

Second-Party Opinion Corticeira Amorim Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Corticeira Amorim Green Bond Framework (the "Framework") is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 (GBP). This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Environmentally Sustainable Management of Living Natural Resources and Land Use, Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes, Waste Management and Resource Efficiency, Renewable Energy and Waste to Energy – are aligned with those recognized by the GBP. Sustainalytics considers that the eligible categories will lead to positive environmental impact and advance the UN Sustainable Development Goals (SDGs), specifically SDG 7, 8, 12 and 15.



PROJECT EVALUATION / SELECTION The proceeds from the bond will be used to refinance existing projects that were undertaken by Corticeira Amorim ("Amorim" or the "Company") over the past three and a half years and have been detailed in the Framework.



MANAGEMENT OF PROCEEDS The Finance Department of the Company will manage proceeds raised and allocated it existing projects held in different wholly-owned subsidiaries. Sustainalytics considers this to be aligned with market practice.



REPORTING Amorim intends to report on allocation of proceeds on an annual basis and publish such reports on its website. In addition, Amorim is committed to reporting on relevant quantitative and qualitative impact metrics. Sustainalytics views Amorim's allocation and impact reporting as aligned with market practice.

Evaluation Date	November 27, 2020
Issuer Location	Mozelos, Portugal

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Introduction

Corticeira Amorim is the largest producer of cork products in the world and is based in Portugal. Amorim has over 4,400 employees in 27 countries. The Company manufactures a variety of cork products including cork stoppers, floor and wall covering, composite and insulation cork.

Amorim has developed the Corticeira Amorim Green Bond Framework under which it intends to issue a green bond and use the proceeds to refinance existing projects aimed at managing cork oak forest in a sustainable way, manufacturing low-carbon and circular economy products, improving material and resource efficiency in production, and generating renewable energy from cork-based waste materials. The Framework defines eligibility criteria in four areas:

1. Environmentally Sustainable Management of Living Natural Resources and Land Use
2. Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes
3. Waste Management and Resource Efficiency
4. Renewable Energy and Waste to Energy

Amorim engaged Sustainalytics to review the Framework, dated November 2020, and provide a Second-Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2018 (GBP).¹ This Framework has been published in a separate document.²

Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent³ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the GBP, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.6, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Amorim's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Amorim representatives have confirmed (1) they understand it is the sole responsibility of Amorim to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Amorim.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be refinanced with bond proceeds but does not measure the actual impact. The

¹ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

² The Corticeira Amorim Green Bond Framework is available on Amorim's website at: www.amorim.com

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

measurement and reporting of the impact achieved through projects refinanced under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the intended allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Amorim has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Corticeira Amorim Green Bond Framework

Sustainalytics is of the opinion that the Framework is credible and impactful, and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories – Environmentally Sustainable Management of Living Natural Resources and Land Use, Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes, Waste Management and Resource Efficiency, and Renewable Energy and Waste to Energy – are aligned with those recognized by the GBP.
 - Within the Environmentally Sustainable Management of Living Natural Resources and Land Use category, Amorim intends on refinancing a direct investment in two cork oak forest projects in Portugal.
 - These projects were developed as part of Amorim's Forestry Intervention Project, an in-house research project focused on identifying solutions and developing innovative forestry practices intended to ensure the maintenance, continuation, and enhancement of cork oak plantations.
 - Cork is widely accepted as one of the most sustainable raw materials given that it is completely natural, reusable, and is extracted cyclically without causing damage to the cork plantation.⁴ Further, it is illegal to cut cork trees in Portugal without the permission of the government and the Forest Stewardship Council has certified the country to be at low risk of illegal harvesting, and harvesting of forests in violation of traditional and human rights. Please refer to Section 3 for more details about the carbon sequestration capabilities of cork plantations.
 - Accordingly, Sustainalytics considers investments in cork plantations to be aligned with market practice.
 - Within Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes, the Company intends on refinancing two main categories of projects.
 - Eco-Efficient Products: Amorim intends on refinancing the cost incurred on technologies aimed at improving quality of cork stoppers by detecting, reducing, or eradicating the level of TCA⁵ and other compounds responsible for off-flavours that lead to wine spoilage. This is one of the primary reasons for winemakers to switch to other alternatives such as plastic and aluminium stoppers, which have a more carbon-intensive production process.⁶ Investments in these technologies are aimed at improving product quality so as to increase adoption of cork stoppers over other alternatives with a higher negative environmental impact.

