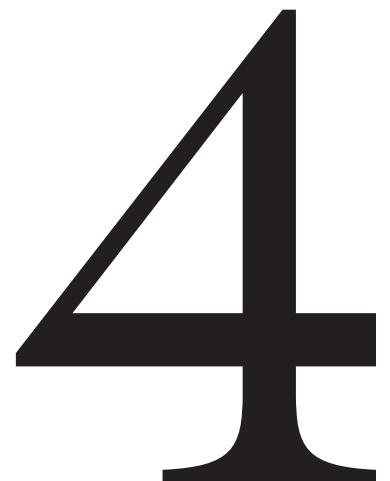


Corporate Governance Report

Cork is a “living” material, each piece of cork is unrepeatable, making it unique and eternally surprising.



Corticeira Amorim has been reviewing its corporate governance since 1999, the date on which the Portuguese Securities Market Commission (CMVM) published the first recommendations on the governance of listed companies, aiming at the improvement of mechanisms for the protection of investors in securities markets. The Company compares it with, on the one hand, what are considered best practices, and on the other, with the circumstances of its activity and the challenges it has to meet. As a result, it has been implementing a set of measures which, overall, have the main objectives of strengthening the internal systems of control and supervision, enhancing transparency, fostering the participation of shareholders in the life of the Company and ensuring the sustained creation of shareholder value.

This document describes corporate governance policies and practices adopted by the Company, while also providing a qualitative assessment of them compared with the best practices listed in the CMVM corporate governance code of the Portuguese Institute of Corporate Governance (IPCG).

Section 8 of this report also includes the information referred to in article 447 of the Portuguese Companies' Code, in article 245-A(1) (r) of the Portuguese Securities' Code (diversity in management and supervisory bodies) and in article 5 of Law no. 62/2017 of 1 August (balanced representation of women and men in management and supervisory bodies).

Law no. 50/2020, of 25 August transposed to the Portuguese legal system Directive (EU) no. 2017/828 on the rights of listed company shareholders as regards long-term engagement, which entailed the repeal of Law no. 28/2009, of 19 June that previously governed the duty to present a remuneration policy and, at the same time, introduced rules in the Portuguese Securities Code regarding i) the acceptance of the remuneration policy for members of the management and supervisory bodies of issuers of shares admitted to trading on a regulated market and (ii) the remuneration report. Bearing in mind that the acceptance of and decision on the remuneration policy, as provided for in the aforementioned Law no. 50/2020, will take place in 2021 and consequently the remuneration report will be presented in 2022; for a better understanding of the remuneration policies and practices adopted by the Company in the year under review, the information previously required by paragraph 3 of Law no. 28/2009 of 19 July (Remuneration Policy) is maintained.

Part I – Mandatory Information on Shareholder Structure, Organisation and Corporate Governance

[A.] Shareholder Structure

I. CAPITAL STRUCTURE

1. The capital structure (share capital, number of shares, distribution of capital by shareholders, etc.), including an indication of shares that are not admitted to trading, different classes of shares, rights and duties of same and the capital percentage that each class represents (Article 245-A/1/a).

Corticeira Amorim's share capital amounts to EUR 133 million and is represented by 133 million ordinary registered shares for a nominal value of one euro each, and which grant the right to dividends.

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

Distribution of capital among shareholders:

Shareholder	No. of shares owned (quantity)	Stake (%)	Voting rights (%)
Qualifying interests:			
Amorim Investimentos e Participações, S.G.P.S., S.A.	67,830,000	51.000%	51.000%
Great Prime, S.A. – in liquidation	13,725,157	10.320%	10.320%
Amorim, Soc. Gestora de Participações Sociais, S.A.	13,414,387	10.086%	10.086%
Freefloat*	38,030,456	28.594%	28.594%
Total	133,000,000	100.000%	100.000%

* includes 3,045,823 shares (2.29%) held by fund managed by Santander Asset Management, S.A., S.G.I.I.C. (communication received by the Company on 6 June 2019)

2. Restrictions on the transfer of shares, such as clauses on consent for disposal, or limits on the ownership of shares (Article 245-A/1/b).

There are no restrictions on the transfer of shares.

3. Number of treasury shares, the percentage of share capital that it represents and corresponding percentage of voting rights that corresponded to treasury shares (Article 245-A/1/a).

As at 31 December 2019, Corticeira Amorim held no treasury shares and it did not engage in transactions during 2020, reason why as at 31 of December 2020 the Company did not own treasury shares.

4. The disclosures of important agreements to which the Company is a party and that come into effect, amend or terminated in cases such as a change in the control of the Company after a takeover bid, and the respective effects, except where due to their nature, would be seriously detrimental to the Company; this exception does not apply where the Company is specifically required to disclose said information pursuant to other legal requirements (Article 245-A/1/j).

The Company has not entered into any agreements as described in this paragraph except for the normal “change of ownership” clauses included in certain loan agreements entered into during the normal course of operations and which, on a case-by-case basis, have been analysed and their contractualisation considered appropriate for the Company’s interests.

At 31 December 2020 there were covenants requiring the maintenance of Corticeira Amorim’s controlling interest in contracts regarding loans totalling 65 million euros (31-12-2019: sixty million euros). In the case of change of shareholder control, the contracts provide the possibility - but not the obligation - of early repayment of the amounts loaned. In addition, the Company has significant liquidity reserves, as detailed in the Notes to the consolidated accounts - Note 22; specifically, at 31-12-2020 there were 260.9 million euros in contracted, undrawn credit lines (31-12-2019: 188 million euros).

This circumstance is not likely to impair the free assessment by shareholders of the performance of the members of the Board of Directors.

5. A system that is subject to the renewal or withdrawal of countermeasures, particularly those that provide for a restriction on the number of votes capable of being held or exercised by only one shareholder individually or together with other shareholders.

The Articles of Association of the Company do not include measures of this type and, to the best knowledge of Corticeira Amorim, there are no other arrangements and/or measures with that same goal.

6. Shareholders’ agreements that the Company is aware of and that may result in restrictions on the transfer of securities or voting rights (Article 245-A/1/g).

Corticeira Amorim has no knowledge of the existence of any shareholders’ agreements that might lead to the aforementioned restrictions.

II. SHAREHOLDINGS AND BONDS HELD

7. Details of the natural or legal persons who, directly or indirectly, are holders of qualifying interests (Article 245-A/1/c) & /d) and Article 16) with details of the percentage of capital and votes attributed and the source and causes of the attribution.

Stakeholder	No. of shares	% of share capital with voting rights
Amorim Investimentos e Participações, S.G.P.S., S.A. (a)		
Directly	67,830,000	51.000%
Attributable total	67,830,000	51.000%

(a) The shares with voting rights in Amorim Investimentos e Participações, S.G.P.S., S.A. are wholly owned by three companies, Amorim Holding Financeira, S.G.P.S., S.A. (11.392%), Amorim Holding II, S.G.P.S., S.A. (38.608%) and Amorim - Sociedade Gestora de Participações Sociais, S.A. (50%) without any of them having a controlling stake in the Company, ending the imputation chain, under the terms of Article 20 of the Portuguese Securities Code. The share capital and voting rights of these three companies, in turn, are held, respectively in the case of the first two, directly and indirectly (through Imoeuro S.G.P.S., S.A. e da Oil Investment, B.V.) by Ms. Maria Fernanda Oliveira Ramos Amorim and daughters, and in the third case by Mr. António Ferreira de Amorim, wife and children.

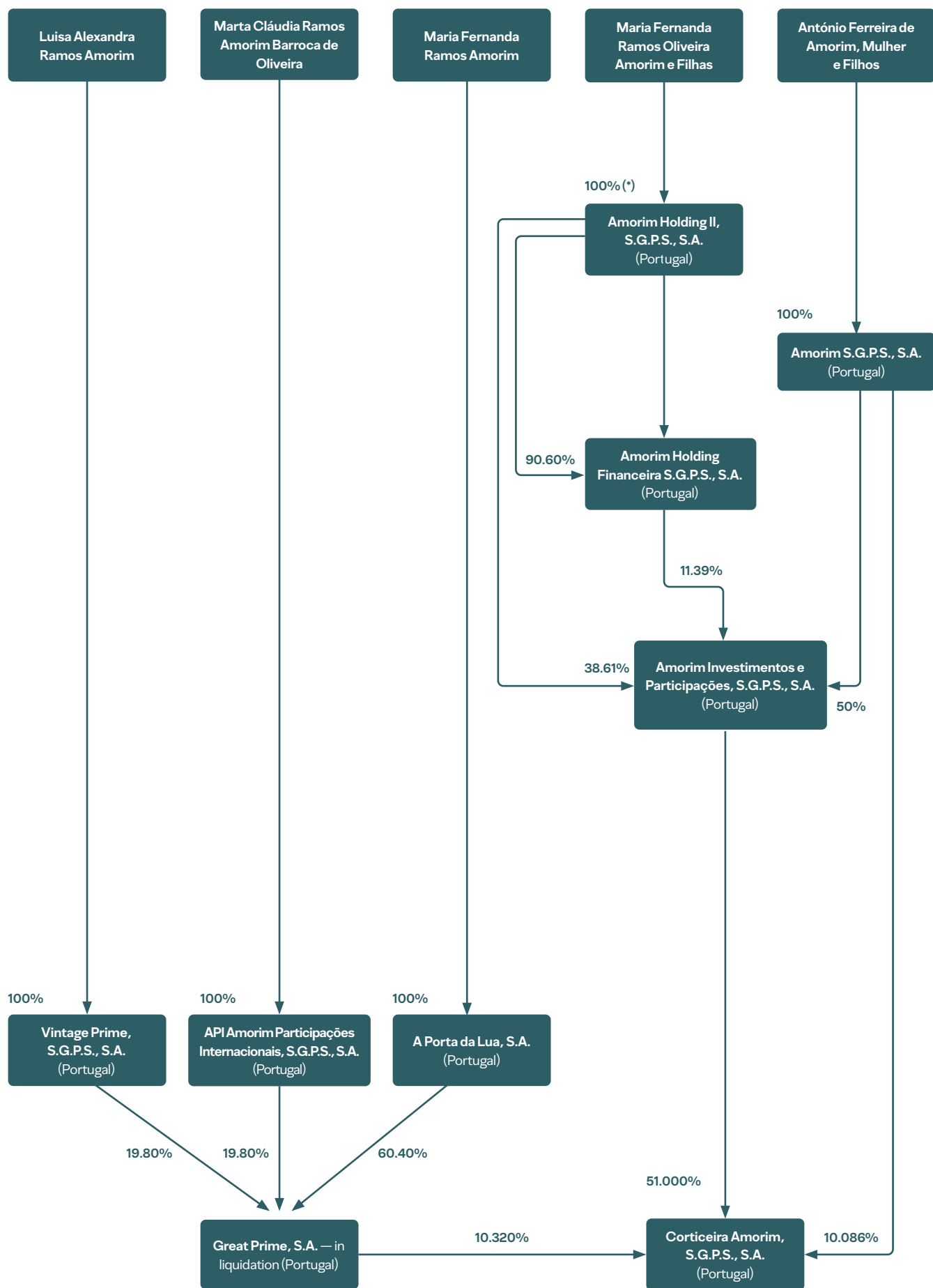
Stakeholder	No. of shares	% of share capital with voting rights
Great Prime S.A. – in liquidation (b)		
Directly	13,725,157	10.320%
Attributable total	13,725,157	10.320%

Stakeholder	No. of shares	% of share capital with voting rights
Maria Fernanda Oliveira Ramos Amorim		
Directly	—	—
Through the shareholder Great Prime, S.A. – em Liquidação (b)	13,725,157	10.320%
Attributable total	13,725,157	10.320%

(b) The share capital of Great Prime, S.A. – in liquidation is wholly owned by three Companies: API Amorim Participações Internacionais, S.G.P.S., S.A. (19.80%), Vintage Prime, S.G.P.S., S.A. (19.80%) and A Porta da Lua, S.A. (60.40%), this latter wholly owned by Maria Fernanda Oliveira Ramos Amorim.

Stakeholder	No. of shares	% of share capital with voting rights
Amorim, Sociedade Gestora de Participações Sociais, S.A. (c)		
Directly	13,414,387	10.086%
Attributable total	13,414,387	10.086%

(c) The capital of Amorim, Sociedade Gestora de Participações Sociais, S.A. is held by António Ferreira de Amorim, wife and children, but none of them holds a controlling interest in the Company.



(*) Held directly and indirectly through the companies Imoeuro, S.G.P.S., S.A. and Oil Investments, B.V.

