissions
	c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	3. Sustainable by nature programme/ Quantitative targets for 2030 and progress



The cork oak forests are located in the Mediterranean basin, one of the world's 36 biodiversity hotspots.

12. 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 2023, identified in the chapter "10. GRI Table", which include the sustainability information included in the Consolidated Annual Report 2023 (the "Sustainability Information"), for the year ended 31 December 2023.

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

EY applies the International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the Ordem dos Revisores Oficiais de Contas' Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, 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 2023, has not been prepared, in all material respects, in accordance with the Criteria.

Lisbon, 27 March 2024

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(signed)

Manuel Ladeiro de Carvalho Coelho da Mota - ROC n° 1410
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