⁴ <https://www.amorim.com/en/whats-new/news/Corticeira-Amorim-wins-Best-Raw-Materials-Sustainability-Europe-2020/2236/>

⁵ Trichloroanisole (TCA) is a naturally-occurring chemical compound in cork that is related to sensory deviations that causes the mould smell/ taste in wine.

⁶ https://www.amorim.com/xms/files/Sustentabilidade/Casos_de_Estudo/2008_-_LCA_Final.pdf

- Circular-Economy Projects: Amorim intends on refinancing research and development costs for equipment and infrastructure designed to utilize surplus cork not suitable for stoppers and other byproducts to create products such as flooring and construction. Projects includes industrial symbioses with industries such as footwear, automotive, sports and packaging which allowed the creation of new product lines such as cork flooring product Amorim Wise Inspire 700, and increased the installed capacity of existing circular economy products by more than 50%.
 - Sustainalytics notes that these technologies, as part of Amorim's overall production process, are powered primarily by renewable energy. While 40% of its energy sources are currently not renewable, the Company continues to strive to reduce the share of fossil fuels in its energy mix.
 - Overall, Sustainalytics views these projects to have a positive environmental impact and considers them to be aligned with market practice.
 - Within Waste Management and Resource Efficiency, Amorim intends on refinancing technologies and processes installed along production chains of different business units with the intention of reducing waste and improving efficiency of resources utilized. Sustainalytics considers these projects to be aligned with market practice while encouraging the Company to track and report on quantifiable indicators on improvement in performance of these production processes. Projects include RECUPERA initiative that aims to reincorporate the surplus of the production process, with a potential to reuse 1,000 tonnes per year of composite cork.
 - Within Renewable Energy and Waste to Energy, Amorim intends on refinancing the purchase of new boilers as well as improvements in the thermal fluid and steam systems which are part of the Company's biomass energy generation facility.
 - These facilities rely on cork dust as feedstock, a waste byproduct of the production processes, and these investments are intended at enhancing capacity as well as energy yield from cork dust.
 - Sustainalytics notes that cork dust has no other applications except as feedstock for the Company's biomass plant, which supplies more than 60% of its total energy needs.
 - Accordingly, Sustainalytics notes the importance of these investments in improving the yield of biomass plants and considers them to be aligned with market practice.
- Project Evaluation and Selection:
 - Amorim has selected projects that it intends on refinancing through proceeds from issuance under the Framework and highlighted the context as well key environmental benefits of these projects in its Framework.
 - Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - Proceeds from the issuance under the Framework will be utilized to refinance projects undertaken by the Company in the last three and a half years.
 - Once funds are raised, the Finance Department will allocate them to different wholly-owned subsidiaries where projects are held in the proportion of amounts spent towards developing them. There will be no funds held idle by the Company as they all relate to refinancing existing projects.
 - Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - The Company intends to provide an annual update on its green bond issuance. In the update, the Company will seek to report on allocations made from green bond issuances to eligible projects identified in the Framework.
 - The Company also intends on reporting on various qualitative and quantitative indicators measuring performance of projects refinanced such as hectares of new cork plantations added, revenue of eco-efficient and / or circular economy products, tonnes waste recovery etc.
 - Sustainalytics considers these commitments to allocation and impact reporting to be aligned with market practice.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that the Corticeira Amorim Green Bond Framework aligns to the four core components of the GBP. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of Amorim

Contribution of framework to Amorim's sustainability performance

Sustainalytics is of the opinion that Amorim demonstrates a strong commitment to sustainability with strong performance on key environmental indicators. Amorim has developed a sustainability strategy in alignment with UN SDGs and has identified key areas outlined by the initiatives below.

- Recognizing the importance of sustainable operation, Amorim has established its sustainable development strategy with relevant SDGs. Dated 2018, this strategy identifies the Company's environmental, social and economic strategic priorities including increase the use of renewable energy, reduce environmental impact, promote sustainable forest management, reduce and recycling of waste, and improve resources efficiency.
- Amorim actively tracks and reports on its sustainability performance and strategy via annual sustainability reports. The Company's Sustainability Report elaborates on its ESG performance, including in the areas of corporate responsibility, energy efficiency, carbon emission, carbon balance per product, consumption from renewable sources, employee engagement, supply chain, and other stakeholder-related topics. According to its 2019 report, Amorim saved more than 60,000 tons CO₂, recycled 485 tons cork material, reduced its energy intensity by 2%. The group has reduced 17% of carbon intensity between 2011 and 2018.
- To further contribute to its goal to reduce negative environmental impact in production, Amorim actively engages in the use of renewable energy by developing a cork dust recovery process to generate biomass energy and has more than 60% of its total energy consumption from biomass in 2019.
- To further demonstrate its commitment to environmental protection, Amorim has developed a full process which minimizes the waste and optimizing the added value of all raw material. The production process outlines products and byproducts at each production stage from raw material to cork dust. The process also shows how circular economy products, such as insulation corkboard, are produced using remaining materials from cork stoppers. As such, Amorim has managed to make full use of the raw material and has achieved 100% use of cork and 90% waste recovery rate in 2019.