8. A list of the number of shares and bonds held by members of the management and supervisory boards.

a) Corticeira Amorim shares held and/or traded directly by members of the Board of Directors and by members of the Supervisory Board of the Company:

- i. The members of the governing bodies did not trade any shares representing the share capital of the Company during the 2020 financial year. As at 31 December 2020, they did not hold any shares in Corticeira Amorim.

b) Corticeira Amorim shares traded by companies in which the members of the Company's governing bodies exercise management or supervisory responsibility:

- i. During the 2020 financial year, there were no transactions under the terms set out in this note.

c) Other changes in direct ownership of Corticeira Amorim shares in companies in which the members of the Company's governing bodies exercise management or supervisory responsibility:

- i. During the 2020 financial year, there were no changes in ownership under the terms set out in this note.

d) Corticeira Amorim shares held by companies in which the members of the Company's governing bodies exercise management or supervisory responsibility:

- i. Amorim Investimentos e Participações, S.G.P.S., S.A. is the holder of 67,830,000 shares, representing 51% of the share capital and voting rights of Corticeira Amorim. António Rios de Amorim (Chairman of the Board of Directors of Corticeira Amorim), Nuno Filipe Vilela Barroca de Oliveira (Vice-Chairman of the Board of Directors of Corticeira Amorim), Cristina Rios de Amorim Baptista e Luisa Alexandra Ramos Amorim (members of the Board of Directors of Corticeira Amorim) are, respectively, member, member, Vice-Chairwoman and member of the Board of Directors of Amorim Investimentos e Participações, S.G.P.S., S.A.
- ii. The company Great Prime, S.A. – em Liquidação, in which Luisa Alexandra Ramos de Amorim, Member of the Board of Directors of Corticeira Amorim, holds the position of Liquidator, is the holder of 13,725,157 shares representing 10.320% of the share capital, which corresponds to 10.320% of the voting rights of Corticeira Amorim, S.G.P.S., S.A.
- iii. The company Amorim – Sociedade Gestora de Participações Sociais, S.A. is the holder of 13,414,387 shares, representing 10.086% of the share capital and voting rights of Corticeira Amorim. António Rios de Amorim and Cristina Rios de Amorim Baptista (respectively, Chairman and Member of the Board of Directors of Corticeira Amorim) hold the position of Directors of Amorim – Sociedade Gestora de Participações Sociais, S.A.

The ownership recorded on 31 December 2020, referred to in paragraphs i., ii. and iii. remains unchanged at the issue date of this report.

e) Transactions by Directors:

According to notices received from persons/entities covered by this regulation, it is hereby reported that, in 2020, transactions involving the Corticeira Amorim's shares were not carried out by entities related to the Company's Directors and Officers.

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

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

- i. The company Amorim Investimentos e Participações, S.A. holds 67,830,000 shares of Corticeira Amorim, corresponding to 51% of the share capital and 51% of the voting rights;
- ii. The company Great Prime, S.A. – em Liquidação holds 13,725,157 shares in Corticeira Amorim, representing 10,320% of this Company's share capital and 10,320% of voting rights;
- iii. The company Amorim – Sociedade Gestora de Participações Sociais, S.A. holds 13,414,387 shares of Corticeira Amorim, corresponding to 10.086% of the share capital and 10.086% of the voting rights;

The share ownership referred to in paragraphs i., ii. and iii. refers to 31 December 2020, remaining unchanged at the date of publication of this report.

9. Special powers of the Board of Directors, especially as regards resolutions on the capital increase (Article 245-A/1/i) with an indication as to the allocation date, time period within which said powers may be carried out, the upper ceiling for the capital increase, the amount already issued pursuant to the allocation of powers and mode of implementing the powers assigned.

It is the responsibility of Corticeira Amorim's Board of Directors to maintain effective control and guidance over the activities of the Company. It is the highest strategic decision-making body (definition of strategy and main policies; organisation and coordination of the corporate structure; matters of special relevance that, due to their amount, risk, timing or special characteristics, are strategic for the Company and also the body responsible for monitoring the most important and relevant aspects of the activity, including significant matters decided on or simply examined by the Executive Committee, therefore ensuring that all members of the Board of Directors are aware of the measures adopted as a response to Board decisions and can monitor their implementation and effectiveness).

As provided for in the Portuguese Companies' Code, the role of the Board of Directors is to manage the Company's business and affairs and decide on any matter relating to its management while abiding by the resolutions adopted by the General Meeting or the decisions made by the Supervisory Board whenever required by law or the Articles of Association. As part of its management powers, it defines and ensures the implementation of mechanisms which, in turn, ensure that the entire Corticeira Amorim Group acts in accordance with its objectives, executing the strategic plans and policies approved by the Board of Directors.

These duties include, among others:

- a. Choosing its Chairman;
- b. Co-opting Directors;
- c. Requesting the convening of General Meetings;
- d. Preparing annual reports and financial statements;
- e. Acquisition, disposal and encumbrance of real estate; provision of guarantees and furnishing collateral and security on behalf of the Company;
- f. Opening or closing establishments or important component parts thereof;
- g. Significantly expanding or reducing the Company's activity;
- h. Making major changes in the Company's organisation;
- i. Establishing or terminating important and long-lasting cooperation projects with other companies;
- j. Change of head office;
- k. Merging, de-merging or changing the legal status of the Company;
- l. Deciding on any matters put forward at the request of any director for resolution of the Board of Directors.

The Company's Articles of Association¹ give the Board of Directors the following powers: the exercise of all powers of direction, management, administration and representation of the Company; transfer the head office of the Company to any other location permitted by law; create in any part of the national territory or abroad, delegations, agencies, subsidiaries, branches, offices or other forms of representation of the Company; acquire, dispose of or encumber in any way the Company's own shares and debt instruments and any rights, as well as perform the operations on those securities deemed appropriate; acquire, sell, exchange and lease real estate by any acts or contracts as well as encumber them, even if through the pledging of assets; exercise and promote the exercise of rights of the Company in the companies in which it holds interests; acquire, sell, exchange, lease or encumber in any manner movable property; negotiate with credit institutions financing operations; carry out transactions in bank accounts, deposit and withdraw money, issue, accept, sign and endorse cheques, bills of exchange, promissory notes, invoice statements and other negotiable instruments; admit fault, give up or settle any legal action, as well as enter into arbitration and approve the resulting rulings; perform any other duties envisaged herein and in law.

The Board of Directors may delegate powers² as follows:

- In one or more Directors or an Executive Committee the day-to-day management of the Company, establishing the limits of delegation and/or engaging any or some directors to handle certain administration matters - in this context, the matters described in sub-paragraphs a) to k) are not delegable;
- The implementation of the decisions made by the Board of Directors, the management of the Company's ordinary course of business, the authority and power to implement certain management duties as well as the determination of the *modus operandi* of the Executive Committee may be delegated to any director or to an Executive Committee - however, the duties described in sub-paragraphs a), b), c), d), f), j) and k) are non-delegable.

The Board of Directors does not delegate powers as regards defining the Company's strategy and main policies; organising and coordinating the corporate structure; deciding on matters that, due to their value, risk, timing or special characteristics/circumstances are considered strategic.

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

In the financial year under review, the Board of Directors has not decided to undertake any increase of the share capital of the Company.

1. The Company's Articles of Association provide that, by unanimous decision of its members, the Board of Directors may pass resolutions about capital increases, once or more times, in accordance with the law, up to EUR 250 million. It is also responsible for deciding on the respective terms, conditions method and length of the subscription and payment period. However, according to the general law such discretion is not currently in force:
 - The last assignment of powers to the Board of Directors was given by the General Meeting of 2 October 2000, with the resolution to amend article 8, paragraph 1, of the Memorandum of Association and consequent public deed of 16 October 2000; Article 8, paragraph 1 of the Memorandum of Association does not indicate the term for the exercise of the powers;
 - Article 456, paragraph 1(b) of the Portuguese Companies' Code states that the Memorandum of Association should establish the period, not exceeding five years, during which the powers may be exercised. It also states that in the absence of any indication, the period shall be five years; paragraph 4 of the same article 456 states that the General Meeting, deciding with the majority required for amendment of the Memorandum of Association, may renew the powers of the Board of Directors;
 - These powers have not been renewed since October 2005.Additional information: no capital increases were issued under the powers given to the Board of Directors in October 2000.
2. Regarding the current term of office (2020-2022), the Board of Directors decided to delegate powers to an Executive Committee as follows:

Powers delegated to Executive Committee: the implementation of the decisions made by the Board of Directors and the management of the Company's ordinary course of business, and through the issue of binding instructions, the management of the ordinary course of companies directly and indirectly controlled by the Company, setting the limits of delegation as set out below:

The following powers are not delegated to the Executive Committee: to choose the chairman of the executive committee; to co-opt directors; to request the calling of general meetings of the Company; to approve management reports and annual accounts; to provide bonds and personal or real guarantees by the Company; to change the registered office and increase the capital, in accordance with the articles of association; merger, de-merger and transformation projects of the Company;

For the purposes of this delegation, the following are not considered to be management powers of ordinary course of the Company, and are therefore not delegated to the Executive Committee: approval of investments/disinvestments by the Company and companies controlled directly or indirectly by the Company in an amount exceeding EUR 1,500,000.00 (one million five hundred thousand euros); acquisition, sale or encumbrance of real estate of the Company and companies controlled directly or indirectly by the Company in an amount exceeding EUR 500,000.00 (five hundred thousand euros); constitution or holding, namely through the direct or indirect acquisition of shareholdings, in companies in excess of EUR 500,000.00 (five hundred thousand euros); **approval and change of strategic plans and annual targets of the Company and the Group;** transactions of the Company, or of companies controlled directly or indirectly by the Company, with related entities or with any shareholders of the Company in excess of EUR 1,500,000.00 (one million five hundred thousand euros); definition or modification of the organisational structure of the company and the group; issue of bonds or other Company debt instruments in excess of EUR 5,000,000.00 (five million euros); amendments to the articles of the companies controlled by the Company; de-merger, merger, winding-up projects of any companies controlled by the Company; conclusion by the companies controlled by the Company of subordination contracts and parity group contracts; proposal and exercise of voting rights by the Company with regard to the appropriation of profits/distribution of dividends by companies directly held by the Company.

10. Information on any significant business relationships between the holders of qualifying interests and the Company.

The Company did not conduct any business operation or deal with holders of qualifying interests or the entities with which they are in any relationship in accordance with Article 20 of the Portuguese Securities' Code outside normal market conditions. Any business that occurred fell under the current activity of the contracting parties. The procedures applicable to these transactions are described in sections 89 to 91 of this report.

[B.] Corporate Boards and Committees

Corticeira Amorim is the holding company of an economic group based in Portugal, solidly established internationally, through subsidiaries, associate companies and joint ventures. The vast portfolio of products and solutions it continually develops responds to diverse markets and consumers.

The governance of Corticeira Amorim, addressing the challenges arising from this framework, advocates a policy of diversity in the composition of its corporate bodies, in particular the Board of Directors and the Supervisory Board, as a way to:

- Promote diversity in the composition of the respective body;
- Enhance the performance of each member and, jointly, of each body;
- Stimulate comprehensive, balanced and innovative analysis and, consequently, allow informed and agile decision-making and control processes;
- Contribute to the increase of innovation and self-renewal of the Company, for its sustainable development and creation of value for the shareholders and other stakeholders in the long term.

Corticeira Amorim therefore acknowledges the need to continually promote diversity in its corporate bodies and other management bodies, particularly the Board of Directors and the Supervisory Board, especially in the following areas:

- Adequate academic qualifications and professional experience relevant to the performance of the specific corporate position which, in the respective corporate body as a whole, gather together the necessary competences to ensure the capable performance of the role of that body;
- Inclusion of members from different age groups, combining the know-how and experience of older members with the innovation and creativity of younger members, so as to enable the respective body to steer towards an innovative business vision and prudent management of risks;
- Promotion of gender diversity and, consequently, an adequate balance of sensitivities and style of decision-making within the respective body.

As regards the Board of Directors and the Supervisory Board, compliance is verified with the policy indicated in section 19 (Board of Directors) and 33 (Supervisory Board) of this report. It is to be noted, in particular, that in both cases the body includes 33.3% of people of the under-represented gender, this gender being female in the first case and male in the second.

As detailed in section 15 of this report, the Company has adopted a system of corporate governance commonly known as the “strengthened Latin” model, which is based on a clear separation between management and supervisory bodies as well as double

supervision through a supervisory board and a statutory auditor.

I. GENERAL MEETING

a) Composition of the Presiding Board of the General Meeting

11. Details and position of the members of the Presiding Board of the General Meeting and respective term of office (beginning and end).

The Presiding Board of the General Meeting³ is composed of a Chairman and a Secretary, posts occupied by:

Chairman: Paulo de Tarso da Cruz Domingues

Secretary: Rui Paulo Cardinal Carvalho

Beginning of first term of office: 26 June 2020

End of current term of office (2020–2022): 31 December 2022, remaining in office until a new election pursuant to law.

