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CORPORATE GOVERNANCE REPORT



INTRODUCTION CORPORATE GOVERNANCE

From the publication, in 1999, of the first Portuguese Securities Market Commission's (or "CMVM") recommendations on corporate governance aimed at improving the mechanisms protecting investors in securities markets, **Corticeira Amorim** has been engaged in a process of reviewing its corporate governance system. On the one hand, our Company has been comparing its corporate governance principles and practices to what it is considered to be the best existing practices and, on the other hand, to the circumstances underlying its business and the challenges the Company has to face. As a result of this process **Corticeira Amorim** has been implementing a number of measures, whose main objectives are to strengthen the internal systems of control and supervision, increase transparency, encourage shareholder participation in the corporate life and guarantee sustained creation of shareholder value.

This document describes the corporate governance policies and practices adopted by our Company and it also provides a qualitative evaluation of those policies and practices by comparison with the best practices framework set out in the CMVM Corporate Governance Code.

Chapter 4 of this report includes information set out in articles 447 and 448 of the Portuguese Companies Act, in sections 14(6) and 14(7) of the 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. Websites where the Corporate Governance Codes (by which the issuer is governed) are available.

In matters of corporate governance **Corticeira Amorim** is governed by: (i) current Portuguese legislation, in particular the Portuguese Companies Act, the Portuguese Securities Market Code and the regulations issued by the Portuguese Securities Market Commission, which may all be accessed on the CMVM's website: www.cmvm.pt; (ii) its own articles of association, which are available on the Company's website at: www.corticeiraamorim.com; and (iii) the 2010 CMVM Corporate Governance Code as referred to in the CMVM Regulation no. 1/2010 and which, despite taking the form of a recommendation framework, constitutes an important benchmark of good practices, also available at www.cmvm.pt.

Corticeira Amorim assesses its practices in relation to the aforementioned Corporate Governance Code on a 'comply or explain' basis. This report on **Corticeira Amorim's** corporate governance structures and practices is benchmarked against all legislation, regulations and recommendations to which our Company is subject.

0.2. Detailed description of the recommendations contained in the CMVM Corporate Governance Code and whether they have or have not been adopted by the Company.

The review undertaken indicates that **Corticeira Amorim** has achieved a high level of compliance with the CMVM recommendations on corporate governance, as is shown in the following table:



Adopted and not adopted recommendations

Recommendation	Position as at 31-12-2012	Description in the Report	Recommendation	Position as at 31-12-2012	Description in the Report
I.1.1.	Adopted	1.1	II.1.5.2.	Not Adopted	0.3, 2.30
I.1.2.	Adopted	1.3	II.1.5.4.	Not Applicable	3.30
I.2.1.	Adopted	1.4	II.1.5.5.	-	-
I.2.2.	Adopted	1.4	II.1.5.6.	Adopted	1.15
I.3.1.	Adopted	1.9	II.1.5.7.	Adopted	3.33
I.3.2.	Adopted	1.9	II.2.1.	Adopted	2.2; 2.3
I.3.3.	Adopted	1.6	II.2.2.	Adopted	2.3
I.4.	Not Adopted	0.3, 1.8	II.2.3.	Adopted	2.3
I.5.	Adopted		II.2.4.	Adopted	Chapter 10 of the Directors' Report
I.6.1.	Adopted	1.19, 1.20	II.2.5.	Adopted	2.3
I.6.2.	Adopted	1.20	II.3.1.	Adopted	2.3
II.1.1.1.	Adopted	Introduction to Chapter 2	II.3.2.	Adopted	2.3
II.1.1.2.	Adopted	2.5, 2.6.	II.3.3.	Not Applicable	-
II.1.1.3.	Adopted	2.6	II.4.1.	Not Applicable	-
II.1.1.4.	Adopted	2.5, 2.6, 2.9	II.4.2.	Adopted	-
II.1.1.5.1.	Not Adopted	0.3, 2.7	II.4.3.	Adopted	-
II.1.1.5.2.	Not Adopted	0.3, 2.7	II.4.4.	Not Adopted	0.3
II.1.2.1.	Adopted	2.1	II.4.5.	Adopted	-
II.1.2.2.	Not Adopted	0.3, 2.14, 2.15	II.4.6.	Not Adopted	0.3
II.1.2.3.	Adopted	2.14, 2.15	II.5.1.i)	Adopted	2.30
II.1.3.1.	Adopted	2.21, 2.22	II.5.1.ii)	Adopted	Introduction to Chapter 2
II.1.3.2.	Adopted	2.11, 2.16	II.5.1.iii)	Not Adopted	0.3
II.1.4.1.	Adopted	2.35	II.5.2.	Not Adopted	0.3, 2.38, 2.39
II.1.4.2.	Adopted	2.35	II.5.3.	Not Adopted	0.3
II.1.5.1.i)	Adopted	2.30, 2.33	II.5.4.	Adopted	-
II.1.5.1.ii)	Not Adopted	0.3, 2.33	III.1.1.	Adopted	3.16
II.1.5.1.iii)	Not Adopted	0.3, 2.33	III.1.2.	Adopted	3.16
II.1.5.1.iv)	Adopted	2.30	III.1.3.	Not Adopted	0.3
II.1.5.1.v)	Not Applicable	2.33	III.1.4.	Not Adopted	0.3, 3.17
II.1.5.1.vi)	Not Applicable	2.33	III.1.5.	Not Adopted	0.3, 3.17
II.1.5.1.vii)	Not Adopted	0.3	IV.1.1.	Adopted	3.13
II.1.5.1.viii)	Adopted	2.30, 2.33	IV.1.2.	Not Applicable	0.3, 3.13

o.3. Explanation and justification of the discrepancies between the Company's corporate governance practices or structure and the Portuguese Securities Market Commission's recommendations.

On December 31, 2012, **Corticeira Amorim** operated in full compliance with all applicable laws and statutory provisions in force. As shown in the table above, **Corticeira Amorim** did not fully implement all recommended practices set out in the Portuguese Securities Market Commission's Corporate Governance Code as set out in o.1.

Corticeira Amorim admits that the Portuguese Securities Market Commission's Code is a benchmark of good corporate practice that contributes largely to a careful consideration and adoption of a corporate organisational framework which safeguards the rights and interests of the Company's shareholders, boosts transparency in corporate governance and fosters greater efficiency and competitiveness of business.

However, as the Portuguese Securities Market Commission's Recommendations also state, after careful consideration of the specific circumstances that surround and shape our Company, weighing the expected benefits and costs of adopting or not adopting some of the recommendations set out in the Corporate Governance Code – both as regards transparency and balance of power in the Company as well as its competitiveness – have led us to decide, under certain circumstances, not to adopt certain recommendations and under other circumstances, to postpone their adoption, as detailed below:



Recommendation I.4. – Quorum.

Corticeira Amorim's articles of association fix a quorum higher than that required by law¹ in the following cases:

- ✗ restriction or abolition of shareholders' pre-emptive subscription rights in share capital increases – in order that a resolution on this issue may be adopted, the Annual General Meeting must be attended by shareholders accounting for at least 50 per cent of the paid-up share capital (article 7);
- ✗ removal of a director elected under the special provisions set out in article 392 of the Portuguese Companies Act - in order that a resolution on this issue may be adopted, it is necessary that shareholders accounting for at least 20 per cent of the share capital shall not vote against the resolution to remove a director from office (article 17);
- ✗ in order that resolutions may be passed at an Annual General Meeting convened by shareholders, the meeting shall be attended by members holding shares equivalent to the minimum amount required by law to justify the calling of such a meeting (article 22);
- ✗ change in the composition of the Board of Directors – this resolution must be approved by shareholders accounting for at least two-thirds of the share capital (article 24);
- ✗ winding-up of the Company – this resolution must be approved by shareholders accounting for at least 85 per cent of the paid-up share capital (article 33).

Therefore, non-compliance with the CMVM's Recommendation and the requirement of a higher quorum than that provided for by the Portuguese Companies Act gives shareholders - particularly small or minority shareholders - an important role in a number of decisions that can have significant impact on corporate life (winding-up), corporate governance model (removal of a Director proposed by minority shareholders and change in the composition of the Board of Directors), ownership rights of shareholders (restriction or abolition of shareholders' pre-emptive subscription rights in share capital increases) and an appropriate participation in Annual General Meetings convened by shareholders.

Thus, after reviewing the above considerations, we are of the opinion that keeping these conditions will contribute to enhance and protect shareholders' rights and role in respect of significant corporate governance matters – values that the Corporate Governance Code seeks to protect.

¹ The Portuguese Companies Act sets out various requirements in order that resolutions may be validly adopted at an Annual General Meeting:

Quorum (§ 383):

1. On first convening, resolutions may be passed at an Annual General Meeting regardless of the number of members present in person or by proxy, unless otherwise laid down in the following paragraph or in the Company's articles of association.
2. On first convening, the Annual General Meeting can pass resolutions to amend the Company's articles of association or the Company's merger, de-merger, transformation or winding-up or any other matters in respect of which an unspecified qualified majority is required by law, if shareholders jointly holding at least one third of the Company's share capital are present in person or by proxy at such meeting.
3. On second convening, resolutions may be passed at an Annual General Meeting regardless of the number of members present in person or by proxy at the meeting or the Company's share capital held by such members.

Majority voting (§ 386):

1. Resolutions at an Annual General Meeting shall be passed by a simple majority of the votes cast, regardless of the percentage of share capital held by the members attending the meeting, unless otherwise provided for by law or in the Company's articles of association; abstentions are not counted.
2. In the event of competing motions for appointment of members to the governing bodies or appointment of statutory auditors or statutory audit firms, the motion receiving the highest number of votes will win.
3. Resolutions on any matter specified in section 383(2) must be carried by a majority of two-thirds of the votes cast, regardless of whether the meeting is convened for the first or for the second time.
4. On second convening, resolutions on any matter specified in section 383(2) may be carried by a simple majority of the votes cast by shareholders present in person or by proxy at the meeting and jointly holding at least half of the Company's share capital.



Recommendation II.1.1.5.1 and Recommendation II.1.1.5.2 – Existence and disclosure of formal regulations governing the functions, role and responsibilities of the board of directors.

Although, as envisaged in this recommendation, there are no formal written internal rules, the Board of Directors of **Corticeira Amorim** scrupulously complies with all regulations applicable to it, especially those set out in the Portuguese Companies Act, in the Company's articles of association and in the regulations issued by the CMVM. The Board considers that such regulations are a real set of operating rules conducive to the effective and efficient running of the operations of the Company and this governing body's commitment to the safeguarding of the interests of the Company and its shareholders.

Moreover, although **Corticeira Amorim** has no formal internal rules, the Company considers that the principles of good business practice form part of the business values upheld not only by the members of this governing body but also by all staff members who assist and/or advise the board of directors.

Given that these internal regulations have not yet been formalized, they are not available on the Company's website. However, the Board of Directors complies with all operating rules prescribed by law (Portuguese Companies Act) or by the Company's articles of association, which operating rules are available on the CMVM's website (www.cmvm.pt) or on the Company's website (www.corticeiraamorim.com) respectively.

Recommendation II.1.2.2 - The board of directors shall include independent non-executive directors.

On December 31, 2012, the Board of Directors was composed of six members - three of whom were non-executive directors and three were executive directors - and therefore the requirement for an adequate number of non-executive directors on the board is thus complied with.

Although the Board of Directors does not include a quarter of independent non-executive members as recommended by the Corporate Governance Code, the Company believes that the existence of two supervisory teams – a supervisory board and a statutory auditor – whose members are all independent, ensures that the interests envisaged by this recommendation are fully and appropriately protected. In addition, it is believed that the observance of this independence requirement coupled with the liability regime for members of the Supervisory Board, meet the conditions necessary to ensure effective supervision to a high standard of impartiality, rigour and independence.

Recommendation II.1.5.1.ii) – Adequate balance between variable pay component and fixed pay component and maximum limits for the actual pay package.

It must be stressed that current practice clearly reflects a reasonable balance not only in terms of absolute values but also in terms of the ratio

between fixed and variable pay components. However, the Company's articles of association impose a limit on the percentage amount that can be set aside for profit sharing schemes, which percentage payable to the entire Board of Directors may not exceed 3 per cent.

Recommendation II.1.5.1.iii) – Deferral of variable pay award for a period of not less than three years depending on the continued positive performance of the Company.

Although payment deferral under the conditions specified in this Recommendation is not standard practice, it should be noted that the variable pay award (i.e., a performance-based bonus) payable to the executive members of the Board of Directors and to the Company's Officers will depend on the level of achievement of a number of strategic targets, objectives and initiatives and priority actions set out in a three-year plan, including any annual adjustments thereto, thus safeguarding the interests envisaged by this recommendation for a period not exceeding three years.

Recommendation II.1.5.1.vii) – Adequate legal instruments to prevent payment of compensation for wrongful dismissal of a director if such dismissal is due to the director's inadequate performance.

There are no legal instruments meeting the terms set out in this recommendation. With regard to dismissal of a director, it is understood that the provisions of Article 403 of the Companies Act shall apply. In case of wrongful dismissal of a director, the provisions of Section 403.5 of the Companies Act setting forth that "If the dismissal is not for a valid authorized cause, the director shall be entitled to compensation for damages suffered in accordance with the terms of the agreement entered into by the director or under general law, but such compensation cannot exceed the expected sum of the remunerations that a director would have received by the end of his or her term of office" shall prevail.

Recommendation II.1.5.2. – The report on remuneration policy for members of the Company's management and supervisory bodies as specified in article 2 of Law no. 28/2009 of June 19, 2009 shall also provide information on comparative figures for determining these officers' remuneration as well as payments for dismissal or termination of employment by mutual agreement.

Although the report on remuneration policy for members of the Board of Directors and Supervisory Board - containing all of the information required under the above law - shall be issued and submitted for approval to the Annual General Meeting, such report does not include information on payments for dismissal or termination of employment by mutual agreement because the Company is of the opinion that the provisions of the law must apply. No payments were made for dismissal or termination of employment of a director by mutual agreement during the financial year under consideration.

Recommendation II.1.5.3. - As provided for in article 2 of Law no. 28/2009 of June 19, 2009 the report on remuneration policy shall include information on the remuneration payable to directors and officers, whose variable pay component is substantial. The long-term performance of the Company, its compliance with the regulations applicable to its business and risk taking behaviour must be taken into account in designing such a policy.

Although the report on remuneration policy for Directors and Officers - containing all of the information required under the above law - shall be issued and submitted for approval to the Annual General Meeting, the report does not specifically meet the reporting requirements in terms of regulations applicable to the business of the Company because such regulations are deemed to be redundant since strict and diligent compliance with the law is a condition precedent to the rendering of any professional service. The report does not also meet the disclosure requirements on risk avoidance since this is achieved in the Company by implementing an efficient internal control system.

Recommendation II.4.4. – The supervisory board is entitled to represent the Company in dealings with the external auditor.

The Supervisory Board is responsible for proposing the Statutory Auditor(s) for the Company and the Board of Directors is responsible for deciding the auditors' remuneration. It is the responsibility of the Finance and Office Services Department to ensure that adequate conditions for the provision of services are in place within the Company. This segmentation is believed to allow guaranteeing the interests envisaged by this Recommendation.

Therefore, the failure to adopt this recommendation arises from the implementation of a framework for representation and dialogue with the External Auditor, which framework also ensures the protection of the interests as envisaged by this recommendation. In fact, when issues of a bargaining nature (as is the case of remunerations, but not the case of the scope or extent of the audit work) are removed from the scope of the relationship between the Audit Committee and the External Auditor, the relationship between these independent and supervisory bodies of the Company is thereby facilitated. At the end of each financial year the Supervisory Board shall give its considered opinion on the work carried out by the Statutory Auditor. This opinion together with other financial statements shall be published by the Company.

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

The internal audit services shall report to the Board of Directors. Although this is not the solution proposed by this recommendation, the Company believes that this is an effective way to guarantee the implementation in due time, to the extent deemed appropriate and in the desired quality, of the rules applicable to the Company, irrespective of whether they are laws, recommendations issued by regulatory authorities, mandatory standards arising from certification processes or procedures implemented by the Company.

Recommendation II.5.1.iii) - Establishment of a committee for identifying potential candidates with the skills to the extent necessary for the performance of director's duties.

There is no such committee pursuant to this Recommendation because the election of members to this committee is based on a proposal submitted by the shareholders to the Annual General Meeting, as detailed in section 2.11. hereof.

Recommendation II.5.2. – The members of the Remuneration Committee must be independent and include at least one member who must have knowledge of and experience in the field of remuneration policy.

As set out 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 – particularly by the Annual General Meeting which elected the Committee members – that they have adequate technical skills,

practical experience and balanced personality to enable them to fully and effectively discharge their role.

Recommendation II.5.3. - No individual or company that provides services - or has provided services in the last three years - to any organization subject to the board of directors, to the board of directors itself or is the current consultant to the Company, shall be hired to assist the Remuneration Committee in carrying out its duties. This recommendation is also applicable to any individual or company having a contractual relationship (an employment contract or a contract for the provision of services) with any of the above mentioned individuals or companies.

