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Corporate Governance Report

"Cork is harvested every nine years during the 200-year life cycle of the cork oak, without damaging the tree. This makes cork one of the greenest and naturally sustainable industries in the world."

Courrier International, March 2010

From the publication, in 1999, of the first Portuguese Security Markets Commission (CMVM) recommendations towards corporate governance, until today, CORTICEIRA AMORIM has engaged in a process of analysing its corporate governance. This analysis is intended to perfect the mechanisms governing investors in the securities market, by comparing the corporate governance of CORTICEIRA AMORIM with what are considered the best existing practices and also the circumstances of its business and the challenges it has to face. As a result of this process it has been implementing a number of measures which overall have the primary aim of strengthening the internal systems of control and supervision, increasing transparency, encouraging shareholders to participate in company life and guaranteeing the sustained creation of value for shareholders.

This document describes the corporate governance policies and practices adopted by the company and it also provides a qualitative evaluation of those policies and practices by comparison with the good practices set forth in the CMVM Corporate Governance Code.

Chapter 4 of this report includes the information provided for in articles 447 and 448 of the Portuguese Companies Act, in article 14(6) and (7) of CMVM Regulation no. 5/2008 (Transactions involving Directors and Officers) and in article 3 of Law no. 28/2009 of 19 July (Remuneration Policy).

CHAPTER 0 – STATEMENT OF COMPLIANCE

0.1. Location where the public may find the Corporate Governance Codes by which the issuer is governed.

In matters of corporate governance CORTICEIRA AMORIM is governed by: (i) current Portuguese legislation, in particular the Portuguese Companies Code, the Portuguese Securities Code and the

regulations issued by the Portuguese Securities Market Commission (CMVM), which may all be viewed on the CMVM website: www.cmvm.pt; (ii) its own articles of association, which are available for viewing at the company's website: www.corticeiraamorim.pt; and (iii) the 2010 CMVM Corporate Governance Code as referred to by CMVM Regulation no. 1/2010 and which, despite taking the form of a recommended framework, constitutes an important benchmark of good practices, also available at www.cmvm.pt.

CORTICEIRA AMORIM assesses its practices with reference to the aforementioned Corporate Governance Code on a comply or explain basis. It prepares this report on its corporate governance structures and practices with reference to all legislation, regulations and recommendations by which it is governed.

0.2. Detailed description of the recommendations contained in the CMVM Corporate Governance Code that the company has or has not adopted.

The evaluation undertaken indicates that CORTICEIRA AMORIM has achieved a high degree of compliance with the CMVM recommendations on corporate governance, as shown in the following table (Fig. 18):

Fig. 18 • Compliance with the CMVM's Recommendations

I. General Meeting			
I.1.	Board of the General Meeting	Situation as of 31-12-2010	Description in the Report
I.1.1.	The chairman of the board of the general meeting shall be provided adequate human and logistics resources, taking the economic position of the company into consideration.	Adopted	1.1.
I.1.2.	The remuneration of the chairman of the board of the general meeting shall be disclosed in the annual report on corporate governance.	Adopted	1.3.
I.2. Participation in the General Meeting			
I.2.1.	The advance deposit or blocking of shares for participation in the general meeting, as imposed by the articles of association, shall not exceed five working days.	Adopted	1.4.
I.2.2.	Should the general meeting be suspended, the company shall not require the blocking of shares during the period until the meeting is resumed; the standard requirements established for the first session should be considered sufficient.	Adopted	1.4.
I.3. Voting and Exercising Voting Rights			
I.3.1.	Companies may not impose any statutory restriction on postal voting.	Adopted	1.9.
I.3.2.	The statutory deadline for receiving early voting ballots by mail shall not exceed three working days.	Adopted	1.9.
I.3.3.	The companies shall ensure the proportionality between voting rights and shareholder participation, preferably through the statutory provision of one vote per share.	Adopted	1.6.
I.4. Quorum and Resolutions			
	Companies shall not set a decision-making quorum exceeding that prescribed by law.	Not adopted	0.3., 1.8.
I.5. Minutes and Information on Adopted Resolutions			
	An extract of the minutes of the general meetings or documents with equivalent content shall be made available to shareholders on the company's Internet site within five days, even if they do not constitute privileged information. The disclosed information should cover the resolutions made, the capital represented and the results of votes. This information must be kept on the company's website for at least three years.	Adopted	1.13.
I.6. Measures Related to Corporate Control			
I.6.1.	The measures adopted to prevent the success of takeover bids shall respect both the company's and the shareholders' interests.	Adopted	1.19., 1.20.
	In observance of the principle of the previous sub-paragraph, the company's articles of association establish a limitation on the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders. It shall also establish that the alteration or preservation of such statutory provision shall be the object of resolution by the general meeting at least once every five years – without quorum requirements higher than that legally in force – and that in said resolution all votes issued be counted, without applying said limitation.	-	-
I.6.2.	In cases such as change of control or changes to the composition of the management body, defensive measures should not be adopted that instigate immediate and serious erosion of the company's assets, thus affecting the free transmission of shares and the voluntary assessment of the performance of the members of the management body by shareholders.	Adopted	1.20.



II. Management and Supervisory Bodies		
II.1. General Items		
II.1.1. Structure and Role		
II.1.1.1.	The management body shall assess the model adopted in its annual corporate governance report and identify possible restrictions to its functioning and propose measures that it deems fit for surpassing such obstacles.	Adopted Introduction to Chapter 2
II.1.1.2.	Companies shall create internal risk control and management systems to safeguard their worth and foster the transparency of their corporate governance, which allow the risk to be identified and managed.	Adopted 2.5.
II.1.1.3.	The management body shall ensure the creation and operation of internal risk control and management systems. It is up to the supervisory body to assess the operation of these systems and to propose to the company the respective adjustments necessary.	Adopted 2.6.
II.1.1.4.	In their annual report on corporate governance companies shall: identify the main economic, financial and legal risk the company is exposed to in the running of its business; describe the action and efficiency of the risk management system.	Adopted 2.5., 2.6., 2.9.
II.1.1.5.1.	Formal internal regulations: – for the management body. – for the supervisory body.	Not adopted Adopted 0.3., 2.7. 2.7.
II.1.1.5.2.	Disclose the regulations on the company website: – of the management body. – of the supervisory body.	Not adopted Adopted 0.3., 2.7. 2.7.
II.1.2. Incompatibility and Independence		
II.1.2.1.	The board of directors shall include a number of non-executive members to ensure effective capacity for the supervision, auditing and assessment of the executive members' activity.	Adopted 2.1.
II.1.2.2.	The non-executive directors must include an adequate number of independent directors. The size of the company and its shareholder structure must be taken into account when devising this number and it may never be less than one quarter of the total number of directors.	Not adopted 0.3., 2.14., 2.15.
II.1.2.3.	The assessment by the management body of the independence of its non-executive members must take into account legal and regulatory rules in force on independence requirements and the incompatibility regime applicable to members of other governing bodies, ensuring systemic and timely coherence in the application of independence criteria to the entire company. A director who is not deemed independent in another governing body due to applicable regulations should not be considered an independent director.	Adopted 2.14., 2.15.
II.1.3. Eligibility Criteria for Appointment		
II.1.3.1.	Depending on the applicable model, the chairman of the supervisory board, the audit committee or of the financial matters committee shall be independent and have the skills adequate to carrying out those duties.	Adopted 2.21., 2.22.
II.1.3.2.	The selection process of candidates for non-executive directors shall be designed in such a way as to prevent interference from executive directors.	Adopted 2.11., 2.16.
II.1.4. Whistleblowing Policy		
II.1.4.1.	The company shall adopt a policy whereby irregularities occurring within the company, are reported. Such policy should safeguard the following: i) indication of the means by which irregular practices may be communicated internally, including the people to whom such communications should be made; ii) indication as to how to handle the communications, including confidential handling, if such is desired by the informant.	Adopted 2.35.
II.1.4.2.	The general guidelines on this policy should be disclosed in the corporate governance report.	Adopted 2.35.

II.1.5. Remuneration		
II.1.5.1.	Remuneration of the members of the management body shall be structured in order to permit the alignment of their interests with the long-term interests of the company, to be based on performance assessment and to discourage excessive risk taking. To this end, remuneration shall be structured, in particular, as follows:	
II.1.5.1.i)	– remuneration of the directors carrying out executive duties shall include a variable component which is determined according to a performance assessment carried out by the competent bodies of the company, using predetermined, measurable criteria which consider the actual growth of the company and the wealth effectively created for shareholders, its long-term sustainability and the risks taken as well as compliance with the rules applicable to the company's business.	Adopted 2.30., 2.33.
II.1.5.1.ii)	– the variable component of the remuneration should be generally reasonable in relation to the fixed component of the remuneration and maximum limits should be fixed for all components.	Not adopted 0.3., 2.33.
II.1.5.1.iii)	– a significant part of the variable remuneration must be deferred for a period of no less than three years and its payment must be dependent on the continued positive performance of the company over that period.	Not adopted 0.3., 2.33.
II.1.5.1.iv)	– the members of the management body must not enter into contracts, either with the company or with third parties, which have the effect of mitigating the risk inherent to the variability of the remuneration established for them by the company.	Adopted 2.30.
II.1.5.1.v)	– executive directors must keep hold of the company shares they have obtained through variable remuneration schemes, until the end of their mandate, up to the limit of twice the amount of total annual remuneration, with the exception of those which need to be sold in order to pay taxes arising from benefits obtained for holding those shares.	Not applicable 2.33.
II.1.5.1.vi)	– when the variable remuneration includes the award of share options, the beginning of the period for exercising these must be deferred for a period of no less than three years.	Not applicable 2.33.
II.1.5.1.vii)	– legal instruments should be established so that the compensation established for any form of wrongful dismissal of a director is not paid if the dismissal or resignation by agreement is due to the inadequate performance of the director.	Not adopted 0.3.
II.1.5.1.viii)	– the remuneration of non-executive members of the management body shall not include any component whose value is dependent on the performance or the value of the company.	Adopted 2.30., 2.33.
II.1.5.2.	The declaration on the remuneration policy of the management and supervisory bodies referred to in article 2 of law no. 28/2009 of 19 June, shall, in addition to the provisions mentioned therein, contain sufficient information: i) on the company groups whose remuneration policy and practices were taken as a comparative element for determining remuneration; ii) on the payments relative to dismissal or resignation by agreement of directors.	Not adopted 0.3., 2.30.
II.1.5.3.	The declaration on the remuneration policy referred to in article 2 of law no. 28/2009 must also cover the remuneration of the directors and officers within the meaning of article 248-B(3) of the Portuguese Securities Code and whose remuneration contains a variable component. The declaration must be detailed and the stated policy must take into account, in particular, the long-term performance of the company, compliance with regulations applicable to the company business and restraint in risk taking.	Not adopted 2.29.
II.1.5.4.	A proposal shall be submitted at the general meeting for approval on the plans for the award of shares and/or share purchase options or based on the changes in share price to members of the management and supervisory bodies and other directors and officers within the meaning of article 248-B(3) of the Portuguese Securities Code. The proposal shall mention all of the necessary information for its correct assessment. The proposal shall contain the regulations of the plan or, in the absence of these, the conditions by which it should be governed. The main characteristics of the retirement benefit plans for members of the management and supervisory bodies and other directors and officers within the meaning of article 248-B(3) of the Portuguese Securities Code, shall also be approved at the general meeting.	Not applicable 3.30.
II.1.5.5.	Does not exist.	

II.1.5.6.	At least one of the Remuneration Committee's representatives shall be present at the annual general meeting of shareholders.	Adopted	1.15.
II.1.5.7.	The annual report on corporate governance shall disclose the amount of remuneration received, collectively and individually, in other group companies and the pension rights acquired during the referred financial year.	Adopted	3.33.
II.2.	Board of Directors		
II.2.1.	Within the limits established by law for each management and supervisory structure, and unless the company is of a reduced size, the board of directors shall delegate the day-to-day running of the company and the delegated duties shall be identified in the annual report on corporate governance.	Adopted	2.2., 2.3.
II.2.2.	The board of directors shall ensure that the company acts in accordance with its goals, and shall not delegate its duties, namely with regard to: i) defining general company policies and strategy; ii) defining the business structure of the group; iii) decisions which should be considered strategic due to the amounts involved, the risk or their special characteristics.	Adopted	2.3.
II.2.3.	Should the chairman of the board of directors carry out executive duties, the board of directors shall set up efficient mechanisms for coordinating the work of non-executive members which will ensure that these may decide in an independent and informed manner. It should proceed with the due explanation of these mechanisms to the shareholders in the corporate governance report.	Adopted	2.3.
II.2.4.	The annual management report shall include a description of the activity carried out by the non-executive directors and shall mention any restraints encountered.	Adopted	Chapter 10 of the Consolidated Management Report
II.2.5.	The company must explain its policy on the rotation of positions on the board of directors, in particular the position of financial director, and state this in the annual report on corporate governance.	Adopted	2.3.
II.3.	Managing Director, Executive Committee and Executive Board of Directors		
II.3.1.	When directors performing executive duties are requested by other members of governing bodies to supply information, they shall do so in a timely manner with information that adequately responds to the request made.	Adopted	2.3.
II.3.2.	The chairman of the executive committee shall send the convening notices and minutes of the meetings to the chairman of the board of directors and, when applicable, to the chairman of the supervisory board or the audit committee.	Adopted	2.3.
II.3.3.	The chairman of the executive board of directors shall send the convening notices and minutes of the meetings to the chairman of the general and supervisory board and the chairman of the financial matters committee.	Not applicable	–
II.4.	General and Supervisory Board, Financial Matters Committee, Audit Committee and Supervisory Board		
II.4.1.	Besides fulfilling its supervisory duties, the general and supervisory board shall advise, follow-up and carry out, on an on-going basis, continuous assessment of the management of the company by the executive board of directors. Among other matters, the general and supervisory board shall state its opinion on: i) the definition of the general company policies and strategy; ii) the business structure of the group; iii) decisions which should be considered strategic due to the amount involved, the risk or their special characteristics.	Not applicable	–
II.4.2.	The annual reports on the activity carried out by the general and supervisory board, the for financial matters committee, the audit committee and the supervisory board shall be disclosed on the company's website together with the financial statements.	Adopted	–
II.4.3.	The annual reports on the activity carried out by the general and supervisory board, the financial matters committee, the audit committee and the supervisory board shall include a description of the supervisory activity carried out and shall mention any restraints that they may have encountered.	Adopted	–
II.4.4.	The general and supervisory board, the financial matters committee, the audit committee and the supervisory board, depending on the applicable model, shall represent the company for all purposes in relation the external auditor, and shall propose the provider of such services, the respective remuneration, ensure that adequate conditions for the provision of these services are in place within the company, as well as being the liaison officer of the company and the first recipient of the reports.	Not adopted	0.3.

II.4.5.	According to the applicable model, the general and supervisory board, the audit committee and the supervisory board shall assess the external auditor on an annual basis and propose its dismissal to the general meeting whenever there are justifiable grounds for such.	Adopted	–
II.4.6.	Internal audit services and those supervising compliance with the regulations applied to the company (compliance services) shall, in the course of their duties, report to the audit committee, the general and supervisory board or, in the case of companies adopting the Latin model, to an independent director or the supervisory board, irrespective of the hierarchical relationship these services have with the executive management of the company.	Not adopted	0.3.
II.5.	Specialist Committees		
II.5.1.	Unless the company is small in size and depending on the model adopted, the board of directors and the general and supervisory board shall set up the necessary committees in order to:		
II.5.1.i)	– ensure that a competent and independent assessment of the executive directors' performance is carried out, as well as their own overall performance and the performance of the different existing committees;	Adopted	2.30.
II.5.1.ii)	– study the adopted governance system and verify its efficiency and propose to the competent bodies, measures to be carried out with a view to improvement.	Adopted	Introduction to Chapter 2
II.5.1.iii)	– identify, in good time, potential candidates with the profile necessary for the performance of management duties.	Not adopted	0.3.
II.5.2.	The members of the remuneration committee or equivalent must be independent of the members of the management body and include at least one member who is knowledgeable and experienced in remuneration policy matters.	Not adopted	0.3., 2.38., 2.39.
II.5.3.	No individual or company that provides, or has provided in the last three years, services to any structure dependent on the board of directors, to the board of directors itself or that has a current relationship as a company consultant, shall be hired to support the Remuneration Committee in the performance of its duties. This recommendation is also applicable to any individual or company that is related to those by an employment or provision of services contract.	Not adopted	0.3.
II.5.4.	All of the committees shall draw up minutes of the meetings held.	Adopted	–
III.	Information and Audit		
III.1.	General Disclosure Duties		
III.1.1.	Companies shall maintain permanent contact with the market thus upholding the principle of equality for shareholders and ensuring that investors are able to access information in a uniform fashion. To this end, the company shall maintain an investor support office.	Adopted	3.16.
III.1.2.	The following information shall be disclosed in English on the company's website: a) The company name, its public company status, registered office and all other information provided for in article 171 of the Portuguese Companies Code; b) Articles of Association; c) Identification of the members of the governing bodies and the market relations officer; d) Investor support office, its functions and contact means; e) Financial reporting documents; f) Half-yearly calendar on company events; g) Proposals presented for discussion and voting at the general meeting; h) Notices convening general meetings.	Adopted	3.16.
III.1.3.	Companies must encourage the rotation of the auditor after two or three mandates, depending on whether these are four or three years, respectively. Maintaining the auditor beyond this number of mandates must be founded on a specific opinion of the supervisory body, expressly considering auditor independence conditions and the advantage and costs of its replacement.	Not adopted	0.3.
III.1.4.	The external auditor must, within the scope of its duties, verify the application of the remuneration systems and policies, the effectiveness and operation of the internal control mechanisms and report any problems to the company supervisory body.	Not adopted	0.3., 3.17.