Professional qualifications and other relevant information of the curriculum of the members of the Board of the General Meeting:

Paulo de Tarso da Cruz Domingues (Chairman):

Graduated from the Faculty of Law at the Portuguese Catholic University (Porto) in 1987; Master's in Law, from the Faculty of Law of the University of Coimbra, in the area of Corporate Legal Sciences, with the thesis *On Corporate Capital - Concept, Principles and Functions*, in 1997; Doctorate in Law from the Faculty of Law of the University of Porto, in Civil Legal Sciences (in the area of Commercial Law), with the thesis *Variations on Corporate Capital*, in 2009.

Associate Professor at the Faculty of Law of the University of Porto, where he has been teaching Commercial Law since 1998; Director and Chairman of the Scientific Council at the University of Porto's Law Faculty since February 2019.

Guest/visiting professor at several Portuguese and foreign universities.

Participation in several lectures, conferences, seminars, post-graduation courses and master's courses, mainly in the area of Company Law.

Guiding and examining several Master's and PhD theses, in various faculties.

Chairman of the Association of Company Law in Review. Member of the Institute for Business and Labour Law (IDET) at the Faculty of Law of the University of Coimbra; Member of the Centre for Legal and Economic Research (CIE) of the Faculty of Law of the University of Porto; member of the editorial board for the journal *Direito das Sociedades em Revista* (Company Law in Review); Member of the editorial board of *RED - Revista Eletrónica de Direito* (Electronic Journal of Law); member of the editorial board of *Ab Instantia*, a journal produced by the Abreu Advogados Knowledge Institute (IAB) and published by Almedina; member of the editorial board for the Luso-Brazilian Law Journal (RJLB); member of the Portuguese Arbitration Association (APA).

He boasts more than 80 publications and articles, especially on corporate law, including, among others, his collaboration on the manual *Estudos de direito das sociedades* (Studies on company law), by several authors (coordinated by Coutinho de Abreu - 13th edition, Almedina, Coimbra, 2017), and the *Código das Sociedades em Comentário* (Companies Code in Commentary) (vols. I – VII, Almedina, 2010–2017).

Arbitrator and legal adviser.

He is also currently Chairman of the Presiding Board of the General Meeting for the following companies: Abreu & Associados – Sociedade de Advogados, RL and Coimbra Aparthotel, S.A.

Gender: Male | Age: 56

Rui Paulo Cardinal Carvalho (Secretary):

Graduated with a Bachelor's Degree in Law from the Faculty of Law of the University of Coimbra.

He has been an associate lawyer at Abreu Advogados since 2019. He has participated, as secretary, in various arbitration proceedings.

Gender: Male | Age: 27

3. Until 26 June 2020 (inclusive), the Presiding Board of the General Meeting consisted of Augusto Fernando Correia de Aguiar-Branco (Chairman) and Rita Jorge Rocha e Silva (Secretary), who have held office since 24 May 2014, completed their third term of office on 31 December 2019, and will remain in office until a new election is held pursuant to the law.

b) Exercising the right to vote

12. Any restrictions on the right to vote, such as restrictions on voting rights subject to holding a number or percentage of shares, deadlines for exercising voting rights, or systems whereby the financial rights attaching to securities are separated from the holding of securities (Article 245-A/1/f).

There are no statutory guidelines providing for the existence of shares that do not carry voting rights or determining that voting rights exceeding a certain threshold shall not be counted if such votes are cast by only one shareholder or by a shareholder who is related to that shareholder. The Articles of Association do not envisage mechanisms that aim to cause a time lag between the entitlement to receive dividends or subscribe for new securities and the voting rights of each ordinary share.

Each share is entitled to one vote.

The blocking of shares to attend the General Meeting must be made at least five business days before the date designated for the respective meeting. The same rule applies when a General Meeting is scheduled for a later date, when the initial session of the General Meeting is suspended.

The Articles of Association provide for the possibility of shareholders voting by mail, provided that the ballots reach the Company at least three business days before the General Meeting. Postal ballot forms must reach the registered office of the Company not less than three business days (by 6.00 p.m.) before the Annual General Meeting. Votes sent by mail are equivalent to negative votes for proposals submitted after the date on which such votes were cast. The presence of the shareholder at the General Meeting revokes the vote it may have sent by mail.

Corticeira Amorim's Articles of Association allow electronic voting, provided that there are adequate technical resources available to enable checking the validity of electronic votes and ensuring their data integrity and confidentiality. Votes sent by electronic means must be received by the Company by the third business day prior to the General Meeting. The Chairman of the General Meeting must check prior to the convening of the General Meeting, the existence of technical means and communication to ensure the safety and reliability of the votes cast. If the Chairman of the Board of the General Meeting decides that the technical requirements for voting by electronic means are met, such information shall be included in the Notice calling the meeting. Such requirements were not met in 2020. Votes sent by electronic means are equivalent to negative votes for proposals submitted after the date on which such votes were cast. The presence of the shareholder at the General Meeting revokes the vote it may have sent by mail or by electronic means.

In 2020, in view of the health crisis experienced around the world, Corticeira Amorim implemented a wide range of measures to

protect and safeguard the health and well-being of its stakeholders, including its shareholders and members of the governing bodies. Therefore, also in line with the CMVM's recommendations, Corticeira Amorim decided, given that there was no statutory provision forbidding it, that the Shareholders' General Meeting of 26 June 2020 would be held exclusively by telematic means, pursuant to Article 377(6)(b) of the Portuguese Companies' Code and that the right to vote would be exercised by prior electronic correspondence, pursuant to Article 384(8) and (9) of the Portuguese Companies' Code and Article 22 of the Portuguese Securities' Code.

Postal ballot forms are available from Corticeira Amorim's registered office (Rua Comendador Américo Ferreira Amorim, no. 380 – 4535-186 Mozelos - Portugal) and from the Company's website (www.corticeiraamorim.com). At the request of a shareholder, such postal ballot forms may be provided by e-mail.

13. Details of the maximum percentage of voting rights that may be exercised by a single shareholder or by shareholders that are in any relationship as set out in Article 20/1.

The Articles of Association do not provide for any limit on the number of votes that each shareholder (either separately or jointly with other shareholders) is entitled to cast or exercise.

14. Details of shareholders' resolutions that, imposed by the Articles of Association, may only be taken with a qualified majority, in addition to those legally provided, and details of said majority.

The Company's Articles of Association establish specific requirements for convening/ decision-making quorums, for the following situations:

- a. Identical to those of general law:
 - Removal from office of a director elected under the special rules set out in article 392 of the Portuguese Companies' Code - the removal from office will not become effective if shareholders accounting for at least 20% of the share capital have voted against the removal of such director, irrespective of the just cause invoked for such removal from office;
- b. Higher than those of general law:
 - Restriction or withdrawal of pre-emption rights in share capital increases – the Company's Articles of Association require that the Annual General Meeting be attended by shareholders accounting for at least 50% of the paid-up share capital;
 - Exercising the right to vote – the need to own at least one share of the Company's stock at least five business days prior to the date scheduled for holding the General Meeting;
 - In order that a General Meeting requisitioned by shareholders may pass resolutions – it is required that the General Meeting be attended by shareholders owning shares representing at least the minimum amount of share capital required by law to legitimise the reason for calling such meeting;
 - Change in Board composition – such resolution requires the approval of shareholders who represent not less than 2/3 of the total share capital;
 - Winding-up the Company – such resolution requires the approval of shareholders representing at least 85% of the paid-up share capital.

II. MANAGEMENT AND SUPERVISION

a) Composition

15. Details of corporate governance model adopted.

The Company has adopted a system of corporate governance commonly known as the “strengthened Latin” model, which is based on a clear separation between management and supervisory bodies as well as double supervision through a supervisory board and a statutory auditor.

The Board of Directors considers that the adoption of this model has resulted in the constitution of a supervisory body with stronger and effective supervisory powers composed entirely of members subject to an incompatibility regime and broader independence regulations. It also considers that attributing these powers to an autonomous body – the Supervisory Board – helps create an efficient corporate governance model because it establishes a clear division between the management and supervisory bodies, avoiding the granting of supervisory powers to individual members of the Board of Directors, which by law is a collegial body.

As a consequence, the Board of Directors is confident that the corporate governance model adopted is suitable for the specific circumstances of Corticeira Amorim for the following reasons:

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

Corticeira Amorim encourages an internal reflection on corporate governance structures and practices adopted by the Company by comparing their efficiency with the potential benefits to be gained from implementing other practices and/or measures established as a reference in the Portuguese Institute of Corporate Governance (IPCG) Corporate Governance Act or by other organisations.

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

16. Articles of association rules on the procedural and material requirements governing the appointment and replacement of members of the Board of Directors, the Executive Board and the General and Supervisory Board, where applicable (Article 245-A/1/h).

The rules governing the appointment and replacement of members to the board of directors are those provided for in law, in addition to a number of specific features set out in the Company’s Articles of Association:

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

First: one Director shall be elected separately from among the people proposed on the lists subscribed by the groups of shareholders who own between 10% and 20% of the share capital. Each list must propose at least two eligible persons for each office to be filled, but the same shareholder may not subscribe to more than one list. If, on a first poll, there are lists submitted by more than one group of shareholders, then a poll shall be first taken among all such lists and, thereafter, among the names of the candidates listed in the winning list. The lists of candidates may be submitted to the General Meeting before the business on the agenda relating to the election of Directors starts to be discussed;

Second: the General Meeting shall elect the remaining directors. All shareholders present may take part in the respective resolution, regardless of whether or not they signed or voted on any of the lists of the first phase. The General Meeting cannot elect the remaining Directors until it has elected one of the nominees on the lists of the first phase, unless no list has been proposed.

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

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

When a Director is declared to be definitively absent, and there are no substitutes, he/she shall be replaced by co-option, unless the directors in office are not sufficient in number for the board to function. If there is no co-option within 60 days of the absence, the supervisory board appoints a replacement. The co-option and appointment by the supervisory board shall be subject to ratification at the next General Meeting.

If a director elected under the special rules of the first stage is absent permanently, and there is no respective substitute, a new election shall be held, at which the special rules of the first phase apply, with necessary adaptation.

The appointment and replacement of members of the Board of Directors and of the Supervisory Board also takes into account the Policy of Promoting Diversity in the Company’s Corporate Bodies described in the comment to Recommendation I.2.1. of this report, with the aim of achieving the objectives referred to therein. The actual diversity of its composition (age, gender, qualifications and professional background) is detailed in Section 19 of this report.

17. Composition of the Board of Directors, with details of the Articles of Association’s minimum and maximum number of members, duration of term of office, number of effective members, date when first appointed and end of the term of office of each member.

According to the Articles of Association, the Company is administered by a Board of Directors composed of a chairman, a vice-chairman and one to nine other members. In the current term (2020-2022), the Board of Directors consists of a chairman, a vice-chairman and four members, all incumbent members.

The duration of the term of office of the Board of Directors is three calendar years⁴.

Board of Directors Composition (six effective members):

Chairman: António Rios de Amorim

Date of first appointment to the Board of Directors: 29 March 1990
First appointment as Chairman of the Board of Directors: 31 March 2001
End of current term of office (2020-2022): 31 December 2022, remaining in office until a new election pursuant to law.

Vice-Chairman: Nuno Filipe Vilela Barroca de Oliveira

Date of first appointment to the Board of Directors: 28 March 2003
End of current term of office (2020-2022): 31 December 2022, remaining in office until a new election pursuant to law.

Member: Fernando José de Araújo dos Santos Almeida

Date of first appointment to the Board of Directors: 31 July 2009
End of current term of office (2020-2022): 31 December 2022, remaining in office until a new election pursuant to law.

Member: Cristina Rios de Amorim Baptista

Date of first appointment to the Board of Directors: 20 July 2012
End of current term of office (2020-2022): 31 December 2022, remaining in office until a new election pursuant to law.

Member: Luisa Alexandra Ramos Amorim

Date of first appointment to the Board of Directors: 28 March 2003
Elected as member of the Board of Directors at the General Meeting of Shareholders of 4 April 2013
End of current term of office (2020-2022): 31 December 2022, remaining in office until a new election pursuant to law.

Member: Juan Ginesta Viñas

Date of first appointment to the Board of Directors: 20 July 2012
End of current term of office (2020-2022): 31 December 2022, remaining in office until a new election pursuant to law.

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

18. Distinction to be drawn between executive and non-executive directors and, as regards non-executive members, details of members that may be considered independent.

Considering the composition of Corticeira Amorim's **Board of Directors** mentioned in the preceding paragraph (six effective members), this body delegated the executive management to an Executive Committee composed of three members, i.e., in a number equal to the non-executive directors:

Executive members:

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

Non-executive members:

Board Member: Cristina Rios de Amorim Baptista
Board Member: Luisa Alexandra Ramos Amorim
Board Member: Juan Ginesta Viñas

The Board of Directors considers that this delegation of powers is in the interests of the Company, in particular the agility of its decision-making, maintaining a number of non-executive members that it considers appropriate to the functions they perform and the size of the Company. None of the non-executive members are independent.