The Remuneration Committee shall be assisted only by **Corticeira Amorim's** staff. The key skills set out in the immediately previous section are deemed to provide a sufficient safeguard to independence as envisaged in this recommendation.

Recommendation III.1.3. – Rotation of the external auditor every three terms.

There is no Statutory Auditor rotation policy. Extensions of office terms for auditors beyond the above three-term limit must be duly based on the pros and cons of such continuance in office, in particular the knowledge and experience gained in the business sector in which the Company operates. PricewaterhouseCoopers & Associados, SROC, Lda meets the independence requirements and, in addition, this firm of chartered accountants - in line with international best practices - is willing to rotate the auditor assigned to **Corticeira Amorim** every seven years.

In addition to a Statutory Auditor, **Corticeira Amorim** has also a Supervisory Board consisting wholly of independent members, whose work cannot be validly performed for a period exceeding three terms.

Therefore, the interests envisaged in this recommendation are believed to be fully protected.

Recommendation III.1.4. – Within the scope of his/her duties and responsibilities, the external auditor must check the effective implementation of the remuneration systems and policies, the effectiveness and operation of the internal control mechanisms and report any shortcomings to the Company's supervisory board.

The duties and responsibilities of the Statutory Auditor do not include checking the remuneration systems and policies implemented by the Company. The Board of Directors believes that the current remuneration management system complies with the remuneration policy approved by the Annual General Meeting.

The performance of all other duties - that must be diligently and effectively carried out - are the Statutory Auditor's responsibility.

Recommendation III.1.5. – The Company shall not engage the services other than audit services of external auditors or any organization that belongs to the same network. If there are reasons for engaging such services – which must be approved and duly explained by the Company's supervisory board – such non-audit services must not account for more than 30 per cent of the total value of services provided to the Company.

The services engaged by the Company from PricewaterhouseCoopers - the Company's Statutory Auditors – do not require prior approval by the Supervisory Board. These services essentially include assisting in the implementation of administrative tasks and procedures with a view to ensuring compliance with the regulations laid down in law. The provision of such services is subject to rules preventing possible issues concerning the independence of the Statutory Auditor, as best illustrated in section 3.17 below.

Recommendation IV.1.2. – Material transactions between the Company and its qualifying shareholders or any organization which controls, is controlled by or is in common control with such shareholders shall require the supervisory board's prior opinion.

Although there is no duty to submit to the consideration of the supervisory board information on material transactions between the Company and its qualifying shareholders or persons controlling a qualifying holding, as reported over the years no material related-party transactions have been entered into. However, any such material related-party transactions are carried out under normal market conditions and the amounts of money involved are disclosed in the Annual Report.

o.4. The appropriate governing body or committee shall, at all times, assess the independence of each of their members and explain to shareholders the grounds for any such assessment carried out either at the time of the appointment of any such member or at the time of occurrence of any circumstance which may lead to his/her loss of independence. Such explanation to be given to shareholders shall be included in the corporate governance report. Every member of the group chairing the Annual General Meeting and the Supervisory Board is liable to be assessed in respect of his/her compliance with the requirements on conflicts of interest and independence set out in articles 414 and 414-A of the Portuguese Companies Act. At the time of a member's first appointment to any such body, he/she must issue a statement expressly stating that:

1. he/she is aware of the legislation which applies not only to his/her eligibility for the position but also to the performance of the duties inherent in the position, including the requirements on conflicts of interest and independence;
2. there are no facts or conditions which could adversely affect his/her compliance with legal requirements for performing the inherent requirements of the position;
3. he/she undertakes to report immediately to the Management of **Corticeira Amorim** the emergence of any fact which could adversely affect his/her compliance with such requirements.

Until the date of signature hereof, no notice under paragraph 3 above had been received by the Management of **Corticeira Amorim**. Therefore, the conclusion drawn is that every member of the group chairing the Annual General Meeting and the Supervisory Board is in full compliance with the requirements on conflicts of interest and independence, which requirements apply to each of them.

In the light of the concept of independence defined by the Portuguese Securities Market Commission in the Corporate Governance Code ("a director should not be considered an independent director if he/she cannot have independent status in another governing body by virtue of applicable law") none of the members of the Board of Directors of **Corticeira Amorim** is considered independent. It should be noted, however, that the existence of independence under such terms provides a benchmark for assessing compliance with good practices as recommended by the Corporate Governance Code of the Portuguese Securities Market Commission and is not a legal or statutory requirement for the valid appointment of Board members and their performance of duties.



CHAPTER 1

ANNUAL GENERAL MEETING

1.1. Members of the group chairing the annual general meeting.

The group chairing the Annual General Meeting shall consist of a Chairman and a Secretary. At 31 December 2012, Mr Joaquim Taveira da Fonseca and Mr Tiago Borges de Pinho were, respectively, the Chairman and the Secretary of the group chairing the Annual General Meeting.

The Company shall provide adequate technical and administrative secretariat services tailored to the needs of the group chairing the Annual General Meeting so that the members of this group may competently carry out their assigned duties.

1.2. Beginning and end of the term of office.

Chairman: Mr Joaquim Taveira da Fonseca

Beginning of his first term of office: 30 March 2007
Renewal of his term of office: 1 April 2011
End of current term of office: 31 December 2013.

Secretary: Mr Tiago Borges de Pinho

Beginning of his first term of office: 30 March 2007
Renewal of his term of office: 1 April 2011
End of current term of office: 31 December 2013.

1.3. Disclosure of the remuneration paid to the members of the group chairing the annual general meeting.

The Chairman of the group chairing the Annual General Meeting earned ten thousand euros in 2012. The overall remuneration paid in 2012 to all members of the group chairing the Annual General Meeting amounted to thirteen thousand five hundred euro.

1.4. Advance time required for depositing or blocking shares in order to be entitled to attend an Annual General Meeting.

In order to be entitled to attend an Annual General Meeting, the shares owned by a shareholder must be blocked for at least five business days prior to the date scheduled for holding the meeting. In the event of an annual general meeting being adjourned, this provision shall apply mutatis mutandis to the resumed meeting.

1.5. Provisions applicable to share blocking in the event of an Annual General Meeting being adjourned.

As in the case of an original Annual General Meeting, shareholders wishing to attend an Annual General Meeting adjourned to a later date must ensure that their shares are blocked for five business days prior to the date scheduled for holding the meeting.

1.6. Number of shares and voting rights.

Each share qualifies for one vote.

1.7. Statutory guidelines providing for the existence of shares that do not carry voting rights or determining that voting rights exceeding a certain threshold shall not be counted if such votes are casted by only one shareholder or by a shareholder who is related to that shareholder.

There are no statutory guidelines regarding these provisions.

1.8. Existence of statutory guidelines on the exercise of voting rights, including quorum rules or special equity rights frameworks.

In addition to the guidelines set out in sections 1.4 to 1.6 and 1.9 to 1.12 hereof, the articles of association lay down specific guidelines as regards quorum at general meetings in the following situations:

- ✗ restriction or withdrawal of pre-emption rights in share capital increases – the Company’s articles of association require that the Annual General Meeting be attended by shareholders accounting for at least 50 per cent of the paid-up share capital;
- ✗ removal from office of a director elected under the special rules set out in article 392 of the Portuguese Companies Act, in the event that shareholders accounting for at least 20 per cent of the share capital have not voted against the removal of such director;
- ✗ exercising the right to vote – the need to own at least one share of the Company’s stock at least five business days prior to the date scheduled for holding the Annual General Meeting.
- ✗ in order that an Annual General Meeting requisitioned by shareholders may pass resolutions – it is required that the Annual General Meeting be attended by shareholders owning shares representing at least the minimum amount of share capital required by law to legitimize the reason for calling such meeting;
- ✗ change in Board composition – such resolution requires the approval of shareholders who represent not less than 2/3 of the total share capital;
- ✗ winding-up the Company – such resolution requires the approval of shareholders representing at least 85 per cent of the paid-up share capital.

There is no limit on the number of votes that each shareholder (either separately or jointly with other shareholders) is entitled to cast or exercise in an annual general meeting.

1.9. Existence of statutory guidelines on the exercise of voting rights through postal vote.

The articles of association provide for the possibility of shareholders voting by mail, provided that the ballots reach the Company at least three business days before the Annual General Meeting.

1.10. Provision of postal vote form for exercising the right to vote by postal mode.

Postal ballot forms are available from **Corticeira Amorim**’s registered office (Rua de Meladas, no. 380 – 4536-902 Mozelos - Portugal) and from the Company’s website (www.corticeiraamorim.com). At the request of a shareholder, such postal ballot forms may be provided by e-mail.

1.11. Deadline for receipt of postal ballot forms before the Annual General Meeting.

Postal ballot forms must reach the registered office of the Company not less than three business days before the Annual General Meeting.

Votes cast by post shall be deemed to be negative votes in respect of a motion made on a date subsequent to the date on which such votes were cast. Attendance of a shareholder either in person or by proxy at an AGM shall revoke his/her vote cast by post.

1.12. Exercise of voting rights by electronic means.

Corticeira Amorim’s articles of association allow electronic voting at AGMs, provided that there are adequate technical resources available to enable checking the validity of electronic votes and ensuring their data integrity and confidentiality.

Electronic ballots must reach the registered office of the Company not less than three business days before the Annual General Meeting. Prior to sending a notice convening an AGM, the chairman of the group chairing the annual general meeting shall ensure that adequate technical resources are in place to ensure ballot security and reliability.

If the chairman of the group chairing the annual general meeting concludes that adequate technical resources are in place to enable electronic voting, such information shall be included in the notice of the meeting. Electronic votes shall be deemed to be negative votes in respect of a motion made on a date subsequent to the date on which such votes were cast. Attendance of a shareholder either in person or by proxy at an AGM shall revoke his/her electronic vote.

1.13. Possibility of shareholders viewing the extracts from the minutes of an annual general meeting on the Company's website within five days after the holding of the relevant meeting.

The minutes shall be made available to all members, investors and public at www.corticeiraamorim.com within a time period that shall not exceed five days after the holding of each Annual General Meeting.

1.14. Maintenance of an online archive on the Company's website of the resolutions passed at the Company's general meetings, the proportion of the share capital represented at any meeting and the voting results, in respect of the three preceding years.

An online archive of relevant information regarding General Meetings covering the period from 2005 (inclusive) to the date hereof shall be maintained on the Company's website. This information shall include: the notice to members of general meetings, motions tabled at any such meeting, attendance lists, voting results and the minutes of the meeting.

1.15. Name(s) of the representative(s) of the Remuneration Committee attending the general meeting.

During 2012 two General Meetings of the Company were held. The first, held on 29 March, was attended by Mr Álvaro José da Silva, a member of the Remuneration Committee; the second, held on 30 November, wasn't attended by any member of the Remuneration Committee since it was an extraordinary general meeting whose agenda didn't include any issue related to remuneration policies discussion.

1.16. Information on the role of the Annual General Meeting in issues involving the Company's remuneration policy and the assessment of the performance of individual board members.

It is the responsibility of the Annual General Meeting to appoint a Remuneration Committee. The ability and capacity of the members of the Committee to perform the duties assigned to them in an independent manner for their entire term of office, i.e. to determine the remuneration policy of the members of the governing bodies, which remuneration policy shall foster over the medium and long-term the alignment of the interests the members of the governing bodies with those of the Company should be taken into consideration.

The adoption of the balanced scorecard methodology, which assesses performance using both financial and non-financial measures, enables the Remuneration Committee to evaluate every financial year, whether or not goals are achieved and to what degree. The balanced scorecard serves also as the basis for preparation of the reports of the Remuneration Committee and the Board of Directors on the remuneration policy for members of the Board and the supervisory board as well as on the remuneration policy for other senior executives and officers, respectively, to be submitted every year to the Annual General Meeting for approval.

1.17. Information on the role of the annual general meeting in respect of motions concerning plans for award of shares and/or share call options, or on the basis of share price movements, to members of the board of directors or the supervisory board and other officers under section 248-B(3) of the Portuguese Securities Act, as well as on the data provided to the annual general meeting for adequate consideration of those plans.

Although no plans similar to the ones described in this subsection were in place in the Company at 31 December 2012, should their implementation be proposed, it is the policy of the Company that the features of the plans adopted and in force in the relevant financial year be considered by the Annual General Meeting.

1.18. Information on the role of the annual general meeting regarding the approval of the main characteristics of retirement benefit plans for members of the board of directors and the supervisory board and other senior executives and officers under section 248-B(3) of the Portuguese Securities Act.

Although no retirement benefit systems similar to the ones described in this subsection were in place in the Company on the date hereof, should their implementation be proposed, it is the policy of the Company that the features of the systems adopted and in force in the relevant financial year be considered by the Annual General Meeting.

1.19. Existence of a statutory provision concerning the duty to submit a motion at least every five years for consideration and approval of the annual general meeting concerning the maintenance in force or removal of a statutory provision providing for a cap on the number of voting rights that may be held or exercised by a single shareholder or group of shareholders.

Not applicable since, as provided above, there are no statutory provisions providing for the existence of non-voting shares or prescribing that voting rights exceeding a certain threshold shall not be counted if exercised by a single shareholder or group of shareholders.

1.20. Information on defensive measures intended to automatically cause a serious depletion of the Company's assets in the event of a change in control of the Company or composition of the board of directors.

The Company's articles of association do not include measures of this type and, to the best of **Corticeira Amorim's** knowledge, there are no other provisions and/or measures intended to automatically cause a serious depletion of the Company's assets in the event of a change in control of the Company or composition of the Board of Directors. To the best of **Corticeira Amorim's** knowledge, there are no defensive measures and/or provisions intended to operate before a potential takeover bid.

1.21. Relevant agreements to which the Company is a party, which agreements shall come into force, be amended or be terminated in the event of a change in control of the Company as well as any effects arising therefrom, except if the disclosure of such agreements may, by their very nature, be highly damaging to the Company, unless the Company is specifically obliged to disclose such information by other mandatory provisions of law.

At December 31, 2012 there were loan agreements entered into by **Corticeira Amorim** and several banking institutions containing covenants requiring the maintenance of **Corticeira Amorim's** controlling interest. The total lending amount set forth in such agreements was EUR 65 million. In case of change in controlling interest, such loan agreements provide for the possibility – but not the obligation – of requesting for early repayment of any amounts borrowed.

There are no other agreements on the terms set out in this subsection 1.21.

1.22. Agreements entered into by and between the Company and its directors and officers under section 248-B(3) of the Portuguese Securities Act, which agreements provide for compensation to be paid to the Company's directors and officers in the event of resignation, unfair dismissal or termination of employment following a change in control of the Company.

No agreements providing for the payment of compensations to the Company's directors and officers (other than where required by law) have been entered into by and between the Company and its directors or officers.

CHAPTER 2

BOARD OF DIRECTORS AND SUPERVISORY BOARD

The Company has adopted a governance model commonly known as “reinforced Latin” model, which advocates a separation between the roles of supervision and that of the Management as well as a double supervisory mechanism consisting of a supervisory board and a statutory auditor.

The Board of Directors considers that the adoption of this model permits the existence of a supervisory board with enhanced and effective monitoring powers, which board is composed entirely of members who are subject to strict requirements on conflicts of interest and independence. Moreover, the assignment of this task to an independent body – the Supervisory Board – favours the establishment of an efficient corporate governance model that contributes to a clear separation of powers and responsibilities between the different governing bodies and thus prevents supervisory powers from being



assigned to a group of members of the Board of Directors which, according to the law, is a collegiate body.

Accordingly, after taking the specific circumstances of **Corticeira Amorim** into account, the Board of Directors is firmly convinced that the corporate governance model adopted by the Company is quite adequate and appropriate for the following reasons:

- ✦ it embodies a framework of principles of corporate governance and good practice designed to promote greater transparency and a high level of professionalism and competence;
- ✦ it ensures the alignment of interests across the organisation, specifically among shareholders, members of the governing bodies, officers and other employees of the Company;
- ✦ it encourages shareholder participation in the life of the Company;
- ✦ it fosters the efficiency and competitiveness of **Corticeira Amorim**.

Corticeira Amorim encourages an ongoing process of internal reflection on corporate governance structures and practices adopted by the Company by comparing their efficiency with the potential benefits to be gained from implementing other practices and/or measures prescribed in the CMVM Corporate Governance Act or by other organisations.

This matter – as well as **Corticeira Amorim**’s organisational development issues - has been reviewed by the Executive Committee. Reflection on the corporate governance structure itself has been conducted by the Executive Committee – in the presence of the market relations officer – and by the Board of Directors.

SECTION I – MISCELLANEOUS

2.1. Governing bodies: their identification and composition.

As at December 31, 2012, each governing body was composed as follows:

Board of Directors:

Executive Members:

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

Non-Executive Members:

Member:	Cristina Rios de Amorim Baptista
Member:	Juan Ginesta Viñas
Member:	Jorge Manuel Seabra de Freitas

Supervisory Board:

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

Statutory Auditors:

Statutory auditors:	Pricewaterhousecoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda, a firm of chartered certified accountants represented either by Mr José Pereira Alves (Chartered Certified Accountant) or Mr António Joaquim Brochado Correia (Chartered Certified Accountant)
Alternate auditor:	Mr Hermínio António Paulos Afonso (Chartered Certified Accountant)

2.2. Identification and composition of other committees vested with power and authority to deal with matters relating to the Company's management or supervision.