III.1.5.	The company shall not hire from the external auditor, nor from any entities with which it is in an ownership relationship nor that are part of the same network, for services other than auditing services. If there are reasons for contracting such services – which must be approved by the supervisory body and explained in its annual report on corporate governance – they must not account for more than 30% of the total value of services provided to the company.	Not adopted	0.3., 3.17.
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IV. Conflicts of Interest

IV.1. Shareholder Relationship

IV.1.1.	Any company business with shareholders with qualifying holdings or with entities related to such in any form, must be carried out under normal market conditions, pursuant to article 20 of the Portuguese Securities Code.	Adopted	3.13.
IV.1.2.	Company business of significant relevance with shareholders with qualifying shareholdings or with entities related to such, must be submitted to the supervisory body for a prior opinion, pursuant to article 20 of the Portuguese Securities Code. This body shall establish the procedures and criteria necessary for the definition of the relevant level of significance of such business and the other conditions of its intervention.	Not applicable	0.3., 3.13.

0.3. Explanation and justification of any divergences between the company's corporate governance practices or structure and CMVM recommendations.

On 31 December 2010, CORTICEIRA AMORIM fully complied with current legislation and statutory provisions in force. In regard to the CMVM Corporate Governance Code referred to in Section 0.1. above, CORTICEIRA AMORIM has not fully implemented all of the recommended practices, as indicated in the previous chart.

CORTICEIRA AMORIM recognises the CMVM Code as a benchmark for good practices and an important contribution and incentive for reflection on and the adoption of a corporate organisational model that safeguards the rights of shareholders, the transparency of the Organisation's governance and which fosters greater business efficiency and competitiveness.

However, as the CMVM Recommendations also envisage, the reflection on the specific circumstances that envelop and shape the company, the balancing of the cost/benefits that could be expected from adoption of some of the recommendations provided for in the Corporate Governance Code and not complied with – in terms of the balanced and transparent use of executive power and the Group's competitiveness – have led to the compliance with some of the recommendations and, in certain circumstances, non-compliance with others, as follows detailed:

Recommendation I.4. – Constitutive and decision-making quorum.

CORTICEIRA AMORIM's articles of association establish a constitutive/decision-making quorum that is greater than the quorum stipulated by law⁽¹⁾ in the following situations:

- limitation or suppression of the right of preference in share capital increases – shareholders representing at least 50 percent of the paid-up share capital must attend the general meeting of shareholders (article 7);
- removal from office of a member of the Board of Directors elected under the special rules set out in article 392 of the Portuguese Companies Code – in relation to which shareholders representing at least 20 percent of the share capital have not voted against the resolution to remove from office (article 17);
- so that a general meeting convened by shareholders may approve decisions – the need for the presence of shareholders

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Directors of CORTICEIRA AMORIM scrupulously complies with all of the regulations by which it is bound, especially those set forth in the Portuguese Companies Code, its articles of association and the regulations issued by the CMVM. The company considers this to constitute a real set of operational rules that is both appropriate to and drives the Board's efficient running and safeguards the commitment of this governing body to efficiently pursue the interests of the company and all its shareholders.

Moreover, although it has no formal internal regulations, CORTICEIRA AMORIM considers that the principles of good business practice are part of the business values upheld by the members of this governing body and by all the staff members that support and/or advise it.

Since these internal regulations have not been formalised, they are not available on the company's website. However, all of the referred operating rules complied with by the Board of Directors, as stipulated either by legislation (Portuguese Companies Code) or by the articles of association, are available at the CMVM website (www.cmvm.pt) or the company's website (www.corticeiraamorim.com) respectively.

Recommendation II.1.2.2. – The management body shall include independent non-executive members.

The Board of Directors is made up of seven members – four of them non-executive and three executive, thus complying with the requirement for an adequate number of non-executive directors.

Although the Board of Directors does not include any independent non-executive members as recommended by the Corporate Governance Code, the company believes that the existence of a double system of supervision – a supervisory board and a statutory auditor – whose members are all independent, ensures that the interests envisaged in this recommendation are fully and appropriately protected. In addition, given the observance of this independence along with the liability system applying to the members of the Supervisory Board, the company considers there are sufficient conditions to ensure effective supervision to a high degree of impartiality, rigour and independence.

Recommendation II.1.5.1.ii) – Rationality of the variable remuneration component in relation to the fixed component and maximum limits for all components.

It is of note that the practice is clearly rational in terms of absolute values and the ratio of the variable remuneration component and the fixed component. There is only a limit, imposed by the company's articles of association on the part that is set aside for profit sharing, which may not exceed 3% for the entire Board of Directors.

Recommendation II.1.5.1.iii) – Deferred payment of variable remuneration for a period of no less than three years, depending on the continuity of the company's positive performance.

The deferral under the conditions specified in this Recommendation is not standard practice. It should be noted, though, that the award of the variable remuneration component to the executive members of the Board of Directors and to the company Directors and Officers, which corresponds to a performance bonus, results from the verification of the degree of compliance with strategic targets, aims and initiatives and priority actions defined in a three-year plan, with respective annual adjustments, which safeguards the interests protected by this recommendation but which is not, however, for a period of more than three years.

- representing the minimum amount of share capital required by law to legitimise such a meeting (article 22);
- changing the composition of the Board of Directors – need for approval by shareholders representing at least two-thirds of the share capital (article 24);
- winding-up of the company – need for approval by shareholders representing at least 85 percent of the paid-up share capital (article 33).

Given the above, non-compliance with the CMVM Recommendation and the imposition of a constitutive/decision-making quorum larger than that required by the Portuguese Companies Code gives shareholders, particularly those with smaller shareholdings, an important role in a number of decisions that can have significant impact on the life of the company (winding-up), its corporate governance model (dismissal of a Director proposed by minority shareholders and the change to the composition of the Board of Directors), the asset rights of shareholders (limitation or suppression of preferential rights in share capital increases) and an appropriate participation in general meetings convened by shareholders.

It is considered, on analysis of the above, that maintaining these requirements promotes and protects the rights and the role of shareholders in significant matters of company governance – values that the Corporate Governance Code seeks to protect.

Recommendation II.1.1.5.1. and Recommendation II.1.1.5.2. – The existence and disclosure of formal regulations for the operation of the management body.

Although there are no formal, written, internal regulations as envisaged by this recommendation, the Board of

¹ The Portuguese Companies Code establishes the following requirements for validating the decisions approved by a general meeting:
Quorum (article 383):

1. The general meeting can approve decisions, at a first convening, whatever the number of shareholders present or represented, except when otherwise stipulated in the following paragraph or in the contract.
2. For the general meeting to approve decisions, at a first convening, on amendment to the contract, merger, de-merger, transformation or winding-up of the company or other matters for which the law requires an unspecified qualified majority, shareholders holding shares representing one third of the share capital must be present or represented.
3. At second convening, the general meeting can approve decisions whatever the number of shareholders present or represented or the amount of share capital they represent.

Majority (article 386):

1. The general meeting approves decisions by a majority of votes, whatever the percentage of share capital represented, except when otherwise stipulated by law or by contract; abstentions are not counted.
2. When there are competing proposals in decisions on the appointment of members of governing bodies, statutory auditors or statutory auditor companies, the proposal receiving the largest number of votes shall win.
3. Decisions on any of the matters referred to in article 383(2) must be approved by a majority of two-thirds of the votes cast, whether the meeting is at its first or second convening.
4. If shareholders holding at least half the share capital are present or represented at the second convening of a general meeting, decisions on any of the matters referred to in article 383(2) can be approved by a majority of the votes cast.

Recommendation II.1.5.1.vii) – Suitable legal instruments such that compensation for the wrongful dismissal of a director is not paid if such dismissal is due to the inadequate performance of the director.

There are no legal instruments in the terms prescribed by this recommendation. In fact, as this recommendation was published subsequent to the election of the members of the Board of Directors in office on 31 December 2010 and since the company had not reflected on the possibility and pertinence of such instruments, it was not possible to implement it.

Recommendation II.1.5.2. – The declaration on the remuneration policy for the management and supervisory bodies provided for in article 2 of Law no. 28/2009 of 19 June, shall also give information on comparisons for determining the remuneration and on payments relative to dismissal or resignation from management duties by agreement.

Although the declaration on the remuneration of the members of the Board of Directors and the Supervisory Board is issued and submitted to the general meeting of shareholders for approval, containing all the mandatory items pursuant to the aforementioned law, that declaration does not cover payments relative to dismissal or resignation by agreement from duties for the same reasons as presented in the previous section.

Recommendation II.1.5.3. – The declaration on the remuneration policy referred to in article 2 of Law no. 28/2009 shall include the remuneration to directors and officers whose remuneration contains a significant variable component. The policy must take into account the long-term performance of the company, compliance with the regulations applicable to the company business and restraint in risk taking.

Although the declaration on the remuneration of directors and officers is issued and submitted to the general meeting of shareholders for approval, containing all of the mandatory elements pursuant to the aforementioned law, such declaration does not specifically cover compliance with the regulations applicable to the company business – because it is believed to be redundant given that strict and diligent compliance with the law is a premise for any and all professional services – nor does it refer to restraint in risk taking, given that this is achieved as a result of the efficient internal control system implemented by the company.

Recommendation II.4.4. – The supervisory board shall represent the company in dealings with the external auditor.

The Supervisory Board is responsible for proposing the Statutory Auditor. The Board of Directors agree on the respective remuneration and it is the responsibility of the General Administrative and Financial Department to ensure adequate conditions for provision of the services. It is believed that this segmentation permits a reasonable guarantee of the interests that this Recommendation protects.

In addition, the Supervisory Board gives its opinion on the work carried out by the Statutory Auditor, at the end of each financial year. The company publishes this opinion with the other financial reporting documents.

Recommendation II.4.6. – Internal audit and compliance services shall report to an independent director or to the Supervisory Board.

Internal audit services report to the Board of Directors. Although not the solution proposed by this recommendation, the company believes it is an effective way of guaranteeing the implementation of the rules applicable to it in time, extension and quality, whether these are laws, recommendations from regulatory authorities, mandatory rules arising from certification processes or procedures implemented by the company.

Recommendation II.5.1.iii) – Establishment of a committee to identify potential candidates with the profile necessary for the performance of director's duties.

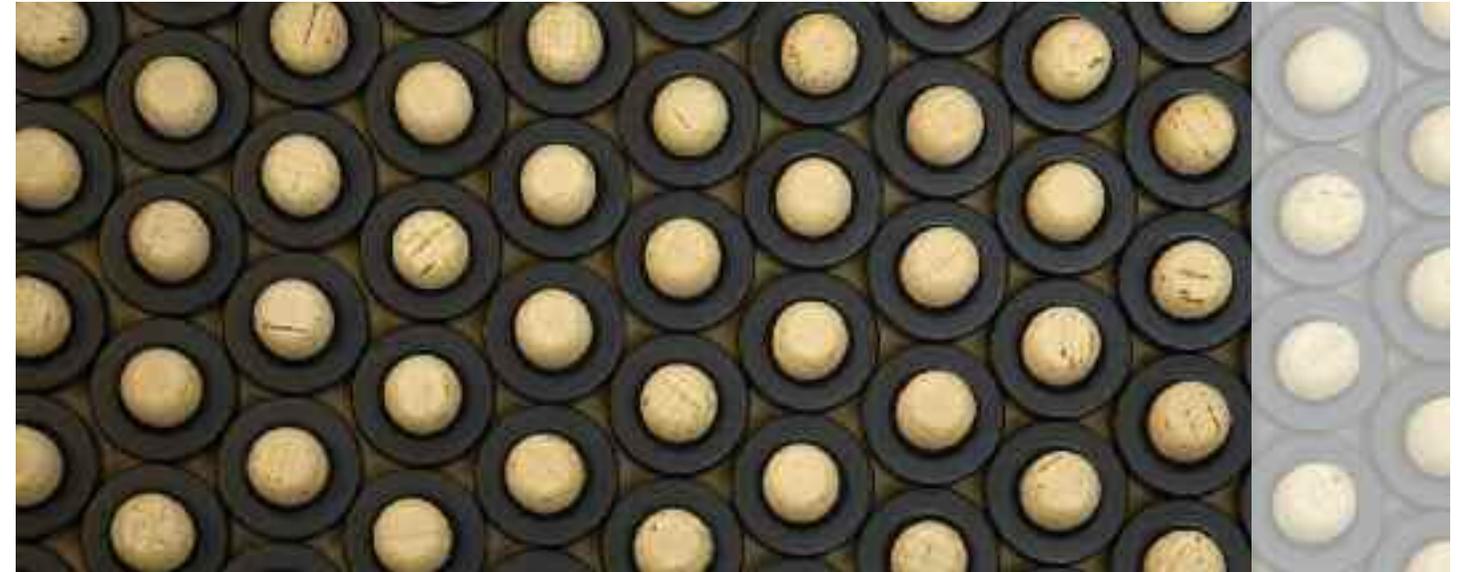
There is no committee pursuant to this Recommendation given that the election of the members of this body is made, by proposal of the shareholders, at the general meeting, as detailed in section 2.11. of this report.

Recommendation II.5.2. – The members of the Remuneration Committee must be independent and include at least one member who is knowledgeable and experienced in remuneration policy matters.

As mentioned in sections 2.38. and 2.39. below, the members of CORTICEIRA AMORIM's Remuneration Committee should not be formally considered independent from the Board of Directors. However, it is generally believed – in particular by the general meeting of shareholders which elected them to their respective positions – that they have adequate technical skills, and the experience, balance and ethics that allow them to fully defend the interests assigned to them.

Recommendation II.5.3. – No individual or company that provides, or has provided in the last three years, services to any structure under the direction of the board of directors, to the board of directors itself or that has a current relationship as a company consultant shall be hired to support the Remuneration Committee in the performance of its duties. This recommendation is also applicable to any individual or company that is related to those by an employment or provision of services contract.

The Remuneration Committee is only assisted by the employees of CORTICEIRA AMORIM. It is believed the duties referred to in the previous section are sufficient safeguard of the independence that this Recommendation proposes.



Recommendation III.1.3. – Rotation of the external auditor after three mandates.

There is no policy for rotation of the Statutory Auditor. The keeping of the auditor beyond the recommended three mandates takes into account the weighing up of the advantages and drawbacks, in particular the knowledge and experience acquired in the sector in which the company operates. PricewaterhouseCoopers & Associados, SROC, Lda. complies with the requirements of independence, which is reinforced by the fact that it proposes the rotation of the partner who assists the company every seven years, in line with best international practices.

In addition, CORTICEIRA AMORIM has, apart from the Statutory Auditor, a Supervisory Board wholly consisting of independent members, whose activity cannot be validly exercised for more than three mandates.

Thus, it is believed that the interests the recommendation aims to protect are fully guaranteed.

Recommendation III.1.4. – The external auditor must, within the scope of its duties, check application of the remuneration systems and policies, the effectiveness and operation of the internal control mechanisms and report any shortcomings to the company supervisory body.

The mandate of the Statutory Auditor does not cover the checking of the remuneration systems and policies implemented by the company. Although the Board of Directors believes that the remuneration management

system currently implemented guarantees compliance with the remuneration policy approved by the general meeting of shareholders, it is willing to review the procedure and adopt practices that may allow the Statutory Auditor to give an opinion on this matter also.

All other tasks are the duty of this body, which effectively and diligently carries them out.

Recommendation III.1.5. – The company may not contract from the external auditor, or any entity of the same network, services other than auditing services. In the event of such contracting, it must be approved and explained by the supervisory body and should not represent over 30% of the total value of services.

The services which the company contracts from PricewaterhouseCoopers, which holds the position of the company's Statutory Auditor, do not require the prior approval of the Supervisory Board. Those services essentially include support for the implementation of administrative mechanisms to ensure compliance with the formalities established by law and subject to rules which guarantee potential issues on the independence of this body, as illustrated more completely in section 3.17.

Recommendation IV.1.2. – Relevant business with owners of a qualifying shareholding or with related entities must be submitted to the supervisory body for a prior opinion.

Although the duty of submission for the opinion of the Supervisory Board of relevant business with shareholders or those with qualifying shareholdings is not provided for, experience over the years has shown that there has been no business of significant value between related parties and, in such an event, it is carried out under market conditions and the value is published in the Annual Report.