Sustainalytics is of the opinion that the projects envisaged under the Framework have been instrumental in achieving some of the above outcomes and will continue to contribute towards improving the Company's performance on its key environmental priorities.

Well-positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the net proceeds from the bond issued under the Framework will be directed towards eligible projects that are recognized by the GBP to have positive environmental impact, Sustainalytics is aware that such eligible projects could be associated with some negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects, could include occupational health and safety, supply chain risks, and land use and biodiversity issues.

Sustainalytics is of the opinion that Amorim is able to manage and/or mitigate potential risks through implementation of the following:

- To manage environmental risks associated with operations, infrastructure and facilities, Amorim has adopted both an energy management system under ISO 50001 and an occupational health and safety management system under OHSAS 18001/ISO 45001 standards which covers all the staff working on-site.
- In its Environmental Responsibility Commitment, Amorim has committed to monitoring its environmental effect during operation, and to proactively prevent pollution and other environmental impacts.
- Amorim's occupational health and safety activities are guided by its Code of Business Ethics and Professional Conduct. The Company is committed to a 50% reduction in the number of accidents in 2020 compared with 2018. Further, it conducts health and safety training sessions for both employee and stakeholders, including services to ensure safe conduct during production and raise employee awareness on health and safety issues.

- Following the Code of Business Ethics and Professional Conduct which defines the corporate social responsibility and sustainability, Amorim established an integrated management system which addresses environment, forest product chain-of-custody and energy issue within the operation. To ensure responsible procurement and supply of cork, the Company has achieved FSC chain-of-custody certification since 2004 and continues to expand its operation with FSC chain-of-custody certification highlighting the Company's commitment to protecting biodiversity, the rights of employees and environment.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Amorim has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All four use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused on three below where the impact is specifically relevant in the local context.

Importance of forest management in Portugal

Being one of the most important resources in Portugal, forest accounts for 39% of total land use in Portugal, within which 23% is cork oak forest. Moreover, forest-based industry represents 2% of the national GDP, and the cork industry accounts for about one-third of the country's total export of forest products.⁷ Following the Europe 2020 growth strategy, the future EU Forest strategy will promote management of EU forests for environmental, societal and economic sustainability. The new forest strategy also pushes forest-based raw materials to be more widely used as a sustainable and renewable raw material for construction and other industries.⁸

Nevertheless, Portugal has one of the highest forest fire risk ratings in Europe, mainly due to the large area of the eucalyptus tree and lack of forest management.^{9,10} In 2017 more than 500,000 hectares were burned, setting the record for the most land burnt in Portugal. Unmanaged forests and forests with high volumes of residual biomass, which act as fuel for forest fires in excessively dry climates, pose an increased risk for forest fires, highlighting the importance of sustainable forest management.^{11,12} To reduce the chance of wildfire, experts suggest planting more oak to make the forests more fire-resistant.¹³ Given the cyclical nature of cork farming without deforestation, cork plantations have a lifespan of over 200 years and can grow with minimal resources such as fertilizers, pesticides or pruning.¹⁴

By investing in the maintenance and management of cork oak forests, Amorim has the potential to contribute to reducing the risk of forest fires in Portugal.

Transformation to a low carbon economy

Following its ratification of the Paris Climate Agreement and EU's 2030 Climate and Energy Framework, Portugal established its long-term strategy for low-emission development, which sets a target of achieving carbon neutrality by 2050. The strategy outlines the country's goal of reducing carbon emission between 85% and 90% by 2050 compared with 2005.¹⁵ With the need to reduce its carbon emission and to transition towards a low-emission economy, Portugal recognizes the importance of forest lands which obtain a negative carbon impact. As the cork forest act as a carbon sink, the use of cork products offset the carbon emission during their production process and the carbon balance can reach of -309 gCO₂e when considering the carbon

