



KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A.  
Edifício Burgo – Avenida da Boavista, 1837, 16º Andar  
4100-133 Porto – Portugal  
+351 22 010 23 00 – www.kpmg.pt

## Independent Limited Assurance Report

To the Board of Directors of  
**Corticeira Amorim, S.G.P.S., S.A.**

### Introduction

We were engaged to perform a limited assurance engagement regarding the **Corticeira Amorim, S.G.P.S., S.A.**'s (hereafter “Corticeira Amorim” or “Company”) Green Finance Framework, November 2022 (hereafter “Green Finance Framework”) alignment with the four core components of the Green Bond Principles issued by the International Capital Market Association (“ICMA”) in June 2021 (with June 2022 Appendix 1) (“GBP”) and with the Green Loan Principles issued by the London Market Association (“LMA”) in February 2021 (“GLP”).

### Responsibilities of the Board of Directors

The Board of Directors is responsible for the:

- Preparation and presentation of the Green Finance Framework and its stated policies and procedures in accordance with the four core requirements of the GBP and GLP on the use of proceeds, process for project evaluation and selection, management of proceeds and reporting;
- Design, implementation and maintenance of an appropriate information and internal control system to enable the assertion about conformance of the Green Finance Framework to the GBP and GBP that is free from material misstatement, whether due to fraud or error;
- Prevention and detection of fraud and errors and for the identification and ensuring that the Company complies with laws and regulations applicable to its activities; and,
- Process to ensure that the Board of Directors and staff involved with the preparation and presentation of the Green Finance Framework have the appropriate skills.

### Responsibilities of the Auditor

Our responsibility is to examine Green Finance Framework prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained.

Our engagement was performed in accordance with International Standard on Assurance Engagements other than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of

the International Federation of Accountants (IFAC) and comply with further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (OROC) (the Portuguese Institute of Statutory Auditors), which require that we plan and perform our engagement to obtain limited assurance as to whether nothing has come to our attention that causes us to believe that the Company's Green Finance Framework regarding its compliance with the four core components of the GBP and GLP has not been, in all material respects, adequately prepared.

A limited assurance engagement regarding the Green Finance Framework consists of inquiries, primarily to those responsible for the preparation of the information presented in the Green Finance Framework and performing procedures to obtain evidence as appropriate. To reach our conclusion we:

- Conducted interviews with management and key staff responsible for Green Finance Framework to obtain an understanding of the processes, systems and controls in place in respect of the use of proceeds, project evaluation and selection, management of proceeds and reporting;
- Reviewed Green Finance Framework and compared its four core components and its project's eligibility criteria with the requirements of GBP and GLP; and,
- Inspected documentation which supports Management's assertion about conformance to the four core components of GBP and GLP requirements for use of proceeds, project evaluation and selection, management of proceeds and reporting.

The procedures selected, its nature and extent depend on our judgement, including the understanding assessment of risk associated with the Green Finance Framework and of the information that supported its preparation not being in compliance with the established in the GBP and GLP, due to fraud or error.

The procedures performed in a limited assurance engagement are different in nature and timing and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

A summary of our assurance procedures (Appendix I) and our key findings and observations regarding each core component of GBP (Appendix II) and of GLP (Appendix III) may be found as appendices of this report.

### **Quality and independence**

We apply the International Standard on Quality Control 1 and accordingly we maintain a quality control system including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



We comply with the independence and other ethical requirements of the Ordem dos Revisores Oficiais de Contas' code of ethics and of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

### **Inherent Limitations**

Our work does not include any assessment over the design, implementation or operating effectiveness of controls employed by Corticeira Amorim to ensure the ongoing compliance with Green Finance Framework and, accordingly, we do not express a conclusion thereon.

### **Conclusion**

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Green Finance Framework is not prepared, in all material respects, in accordance with the four core components of the Green Bond Principles issued by the International Capital Market Association in June 2021 (with June 2022 Appendix 1) and of the Green Loan Principles issued by the London Market Association in February 2021.

### **Restriction of Use**

Our limited assurance report is issued exclusively for the information and use of the Board of Directors of Corticeira Amorim for the purpose expressed in the "Introduction" paragraph above, and is not intended to be used for any other purpose. Our report, together with the Green Finance Framework, may be shared by Corticeira Amorim to third parties, on its website or otherwise, but we accept or assume no responsibility and deny any liability to any party other than Corticeira Amorim for our work, for this independent assurance report, or for the conclusions we have reached.

30 November 2022

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**KPMG & Associados**  
**Sociedade de Revisores Oficiais de Contas, S.A.**  
**(nr. 189 and registered at CMVM with the nr. 20161489)**  
Represented by  
Luís David Guimarães da Silva  
(ROC nr. 1656 and registered at CMVM with the nr. 20161266)



## Appendices

### Findings and observations related to particular aspects of the engagement

We provide a summary of our assurance procedures under the external review form recommended by ICMA (Appendix I) and findings and observations in alignment with ICMA's pre-issuance checklist to the GBP (Appendix II) and with a checklist to the GLP (Appendix III) for the core components, to provide the reader with further understanding on how the Green Finance Framework meets the Criteria. These observations are not intended to detract from our conclusion provided above.