As provided for in **Corticeira Amorim's** articles of association, the committee members currently in office are:

✦ **Advisor to the Board of Directors**

Meetings of the Board of Directors shall be attended by the directors as well as by the advisors to the board. Mr. Américo Ferreira de Amorim (since 2011) and Mr. Joaquim Ferreira de Amorim (since July 2012) have served as an advisors to the Board of Directors.

✦ **Executive Committee**

The Executive Committee shall consist of three members, i.e., a chairman and two members. The members of the Committee as at 31 December 2012 were as follows:

Chairman: António Rios de Amorim

Vice-Chairman: Nuno Filipe Vilela Barroca de Oliveira

Member: Fernando José de Araújo dos Santos Almeida

2.3. Organisation charts or schedules of responsibilities showing the distribution of roles and duties among the different 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 board of directors or supervisory board, as well as a list of non-delegable duties and the responsibilities actually delegated.

The **Board of Directors** is composed of three non-executive members and three executive members.

Corticeira Amorim's Board of Directors maintains effective control over the activities of the Company and is the highest strategic decision making body. It is also the body responsible for monitoring the most important and relevant aspects of the Company's business and affairs, including significant matters decided on or examined by the Executive Committee, therefore ensuring that the members of the Board of Directors are aware of the measures adopted as a response to Board decisions and can monitor their implementation and effectiveness.

As provided for in the Portuguese Companies Act, the role of the Board of Directors is to manage the Company's business and affairs and decide on any matter relating to its management while abiding by the resolutions adopted by the Annual General Meeting or the decisions made by the Supervisory Board whenever required by law or the articles of association.

The general powers and duties of the Board of Directors include choosing its chairman; co-opting directors; requesting the convening of Annual General Meetings; preparing annual reports and financial statements; buying, selling or mortgaging real estate; providing guarantees and furnishing collateral and security on behalf of the Company; opening or closing facilities or important component parts thereof; significantly expanding or reducing the Company's activity; making major changes in the Company's organisation; establishing or terminating important and long-lasting cooperation projects with other companies; moving the Company's head office to another location and increasing its share capital; merging, de-merging or changing the legal status of the Company; and deciding on any other matters put forward at the request of any director.

The Company's articles of association give to the Board of Directors the power of directing, managing and representing the Company in dealings with third parties and in all its activities; moving the Company's head office to any location permitted by law; setting up representative offices, agencies, branches, affiliates, subsidiaries or offices of any kind anywhere in the Portuguese territory or abroad; acquiring, selling and pledging, in any way whatsoever, the Company's own shares and bonds and any rights attached thereto, as well as carrying out any transactions with such shares and bonds as the directors may think fit; purchasing, selling, exchanging and mortgaging real estate via any instruments or contracts as well as mortgaging a property as a security for the payment of a debt; exercising and promoting the exercise of the rights of the Company in companies in which the Company has an interest; acquiring, selling, exchanging, leasing and encumbering personal property in any manner whatsoever; negotiating borrowings from financial institutions; operating bank accounts, depositing and withdrawing monies, making, accepting, signing and endorsing cheques, bills of exchange, promissory notes, invoices and other negotiable instruments; admitting fault, giving up or settling any legal action, as well as entering into arbitration; carrying out any other duties as provided herein and in law.



The Directors may delegate any of their powers as follows:

1. the management of the Company's ordinary course of business may be delegated to one or more directors or to an Executive Committee. Any such delegation may be made subject to any conditions the directors may impose. The directors may designate one or several directors to take responsibility for certain management duties. However, there are a number of duties that are non-delegable as follows:
 - ✗ choosing the chairman of the Board of Directors;
 - ✗ co-opting directors;
 - ✗ requesting the convening of Annual General Meetings;
 - ✗ preparing annual reports and financial statements;
 - ✗ buying, selling or mortgaging real estate;
 - ✗ providing guarantees and furnishing collateral and security on behalf of the Company;
 - ✗ opening or closing facilities or important component parts thereof;
 - ✗ significantly expanding or reducing the Company's activity;
 - ✗ making major changes in the Company's organisation;
 - ✗ establishing or terminating important and long-lasting cooperation projects with other companies;
 - ✗ moving the Company's head office to another location and increasing its share capital;
 - ✗ merging, de-merging or changing the legal status of the Company.
2. the implementation of the decisions made by the Board of Directors, the management of the Company's ordinary course of business, the authority and power to implement certain management duties as well as the determination of the *modus operandi* of the Executive Committee may be delegated to any director or to an Executive Committee. However, there are a number of duties that are non-delegable as follows:
 - ✗ choosing the chairman of the Board of Directors;
 - ✗ co-opting directors;
 - ✗ requesting the convening of Annual General Meetings;
 - ✗ preparing annual reports and financial statements;
 - ✗ providing guarantees and furnishing collateral and security on behalf of the Company;
 - ✗ moving the Company's head office to another location and increasing its share capital;
 - ✗ merging, de-merging or changing the legal status of the Company.

As the name suggests, the **Advisors to the Board of Directors** are people who advise the Board of Directors about the various issues addressed at board meetings, but they don't have the right to vote on resolutions passed at meetings.

In the specific case of **Corticeira Amorim**, it should be emphasized that the unmatched experience, vision and entrepreneurial spirit of Mr Américo Ferreira de Amorim as well as the cork business deep knowledge of Mr Joaquim Ferreira de Amorim are instrumental in the success and growth of the Company. Wise and experienced advisors, they also challenge and encourage the Company to adopt new initiatives and approaches.

The **Executive Committee** exercises the powers delegated to it by the Board of Directors with a view to streamlining management practices and making possible closer and continuous monitoring of the Company's different areas (management, operations and support) and its operating and business processes.

According to **Corticeira Amorim's** articles of association, the Executive Committee is vested with the power to implement the decisions made by the Board of Directors, manage the Company's ordinary course of business and implement certain management duties.

With a properly implemented reporting system within the Company, information flows from the members of the Executive Committee to the Directors, thus ensuring that the performance of the members of both the Board and the Committee are aligned and that every director is informed of the work and activities of the Executive Committee in a timely manner.

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

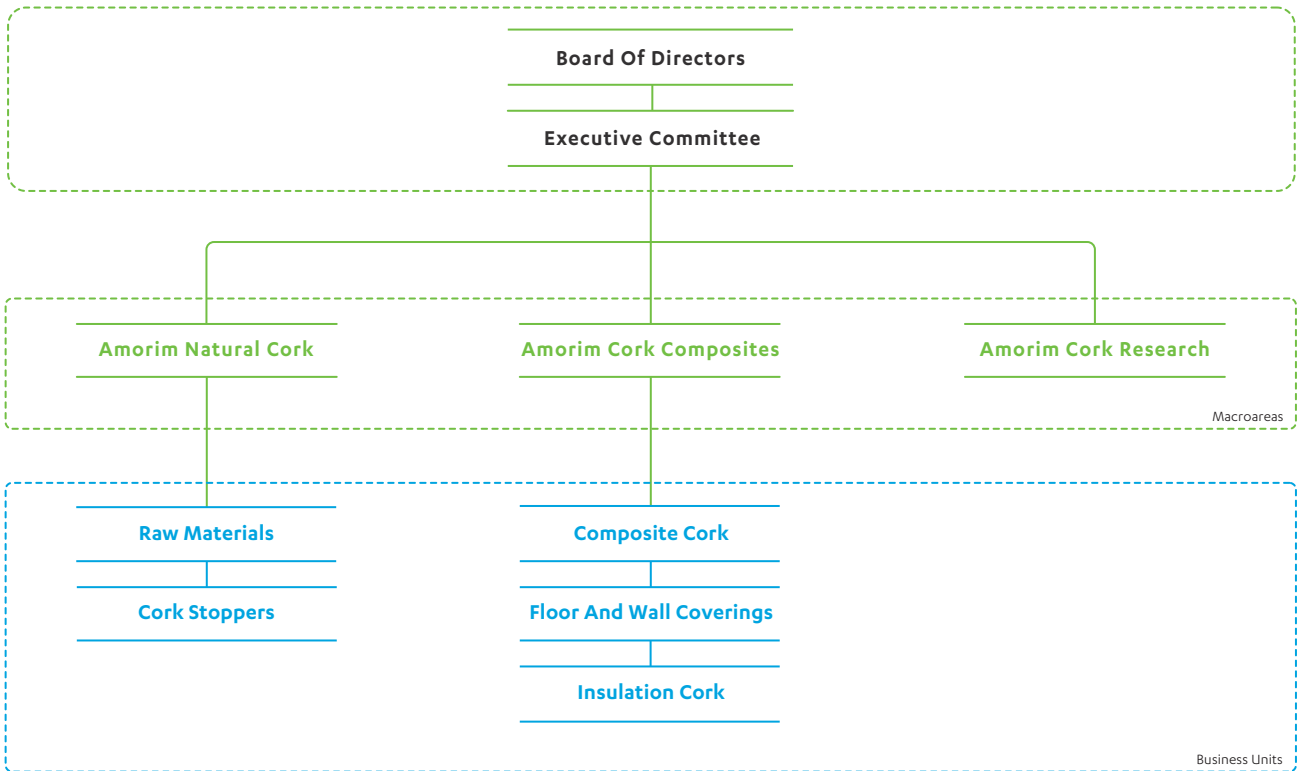
Organizational Structure of the Company

Corticeira Amorim's operating structure is divided into five Business Units (BUs).

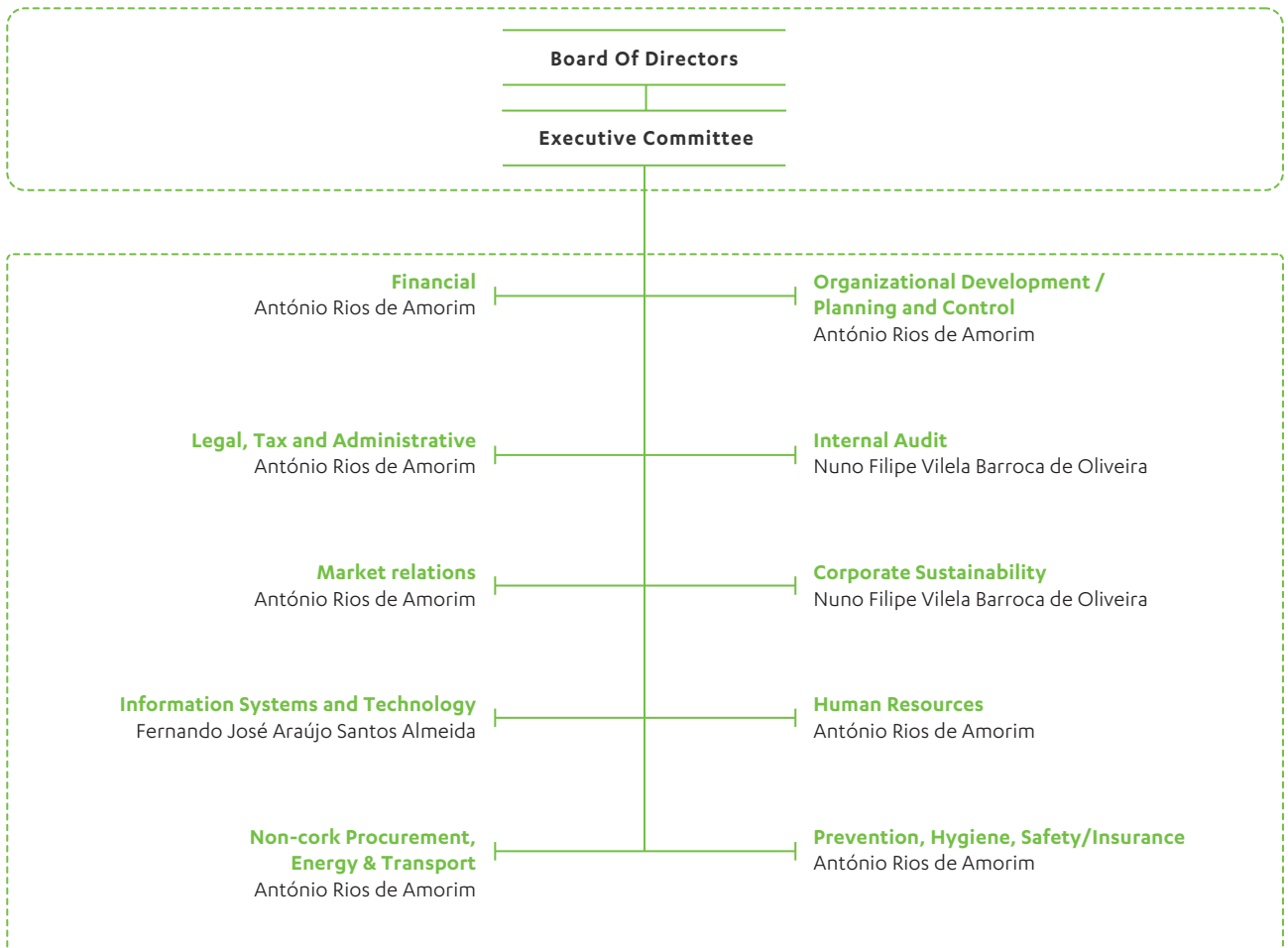
Using a management model based on a strategic-operational holding company concept, these BUs are co-ordinated by **Corticeira Amorim's** Executive Committee, which has very broad management powers, except for those specifically reserved to the Board of Directors by law or the Company's articles of association.

The strategic alignment of the entire organisation is enhanced through the use of a balanced scorecard approach by **Corticeira Amorim** and its BUs. In this regard, **Corticeira Amorim's** Board of Directors is responsible for approving strategic initiatives and goals (i) for the organisation as a whole and (ii) specifically for **Corticeira Amorim** and each BU.

Each BU has a Board of Directors consisting of non-executive and executive members, including a managing director. This board is responsible for deciding all matters deemed relevant. Below is a diagram showing the current organizational structure of the Company:



The **Support Divisions** are responsible for monitoring and coordinating the operation of the BUs and their functional areas, under the coordination of the members of the Executive Committee, as shown in the following diagram:



At intervals deemed appropriate, the managing director of the relevant support division or the Executive Committee or even the Board of Directors may request a review (and they effectively do so) of the activity carried out by the different support divisions in order that the need or opportunity to create new positions or implement new strategies may be considered by the Board of Directors.

Corticeira Amorim also promotes job rotation for directors of the different BUs and support divisions, thus ensuring that high standards of performance are maintained in these divisions and BUs and that there is a constant challenge prompting a forward looking and innovative approach as well as concerted action among these BUs and support divisions.

Therefore, this rotation policy is based on a qualitative assessment of the situation of a specific structure, of its planned strategic and operational development and interaction with the envisaged changes in other related structures as well as the possibility of another member of the Board of Directors acting as a catalyst for that change. The rotation system poses many strategic and operational challenges that do not necessarily coincide with pre-determined time periods.

In view of the importance and critical nature of the financial functions of **Corticeira Amorim** - an organization which has subsidiaries all over the world, sells its products in more than 100 countries (some goods are invoiced in the currency of the country of destination) and has a considerable level of debt - this function is monitored at different levels that harmonize the different information and reporting systems and regular meetings are held for discussing issues and drawing conclusions.

During the year under review, Mr António Rios de Amorim was responsible for overseeing **Corticeira Amorim's** financial section, which he has been in charge of since 2008.

The financial section is structured as follows:

- × a Financial Board (FB), which coordinates the financial function at a central level. The FB is responsible for developing policies and measures (to be approved by the Executive Committee) and implementing them, for conducting global dealings with financial counterparts, for monitoring progress and preparing regular reports (to the director responsible for the financial section and to the Executive Committee and the Board of Directors);
- × finance managers, who - at the level of the group's individual companies - are responsible for monitoring the progress of business in each individual company by managing its financial affairs in accordance with predetermined policies and measures. The work of such finance managers shall be coordinated with that of the FB.

The whole financial organisational structure is coordinated as follows:

- × daily reports and fortnightly debates on financial markets and economic developments that may have an impact on the group's member companies;
- × regular monthly reports on the terms of and benchmarks for the group's global financial operations;
- × quarterly meetings of finance managers with a view to reviewing the current specific state of affairs and defining measures to be implemented;
- × on the basis of reports submitted to the Board of Directors, the most important aspects of the financial operations (debt, investments, liabilities) shall be discussed.

On the one hand these measures will ensure that the financial know-how - based on a stable structure - will be consolidated and used for the benefit of the Company and, on the other hand, these measures will also ensure the regular rotation of the supervisory duties of the finance managers, with the director responsible for this area taking on a challenging role capable of igniting the adoption of new approaches and practices.