0.4. The governing body or the committee in question shall, at all times, assess the independence of each of its members and shall inform the shareholders, through a statement included in the corporate governance report, of its assessment both at the time of the appointment and when any circumstance determining the loss of independence occurs.

The compliance of all members of the Board of the General Meeting and the Supervisory Board with the regulations on independence and incompatibility set out in articles 414 and 414-A

of the Portuguese Companies Code is subject to verification by law. Each member of these bodies issues a statement at the time of their first appointment, in which they expressly:

1. state their awareness of legislation applying to their eligibility and to the exercise of the duties entailed in their appointment, specifically the requirements relating to independence and incompatibility;
2. state that they have no knowledge of any facts or conditions that could bring into question their compliance with the legal requirements for exercising the respective office;
3. make a commitment to inform CORTICEIRA AMORIM in a timely manner of the emergence of any fact that could negatively affect their compliance with such requirements.

CORTICEIRA AMORIM has not received any communication under the terms of section 3 above, prior to the date of the signing of this report, enabling it to conclude that the members of the Board of the General Meeting and the Supervisory Board are in full compliance with the regulations on independence and incompatibility by which they are governed.

In terms of the concept of independence set forth by the CMVM in the preamble to Regulation 1/2007 (“the reference for the independence of non-executive directors not directly covered by the provisions of the Portuguese Companies Code is now made in article 414-A and in article 414(5) of the Portuguese Companies Code”) none of the members of the Board of Directors of CORTICEIRA AMORIM is considered independent. However, it should be noted that verification of independence in the terms proposed by the Regulation constitutes a benchmark for assessing compliance with the good practices recommended by the CMVM Corporate Governance Code and not a legal or statutory requirement for the legitimate appointment and performance of the activities of members of this Board.

CHAPTER I – GENERAL MEETING

1.1. Identification of the members of the board of the general meeting.

The Board of the General Meeting consists of a Chairman and a Secretary. At 31 December 2010, these positions were occupied by Mr. Joaquim Taveira da Fonseca and Mr. Tiago Borges de Pinho, respectively.

The company makes adequate technical and administrative support available to ensure that the Board of the General Meeting can competently carry out its functions.

1.2. Indication of the commencement and end date of the mandates.

Chairman: Mr. Joaquim Taveira da Fonseca

First appointment:	30 March 2007
Renewal of mandate:	28 March 2008
End of current mandate:	31 December 2010, remaining in office until the next election in accordance with law.

Secretary: Mr. Tiago Borges de Pinho

First appointment:	30 March 2007
Renewal of mandate:	28 March 2008
End of current mandate:	31 December 2010, remaining in office until the next election in accordance with law.

1.3. Disclosure of the remuneration of the members of the board of the general meeting.

The Chairman of the Board of the General Meeting earned five thousand euros during the 2010 financial year and the total remuneration paid to all members of this body amounted to six thousand five hundred euros.

1.4. Indication of the advance period required for the deposit of shares or share-blocking for participation in the general meeting.

For shareholders to participate in a general meeting, their shares must be blocked for a minimum of five working days prior to the meeting date. The same rule applies when a general meeting is resumed at a later date in the event the initial session has been suspended.

1.5. Indication of the rules applying to share-blocking should the general meeting be suspended.

As in the case of initial general meetings, shareholders wishing to attend a general meeting resumed at a later date must ensure their shares have been blocked for a minimum of five working days prior to the meeting date.

1.6. Number of shares that correspond to one vote.

One share corresponds to one vote.

1.7. Indication of the statutory rules which provide for the existence of shares which do not give voting rights or which establish that voting rights are not counted beyond a specific number when issued by one shareholder only or by shareholders related to the same.

There are no statutory regulations regarding this point.

1.8. The existence of statutory rules on the exercise of voting rights, including constitutive or decision-making quorums or special equity rights systems.

In addition to the regulations referred to in sections 1.4. to 1.6. and 1.9. to 1.12. of this report, the articles of association have specific requirements in regard to constitutive/ decision-making quorums for the following situations:

- limitation or suppression of the right of preference in share capital increases – the articles of association require shareholders representing at least 50 percent of paid-up share capital to attend the General Meeting of Shareholders;

- removal from office of an elected member of the Board of Directors pursuant to the special rules set out in article 392 of the Portuguese Companies Code, when shareholders representing at least 20 percent of the share capital have not voted against the removal;
- exercising the right to vote – the need to hold at least one share at least five working days before the date scheduled for the general meeting;
- for a general meeting convened by shareholders to be able to approve decisions – shareholders representing at least the value of share capital required by law to legitimise the call to convene the meeting must attend;
- changing the composition of the Board of Directors – the need for approval by shareholders representing at least two-thirds of the share capital;
- winding-up the company – the need for approval by shareholders representing at least 85 percent of the paid-up share capital.

There is no limitation to the number of votes that each shareholder (either individually or jointly with other shareholders) is entitled to hold or exercise in a general meeting.

1.9. Existence of statutory rules on the exercise of voting rights via postal voting.

The articles of association allow shareholders to vote by post, provided the votes are received by the company a minimum of three working days prior to the general meeting.

1.10. Provision of a template for exercising the right to vote via postal means.

Forms for postal voting are available from CORTICEIRA AMORIM’s head office (Rua de Meladas, no. 380 – 4536-902 Mozelos) and from the company’s website (www.corticeiraamorim.com). At the request of shareholders, the company can also provide ballot papers by e-mail.

1.11. A deadline for the receipt of the postal ballots to be valid for the general meeting.

Postal votes must be received at least three working days before the date of the General Meeting. Postal votes will be regarded as negative votes in relation to proposals put forward on a date subsequent to the issue of the

postal votes. The postal votes of shareholders who subsequently attend a general meeting in person will be void.

1.12. Exercise of voting rights via electronic means.

CORTICEIRA AMORIM’s articles of association allow electronic voting, provided adequate technical facilities are in place to verify the validity of electronic votes and to guarantee the integrity and confidentiality of the contents.

Electronic voting is conditional on the Chairman of the Board of the General Meeting ensuring before the meeting is held that adequate technical facilities exist to ensure the security and reliability of votes cast in this way. Electronic votes must be received at least three working days before the date of the general meeting.

If the Chairman of the Board of the General Meeting decides that adequate technical facilities exist for electronic voting, shareholders will be informed of this fact in the notice convening the meeting. Electronic votes will be regarded as opposing any proposal put forward at a date later than the date of issue of such votes. The electronic votes of shareholders who subsequently attend a general meeting in person will be void.

1.13. Possibility of shareholders viewing the extracts of the minutes of the general meetings on the company’s website within five days of the holding of said meeting.

After each general meeting has been held, the minutes are made available at www.corticeiraamorim.com within a time period that does not exceed five days, thus making the minutes accessible to all shareholders, investors and the general public.

1.14. Existence of an archive on the company’s website with the decisions made at the company’s general meeting, the share capital represented and the results of votes taken, relating to the three preceding years.

An archive is kept on the company’s website of relevant information regarding general meetings of shareholders, covering the period from 2005 (inclusive) to the date of drawing up this report. This information includes: the convening notice, submitted proposals, attendance statistics, the results of votes taken and the minutes.

1.15. Indication of the representative(s) of the Remuneration Committee attending the general meetings.

The last company general meeting, held on 29 March 2010 was attended by Mr. Álvaro José da Silva, member of the Remuneration Committee.

1.16. Information on the intervention by the general meeting on matters concerning the remuneration policy of the company and the performance assessment of the members of the management body.

The general meeting of shareholders appoints a Remuneration Committee, taking into consideration the ability and capacity of its respective members to perform the duties assigned to them in an independent manner for the entire length of the respective mandate, i.e. to define remuneration policies for the governing bodies that foster, over the medium and long-term, the alignment of their respective interests with those of the company.

The adoption of the balanced scorecard method, which assesses performance on the basis of financial and non-financial indicators, enables the Remuneration Committee to determine annual

performance in relation to established targets. It is also the basis of preparation of the statements of the Remuneration Committee and the Board of Directors on the remuneration policy of the management and supervisory bodies and other directors and officers, submitted annually to the general meeting of shareholders for approval.

1.17. Information on the intervention of the general meeting with regard to the proposal on plans for award of shares and/or share purchase options, or on the basis of price variations in shares, to members of the management or supervisory boards and other directors and officers, within the meaning of article 248-B(3) of the Portuguese Securities Code, as well as on the elements provided to the general meeting in order to correctly evaluate these plans.

Although there were no plans such as those in this note on 31 December 2010, it is company policy that if such implementation were to be proposed, the general meeting would decide on the features of the plans adopted and in force during the financial year in question.

1.18. Information on the intervention of the general meeting in approving the main characteristics of the retirement benefit plans for members of the management and supervisory bodies and other directors and officers within the meaning of article 248-B(3) of the Portuguese Securities Code.

Although there were no retirement benefit systems such as those in this note, at the date of this report, it is company policy that if such plans were to be proposed, the general meeting would deliberate on the features of the systems adopted and in force during the financial year in question.

1.19. Existence of a statutory rule envisaging the duty to submit to the general meeting to approve continuation or cancellation, at least every five years, of a statutory rule providing for the limitation of the number of votes that may be held or used by a single shareholder or in conjunction with other shareholders.

Not applicable, bearing in mind that, as referred to previously, there are no statutory rules which establish shares that do not have voting rights or which stipulate that voting rights are not counted above a certain number when issued by one single shareholder or by shareholders acting together.

1.20. Indication of the defensive measures that are intended to automatically cause serious asset erosion in the event of changes of control or changes to the composition of the management body.

The articles of association of the company do not include measures of this nature and, to the best of CORTICEIRA AMORIM's knowledge, there are no other provisions and/or measures intended to automatically cause serious erosion of the company's assets in the event of a transfer of control or changes to the composition of the Board of Directors.

1.21. Main Significant agreements that the company is party to and which come into force, are amended or terminate in the event of the change in control, as well as related effects, unless the disclosure of same may be, due to their nature, highly damaging to

the company, save when the company is specifically obliged to disclose such information by force of legal imperatives.

There are no such agreements under the terms described in this paragraph.

1.22. Agreements between the company and members of the management body and directors and officers, within the meaning of article 248-B(3) of the Portuguese Securities Code, which establish compensation in the event of resignation, wrongful dismissal or removal from office following a change in company control.

The company has no agreements with the members of the Board of Directors or other directors and officers to pay compensation, except where compensation payments are required by law.

CHAPTER II – MANAGEMENT AND SUPERVISORY BODIES

The company adopts a governance model commonly known as the “reinforced Latin model”, which advocates the separation of the roles of the management and supervisory bodies, as well as a double supervisory mechanism, consisting of a supervisory board and a statutory auditor.

Cork combines centuries of tradition with the modern techniques of a state of the art industry, leading sustainability practices.

The Board of Directors considers that the adoption of this model creates a more effective supervisory body with strengthened powers, composed entirely of members subject to broader regulations in relation to incompatibility and independence. It also considers that attributing this function to an autonomous body – the Supervisory Board – helps create an efficient corporate governance model that establishes a clear division between the different bodies, ending the granting of supervisory powers to members of the Board of Directors, which is by law a collegial body.

As a consequence, the Board of Directors is confident that the corporate governance model adopted is suitable for the specific circumstances of CORTICEIRA AMORIM in that it:

- embodies a structure of corporate rules and good practices that respectively promote greater transparency and high levels of professionalism and capabilities;
- guarantees an alignment of the interests of the whole organisation, specifically among shareholders, members of the governing bodies, directors and officers and other employees;
- encourages the participation of shareholders in the life of the company;
- fosters the efficiency and competitiveness of CORTICEIRA AMORIM.

CORTICEIRA AMORIM promotes a process of internal reflection on the corporate governance structures and practices adopted, comparing the degree of efficiency with the potential advantages to be gained by implementing other practices and/or measures envisaged in the CMVM Corporate Governance Code or by other entities.

The Executive Committee has analysed this matter together with issues related to the organisational development of CORTICEIRA AMORIM. The process of deliberating on the corporate governance structure itself takes place both in the Executive Committee – with the presence of the market relations officer – and the Board of Directors.

SECTION I – GENERAL ITEMS

2.1. Identification and composition of the governing bodies.

On 31 December 2010, the governing bodies were composed as follows:

Board of Directors:

Executive Members:

Chairman:	António Rios de Amorim
Member:	Nuno Filipe Vilela Barroca de Oliveira
Member:	Fernando José de Araújo dos Santos Almeida

Non-Executive Members:

Vice-Chairman:	Joaquim Ferreira de Amorim
Member:	Luísa Alexandra Ramos Amorim
Member:	José da Silva Carvalho Neto
Member:	André de Castro Amorim

Supervisory Board:

Chairman:	Durval Ferreira Marques
Member:	Joaquim Alberto Hierro Lopes
Member:	Gustavo José de Noronha da Costa Fernandes
Substitute Member:	Alberto Manuel Duarte de Oliveira Pinto

Statutory Auditor:

Permanent:	PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., represented by José Pereira Alves (ROC) or António Joaquim Brochado Correia (ROC)
Substitute:	Hermínio António Paulos Afonso (ROC)

2.2. Identification and composition of other committees created with responsibilities for the management or supervision of the company.

As envisaged in CORTICEIRA AMORIM's articles of association, the following bodies are currently in operation:

Adviser to the Board of Directors

Board of Directors' meetings are attended by an adviser in addition to board members. The position of adviser to the Board of Directors was created in 2001 and, since that date, has been filled by Mr. Américo Ferreira de Amorim.

Executive Committee

The Executive Committee is composed of three members, a chairman and two board members. On 31 December 2010, the committee was composed of the following members:

Chairman:	António Rios de Amorim
Member:	Nuno Filipe Vilela Barroca de Oliveira
Member:	Fernando José de Araújo dos Santos Almeida

2.3. Organisational charts or duty charts concerning the distribution of responsibilities among the various governing bodies, committees and/or departments of the company, including information on the scope of delegation of responsibilities or distribution of duties among the members of the management or supervisory bodies, as well as a list of non-delegable matters and the responsibilities actually delegated.

The Board of Directors is composed of four non-executive members and three executive members (Fig. 19).

CORTICEIRA AMORIM's Board of Directors has effective control over the activities of the company, being the body responsible for making strategic decisions. It is also the body that monitors the most important and relevant aspects of the company's activities, including significant matters decided on or analysed by the Executive Committee, ensuring that members of the Board of Directors remain aware of measures adopted as a result of Board decisions and can monitor their implementation and the results produced.

As stipulated in the Portuguese Companies Code, the role of the Board of Directors is to manage the activities of the company and decide on any matter relating to its administration, abiding by the resolutions made by the General Meeting or the rulings of the Supervisory Board in cases where this is required by law or by the articles of association.

The powers of the Board of Directors include: choosing its chairman; co-opting directors; requesting the convening of general meetings; preparing annual reports and financial statements; the

purchase, sale or encumbrance of immovable assets; providing personal or real guarantees and sureties by the company; opening or closing facilities or important sections thereof; significantly expanding or reducing important company activities; important changes to company organisation; establishing or terminating lasting and important cooperation projects with other companies; moving the company's registered office and share capital increases; the merger, de-merger or transformation of the legal nature of the company; and deciding on any other matter by request of any director.

The articles of association give the Board of Directors the following powers: running, managing administrating and representing the company; transferring the company registered office to any other location permitted by law; creating, in any part of Portugal or overseas, delegations, agencies, branches, subsidiaries, branch offices, offices or other local forms of representation; acquiring, selling and encumbering in any form shares and bonds of the company and any rights pertaining thereto, as well as carry out any

operations in regard to those securities that is deemed appropriate; acquiring, selling, exchanging and leasing property, by means of any agreement or contract, and to encumber property even through the establishment of collateral; exercising and promoting the rights held by the company in the equity of other companies; acquiring, selling, exchanging, leasing and encumbering movable property in any manner; negotiating finance with credit institutions; operating bank accounts, depositing and withdrawing funds, issuing, accepting, signing and endorsing cheques, letters, promissory notes, invoices and other negotiable instruments; admitting fault, desisting from or settling any legal action, as well as entering into arbitration; carrying out any other duties provided for in this contract and by law.

The Board of Directors may delegate its powers as follows:

1. to one or more directors or to an Executive Committee, setting limits on this delegation and/or indicating one or more directors to assume responsibility for certain management affairs – under this scope, the following are non-delegable:
 - choosing the chairman of the Board of Directors;
 - co-opting directors;
 - request for convening general meetings;
 - annual reports and financial statements;
 - purchase, sale and encumbrance of real estate;
 - providing personal and real guarantees by the company;
 - opening or closing facilities or important parts of the same;
 - significant extensions or reductions in company activity;
 - significant changes to the company's organisation;
 - establishing or terminating lasting and significant cooperation projects with other companies;
 - moving the company's registered office and share capital increases;
 - the merger, de-merger or transformation of the legal nature of the company.
2. for the execution of the decisions of the Board in any of its members or an Executive Committee; the day-to-day management of the company, the powers of certain administrative matters; the definition of the operating scheme for the Executive Committee – under this scope, the following powers cannot be delegated:

- choosing the chairman of the Board of Directors;
- co-opting directors;
- request for convening general meetings;
- annual reports and financial statements;
- providing personal and real guarantees by the company;
- moving the company's registered office and share capital increases;
- the merger, de-merger or transformation of the legal nature of the company.