### Appendix I – External Review Form

#### Section 1. Basic Information

Issuer name:	Corticeira Amorim
Framework name:	Green Finance Framework
Independent External Review provider's name:	KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A.,
Completion date of this form:	30 November 2022
Publication date of review publication:	Corticeira Amorim's Green Finance Framework was approved and released in 28 November 2022

#### Section 2. Review overview

##### SCOPE OF REVIEW

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

- |  |  |
|--|--|
| <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 INDEPENDENT EXTERNAL REVIEW PROVIDER

- |  |   |
|--|---|
| <input type="checkbox"/> Second Party Opinion  | <input type="checkbox"/> Certification  |
| <input type="checkbox"/> Verification  | <input type="checkbox"/> Scoring/Rating |
| <input checked="" type="checkbox"/> Other: <b>Independent Limited Assurance Report</b> , in accordance with International Standard on Assurance Engagements other than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). |   |



### EXECUTIVE SUMMARY OF REVIEW AND/OR LINK TO FULL REVIEW

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Green Finance Framework is not prepared, in all material respects, in accordance with the four core components of the Green Bond Principles issued by the International Capital Market Association in June 2021 (with June 2022 Appendix 1) and of the Green Loan Principles issued by the London Market Association in February 2021.

### Section 3. Detailed review

#### 1. USE OF PROCEEDS

##### Overall comment on section:

See appendices II and III of the Independent Limited Assurance Report.

##### Use of proceeds categories as per GBP and GLP:

- |   |   |
|---|---|
| <input type="checkbox"/> Renewable energy   | <input type="checkbox"/> Energy efficiency  |
| <input 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 type="checkbox"/> 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 and GLP categories, or other eligible areas not yet stated in GBPs and GLPs | <input type="checkbox"/> Other ( <i>please specify</i> ):   |



## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

### Overall comment on section

See appendices II and III of the Independent Limited Assurance Report.

### Evaluation and selection

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

### Information on Responsibilities and Accountability

- |   |   |
|---|---|
| <input type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other ( <i>please specify</i> ):   |   |

## 3. MANAGEMENT OF PROCEEDS

### Overall comment on section

See appendices II and III of the Independent Limited Assurance Report.

### Tracking of proceeds:

- Green Bond and/or Green Loan proceeds segregated or tracked by the issuer and/or borrower 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 checked="" 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 checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other ( <i>please specify</i> ):                               |



#### 4. REPORTING

**Overall comment on section:**

See appendices II and III of the Independent Limited Assurance Report.

**Use of proceeds reporting:**

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

**Information reported:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Allocated amounts     | <input type="checkbox"/> Green Bond financed share of total investment |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |  |

**Frequency:**

- |   |                                      |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> Annual                | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |                                      |

**Impact reporting:**

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

**Frequency:**

- |   |                                      |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> Annual                | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |                                      |



**Information reported (expected or ex-post):**

- |  |   |
|--|---|
| <input type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings   |
| <input type="checkbox"/> Decrease in water use   | <input checked="" type="checkbox"/> Other ESG indicators ( <i>please specify</i> ): |

The Company intends to align the Allocation and Impact Report's environmental impact metrics per Eligible Green Project with the approach described in "Handbook - Harmonised Framework for Impact Reporting December 2021", including its following *suggested core and other sustainability indicators*:

- Increase in area under sustainable forest management in ha
- Number of trees/seedlings/shrubs planted and/or bought from certified forests

**Means of Disclosure**

- |  |   |
|--|---|
| <input type="checkbox"/> Information published in financial report | <input checked="" type="checkbox"/> Information published in sustainability report  |
| <input type="checkbox"/> Information published in ad hoc documents | <input checked="" type="checkbox"/> Other: An annual Allocation and Impact Report shall be prepared and published on Amorim's website at <a href="http://www.amorim.com">www.amorim.com</a> |
| <input type="checkbox"/> Reporting reviewed                        |   |





**Appendix II - Green Bond Principles issued by the International Capital Market Association (“ICMA”) in June 2021 (with June 2022 Appendix 1)**

**Findings and observations related to particular aspects of the engagement**

We provide a summary of our findings and observations in alignment with ICMA’s pre-issuance checklist to the GBP for the core components, to provide the reader with further understanding on how the Green Finance Framework meets the Criteria. These observations are not intended to detract from our conclusion provided above.

GBP component 1: Use of proceeds			
Topic	Content	Core to the Principles / Recommendation	Observations and findings
Green projects	<p>A description of the issuer’s selected green projects should be appropriately described in the Green Bond framework or in the legal documentation of the security. All designated green projects should provide clear environmental benefits, which will be assessed and, where feasible, quantified by the issuer. Issuers are encouraged to provide further details on the project category, such as type of technology being considered.</p> <p>Common question(s) from the pre-issuance external reviewers:  <i>Does the activity/project provide clear environmental benefits that can be monitored, quantified and are attributable (at least indirectly) to the activity/project?</i></p>	Core	<p>The Green Finance Framework states that proceeds raised from green financing will be used for financing and refinancing of eligible green projects and assets that have positive environmental outcomes and contribute to cope with emerging climate scenarios. As the subject matter consists of the Green Finance Framework alone, we did not review specific legal documentation for green lending facilities or bonds to consider whether use of proceeds were appropriately described.</p> <p>The relevant green eligible project category for the use of proceeds described in the Framework aligns with the Green Bond Principles 2021 (with June 2022 Appendix 1) project category “Environmentally sustainable management of living natural resources and land use”.</p> <p>Eligible projects shall aim the preservation of the cork oak forest (<i>Quercus Suber</i>) and ecosystem services by increasing knowledge, mobilising resources and proposing initiatives namely through the implementation of preservation or restoration measures.</p>