⁷ Leonel Jorge Ribeiro Nunes, Socioeconomic Aspects of the Forests in Portugal: Recent Evolution and Perspectives of Sustainability of the Resource, 2019, available at: <https://www.mdpi.com/1999-4907/10/5/361/htm>

⁸ European Parliament, Future EU Forest strategy: High-quality management of EU forests and woodlands, 2020, available: <https://www.europarl.europa.eu/news/en/press-room/20201002IPR88442/future-eu-forest-strategy-high-quality-management-of-eu-forests-and-woodlands#:~:text=The%20Commission's%20post%2D2020%20EU,votes%20in%20favour%20to%20176>

⁹ Safe Communities Portugal, Rural Fires, available: <https://www.safecommunitiesportugal.com/forest-fires/>

¹⁰ DW Akademie, Portugal struggles to get forest fires under control, 2020, available <https://www.dw.com/en/portugal-struggles-to-get-forest-fires-under-control/a-55039934>

¹¹ Forest fuel reduction available at: https://www.srs.fs.usda.gov/pubs/ja/ja_bolding002.pdf

¹² European Commission, Joint Research Centre, Wildfires set to increase: could we be sitting on a tinderbox in Europe, 2018, Available at: <https://www.sciencedaily.com/releases/2018/03/180307100722.htm>

¹³ Phys Org, Why is Portugal so prone to wildfires , 2019, available <https://phys.org/news/2019-07-portugal-prone-wildfires.html>

¹⁴ Yuzumag, Is Cork ecofriendly? A detailed look into "Nature's Most Sustainable Material", published March 2020 at: <https://yuzumag.com/is-cork-eco-friendly/>

¹⁵ SDG Knowledge Hub, Portugal Submits LTS on Achieving Carbon Neutrality by 2050, 2019, available <http://sdg.iisd.org/news/portugal-submits-lts-on-achieving-carbon-neutrality-by-2050/>

sequestration of cork oak forests and emissions associated with production of a natural cork stopper. With each ton of cork produced, the cork oak forest sequesters a maximum of 73 tons of CO₂.^{16,17} Besides, the fact that no cork oak tree is felled during the stripping of cork makes cork a naturally sustainable product.¹⁸ Based on this context, Sustainalytics is of the opinion that Amorim's investment in improving resources efficiency of raw material and research and development for its manufacturing process are expected to provide positive environmental impact and contribute to Portugal's target of transformation to a low carbon economy.

Alignment with Portuguese renewable energy plan

The EU 2030 Climate & Energy Framework outlined three key targets, including at least 32% share for renewable energy.¹⁹ In 2019, renewable energy sources accounted for 51% of Portugal's power consumption,²⁰ with the majority generated from hydro and wind, about 6% comes from bioenergy sources.²¹ Following the EU target and in line with Portugal's national compromise to achieve carbon neutrality by 2050, the country is aiming to increase electricity production from renewable sources to 80% by 2030.²² To promote renewable energy generation, the Portuguese government approved an incentive scheme for biomass energy plants near high fire-risk forest areas; therefore, wood-based biomass is used as raw material for such thermal projects.²³ As the leader of the cork industry in Portugal, Amorim plays a key role in renewable energy generation from cork waste biomass, and therefore in enabling the realization of the national renewable energy target. In this context, Amorim's investments in renewable energy facilities, primarily producing energy from biomass and wood-based waste, will deliver environmental benefits by supporting the growth of the renewable energy sector.

Alignment with/contribution to SDGs

The SDGs were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This green bond advances the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Environmentally Sustainable Management of Living Natural Resources and Land Use	15. Life on Land	15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements 15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally
Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes	12. Responsible Consumption and Production 8. Decent work and economic growth	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation,

¹⁶ EY, Natural Cork Stopper Carbon Footprint, available at:

https://www.amorim.com/xms/files/Sustentabilidade/Estudos_EY_Rolha/Carbon_footprint_EY_AC_Natural_stopper_presentation_vEN.pdf

¹⁷ Universidade de Aveiro (AU) study, AU reveals that the cork industry helps to mitigate climate change, published February 2016 at: <https://www.ua.pt/pt/noticias/0/45245>

¹⁸ Corticeira Amorim, Environmental and Social Benefits, available: <https://www.amorim.com/en/why-cork/environmental-and-social-benefits/>

¹⁹ European Commission, 2030 climate & energy framework, available: https://ec.europa.eu/clima/policies/strategies/2030_en