The **Adviser to the Board of Directors**, as the title indicates, advises the Board of Directors on all matters addressed at board meetings, but does not have the right to vote on the decisions taken.

In the specific case of CORTICEIRA AMORIM, the unequalled experience, forward vision and entrepreneurial spirit of Mr. Américo Ferreira de Amorim make an important contribution to the development of the company. A wise and experienced counsellor, he also challenges and encourages the company to adopt new initiatives and approaches.

The **Executive Committee** is the result of the delegation of the powers of the Board of Directors in a manner designed to increase management flexibility and ensure closer and continuous monitoring of the company's different structures (management, operations and support) and its operating and business activities.

CORTICEIRA AMORIM's articles of association confer on the Executive Committee the power to implement the decisions of the Board of Directors, to assume the day-to-day management of the company and to deal with administrative matters.

The company has implemented a system for the Executive Committee to report to the Board of Directors, ensuring that the activities of both are aligned and that all members of the Board of Directors are informed in a timely fashion of the activities of the Executive Committee.

The **Chairman of the Executive Committee**, who is also the Chairman of the Board of Directors, provides, in good time, the notice and the minutes of the respective meetings to the Chairman of the Supervisory Board.

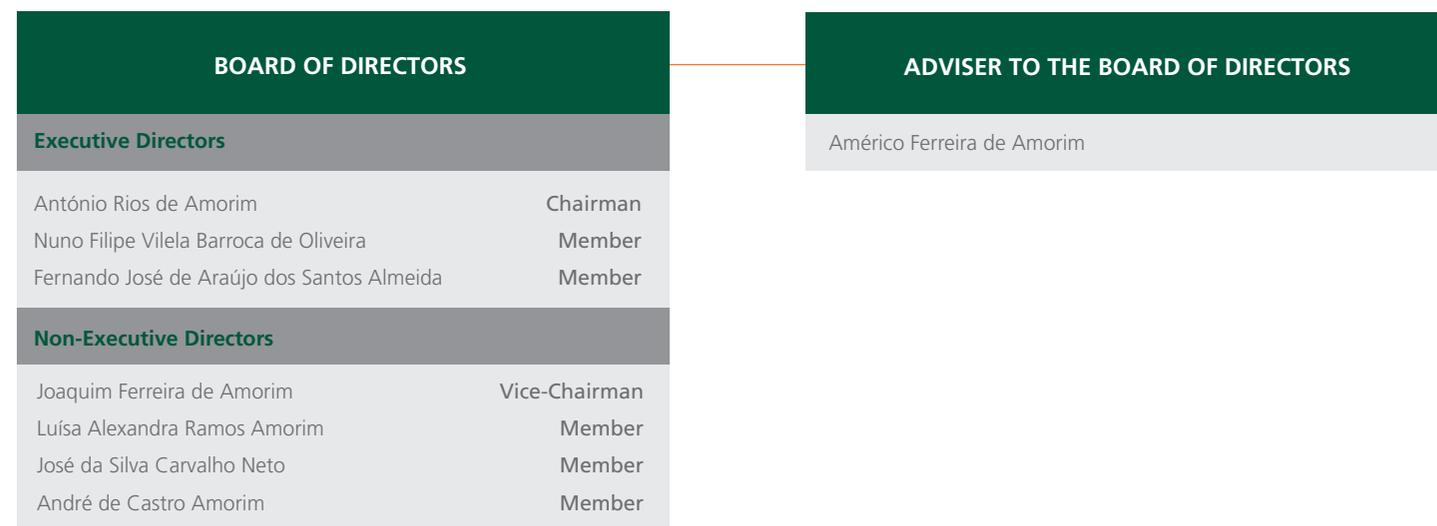
Management Structure of the Business

CORTICEIRA AMORIM's operational activities are structured into five Business Units (BUs).

Using a management model based on the concept of a strategic-operational holding company, the BUs are co-ordinated by the CORTICEIRA AMORIM Executive Committee, which has wide-ranging management powers, excepting those powers which, for legal or statutory reasons, are reserved for the Board of Directors.

The strategic alignment of the entire organisation is enhanced through the use of the balanced scorecard methodology by CORTICEIRA AMORIM and its BUs. In this regard, CORTICEIRA AMORIM's Board of Directors is responsible for approving the strategic initiatives and aims that (i) run through the entire organisation, (ii) are specific to CORTICEIRA AMORIM and to each BU.

Fig. 19 • Board of Directors



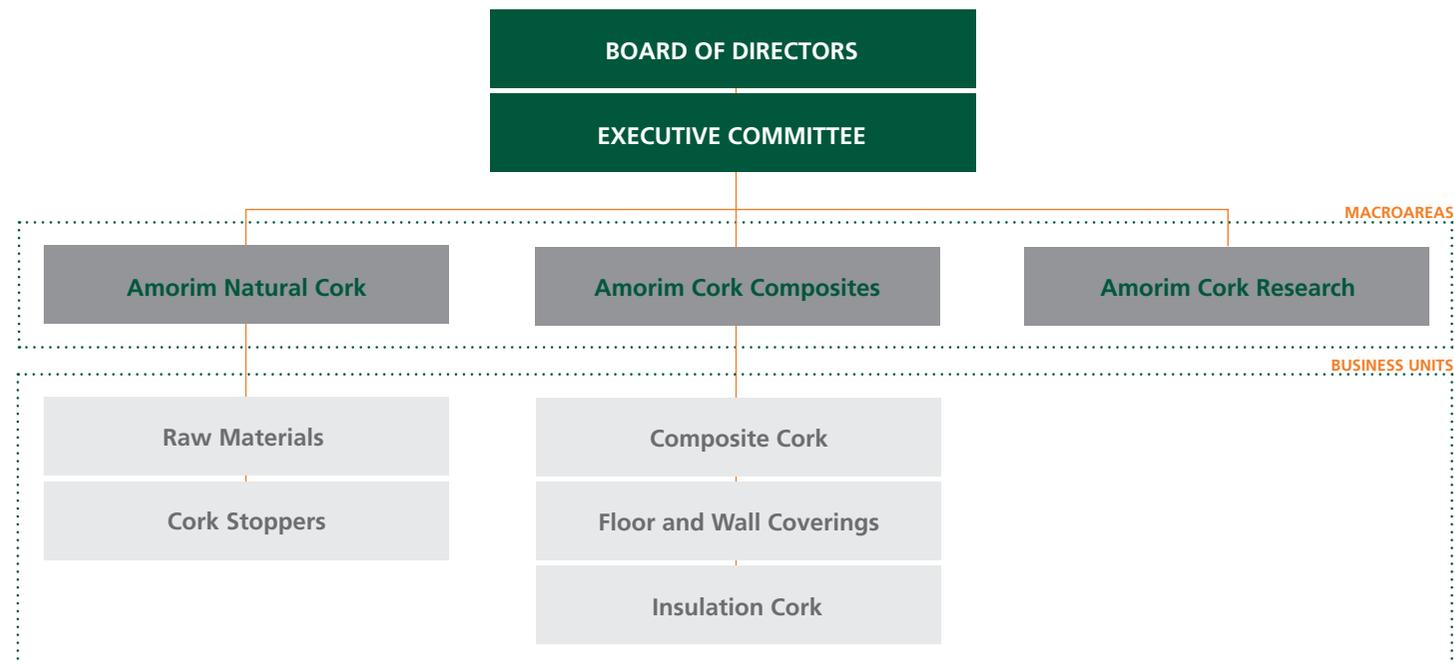
Each BU has a Board of Directors made up of non-executive and executive members, including a managing director. These bodies are responsible for the decisions on all matters deemed to be of importance. The following diagram shows how the company's management structure is currently organised (Fig. 20).

The **Support Departments** are responsible for monitoring and co-ordinating the activities of the BU and their respective operational areas, under the coordination of the members of the Executive Committee, as shown in Fig. 21.

At intervals considered to be the most suitable/appropriate, the managing director of the support department, the Executive Committee or the Board of Directors can request – and they effectively do – an analysis of the activities of the support departments so that the Board of Directors can consider the need/opportunity for attributing new functions or developing new strategies.

The directors responsible for each BU and each support department are also moved to other BUs and support departments on a regular basis to ensure the continued high performance of each of these units, constantly challenging the units to work more cohesively together, to become more proactive and promote innovation.

Fig. 20 • Business Management Structure



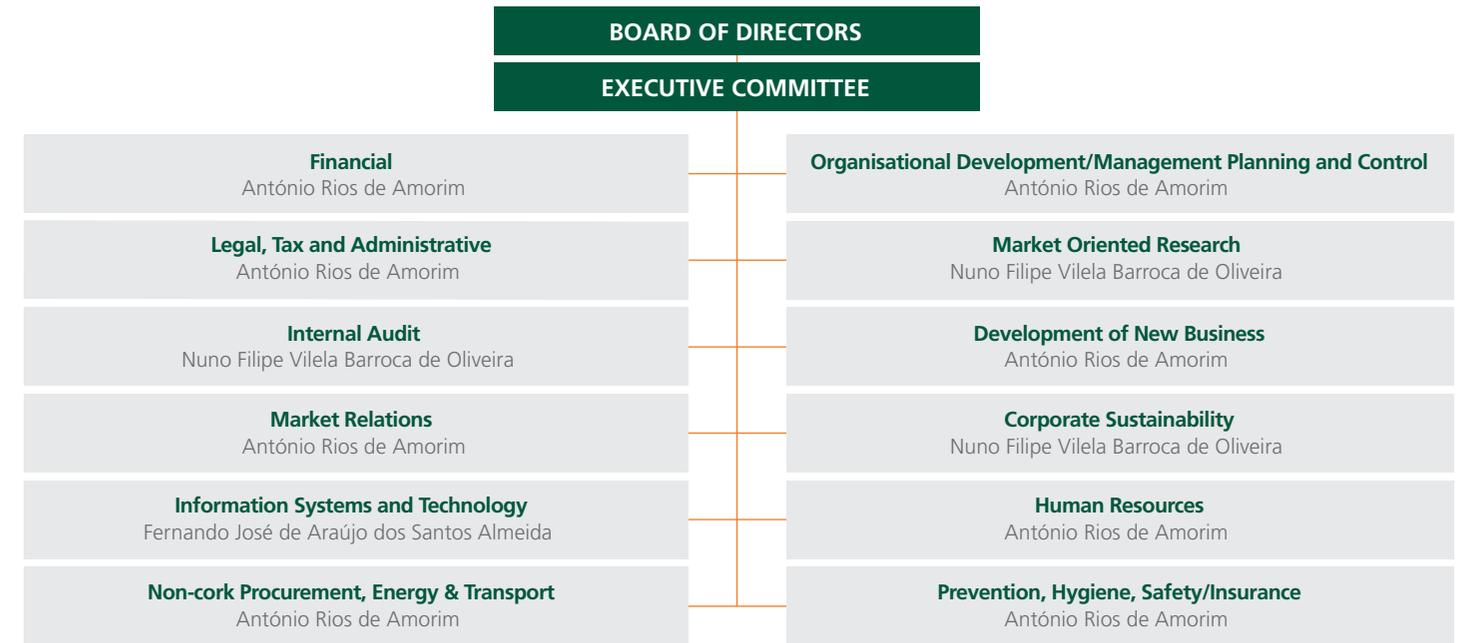
Given the importance and critical nature of the financial operations of CORTICEIRA AMORIM, which has subsidiaries all over the world, sells its products in more than one hundred countries (some in the currency of the customer country) and has a considerable level of debt, the company monitors these operations at several levels, coordinating them by means of an information and reporting system as well as through meetings for deliberating on, debating and drawing conclusions.

During this year, Mr. António Rios de Amorim was responsible for overseeing the financial area, which he has been in charge of since 2008.

The **Financial Area** is structured as follows:

- the General Financial Direction (DGF) coordinates financial operations at a central level. It is responsible for developing policies and measures (for approval by the Executive Committee) and implementing them, for global dealings with financial counterparts, for monitoring evolution and making

Fig. 21 • Support Departments



regular reports (to the director responsible for the financial area and to the Executive Committee and the Board of Directors);

- financial managers who, at the level of the group's individual companies, manage the financial component of their activities in accordance with predetermined policies and measures, coordinating their activities with the DGF.

The coordination of the entire organisational structure is ensured by means of:

- daily information and fortnightly discussion on financial markets and economic developments that could have an impact on group companies;
- regular information (monthly) on the terms and benchmarks of the group's global financial operations;
- quarterly meetings of financial managers – for the analysis of specific situations and deliberation on measures to be implemented;
- reports sent to the Board of Directors, which deliberates on the most important aspects of financial operations (indebtedness, capital invested, liabilities).

These measures ensure that financial know-how is consolidated and used for the benefit of the company by means of a stable structure. They also ensure the regular rotation of supervision of financial operations, with the director responsible for this area taking on the role of challenging and helping group companies to adopt new approaches and practices.

2.4. Reference to the fact that the annual reports on the activity carried out by the General and Supervisory Board, the financial matters committee, the Audit Committee and the Supervisory Board include the description of the supervisory activity carried out, mentioning any constraints detected and to be published on the company's website, along with the financial reporting documents.

The company's Supervisory Board draws up an annual Report and Opinion which describes the work carried out and its conclusions; this Report and Opinion is available, along with the other financial reporting documents, for consultation by shareholders within the time period provided for by law. This Report and Opinion is included in and published along with the company's annual Report and Accounts, available for consultation at www.corticeiraamorim.com.

2.5. Description of the internal control and risk management systems within the company, in particular as regards the financial information disclosure system, the way this system works and its effectiveness.

The main aim of the Board of Directors and the Executive Committee is to establish an integrated overview of critical factors in terms of profitability and/or associated risks with a view to sustained value creation for the company and its shareholders.

Because of the specific characteristics of CORTICEIRA AMORIM, two critical factors have been identified at the operational level: market and business risks and raw material (cork) risk. Operational management is the responsibility of the BUs.

Market and business risks:

In the first instance, market and business risk is managed by the four BUs – Cork Stoppers, Floor and Wall Coverings, Composite Cork and Insulation Cork – which intervene in the markets that deal in CORTICEIRA AMORIM's end products.

In their strategic planning, these BUs, supported by the balanced scorecard methodology, have identified key factors for value creation, using a multi-faceted approach that encompasses the outlook for finance, market/customers, processes and infrastructures.

Using this approach, strategic objectives and intermediate goals are defined, together with the actions required to achieve them.

The balanced scorecard methodology strengthens the alignment between strategic goals and operational planning, enabling priority actions for reducing risk and sustaining value creation, implemented over shorter periods. Processes for systematically monitoring these actions are implemented by the BUs and are subject to periodic auditing and monthly evaluation by each BU's board of directors.

Raw material (cork) factor:

Because of the critical importance of this factor, which affects all of the company's BUs, the management of purchase, storage and preparation of the single variable common to all of CORTICEIRA AMORIM's operations, which is the raw material (cork), is concentrated into a single autonomous BU. This has enabled the company to:

- create a specialised team exclusively dedicated to raw materials;
- make the most of synergies and integrate the processing of all raw materials (cork) processed by other BUs;
- manage raw materials from a multinational perspective;
- strengthen its presence in cork-producing countries;
- keep a historical record of production that is updated in terms of each cork-producing forestry unit;
- strengthen relations with producers, promote forest certification, enhance the technical quality of products and develop research and development partnerships in the forestry area;
- prepare, discuss and enable the board of directors to decide on multi-annual procurement policies;
- ensure the right mix of raw materials to meet market demand for end products;
- ensure the supply stability of cork, a critical variable for CORTICEIRA AMORIM's operations, over the long term.

Legal Risk:

With regard to legal risks, the main risk to the business of CORTICEIRA AMORIM and its subsidiaries is related with potential alterations to legislation which could have an impact on operations – in particular, labour legislation and environmental regulations and similar – which could affect the pursuit of its business and the profitability of the business areas where the organisation operates.

The Legal and Supervisory Department, in cooperation with the Organisational Development/Planning and Management Control and Internal Audit area, seeks to anticipate such alterations, adapting company practices accordingly. The existence of numerous certificates, set out in detail in Chapter 5. of the Management Report (food safety, quality, environment, human resources, etc.), based on procedures designed, implemented and audited regularly and strictly by the entities in charge of issuing such certificates guarantees the minimisation of such risks. Whenever applicable and possible, the organisation takes out insurance policies to mitigate the consequences of uncertain but potentially unfavourable events.

Under the direction of the Board of Directors, with the support of the Executive Committee or an Executive Director, the company's support departments play an important role in managing critical risk factors, including risk prevention and detection. The financial, organisational development/planning and management control and internal audit support departments make the biggest contributions to this area.

Financial Area:

Because CORTICEIRA AMORIM is one of Portugal's most international companies, it pays special attention to managing exchange rate risk in addition to liquidity and interest rate risks.