Topic	Content	Core to the Principles / Recommendation	Observations and findings
Environmental benefits	<p>Taking into account the local context and business activity of the issuer, will the intended activity/project/asset provide and/or ensure a short- or long-term environmental improvement?</p> <p>Common question(s) from the pre-issuance external reviewers:  <i>Can the issuer demonstrate that the project/activity/asset will provide clear and relevant environmental improvements (based on evidence, research, international standards, etc.)?</i></p>	Core	<p>The Framework references studies which research intends to support that the eligible projects provide clear and relevant environmental improvements, namely the one designated “The value of cork oak montado ecosystem practices”, which identifies three main groups of ecosystem services provided by the cork oak forest and states that three services were monetised to 1.300 € / ha / year as average value estimated of the ecosystem services) and the other were evaluated with quantitative data whenever possible.</p> <p>External analysis such the one that led to Corticeira Amorim being awarded first in the category, “Best Raw Materials Sustainability - Europe 2020” from Capital Finance International concluded that cork is a sustainable raw material given that it is completely natural, reusable, and is extracted cyclically without causing damage to the cork plantation. The Jury reiterated the important role played by the cork tree and its associated ecosystem in terms of climate regulation and noted a key reference for the cork industry: for each ton of cork produced, the cork oak forest can sequester up to 73 tons of CO<sub>2</sub>.</p>
Multiple projects	<p>Description of the estimated proceeds allocation per green project category. If unknown at time of issuance, please indicate when this will be determined.</p>	Core	<p>The framework only comprehends one green project category: Environmentally sustainable management of living natural resources and land use</p>
Refinancing	<p>Description of the estimated share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced, and, to the extent relevant, the expected look-back period for the refinanced green projects.</p> <p>If unknown at time of issuance, please indicate when this will be determined. Please note that:</p> <ul style="list-style-type: none"> <li>• Green projects qualify for refinancing as long as they are in use, follow the relevant eligibility criteria at the time of issuance and are still assessed as making a meaningful impact.</li> <li>• Different lookback periods may apply for Capex and Opex.</li> </ul>	Recommendation	<p>The Company states in the framework that expects the proceeds to be allocated towards financing and/or refinancing the Eligible Green Asset portfolio within five years from the issue date, being the major part of the proceeds allocated within the first 24 months from the issue date.</p> <p>The estimated share of financing vs. re-financing shall be determined at the time of issuance.</p> <p>The Framework defines that eligible green assets shall qualify for financing / re-financing without a specific look-back period, provided that at the time of issuance they follow the relevant Eligibility Criteria.</p>

GBP component 2: Process for project evaluation & selection			
Topic	Content	Core to the Principles / Recommendation	Observations and findings
Evaluation and selection of green projects	<p>Description of the governance process by which the green projects are evaluated and selected including:</p> <ul style="list-style-type: none"> <li>• details on who will be part of the process to select eligible projects for allocation;</li> <li>• the alignment with the Use of Proceeds Categories (qualitative and quantitative inclusion criteria and, if applicable, exclusion criteria);</li> <li>• the alignment with official or market-based taxonomies, (e.g., qualitative and quantitative criteria and if applicable, exclusion criteria).</li> </ul> <p>Issuers should also clearly communicate the environmental sustainability objectives of the green projects and should describe how the selected projects fit within the issuer's wider sustainability strategy, goals and objectives.</p>	<p>Core Recommendation</p> <p>Core</p>	<p>The Framework explains how responsibility and accountability for evaluation and selection of Projects falls to the established Technical Committee, including ensuring the continued compliance of the framework and associated green bonds and loans to the relevant principles.</p> <p>The proceeds allocation and reporting are approved by Company's Executive Committee. The Technical Committee will be responsible for:</p> <ul style="list-style-type: none"> <li>- Reviewing the Green Finance Framework managing any future changes to this document to reflect the relevant updates;</li> <li>- Assessing the process of evaluation and selecting Eligible Green Projects, proceeds, allocation, and reporting.</li> <li>- Ensuring that the assets financed and/or refinanced through the Green Finance Instrument proceeds under this framework are evaluated and selected based on compliance with the Eligibility Criteria;</li> <li>- Regular internal monitoring of the proceeds, to ensure compliance with the Framework; and,</li> <li>- Preparing allocation and impact reports associated with the Green Financial Instruments in accordance with the Framework.</li> </ul>
Official or market-based taxonomies, green standards or certifications referenced	<p>Issuers are also encouraged to identify alignment of their Green Bond framework and their green projects with official or market-wide taxonomies and to reference any green standards or certifications used which may include: GBP, EU taxonomy for Sustainable Activities, ISO 14030, China's Guidelines for issuing Green Bonds, ASEAN Green Bond Standards, Climate Bond Initiative Standard, Climate Transition Finance Handbook (CTFH) etc. if applicable.</p> <p>It is also recommended to provide information, if relevant and applicable, on exclusion criteria used.</p>	Recommendation	<p>The Green Finance Framework states that it is aligned with the four core components of the Green Bond Principles issued by the International Capital Market Association ("ICMA") in June 2021 (with June 2022 Appendix 1) ("GBP"). These principles are voluntary guidelines that support transparency and credibility in the green bond markets.</p> <p>The Framework states that Corticeira Amorim will consider for exclusion any project regarding which claims of non-compliance with internationally recognised best sustainable practices such as the Global Compact or the International Labour Organization or environmental legislation become known.</p>