2.4. Reference to the fact that the annual report on the activities carried out by the General and Oversight Committees, the committee responsible for handling financial matters, the Audit Committee and the Supervisory Board includes a description of the supervisory activity carried out and reports any constraints detected; such annual report is to be published on the Company's website, along with the annual financial statements.

The Company's Supervisory Board draws up an annual Report and Opinion describing the activities carried out and the Supervisory Board's opinion; this Report and Opinion is available, along with the other annual financial statements, for consultation by shareholders within the time period set out in the law. This Report and Opinion is included in and published along with the Company's Annual Report and Accounts and is available for consultation at www.corticeiraamorim.com.

2.5. Description of the Company's internal control and risk management systems, in particular its financial information disclosure system, how it works and its effectiveness.

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

Because of **Corticeira Amorim's** specific business characteristics, two critical factors have been identified at the operational level: (i) market risk and business risk and (ii) raw materials (cork) risk. The management of such risks is the responsibility of the relevant BU.

Market risk and operational business risk:

In the first instance, market risk and business risk are managed by the four BUs - Cork Stoppers, Floor and Wall Coverings, Cork Composites and Insulation Cork - that are involved in the markets that deal in **Corticeira Amorim's** finished products.

In devising a strategic plan for these BUs - which strategic plan is based on the balanced scorecard methodology - a number of key factors for value creation are identified by using a multifaceted approach that encompasses the outlook for finance, market/customers, processes and infrastructures.

Using this approach, strategic objectives and goals are defined as well as the actions required to achieve them.

The balanced scorecard methodology strengthens the alignment of strategic and operating plans and allows managers to identify priority actions needed in the short term to reduce risk and create sustained value. Processes for systematically monitoring these actions are in place in the different BUs. These actions are subject to periodic monitoring and monthly review by the board of directors of each BU.

Raw materials (cork) factor:

Because of the critical importance of this factor cutting across all of the Company's BUs, the management of raw materials (cork) purchases, storage and manufacture is concentrated into a single autonomous BU. Cork is the single variable common to all of **Corticeira Amorim's** operations. This concentration has enabled the Company to:

- × form a specialised team exclusively focused on raw materials;
- × make the most of synergies and integrate all raw materials (cork) manufactured by other BUs in the relevant BU's production process;

- ✘ improve the management of raw materials from a multinational perspective;
- ✘ strengthen its presence in cork-producing countries;
- ✘ keep an updated historical record of production status by cork-producing forest unit;
- ✘ strengthen relationships with producers, promote forest certification, improve the technical quality of products and enter into research and development partnerships with forestry-related partners;
- ✘ prepare, discuss and enable the board of directors to decide on a multi-annual purchasing policy to be implemented;
- ✘ ensure that an optimal mix of raw materials is used to meet market demand for finished products;
- ✘ ensure the supply stability of cork, a critical variable for **Corticeira Amorim's** operations, over the long term.

Legal Risk:

As far as legal risks are concerned, the main risk to the business of **Corticeira Amorim** and its subsidiaries relates to the potential for loss arising from amendments made to legislation – in particular, labour legislation, environmental regulations and similar -, which amendments could have an impact on **Corticeira Amorim's** operations and affect its business' performance and profitability.

The Legal and Supervisory Department in cooperation with the Organisational Development Department, the Management Planning and Control Department and the Internal Audit Department seek to anticipate such amendments and adapt their corporate governance practices accordingly. The numerous certification processes (food safety, quality, environmental management, human resources, etc.), as described in more detail in Chapter 5. of the Directors' Report, are based on procedures designed, implemented and regularly and strictly audited by certifying organisations, thus guaranteeing the minimisation of such risks. Wherever possible and practicable, the Organisation takes out insurance to mitigate the effects of uncertain but potentially unfavourable events.

Under the direction of the Board of Directors and assisted by an Executive Committee or an Executive Director, **Corticeira Amorim's** support divisions play an important role in managing critical risk factors, including risk prevention and detection. The finance department, the organisational development department, the management planning and control department and the internal audit department play an essential role in this regard.

Finance Department:

As **Corticeira Amorim** is one of Portugal's most international companies, it pays special attention to managing exchange rate risk as well as liquidity and interest rate risk.

In addition to the responsibilities of the finance department regarding prevention, monitoring and management of the above risks, the main objectives of this department are to assist with the definition and implementation of global financial strategies and with the coordination of the financial management of the group's BUs.

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

These support divisions work together to reduce the group's operational risks. The main tasks of these departments are to assess and review internal control systems with a view to optimising resources and safeguarding assets as well as monitoring activities carried out in order to provide the management bodies with a reasonable degree of certainty that business goals will be achieved.

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

1. disclosure complies with all applicable legal requirements and best practices in terms of transparency, relevance and reliability;
2. the information has been properly checked 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 relevant legal requirements and recommendations, specifically those of the Portuguese Securities Market Commission ("CMVM") and is made in the following order: first, via the data dissemination system of the Portuguese Securities Market Commission (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's** staff and to shareholders, investors, analysts and shareholders, whose contacts are stored in a database.

There is also a written Internal Control Procedures Manual, which has been approved by the Board and which all **Corticeira Amorim** member companies are required to adopt. This Manual sets out the regulations designed to ensure that the principles listed above are properly implemented during the process of preparing and disclosing financial information in order to guarantee the quality, transparency and consistency of the information disclosed.

2.6. Responsibility of the board of directors and the supervisory body for the design 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 improvement process as an internal reflection process, involving both the Board of Directors – and, in particular, its Executive Committee - and the various support divisions – in particular, the Organisational Development Support Department/the Management Planning and Control Support Department and the Internal Audit Support Department - and, if relevant, the assistance of specialised external consultants.

The reporting system implemented in the Company – either at regular intervals or on demand of the Board of Directors, the Executive Committee or officers responsible for the Management - includes both measurement and objective evaluation of such risks which - after being discussed by the Board of Directors or the Executive Committee - will, if appropriate, give rise to the determination of additional or corrective measures whose implementation and impact will be followed up by the governing body that approved such measures.

The growing complexity of the business environment triggers off a close monitoring of the systems implemented in the Company. Such monitoring includes contributions and opinions from both the Supervisory Board and the Statutory Auditor and this leads to the adoption of more effective procedures when it is deemed advisable or necessary.

Under the Internal Rules of the Supervisory Board, it is this Board's responsibility to monitor the effectiveness of the risk management system, the internal control system and the internal auditing

2.7. Information on the existence of Internal Rules of the governing bodies or rules governing conflicts of interest prescribed internally and the maximum number of offices that directors may hold and the website where these rules may be consulted.

The *modus operandi* of the **Board of Directors of Corticeira Amorim** complies with all applicable operating procedures regarding the Board of Directors, specifically those set out in the Portuguese Companies Act, in the Company's articles of association and in the regulations issued by the Portuguese Securities Market Commission ("CMVM"). These operating procedures are considered to be legitimate Internal Rules deemed appropriate and advantageous to a proper operation of the Board of Directors while ensuring the commitment of the entire Board to work efficiently in the interests of the Company and its shareholders.

Although no such formal Internal Rules exist, **Corticeira Amorim** believes that the principles of good business practice are part of the core values upheld by both the directors and the staff members who assist and/or advise them.

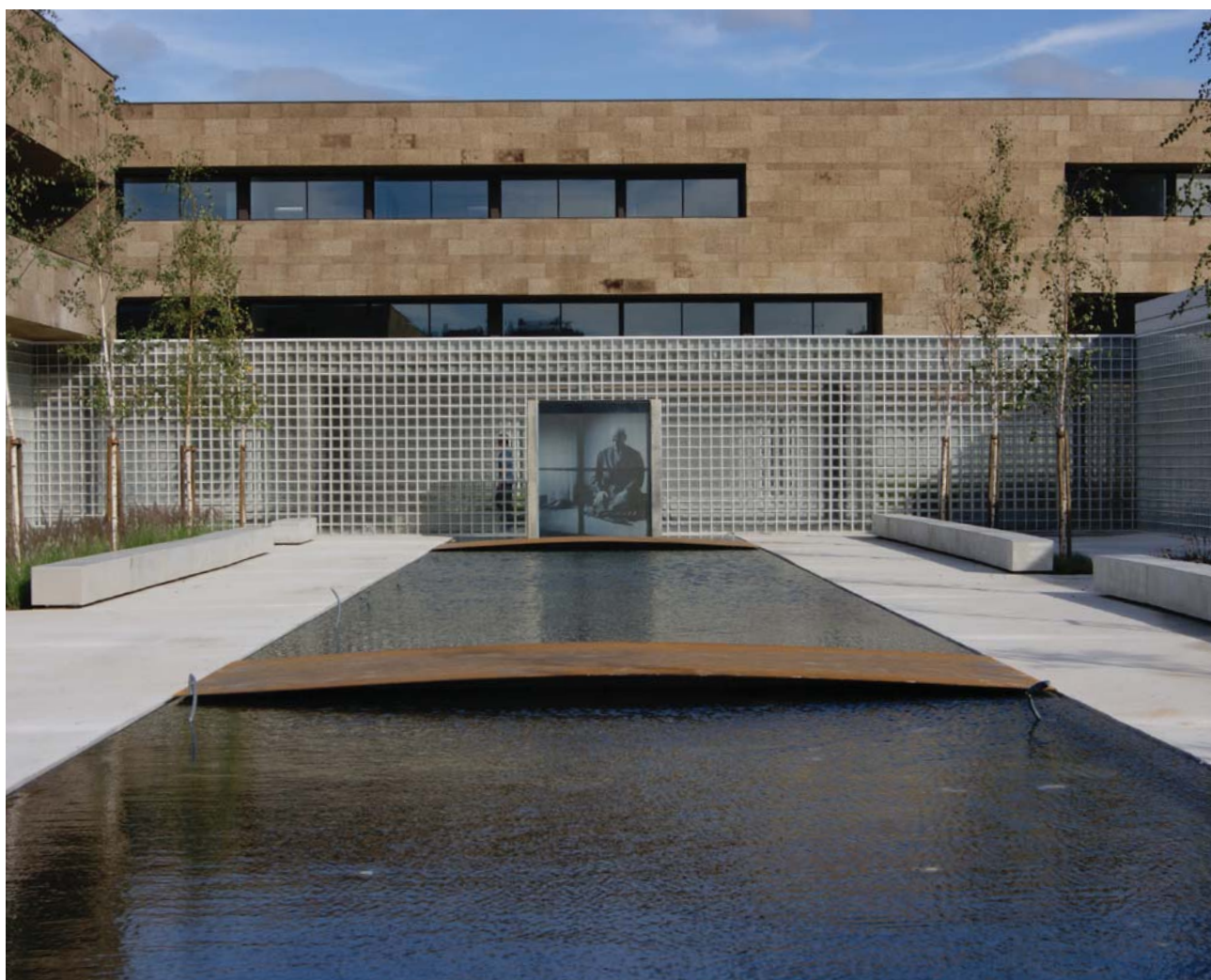
Among other things, the **Internal Rules of the Company's Supervisory Board provide that a person will be disqualified from being elected to or being a member of the Supervisory Board** if he/she:

- ✦ is a beneficiary of special privileges in the Company *;
- ✦ performs administrative or managerial functions in the Company *;
- ✦ is a Board member of a company which controls or is in common control with the Company *;
- ✦ is a partner to a partnership which controls the Company *;

- ✦ directly or indirectly provides services or has a significant business relationship with the Company or a company which controls or is in common control with the Company **;
- ✦ is an employee of a competing company and is a representative of or acts on behalf of such competing company or is in any way connected to the interests of a competing company *;
- ✦ holds administrative or managerial or supervisory functions in five or more companies, with the exception of law firms, firms of chartered accountants and statutory auditors;
- ✦ is a statutory auditor who, under the rules and regulations governing the duties of statutory auditors, is subject to certain requirements on conflicts of interest for statutory auditors;
- ✦ is interdicted or incapacitated or adjudged to be of unsound mind, declared bankrupt or insolvent or is convicted of an offence barring him/her from holding public office, even if only temporarily.

The Internal Rules of the Company's Supervisory Board are available at www.corticeiraamorim.com.

* Including the spouse or relatives in a direct/collateral line up to the third degree inclusive of a person covered by this paragraph;
 ** Including the spouse of a person covered by this paragraph.



SECTION II – BOARD OF DIRECTORS

2.8. If the chairman of the board of directors performs executive functions, there are a number of mechanisms for coordinating the work of non-executive members who assist the chairman in making independent and informed decisions

The non-executive members of the Board of Directors attend board meetings regularly. These board meetings are held on a monthly basis to review and decide on the progress of non-delegable matters and any critical matters whose relevance and importance highly recommend their inclusion in the business to be transacted at Board meetings.

The organisation of meetings allows all directors – both executive and non-executive directors – to adequately prepare themselves in advance in order to participate fully in the meeting and to assess and devise measures to improve meeting productivity and organisation efficiency. The calendar of regular Board meetings is agreed upon at the beginning of every financial year so that all members may be able to be present. Any Director, including non-executive directors, may request the inclusion of items/topics in the agenda to be considered by the directors, up to the second business day prior to any board meeting.

A reporting system between the Executive Committee and the Board of Directors has been implemented across the organisation with a view to ensuring alignment of their activities and that the Directors are informed of the activities of the Executive Committee in a timely fashion.

Thus, in addition to matters which by law or the articles of association fall to be considered exclusively by the Board of Directors, non-executive directors are aware of and monitor:

- ✦ the progress of the operating activities and the main economic and financial key performance indicators of each BU which forms part of **Corticeira Amorim**;
- ✦ relevant consolidated financial information: financing, investment, equity to total assets ratio and off-balance sheet liabilities;
- ✦ the business carried on by the various support divisions and their impact on the organisation;
- ✦ the progress in Research, Development and Innovation (RDI) activities;
- ✦ calendar of the major events of **Corticeira Amorim** and its BUs. The Organisation is often represented at international events, such as trade missions, by one or more non-executive directors.

2.9. Disclosure of the major economic, financial and legal risks to which the Company is exposed in carrying on its business.

The major risks the Company is exposed to are described in Chapters 12 and 13 of the Consolidated Management Report and in section 2.5.

2.10. Powers of the board of directors, particularly with respect to resolutions to increase the Company's share capital.

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

As far as increases in the share capital are concerned and in accordance with article 8 of the Company's articles of association the Board may, by unanimous decision of its members, increase the share capital, one or more times, in accordance with the law, up to EUR 250 million. It is the Board of Directors' responsibility to fix the terms and conditions for share capital increases as well as the share subscription period and payment procedures.

2.11. Disclosure of the policy regarding director rotation, in particular the chief financial officer, as well as the rules governing the appointment and replacement of members of the board of directors and the supervisory board.

The policy regarding director rotation (Support Divisions), including the chief financial officer, is described in section 2.3.

The rules governing the **appointment of members to the board of directors and their replacement** are those provided for in law, in addition to a number of specific features set out in the Company's articles of association:

The election of members to the board shall be done on the basis of lists specifying the office to be filled by each Director. The voting shall be carried out in the following manner:

On a first poll: only one director shall be elected from the candidates for the office proposed on lists put forward by groups of shareholders who own between 10% and 20% of the Company's share capital. At least two candidates for each position to be filled shall be proposed on each list. No shareholder may vote for more than one list. If, on a first poll, there are lists submitted by more than one group of shareholders, then a poll shall be first taken among all such lists and, thereafter, among the names of the candidates listed in the winning list. The lists of candidates may be submitted to the general meeting before the business relating to the election of directors starts to be transacted;

On a second poll: the other members of the board of directors are elected by the general meeting. All shareholders attending the meeting may take part in the decision-making process regardless of the fact whether they have or have not subscribed or voted for any of the lists on a first poll. So long as one of the candidates nominated in the lists has not been elected on a first poll, no other member can be elected to the board, except if no list has been put forward.

The term of office of the Board members is three calendar years. At the end of the Directors' term, the shareholders must elect new directors or re-elect - one or more times - current directors.

At the time of voting the Directors' report, the annual financial statements and the proposal for appropriation of profit, the **Annual General Meeting** may decide to remove any or all directors from the Board. This will not imply the payment of any compensation to any director so removed from office regardless of whether a director's discharge from employment has been for cause or without cause. However, this provision will not apply to a Board member elected under special election procedures on a first poll if members holding at least a 20% stake in the share capital of the Company resolve against removing any such director from office regardless of the cause for a director's discharge from employment.