Together with its responsibilities for preventing, auditing and managing the abovementioned risks, the main objective of the financial department is to support the definition and implementation of global financial strategies and to co-ordinate the financial management of the group's BUs.

The Organisational Development/Planning and Management Control and the Internal Audit Support Departments:

These two support departments work together to reduce the group's operating risks. Their two main tasks are to assess and review internal control systems with a view to optimising resources and safeguarding assets, and to monitor operations with the aim of providing the management bodies with a reasonable degree of certainty that business goals will be met.

In regard to the disclosure of financial information, the company promotes close cooperation between all those involved in the process to ensure that:

1. disclosure complies with all relevant legislation and the best practices in terms of transparency, relevance and reliability;
2. the information has been properly verified both internally and by the appropriate supervisory bodies;
3. the information has been approved by the appropriate governing body;
4. its public disclosure complies with all the relevant legal requirements and recommendations, specifically those of the CMVM, and is made in the following order: first, via the CMVM information system (www.cmvm.pt); second, via the company's website (www.corticeiraamorim.com); third, by means of a long list of Portuguese and foreign media contacts; and fourth, to CORTICEIRA AMORIM staff and to shareholders, investors, analysts and stakeholders, whose contacts are stored in a database.

The company also uses a written Manual of Internal Control Procedures, which has been approved by senior management and which all companies belonging to the CORTICEIRA AMORIM group are required to adopt. The Manual sets out regulations designed to ensure that the rules listed above are properly implemented in the preparing and disclosing of financial information to guarantee quality, transparency and balance.

2.6. Responsibility of the management body and the supervisory body in the creation and operation of internal control and risk management systems in the

company as well as the assessment of their operation and adjustment to the needs of the company.

The internal control and risk management system currently in use in the company is the result of a thorough and continuous process of perfecting and adapting the internal reflection of the company, involving both the Board of Directors, in particular its Executive Committee and the various support areas – in particular, the Organisational Development/Planning and Management Control and Internal Audit area –, and, when relevant, the support of specialised external consultants.

The evolution of the business and the growing complexity of the framework in which the business is carried out are cause for close monitoring of the systems implemented and incorporating the contributions and opinions both of the Supervisory Board and the Statutory Auditor, which brings about the adoption of more effective procedures whenever this is deemed to be advisable.

Under the terms of the Supervisory Board Regulations, it is also up to this body to monitor the effectiveness of the risk management system, the internal control system and the internal auditing system.

2.7. Indication on the existence of regulations on the functioning of the governing bodies or any internally defined rules on incompatibility and the maximum number of positions that a member is entitled to hold and the place where these rules may be consulted.

The functioning of the Board of Directors of CORTICEIRA AMORIM complies with all of the regulations to which it is subject, specifically those stipulated in the Portuguese Companies Code, the articles of association and the regulations issued by the CMVM. The company considers this to constitute legitimate internal regulation that is both appropriate and advantageous to the Board's proper functioning and to ensuring its collective commitment to working efficiently in the interests of the company and all of its shareholders.

Although it has no formal internal regulations, CORTICEIRA AMORIM also considers that the principles of good business practice are part of the business values upheld both by the members of this governing body and by all the staff members that support and/or advise it.

The company's Supervisory Board has a set of regulations, which stipulate those persons who are disqualified from being elected or appointed members of the Supervisory Board:

- beneficiaries of special advantages in the supervised company (*);
- persons occupying management positions in the supervised company (*);
- members of governing bodies of companies in a control or group relationship with the supervised company (*);
- partners in companies in a control relationship with the supervised company (*);
- persons who directly or indirectly provide services or have a significant commercial relationship with the supervised company or a company with which the supervised company is in a control or group relationship (**);
- persons on the staff of competing companies and who act in representation of or on behalf of that company or who are connected by any other means to interests of a competing company (*);
- persons who occupy management or supervision positions in five or more companies, with the exception of law firms, auditing companies and statutory auditors;

- statutory auditors that, under the terms of the respective legislation, are incompatible in other ways;
- persons who are barred, even if only temporarily, from holding public office because they are prohibited, debarred, insolvent, bankrupt, or subject to legal punishment.

(*) including spouses, direct family members, and relations to the third degree;

(**) including spouses.

The company's Supervisory Board Regulations are available at www.corticeiraamorim.com.

SECTION II – BOARD OF DIRECTORS

2.8. If the chairman of the management body carries out executive duties, indication of the mechanisms for coordinating the work of the non-executive members who assure the independent and informed nature of decisions made.

Non-executive members of the Board of Directors regularly take part in the meetings of the Board of Directors which, every month, decide on and analyse the evolution of all non-delegable matters and of all matters whose relevance, materiality and/or criticality make their inclusion on the Board's Agenda pertinent.

The administrative organisation of meetings guarantees all members of the Board – executive and non-executive – adequate prior preparation, encouraging the active participation of all members in the debate, analysis and highlighting of actions in favour of the productivity of the meetings and the efficiency of the organisation. The schedule for ordinary meetings of the Board of Directors is agreed at the beginning of each financial year so that all members may be present. Any Director, including non-executive directors, may request the inclusion of points/matters to be analysed by the Board, up to two working days before each meeting is held.

The company has implemented a system for the Executive Committee to report to the Board of Directors that ensures that the activities of both are aligned and that members of the Board of Directors are informed in a timely fashion of the activities of the Executive Committee.

Thus, apart from matters which, by law or by the articles of association are the exclusive business of the Board of Directors, non-executive members are aware of and monitor:

- the evolution of the operating activity and the main economic and financial indicators for each BU that makes up CORTICEIRA AMORIM;
- relevant information on the consolidated financial operations: financing, investment, financial autonomy and off-balance sheet commitments;
- the business carried out by the various support departments and the respective impact on the organisation;
- the evolution of R&D activities;
- the calendar of the main events of CORTICEIRA AMORIM and its BUs. The Organisation is often represented at international events, such as business missions, by one or more non-executive members of the Board of Directors.

2.9. Identification of the main economic, financial and legal risks that the company is exposed to in the pursuit of its business.

The main risks to which the company is exposed are described in Chapters 12 and 13 of the Consolidated Management Report as well as in section 2.5. above.

2.10. Powers of the management body, particularly as regards share capital increase resolutions.

The powers of the Board of Directors are set out in section 2.3. above.

With specific regard to share capital increases, the Board of Directors can, pursuant to article 8 of the articles of association, decide by unanimous resolution of all its members to increase the share capital, once or more times in accordance with the methods permitted by law, up to EUR 250 million. It is also up to the Board of Directors to determine the respective terms and conditions of capital increases as well as the subscription and paying-up deadlines involved.

2.11. Information on the policy of rotation of the duties of members of the Board of Directors, in particular that of the financial area, as well as the rules applicable to the appointment and replacement of members of the management and supervisory body.

The policy of rotation of duties (Support Departments) on the Board of Directors, including the director in charge of the financial department, is described in section 2.3. above.

Rules regarding the **appointment and replacement of members of the management body** are in accordance with the law, with the addition of the following criteria, which are contained in the company articles of association:

Shareholders **elect** the board by choosing between competing lists of candidates, which specify the office for which each individual is a candidate. Voting is carried out in two stages:

First stage: the election of one individual board member from candidates proposed in lists put forward by groups of shareholders who own between 10% and 20% of the share capital. Each list must propose at least two candidates for each office to be filled. No shareholder may back more than one list. If more than one list is put forward, shareholders will first vote for a list and then vote for the individual candidates for each office contained in the winning list. Lists of candidates may be proposed at the general meeting

The range of possibilities offered by cork creates challenges embraced by designers around the world.



at any time before discussion begins on the item on the agenda regarding the election of the board of directors;

Second stage: the general meeting elects the other members of the board of directors. All shareholders attending the meeting may take part in the discussion regardless of whether they have backed or voted for any of the lists in the first stage. The general meeting cannot elect the remaining board members until one of the candidates proposed in the lists in the first stage has been elected, unless no list was put forward.

Members of the Board of Directors are elected for a **mandate** of three calendar years. Shareholders obligatorily elect the members of the board of directors at the end of their mandate. Board members may be re-elected one or more times.

The **annual general meeting** may propose to replace any or all of the members of the Board of Directors when the management report, the annual financial statements and the proposal for the appropriation of profits are put forward for voting, without there being cause for the payment of indemnity or compensation for the directors thus dismissed, irrespective of whether fair grounds for such dismissal have been claimed or not. However, this mechanism shall not come into effect in relation to the member of the Board of Directors elected under the scope of special election rules described for the first phase above if shareholders representing at least twenty per cent of the share capital have voted against the decision to dismiss, irrespective of the claiming of fair grounds for same.

The rules governing the **appointment and replacement of members of the Supervisory Body** are set out in the relevant legislation, the articles of association and the Regulations of the Supervisory Board:

- candidates are elected in separate lists specifying the post for which each individual candidate is standing;

- members of the Supervisory Board are elected for a mandate of three calendar years. After serving their mandate, they remain in place until they are legally replaced; the calendar year in which they are elected counts as a whole year for calculating the term of the mandate. Members of the Supervisory Board can be re-elected in accordance with the provisions of law;
- the Supervisory Board is composed of three permanent members and one or more substitutes. Incumbent members who are temporarily prevented from carrying out or who terminate their office are replaced by the substitutes. When the Chairman of the Supervisory Board steps down before the end of the period for which he was elected or appointed, the other members will appoint one from among their number to act as chairman until the end of the respective mandate. Substitutes taking over the duties of incumbent members who have terminated office will remain in the post until the next annual general meeting, which will then proceed with filling the vacancies. If it is not possible to fill a vacancy left by an incumbent member because of an insufficient number of elected substitutes, the vacant positions of both incumbent members and substitutes are filled through a new election. To this end, the Supervisory Board should advise the Chairman of the Board of the General Meeting and the Board of Directors in writing of any such vacancies as soon as they become known;
- the Supervisory Board should include at least one member who has a university degree appropriate to the position, knowledge of auditing or accounting and who is independent;
- the Supervisory Board should have a majority of independent members. Members of the Supervisory Board shall immediately advise the Supervisory Board, the Chairman of the Board of the General Meeting and the Board of Directors in writing of any situation or circumstance that might imply the loss of their independence pursuant to and for the purposes of the previous section.

The posterior materialisation of the reasons resulting in incompatibility or the loss of independence (described in section 2.6. above) leads to the nullification of appointments. Members of the Supervisory Board shall immediately advise the Supervisory Board, the Chairman of the Board of the General Meeting and the Board of Directors in writing of any such occurrences.

2.12. Number of meetings of management and supervisory bodies as well as a reference to the taking of the minutes of such meetings.

Under the terms of the articles of association, the Board of Directors meets whenever it is in the interest of the company to do so (article 28). In 2010, ten meetings were held and the corresponding minutes were drawn up.

The Supervisory Board meets whenever a meeting is convened by the Chairman or by two other board members. It meets at least once every quarter, in accordance with the provision of article 10

of its internal regulations. This governing body met five times in 2010 and the corresponding minutes were drawn up.

2.13. Indication of the number of meetings of the Executive Committee or of the Executive Board of Directors, as well as a reference to the taking of minutes of these meetings and their being sent, along with the convening notices, as applicable, to the Chairman of the Board of Directors, to the Chairman of the Supervisory Board or of the Audit Committee, to the Chairman of the General and Supervisory Board and to the Chairman of the Financial Matters Committee .

The Executive Committee met fourteen times during 2010 and the corresponding minutes were drawn up.

2.14. Distinguishing executive and non-executive members and indicating the non-executive members who complied, if such were applicable to them, with the rules of incompatibility provided for in article 414-A(1), with the exception of the provisions of sub-paragraph b), and the independence criteria provided for in article 414(5), both of the Portuguese Companies Code.

Board of Directors:

Executive Members:

Chairman:	António Rios de Amorim
Member:	Nuno Filipe Vilela Barroca de Oliveira
Member:	Fernando José de Araújo dos Santos Almeida

Non-Executive Members:

Vice-Chairman:	Joaquim Ferreira de Amorim
Member:	Luísa Alexandra Ramos Amorim
Member:	José da Silva Carvalho Neto
Member:	André de Castro Amorim

If the following were applicable to the members of the Board of Directors:

- a) the incompatibility rules provided for in article 414-A(1) of the Portuguese Companies Code, with the exception of the provisions of sub-paragraph b), then none of the directors in office on 31 December 2010 complied fully with such rules;
- b) the independence criteria provided for in article 414(5) of the Portuguese Companies Code, then only Mr. Fernando José Araújo Santos Almeida met the independence criteria.

2.15. Indication of legal and regulatory rules and other criteria which were the basis for the assessment made by the management body on the independence of its members.

The assessment of the independence of the members of the Board of Directors are based on (i) compliance with the criteria provided for in article 414(5) of the Portuguese Companies Code; (ii) the non-existence of the situations provided for in sub-paragraphs a), c) and d) of article 414-A(1); (iii) the non-existence of a significant commercial or competing relationship with the company or with companies in a group relationship; (iv) the non-existence of a prior employee relationship with a duration of over ten years, consecutive or interrupted.

2.16. Indication of the rules for the selection of candidates for non-executive directors and means of ensuring that executive directors do not interfere in this process.

As arising from the election and replacement system described in 2.11. above, the selection process for directors – executive or otherwise – is not a responsibility of the Board of Directors or the Executive Committee. The shareholders are responsible for presenting lists drawn up under the terms they consider most suitable, for appraisal/election at the general meeting of shareholders.

2.17. The company's annual management report includes a description of the activity carried out by the non-executive directors and any constraints detected. CORTICEIRA AMORIM's annual Management Report includes a description of the activity carried out by non-executive members and any constraints detected.

2.18. Professional qualifications of the members of the Board of Directors, the professional activities carried out by them at least during the last five years, the number of company shares they hold and the date of first appointment and the end date of their mandate.

António Rios de Amorim (Chairman):

Chairman of CORTICEIRA AMORIM's board of directors and executive committee since March 2001. He was chief executive officer at Amorim & Irmãos (1996-2001), Director of Sociedade Figueira-Praia (1993-2006), head of operations at Amorim – Empreendimentos Imobiliários, which developed the Torres de Lisboa and Arrábida Shopping Centre projects (1993-1995), executive director of Amorim Hotéis, S.A., responsible for developing the Ibis and Novotel hotel chains in Portugal. He graduated with a Bachelor of Commerce degree from the Faculty of Commerce and Social Sciences of the University of Birmingham (1989), and attended the Executive Programme in Business Administration: Managing the Enterprise – Columbia University Graduate School of Business (1992), Managerial Skills for International Business – INSEAD (2001) and Executive Program in Strategy and Organization – Graduate School of Business Stanford University (2007). He was a member of the European Round Table of Industrialists – the only Portuguese business group belonging to this prestigious association (1991-1995). He has been chairman

of the Portuguese Cork Association since 2002 and the Confédération Européenne du Liège since 2003. In February 2006, the President of Portugal awarded him the title of *Comenda de Grande-Oficial da Ordem de Mérito Agrícola, Comercial e Industrial*, this being an award for outstanding merit in the field of agriculture, commerce and industry.

Age: 43

Date of first appointment to the board of directors: 29 March 1990.

First appointment as chairman of the board of directors: 31 March 2001.

Date of end of mandate: 31 December 2010.

On 31 December 2010 he did not directly hold any CORTICEIRA AMORIM shares.

Joaquim Ferreira de Amorim (Vice-Chairman):

A businessman and a director of several companies. Part of the third generation of the Amorim family, he has accumulated about 50 years of professional experience in the group's cork business. He was part of the management team that implemented the vertical integration of the cork business in the 1960s. In the 1980s and 1990s, he devoted his energies to the internationalisation of the business, leading CORTICEIRA AMORIM to world leadership of the cork industry.

Age: 74

Date of first appointment to the board of directors: 9 October 1987.

Date of end of mandate: 31 December 2010, remaining in office until the election of directors, according to law.

On 31 December 2010 he did not directly hold any CORTICEIRA AMORIM shares.

Nuno Filipe Vilela Barroca de Oliveira (Member):

He graduated in Business Administration and Management from Portuguese Catholic University. He was a non-executive director of CORTICEIRA AMORIM from March 2003 to September 2005, when he moved to an executive post. He has been a non-executive director of several companies of the Amorim group (since 2000) and was an executive

director of Barrancarnes (2000-2005). After a year in the commercial area of Møre Codfish (Norway), he participated in the Comett programme and worked as an intern at Merrill Lynch (London) before moving to Banco Comercial Português, where for three years he worked in the analysis and planning, international and investment funds departments.

Age: 40

Date of first appointment to the board of directors: 28 March 2003.

Date of end of mandate: 31 December 2010, remaining in office until the next election of directors, according to law.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

Luísa Alexandra Ramos Amorim (Member):

Graduate in Hotel and Catering and Bachelor's Degree (CESE) in Marketing from ISAG. Director of Amorim – Investimentos e Participações (since 2002). Executive Director of Natureza, S.G.P.S. (since 2002) and Marketing Manager of J. W. Burmester (2000-2002). She joined the Amorim group as an assistant of the Hotel Department of Amorim Hotéis e Serviços and in Sociedade Figueira-Praia (1996-1997). She worked in different business areas of the group in Portugal and overseas between 1998 and 2000.