Topic	Content	Core to the Principles / Recommendation	Observations and findings
Associated risks	<p>Description of the process applied to identify and manage perceived/known social and environmental risks associated with the relevant projects.</p> <p>It is recommended that issuers have a process in place to identify mitigants to key social and/or environmental risks associated with the eligible project(s). Such mitigants may include clear and relevant trade-off analysis undertaken and monitoring required where the issuer assesses the potential risks to be meaningful.</p> <p>While green activities do not require to demonstrate a positive social impact, they should not cause any social harm.</p> <p>Common question(s) from the pre-issuance external reviewers:</p> <ul style="list-style-type: none"><li>• Would the considered use of proceeds have a significant negative impact on the other environmental objectives, or on other vulnerable groups or social areas?</li><li>• What measures can be implemented to avoid or at least minimise the negative impact of the activity/project?</li><li>• Is the commitment to identify and manage potentially material social and/or environmental risks, as well as international conventions and recommendations or local labour laws formalised and detailed in the framework?</li></ul>	Core  Recommendation	<p>Chapter 3 of the Framework presents that:</p> <ul style="list-style-type: none"><li>— the Board of Directors includes the Chief Sustainability Officer (CSO) and is responsible for promoting climate-related topics in the business, as well as approving related strategic objectives, strategic initiatives and priority actions;</li><li>— The Executive Committee (EC) also includes the CSO and is responsible for overseeing the governance of sustainability issues and for integrating them into the business.</li><li>— The ESG Committee (CESG) is a permanent specialised internal committee that advises the BoD in the monitoring, supervision and strategic guidance of corporate governance, social responsibility, environment and ethics matters.</li><li>— chapter III - Internal control and risk management, of the 2021 Corporate Governance Report sets out the risk management model in operation at Corticeira Amorim, including the risk identification and description of the main risks to which the Company is exposed in the exercise of its activities, as well as the mitigation measures appropriate to minimising the probability of them occurring and/or their impact.</li></ul>
SDGs alignment	<p>Issuers are also encouraged to identify alignment with market-wide green, social or development objectives, such as the Sustainable Development Goals (SDGs), to help investors that may use them as part of their investment decisions. Issuers can indicate alignment:</p> <ol style="list-style-type: none"><li>1) At a company level (if applicable)</li><li>2) In respect of the green categories and/or projects to be funded by Green Bonds</li></ol> <p>It is recommended that issuers include in their Green, Social and/or Sustainability Bond frameworks their methodology for alignment with the SDGs, and where applicable, incorporate this in their external review process. Issuers should provide as much clarity and detail as feasible on how specific SDGs are relevant to the issuance and not simply reference the SDGs in general.</p>	Recommendation	<p>The Green Finance Framework identifies its alignment to Company's sustainability initiatives that fall under the “Cork Oak Forest” pillar, which shall aim to ensure the preservation of the cork oak forest and ecosystem services by increasing knowledge, mobilising resources and proposing measures, contributing to the achievement of SDGs 11, 12 and 15. SDG 15 includes the following: 15.1 - ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests(...); and 15.2 - promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.</p>

GBP component 3: Management of proceeds			
Topic	Content	Core to the Principles / Recommendation	Observations and findings
Management of proceeds	<ul style="list-style-type: none"> <li>• Issuers should describe the governance within the company to manage the use of proceeds, including the supervision, tracking and reporting of the proceeds.</li> <li>• The proceeds of green bonds can be managed per bond (bond-by-bond approach) or on an aggregated basis for multiple Green Bonds (portfolio approach).</li> <li>• Proceeds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked in an appropriate manner (e.g., <i>tagged in the internal accounting systems</i>).</li> <li>• The issuer can also choose to include a clause which states the commitment of the issuer to invest the proceeds [•] months after issuance.</li> <li>• The issuer can inform on process in case a project no longer qualifies and the net proceeds originally allocated need to be reallocated.</li> </ul>	<p>Core</p> <p>Recommendation</p>	<p>The framework presents how Corticeira Amorim will track the receipt and use of proceeds using internal reporting systems and states that: (1) the proceeds from Green Financing Instruments issued by Company will be distributed, through intercompany loans, from the holding to the group companies performing the investments in the exact proportion (“pro-rata”) of their participation in the total value of the underlying investment portfolio; (2) all these cash flows and balances will be performed through and accounted for in the Company and its subsidiaries accounts and will be monitored by the financial and administrative teams of the holding company and of each individual company; (3) the principal and interest payment of any financing instrument issued by Corticeira Amorim under the Framework will be performed from its general funds and will not be linked to the execution of any Eligible Green Project; (4) expects the proceeds to be fully allocated towards financing and/or re-financing the Eligible Green Asset portfolio within five years from the issue date, being the major part of the proceeds allocated within the first 24 months from the issue date; and that (5) if for any reason, any assets become no longer eligible, Corticeira Amorim will substitute such asset once an appropriate eligible substitution option is identified.</p>
Unallocated proceeds	Description of the intended types of temporary placement for the balance of unallocated net proceeds.	Core	The Framework states that pending allocation or reallocation of the cash inflow, as the case may be, Corticeira Amorim will invest the balance, at its discretion, in cash and/or cash equivalents until the allocation to new Eligible Green Assets.
External review	The management of proceeds may be externally verified, by an auditor or another independent third party, to verify the internal tracking method and the allocation of funds from the Green Bond proceeds. This verification is expected to take place annually or until full allocation.	Recommendation	The Framework states that post-issuance independent allocation and impact reporting assurance against the GBP will occur at least annually throughout the entire life of each green bond, including the internal tracking method and allocation of funds, the resources allocated to Eligible Green Projects, the remaining balance of unallocated resources and the compliance of allocated resources with the Eligible Project categories.