The rules governing the **appointment of members to the supervisory board and their replacement** are those provided for in law, in the Company's articles of association and in the Internal Rules of the Supervisory Board:

- ✦ the election of members to the Supervisory Board shall be done on the basis of separate lists specifying the office to be filled by each member;
- ✦ the term of office of the Supervisory Board members is three calendar years. These members shall serve during all their term of office and until legally replaced; the calendar year in which they are elected is computed as a full year for the purpose of their term of office. Members of the Supervisory Board may be re-elected in accordance with the law;
- ✦ the Supervisory Board consists of three members and one or several alternate members. A Supervisory Board member who is temporarily prevented from carrying out his/her duties or whose office terminated shall be replaced by an alternate member. If the Chairman of the Supervisory Board steps down

before the expiry of the period for which he was elected or appointed, the other members will appoint one of their number to be the chairman of the Supervisory Board until the end of the current term. An alternate member taking over the position of a member whose office terminated before the expiry of his/her term of office will remain in post until the next Annual General Meeting, at which all vacancies will be filled. If it is not possible to fill a vacancy left by a former member because of an insufficient number of eligible candidates, the vacancies of both members and their alternates will be filled through a new election. To this end, the Supervisory Board should advise the Board of Directors and the Chairman of the group chairing the Annual General Meeting in writing of any such vacancies as soon as the Supervisory Board becomes aware of such vacancies;

- ✦ the Supervisory Board should include at least one independent member who has an university degree and accounting or auditing knowledge commensurate with the position's duties;
- ✦ 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 group chairing the Annual General Meeting and the Board of Directors in writing of any situation or circumstance that can result in a loss of their independence pursuant to and for the purposes of the previous section.

The occurrence of any of the above events leading to conflicts of interest or loss of independence status (set forth in section 2.6 above) implies the termination of the appointments. The members of the Supervisory Board shall immediately advise the Supervisory Board, the Chairman of the group chairing the Annual General Meeting and the Board of Directors in writing of any such occurrences.

2.12. Number of meetings held by the Board of Directors and the Supervisory Board and minutes of such meetings.

Under the Company's articles of association, the Board of Directors meets at any time and place dictated by the interests of the Company (article 28). In 2012, ten Board meetings were held and the meetings' minutes were taken.

The Supervisory Board meets whenever a meeting is convened by the Chairman of the Supervisory Board or by two other Supervisory Board members. In accordance with article 10 of the Supervisory Board's internal rules, the Supervisory Board shall meet at least once every quarter. This governing body met five times in 2012 and the meetings' minutes were taken.

2.13. Number of meetings held by the Executive Committee or the Executive Board of Directors as well as minutes of such meetings, sending of the minutes and of their notices 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 Oversight Committees and to the Chairman of the Financial Matters Committee, as applicable.

The Executive Committee met fifteen times during 2012 and the meetings' minutes were taken.

2.14. Difference between an executive member and a non-executive member pointing out those non-executive members who - in the event that the requirements on conflicts of interest for the position were applicable to them - satisfied both (i) the conflict of interest requirements provided for in section 414-A(1) of the Portuguese Companies Act, except for the provision set out in sub-paragraph (b), and (ii) the independence requirements provided for in section 414(5) of the Portuguese Companies Act.

Board of Directors:

Executive Members:

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

Non-Executive Members:

Member:	Cristina Rios de Amorim Baptista
Member:	Juan Ginesta Viñas
Member:	Jorge Manuel Seabra de Freitas

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

- a) none of the directors who held office at 31 December 2012 was in full compliance with the conflict of interest requirements provided for in section 414-A(1) of the Portuguese Companies Act, except for the provision set out in sub-paragraph (b);
- b) only Mr Juan Ginesta Viñas and Mr Fernando José de Araújo dos Santos Almeida met the independence requirements provided for in section 414(5) of the Portuguese Companies Act.

2.15. Legal and regulatory requirements and other criteria based on which the Board of Directors assessed the independence of its members.

The assessment of the independence of the members of the Board of Directors is based on (i) their compliance with the requirements provided for in section 414(5) of the Portuguese Companies Act; (ii) the non-existence of the situations described in article 414-A [except for the provision set out in section 414-A.1(b)]; (iii) the non-existence of a significant trade or competitive relationship with the Company or a group's member company; and (iv) the non-existence of a previous employer-employee relationship of more than ten years either consecutive or otherwise.

2.16. Procedure for selection of candidates for non-executive director roles and ways of ensuring that executive directors do not interfere in this process.

As it arises from the election and replacement systems described in paragraph 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 submitting lists prepared in such manner as the shareholders shall think fit for consideration at the General Meeting.

Even in cases of co-optation by directors, the ultimate responsibility lies with the members of the Company who must make a resolution on any such co-optation and either ratify it or not.

As regards the particular circumstance of the existence of directors serving simultaneously on the boards of **Corticeira Amorim** and Amorim Capital - Sociedade Gestora de Participações Sociais, S.A. (the principal shareholder of the Company) it is hereby announced that:

- I. an executive or non-executive director of **Corticeira Amorim** may not, in such a capacity, take part in the decisions made by the members of a governing body of a company other than his/her own, and hence take part in the decisions made by members of a company holding an interest in **Corticeira Amorim**;
- II. despite this coincidence of directors – that, as stated in (i) above, is not relevant –, it is hereby announced that at the time of the Annual General Meeting where the directors have been elected to hold office for the current term and



the appointment by co-optation of directors in 2012 was ratified, the board of Amorim Capital - Sociedade Gestora de Participações Sociais, S.A. had two directors who were simultaneously directors (being one of them an executive director and the other a non-executive director) of **Corticeira Amorim**. Therefore it is unambiguously proved that there is a balance that prevents the member of the board of Amorim Capital - Sociedade Gestora de Participações Sociais, S.A. - also in his/her capacity as an executive director of **Corticeira Amorim** - from taking part in the selection process of non-executive directors to the board of **Corticeira Amorim**.

2.17. The Directors' report includes a description of the activities carried out by non-executive directors and any restraints detected.

Corticeira Amorim's annual Directors' Report includes a description of the activities carried out by non-executive directors and any restraints detected.

2.18. Professional qualifications of each Director, his/her professional career over the last five years (at least), the number of shares he/she holds in the Company and the date of his/her first appointment to the Board and the end of his/her term of office.

António Rios de Amorim (Chairman):

The Chairman of **Corticeira Amorim's** board of directors and executive committee since March 2001. He was a managing director of Amorim & Irmãos (1996-2001), a Director of Sociedade Figueira-Praia (1993-2006), an operations manager of Amorim - Empreendimentos Imobiliários, a company which developed the Torres de Lisboa and the Arrábida Shopping Centre projects (1993-1995), an executive director of Amorim Hotéis, with responsibility 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 - **Corticeira Amorim** was the only Portuguese business group that made part of this prestigious association (1991-1995). He has been the chairman of the Portuguese Cork Association (2002-2012) and the Confédération Européenne du Liège since 2003. In February 2006, he was awarded the decoration of *Comenda de Grande-Oficial da Ordem de Mérito Agrícola, Comercial e Industrial* (an award for outstanding merit in the field of agriculture, trade and industry) by the President of the Portuguese Republic.

Age: 45

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

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

End of term of office: 31 December 2013

At 31 December 2012, Mr António Rios de Amorim did not directly hold any shares in **Corticeira Amorim**.

Nuno Filipe Vilela Barroca de Oliveira (Vice-Chairman):

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 working for a year in the trading business 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 he worked for three years in the analysis and planning, international and investment funds departments.

Age: 42

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

End of term of office: 31 December 2013

At 31 December 2012, Mr Nuno Filipe Vilela Barroca de Oliveira did not hold any shares in **Corticeira Amorim**.

Fernando José de Araújo dos Santos Almeida (Member):

Graduated with a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics (1983/84). He joined **Corticeira Amorim** in 1991 and held several positions in various of the group's member companies. In 2002, he took over as Manager of Organisational Development and Business Management Planning and Control at **Corticeira Amorim**.

Age: 51

Date of his first appointment to the board of directors: 31 July 2009 (Mr Fernando José de Araújo dos Santos Almeida was co-opted onto the Board).

End of term of office: 31 December 2013

At 31 December 2012, Mr Fernando José de Araújo dos Santos Almeida did not hold any **Corticeira Amorim** shares.

Cristina Rios de Amorim Baptista (Member):

Graduated in Economics from the Faculty of Economics of the University of Oporto in 1991, she completed her Global Banking and Finance MBA at the University of Birmingham (UK) in 1992 and a postgraduate degree in International Management at the Catholic University of Portugal in 2001. She started her professional career in 1992 working for international institutions such as the S. G. Warburg España in Madrid (Mergers & Acquisitions), N. M. Rothschild & Sons Limited - Corporate Finance Division in London (sectoral and company research & analysis), Rothschild Asset Management Limited in London (Wealth Management) and Soserfin, SA, Portugal (Economic Studies and Research Division). She joined the upper management of the Amorim Group in 1994 and is currently managing director & CFO of Amorim. In 1997 she took office as Investor Relations Officer at **Corticeira Amorim**.

Age: 44

Date of her first appointment to the board of directors: 20 July 2012

End of term of office: 31 December 2013

At 31 December 2012, Mrs Cristina Rios de Amorim Baptista did not hold any shares in **Corticeira Amorim**.

Juan Ginesta Viñas (Member):

With a wide and extensive professional experience in managing businesses, he has played relevant roles in several international companies such as International Harvester (sales manager), DEMAG EO (sales manager), Hunter Douglas (General Manager and the person responsible for the industrial firms located in Brazil, Argentina and Chile) and Torras Domenech (Managing Director and CEO). He has been a director of Trefinos, SL since 1996.

Age: 72

Date of his first appointment to the board of directors: 20 July 2012
End of term of office: 31 December 2013

At 31 December 2012, Mr Juan Ginesta Viñas did not hold any shares in **Corticeira Amorim**.

Jorge Manuel Seabra de Freitas (Member):

He graduated in Economics from the University of Porto, Faculty of Economics in 1983. He attended the INSEAD International Executive Programme in 1991. Throughout his professional career as a manager, he held very demanding positions of great importance in several business areas, including: Chairman of the Board of Directors of Coelima Indústrias Têxteis (1991-2011); a director of Arcotêxteis (2008-2011); a director of Fábrica Cerâmica de Valadares (1988-1991) and previously he had held an executive position at the Américo Amorim Group with responsibilities in financial and real estate companies.

Age: 52

Date of his first appointment to the board of directors: 30 November 2011 (he was co-opted onto the board).

End of term of office: 31 December 2013

At 31 December 2012, Mr Jorge Manuel Seabra de Freitas did not hold any shares in **Corticeira Amorim**.



2.19. Positions held outside the Company by Corticeira Amorim's directors and a breakdown of the positions held in other member companies of the Corticeira Amorim group.

António Rios de Amorim (Chairman):

Company	Position
Corticeira Amorim Group	
Amorim Natural Cork, S.A.	Chairman of the Board of Directors
Amorim Florestal, S.A.	Chairman of the Board of Directors
Amorim Florestal España, S.L.	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, S.A.	Chairman 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
Chapius, S.L.	Chairman of the Board of Directors
Comatral – Compagnie Marocaine de Transformation du Liège, S.A.	Chairman of the Board of Directors and of the Group chairing the Annual General Meeting
Dom Korkowy, Sp. Zo.o	Member of the Board of Directors
Dyn Cork – Technical Industry, Lda.	Director
Korken Schiesser GmbH	Director
S.A. Oller et Cie	Director
Olimpíadas Barcelona 92, S.L.	Chairman of the Board of Directors
Société Nouvelle des Bouchons Trescasses, S.A.	Member of the Board of Directors
SIBL – Société Industrielle Bois Liège, S.A.R.L.	Director
Spheroil – Materiais Compósitos, Lda.	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 – Sociedade Gestora de Participações Sociais, S.A.	Member of the Board of Directors
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member 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 – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Caneicor – Sociedade Agro-Florestal da Caneira, S.A.	Member of the Board of Directors
Cimorim – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Corunhal – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Fruticor – Sociedade Agrícola de Frutas e Cortiças, 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
OSI – Sistemas Informáticos e Electrotécnicos, Lda.	Director
QM1609 – Investimentos Imobiliários, S.A.	Member of the Board of Directors
Quinta Nova de Nossa Senhora do Carmo, S.A.	Member 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

Nuno Filipe Vilela Barroca de Oliveira (Vice-Chairman):

Company	Position
Other Companies	
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Serviços e Gestão, S.A.	Member of the Remuneration Committee
Amorim Broking – Investimentos e Participações Financeiras, S.A.	Chairman of the Board of Directors
API – Amorim Participações Internacionais, S.G.P.S., S.A.	Member of the Board of Directors
Caribbean Seafood – Trading e Marketing, S.A.	Chairman of the Board of Directors
Casa das Heras – Empreendimentos Turísticos, S.A.	Member of the Board of Directors
Interfábrica II, S.G.P.S., S.A.	Member of the Board of Directors
OSI – Sistemas Informáticos e Electrotécnicos, Lda.	Diretor
Paisagem de Alqueva, S.A.	Member of the Board of Directors
Quinta Nova de Nossa Senhora do Carmo, Lda.	Diretor

Cristina Rios de Amorim Baptista (Member):

Company	Position
Corticeira Amorim Group	
Amorim & Irmãos, S.A.	Member of the Remuneration Committee
Other Companies	
Afaprom – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Agolal – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Agro-Pecuária Mirante e Freires, S.A.	Member of the Board of Directors
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Participações Agro-Florestais, 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.	Member of the Board of Directors
Amorim – Sociedade Gestora de Participações Sociais, S.A.	Member of the Board of Directors
Amorim – Viagens e Turismo, Lda.	Diretor
Amorim Desenvolvimento, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Investments, B.V.	Diretor
Imotur – Fundo Especial de Investimento Imobiliário Fechado	Member of the Advisory Committee
Amorim Global Investors, S.G.P.S., S.A.	Member of the Board of Directors
Bomsobro – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Caneicor – Sociedade Agro-Florestal da Caneira, S.A.	Member of the Board of Directors
Cimorim – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Corunhal – Sociedade Agro-Florestal, S.A.	Member of the Board of Directors
Fruticor – Sociedade Agrícola de frutas e Cortiças, S.A.	Member of the Board of Directors
Interfábrica II, S.G.P.S., S.A.	Member of the Board of Directors
Amorim International Participations, B.V.	Diretor
Finpro, S.C.R., S.A.	Member of the Investment Committee
Vertente Financeira, S.G.P.S., S.A.	Member of the Board of Directors
Resiféria – Construções Urbanas, S.A.	Member of the Board of Directors
Resinfe – Investimentos e Promoção Imobiliária, S.A.	Member of the Board of Directors
S21 – Sociedade de Investimento Imobiliário, S.A.	Member of the Board of Directors
Other Institutions	
Fundação AEP	Member of the Board of Directors
Fundação Casa da Música	Member of the Board of Directors

Fernando José de Araújo dos Santos Almeida (Member):

Company	Position
Corticeira Amorim Group	
Amorim Revestimentos, S.A.	Member of the Board of Directors
Vatrya – Consultoria e Marketing, Lda.	Director

Juan Ginesta Viñas (Member):

Company	Position
Corticeira Amorim Group	
Trefinos, S.L.	Chairman of the Board of Directors
Other Companies	
Les Finques, S.A.	Director

Jorge Manuel Seabra de Freitas (Member):

Company	Position
Other Companies	
Amorim Holding II, S.G.P.S., S.A.	Member of the Board of Directors
Galp Energia, S.A.	Member of the Board of Directors



SECTION III – SUPERVISORY BOARD

2.20. Not a requirement under the Corporate Governance Code.

2.21. Disclosure of the identification of the members of the Supervisory Board and information on whether they comply with the conflict of interest requirements of section 414-A(1) of the Portuguese Companies Act as well as the independence requirements of section 414(5) of the Portuguese Companies Act. For this purpose, the Supervisory Board conducts a self-assessment of its members.

Composition of the Supervisory Board:

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

To the best of our Company's knowledge, the members and the alternate members of the Supervisory Board comply with the conflict of interest requirements provided for in section 414-A(1) of the Portuguese Companies Act and the independence requirements provided for in section 414(5) of the Portuguese Companies Act.

2.22. Professional qualifications of each member of the Supervisory Board, his/her professional career over the last five years (at least), the number of shares he/she holds in the Company, the date of his/her first appointment to the Supervisory Board and the end of his/her term of office.

Durval Ferreira Marques (Chairman):

Graduated with a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics, he was a technical education lecturer and a technical assistant at the Directorate-General of the Central Bank of Angola. He held management positions in the finance, insurance, media and industry sectors in South Africa for over 25 years. He was also a representative of the Portuguese Business Association in South Africa and Mozambique.

For the past five years he has held several director level positions in a number of Portuguese companies.

Date of his first appointment to the Supervisory Board: 28 May 2007. End of term of office: 31 December 2013.

At 31 December 2012, Mr Durval Ferreira Marques did not hold any shares in **Corticeira Amorim**.

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 the preparatory course for Certified Public Accountant and the tax law course.

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 several director and manager level positions in GED Group member companies and has been an 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.

End of term of office: 31 December 2013.

At 31 December 2012, Mr Joaquim Alberto Hierro Lopes did not hold any shares in **Corticeira Amorim**.

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), of the Higher Commission (2002-2004) and of 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 his first appointment to the Supervisory Board: 28 May 2007.

End of term of office: 31 December 2013.

At 31 December 2012, Mr Gustavo José de Noronha da Costa Fernandes did not hold any shares in **Corticeira Amorim**.

Alberto Manuel Duarte de Oliveira Pinto (Alternate 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, Faculty of Humanities. In recent years, he has lectured at several higher education institutions: the University of Lisbon's Faculty of Humanities, 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 his first appointment to the Supervisory Board: 28 May 2007.