The size, expertise, and diversity of the Board of Directors, combined with the availability of all the members, which is also reflected in attendance (sections 23 and 29), are appropriate to the size of the Company and the complexity of the risks inherent to its activity, ensuring the full, efficient and diligent exercise of the duties entrusted to this body and to each of its members, whether executive or non-executive.

19. Professional qualifications and other relevant curricular information of each member of the Board of Directors.

António Rios de Amorim (Chairman):

Chairman of the Board and CEO of Corticeira Amorim since March 2001.

Degree of Commerce from the Faculty of Commerce and Social Sciences at the University of Birmingham (1989) and attendance of *The Executive Program in Business Administration: Managing the Enterprise* at the Columbia University Graduate School of Business (1992), *Managerial Skills for International Business* at INSEAD (2001) and the *Executive Program in Strategy and Organization* at the Graduate School of Business Stanford University (2007).

He was CEO of Amorim & Irmãos (1996-2001), Director of Sociedade Figueira-Praia (1993-2006), operational manager at Amorim - Empreendimentos Imobiliários, promoter of the Lisbon Towers and Arrábida Shopping projects (1993-1995), and Executive Director of Amorim Hotéis, SA., in charge of the development of the Ibis and Novotel chains in Portugal.

He was a member of the European Round Table of Industrialists - the only Portuguese corporate group to belong to this association (1991-1995). He was also Chairman of the Portuguese Cork Association (2002-2012) and the Confédération Européenne du Liège (since 2003).

In February 2006, he was awarded the Commendation of Grand Officer of the Order of Agricultural, Commercial and Industrial Merit by the Portuguese President. In 2018, he was distinguished by EY as *Entrepreneur of the Year - Portugal*.

He is a member of advisory bodies for business associations and knowledge centres: COTEC Portugal (executive board), Industry Training Association (ATEC) (advisory board), Faculty of Economics and Management at the Portuguese Catholic University (advisory board), the University of Minho's Institute of Science and Innovation for Bio-Sustainability (IB-S) (strategic board) and the Family Business Association (Vice-Chairman of the senior board).

Since 2014 he has been Honorary Consul of the Republic of Bulgaria in Santa Maria da Feira, with jurisdiction in the districts of Porto, Aveiro and Braga.

Gender: Male | Age: 53

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

Graduate in business administration from Portuguese Catholic University.

He has professional experience in the areas of insurance (Ocidental Seguros, 1993), assets investment (Merrill Lynch, 1995) and private banking (Banco Comercial Português, 1996), specialising in financial analysis and private investment.

He served as a non-executive Director of Corticeira Amorim, from March 2003 to September 2005; he then proceeded to carry out executive functions from that date and is currently Vice-Chairman of the Board of Directors.

Non-executive Director of various companies in the Amorim Group (since 2000).

Former executive Director of Barrancarnes (2000-2005).

He is the Honorary Consul of Norway in Porto.

Gender: Male | Age: 50

Fernando José de Araújo dos Santos Almeida (Member):

Graduated with a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics (1983/1984).

Professional specialisation and complementary training in the areas of Balanced Scorecard, Strategic Management, Management Control, Performance Evaluation and Decision Support Systems.

He joined Corticeira Amorim in 1991 and held various positions in several of the Group's member companies. In 2002, he took over as Manager of Organisational Development and Business Management Planning and Control at Corticeira Amorim. He has been a Corticeira Amorim director since 2009.

He is a regular guest speaker in the specialisation and post-graduate courses in Management Control at Overgest (ISCTE - Lisbon) and participates in presentations on Corticeira Amorim's experience in implementing the Balanced Scorecard.

Gender: Male | Age: 59

Cristina Rios de Amorim Baptista (Member):

She graduated in Economics from the Faculty of Economics of the University of Porto, in 1991. She completed an MBA in International Banking and Finance from the University of Birmingham (UK) in 1992. In 2001, she took a postgraduate degree in International Management at the Universidade Católica Portuguesa.

She began working in 1992, for international institutions such as S.G. Warburg España (Corporate Finance) in Madrid (1992), N.M. Rothschild & Sons Limited (Corporate Finance) in London (1993), Rothschild Asset Management Limited (Asset Management) in London (1993), and Soserfin, S.A. (management of Economic Studies and Research) in 1994.

She was a Member of the Board of Directors of Fundação Casa da Música (from 2006 to March 2013) and of Fundação AEP (from 2009 to April 2013).

She joined the upper management of the Amorim Group in 1994 and is currently Vice-Chairman and CFO of the Group.

In 1997 she took office as Investor Relations Officer at Corticeira Amorim, S.G.P.S., S.A. (a position she occupied until the end of 2017), having been named Best Investor Relations Officer at the 2016 IRG Awards (Deloitte). In July 2012, she became a member of the Corticeira Amorim's Board of Directors.

She has been a non-executive member of the Board of Directors of Banco BPI, S.A. since 2017. She also serves on the Bank's Risk Committee (member from 2017-2020, chairperson since December 2020) and the Nomination, Evaluation and Remuneration Committee (member since December 2020).

She has been a member of the General Council of AEM – Associação de Empresas Emitentes de Valores Cotados em Mercado (Portuguese Issuers Association) since 2014 and a member of the Board of the Business Council for Sustainable Development (BCSD) Portugal since 2016.

Gender: Female | Age: 52

Luisa Alexandra Ramos Amorim (Member):

With a degree in Marketing from ISAG and Hospitality from EHTE and EHTEP, completing several areas of training in Hospitality at the Centre International de Glion, in Marketing from UCI Communication - US and Management at EGP Porto. Director of Amorim – Investimentos e Participações (since 2002), of Quinta Nova – Nossa Senhora do Carmo (since 2006), Amorim Negócios Internacionais (since 2016) and, more recently, Taboadella (since 2018). Was the CEO of Natureza, S.G.P.S. (2002-2006), Director of Marketing for JW Burmester (2000-2002) and Member of the Hospitality Management in Amorim Hotéis e Serviços and Sociedade Figueira Praia (1996-1997), when she began her role in the Amorim Group. Worked in management consulting sector at Deloitte & Touche, Porto (1998-2000).

In addition to her business activity, she is the founder and chairperson of the Bagos d'Ouro Association (since 2010), member of the Board of ACIBEV (since 2020) and member of the Executive Board of the Universidade Nova de Lisboa (since 2018).

She was a member of the Board of Directors of the Fundação Museu do Douro (2006-2011).

She is the Honorary Consul of Hungary in Porto.

Gender: Female | Age: 47

Juan Ginesta Viñas (Member):

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

Gender: Male | Age: 79

	António Rios de Amorim	Nuno Filipe Vilela Barroca de Oliveira	Fernando José Araújo dos Santos Almeida	Cristina Rios de Amorim Baptista	Luisa Alexandra Ramos Amorim	Juan Ginesta Viñas	Pedro Jorge Ferreira de Magalhães Company's Secretary - Male
Post	Chairman	Vice-Chairman	Member	Member	Member	Member	
Executive/Non-Executive	Executive	Executive	Executive	Non-Executive	Non-Executive	Non-Executive	
Gender	Male	Male	Male	Female	Female	Masculino	Male
Economics na Finance			X	X			
Business Management and Administration	X	X	X	X	X	X	X
Commerce and Marketing	X				X	X	
Strategy and Organization	X		X	X			
Risk Management and Compliance			X	X			X
Financial Management	X			X	X		
Business Law							X
IT and Decision Support Systems (including Balance Scorecard and Management Control)			X				
Human Resources, Performance Evaluation	X		X	X			X
Investor Relations	X		X	X			
Sustainability	X	X	X	X	X	X	X
Governance	X		X	X			X
Cork Oak Forest/Natural Capital Management	X			X	X		
Cork	X		X	X	X	X	X
Wine	X				X		
Leisure	X	X		X	X		
Real estate	X	X	X	X	X		
Insurance							
Banking and Asset Management		X		X			
Business Associations	X			X			X
Scientific and Cultural Organizations	X			X			
NGO					X		X

20. Customary and meaningful family, professional or business relationships of members of the Board of Directors, with shareholders that are assigned qualifying holdings that are greater than 2% of the voting rights.

Companies holding or to which qualifying holdings exceeding 2% of the voting rights of Corticeira Amorim are attributable, which have directors of Corticeira Amorim on their Board of Directors:

- António Rios de Amorim, Nuno Filipe Vilela Barroca de Oliveira, Cristina Rios de Amorim Baptista and Luisa Alexandra Ramos Amorim are members of the Board of Directors of Amorim Investimentos e Participações, S.G.P.S., S.A.;
- Luisa Alexandra Ramos Amorim is the Liquidator of the company Great Prime, S.A. – em Liquidação.
- António Rios de Amorim and Cristina Rios de Amorim Baptista are members of the Board of Directors of Amorim – Sociedade Gestora de Participações Sociais, S.A.

Maria Fernanda Oliveira Ramos Amorim is Luísa Alexandra Ramos Amorim's mother, and Nuno Filipe Vilela Barroca de Oliveira's mother-in-law.

António Ferreira de Amorim is the father of António Rios de Amorim and Cristina Rios de Amorim Baptista.

There are no customary and meaningful commercial relations between the members of the Board of Directors and shareholders to whom a qualifying interest is imputed.

21. Organisational charts or flowcharts concerning the allocation of powers between the various corporate boards, committees and/or departments within the Company, including information on delegating powers, particularly as regards the delegation of the Company's daily management.

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

Presiding Board of the General Meeting

Composition and term of office as described in section 11 herein.

The Chairman of the Presiding Board of the General Meeting is responsible for:

- Calling the General Meetings - preparing the notice and fostering its publication;
- Receiving requests for the inclusion of items on the agenda and, in the event they are approved, publish the matters included on the agenda in the same manner used for the notice;
- In the case of virtual general meetings (cyber-meetings, online meetings and meetings by conference call), ensuring the authenticity and security of communications;
- Choosing the location for the General Meeting within the national territory, provided that the head office does not allow the meeting to be held on satisfactory terms;
- Chairing the General Meeting, direct and guide the work, in particular, check those attending and the quorum, organise the attendance list, call the meeting to order, allow, limit or deny the floor to speak, present postal votes, calculate total votes and announce the results;
- Authorising the presence in the General Meeting of third parties from outside the Company; the General Meeting may revoke this authorisation;
- Adjourning the General Meeting, immediately setting its restart date at no more than 90 days; the same session cannot be suspended twice;
- Ending the session, ensuring the minutes are drafted and signing them.

The Secretary of the Presiding Board of the General Meeting is responsible for:

- Assisting the Chairman of the Presiding Board in conducting the work, including checking attendance and quorum, organising the attendance list;
- Reading the agenda stated on the notice and the documents referred to the presiding board during the session;
- Taking notes for drawing up the minutes;
- Counting the votes;
- Drawing up the minutes and signing them.

Board of Directors⁵

Composition and term of office as described in section 17 of this report; duties as described in section 9 of this report.

Executive Committee

Composition and term of office as described in section 28 of this report; duties as described in section 29 of this report.

Supervisory Board

Composition and term of office as described in section 31 of this report; duties as described in sections 37 and 38 of this report.

Statutory Auditor

Composition, term of office and duties as described in section 39 herein.

Remuneration Committee

Composition, term of office and duties as described in section 67 herein.

Organisational Structure of the Company

As detailed in section 9, the role of the Board of Directors is to manage the Company's business and affairs and decide on any matter relating to its management while abiding by the resolutions adopted by the Annual General Meeting or the decisions made by the Supervisory Board whenever required by law or the articles of association. As provided for in law and the articles of association, the Board of Directors has delegated the day-to-day management to an Executive Committee, as described in sections 28 and 29 of this report.

The non-executive members of the Board of Directors regularly attend the monthly meetings of the Board of Directors, which analyse and decide on the evolution of all non-delegable matters and all issues whose relevance, materiality and / or criticality becomes pertinent to their inclusion in the agenda of the Board.

The meetings are organised by the Company Secretary, Pedro Jorge Ferreira de Magalhães, who is present at all meetings. Pedro Magalhães has a broad range of academic and professional qualifications⁶, namely in the areas of environmental, social and corporate governance (ESG) and compliance, which add significant value in terms of supporting decision-making by the management body.

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

Whenever matters are examined and / or decided in which one or more members of the Board of Directors have particular interests which conflict with the interests of the Company, the member(s) in conflict shall inform the Board of this circumstance, providing all necessary information but abstaining from voting on such matters.

A reporting system between the Executive Committee and the Board of Directors has been implemented across the organisation with a view to ensuring alignment of their activities and that the Directors are informed of the activities of the Executive Committee in a timely fashion. The Executive Committee provides in good time and an appropriate manner to the request, all information requested by other Board Members and which are necessary in accordance with their respective duties.