GBP component 4: Reporting			
Topic	Content	Core to the Principles / Recommendation	Observations and findings
Frequency, duration and level of allocation reporting	<p>The reporting should be renewed:</p> <ul style="list-style-type: none"> <li>• Annually until full allocation of the proceeds of the relevant green bond.</li> <li>• In case of full allocation, on a timely basis in case of material developments.</li> </ul> <p>The reporting can be done on the individual Green Bond level (bond-by-bond approach) or on aggregated level (portfolio approach). In case of bond-by-bond approach the issuer should clearly reference to which bond (ISIN) the reported impact belongs to.</p>	Core	<p>The Framework states that the Company will make and keep available reporting covering the allocation of the proceeds to the Eligible Green Project portfolio and that the following will be included in reporting:</p> <ul style="list-style-type: none"> <li>- The total amount of eligible assets;</li> <li>- Portion (amount and percentage) of financing and re-financing (the split between new and existing projects);</li> <li>- Break-down of what is financed/re-financed; and,</li> <li>- The balance of unallocated proceeds.</li> </ul> <p>The annual Allocation and Impact Report and the independent assurance report will be publicly available in Corticeira Amorim's corporate website (<a href="http://www.amorim.com">www.amorim.com</a>).</p>
Frequency, duration and level of impact reporting	<p>The report should include the output, expected/achieved outcome and/or impact of projects financed by Green Bond proceeds either on a project level or on a portfolio level throughout the life of the Green Bond or at a minimum, until full allocation of the proceeds. Issuers are welcome to report throughout the life of the bond and are encouraged to make available the latest report either on their website or in another publicly available space, with the date that it was prepared.</p>	Recommendation	<p>The Company states in the Framework that reporting will take place in line with Corticeira Amorim's general annual reporting cycle throughout the entire life of the Green Financing Instruments, through an annual Allocation and Impact Report, which will make and keep readily available. Impact reporting will cover the impact of the Eligible Green Projects portfolio, including:</p> <ul style="list-style-type: none"> <li>- Brief description of the Eligible Projects and their contribution to the environmental objectives; and</li> <li>- Environmental impact metrics per Eligible Green Project, depending on data availability.</li> </ul>
Indicator Methodology	<p>Description of the key underlying methodology and/or assumptions used in the quantitative determination. To facilitate comparison of project results, it is suggested that issuers aim to report on at least a limited number of sector specific core indicators for projects included in their green bond programmes.</p>	Recommendation	<p>The Framework states that the Company intends to align the Allocation and Impact Report's environmental impact metrics per Eligible Green Project with the approach described in "Handbook - Harmonised Framework for Impact Reporting December 2021". From Handbook's suggested core and other sustainability indicators for the "Environmentally sustainable management, Forestry" sub category, the Framework indicates that the "Increase in area under sustainable forest management in ha" and the "Number of trees/seedlings/shrubs planted and/or bought" will be included.</p>