End of term of office: 31 December 2013.

At 31 December 2012, Mr Alberto Manuel Duarte de Oliveira Pinto did not hold any shares in **Corticeira Amorim**.



2.8. Positions held outside the Company by the members of Corticeira Amorim's Supervisory Board and a breakdown of the positions held in other member companies of the Corticeira Amorim group.

Durval Ferreira Marques (Chairman):

Company	Position
Other Companies	
Cifial, S.G.P.S., S.A.	Chairman of the group chairing the General Meeting
Cifial Indústria Cerâmica, S.A.	Chairman of the group chairing the General Meeting
Cogrucci Comércio Internacional, S.A.	Chairman of the group chairing the General Meeting

Joaquim Alberto Hierro Lopes (Member):

Company	Position
Other Companies – Subsidiaries of the GED Group	
Estudio Pereda4, S.L. ^(a)	Member of the Board of Directors
FASE – Estudos e Projetos, 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 Asijara Holdings, S.L. ^(a)	Member of the Board of Directors
Nuceri Business, S.L. ^(a)	Member 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
Interinvest, S.A.	Chairman of the Board of Directors

^(a)Spain

Gustavo José de Noronha da Costa Fernandes (Member):

Company	Position
Other Companies	
Gustavo Fernandes, Domingos Leite e Associados	Manager
Clínica Alcaide, Lda.	Manager
Bioplay – Comércio Alimentar, S.A.	Member of the Board of Directors
Dorismar – Indústria e Comércio de Bacalhau, Lda.	Manager

Alberto Manuel Duarte de Oliveira Pinto (Alternate Member): does not held any other positions outside **Corticeira Amorim**.

2.25. Information on the fact that the external auditor's performance is annually assessed by the Supervisory Board and the possibility of the Supervisory Board proposing to the general meeting the dismissal for cause of the auditor.

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

The Company's articles of association do not provide for the possibility of the Supervisory Board proposing to the General Meeting the dismissal for cause of the Statutory Auditor.

2.26. to 2.28. – Not applicable to the governing body model adopted by Corticeira Amorim.

2.29. Disclosure of information relating to the remuneration policy, in particular of directors and officers under section 248-B(3) of the Portuguese Securities Market Act, and other employees

whose professional activities may have a material impact on the Company's risk profile and whose remuneration has an important variable component.

The remuneration policy is structured in such a way as to promote the alignment of interests between directors & other officers and the interests of the Company. The remuneration policy is based mainly on a fixed remuneration basis and has a variable component which depends on the Company's financial and operational results as well as its economic and financial situation.

The variable component of the remuneration of executive directors and officers represents a performance bonus awarded in accordance with the degree of compliance with corporate goals, objectives, strategic initiatives and priority actions set out in a three-year plan, including the annual variation for each of these three years. Performance is monitored using a Balanced Scorecard system (for additional information see section 2.3 – Organizational Structure of the Company).



With regard specifically to directors and officers – and in accordance with article 2 of Statute no. 28/2009 of 19 June - the Board of Directors submitted to shareholders for consideration and approval at the Annual General Meeting held on 29 March 2012 a remuneration policy set out below, which remuneration policy was approved by the General Meeting.

The remuneration of the Company's directors and officers shall be based on the following criteria:

- ✦ the stipulations in their individual employment contracts;
- ✦ observance of the principles of internal equity and external competitiveness;
- ✦ if adequate and feasible, such remuneration package may consist of a fixed pay plus a variable pay that is contingent on the Company's performance and on the measurable contribution of each individual director and officer to the Company's sustainable development and medium/long-term profitability (using the balanced scoreboard methodology that defines and implement targets for a three-year period);
- ✦ the variable pay shall consist of the award of:
 - ✦ a merit bonus pay, whose amount shall be based upon the performance achieved by each director or officer. This is contingent on the performance indicators of the business areas assigned to each director or officer and, therefore, on the level of professional performance which can be objectively measured, taking into consideration compliance with the standards applicable to the Organization and restraint in taking risks;
 - ✦ an additional bonus, whose amount shall be based upon the Company's performance;
 - ✦ the variable pay shall be equivalent to between 0% and 50% of their annual fixed pay.

SECTION IV – REMUNERATION

2.30. Information on the remuneration policy for directors and supervisory board members as set out in article 2 of Statute no. 28/2009 of 19 June.

A remuneration policy was submitted by **Corticeira Amorim's** Remuneration Committee to shareholders for consideration and approval at the Annual General Meeting held on 29 March 2012. The following remuneration policy was approved by the Annual General Meeting:

1. In line with market practice and the duties and responsibilities inherent in the position held by the members of the Supervisory Board as well as their technical and professional knowledge and skills required for carrying out the supervisory functions, these members shall be paid exclusively a fixed remuneration payable in twelve instalments per year.

2. The members of the Board of Directors shall be paid adequate remuneration taking into account:

- ✦ the individual remuneration package agreed upon between the Company and each Director;
- ✦ observance of the principles of internal equity and external competitiveness, taking into account relevant information disclosed by the main Portuguese economic groups on their remuneration policies and practices;
- ✦ if adequate and feasible, such remuneration shall primarily consist of a fixed pay - for executive and non-executive directors - plus a variable pay - for executive directors only - that is contingent on the Company's performance and on the measurable contribution of each individual executive director to the Company's sustainable development, its medium/long-term profitability and shareholder's value creation (using the balanced scoreboard methodology which defines and implements targets and goals for a three-year period, a focused set of key financial and non-financial indicators);
- ✦ the award of a variable pay component to executive members of the Board of Directors shall be equivalent to a performance bonus that shall be contingent on the degree of compliance with the Company's strategic targets, goals, initiatives and its three-year priority action plan and annual reviews. Key financial and non-financial indicators shall be taken into account in assessing the performance (including short-term performance) of each individual executive director and his/her measurable contribution to the Company's sustainable development in the medium/long-term;
- ✦ the actual amount of the variable pay shall depend on the appraisal to be carried out every year by the Remuneration Committee on the performance of the Board members, examining the contribution of each individual executive director to both the Company's profit in the relevant financial year and compliance with the Company's targets and implementation of the medium/long-term strategies adopted by the Company;
- ✦ the payment of the variable pay component, if any, may be made wholly or in part after determination of the profit (or loss) for the years in respect of the whole term of office. There is, therefore, the possibility of the variable pay being reduced if the profit for the year reflects a significant deterioration in the Company's performance in the last financial year or if it is expectable that a significant deterioration will occur in the financial year underway;

- ✦ The Company's remuneration policy for directors does not include the grant of share-based schemes, including share options, to members of the Board of Directors.

Although this issue is not expressly set out in the report on remuneration policy, the Directors consider that they are barred from entering into contracts either with the Company and its subsidiaries and/or affiliates or with third parties, which contracts might mitigate the risk inherent in the variability of their remuneration fixed by the Company and, therefore, the directors are scrupulous in complying with the conduct requirements of that concept.

2.31. Disclosure of annual remuneration earned by each member of the Company's Board of Directors and Supervisory Board, including fixed and variable pay and, as far as variable pay is concerned, information on the various components that make up the variable pay as well as the amount that has been deferred and the amount that has already been paid.

Total remuneration earned by the members of the Board of Directors in 2012 was EUR 719,490.02:

- ✦ the fixed remuneration of executive directors totalled EUR 387,113.40 (António Rios de Amorim: EUR 179,069.60; Nuno Filipe Vilela Barroca de Oliveira: EUR 100,890.20; Fernando José de Araújo Santos dos Almeida: EUR 107,153.60) and the variable remuneration amounted to EUR 128,520.00 (António Rios de Amorim: EUR 25,400.00; Nuno Filipe Vilela Barroca de Oliveira: EUR 400,00; Fernando José de Araujo dos Santos Almeida: EUR 102,720.00) for the performance of his duties in the Board of Directors of **Corticeira Amorim**; he did not earn any money for the performance of his duties on the Boards of associated companies or subsidiaries that consolidate with **Corticeira Amorim**;
- ✦ non-executive directors did not earn any remuneration for the performance of their duties on the Board of **Corticeira Amorim**. These members, for the performance of their duties in the Boards of Directors of subsidiaries or associated companies that consolidate with **Corticeira Amorim**, earned fixed remunerations of EUR 161,251.68 (Joaquim Ferreira de Amorim: EUR 123,535.50; Juan Ginesta Viñas: EUR 37,716.18) and variable remuneration of EUR 42,604.94 (Joaquim Ferreira de Amorim: EUR 8,852.00; Juan Ginesta Viñas: EUR 33,752.94).

Total remuneration earned by the members of the **Supervisory Board** in 2012 was 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 Pinto: EUR 9,900.00). Under the remuneration policy set out in subsection 2.30, the members of the Supervisory Board did not earn any variable remuneration.

With regard to both the Board of Directors and the Supervisory Board, as at 31 December 2012 there were no deferred payments of fixed or variable remunerations.

2.32. Information on how remuneration packages are structured in order to ensure the alignment of the interests of the directors with the long-term interests of the Company as well as how remuneration packages are based on performance assessment and are designed to discourage excessive risk-taking.

As disclosed in the remuneration policy set out in subsection 2.30 above.

2.33. With regard to the remuneration package of executive directors:

- a) **Disclosure of the fact that the remuneration package for executive directors includes a variable component, which depends on his/her performance-based assessment results;** As set out in section 2.31 above.
The variable component of the remuneration package for

executive directors is similar to a performance bonus and is contingent on the degree of compliance with the Company's strategic targets, goals and initiatives and its three-year priority action plan and annual reviews.

b) Disclosure of the Company's corporate bodies that are competent to assess the performance of executive directors;

The Remuneration Committee is responsible for assessing the performance of each executive director.

c) Disclosure of predetermined criteria for assessing the performance of executive directors;

The award of a performance bonus to each individual executive director is contingent on his/her degree of compliance with the Company's strategic targets, goals and initiatives and its three-year priority action plan and annual reviews, using the balanced scoreboard methodology, a focused set of key financial and non-financial indicators.

d) Explanation of the relative importance of the variable and non-variable components of directors' remuneration package and disclosure of the maximum limit for each component type;

Total remuneration paid to executive directors in 2012 was EUR 515,633.40; in relative terms, such total remuneration comprised a 29.9 per cent variable component and a 75.1 per cent fixed component. Total remuneration paid to all members of the board of directors totalled EUR 719,490.02; in relative terms, such total remuneration comprised a 23.8 per cent variable component and a 76.2 per cent fixed component.

The Company's articles of association provide that the remuneration payable to all or some of the members of the Board of Directors may consist partly in a share in the profits of the Company. This profit-sharing plan may not exceed three per cent of profits for all the directors in office. Apart from this, there is no maximum limit for each component type.

There is no ceiling limit on other variable pay.

e) Disclosure of deferred payments of part of variable component of remuneration and the deferral period;

In the financial year under review there were no deferred payments of part of variable component of remuneration.

f) Explanation of how the payment of a variable compensation is contingent on the Company's continuing its positive overall performance over the deferral period;

Payment of a variable compensation is contingent on the achievement of the Company's strategic objectives, initiatives and priorities outlined in its three-year strategic plan.

g) Adequate information on the criteria underpinning the share-based payment as part of variable compensation as well as information on the holding by executive directors of shares in the Company allotted to them, the possibility of entering into a contract relating to such shares, including hedge or risk transfer contracts, their caps, and the proportion of the variable remuneration component in total annual remuneration;

The Company's remuneration policy does not provide for the allotment of shares or call options on shares to members of the Board of Directors. No shares and/or call options on shares were allotted. The Company has no incentive system for allotment of shares.

h) Adequate information on the criteria underpinning the share option-based payment as part of variable compensation and disclosure of the deferral period and strike price;

Not applicable.

i) Disclosure of the main parameters and rationale for any annual bonus scheme and other non-cash benefits;

As disclosed herein in sub-paragraph (c) above.

j) Remuneration paid in the form of profit sharing and/or bonus payment and the reasons why such bonus payments and/or profit sharing bonus were granted;

The performance-related variable remuneration paid in 2012 in the form of performance bonus totalled EUR 176,750.68 and was the result of the achievement of organizational goals and objectives as set out in sub-paragraph (a) above.

k) Not a requirement under the Corporate Governance Code;

l) Severance payments made or owed to former executive directors arising out of early contract termination;

No severance payments were made or owed to former directors arising out of their early contract termination in 2012. Information on the planned statutory restrictions on severance pay for unfair dismissal of a director and the proportion of the severance pay in the variable remuneration component.

m) Information on the planned statutory restrictions on severance pay for unfair dismissal of a director and the proportion of the severance pay in the variable remuneration component;

There are no legal instruments under the provisions set out in this sub-paragraph (m).

n) Amounts paid for any reason whatsoever by other companies which control or are in a group relationship with Corticeira Amorim, SGPS, SA;

As disclosed herein under 2.31 above.

o) Disclosure of the main features of supplementary pension or early retirement schemes for directors and whether or not such schemes were subject to review at the annual general meeting;

There are no supplementary pension or early retirement schemes for Directors.

p) Total estimated value of significant non-cash benefits considered as remuneration and not falling within any of the cases previously enumerated;

All non-cash benefits considered as remuneration were included in the total remuneration package disclosed in sub-paragraph (a) above.

q) Existence of mechanisms that prevent executive directors from entering into contracts that can undermine the rationale behind the variable remuneration;

There are no mechanisms designed and implemented specifically to safeguard our Company from the situation described above. In view of the complexity of this issue, after weighing the structure and corporate practices adopted by our Company and verifying the existence of a sound and effective internal control system enhanced by a system of dual supervision by independent supervisory bodies, this risk – if any – is considered to be minimal and is safeguarded by the collegial nature of the decision-making process by the Board of Directors.

2.34. Information on the fact that the remuneration payable to non-executive directors of the Board does not include any variable remuneration components.

Non-executive directors only get paid a fixed remuneration for the performance of their duties as members of the Board of Directors of Corticeira Amorim; the variable remuneration - set out in sub-paragraph 2.31. above - payable to non-executive directors is the

result of their performance of executive duties on the Boards of Directors of associated companies or subsidiaries that consolidate with **Corticeira Amorim**.

2.35. Disclosure of the whistle-blowing policy adopted by the Company (means by which malpractice or misconduct may be brought to the attention of the Company's relevant bodies or officers, their conduct in this process and the manner in which such information is to be treated). It is the responsibility of **Corticeira Amorim's** Supervisory Board - in accordance with its rules of procedure – to receive the information on wrongful acts reported by shareholders, employees or other individuals or bodies and to treat such whistle-blowing reports appropriately.

Channel of reporting to the Supervisory Board of Corticeira Amorim, SGPS, S.A.

Via postal address: (the Company's registered office):
Rua de Meladas, n.º 380 – Apartado 20 - 4536-902 MOZELOS
- PORTUGAL
Via telephone: +351 22 747 54 00

The Company ensures that the Supervisory Board will be the first to be made aware of the contents of such whistle-blowing reports (no employee of the Company is authorised to open mail addressed to be opened specifically by this governing body or any of its members).

It is the Supervisory Board's responsibility to review any such reports and ask the other Company's governing bodies and officers for any explanations on the disclosed events and the circumstances surrounding the situation. In dealing with concrete situations, the Supervisory Board is entitled to:

- ✦ suggest precautionary measures to prevent irregularities;
- ✦ report any identified and confirmed irregularities to the Board of Directors and relevant authorities, both internally and externally, in accordance with each specific situation.

The Company guarantees that the identity of whistleblowers will not be disclosed throughout the process, unless they expressly choose to disclose their identity.

Corticeira Amorim believes that there are a number of measures, i.e. (i) the assignment of such responsibilities to the Supervisory Board – composed entirely of independent members, who ensure impartial handling and consideration of irregularities reported to the Company; (ii) the non-imposition of the use of a specific format for such reports and the fact that it is at the discretion of the whistleblower to use the channels of reporting that he/she thinks to be the most adequate; and (iii) the obligation to ensure protection of personal data of employees (scrupulously following the instructions given by whistleblowers regarding confidentiality) that safeguard the rights of both whistleblowers and other staff members involved, while ensuring that the reporting process remains simple, and contribute effectively to promoting impartial investigation and clarification of the situations reported.

SECTION V – SPECIAL COMMITTEES

2.36. Identification of the members of the committees set up for assessing the individual and overall performance of executive directors, reflection on the corporate governance system adopted by Corticeira Amorim and identification of potential candidates who have the profile to be a director.

Corticeira Amorim's Remuneration Committee consists of a chairman and two committee members. As at 31 December 2012, these positions were held by:

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

This committee is only competent to assess the performance of the members of the Board of Directors.

Directors are encouraged to reflect on the corporate governance system but this does not involve identifying potential candidates who have the profile to be a director because, as stated above, this power is not vested in the directors.

2.37 Number of meetings held in 2011 by committees set up with responsibility for managerial and supervisory matters as well as details on minutes taking of such meetings.

Apart from those committees already mentioned – the Executive Committee and the Remuneration Committee – there are no other committees with responsibility for managerial and supervisory matters.