In the scope of its powers, the Board of Directors has timely access to all information, documents and employees, both from the Company and its main subsidiaries, with a view to monitoring the business, evaluating performance and development prospects, and seeking the full explanation of any matter that it deems pertinent.

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

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

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

Adopting a management model based on a strategic-operational holding concept, the Business Units are coordinated by the Executive Board of Corticeira Amorim.

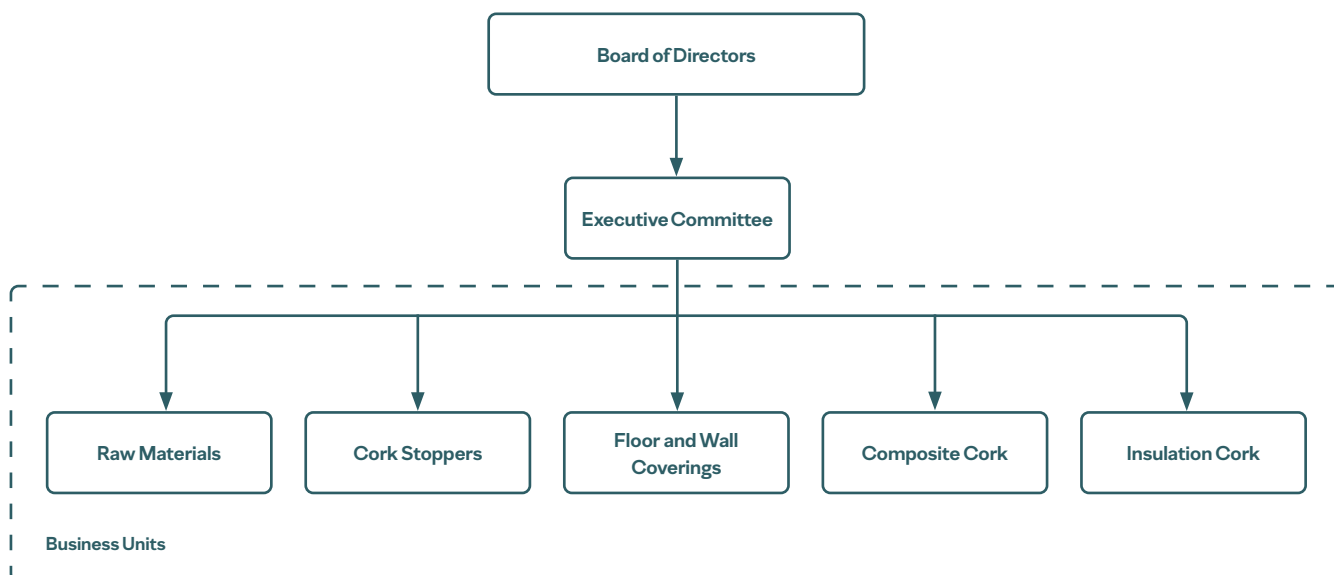
Each Business Unit has a Board of Directors composed of non-executive and executive members. This body is the authority responsible for deciding on all matters deemed relevant.

Each Business Unit has an Executive Management, which is composed of highly qualified, independent executives who have the adequate technical and professional competences to conduct the business and to manage the specific challenges of the business activity developed and foreseen. The executive management in the Business Units is exclusively the responsibility of independent professional managers, i.e. the Chairman of the Board of Directors does not conduct the executive management of the same, which is the responsibility of the CEO of that Business Unit. In the case of the Cork Stoppers Business Unit, given the complexity of the business, there are two independent co-CEOs.

The strategic alignment of the whole organisation is enhanced by the use of the balanced scorecard method, both globally in Corticeira Amorim and individually in the Business Units. In this regard, Corticeira Amorim's Board of Directors is responsible for approving strategic initiatives and goals (i) for the organisation as a whole, (ii) specifically for Corticeira Amorim, and (iii) for each Business Unit, in close cooperation with the respective Executive Management.

The diagram below shows how the management structure of the business is currently organised.

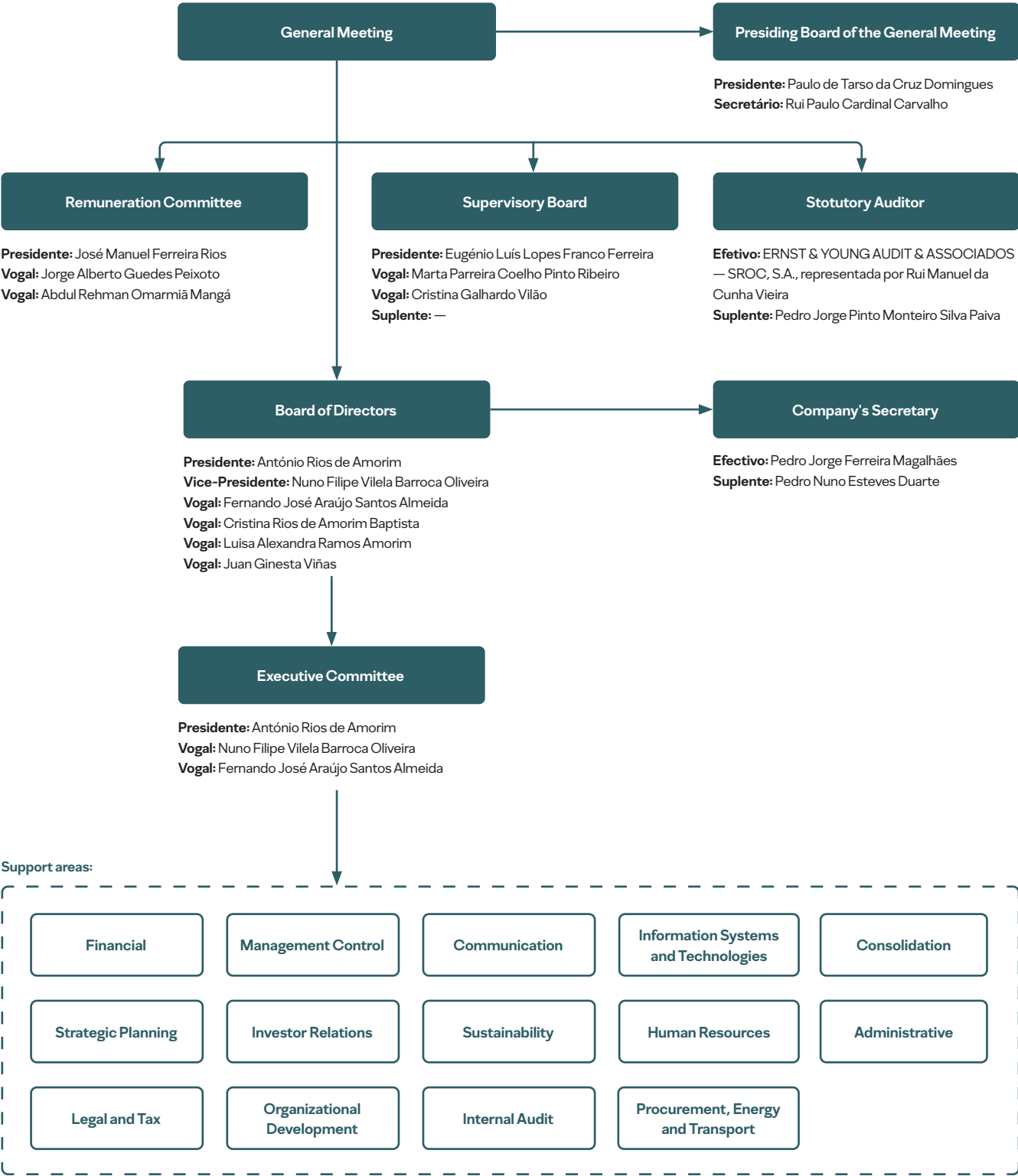
5. The Company's Articles of Association provide for the possibility of the Board of Directors being advised by one to three advisors, to be appointed by it from among persons of recognised merit and experience, with terms of office coinciding with those of the Directors. The advisors to the Board of Directors are people who advise the Board of Directors about the various issues addressed at board meetings, but they don't have the right to vote on resolutions passed at meetings. The Board of Directors elected on 26 June 2020 for the 2020-2022 term did not appoint advisors to the Board of Directors.
6. In addition to being Company Secretary, Pedro Magalhães is the Director of the Corticeira Amorim Legal Department, responsible for coordinating the legal division. He is a company lawyer and legal advisor with responsibility for the various Cork Business Units (Raw Materials, Cork Stoppers, Composite Cork, Floor and Wall Coverings and Insulation Cork), as well as cross-cutting support divisions: finance, IT, communication, procurement (including energy, chemicals and insurance) and transport. He has a Bachelor's Degree in Law (1992, Portuguese Catholic University), a Master's in Law - Legal-Privatistic Sciences (2012, University of Porto, Faculty of Law) and a PhD in Law (2018, Faculty of Law of the University of Porto). External Reviewer of RED – *Revista Eletrónica de Direito* (Electronic Journal of Law) of the Centre for Legal and Economic Research (C.I.J.E), University of Porto, Faculty of Law. He is the author of the book *Corporate Governance and Company Sustainability - Stakeholders Model versus Shareholders Model* (2019, Livraria Almedina). Included in Legal 500's General Counsel Powerlist Iberia: Portugal Teams since 2017. Member of the Portuguese Institute of Corporate Governance (IPGC), founding member of Common Home of Humanity and the Association for the Sustainability of the Planetary System (ZERO).



The **Support Divisions** are responsible for monitoring and coordinating the operation of the Business Units and their functional areas, under the coordination of the members of the Executive Committee, as shown in the diagram below.

The activities of the support areas are periodically reported to the Executive Committee, and its activity is accompanied by an Executive Director. In the year being analysed, Nuno Barroca monitored Internal Audit; Fernando Almeida monitored the Strategic Planning, Organisational Development, Information Systems and Technology and Management Control; the remaining areas were monitored by António Amorim.

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



b) Functioning

22. Availability and place where rules on the functioning of the Board of Directors may be viewed.

The *modus operandi* of the Board of Directors of Corticeira Amorim scrupulously complies with all applicable rules of procedure regarding the Board of Directors, specifically those set out in the Portuguese Companies' Code, in the Company's articles of association and in the regulations issued by the CMVM. This already constitutes real rules of procedure, which are adequate to and foster its efficient operation to safeguard the performance of this collegiate body in the efficient pursuit of the interests of the Company and all its shareholders.

Corticeira Amorim therefore considers that the principles of good business practice form part of the business values safeguarded both by the members of this corporate body and by other employees who support and/or advise it, and for this reason it has set out the Company's Code of Business Ethics and Professional Conduct, available on the Company website.

Although there are no formal written internal regulations, the Board of Directors complies with all rules of procedure prescribed by law (Portuguese Companies' Code, Portuguese Securities' Code, regulations and instructions issued by the CMVM) or by the Company's Articles of Association and the above-mentioned Code of Business Ethics and Professional Conduct, which are available on the CMVM website (www.cmvm.pt) or the Company website (www.amorim.com), respectively.

23. The number of meetings held and the attendance report for each member of the Board of Directors.

Pursuant to the Articles of Association, the Board of Directors shall meet when and where corporate interest requires. Thirteen meetings of the Board of Directors were held throughout 2020 (2019: 10 meetings), and all the members of the Board in office attended or were represented at the meetings. The individual and global attendance was of 100%.

24. Details of competent corporate boards undertaking the performance appraisal of executive directors.

Pursuant to the Articles of Association, the General Meeting or a Committee it elects shall decide on the assessment of the performance of the directors, including executive directors.

As stated in section 67 of this report, there is a Remuneration Committee (term of office of three years, 2020 to 2022), which is responsible for carrying out the assessment referred to in this point, and it effectively did so.

25. Predefined criteria for assessing executive directors' performance.

Pursuant to the statement on the policy for remunerations awarded to the Board of Directors approved at the shareholders' General Meeting of 26 June 2020, as proposed by the Company's Remuneration Committee (Section 69), whenever such is adequate and feasible, such remuneration shall primarily consist of a fixed pay (for executive and non-executive directors) plus a variable pay (for executive directors only) as performance-based premium.

The award of the variable pay component of remuneration referred to in the preceding paragraph shall be a bonus resulting from short-term performance evaluation and from the contribution

of the annual performance to medium / long-term economic, environmental and social sustainability of the Organisation.

The actual amount of the variable pay shall depend on the appraisal to be carried out every year by the Remuneration Committee on the performance of the Board members, examining the contribution of each individual executive director to both the Company's profit in the relevant financial year and compliance with the Company's targets and implementation of the medium / long-term strategies adopted by the Company; the development of the results and the level of compliance with the following strategic objectives: innovation, organisational development and safety, competitiveness, growth, financial soundness and value creation.