Topic	Content	Core to the Principles / Recommendation	Observations and findings
Reporting Indicators	<p>Description of the qualitative and quantitative impact metrics that will be used to demonstrate substantial contribution to environmental objectives per project category related to the criteria.</p> <p>For the calculation of indicators, where there is no single commonly used standard, issuers may follow their own methodologies while making these available to investors. For the calculation of greenhouse gas (GHG) emissions reduced/avoided, for instance, there are a number of calculation methodologies both within and across institutions. Issuers should be transparent as to the calculation methodologies used. The impact report should illustrate the expected/achieved environmental impact made possible as a result of projects to which green bond proceeds have been allocated.</p> <p>The expected environmental impacts should be based on ex-ante estimates (developed prior to project implementation) of expected annual results for a representative year once a project is completed and operating at normal capacity. In case of reporting on a portfolio level, ex-ante estimates can be based on the annual analyses per portfolio and, if several categories are financed, per category, if possible.</p>	Recommendation	<p>As referred, the Framework states that the Company shall annually prepare an allocation and impact report, and make it available in its website, which shall be aligned with the approach described in “Handbook - Harmonised Framework for Impact Reporting December 2021”. The report is stated to include:</p> <ul style="list-style-type: none"> <li>- The total amount of Eligible Assets;</li> <li>- Portion (amount and percentage) of financing and refinancing (the split between new and existing projects);</li> <li>- Break-down of what is financed/refinanced; and,</li> <li>- The balance of unallocated proceeds.</li> <li>- Brief description of the Eligible Projects and their contribution to the Environmental Objectives; and</li> <li>- Environmental impact metrics per Eligible Green Project, including the “Increase in area under sustainable forest management in ha” and the “Number of trees/seedlings/shrubs planted and/or bought” will be included.</li> </ul> <p>A summary of this information will also be published in Company’s Annual Sustainability Report.</p>
Estimated lifetime results	<p>It could also be beneficial to report the estimated lifetime results and/or project economic life (in years) to provide users with a basis for understanding the impact of the project over its lifetime.</p>	Recommendation	<p>The Framework presents a basis for the project life in years, describing that such forestry projects are long-term projects since cork oak is a slow-growing tree, which can live up to 200 years, and from which cork may be harvested 16 times on average in its lifetime after the first harvest.</p>
Further information	<p>In this section you have the opportunity to provide further information e.g. based on national regulations, data and/or certain KPI’s, with regard to the SDGs or other information which could be useful for investors.</p>	Recommendation	<p>As already referred, the Company presents the alignment of the Framework with SDG’s and states the intention to align the annual Allocation and Impact Reports with the approach described in “Handbook - Harmonised Framework for Impact Reporting December 2021”.</p>



### Appendix III - Green Loan Principles issued by the London Market Association (“LMA”) in February 2021

#### Findings and observations related to particular aspects of the engagement

We provide a summary of our findings and observations in alignment with the GLP for the core components, to provide the reader with further understanding on how the Green Finance Framework meets the Criteria. These observations are not intended to detract from our conclusion provided above.

GLP component 1: Use of proceeds	
Content	Observations and findings
1.1. Legal documentation describes utilization of the loan proceeds for Green Projects	<p>The Company has prepared a Green Finance Framework which lays down the mechanism of fund raising from green instruments. It also includes a decision-making process to determine the future eligibility of the nominated projects and assets.</p> <p>The Green Finance Framework states that proceeds raised from green financing will be used for financing and refinancing of eligible green projects and assets that have positive environmental outcomes and contribute to cope with emerging climate scenarios. As the subject matter consists of the Green Finance Framework alone, we did not review specific legal documentation for green lending facilities or bonds to consider whether use of proceeds were appropriately described.</p> <p>The Eligible Green projects will be identified and selected based on the qualification of the projects in the defined green project category.</p>



Content	Observations and findings
<p>1.2. Green Project categories that will be financed through the loan proceeds should provide clear environmental benefits</p>	<p>The framework only comprehends one green project category: Environmentally sustainable management of living natural resources and land use. This project category for the use of proceeds aligns with the Green Loan Principles issued by the London Market Association in February 2021 and its Appendix 1's project category "Environmentally sustainable management of living natural resources and land use". Eligible projects shall aim the preservation of the cork oak forest (Quercus Suber) and ecosystem services by increasing knowledge, mobilizing resources and proposing initiatives namely through the implementation of preservation or restoration measures.</p> <p>The Framework references studies which research intends to support that the eligible projects provide clear and relevant environmental improvements, namely the one designated "The value of cork oak montado ecosystem practices", which identifies three main groups of ecosystem services provided by the cork oak forest and states that three services were monetised to 1.300 € / ha / year as average value estimated of the ecosystem services) and the other were evaluated with quantitative data whenever possible.</p> <p>External analysis such the one that led to Corticeira Amorim being awarded first in the category, "Best Raw Materials Sustainability - Europe 2020" from Capital Finance International concluded that cork is a sustainable raw material given that it is completely natural, reusable, and is extracted cyclically without causing damage to the cork plantation. The Jury reiterated the important role played by the cork tree and its associated ecosystem in terms of climate regulation and noted a key reference for the cork industry: for each ton of cork produced, the cork oak forest can sequester up to 73 tons of CO2.</p>
<p>1.3. Environmental benefits of the Green Projects will be assessed and, where feasible, quantified by the borrower</p>	<p>The Company will make and keep readily available reporting, covering the impact of the Eligible Green Projects portfolio and states the intention to align the Impact Reports with the approach and quantitative metrics described in "Handbook - Harmonised Framework for Impact Reporting December 2021".</p>



<b>Content</b>	<b>Observations and findings</b>
1.4. Reporting on estimate of share of financing vs. re-financing from loan proceeds (Recommended by GLP)	The Company states in the framework that expects the proceeds to be allocated towards financing and/or refinancing the Eligible Green Asset portfolio within five years from the issue date, being the major part of the proceeds allocated within the first 24 months. The estimated share of financing vs. re-financing shall be determined at the time of issuance.
1.5. Reporting on which investments or project portfolios may be re-financed (Recommended by GLP)	The Framework defines that eligible green assets shall qualify for financing / re-financing without a specific look-back period, provided that at the time of issuance they follow the relevant Eligibility Criteria.