The Remuneration Committee met five times in 2012 and the minutes of the meeting were drawn up.

2.38. Information on the fact that one member of the remuneration committee has relevant knowledge and experience of remuneration matters.

Members of the Remuneration Committee were selected on the basis of their wide experience in managing human resources, monitoring and benchmarking other companies' remuneration policies and their knowledge in terms of best remuneration practices and labour law.

2.39. Information on the independence of individuals or companies hired for the remuneration committee through a contract of employment or a contract for provision of services vis-à-vis the board of directors as well as whether (if applicable) such people have currently a consultant relationship with the Company.

All members of this committee consider themselves independent vis-à-vis the Company's Board of Directors.



CHAPTER 3 INFORMATION

3.1. Share capital structure, including shares not admitted to trading, different types of shares, rights and duties inherent in the shares and the percentage of the Company's share capital that each type of share represents.

The share capital of **Corticeira Amorim** is EUR 133 million and is divided into 133 million ordinary shares of a nominal value of EUR 1 each. These shares give their holders the right to dividends.

All shares issued by the Company are admitted to trading on the NYSE Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A.

3.2. Qualifying holdings in the issuer's share capital, calculated in accordance with article 20 of the Portuguese Securities Market Act. List of holders of qualifying interests as at 31 December 2012:

Shareholder	No. of shares owned	Interest (%)
Amorim Capital, S.G.P.S., S.A.	67,830,000	51.000
Investmark Holdings, B.V.	24,975,157	18.778
Amorim International Participations, B.V.	20,064,387	15.086
Total qualifying holdings	112,869,544	84.864%

As at 31 December 2012, Amorim – Investimentos e Participações, S.G.P.S., S.A. had an indirect qualifying holding in **Corticeira Amorim** of 67,830,000 shares representing 51% of this Company's share capital. This indirect qualifying holding is held through Amorim Capital - Sociedade Gestora de Participações Sociais, S.A.

Amorim – Investimentos e Participações, S.G.P.S., S.A. is a wholly-owned subsidiary of Interfamília II, S.G.P.S., S.A.

Investmark Holdings B.V. is a wholly-owned subsidiary of Warranties, S.G.P.S., S.A. which, in turn, is 70 per cent owned by Mr Américo Ferreira de Amorim.

Amorim International Participations, B.V. is a wholly-owned subsidiary of Amorim – Sociedade Gestora de Participações Sociais, S.A.

The number of shares of treasury stock as of December 31, 2012 was 7 383 962.

3.3. Identification of shareholders who were attributed special rights and a description of those rights.

No shares of the Company carry special rights and no special rights have been granted to shareholders.

3.4. Restrictions on share transfers, including consent clauses to dispose of the shares or restrictions on share ownership.

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

3.5. Shareholders' agreements known to the Company, which agreements may restrict transfers of securities or affect voting rights.

The Company has no knowledge of the existence of any shareholders' agreements that might lead to restrictions on the transfer of shares or affect voting rights.

3.6. Rules governing the amendment of the Company's articles of association.

The rules governing the amendment of the articles of association are those provided for by law, with the addition of the following specific provisions set out in the aforementioned articles: the Company is managed by a Board of Directors consisting of a chairman, a vice-chairman and from one to nine other members. This statutory provision may be amended only with the approval by a majority of shareholders representing at least two-thirds of the Company's share capital.

3.7. Control mechanisms provided for in any employee share ownership plan when such employees do not directly exercise their voting rights.

No control mechanisms are provided for therein.

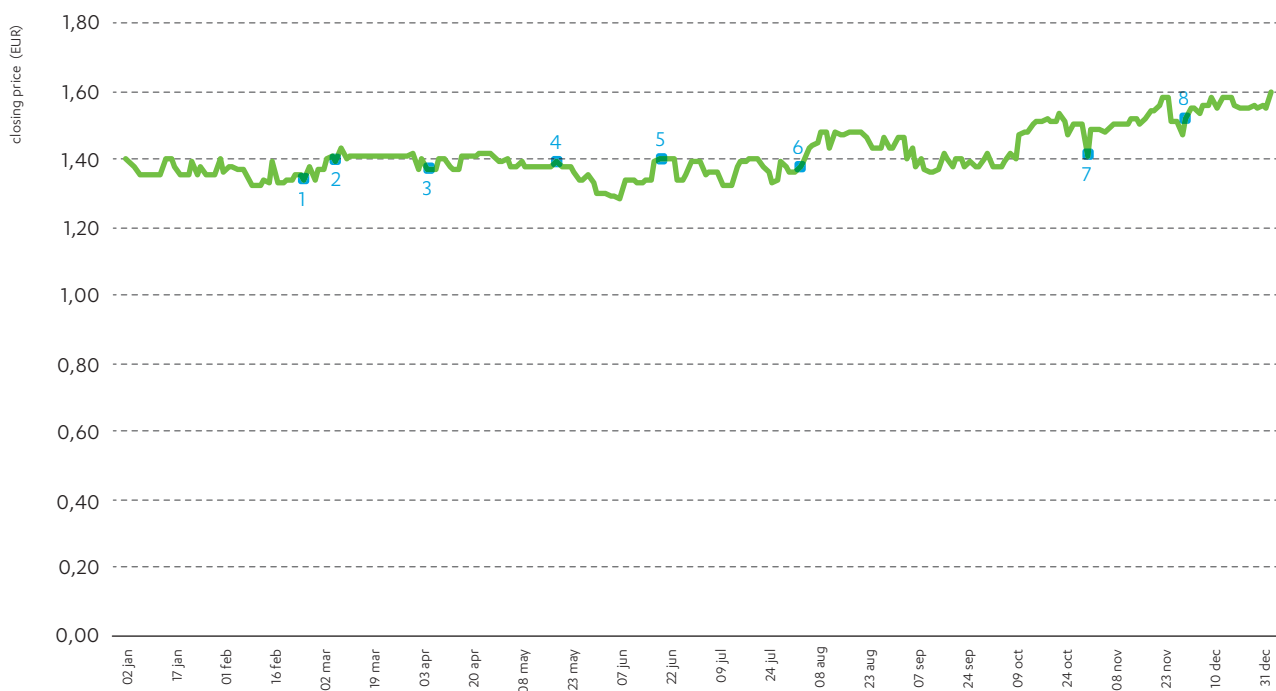
3.8. Disclosure of the issuer's stock performance, taking particularly into account:

- I. the issue of shares or other securities conferring rights to subscribe to or acquire shares;
- II. the disclosure of profit/loss;
- III. the dividends paid per share class and disclosure of the net dividend paid per share.

In 2012, no shares or other securities conferring rights to subscribe to or acquire shares were issued. Shareholders were paid dividends of € 0.95 per share (on April 30, 2012) and 0.065€ per share (on December 20, 2012).



Corticeira Amorim's stock market performance in 2012



— Closing Price

During 2012 the Company disseminated several results information as well as other significant information:

- 1 - 27 feb - Consolidated profit for the financial year 2011;
- 2 - 07 mar - Proposals to the Annual General Meeting (29 March 2012), including appropriation of Net results achieved in 2011 fiscal year, as well as dividend to be distributed to the Company's shareholders;
- 3 - 05 apr - Announcement of dividend payment;
- 4 - 18 may - Consolidated profit for the first quarter ended March 31, 2012;
- 5 - 20 jun - Relevant disclosure: acquisition of a 90,91% of the company Trefnos, S.L.;
- 6 - 03 aug - Business activity and consolidated profit for the six-month period ended June 30, 2012;
- 7 - 31 oct - Consolidated profit for the nine-month period ended September 30, 2012 and proposal for "Free Reserves" distribution (as a share dividend);
- 8 - 30 nov - Announcement of dividend payment.

Additional information on **Corticeira Amorim's** stock market performance: Chapter 6 of the Consolidated Directors' Report.

3.9. Disclosure of the dividend distribution policy of our Company and information on the dividend paid per share during the last three financial years.

The proposal for appropriation of profit for the year to be submitted every year to the Annual General Meeting for approval shall be duly considered by **Corticeira Amorim** in view of the overall business climate surrounding the Company and affecting particularly its net profit, its debt level and the outlook for future investment and financing needs aimed at reaching a desirable economic and financial balance.

Corticeira Amorim's dividend performance - 2010 to 2012

	Unit	2010	2011	2012
Paid/made available on		-	02-05-2011	30-04-2012 20-12-2012
Total dividend	thousand euros	0	13,300	21,280
% payout ratio	%	-	64.7%	84.2%
Dividend per share	€	0	0,100	0,160
% of nominal value	%	-	10.00%	16.00%

As set out in the previous paragraph, there were two dividend distributions in the year under consideration: the first was the result of a resolution passed at the AGM held on 29 March 2012 and a dividend of € 0.065 per share was paid out on 30 April 2012; the second dividend distribution was approved by the AGM held on 30 November 2012 and a dividend of € 0.095 per share was paid out on 20 December 2012.

3.10. Disclosure of the main features of the share-award and the share-option plans adopted by the Company or valid for the relevant financial year, giving details, in particular, of the reasons for adopting any such plans, the occupational category and number of employees covered by such plans, terms and conditions of the award of shares, clauses prohibiting the disposal of shares, the criteria governing the share prices and the strike price of share options, the period during which the options may be exercised, the characteristics of the shares to be allotted, the existence of incentives to purchase shares and/or to exercise options as well as the authority of the Board of Directors to implement and/or amend such plans.

Corticeira Amorim has not adopted nor does it have any share-award or share-option plans in force.

3.11. Disclosure of the main data on business deals and transactions carried out between the Company, on the one hand, and the members of its Board of Directors and Supervisory Board, holders of qualifying interests or any organization which controls, is controlled by or is in common control with such members, on the other hand, provided that the amounts involved are significant for any of the parties involved, except for those business deals or transactions that are carried out on an arm's-length basis and form part of the Company's day-to-day business.

No relevant business deals or transactions were carried out under the terms set out in this section 3.11 above.

3.12. Disclosure of the main data on business deals and transactions carried out between the Company and the holders of qualifying interests or any organization which controls, is controlled by or is in common control with such members, pursuant to article 20 of the Portuguese Securities Market Act, which business deals and transactions were not carried out on an arm's-length basis.

No relevant business deals or transactions were carried out under the terms set out in this section 3.12 above.

3.13. Description of the procedures and criteria applicable to the supervisory board when it conducts a preliminary assessment of the business deals to be carried out between the Company and the holders of qualifying interests or any organization which controls, is controlled by or is in common control with such members, pursuant to article 20 of the Portuguese Securities Market Act.

Corticeira Amorim has no procedures or criteria available under the terms of the above section. However, it should be noted that the business deals carried out between the Company, its associates or affiliates and the holders of qualifying interests or any organization which controls, is controlled by or is in common control with such members, as provided for in article 20 of the Portuguese Securities Market Act, are carried out on an arm's-length basis and the amount of such business deals is also of little consequence in comparison to the total value of the transactions made during the financial year.

The total value of the transactions with related parties carried out on an arm's-length basis is disclosed in the Notes to the Financial Statements. This value was EUR 1,091 thousand in 2012.

3.14. Disclosure of statistical data (number, average value and maximum value) relating to transactions subject to a preliminary assessment by the supervisory board.

No transactions were subject to a preliminary assessment by the Supervisory Board.

3.15. Information on the availability on the Company's website of annual reports on the activities of the General and Oversight Committees, the Financial Affairs Committee, the Audit Committee and the Supervisory Board, including information on any constraints encountered, in addition to the annual financial statements.

An annual Report and Opinion describing the work carried out and the results is prepared every year by the Supervisory Board. This Report and Opinion, together with the other annual financial statements, is made available to shareholders on the Company's website within the minimum time in advance required by law. This Report and Opinion is included in and published along with the Company's Annual Report and Accounts and is available for consultation at www.corticeiraamorim.com.

3.16. Information on the existence of an Office of Investor Assistance or other similar office.

Through its **Investor Relations Department, Corticeira Amorim** maintains permanent contact with the Market, thus ensuring that the principle of equality among shareholders is upheld and that uneven access of investors to information is prevented.

a) Responsibilities of the Investor Relations Department

The Investor Relations Department, supervised by **Corticeira Amorim's** Investor Relations Officer, has the following responsibilities:

- ✦ regular publication of the Company's operation performance evaluation reviews and financial results, including co-ordination and preparation of their twice-yearly public presentation delivered at the Company's registered office (either in person or via audio-conference);
- ✦ disclosure of privileged information;
- ✦ disclosure of information on qualifying interests;
- ✦ receipt and centralisation of all questions and queries raised by investors and answers to such questions;
- ✦ participation in conferences and meetings with investors and analysts.

The following measures carried out in 2011 in the context of contact with investors are especially noteworthy:

- ✦ presentation of half-year business activity and results via audio-conferencing, thereby promoting interaction;
- ✦ one-on-one meetings held by invitation on the premises of investment banks;
- ✦ meetings held on the Company's premises with investors and teams of analysts, to whom the major industrial facilities were presented.

Corticeira Amorim has been using its information technology to regularly disclose and disseminate its economic and financial information, including the Company's operation performance evaluation reports and financial results as well as its answers to specific questions and queries raised by investors.

b) Type of information made available by the Investor Relations Department

- ✦ the name of the Company, its public company status, registered office and other information set out in article 171 of the Portuguese Companies Act;
- ✦ Articles of Association;

- ✦ identification of the members of the Company's governing bodies and the investor relations officer;
- ✦ the Office of Investor Assistance, its functions and means of accessing this Office;
- ✦ financial statements, including an annual report on the corporate governance structure and practices;
- ✦ six-month calendar of corporate events released at the beginning of each half-year;
- ✦ notices to members of Annual General Meetings to be given during a 21-day period prior to the date fixed for each meeting;
- ✦ motions submitted for discussion and vote at an AGM during a 21-day period prior to the date fixed for the meeting;
- ✦ absentee voting form;
- ✦ proxy form for Annual General Meetings;
- ✦ disclosure of half-yearly and quarterly information on the Company's business affairs;
- ✦ press releases: financial results, confidential information, qualifying interests in the share capital of the Company;
- ✦ business presentations to investors and market analysts.

In accordance with requirement no. 156/EMIT/DMEI/2009/515 of the Portuguese Securities Market Commission, from the beginning of 2009 onwards, the minutes of the AGM and statistical information on the attendance of shareholders at the AGM are also made available for consultation within five working days of the holding of the Annual General Meeting. Records relating to more than three years were collated and are duly kept by the Company.

c) Ways of contacting the Investor Relations Department

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

d) The Company's website

A wide range of information on **Corticeira Amorim's** ownership structure, its business and corporate performance is made available on its website www.corticeiraamorim.com, thus fully complying with the provisions set out in article 5 of Regulation no. 1/2010 of the Portuguese Securities Market Commission.

e) Identification of the Investor Relations Officer

Mrs Cristina Rios de Amorim Baptista is **Corticeira Amorim's** Investor Relations Officer.

3.17. Disclosure of the annual amount of remuneration paid to the auditor and other individuals or companies that belong to the same network as Corticeira Amorim and/or by any company which controls or is in common control with Corticeira Amorim and the percentage breakdown of the total payments made for the following services:

Service provided	Amount (in thousand euros)	%
Statutory audit	266.7	63.0
Other auditing services	9.0	2.1
Tax consulting services	37.5	8.9
Other services	110.0	26.0
Total	423.2	100.0

The term "Other services" essentially refers to assistance for the implementation of administrative mechanisms to address legal formalities.

The independence of these service providers is not called into question as the leadership of the projects such service providers take on is always assumed by the appropriate department of **Corticeira Amorim**.

3.18. External auditor rotation.

There is no policy of rotation of Statutory Auditor. Continuation in service of the statutory auditor beyond the recommended three-year term is subject to a careful assessment of the advantages and disadvantages, in particular the expertise and experience acquired in the type of business in which the Company is engaged in. **Corticeira Amorim's** external auditors, PricewaterhouseCoopers & Associados, S.R.O.C., Lda., meet the independence requirements and this is reinforced by the fact the partner in charge of the Company's audit is proposed to be rotated every seven years, a procedure in line with the best international practices.



CHAPTER 4

INFORMATION REQUIRED UNDER OTHER LEGISLATION

4.1. Treasury Stock

As set out in Chapter 14. of the Directors' Report, in 2012 **Corticeira Amorim** purchased 596,000 shares (representing 0.448% of its issued share capital) at an average price of € 1.544 per share totaling € 920,890.38.