The payment of the variable pay component, if any, may be made wholly or in part after determination of the profit (or loss) in respect of a three-year period. There is, therefore, the possibility of the variable pay being reduced if the profit for the year reflects a significant deterioration in the Company's performance in the last financial year or if it is expectable that a significant deterioration will occur in the financial year underway.

26. The availability of each member of the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable, and details of the positions held at the same time in other companies within and outside the group, and other relevant activities undertaken by members of these boards throughout the financial year.

António Rios de Amorim (Chairman):

Company	Position Held
Corticeira Amorim Group	
Amorim Cork, S.A.	Chairman of the Board of Directors
Amorim Cork, S.G.P.S., S.A.	Chairman of the Board of Directors
Amorim Bartop – Investimentos e Participações, S.A.	Chairman of the Board of Directors
Amorim Champcork, S.A.	Chairman of the Board of Directors
Amorim Cork Composites, S.A.	Chairman of the Board of Directors
Amorim Cork Research, Lda.	Director
Amorim Cork Services, Lda.	Director
Amorim Florestal España, S.L.	Chairman of the Board of Directors
Amorim Florestal, S.A.	Chairman of the Board of Directors
Amorim Florestal II, S.A.	Chairman of the Board of Directors
Amorim Florestal III, S.A.	Chairman of the Board of Directors
Amorim Industrial Solutions – Imobiliária, S.A.	Chairman of the Board of Directors
Amorim Cork Insulation, S.A.	Chairman of the Board of Directors
Amorim Natural Cork, S.A.	Chairman of the Board of Directors
Amorim Cork Flooring, S.A.	Chairman of the Board of Directors
Amorim Top Series, S.A.	Chairman of the Board of Directors
Chapius, S.L.	Chairman of the Board of Directors
Comatral – Compagnie Marocaine de Transformation du Liège, S.A.	Chairman of the Board of Directors and Chairman of the Presiding Board of the General Meeting
Compruss – Investimentos e Participações, Lda.	Director
Cosabe – Companhia Silco-Agrícola da Beira, S.A.	Chairman of the Board of Directors
Dom Korkowy, Sp. Zo.o	Member of the Board of Directors
Equipar – Participações Integradas, S.G.P.S., Lda.	Director
ETS Christian Bourrassé, S.A.	Member of the Board of Directors
Francisco Oller, S.A.	Member of the Board of Directors
Korken Schiesser GmbH	Chairman of the Board of Directors
Olimpiadas Barcelona 92, S.L.	Chairman of the Board of Directors
SIBL – Société Industrielle Bois Liège, S.A.R.L.	Director
Société Nouvelle des Bouchons Trescasses, S.A.	Director
Vinolock, A.S.	Director
Other companies	
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Serviços e Gestão, S.A.	Chairman of the Board of Directors
Amorim – Sociedade Gestora de Participações Sociais, S.A.	Member of the Board of Directors
Amorim – Viagens e Turismo, Lda.	Director
Amorim Desenvolvimento – Investimentos e Serviços, S.A.	Chairman of the Board of Directors
Amorim Global Investors, S.G.P.S., S.A.	Chairman of the Board of Directors
Lantal Têxtil, S.A.	Member of the Board of Directors
Montinho das Ferrarias de Baixo – Sociedade Agroflorestal, S.A.	Sole Director
Montinho, S.G.P.S., S.A.	Sole Director
OSI – Sistemas Informáticos e Electrotécnicos, Lda.	Director
Pimpolho, S.G.P.S., S.A.	Sole Director
QM1609 – Investimentos Imobiliários, S.A.	Chairman of the Board of Directors
Quinta do Monte 2020, S.G.P.S., S.A.	Sole Director
Quinta Nova de Nossa Senhora do Carmo, S.A.	Member of the Board of Directors
Taboadella, S.A.	Member of the Board of Directors

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

Company	Position Held
Corticeira Amorim Group	
Amorim Cork, S.A.	Vice-Chairman of the Board of Directors
Amorim Cork, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Cork Composites, S.A.	Member of the Board of Directors
Corecochic – Corking Shoes Investments, Lda	Director
Amorim Florestal, S.A.	Member of the Board of Directors
Amorim Florestal II, S.A.	Member of the Board of Directors
Amorim Florestal III, S.A.	Member of the Board of Directors
Amorim Industrial Solutions – Imobiliária, S.A.	Member of the Board of Directors
Amorim Cork Insulation, S.A.	Member of the Board of Directors
Amorim Natural Cork, S.A.	Member of the Board of Directors
Amorim Cork Flooring, S.A.	Member of the Board of Directors
Amorim Cork Ventures, Lda.	Director
Cosabe – Companhia Silvo-Agrícola da Beira, S.A.	Member of the Board of Directors
Ecochic Portuguesas – Footwear and Fashion Products, Lda.	Director
Other companies	
Ahorro Corporación Financiera h, SL	Advisor
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Board of Directors
Amaroka, Lda.	Director
Atitlan Real Estates Porto Imóveis, S.A.	Member of the Board of Directors
Atitlan Porto Investments, S.A.	Member of the Board of Directors
API – Amorim Participações Internacionais, S.G.P.S., S.A.	Member of the Board of Directors
Casa das Heras – Empreendimentos Turísticos, S.A.	Member of the Board of Directors
Imobis – Empreendimentos Imobiliários Amorim, S.A.	Member of the Board of Directors
Mosteiro de Grijó – Empreendimentos Turísticos e Imobiliários, S.A.	Member of the Board of Directors
OSI – Sistemas Informáticos e Electrotécnicos, Lda.	Director
Paisagem de Alqueva, S.A.	Member of the Board of Directors
Quinta Nova de Nossa Senhora do Carmo, S.A.	Member of the Board of Directors
Taboadella, S.A.	Member of the Board of Directors

Fernando José de Araújo dos Santos Almeida (Member):

Company	Position Held
Corticeira Amorim Group	
Amorim Cork Services, Lda.	Director
Amorim Cork Flooring, S.A.	Member of the Board of Directors
OSI – Sistemas Informáticos e Electrotécnicos, Lda.	Director
Vatrya – Consultoria e Marketing, Lda.	Director

Cristina Rios de Amorim Baptista (Member):

Company	Position Held
Other companies	
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Vice-Chairman of the Board of Directors
Amorim – Sociedade Gestora de Participações Sociais, S.A.	Non-Executive Member of the Board of Directors
Banco BPI, S.A.	Non-Executive Member of the Board of Directors
Other institutions	
BCSD Portugal – BCSD – Business Council for Sustainable Development	Member of the Board
AEM - Association of Listed Companies	Member of the General Board, representing Corticeira Amorim, S.G.P.S., S.A.

Luisa Alexandra Ramos Amorim (Member):

Company	Position Held
Other companies	
Amorim – Investimentos e Participações, S.G.P.S., S.A.	Member of the Board of Directors
Amorim – Serviços e Gestão, S.A.	Member of the Board of Directors
Amorim – Viagens e Turismo, Lda.	Director
Amorim Desenvolvimento – Investimentos e Serviços, S.A.	Member of the Board of Directors
Amorim Global Investors, S.G.P.S., S.A.	Member of the Board of Directors
Amorim Negócios Internacionais, S.A.	Chairman of the Board of Directors
Amorim Negócios II, S.G.P.S., S.A.	Chairman of the Board of Directors
Bucozal – Investimentos Imobiliários e Turísticos, Lda.	Director
Dreaming Fix, Lda.	Director
Época Global, S.G.P.S., S.A.	Chairman of the Board of Directors
Folha da Fonte – Agropecuária, Lda.	Director
Great Prime, S.A. – Em Liquidação	Liquidator
Herdade Aldeia de Cima do Mendro – Sociedade Comercial, Agrícola e Turística, Lda.	Director
LUNES – Investimentos, S.A.	Chairman of the Board of Directors
Mercado Prime – S.G.P.S., S.A.	Chairman of the Board of Directors
Mercado Urbano – Gestão de Imobiliária, S.A.	Chairman of the Board of Directors
OSI – Sistemas Informáticos e Electrotécnicos, Lda.	Director
Quinta Nova de Nossa Senhora do Carmo, S.A.	Chairman of the Board of Directors
Vintage Prime, S.G.P.S., S.A.	Member of the Board of Directors
Taboadella, S.A.	Chairman of the Board of Directors
Other institutions	
Associação Bagos D'Ouro – IPSS	Chairman of the Board
ACIBEV	Member of the Board
Universidade Nova de Lisboa	Member of the General Board

Juan Ginesta Viñas (Member):

Company	Position Held
Corticeira Amorim Group	
Trefinos, S.A.	Chairman of the Board of Directors
Other companies	
Les Finques, S.A.	Sole Director

c) Committees within the Board of Directors or Supervisory Board and Board Delegates

27. Details of the committees created within the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable, and the place where the rules on the functioning thereof is available.

There is an Executive Committee, created by delegation of powers by the Board of Directors. Although there are no formal rules of procedure available for viewing, the functioning of the Executive Committee complies with all the rules governing its work, namely those of the Portuguese Companies' Code, the Articles of Association and the Code of Business Ethics and Professional Conduct and the procedures adopted internally. This constitutes by itself adequate rules of procedure that enable the implementation of the best practices, safeguarding the effectiveness of the Company and creating value for shareholders.

As already referred to regarding the Board of Directors, it should be added that the principles of good business practice are part of the core values upheld by both the members of this committee and the staff members who assist and/or advise them.

28. Composition of the Executive Committee.

The Executive Committee shall consist of three members, i.e., a Chairman and two Members:

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

The term of office of the Executive Committee coincides with that of the Board of Directors.

29. Description of the powers of each of the committees established and a summary of activities undertaken in exercising said powers.

The Executive Committee exercises the powers delegated to it by the Board of Directors - in the precise terms provided for in the articles of association and in law, as described in section 9 herein, with a view to streamlining management practices and making possible closer and continuous monitoring of the Company's different areas (management, operations and support) and its operating and business processes.

According to Corticeira Amorim's articles of association, the Executive Committee is vested with the power to implement the decisions made by the Board of Directors, manage the Company's ordinary course of business and implement certain management duties. The activity of the Executive Committee was conducted in 2020 according to these duties, with the purpose of performing:

- The day-to-day management of the Company;
- The implementation of the decisions taken by the Board of Directors;
- The alignment of the activity of the various business units that constitute the Company, and analysis of the respective reporting;
- The budget estimates and setting goals and objectives;

- In terms of human resources: analysis of the evolution of indicators, policy and priorities for training, performance assessment, salary policy;
- Monitoring the evolution of critical business factors, definition and implementation of management measures concerning those factors (evolution of prices of main inputs, interest rates and exchange rates);
- Follow up and decisions on investment, loans and taking on liabilities;
- Definition of the internal audit and internal control activities and reporting on the main conclusions;
- Policy definition and decision on priority action in the field of Research, Development and Innovation;
- Monitoring the Corticeira Amorim's share price: transactions, price development, analysts' estimates;
- The analysis and reflection on the corporate governance model and its suitability to the Company and respective goals.

Whenever matters are examined and/or decided in which one or more members of the Executive Committee have particular interests which conflict with the interests of the Company, the member(s) in conflict shall inform the Board of this circumstance, providing all necessary information but abstaining from voting on such matters.

In the scope of its powers, the Executive Committee has timely access to all information and employees, both from the Company and its main subsidiaries, with a view to monitoring the business, evaluating performance and development prospects. Accordingly, the Executive Committee receives notices, work orders and documentation to support all meetings in which it analyses and/or decides on the strategy, implementation and actions and evaluates the results of the various Business Units of Corticeira Amorim; it participates in the management meetings of these Business Units and has broad access to any documents or employees appropriate to the clarifications that it deems pertinent.

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

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

The Executive Committee met 15 times during 2020 (2019: 11), attendance was 100% (in overall and individual terms).

III. SUPERVISION

a) Composition

30. Details of the Supervisory Body (Supervisory Board, the Audit Committee or the General and Supervisory Board) representing the model adopted.

The Company has adopted the governance model commonly known as the “reinforced Latin” model, with a double supervisory mechanism consisting of a supervisory board and a statutory auditor.

31. Composition of the Supervisory Board, with details of the articles of association’s minimum and maximum number of members, duration of term of office, number of effective members, date of first appointment, date of end of the term of office for each member.

The Articles of Association establish that the Supervisory Board consists of three incumbent members and one or several alternate members⁷.

As at 31 December 2020, the composition of the Supervisory Board was as follows:

Chairman: Eugénio Luís Lopes Franco Ferreira

Date of first appointment as Member of the Supervisory Board: 24 March 2014

Date of first re-election as Member of the Supervisory Board: 07 April 2017

Date of second re-election as Member of the Supervisory Board: 26 June 2020 (term of office: 2020-2022)

On 23 December 2020, following the termination of Manuel Carvalho Fernandes’s office, and pursuant to Article 4(3) of this body’s Regulations, he was selected as Chairman of the Supervisory Board

End of current term of office: 31 December 2022, remaining in office until a new election pursuant to law.