GLP component 2: Process for Project Evaluation and Selection	
Content	Observations and findings
2.1. Borrower should outline the following:	
2.1.1. Process to determine how the projects fit within the eligible Green Projects categories identified	<p>The Framework explains how responsibility and accountability for evaluation and selection of Projects falls to the established Technical Committee, including ensuring the continued compliance of the framework and associated green bonds and loans to the relevant principles.</p> <p>The proceeds allocation and reporting are approved by Company's Executive Committee. The Technical Committee will be responsible for:</p> <ul style="list-style-type: none"> <li>- Reviewing the Green Finance Framework managing any future changes to this document to reflect the relevant updates;</li> <li>- Assessing the process of evaluation and selecting Eligible Green Projects, proceeds, allocation, and reporting.</li> <li>- Ensuring that the assets financed and/or refinanced through the Green Finance Instrument proceeds under this framework are evaluated and selected based on compliance with the Eligibility Criteria;</li> <li>- Regular internal monitoring of the proceeds, to ensure compliance with the Framework; and,</li> <li>- Preparing allocation and impact reports associated with the Green Financial Instruments in accordance with the Framework.</li> </ul>
2.1.2. Related eligibility criteria	<p>The Framework states that the project category defined by it as eligibility criteria for the use of proceeds aligns with the Green Loan Principles issued by the London Market Association in February 2021 and its Appendix 1's project category "Environmentally sustainable management of living natural resources and land use".</p> <p>The Framework states that Corticeira Amorim will consider for exclusion any project regarding which claims of non-compliance with internationally recognised best sustainable practices such as the Global Compact or the International Labour Organization or environmental legislation become known.</p>

Content	Observations and findings
<p>2.1.3. Environmental sustainability objectives</p>	<p>The Green Finance Framework identifies its alignment to Company's sustainability initiatives that fall under the "Cork Oak Forest" pillar, which shall aim to ensure the preservation of the cork oak forest and ecosystem services by increasing knowledge, mobilizing resources and proposing measures, contributing to the achievement of SDGs 11, 12 and 15. SDG 15 includes the following: 15.1 - ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests(...); and 15.2 - promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.</p>
<p>2.2. The GLP recommends positioning the above information within the context of the Borrower's overarching objectives, strategy, policy and / or processes applied to identify and manage potentially material environmental and social risks associated with the projects (Recommended by GLP)</p>	<p>Chapter 3 of the Framework presents that:</p> <ul style="list-style-type: none"> <li>— the Board of Directors includes the Chief Sustainability Officer (CSO) and is responsible for promoting climate-related topics in the business, as well as approving related strategic objectives, strategic initiatives and priority actions;</li> <li>— The Executive Committee (EC) also includes the CSO and is responsible for overseeing the governance of sustainability issues and for integrating them into the business.</li> <li>— The E.S.G. Committee (CESG) is a permanent specialised internal committee that advises the BoD in the monitoring, supervision and strategic guidance of corporate governance, social responsibility, environment and ethics matters.</li> </ul> <p>chapter III - Internal control and risk management, of the 2021 Corporate Governance Report sets out the risk management model in operation at Corticeira Amorim, including the risk identification and description of the main risks to which the Company is exposed in the exercise of its activities, as well as the mitigation measures appropriate to minimising the probability of them occurring and/or their impact.</p>
<p>2.3. The GLP encourage a high level of transparency and recommend that a borrower's process for project evaluation and selection be supplemented by an external review</p>	<p>The Framework states that post-issuance independent allocation and impact reporting assurance against the GLP will occur at least annually throughout the entire life of each green loan, including the compliance of allocated resources with the Eligible Project categories.</p>

GLP component 3: Management of Proceeds	
Content	Observations and findings
3.1. The net proceeds of Green Loans should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner	The framework states that the proceeds from Green Financing Instruments issued by Company will be distributed, through intercompany loans, from the holding to the group companies performing the investments in the exact proportion (“pro-rata”) of their participation in the total value of the underlying investment portfolio and that all these cash flows and balances will be performed through and accounted for in the Company and its subsidiaries accounts.
3.2. The net proceeds of the Green Loans should be attested to by the issuer in a formal internal process linked to the issuer’s lending and investment operations for Green Projects	The proceeds from Companys's Green Financing Instruments will be allocated to the Eligible Green Projects selected by the Technical Committee to finance and/or refinance Eligible Green Projects. The framework presents how Corticeira Amorim will track the receipt and use of proceeds using internal reporting systems and states that <ul style="list-style-type: none"> <li>— the principal and interest payment of any financing instrument issued by Corticeira Amorim under the Framework will be performed from its general funds and will not be linked to the execution of any Eligible Green Project;</li> <li>— Expects the proceeds to be allocated towards financing and/or re-financing the Eligible Green Asset portfolio within five years from the issue date, being the major part of the proceeds allocated within the first 24 months from the issue date; and that,</li> <li>— If for any reason, any assets become no longer eligible, Corticeira Amorim will substitute such asset once an appropriate eligible substitution option is identified.</li> </ul>
3.3. Formal internal process to track net loan proceeds that is linked to the lending and investment operations for Green Projects	The Framework defines that the proceeds from Companys's Green Financing Instruments will be allocated to the Eligible Green Projects, and assessed by the Technical Committee, to finance and/or re-finance Eligible Green Projects and all cash flows and balances will be performed through and accounted for in the Company and its subsidiaries accounts and will be monitored by the Financial and Administrative teams of the holding company and of each individual company.