Age: 37

Date of first appointment to the board of directors: 28 March 2003.

Date of end of mandate: 31 December 2010, remaining in office until the next election of directors, according to law.

On 31 December 2010 she did not hold any CORTICEIRA AMORIM shares.

José da Silva Carvalho Neto (Member):

He graduated in chemical engineering from the University of Porto, Faculty of Engineering. He has been a director in several companies of the Amorim group since January 2004. He began his professional career at Mabor Portugal, which later became part of the Continental Group, where, during a period of more than 30 years, he was: head of personnel and human resources management at Mabor Portugal (thirteen years); head of production at Mabor Portugal (four years); managing director of the Mabor plant in Luanda, Angola (18 months); commercial director of Continental and Mabor in Portugal (two years); director of the restructuring project, managing director and chairman of the Continental Group (tyres) in Portugal (eight years) and chairman of the Continental Group in Mexico.

Age: 65

Date of first appointment to the board of directors: 31 March 2006.

Date of end of mandate: 31 December 2010, remaining in office until the next election of directors, according to law.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

André de Castro Amorim (Member):

A businessman and a director of several companies. Part of the fourth generation of the Amorim Family. In 2005 he completed his BA (Hons) degree in International Business and Management

Studies and Master of Arts in Entrepreneurial Management at the European Business School of London, United Kingdom and, since then, he has held executive management positions with several companies.

Age: 30

Date of first appointment to the board of directors: 28 March 2008.

Date of end of mandate: 31 December 2010, remaining in office until the next election of directors, according to law.

On 31 December 2010 he directly held 259,038 CORTICEIRA AMORIM shares.

Fernando José de Araújo dos Santos Almeida (Member):

Graduated from the University of Porto, Faculty of Economics with a Bachelor's Degree in Economics (1983/84). He joined CORTICEIRA AMORIM in 1991 and held several positions in various group companies. In 2002, he took office as the Manager of Organisational

Development and Management Planning and Control at CORTICEIRA AMORIM.

Age: 49

Date of first appointment to the board of directors: 31 de Julho de 2009 (Co-opted onto the Board).

Date of end of mandate: 31 December 2010, remaining in office until the next election of directors, according to law.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

2.19. Posts that the members of the management body hold in other companies, indicating those held in other companies of the same group. (Fig. 22)

Fig. 22 • António Rios de Amorim (Chairman):

Company	Post held
CORTICEIRA AMORIM Group	
Amorim Natural Cork, S.A.	Chairman of the Board of Directors
Amorim Florestal España, S.L.	Chairman of the Board of Directors
Amorim & Irmãos IV, S.A.	Chairman of the Board of Directors
Amorim & Irmãos, S.A.	Chairman of the Board of Directors
Amorim & Irmãos, S.G.P.S., S.A.	Chairman of the Board of Directors
Amorim Florestal Catalunha, S.A.	Chairman of the Board of Directors
Amorim Florestal – Espanha, S.A.	Member of the Board of Directors
Amorim Industrial Solutions – Imobiliária, S.A.	Chairman of the Board of Directors
Amorim Isolamentos, S.A.	Chairman of the Board of Directors
Amorim Revestimentos, S.A.	Chairman of the Board of Directors
Amorim Cork Composites, S.A.	Chairman of the Board of Directors
Amorim Cork Research & Services, Lda.	Director
Comatral – Compagnie Marocaine de Transformation du Liège, S.A.	Chairman of the Board of Directors
Dom Korkowy, Sp. Zo.o	Member of the Board of Directors
Francisco Oller, S.A.	Member of the Board of Directors
Korken Schiesser GmbH	Director
Oller et Cie	Member of the Board of Directors
S.C.I. Friendland, S.L.	Director
Société Nouvelle des Bouchons Trescasses, S.A.	Member of the Board of Directors
SIBL – Société Industrielle Bois Liège, S.A.R.L.	Director



Other Companies

Afaprom – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Agolal, S.A.	Member of the Board of Directors
Amorim, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Capital, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Desenvolvimento, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Second Vice-Chairman of the Board of Directors
Amorim – Participações Agro-Florestal, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Participações Imobiliárias, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Serviços e Gestão, S.A.	Chairman of the Remuneration Committee
Bomsobro, S.A.	Member of the Board of Directors
Caneicor, S.A.	Member of the Board of Directors
Chapius, S.L.	Chairman of the Board of Directors
Cimorim – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Corunhal – Sociedade Agro-Florestal, S.A.	Chairman of the Board of Directors
Fruticor, S.A.	Member of the Board of Directors
Interfamília II, S.G.P.S., S.A.	Member of the Board of Directors
Mirantes e Freires, S.A.	Member of the Board of Directors
Olimpíadas Barcelona 92, S.L.	Chairman of the Board of Directors
Resiféria – Construções Urbanas, S.A.	Member of the Board of Directors
S21 – Sociedade de Investimento Imobiliário, S.A.	Member of the Board of Directors

Other Institutions

Associação Portuguesa da Cortiça	Chairman
EGP – University of Porto Business School	Member of the General Board
UTAD – Universidade de Trás-os-Montes e Alto Douro	Member of the General Board

Joaquim Ferreira de Amorim (Vice-Chairman):

Company	Post held
CORTICEIRA AMORIM Group	
Amorim & Irmãos, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Amorim & Irmãos, S.A.	Vice-Chairman of the Board of Directors
Other Companies	
Amorim – Investimentos e Participações, S.G.P.S., S.A.	First Vice-Chairman of the Board of Directors
Amorim Capital, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Desenvolvimento, S.G.P.S., S.A.	Member of the Board of Directors
Ancarin Investimentos Imobiliários e Financeiros, S.A.	Chairman of the Board of Directors
Casa de Mozelos Gestão de Imóveis, S.A.	Chairman of the Board of Directors
Evalesco, S.G.P.S., S.A.	Chairman of the Board of Directors
Florinvest – Sociedade Agrícola, S.A.	Chairman of the Board of Directors
Interfamília II, S.G.P.S., S.A.	Chairman of the Board of Directors
Investife – Investimentos Imobiliários, S.A.	Chairman of the Board of Directors
Investife, S.G.P.S., S.A.	Chairman of the Board of Directors
Muchbeta, S.A.	Chairman of the Board of Directors
Norbrasin, Investimentos Imobiliários, S.A.	Chairman of the Board of Directors
Resinfe – Investimentos e Promoção Imobiliária, S.A.	Vice-Chairman of the Board of Directors
Sociedade Agrícola Triflor, S.A.	Chairman of the Board of Directors

Nuno Filipe Vilela Barroca de Oliveira (Member):

Company	Post held
Other Companies	
Amorim Desenvolvimento, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Remuneration Committee
Amorim – Serviços e Gestão, S.A.	Member of the Remuneration Committee
Natureza – Investimentos e Participações, Lda.	Director

Luísa Alexandra Ramos Amorim (Member):

Company	Post held
Other Companies	
Amorim Desenvolvimento, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Board of Directors
Bucozal – Investimentos Imobiliários e Turísticos, Lda.	Director
Quinta Nova de Nossa Senhora Carmo – Sociedade Agrícola, Comercial e Turística, Lda.	Director

José da Silva Carvalho Neto (Member):

Company	Post held
Other Companies	
Amorim Broking – Investimentos e Participações Financeiras, S.A.	Chairman of the Board of Directors
Amorim Desenvolvimento, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Energia, B.V.	Director
Amorim Negócios Internacionais, S.A.	Member of the Board of Directors
Bucozal – Investimentos Imobiliários e Turísticos, Lda.	Director
Caribbean Seafood – Trading e Marketing, S.A.	Chairman of the Board of Directors
Imoluanda, S.A.	Chairman of the Board of Directors
Natureza – Investimentos e Participações, Lda.	Director
Power, Oil & Gas Investments, B.V.	Director

André de Castro Amorim (Member):

Company	Post held
Other Companies	
Evalesco, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors/CEO
Investife, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Investife – Investimentos Imobiliários, S.A.	Vice-Chairman of the Board of Directors
Florinvest, Sociedade Agrícola, S.A.	Vice-Chairman of the Board of Directors
Norbrasin, Investimentos Imobiliários, S.A.	Vice-Chairman of the Board of Directors
Ancarin, Investimentos Imobiliários e Financeiros, S.A.	Vice-Chairman of the Board of Directors
Casa de Mozelos, Gestão de Imóveis, S.A.	Member of the Board of Directors
Sociedade Agrícola Triflor, S.A.	Member of the Board of Directors
Inacom, S.A.	Member of the Board of Directors
Muchbeta, S.A.	Member of the Board of Directors
CHT – Casino Hotel de Tróia, S.A.	Vice-Chairman of the Board of Directors
Turyleader, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Grano Salis – Investimentos Turísticos, Jogo e Lazer, S.A.	Vice-Chairman of the Board of Directors
Goldtur – Hotéis e Turismo, S.A.	Vice-Chairman of the Board of Directors
Amorim – Entertainment e Gaming International, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Prifalésia – Construção e Gestão de Hotéis, S.A.	Vice-Chairman of the Board of Directors
Amorim Turismo – Imobiliária, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Tróia Península Investimentos, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Amorim Turismo, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Sociedade Figueira Praia, S.A.	Vice-Chairman of the Board of Directors
FozPatrimónio – Sociedade Imobiliária e Turística, S.A.	Vice-Chairman of the Board of Directors

Fernando José de Araújo dos Santos Almeida (Member):

Company	Post held
CORTICEIRA AMORIM Group	
Amorim Revestimentos, S.A.	Member of the Board of Directors

SECTION III – SUPERVISORY BOARD

2.20. Does not exist.

2.21. Identification of the members of the Supervisory Board, stating whether they comply with the incompatibility rules provided for in article 414-A(1) and if they comply with the independency criteria provided for in article 414(5), both of the Portuguese Companies Code. The Supervisory Board carries out self-assessment to that end.

Composition of the Supervisory Board:

Chairman:	Durval Ferreira Marques
Member:	Joaquim Alberto Hierro Lopes
Member:	Gustavo José de Noronha da Costa Fernandes
Substitute Member:	Alberto Manuel Duarte de Oliveira Pinto

To the best of the company's knowledge, the incumbent and substitute members of the Supervisory Board comply with the rules on incompatibility provided for in article 414-A(1) and the independence criteria provided for in article 414(5), both of the Portuguese Companies Code.

2.22. Professional qualifications of the members of the Supervisory Board, the professional activities carried out by them, at least during the last five years, the number of company shares they hold and the date of first appointment and end date of their mandate.

Durval Ferreira Marques (Chairman):

He has a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics and has taught in the field of technical education and was a technical assistant at the Directorate General of Bano, in Angola. Over 25 years he held management posts in South Africa in the financial, insurance, media and industrial sectors. He also represented the Portuguese Business Association in South Africa and Mozambique.

For the past five years he has held directorial posts in a number of Portuguese companies.

Date of first appointment to the Supervisory Board: 28 May 2007.

Date of end of mandate: 31 December 2010.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

Joaquim Alberto Hierro Lopes (Member):

He graduated in Accounting and Business Administration from the Higher Institute of Accounting and Business Administration of Porto. He has a Bachelor's Degree in Mathematics from the University of Porto, Faculty of Sciences and a Master's Degree in Business Administration from the University of Porto. He attended courses in auditing and tax law.

He has lectured at the University of Porto. He was also Chairman of the Board and a member of the Scientific Committee of Portugal's Higher Institute of Administration and Management (ISAG – Instituto Superior de Administração e Gestão). He has held senior management positions and has been a member of the board of a number of Portuguese and international companies. In recent years, he has held administrative/management positions in a number of companies belonging to the GED Group and has been Executive Director of GED Partners since March 2008. He is also a member of the governing bodies of several companies.

Date of first appointment to the Supervisory Board: 28 May 2007.

Date of end of mandate: 31 December 2010.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

Gustavo José de Noronha da Costa Fernandes (Member):

He is a lawyer based in Santa Maria da Feira, Portugal. He has held several senior positions in the Portuguese Bar Association: member of the Porto District Commission (1992-1995), the Higher Commission (2002-2004) and the Porto Ethics Commission (2005-2007). He is a practising lawyer and a manager of the Gustavo Fernandes, Domingos Leite e Associados law firm.

Date of first appointment to the Supervisory Board: 28 May 2007.

Date of end of mandate: 31 December 2010.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

Alberto Manuel Duarte de Oliveira Pinto (Substitute Member):

He has a Bachelor's Degree in Law from the Portuguese Catholic University and a Master's Degree in the History of Africa from the University of Lisbon's Faculty of Arts. In recent years, he has lectured at several higher education institutions: the University of Lisbon's Faculty of Arts, the University of Coimbra's Faculty of Sciences and Technology, Independent University and Autónoma de Lisboa University. He has written a number of essays, academic studies and works of fiction.

Date of first appointment to the Supervisory Board: 28 May 2007.

Date of end of mandate: 31 December 2010.

On 31 December 2010 he did not hold any CORTICEIRA AMORIM shares.

2.23. Posts held by members of the Supervisory Board in other companies as well as those held in companies of the same group (Fig. 23).

Fig. 23 • Durval Ferreira Marques (Chairman):

Company	Post held
Other Companies	
Cifial, S.G.P.S., S.A.	Chairman of the Board of the General Meeting
Cifial Indústria Cerâmica, S.A.	Chairman of the Board of the General Meeting
Cogruci Comércio Internacional, S.A.	Chairman of the Board of the General Meeting

Joaquim Alberto Hierro Lopes (Member):

Company	Post held
Other Companies – Subsidiaries of the GED Group:	
Estudio Pereda4, S.L. ^(a)	Chairman of the Board of Directors
FASE – Estudos e Projectos, S.A.	Chairman of the Board of Directors
GED Iberian Private Equity, S.A. ^(a)	Member of the Board of Directors
GED Partners I, S.L. ^(a)	Member of the Board of Directors
GED Sur Capital, S.A. ^(a)	Member of the Board of Directors
Grupo Asjara Holdings S.L. ^(a)	Member of the Board of Directors
Neckicesa Packaging, S.A.	Chairman of the Board of Directors
Nuceri Business, S.L. ^(a)	Chairman of the Board of Directors
OPEP Internacional, S.L. ^(a)	Chairman of the Board of Directors
Serlima Services, S.A.	Member of the Board of Directors
Soprattuto Cafés, S.A.	Member of the Board of Directors

(a) Spain

Gustavo José de Noronha da Costa Fernandes (Member):

Company	Post held
Other Companies	
Gustavo Fernandes, Domingos Leite e Associados	Director
Clínica Alcaide, Lda.	Director

Alberto Oliveira Pinto (Substitute Member):

Company	Post held
Other Companies	
Cimpomóvel Imobiliária, S.A.	Member of the Supervisory Board

2.24. Reference to the fact that the Supervisory Board assesses the external auditor annually and the possibility of proposing to the general meeting the dismissal of the auditor on justifiable grounds.

The Report and Opinion of the Supervisory Board referred to in section 2.4. includes a concise assessment of the Statutory Auditor. It is also the Supervisory Board's responsibility to propose the appointment of the Statutory Auditor to the General Meeting.

The company's articles of association do not provide for the possibility of the Supervisory Board proposing to the general meeting the dismissal of the Statutory Auditor on justifiable grounds.

2.25. to 2.28. – Not applicable to the governing bodies model adopted by CORTICEIRA AMORIM.

2.29. Description of the remuneration policy, including, in particular that of directors and officers within the meaning of article 248-B(3) of the Portuguese Securities Code, and that of other employees whose professional activity may have a relevant impact on the company's risk profile and whose remuneration contains an important variable component.

The remuneration policy is structured in such a way as to promote alignment between the interests of directors and other officers with the interests of the company and is mainly on a fixed basis. A variable component is dependent on the results of the company's activities and its economic and financial situation.

The variable component of the remuneration of executive members of the Board of Directors and of company directors and officers corresponds to a performance bonus, resulting from the verification of the degree of compliance with targets, aims, strategic initiatives and priority actions set out by the Board in a three-year plan, including the respective annual variations. This performance is monitored using the Balanced Scorecard system (for additional information see section 2.3. – Business management structure).

With regard to the directors and officers in particular, pursuant to article 2 of Law no. 28/2009 of 19 June, the Board of Directors submitted the following remuneration

policy to the general meeting of shareholders on 29 March 2010 for approval, and which was granted:

Company directors and officers shall be remunerated on the following bases:

- that stipulated in their respective employment contracts;
- the principles of internal equity and external competitiveness;
- that, whenever adequate and feasible, such remuneration shall consist of fixed remuneration plus variable remuneration according to the objective and measurable contribution (using the balanced scoreboard methodology) of the directors and officers, in individual and/or collective terms, to the sustainable development of the business and to the medium/long-term profitability of the company;
- that the variable remuneration consists of the attribution of:
 - merit bonus, the amount of which is determined according to the level of performance achieved. This is verified by the development of the indicators for the results of the business areas that each director and officer is associated with and, therefore, to the level of professional performance that is objectively shown;
 - additional bonus, the amount of which is determined according to the company's performance;
 - the variable remuneration to be awarded is equivalent to between 0% and 50% of the fixed remuneration.