	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)
08-10-2012	Order(s) for stock exchange acquisition of 1000 shares - transactions carried out:					
	1,000	1.42	1,420.00			
09-10-2012	Order(s) for stock exchange acquisition of 1500 shares - transactions carried out:					
	6	1.43	8.58	173	1.44	249.12
	1,321	1.43	1,889.03			
10-10-2012	Order(s) for stock exchange acquisition of 2000 shares - transactions carried out:					
	1,000	1.45	1,450.00	1	1.45	1.45
	550	1.44	792.00	449	1.45	651.05
11-10-2012	Order(s) for stock exchange acquisition of 5000 shares - transactions carried out:					
	899	1.47	1,321.53	501	1.48	741.48
	940	1.47	1,381.80	1,859	1.47	2,732.73
	161	1.48	238.28	141	1.48	208.68
	499	1.47	733.53			
12-10-2012	Order(s) for stock exchange acquisition of 7000 shares - transactions carried out:					
	5,301	1.45	7,686.45	1,326	1.48	1,962.48
	373	1.48	552.04			
16-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	477	1.50	715.50	23	1.51	34.73
	2,500	1.50	3,750.00			
17-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	3,000	1.51	4,530.00			
18-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	2,774	1.51	4,188.74	46	1.52	69.92
	180	1.52	273.60			
19-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	702	1.50	1,053.00	2,298	1.51	3,469.98
22-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	3,000	1.51	4,530.00			
23-10-2012	Order(s) for stock exchange acquisition of 13 000 shares - transactions carried out:					
	2,000	1.50	3,000.00	5,000	1.51	7,550.00
	100	1.51	151.00	4,439	1.52	6,747.28
	900	1.52	1,368.00	561	1.53	858.33
24-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	3,000	1.51	4,530.00			
25-10-2012	Order(s) for stock exchange acquisition of 9000 shares - transactions carried out:					
	967	1.51	1,460.17	2,000	1.51	3,020.00
	2,033	1.51	3,069.83	1,000	1.51	1,510.00
	1,000	1.51	1,510.00	2,000	1.51	3,020.00
26-10-2012	Order(s) for stock exchange acquisition of 3000 shares - transactions carried out:					
	1,000	1.51	1,510.00	2,000	1.51	3,020.00

	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)
08-11-2012	Order(s) for stock exchange acquisition of 9000 shares - transactions carried out:					
	2,499	1.49	3,723.51	500	1.49	745.00
	149	1.49	222.01	2,125	1.50	3,187.50
	352	1.49	524.48	875	1.50	1,312.50
	2,500	1.49	3,725.00			
09-11-2012	Order(s) for stock exchange acquisition of 12 000 shares - transactions carried out:					
	2,125	1.50	3,187.50	1,000	1.50	1,500.00
	875	1.50	1,312.50	2,000	1.50	3,000.00
	125	1.50	187.50	125	1.50	187.50
	199	1.50	298.50	1,000	1.50	1,500.00
	2,125	1.50	3,187.50	1,875	1.50	2,812.50
	551	1.50	826.50			
12-11-2012	Order(s) for stock exchange acquisition of 12 000 shares - transactions carried out:					
	1,890	1.50	2,835.00	1,000	1.50	1,500.00
	1,000	1.50	1,500.00	2,000	1.50	3,000.00
	110	1.50	165.00	1,000	1.50	1,500.00
	2,000	1.50	3,000.00	2,000	1.50	3,000.00
	1,000	1.50	1,500.00			
13-11-2012	Order(s) for stock exchange acquisition of 12 000 shares - transactions carried out:					
	1,000	1.50	1,500.00	1,839	1.50	2,758.50
	2,000	1.50	3,000.00	195	1.49	290.55
	1,000	1.50	1,500.00	1,000	1.50	1,500.00
	100	1.50	150.00	104	1.50	156.00
	1,900	1.50	2,850.00	1,000	1.50	1,500.00
	1,000	1.50	1,500.00	701	1.50	1,051.50
	161	1.50	241.50			
14-11-2012	Order(s) for stock exchange acquisition of 9000 shares - transactions carried out:					
	1,250	1.52	1,900.00	139	1.52	211.28
	100	1.52	152.00	150	1.52	228.00
	148	1.52	224.96	345	1.52	524.40
	1,502	1.52	2,283.04	118	1.52	179.36
	998	1.52	1,516.96	2,500	1.52	3,800.00
	1,250	1.52	1,900.00	500	1.52	760.00
15-11-2012	Order(s) for stock exchange acquisition of 6000 shares - transactions carried out:					
	750	1.52	1,140.00	1,250	1.52	1,900.00
	2,250	1.52	3,420.00	1,500	1.52	2,280.00
	250	1.52	380.00			
16-11-2012	Order(s) for stock exchange acquisition of 52 000 shares - transactions carried out:					
	250	1.52	380.00	2,500	1.52	3,800.00
	2,500	1.52	3,800.00	1,250	1.52	1,900.00
	250	1.52	380.00	166	1.52	252.32
	1,250	1.52	1,900.00	1,271	1.52	1,931.92
	1,750	1.52	2,660.00	2,111	1.52	3,208.72
	650	1.50	975.00	1,250	1.52	1,900.00
	750	1.52	1,140.00	6,639	1.52	10,091.28
	1,250	1.52	1,900.00	1,250	1.52	1,900.00
	350	1.52	532.00	3,750	1.52	5,700.00
	15,000	1.52	22,800.00	611	1.52	928.72
	4,650	1.52	7,068.00	2,389	1.53	3,655.17
	163	1.52	247.76			
19-11-2012	Order(s) for stock exchange acquisition of 6000 shares - transactions carried out:					
	402	1.53	615.06	280	1.54	431.20
	5,060	1.53	7,741.80	258	1.54	397.32

	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)
20-11-2012	Order(s) for stock exchange acquisition of 26 000 shares - transactions carried out:					
	1,742	1.54	2,682.68	1,783	1.53	2,727.99
	61	1.54	93.94	7,217	1.53	11,042.01
	4,197	1.54	6,463.38	1,250	1.54	1,925.00
	840	1.52	1,276.80	635	1.54	977.90
	7,377	1.52	11,213.04	898	1.54	1,382.92
21-11-2012	Order(s) for stock exchange acquisition of 28 000 shares - transactions carried out:					
	435	1.54	669.90	635	1.54	977.90
	2,000	1.54	3,080.00	2,000	1.54	3,080.00
	84	1.54	129.36	1,500	1.54	2,310.00
	3,481	1.54	5,360.74	1,865	1.54	2,872.10
	635	1.54	977.90	414	1.54	637.56
	2,000	1.54	3,080.00	2,000	1.54	3,080.00
	165	1.54	254.10	1,500	1.54	2,310.00
	1,500	1.54	2,310.00	6,086	1.54	9,372.44
	1,700	1.54	2,618.00			
22-11-2012	Order(s) for stock exchange acquisition of 18 000 shares - transactions carried out:					
	1,500	1.54	2,310.00	515	1.55	798.25
	2,000	1.54	3,080.00	2,500	1.55	3,875.00
	2,500	1.54	3,850.00	250	1.55	387.50
	1,500	1.54	2,310.00	1,882	1.55	2,917.10
	1,015	1.54	1,563.10	348	1.55	539.40
	2,000	1.54	3,080.00	260	1.55	403.00
	1,485	1.55	2,301.75	245	1.56	382.20
23-11-2012	Order(s) for stock exchange acquisition of 6000 shares - transactions carried out:					
	1,500	1.58	2,370.00	4,500	1.58	7,110.00
06-12-2012	Order(s) for stock exchange acquisition of 5000 shares - transactions carried out:					
	1,000	1.54	1,540.00	958	1.56	1,494.48
	119	1.55	184.45	1,000	1.56	1,560.00
	921	1.55	1,427.55	949	1.56	1,480.44
	53	1.55	82.15			
07-12-2012	Order(s) for stock exchange acquisition of 5000 shares - transactions carried out:					
	551	1.56	859.56	2,449	1.56	3,820.44
	2,000	1.56	3,120.00			
10-12-2012	Order(s) for stock exchange acquisition of 25 000 shares - transactions carried out:					
	2,000	1.56	3,120.00	1,870	1.56	2,917.20
	3,000	1.56	4,680.00	130	1.56	202.80
	1,000	1.56	1,560.00	1,000	1.57	1,570.00
	4,000	1.56	6,240.00	1,000	1.57	1,570.00
	4,130	1.56	6,442.80	642	1.58	1,014.36
	2,000	1.56	3,120.00	1,000	1.58	1,580.00
	2,000	1.56	3,120.00	1,228	1.58	1,940.24
11-12-2012	Order(s) for stock exchange acquisition of 11 000 shares - transactions carried out:					
	914	1.58	1,444.12	3,244	1.58	5,125.52
	200	1.58	316.00	5,900	1.56	9,204.00
	642	1.58	1,014.36	100	1.58	158.00
12-12-2012	Order(s) for stock exchange acquisition of 11 000 shares - transactions carried out:					
	1,950	1.57	3,061.50	84	1.57	131.88
	2,000	1.57	3,140.00	542	1.58	856.36
	929	1.57	1,458.53	2,500	1.58	3,950.00
	1,121	1.57	1,759.97	1,325	1.58	2,093.50
	549	1.57	861.93			
13-12-2012	Order(s) for stock exchange acquisition of 15 000 shares - transactions carried out:					
	274	1.58	432.92	4,000	1.57	6,280.00
	642	1.58	1,014.36	1,000	1.57	1,570.00
	2,500	1.58	3,950.00	1,999	1.57	3,138.43
	1,584	1.58	2,502.72	2,001	1.58	3,161.58
	1,000	1.57	1,570.00			

	Quantity	Unit Price (€)	Total Price (€)	Quantity	Unit Price (€)	Total Price (€)
14-12-2012	Order(s) for stock exchange acquisition of 10 000 shares - transactions carried out:					
	96	1.56	149.76	3,249	1.58	5,133.42
	1,655	1.57	2,598.35	5,000	1.58	7,900.00
17-12-2012	Order(s) for stock exchange acquisition of 6000 shares - transactions carried out:					
	6,000	1.56	9,360.00			
18-12-2012	Order(s) for stock exchange acquisition of 18 000 shares - transactions carried out:					
	6,000	1.56	9,360.00	4,120	1.56	6,427.20
	3,800	1.56	5,928.00	500	1.56	780.00
	2,200	1.56	3,432.00	1,380	1.56	2,152.80
19-12-2012	Order(s) for stock exchange acquisition of 45 000 shares - transactions carried out:					
	10,000	1.55	15,500.00	4,033	1.54	6,210.82
	10,000	1.55	15,500.00	3,000	1.54	4,620.00
	7,000	1.54	10,780.00	599	1.54	922.46
	3,967	1.54	6,109.18	6,401	1.55	9,921.55
20-12-2012	Order(s) for stock exchange acquisition of 40 000 shares - transactions carried out:					
	501	1.54	771.54	623	1.55	965.65
	9,499	1.55	14,723.45	4,127	1.55	6,396.85
	15,000	1.55	23,250.00	2,334	1.55	3,617.70
	250	1.52	380.00	7,666	1.55	11,882.30
21-12-2012	Order(s) for stock exchange acquisition of 20 000 shares - transactions carried out:					
	1,830	1.54	2,818.20	1,300	1.55	2,015.00
	6,234	1.55	9,662.70	3,968	1.56	6,190.08
	1,315	1.55	2,038.25	353	1.55	547.15
	353	1.55	547.15	4,647	1.56	7,249.32
27-12-2012	Order(s) for stock exchange acquisition of 30 000 shares - transactions carried out:					
	6,525	1.56	10,179.00	727	1.57	1,141.39
	3,475	1.56	5,421.00	1,000	1.58	1,580.00
	6,525	1.56	10,179.00	319	1.58	504.02
	1,149	1.56	1,792.44	2,000	1.58	3,160.00
	2,326	1.56	3,628.56	5,954	1.58	9,407.32
28-12-2012	Order(s) for stock exchange acquisition of 40 000 shares - transactions carried out:					
	1,000	1.57	1,570.00	546	1.56	851.76
	5,300	1.57	8,321.00	776	1.58	1,226.08
	859	1.57	1,348.63	2,480	1.57	3,893.60
	1,000	1.58	1,580.00	4	1.58	6.32
	1,000	1.58	1,580.00	836	1.56	1,304.16
	841	1.58	1,328.78	4,424	1.57	6,945.68
	4,250	1.55	6,587.50	4,740	1.58	7,489.20
	502	1.56	783.12	1,000	1.58	1,580.00
	252	1.56	393.12	343	1.58	541.94
	996	1.58	1,573.68	3,407	1.57	5,348.99
	3,194	1.56	4,982.64	2,250	1.58	3,555.00
31-12-2012	Order(s) for stock exchange acquisition of 60 000 shares - transactions carried out:					
	4,598	1.57	7,218.86	1,500	1.58	2,370.00
	3,271	1.58	5,168.18	1,500	1.58	2,370.00
	500	1.59	795.00	550	1.59	874.50
	1,631	1.60	2,609.60	2,950	1.59	4,690.50
	3,000	1.56	4,680.00	2,500	1.60	4,000.00
	7,000	1.56	10,920.00	3,300	1.59	5,247.00
	3,000	1.56	4,680.00	5,781	1.59	9,191.79
	6,000	1.56	9,360.00	919	1.60	1,470.40
	1,000	1.58	1,580.00	9,950	1.60	15,920.00
	1,000	1.58	1,580.00	50	1.60	80.00

There were no disposals of treasury shares in 2012.

As of December 31, 2012, **Corticeira Amorim** held 7,383,962 treasury shares, representing 5.552% of the issued share capital.

4.2. Transactions involving Directors and Officers

In accordance with the provisions set out in sections 14.6 and 14.7 of Regulation no. 5/2008 of the Portuguese Securities Market Commission and according to notices received from persons/entities covered by this regulation, it is hereby reported that – unless the transactions disclosed at items 4.2 b) ii) and 4.2. b) iii) below – no other transactions involving the Company's shares were carried out in the second semester of 2012 by **Corticeira Amorim's** directors and officers.

No company which controls **Corticeira Amorim** or any of **Corticeira Amorim's** directors or officers or any person closely related to such directors or officers carried out transactions involving **Corticeira Amorim's** financial instruments.

4.3. Information required under sections 447 and 448 of the Portuguese Companies Act

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

- i. The members of the governing bodies did not hold or trade in any shares representing the capital of the Company.

b) Corticeira Amorim shares held and/or traded directly by companies in which the members of the Company's governing bodies exercise managerial or supervisory responsibility:

- i. On June 28, 2012, in two over-the-counter market transactions of equal amount, Amorim Capital, SGPS, SA - a company in which Mr. António Rios de Amorim, Chairman of the Board of Directors of **Corticeira Amorim**, held a director level position - sold a total of 33,990,314 shares (representing 25.557% of **Corticeira Amorim's** issued share capital) at a price of € 1.49 per share; on December 31, 2012 (as well as on the date hereof) Amorim Capital, SGPS, SA held 67,830,000 shares in **Corticeira Amorim** representing 51% of this Company's issued share capital. Mr. António Rios de Amorim did not hold a director level position in Amorim Capital, SGPS, SA on neither dates (i.e., June 28, 2012 and December 31, 2012);
- ii. On October 19, 2012, in an over-the-counter market transaction, Amorim - Sociedade Gestora de Participações Sociais, SA – a company in which Mr. António Rios de Amorim and Mrs. Cristina Rios de Amorim, Chairman and Member of the Board of Directors of **Corticeira Amorim**, respectively, held director level positions - sold 3,069,230 shares (representing approximately 2.308% of **Corticeira Amorim's** issued share capital) at a price of € 1.39 per share; on December 31, 2012 (as well as on the date hereof) Amorim - Sociedade Gestora de Participações Sociais, SA did not directly own shares in **Corticeira Amorim**;
- iii. On October 19, 2012, in an over-the-counter market transaction, Amorim International Participations BV – a company in which Mrs Cristina Rios de Amorim, a director of **Corticeira Amorim**, held a director level position – purchased 3,069,230 shares (representing approximately 2.308% of **Corticeira Amorim's** issued share capital) at a price of € 1.39 per share; on December 31, 2012 (as well as on the date hereof), Amorim International Participations BV held 20,064,387 shares in **Corticeira Amorim** representing 15.086% of this Company's issued share capital.

- iv. Amorim International Participations BV is wholly and directly owned by Amorim - Sociedade Gestora de Participações Sociais, SA and, therefore, the above 15.086% interest in the share capital of **Corticeira Amorim** is indirectly held by Amorim - Sociedade Gestora de Participações Sociais, SA.

c) List of Shareholders holding at least one-tenth of the Company's share capital:

- i. As at 31 December 2012, Amorim Capital - Sociedade Gestora de Participações Sociais, S.A. held 67,830,000 shares in **Corticeira Amorim**, representing 51% of this Company's share capital;
- ii. As at 31 December 2012, Investmark Holdings, BV held 24,975,157 shares in **Corticeira Amorim**, representing 18.778% of this Company's share capital;
- iii. As at 31 December 2012, Amorim International Participations BV held 20,064,387 shares in **Corticeira Amorim**, representing 15.086% of this Company's share capital.

The share ownership by the above shareholders remained unchanged as of the date hereof.

Mozelos, February 18, 2013

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

António Rios de Amorim

Chairman

Nuno Filipe Vilela Barroca de Oliveira

Vice-Chairman

Fernando José de Araújo dos Santos Almeida

Member

Cristina Rios de Amorim Baptista

Member

Juan Ginesta Viñas

Member

Jorge Manuel Seabra de Freitas

Member