Member: Marta Parreira Coelho Pinto Ribeiro

Date of appointment as Alternate to the Supervisory Board: 12 April 2019

Date of first appointment as Incumbent Member of the Supervisory Board: 18 June 2019

Date of first re-election as Member of the Supervisory Board: 26 June 2020 (term of office 2020-2022)

End of current term of office: 31 December 2022, remaining in office until a new election pursuant to law.

Member: Maria Cristina Galhardo Vilão

Date of appointment as Alternate to the Supervisory Board: 26 June 2020 (term of office 2020-2022)

Date of appointment as Incumbent Member of the Supervisory Board: 23 December 2020, following the termination of Manuel Carvalho Fernandes’s duties

End of current term of office: 31 December 2022, remaining in office until a new election pursuant to law.

At the issue date of this report, all members making up the Supervisory Board, or who did so in 2020, are independent.

The Policy for the Promotion of Diversity described in the comments on Recommendation I.2.1. of this report applies to the Supervisory Board, with the objectives set out therein. The actual diversity of its composition (age, gender, qualifications and professional background) is detailed in Section 33 of this report.

The size, expertise, and diversity of the Supervisory Board, combined with the availability of all the members, are appropriate to the size of the Company and the complexity of the risks inherent to its activity, ensuring the full, efficient and diligent exercise of the duties entrusted to this body.

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7. Until 23 December 2020 (termination of office date), the position of Chairman of the Supervisory Board was held by Manuel Carvalho Fernandes.
Date of first appointment as Chairman of the Supervisory Board: 24 March 2014
Date of first re-election as Chairman of the Supervisory Board: 07 April 2017
Date of second re-election as Chairman of the Supervisory Board: 26 June 2020

32. Details of the members of the Supervisory Board, which are considered to be independent pursuant to Article 414 (5) of the Portuguese Companies’ Code.

As far as the Company knows, all the members of the Supervisory Board, both incumbent and alternate members, meet the independence criteria set out in Article 414 (5) as well as the incompatibility rules envisaged in Article 414-A(1), both of the Portuguese Companies’ Code.

33. Professional qualifications of each member of the Supervisory Board, and other important curricular information.

Eugénio Luís Lopes Franco Ferreira (Chairman):

Education and professional training: graduated with a Bachelor’s Degree in Economics from the University of Porto, Faculty of Economics in 1976 where he lectured Financial Mathematics in 1976/1977. Throughout his career, he attended numerous training activities in several European countries and the United States; Member of the *Ordem dos Economistas* and member of the Portuguese Institute of Corporate Governance (IPCG). In 2016, he voluntarily cancelled his enrolment in the *Ordem dos Revisores Oficiais de Contas* (Statutory Auditors’ Association) and the *Ordem dos Contabilistas Certificados* (Chartered Accountants’ Association). Professional experience: is, since 2009, a Consultant as an independent contractor; from 1977 to 2008: joined the office in Porto of the then Price Waterhouse (PW), currently PricewaterhouseCoopers (PwC). After a brief stint at the Paris office (1986), he was admitted as a Partner in 1991, transferring to the Lisbon office in 1996. He initially joined the Audit department and later the Transaction Services department, having participated in numerous audits and consulting projects, particularly in the area of transactions and corporate reorganisations, in almost all business sectors, including in cork companies, covering the entire manufacturing sector. As an auditor, the scope of responsibilities included, in most cases, the performance of the duties of the Statutory Auditor; at different times he performed various internal functions at PW / PwC, namely (i) the head of the Porto office (1989-1998); (ii) territorial responsibility for the technical audit function and risk management (Technical Partner and Risk Management Partner); (iii) responsibility for administrative functions, financial and internal IT (Finance & Operations Partner); (iv) in charge of the Audit Department; (v) member of the Executive Committee (Territory Leadership Team); between 1966 and 1976: initiated activity in a small company in the automotive sector, interrupted between 1971 and 1974 for the fulfilment of military service. Management positions held in the last five years: manager of VMR&MR, Lda., since 2019.
Gender: Male | Age: 70

Marta Parreira Coelho Pinto Ribeiro (Member)

Marta graduated with a Bachelor’s Degree in Economics and a Master’s Degree in Economics from the University of Porto, Faculty of Economics and holds a PhD degree in Economics (specialisation in Behavioural Economics) from the London School of Economics

and Political Science (LSE), 2004. Since 2004, she has been a staff member of LSE. From 2004 to 2014, she was responsible for the subject of Negotiation, turning it into a reference subject at LSE. Since 2017, she is a staff member of Oxford University, Saïd Business School, at the Negotiation for Executives course. In this course, she holds a teaching role, as well as coaching executives. In terms of research, Marta is essentially devoted to the study of over-optimism and over-confidence of economic agents and the implications of such deviations in economic decision-making (namely decisions related to entrepreneurship). Her research topics are central themes in the field of Behavioural Economics as evidenced by the reference to her work by the Nobel Prize in Economics, Daniel Kahneman, in his book "Thinking Fast and Slow". In addition to her teaching and research roles, she has played, and still does, an advisory role. Among other advisory roles, namely in the area of negotiation, she participated in studies on price reform in the pharmaceutical industry in Portugal and studies on regional economic development. In order to develop her communication skills, she took a course in this area in September 2019. She has been regularly invited by Oxford University to give presentations on negotiation styles. Gender: Female | Age: 51.

Maria Cristina Galhardo Vilão (Member):

She graduated in Law from the Faculty of Law of the University of Lisbon and has a Master's Degree (LL.M) from McGill University, Montreal, Canada.

Her professional career has been focused on law practise, working in the areas of finance, capital markets and business consultancy, among other law fields.

After an initial period as legal and economic adviser to the Macau Government, which was followed by a Master's degree from McGill University (Canada), she practised law at the law firm Barros, Sobral, G. Gomes & Associados, with offices in Portugal, Brazil and London, where she worked mainly in the capital markets, finance and corporate areas, with a strong international focus. She was temporarily seconded to Clifford Chance in London, where she gained first-hand experience of working in a global law firm. In 1997, she joined Belarmino Martins & Associados, a correspondent firm of Price Waterhouse, which led to her joining Oliveira, Martins, Moura, Esteves e Associados, a member of Landwell, correspondent law firms of PricewaterhouseCoopers. During this period, she came into close contact with auditors and clients in the financial and banking field, as well as in corporate consultancy. In 2000, together with Manuel Anselmo Torres, she founded the Galhardo Vilão Torres (GVT) law firm, which specialises in tax, financial and corporate law. Since then, she has worked as a partner at GVT, where she coordinates and assists clients in the technological, industrial, real estate, hotel and distribution sectors. She also provides advice to individual clients in specific cases, particularly involving property. Her work continues to be highly international, with most of her clients being foreign or Portuguese and involved in multinational activities.

Gender: Female | Age: 56.

b) Functioning

34. Availability and place where the rules on the functioning of the Supervisory Board may be viewed.

The Bylaws of the Supervisory Board of the Company can be viewed at www.amorim.com – Investors section.

35. The number of meetings held and the attendance report for each member of the Supervisory Board.

The Supervisory Board meets whenever called by the Chairman or by any other two members of the Supervisory Board, and at least

every quarter, pursuant to article 10 of the rules of procedure of that body. The Supervisory Board met seven times during 2020 (2019: 5), with an overall and individual attendance of 100%.

36. The availability of each member of the Supervisory Board, indicating the positions held simultaneously in other companies inside and outside the group, and other relevant activities undertaken by members of these Boards.

Eugénio Luís Lopes Franco Ferreira (Chairman):

Company	Position Held
Other companies	
VMR&MR – Transportes de Passageiros e Atividades Turísticas, Lda.	Manager

He acts professionally as a self-employed consultant.

Marta Parreira Coelho Pinto Ribeiro (Member):

She has a PhD degree in Economics from the London School of Economics and Political Science (LSE), 2004, where she has been a staff member ever since; since 2017, she has also been a staff member of Oxford University, Saïd Business School, at the Negotiation for Executives course. In addition to teaching and coaching roles, she also dedicates herself to research and an advisory role.

She doesn't hold any other company positions in other companies, be it in or out of the Corticeira Amorim Group.

Maria Cristina Galhardo Vilão (Member):

Company	Position Held
Other companies	
Galhardo Vilão, Torres, Sociedade de Advogados	Partner and Director
Investoc, S.G.P.S., S.A.	Chairman of the General Meeting
Osório de Castro, Investimentos Imobiliários, S.A.	Chairman of the General Meeting
Hotel Santa Marta, S.A.	Chairman of the General Meeting
Inspira Santos, S.A.	Chairman of the General Meeting
Hexagenm S.A.	Chairman of the General Meeting

c) Powers and duties

37. A description of the procedures and criteria applicable to the supervisory body for the purposes of hiring additional services from the external auditor.

The Supervisory Board is responsible for monitoring the independence of the Statutory Auditor, especially in relation to the provision of additional services.

It should be noted that the entry into force on 1 January 2016 of Law No. 140/2015 of 7 September, approving the new Regulation of the Portuguese Institute of Statutory Auditors and Law No. 148/2015 of 9 September approving the Legal Regime for Audit Supervision, implied that the provision of services by the Statutory Auditor is substantially limited (a wide range of services are legally prohibited and the rest are limited to 70% of the total fees paid to the Statutory Auditor for statutory audit services) and that the non-prohibited services require the prior approval of the Supervisory Board.

Thus, while always requiring the prior approval by the Supervisory Board, services other than the statutory audit were contracted from the Statutory Auditor. These services essentially comprise work to comply with formalities established by law and work to ensure the reliability of the half-yearly financial statements, the independent review of the annual sustainability report and life cycle study services and/or analysis of the carbon footprint of various products and services in order to evaluate Corticeira Amorim's environmental, social and economic impacts.

38. Other duties of the Supervisory Body.

The Supervisory Board is responsible, under the law and respective Bylaws (can be viewed at www.amorim.com, Investors section):

- Examine and issue its prior opinion on the transactions with Qualified Shareholders, as set down in specific regulations;
 - Suspend directors when:
 - Their health temporarily prevents them from performing their duties;
 - Other personal circumstances preclude them from carrying out their duties for a period of time presumably greater than 60 days and they ask the Supervisory Board to be temporarily suspended or the Board deems this to be in the interest of the Company;
 - Declare the removal from office of Directors when, following their appointment, there occurs some form of incapacity or incompatibility that poses a barrier to that appointment and the director does not leave that post or does not remove the supervening incompatibility within 30 days;
 - Comply with all other duties set down by law or the articles of association;
 - Assess the management report, the annual accounts, the legal certification of accounts or impossibility of certification, as well as the additional report to be prepared by the Statutory Auditor in accordance with article 24 of Law no. 148/2015;
 - If it agrees with the statutory audit certificate or the statement that the issue of such certification is impossible, then it must explicitly state this in its opinion;
 - If it does not agree with the statutory audit certificate or the statement that the issue of such certification is impossible, then it must include the reasons for such disapproval in its report;
 - Send the report and opinion to the Board of Directors within 15 days of the date on which it received the referred accounting documents;
 - Issue in its report and opinion a statement that, relating to the annual directors' report, the annual accounts, and other accounting documents required by law or CMVM Regulations, to the best of its knowledge, the information was prepared in accordance with applicable accounting standards, giving a true and fair view of the assets and liabilities, financial position and profit/loss of the Company and the companies included in the consolidation perimeter, and that the management report faithfully describes the evolution of the business, the Company's performance and position and of the companies included in the consolidation perimeter, and it contains a description of the principal risks and uncertainties that they face;
 - Supervise the process of preparation and disclosure of financial information and submit recommendations or proposals to ensure its integrity;
 - Select the auditors to propose to the General Assembly and justifiably recommend the preference for one of them;
 - Monitor the statutory audit of the individual and consolidated annual accounts, in particular the implementation of the same, taking into account any
- Oversee the management of the Company;
 - Monitor compliance with the law and articles of association;
 - Check the correctness of the accounting records and documents supporting those records;
 - Check when deemed convenient and in the manner considered adequate, the extent of cash and stocks of any kind of goods or assets owned by the Company or received as collateral, deposit or otherwise;
 - Check the accuracy of the financial statements;
 - Check whether the accounting policies and valuation criteria adopted by the Company lead to a correct assessment of the assets and profits;
 - Prepare an annual report on its supervisory action and give an opinion on the report, accounts and proposals submitted by management;
 - Convene the General Meeting when the Chairman of that Presiding Board does not and should do so;
 - Monitor the effectiveness of the risk management system, internal control system and internal audit system, if any;
 - Receive reports of irregularities presented by shareholders, Company employees or others, giving them due treatment;
 - Analyse the reports of irregularities received, requesting from the Company's other corporate bodies and structures the necessary explanations for the reported situations;
 - Suggest, following the analysis referred to in the preceding paragraph, measures to safeguard from the occurrence of such irregularities and give knowledge of them to the Board of Directors and/or to the internal or external entities that each situation warrants, while always guaranteeing the non-disclosure of the identity of those reporting such situation, unless they expressly do not wish such;
 - Outsource for the provision of expert services to assist one or more of its members in the exercise of their duties; the hiring and remuneration of experts must take into account the importance of the entrusted matters and the financial situation of the Company; the scope and conditions of the provision of services to be hired must be communicated in advance to the Board of Directors;

findings and conclusions of the Portuguese Securities Market Commission;

- Verify and monitor the independence of the Statutory Auditor pursuant to the law, including the obtaining of formal written confirmations of the statutory auditor provided in Articles 63 and 78 of the Statute of the Statutory Auditors Association and in particular, verify the appropriateness and approve the rendering of services other than audit services;
- Check that the published report on the corporate governance structure and practices includes the provisions referred to in article 245-A of the Portuguese Securities' Code.