SECTION IV – REMUNERATION

2.30. Description of the remuneration policy for management and supervisory bodies as set forth in article 2 of Law no. 28/2009 of 19 June.

The CORTICEIRA AMORIM Remuneration Committee submitted the following remuneration policy to the general meeting of shareholders on 29 March 2010 for approval, and which was granted:

1. The **members of the Supervisory Board** shall earn a fixed remuneration, paid twelve times per year, in line with market practice and with the duties and responsibilities inherent to the position held and the technical and professional knowledge and skills demonstrated;
2. The **members of the Board of Directors** shall be paid adequate remuneration taking into account:
 - the remuneration package agreed between the company and each member of the Board of Directors;
 - observance of the principles of internal equity and external competitiveness, taking into account, in particular, what the main Portuguese economic groups are disclosing relative to their respective remuneration policies and practices;
 - whenever appropriate and feasible, such remuneration shall primarily consist of a fixed component – for executive and non-executive directors – plus a variable component – for executive directors only – based on the objective and measurable (using the balanced scoreboard methodology) contribution, of the Executive Directors, in individual and/or collective terms and taking into account financial and non-financial indicators, to the sustainable development of the company's business, its medium/long-term profitability and the creation of value for its shareholders;
 - the award of the variable component to executive members of the Board of Directors shall correspond to a performance bonus, which will be paid in function of the degree of compliance

- with the strategic targets, aims and initiatives and the priority actions defined in a three-year plan, with the respective annual variations. This will guarantee the weighing up of financial and non-financial indicators for performance assessment as well as short-term performance with the annual performance contribution to the medium/long-term economic stability of the organisation;
- the actual amount of variable remuneration will always depend on the assessment made annually by the Remuneration Committee on the performance of the members of the Board of Directors, analysing the respective contribution both towards the results obtained during the financial year in question and compliance with the targets and implementation of the medium/long-term strategies defined by the company;
 - payment of the variable remuneration component, if any, may take place, wholly or in part, after publication of the accounts for the years corresponding to the entire mandate. There is, therefore, the possibility of limiting the variable remuneration if the results show relevant deterioration in the company's performance in the most recent year for which accounts are published or when such is expected during the year in progress;
 - the award of shares or share options to the members of the Board of Directors is not company remuneration policy.

Pinto: EUR 9,900.00). The members of the Supervisory Board did not earn any variable remuneration pursuant to the remuneration policy described in 2.30.

With regard to these two governing bodies, on 31 December 2010, there was no fixed or variable remuneration whose payment had been deferred.

2.32. Information on how remuneration is structured in order to permit alignment of the interests of the members of the management body with the long-term interests of the company as well as how it is based on the performance assessment and how it discourages the taking of excessive risks.

As described in the remuneration policy set out in 2.30.

2.33. With regard to the remuneration of executive directors:

- a) Reference to the fact that the remuneration of the executive directors includes a variable component and information on how this component depends on performance assessment;
As described in section 2.31. above.

The variable component of the remuneration of executive members of the Board of Directors corresponds to a performance bonus, which is a function of the degree of compliance with the strategic targets, aims and initiatives and the priority actions defined in the company's strategic plan (over a time horizon of three years) including the respective annual variations.

- b) Indication of the company bodies competent to carry out the performance assessment on the executive directors;
The performance assessment for executive directors is carried out by the Remuneration Committee.

- c) Indication of the pre-established criteria for the performance assessment of executive directors;
The payment of a performance bonus implies checking the degree of compliance with the strategic targets, aims and initiatives and priority actions defined in a three-year plan, with the respective annual variations, measurable through the balanced scorecard system and with the weighing up of financial and non-financial indicators.

- d) Explanation of the relative importance of the variable and fixed components of the remuneration of directors, as well as the indication of the maximum limits for each component;
The remuneration attributed to executive directors during 2010 totalled EUR 485,811.30, and was comprised, in relative terms, of 7.2% variable remuneration and 92.8% fixed remuneration.

The company's articles of association establish that the remuneration of all or any of the members of the Board of Directors may consist, partially, in the sharing of the company profits. This may not exceed three per cent of profits for all of the directors in office. Apart from this, there are no maximum limits for each component.

There are no limits for other variable remuneration.

- e) Indication on the deferral of the payment of the variable remuneration component, stating the period of such deferral;
There was no deferral of payment of the variable component for the financial year in analysis.
- f) Explanation of how payment of variable remuneration is subject to the continuation of the company's positive performance over the deferral period;
The strategic targets, aims and initiatives and priority actions defined in the company's strategic plan are defined for a time horizon of three years, and the payment of the variable remuneration depends on their achievement.

- g) Sufficient information on the criteria on which the payment of variable remuneration in shares is based as well as the executive directors keeping the company shares they have received, and on the possibility of entering into a contract relating to these shares, in particular hedging or risk transfer contracts, the respective limits and the relationship with the value of total annual remuneration;
The award of shares or share options to the members of the Board of Directors is not a company remuneration policy. No shares and/or rights to acquire options on shares were awarded. The company has no incentive system that envisages the award of shares.

- h) Sufficient information on the criteria for the award of variable remuneration in share options and indication of the deferral period and the price for the financial year;
Not applicable.

- i) Identification of the main parameters and grounds for any system of annual bonuses and any other non-monetary benefits;
As indicated in sub-paragraph c).

- j) Remuneration paid in the form of profit sharing and/or the payment of bonuses and the reasons why such bonuses or profit sharing was granted;
The variable remuneration paid in 2010 in the form of performance bonuses totalled EUR 34,780.00, as the result of the achievement of the aims and targets, as indicated in sub-paragraph a).

- k) (Does not exist);

- l) Compensation paid or owed to former executive directors as a result of their terminating employment during the year;
No payments were made or owed to former directors as the result of them terminating their employment in 2010. Reference is made to the contractual limitation set out for compensation to be paid for wrongful dismissal of a director and its relationship with the variable remuneration component.

- m) Reference to the contractual limitation set out for compensation to be paid for wrongful dismissal of a director and its relationship with the variable remuneration component;
There are no legal instruments under the terms proposed in this note.

- n) Any amounts paid for any reason by other companies in a control or group relationship;
As stated in 2.31.

- o) Description of the main characteristics of the supplementary pension or early retirement schemes for directors, indicating whether these were subject, or not, to approval by the general meeting;
There are no supplementary pension or early retirement schemes for Directors.

- p) Estimate of significant non-monetary benefits considered as remuneration but not covered by any of the circumstances previously described;
All non-monetary benefits considered to be remuneration are included in the total amount of remuneration stated in sub-paragraph a) above.

- q) Existence of mechanisms preventing executive directors from entering into contracts that call into question the purpose of variable remuneration;
There are no mechanisms specifically designed and implemented to protect from this situation. In view of the complexity and weighting of the structure and the company practices adopted, the existence of a solid and effective internal control system, reinforced by the dual supervision by independent entities, this risk – if it exists – is deemed to be

Although this remuneration policy statement does not expressly refer to the matter, the Board of Directors is considered to be barred from the possibility of entering into contracts either with the company and its subsidiaries and/or affiliates or with third parties which might mitigate the risk inherent to the variability of the remuneration determined for them by the company, scrupulously complying with the conduct that such understanding requires.

2.31. Indication of the annual remuneration earned individually by the members of the company's management and supervisory bodies, including fixed and variable remuneration and, relative to the latter, indication of the different components giving rise to the same, and how much has been deferred and how much has already been paid.
In 2010, the members of the Board of Directors collectively earned total remuneration of EUR 604,223.50:

- the group of executive directors earned a fixed remuneration which amounted to EUR 451,031.30 (António Rios de Amorim: EUR 208,714.20; Nuno Filipe Vilela Barroca de Oliveira: EUR 117,504.90; Fernando José Araújo Santos Almeida: EUR 124,812.20), and variable remuneration amounting to EUR 34,780.00 (wholly paid to Fernando José Araújo Santos Almeida) for the performance of duties in the management body of CORTICEIRA AMORIM. No money was earned for the performance of duties in the management bodies of associated companies or affiliates of that company;
- the non-executive members of this body did not earn any remuneration for the performance of their duties in the management body of CORTICEIRA AMORIM. Fixed and variable remunerations totalled EUR 112,604.20 and EUR 5,808.00 respectively (both entirely paid to Joaquim Ferreira de Amorim, for the performance of duties in the management bodies of associated companies or affiliates of this company).

In 2010, the members of the Supervisory Board collectively earned total remuneration of EUR 42,900.00 (Durval Ferreira Marques: EUR 13,200.00; Joaquim Alberto Hierro Lopes: EUR 9,900.00; Gustavo José de Noronha da Costa Fernandes: EUR 9,900.00; Alberto Manuel Duarte de Oliveira

minimal and is safeguarded by the collective nature of the decisions made by the Board of Directors.

2.34. Reference to the fact that the remuneration of the non-executive directors of the management body does not include variable components.

Non-executive directors earn fixed remuneration only for the performance of duties on the management body of CORTICEIRA AMORIM; the variable remuneration in 2.31. attributed to non-executive company directors comes about as the result of performing executive duties on the management bodies of associate companies or subsidiaries within the consolidation perimeter of that company.

2.35. Information on the policy for the communication of irregularities adopted by the company (means of communication, the people to whom such communications should be made, how to handle these and indication of the people and bodies with access to the information and the respective intervention in the procedure).

In accordance with the regulations of CORTICEIRA AMORIM's Supervisory Board, shareholders, employees or other individuals or bodies should report irregularities to the Supervisory Board, which will deal with them appropriately.

Such communications should be addressed to:

Supervisory Board of CORTICEIRA AMORIM, S.G.P.S., S.A.

Address: the company registered office: Rua de Meladas, no. 380 – P.O. BOX 20 4536-902 MOZELOS
Telephone: + 351 22 747 54 00

The company ensures that the contents of such reports are initially only seen by the Supervisory Board (no member of staff is authorised to open correspondence addressed specifically to this governing body or to any of its individual members).

It is the duty of the Supervisory Board to analyse any reports it receives of irregularities and to solicit any clarification it requires from the company's other governing bodies and structures. In dealing with concrete situations, it has the power to:

- suggest preventive measures to avert irregularities;
- report confirmed irregularities to the Board of Directors and to other bodies, both internally and externally, in accordance with each specific situation.

Throughout the process, the company guarantees not to disclose the identity of those who report irregularities, unless they expressly declare they do not require anonymity.

CORTICEIRA AMORIM believes that (i) attributing these powers to the Supervisory Board – a body composed entirely of independent members, thus guaranteeing the impartial analysis and treatment of irregularities that may be reported to the company; (ii) not imposing any particular format for such communication, allowing those reporting irregularities to opt for the form of communication they find most suitable; and (iii) ensuring the protection of personal data and staff (scrupulously respecting the instructions of those reporting irregularities with regard to confidentiality), are measures that, while ensuring the reporting process remains simple, safeguard the rights of both those reporting irregularities and staff members, as well as ensuring the impartial investigation and clarification of the situations reported.

SECTION V – SPECIAL COMMITTEES

2.36. Identification of the members of the committees set up for the purposes of the individual and overall performance assessment of executive directors, reflection on the governance system adopted by the company and identification of potential candidates with the profile for the post of director.

CORTICEIRA AMORIM's Remuneration Committee consists of a chairman and two board members, positions which were occupied on 31 December 2010 by:

- Chairman: José Manuel Ferreira Rios
- Member: Álvaro José da Silva
- Member: Américo Gustavo de Oliveira Ferreira.

This committee only has powers in terms of the assessment of the performance of the members of the Board of Directors.

Deliberation on the corporate governance systems is encouraged within the Board of Directors but does not cover the identification of potential candidates with the profile for the post of director to the extent that this power is not attributed to it, as already mentioned.

2.37. Number of meetings of committees set up with powers in administrative and supervision matters during the year in question, as well as a reference to the taking of minutes of these meetings.

Apart from the committees already mentioned – the Executive Committee and the Remuneration Committee – there are no others with powers in administrative and supervisory matters.

The Remuneration Committee met once during 2010 and the respective minutes were drawn up.

2.38. Reference to the fact that one member of the remuneration committee has knowledge and experience in remuneration policy matters.

The members of this Committee were selected on the basis of their wide experience in human resources management, in monitoring and benchmarking the policies of other companies in these matters and their knowledge of labour legislation and good remuneration practices.

2.39. Reference to the independence of the individuals or companies, appointed to the remuneration committee by an employment or provision of services contract to the board of directors as well as, when applicable, to the fact that these people have a current relationship as a company consultant.

All members of this committee are considered to be independent from the company's Board of Directors.

CHAPTER III – INFORMATION

3.1. The share capital structure, including those shares that are not admitted for trading, the different categories of shares, rights and duties inherent to these and the percentage of share capital represented by each category.

CORTICEIRA AMORIM's share capital totals EUR 133 million, comprising 133 million ordinary shares with a nominal value of EUR 1 each, giving the right to dividends.

All shares issued by the company are admitted for trading by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.

3.2. Qualifying shareholdings in the issuer's share capital, calculated pursuant to article 20 of the Portuguese Securities Code.

List of shareholders with qualifying shareholdings on 31 December 2010 (Fig. 24).

On 31 December 2010, Amorim – Investimentos e Participações, S.G.P.S., S.A. owned an indirect qualifying shareholding in CORTICEIRA AMORIM of 101,820,314 shares, corresponding to 76.557% of the company's share capital. This indirect qualifying shareholding is held through Amorim Capital – Sociedade Gestora de Participações Sociais, S.A.

Amorim – Investimentos e Participações, S.G.P.S., S.A. is wholly owned by Interfamília II, S.G.P.S., S.A.

A Investmark Holdings B.V. is wholly owned by Warranties, S.G.P.S., S.A., 70% of which, in turn, is held by Mr. Américo Ferreira de Amorim.

On 31 December 2010 the company held 6,787,462 of its own shares.

Fig. 24 • Qualified Shareholdings

Shareholder	Shares owned (quantity)	Stake (%)
Amorim Capital, S.G.P.S. S.A.	101,820,314	76.557%
Amorim – Sociedade Gestora de Participações Sociais. S.G.P.S. S.A.	3,069,230	2.308%
Investmark Holdings B.V.	7,980,000	6.000%
Total of Qualified Shareholdings	112,869,544	84.864%

3.3. Identification of the shareholders with special rights and a description of those rights.

There are no company shares or shareholders with special rights.

3.4. Possible restrictions on share transfer, such as consent clauses for their disposal or restrictions on share ownership.

The articles of association do not impose any restrictions on the transfer of shares.

3.5. Shareholder agreements which the company may be aware of and that may restrict the transfer of securities or voting rights.

To the best of the company's knowledge, there are no shareholder agreements that might lead to restrictions of this kind.

3.6. Rules applying to the amendment of the articles of association.

The rules applying to the amendment of the articles of association are in accordance with the law, with the addition of the following specific provisions set out in the aforementioned articles: the company is managed by a Board of Directors made up of a chairman, a vice-chairman and from one to nine other members. This statutory regulation can be changed only with the approval of a majority of shareholders representing at least two-thirds of the company's share capital.

3.7. Control mechanisms for a possible employee share ownership system inasmuch as the voting rights are not directly exercised by them.

No control mechanisms are envisaged in this area.

3.8. Description of the evolution of issuer share prices, taking into account, in particular:

- a) the issue of shares or of other securities which give share subscription or acquisition rights;
- b) announcement of profits;
- c) payment of dividends made per share category with indication of the net earnings per share.

In 2010, no shares or other securities giving shareholders the right to subscribe to or purchase shares were issued and no dividends were paid (Fig. 25).



Additional information on the development of CORTICEIRA AMORIM's share price: Chapter 6 of the Consolidated Management Report.

3.9. Description of the dividend distribution policy adopted by the company, identifying, in particular, the dividend paid per share over the last three financial years. During each financial year, CORTICEIRA AMORIM considers, weighing up the details of its business, in particular the net income obtained, the level of indebtedness and the outlook for investment needs and future financing aiming for a desirable economic and financial balance, the proposal for the appropriation of profits for the financial year to be submitted to the general meeting for approval (Fig. 26).

3.10. Description of the main features of the plans for the award of shares and share options that was adopted or valid for the financial year in question, in particular, the reason for adopting the plan and details of the category and number of employees included in the plan, share award conditions, non-transfer of share clauses, criteria on share pricing and the option exercising price, the period during which the options may be exercised, the characteristics of the shares to be attributed, the existence of incentives to purchase and/or exercise options, and the responsibilities of the management body for executing and/or changing the plan. CORTICEIRA AMORIM has not adopted nor does it have any plan in force for awarding company shares or for attributing rights to purchase shares.