Content	Observations and findings
3.4. Process to check balance of proceeds are reduced by amounts matching eligible green investments or loan disbursements made during that period	The Framework presents that the process for all cash flows and balances will be monitored by the Financial and Administrative teams of the holding company and of each individual company.
3.5. List of intended types of temporary investment instruments for the balance of unallocated proceeds	The Framework states that pending allocation or reallocation of the cash inflow, as the case may be, Corticeira Amorim will invest the balance, at its discretion, in cash and/or cash equivalents until the allocation to new Eligible Green Assets.
3.6. The GLP recommend that an issuer's management of proceeds be supplemented by the use of an auditor, or other third party, to verify the internal tracking method and the allocation of funds from the Green Loan proceeds	The Framework states that post-issuance independent allocation and impact reporting assurance against the GLP will occur at least annually throughout the entire life of each green loan, including the internal tracking method and allocation of funds, the resources allocated to Eligible Green Projects and the remaining balance of unallocated resources.
GLP component 4. Reporting	
Content	Observations and findings
4.1. The Borrower should make, and keep, readily available up to date information on:	
4.1.1. The use of proceeds to be renewed annually until full allocation, and as necessary thereafter in the event of new developments	<p>The Framework states that the Company will make, and keep available in its website, reporting covering the allocation of the proceeds to the Eligible Green Project portfolio throughout the entire life of each green loan, and that the following will be included in reporting:</p> <ul style="list-style-type: none"> <li>- The total amount of eligible assets;</li> <li>- Portion (amount and percentage) of financing and re-financing (the split between new and existing projects);</li> <li>- Break-down of what is financed/re-financed; and,</li> <li>- The balance of unallocated proceeds.</li> </ul> <p>The annual Allocation and Impact Report and the independent assurance report will be publicly available in Corticeira Amorim's corporate website (<a href="http://www.amorim.com">www.amorim.com</a>).</p>

Content	Observations and findings
4.1.2. List of projects to which proceeds have been allocated	The Framework defines that the company will report on the use of proceeds of Green Loans on an annual basis, which will include a list of green projects and the amount allocated to each green project. As per the company, the financing or re-financing agreements of the projects are currently under development. The company shall disclose project details as part of their annual reporting under green loan framework.
4.1.3. Brief description of the projects	As referred, the Framework states that the Company shall annually prepare an allocation and impact report, which shall be aligned with the approach described in “Handbook - Harmonised Framework for Impact Reporting December 2021” and the report is stated to include a brief description of the Eligible Projects and their contribution to the Environmental Objectives.
4.1.4. Amounts allocated to projects	The Framework states that the Company shall annually prepare an allocation report, and make it available in its website, and the report is stated to include: <ul style="list-style-type: none"> <li>- The total amount of Eligible Assets;</li> <li>- Portion (amount and percentage) of financing and refinancing (the split between new and existing projects);</li> <li>- Break-down of what is financed/refinanced; and,</li> <li>- The balance of unallocated proceeds.</li> </ul> A summary of this information will also be published in Company’s Annual Sustainability Report.
4.1.5. Expected impact of projects (using qualitative performance indicators and quantitative performance indicators, where feasible) with key underlying methodology and / or assumptions used in the quantitative determination	The Framework states that Company’s annual allocation and impact report shall be aligned with the approach described in “Handbook - Harmonised Framework for Impact Reporting December 2021” and the report is stated to include: <ul style="list-style-type: none"> <li>- Environmental impact metrics per Eligible Green Project, including the “Increase in area under sustainable forest management in ha” and the “Number of trees/seedlings/shrubs planted and/or bought” will be included.</li> </ul>

	A summary of this information will also be published in Company's Annual Sustainability Report.
<b>Content</b>	<b>Observations and findings</b>
4.1.6. Regular reporting of the achieved impacts by the Issuer (Recommended by GLP)	The Company states in the Framework that reporting will take place in line with Corticeira Amorim's general annual reporting cycle throughout the entire life of the Green Financing Instruments, through an annual Allocation and Impact Report, which will make and keep readily available. Impact reporting will cover the impact of the Eligible Green Projects portfolio, including: <ul style="list-style-type: none"> <li>- Brief description of the Eligible Projects and their contribution to the environmental objectives; and</li> <li>- Environmental impact metrics per Eligible Green Project, depending on data availability.</li> </ul>
4.1.7. Voluntary guidelines aiming at a harmonised framework for impact reporting exist for energy efficiency, renewable energy, water and wastewater projects	The Framework states that the Company intends to align the Allocation and Impact Report's environmental impact metrics per Eligible Green Project with the approach described in "Handbook - Harmonised Framework for Impact Reporting December 2021". From Handbook's suggested core and other sustainability indicators for the "Environmentally sustainable management, Forestry" sub category, the Framework indicates that the "Increase in area under sustainable forest management in ha" and the "Number of trees/seedlings/shrubs planted and/or bought" will be included.