²⁰ Institute for Energy Economics and Financial Analysis, Renewable energy provided 51% of Portugal's electricity needs in 2019, 2020, available <https://ieefa.org/renewable-energy-provided-51-of-portugals-electricity-needs-in-2019/>

²¹ Apren, Evolution of the Installed Capacity of the Different Sources of Electricity Generation in Portugal between 2000 and 2016, available: <https://www.apren.pt/en/renewable-energies/power/>

²² Rodl & Partner, Renewable energy in Portugal, available: <https://www.roedl.com/insights/renewable-energy-portugal>

²³ Renewables Now, Portugal okays new guidelines for biomass plants, 2019, available: <https://renewablesnow.com/news/portugal-okays-new-guidelines-for-biomass-plants-666248/>

		including through a focus on high-value added and labour-intensive sectors
Waste Management and Resource Efficiency	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Renewable Energy and Waste to Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

Conclusion

Corticeira Amorim has developed the Corticeira Amorim Green Bond Framework under which it intends to issue green bonds and use the proceeds to refinance projects related to Environmentally Sustainable Management of Living Natural Resources and Land Use, Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes, Waste Management and Resource Efficiency, Renewable Energy and Waste to Energy. Sustainalytics expects that the projects funded by the green bond proceeds will provide positive environmental impact.

The Corticeira Amorim Green Bond Framework outlines a process by which proceeds will be tracked, allocated, disbursed and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Corticeira Amorim Green Bond Framework is aligned with the overall sustainability strategy of the Company and that the use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 7, 8, 12, and 15. Additionally, Sustainalytics is of the opinion that Corticeira Amorim has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Corticeira Amorim is well-positioned to issue green bonds and that Corticeira Amorim Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles (2018).

Appendix

Appendix 1: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Corticeira Amorim
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Corticeira Amorim Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	November 27, 2020
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

The eligible categories for the use of proceeds – Environmentally Sustainable Management of Living Natural Resources and Land Use, Renewable, Low carbon, Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes, Waste Management and Resource Efficiency, Renewable Energy Waste to Energy – are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that the eligible categories will lead to positive environmental impact and advance the UN Sustainable Development Goals (SDGs), specifically SDG 7,8,12 and 15.

Use of proceeds categories as per GBP:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input checked="" type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input checked="" type="checkbox"/> Renewable, Low carbon, Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input type="checkbox"/> Other <i>(please specify)</i> : |

If applicable please specify the environmental taxonomy, if other than GBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section *(if applicable)*:

The proceeds from the bond will be used to refinance existing projects that were undertaken by Corticeira Amorim (“Amorim” or the “Company”) over the past three and a half years and have been detailed in the Framework.

Evaluation and selection

- | | |
|---|--|
| <input checked="" type="checkbox"/> Credentials on the issuer’s environmental sustainability objectives | <input type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other <i>(please specify)</i> : |

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification
 In-house assessment
- Other (please specify):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

The Finance Department of the Company will manage proceeds raised and allocated it existing projects held in different wholly-owned subsidiaries. Sustainalytics considers this to be aligned with market practice.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify):

Additional disclosure:

- | | |
|--|---|
| <input type="checkbox"/> Allocations to future investments only | <input type="checkbox"/> Allocations to both existing and future investments |
| <input checked="" type="checkbox"/> Allocation to individual disbursements | <input type="checkbox"/> Allocation to a portfolio of disbursements |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input checked="" type="checkbox"/> Other (please specify):
Use of Proceeds will be used to refinance existing projects. |

4. REPORTING

Overall comment on section (if applicable):

Amorim intends to report on allocation of proceeds on an annual basis and publish such reports on its website. In addition, Amorim is committed to reporting on relevant quantitative and qualitative impact metrics. Sustainalytics views Amorim's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Information reported:

- Allocated amounts Green Bond financed share of total investment

Other (please specify):

Frequency:

- Annual Semi-annual

Other (please specify):

Impact reporting:

- Project-by-project On a project portfolio basis
 Linkage to individual bond(s) Other (please specify):

Information reported (expected or ex-post):

- GHG Emissions / Savings Energy Savings
 Decrease in water use Other ESG indicators (please specify):

Relevant indicators to be determine based on projects financed

Frequency

- Annual Semi-annual

Other (please specify):

Means of Disclosure

- Information published in financial report Information published in sustainability report

- Information published in ad hoc documents Other (please specify):

Corporate Website:
<https://www.amorim.com/>

- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE**Type(s) of Review provided:**

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input checked="" type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):**Date of publication:****ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP**

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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2015: Best SRI or Green Bond Research or Rating Firm
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