3.11. Description of the main business elements and transactions carried out between the company and the members of its management and supervisory bodies, the owners of qualifying shareholdings or companies in a control or group relationship provided that the amount is financially significant for any of the parties involved, except for those businesses or transactions that are cumulatively carried out under normal market conditions for similar transactions and form part of the company's everyday business. No relevant operations or transactions were carried out under the terms of this section.

3.12. Description of the fundamental elements of business and transactions carried out between the company and owners of qualifying shareholdings or entities with which they are in any kind of relationship, pursuant to article 20 of the Portuguese Securities Code, outside of normal market conditions.

No relevant operations or transactions were carried out under the terms of this section.

3.13. Description of the procedures and criteria applicable to the intervention of the supervisory body for the purposes of the prior assessment of business to be carried out between the company and owners of qualifying shareholdings or entities with which they are in any kind of relationship, pursuant to article 20 of the Portuguese Securities Code. CORTICEIRA AMORIM does not foresee procedures under the terms of this section. It is however important to note that the business established by the company, its associates and affiliates with owners of qualifying shareholdings or entities in any type of relationship with these, as provided for in article 20 of the Portuguese Securities Code, are carried out under perfectly normal market conditions and are also of little significance in relation to the total value of transactions for the year.

The total value of transactions with related parties – carried out under normal market conditions – is disclosed in the Notes to the Financial Statements. This value was 395 thousand euros in 2010.

3.14. Description of the statistical data (number, average value and maximum value) relative to business subject to prior intervention by the supervisory body. There was no business subject to prior intervention by the Supervisory Board.

3.15. Indication of the availability on the company website of the annual reports of the activity carried out by the general and supervisory board, the financial matters committee, the audit committee and by the supervisory board, including indication of any constraints met with, in combination with the financial reporting documents. The company Supervisory Board draws up an annual Report and Opinion which describes the work carried out and its conclusions. This Report and Opinion is made available along with

Fig. 26 • CORTICEIRA AMORIM's Dividends – 2006 to 2009

	Unit	2006	2007	2008	2009
Paid/made available on		30-04-2007	28-04-2008	-	-
Total dividend	thousand €	7,315	7,980	0	0
% payout ratio	%	36.4%	34.3%	-	-
Dividend per share	€	0.055	0.060	0	0
% of nominal value	%	5.50%	6.00%	-	-
% of share price on 31 December	%	2.81%	3.06%	-	-

the other financial reporting documents for consultation by shareholders within the time period established by law. This Report and Opinion is included in and published along with the annual company Report and Accounts, available for consultation at www.corticeiraamorim.com.

3.16. Reference to an Investor Support Office or other similar service.

CORTICEIRA AMORIM remains, through its Market Relations Department, in permanent contact with the market, respecting the principle of shareholder equality and preventing asymmetries in investors' access to information.

a) Duties of the Office:

The Market Relations Department, supervised by CORTICEIRA AMORIM's Market Relations Office, performs the following duties:

- regular publication of analyses of the evolution of the company's operations and financial results, including the co-ordination and preparation of a twice-yearly public presentation at the company's registered office (in person or by audio-conference);
- publication of privileged information;
- publication of information on qualifying shareholdings;
- reception and centralisation of all questions put by investors and provision of clarification;
- participation in conferences and meetings with investors and analysts.

The following measures carried out in 2010 regarding contact with investors are especially noteworthy:

- presentation of business and half-yearly results through the use of an audio-conferencing system, thereby promoting interaction in the disclosure of that information;
- one-on-one meetings held by invitation and at the offices of investment banks;
- meeting at the company's offices with investors and teams of analysts, to whom the main industrial plants were presented.

CORTICEIRA AMORIM has been using the information technology at its disposal for the regular publication of economic and financial information, including analyses of the evolution of group operations and financial results as well as its responses to specific questions raised by investors.

b) Type of information made available by the Office:

- the company name, its public company status, head office and other elements provided for in article 171 of the Portuguese Companies Code;
- articles of association;
- identification of the holders of posts on the governing bodies and of the market relations officer;
- the Investor Support Office, its functions and access tools;
- financial reports for the previous five years, including annual report on the structure and practices of corporate governance;
- half-yearly calendar of corporate events disclosed at the beginning of each half-year;
- convening notices for general meetings, during the 30 days prior to the general meeting date;



- proposals submitted for discussion and voting at the general meeting during the 15 days prior to the general meeting date;
- form for distance voting;
- power-of-attorney form for shareholder representation at the general meetings;
- disclosure of half-yearly and quarterly information on the company's activities;
- market releases: profits, privileged information, qualifying holdings in the company's share capital;
- presentations of the business for investors and market analysts.

From the beginning of 2009 onwards – and according to CMVM notice 156/EMIT/DMEI/2009/515 – the minutes and statistical information on shareholder attendance at the general meeting are also made available for consultation within five working days of the holding of the general meeting. Records relating to more than three years were collated and are duly kept by the company.

c) Means of access to the Office:

This Department may be reached by telephone at: +351 22 747 54 00, by fax: +351 22 747 54 07 or by e-mail: corticeira.amorim@amorim.com.

d) The company website:

A wide range of information on CORTICEIRA AMORIM's ownership structure, its activity and the evolution of its business is made available on its website www.corticeiraamorim.com, thus fully complying with the provisions of article 4 of CMVM Regulation no. 1/2007.

e) Identification of the market relations officer:

Mrs. Cristina Rios de Amorim Baptista is CORTICEIRA AMORIM's Market Relations Officer.

3.17. Indication of the annual remuneration paid to the auditor and to other individuals or companies that belong to the same network supported by the company and/or by any company in a control or group relationship with the same, and the percentage of the total amount paid for the following services (Fig. 27): "Other services" essentially refers to support for the implementation of administrative mechanisms for complying with legal formalities.

The independence of these support services is not in question as the leadership of the projects they are engaged in is always assumed by the appropriate department of CORTICEIRA AMORIM.

Fig. 27 • Annual Remuneration

Service	Value (thousand euros)	%
Statutory audit	337.9	70.2
Other auditing services	60.3	12.5
Tax consulting services	0.0	0.0
Other services	83.2	17.3
Total	481.4	100.0

3.18. Reference to the rotation period of the external auditor.

There is no policy for rotation of the Statutory Auditor. Maintenance of the auditor beyond the recommended three mandates obeys the assessment of the advantages and drawbacks, in particular the knowledge and experience acquired in the sector where the company operates. PricewaterhouseCoopers & Associados, SROC, Lda. complies with the requirements of independence, which is reinforced by the fact that it proposes the rotation of the partner who accompanies the company every seven years, in line with the best international practices.

CHAPTER IV – INFORMATION REQUIRED IN ACCORDANCE WITH OTHER LEGISLATION

4.1. Transactions involving Directors and Officers

In compliance with the provisions of numbers 6 and 7 of article 14 of CMVM Regulation no. 5/2008 and according to communications received from the people/entities covered by this regulation, it is hereby stated that, the following transactions in CORTICEIRA AMORIM shares were carried out by its directors and officers in 2010 (Fig. 28):

Fig. 28 • Transactions Involving Directors and Officers

14-10-2010 Order(s) for stock exchange acquisition of 5,393,693 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
14,500	1.00	14,500.00	500	1.00	500.00	13,000	1.04	13,520.00
250	1.00	250.00	520	1.00	520.00	9,015	1.04	9,375.60
1,549	1.00	1,549.00	1,000	1.00	1,000.00	5,050	1.05	5,302.50
556	1.00	556.00	4,570	1.01	4,615.70	200	1.05	210.00
1,990	1.00	1,990.00	2,000	1.01	2,020.00	200	1.05	210.00
1,000	1.00	1,000.00	1,091	1.02	1,112.82	20,000	1.05	21,000.00
26,040	1.00	26,040.00	5,000	1.03	5,150.00	215,082	1.05	225,836.10
1,500	1.00	1,500.00	200	1.04	208.00	5,068,880	1.05	5,322,324.00

20-10-2010 Order(s) for stock exchange acquisition of 60,156 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
2,001	0.99	1,980.99	1,300	1.03	1,339.00	5,000	1.03	5,150.00
2,300	1	2,300.00	7,500	1.03	7,725.00	4,000	1.03	4,120.00
1,100	1.02	1,122.00	2,500	1.03	2,575.00	5,000	1.03	5,150.00
2,000	1.03	2,060.00	390	1.03	401.70	3,000	1.03	3,090.00
3,500	1.02	3,570.00	5,000	1.03	5,150.00	5,000	1.03	5,150.00
565	1.03	581.95	5,000	1.03	5,150.00	5,000	1.03	5,150.00

21-10-2010 Order(s) for stock exchange acquisition of 3,402 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1,500	1.03	1,545.00	1,902	1.03	1,959.06			

22-10-2010 Order(s) for stock exchange acquisition of 53,954 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
6,000	1.04	6,240.00	3,490	1.06	3,699.40	5,000	1.06	5,300.00
2,500	1.05	2,625.00	600	1.06	636.00	500	1.06	530.00
3,000	1.05	3,150.00	931	1.06	986.86	2,700	1.06	2,862.00
2,500	1.05	2,625.00	3,950	1.06	4,187.00	1,000	1.06	1,060.00
5,000	1.05	5,250.00	550	1.03	566.50	5,330	1.06	5,649.80
4,003	1.06	4,243.18	3,500	1.05	3,675.00	900	1.06	954.00
2,500	1.06	2,650.00						

25-10-2010 Order(s) for stock exchange acquisition of 26,200 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1,700	1.07	1,819.00	500	1.07	535.00	5,000	1.07	5,350.00
3,300	1.07	3,531.00	300	1.07	321.00	6,000	1.07	6,420.00
4,200	1.07	4,494.00	3,700	1.07	3,959.00	1,500	1.07	1,605.00

26-10-2010 Order(s) for stock exchange acquisition of 2,200 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
2,000	1.05	2,100.00	200	1.05	210.00			

27-10-2010 Order(s) for stock exchange acquisition of 60,337 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
2,914	1.06	3,088.84	5,000	1.06	5,300.00	2,137	1.06	2,265.22
2,086	1.06	2,211.16	2,100	1.06	2,226.00	6,000	1.06	6,360.00
7,914	1.06	8,388.84	1,000	1.06	1,060.00	1,100	1.06	1,166.00
2,750	1.06	2,915.00	1,900	1.06	2,014.00	3,900	1.06	4,134.00
2,250	1.06	2,385.00	14,059	1.07	15,043.13	100	1.06	106.00
5,127	1.06	5,434.62						

28-10-2010 Order(s) for stock exchange acquisition of 1,001 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1	1.06	1.06	1,000	1.07	1,070.00			

29-10-2010 Order(s) for stock exchange acquisition of 120,800 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1,000	1.04	1,040.00	1,500	1.06	1,590.00	2,500	1.06	2,650.00
6,000	1.04	6,240.00	3,500	1.06	3,710.00	22,500	1.06	23,850.00
1,000	1.06	1,060.00	1,500	1.06	1,590.00	2,500	1.06	2,650.00
800	1.06	848.00	1,000	1.06	1,060.00	4,306	1.06	4,564.36
967	1.06	1,025.02	3,643	1.06	3,861.58	1,233	1.06	1,306.98
1,000	1.07	1,070.00	2,500	1.06	2,650.00	860	1.06	911.60
333	1.07	356.31	5,698	1.06	6,039.88	860	1.07	920.20
950	1.06	1,007.00	2,000	1.06	2,120.00	69	1.07	73.83
17	1.07	18.19	934	1.07	999.38	963	1.07	1,030.41
942	1.06	998.52	500	1.06	530.00	980	1.06	1,038.80
1,000	1.06	1,060.00	6,000	1.06	6,360.00	40,295	1.06	42,712.70
950	1.07	1,016.50						

15-11-2010 Order(s) for stock exchange acquisition of 19,561 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1,600	1.03	1,648.00	2,000	1.03	2,060.00	3,500	1.04	3,640.00
2,000	1.03	2,060.00	1,000	1.03	1,030.00	1,000	1.03	1,030.00
2,000	1.03	2,060.00	1,500	1.04	1,560.00	361	1.03	371.83
2,000	1.03	2,060.00	2,600	1.04	2,704.00			

16-11-2010 Order(s) for stock exchange acquisition of 6,444 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
410	1.04	426.40	1,000	1.04	1,040.00	34	1.04	35.36
1,000	1.04	1,040.00	2,000	1.04	2,080.00	2,000	1.04	2,080.00

17-11-2010 Order(s) for stock exchange acquisition of 20,988 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1,000	1.05	1,050.00	6,538	1.07	6,995.66	2,900	1.08	3,132.00
2,550	1.06	2,703.00	2,500	1.08	2,700.00	1,000	1.08	1,080.00
2,000	1.06	2,120.00	1,500	1.08	1,620.00	1,000	1.08	1,080.00

18-11-2010 Order(s) for stock exchange acquisition of 33,991 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
30	1.05	31.50	3,000	1.09	3,270.00	14,000	1.09	15,260.00
1,048	1.08	1,131.84	10,913	1.09	11,895.17	1,000	1.09	1,090.00
3,000	1.08	3,240.00	1,000	1.09	1,090.00			

19-11-2010 Order(s) for stock exchange acquisition of 5,831,406 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
1,010	1.10	1,111.00	1,000	1.10	1,100.00	46,023	1.10	50,625.30
300	1.10	330.00	500	1.10	550.00	500	1.10	550.00
513	1.10	564.30	1,181,700	1.10	1,299,870.00	20,000	1.10	22,000.00
3,000	1.10	3,300.00	2,000	1.10	2,200.00	1,000	1.10	1,100.00
1,000	1.10	1,100.00	48,000	1.10	52,800.00	7,000	1.10	7,700.00
15,000	1.10	16,500.00	2,000	1.10	2,200.00	1,000	1.10	1,100.00
1,000	1.10	1,100.00	41,977	1.10	46,174.70	5,200	1.10	5,720.00
1,000	1.10	1,100.00	10,000	1.10	11,000.00	4,440,683	1.10	4,884,751.30

29-11-2010 Order(s) for stock exchange acquisition of 5,000 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
100	1.10	110.00	400	1.10	440.00	4,500	1.10	4,950.00

30-11-2010 Order(s) for stock exchange acquisition of 19,020 shares – transactions carried out:

Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Unit Price (€)
278	1.02	283.56	2,222	1.07	2,377.54	2,737	1.09	2,983.33
1,000	1.06	1,060.00	2,000	1.08	2,160.00	1,000	1.09	1,090.00
6,500	1.06	6,890.00	3,283	1.08	3,545.64			

There were no transactions of financial instruments related to CORTICEIRA AMORIM by its directors and officers, by companies controlling it or by persons closely related there to.

4.2. Information required under sections 447 and 448 of the Portuguese Companies Code.

a) Corticeira Amorim shares held and/or directly traded by members of the governing bodies of the company:

- i) On 31 December 2010, Mr. André de Castro Amorim (a company director) held 259,038 shares in CORTICEIRA AMORIM and did not trade in any securities representing the share capital of the company during 2010;
- ii) the remaining members of the governing bodies neither held nor traded any securities representing the share capital of the company.

b) CORTICEIRA AMORIM shares held and/or directly traded by companies in which members of the company's governing bodies perform managerial or supervisory functions:

- i) Amorim – Sociedade Gestora de Participações Sociais, S.G.P.S., S.A., in which the Chairman of the Board of Directors of CORTICEIRA AMORIM, Mr. António Rios de Amorim, carried out directorial duties, held 3,069,230 shares representing around 2.3% of the share capital of CORTICEIRA AMORIM. That company did not trade any CORTICEIRA AMORIM shares in 2010;
- ii) Evaluesco, S.G.P.S., S.A., a company in which Mr. Joaquim Ferreira de Amorim and Mr. André de Castro Amorim – both directors of CORTICEIRA AMORIM – performed directorial duties, held 90,000 CORTICEIRA

AMORIM's shares. In 2010 no CORTICEIRA AMORIM's shares were traded by Evaluesco, S.G.P.S., S.A.

- iii) Sociedade Agrícola Triflor, S.A., a company in which Mr. Joaquim Ferreira de Amorim and Mr. André de Castro Amorim – both directors of CORTICEIRA AMORIM – performed directorial duties, held 285,956 CORTICEIRA AMORIM's shares. In 2010 no CORTICEIRA AMORIM's shares were traded by Sociedade Agrícola Triflor, S.A.

c) List of Shareholders holding over one-tenth of the company's share capital:

On 31 December 2010, Amorim Capital – Sociedade Gestora de Participações Sociais, S.A. held 101,820,314 CORTICEIRA AMORIM shares representing 76.557% of the share capital.

Mozelos, February 18, 2011

The Board of Directors of CORTICEIRA AMORIM, S.G.P.S., S.A.

António Rios de Amorim
Chairman of the Board of Directors

Joaquim Ferreira de Amorim
Vice-Chairman of the Board of Directors

Nuno Filipe Vilela Barroca de Oliveira
Member of the Board of Directors

Luísa Alexandra Ramos Amorim
Member of the Board of Directors

José da Silva Carvalho Neto
Member of the Board of Directors

André de Castro Amorim
Member of the Board of Directors

Fernando José de Araújo dos Santos Almeida
Member of the Board of Directors