The Supervisory Board is guaranteed access to all documentation and employees of the Company to obtain regular information on the evolution of the activity in general, and the areas that are its special competence in particular. A system of regular reporting is also in place, covering, among others, the minutes of the meetings of the Executive Committee, internal audit reports and the list of transactions with related parties.

IV. STATUTORY AUDITOR

39. Details of the statutory auditor and the partner representing it.

The Statutory Auditor shall consist of one member and one alternate member, any one of which may be a statutory auditor or statutory auditor firm.

The Shareholders' General Meeting, held on 26 June 2020, re-elected for the current term of office (2020-2022):

Statutory Auditor: ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A., represented by Rui Manuel da Cunha Vieira

Alternate: Pedro Jorge Pinto Monteiro da Silva e Paiva

Date of first re-election: 07 April 2017 (term of office 2017-2019)

End of current term of office: 31 December 2022, remaining in office until a new election pursuant to law.

The Statutory Auditor is responsible for the following:

- Undertake all necessary examinations and checks for the audit and issue of the statutory audit certificate of the Company's accounts. The following must be checked, in particular:
 - The correctness of the accounting records and documents supporting those records;
 - When deemed convenient and in the manner considered adequate, the extent of cash and stocks of any kind of goods or assets owned by the Company or received as collateral, deposit or otherwise;
 - The accuracy of the financial statements;
 - Whether the accounting policies and valuation criteria adopted by the Company lead to a correct assessment of the assets and profits;
- Immediately report by registered letter to the Chairman of the Board of Directors the facts in its possession that it considers indicate serious difficulties in the pursuit of the Company's object, including repeated non-payments to suppliers, bad debts, issuing cheques without sufficient funds, failure to pay social security contributions or taxes. Request that the Chairman of the Board of Directors, in the

event no reply was made to a letter or request or the reply received was deemed unsatisfactory, the convening of the Board of Directors to meet, with the statutory auditor present, to appraise the facts and take the appropriate decisions. If the meeting is not held or if the adopted measures are not deemed adequate to safeguard the interests of the Company, it must require, by registered letter, that a General Meeting is convened to appraise and decide on the facts contained in the mentioned registered letters and the minutes of the above-referred meeting of the board of directors.

40. State the number of years that the statutory auditor consecutively carries out duties with the Company and/or Group.

ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A. was elected on 7 April 2017 (term of office 2017-2019) and re-elected on 26 June 2020 (current term of office 2020-2022). The financial year 2020 was its fourth consecutive year in office.

41. Description of other services that the statutory auditor provides to the Company.

During the year under review, ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A., including other entities belonging to the same network, was hired by the Company and other companies that are in a control or group relationship with it, to deliver audit and statutory audit services and other services subject to prior examination and approval by the Supervisory Board, such as the review of interim financial information and other reliability assurance services.

The total amount of those services are stated in section 47.

V. EXTERNAL AUDITOR

42. Details of the external auditor appointed in accordance with Article 8 and the partner that represents same in carrying out these duties, and the respective registration number in the CMVM.

The external audit of Corticeira Amorim is performed by the Statutory Auditor (as identified in section 39).

43. State the number of years that the external auditor and respective partner that represents same in carrying out these duties consecutively carries out duties with the Company and/or Group.

As set out in section 40 above.

44. Rotation policy and schedule of the external auditor and the respective partner that represents said auditor in carrying out such duties.

As set out in section 40 above.

45. Details of the Board responsible for assessing the external auditor and the regular intervals when said assessment is carried out.

As set out in section 40 above.

46. Details of services, other than auditing, carried out by the external auditor for the Company and/or companies in a control relationship and an indication of the internal procedures for approving the hiring of such services and a statement on the reasons for said hire.

Asset out in section 41 above (identification of work) and in section 37 (internal procedures).

47. Details of the annual remuneration paid by the Company and/or legal entities in a control or group relationship to the auditor and other natural or legal persons pertaining to the same network and the percentage breakdown relating to the services:

Type of Service	Audit and certification of accounts	The review of interim financial information and other reliability assurance and services	Tax advice	Other services	Total
EY SROC					
Corticeira Amorim	29,000	19,000	0	0	48,000
Group companies	157,600	2,500	0	38,250	198,350
Companies of EY's network					
Corticeira Amorim	0	0	0	0	0
Group companies	72,800	4,000	0	0	76,800
TOTAL	259,400	25,500	0	38,250	323,150
Corticeira Amorim	29,000	19,000	0	0	48,000
Group companies	230,400	6,500	0	38,250	275,150
TOTAL	259,400	25,500	0	38,250	323,150
	80%	8%	0%	12%	100%

Values in euros

The Review of interim financial information and other reliability assurance services column covers the limited audit of the consolidated financial statements for the six-month period ended 30 June 2020 and the independent audit of the sustainability report, certification of expenses included within the scope of subsidised research and development projects and other certifications within the scope of subsidised investment projects.

The Other services column includes life cycle studies and/or analysis of the carbon footprint of various products from the Business Unit Cork Stoppers.

[C.] Internal Organisation

I. ARTICLES OF ASSOCIATION

48. The rules governing amendment to the Articles of Association (Article 245-A/1/h).

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

II. REPORTING OF IRREGULARITIES

49. Reporting means and policy on the reporting of irregularities in the Company.

Corticeira Amorim has a Code of Business Ethics and Professional Conduct, available at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>, which formalises the set of rules and guidelines that should guide the Group's and its employees' decisions and daily actions, both in internal relationships (with other employees) as well as external ones with other business partners (investors, customers, suppliers of goods and services, public and private institutions, local communities and society at large).

Violations of the Code by employees (including members of corporate bodies, directors and workers) of the Organisation must be immediately rectified and all practices contrary to the Code must cease without delay. Regardless of any other liability the transgressor may incur, infractions will be sanctioned in accordance with labour laws and regulations, as well as other legal provisions that must be enforced. In accordance with the law, disciplinary sanctions may include termination of the employment relationship.

The Board of Directors ensures the Code is applied and, whenever necessary, (i) establishes interpretation criteria, sending conclusions to the Supervisory Board and the Legal Department and such interpretations may be disclosed by the same means as the Code; (ii) adopts any appropriate guidelines and procedures to develop the Code.

The Supervisory Board is the governing body responsible for receiving and following up on any reports of irregularities, thereby also ensuring that the Code is applied.

The Internal Audit Department includes in its annual plan of activities the collection of information on incidents and/or violations of the Code of Business Ethics and Professional Conduct, producing an annual report on the subject, which will be submitted to the Supervisory Board for evaluation and approval. Once approved by the Supervisory Board, it will be communicated to the Board of Directors.

All individuals bound by the Code of Business Ethics and Professional Conduct will comply with and contribute to

compliance with this Code and its associated regulations, policies, and principles. To this end, a Procedure for Reporting Irregularities has been established that allows both employees bound by the Code and other interested parties to confidentially report any violation of the principles contained in this Code without fear of reprisals. This procedure is attached to the Code and published on Company's Intranet and Corticeira Amorim's corporate website so that all involved have access to it.

As mentioned above, it is the responsibility of the Supervisory Board, in accordance with its respective Regulations (available at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>) to receive reports of irregularities presented by shareholders, Company employees or others, giving them due treatment.

Such reports shall be addressed to:

Conselho Fiscal da Corticeira Amorim, S.G.P.S., S.A.

Address - Registered office of the Company: Rua Comendador Americo Ferreira de Amorim, n.º 380 – Apartado 20
4536-902 MOZELOS
Telephone: 22 747 54 00
E-mail: conselhofiscal.casgps@amorim.com

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

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

- Suggest measures to prevent such irregularities occurring;
- Report any identified and confirmed irregularities to the Board of Directors and relevant authorities, both internal and external, in accordance with each specific situation.

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

Corticeira Amorim believes that there are a number of measures, i.e. (i) the assignment of such responsibilities to the Supervisory Board – a body composed entirely of independent members, thus ensuring the impartial handling and consideration of irregularities reported to the Company; (ii) the non-imposition of the use of a specific format for such reports and the fact that the whistle-blower may use the channels it deems most suitable to make the report; and (iii) the obligation to ensure protection of personal data (scrupulously following the instructions given by whistle-blowers regarding confidentiality) that safeguard the rights of both whistle-blowers and other staff members involved, while ensuring that the reporting process remains simple, and contribute effectively to promoting the impartial investigation and clarification of the situations reported.

III. INTERNAL CONTROL AND RISK MANAGEMENT

50. Individuals, boards or committees responsible for the internal audit and/or implementation of the internal control systems.

Responsibility for internal audit and the implementation of internal control systems lies with the Board of Directors. There is a transversal support area in this respect – Internal Audit, whose monitoring is the responsibility of the Executive Committee, in liaison with the Supervisory Board.

51. Details, even including organisational structure, of hierarchical and/or functional dependency in relation to other boards or committees of the Company.

As mentioned in section 50 above.

52. Other functional areas responsible for risk control.

The main aim of the Board of Directors and the Executive Committee is to establish an integrated overview of critical success factors in terms of profitability and/or associated risks with a view to creating sustainable value for both the Company and its shareholders, being responsible for defining the risk strategy and policies, as well as the parameters for assessing acceptable risk, in liaison with the Supervisory Board.

At the operating level and due to the specific characteristics of Corticeira Amorim's activity, three areas of particularly critical importance are identified, which are analysed and strategically managed by the Executive Committee: market risk, business risk (including exchange rate risk) and the raw material component (cork).

Robust internal control systems are in place, namely management control and budget control, monitored through the balanced scorecard methodology.

Therefore, given the specificities of Corticeira Amorim's framework and business model – in particular (i) the development of an essentially stable business; (ii) the know-how and skills accumulated over 150 years of activity, continuously enhanced through innovation, development and training programmes; (iii) diversification in terms of products, currencies, markets, the vast portfolio of clients (iv) the effective management and monitoring of the business' critical factors by the Board of Directors and other functions related to the management of these factors; (v) the robust control systems implemented and (vi) the dual corporate supervision (Supervisory Board and Statutory Auditor) allow us to conclude that Corticeira Amorim's internal control is structured and sized appropriately for its activity.

53. Details and description of the major economic, financial, and legal risks to which the Company is exposed in pursuing its business activity.

Raw materials (cork) risk:

The management of the procurement, storage and preparation of the single variable common to all business activities of Corticeira Amorim, i.e. the raw material (cork) is centralised in the Raw Materials Business Unit, an autonomous unit with professional and independent management. This allows us to:

- Form a specialised team exclusively focused on raw materials;

- Make the most of synergies and integrate all raw materials (cork) manufactured by other BUs in the relevant BU's production process;
- Improve the management of raw materials from a multinational perspective;
- Strengthen its presence in cork-producing countries;
- Keep an updated historical record of production status by cork-producing forest unit;
- Strengthen relationships with producers, promote forest certification, improve the technical quality of products and enter into research and development partnerships with forestry-related partners;
- Ensure that an optimal mix of raw materials is used to meet market demand for finished products;
- Ensure the supply stability of cork, a critical variable for Corticeira Amorim's operations, over the long term;
- Prepare and propose to the Board of Directors the multi-annual purchasing policy to be implemented.

Market risk and operational business risk:

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

In devising a strategic plan for these Business Units – a strategic plan based on balanced scorecard methodology – a number of key factors for value creation are identified by using a multifaceted approach that encompasses the outlook for finance, market/customers, processes and infrastructures. Using this approach, strategic objectives and goals are defined as well as the actions required to achieve them.

The adopted method strengthens alignment between the defined strategy and operational planning where such are defined, for a shorter time horizon, the priority actions to develop to reduce risk and ensure sustained value creation. The Executive Management of each Business Unit is responsible for pursuing the executive processes that allow the systematic monitoring of the actions, which are subject to periodic monitoring and monthly evaluation by the Board of Directors of the Business Unit.

Legal risk:

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

The Legal Department in cooperation with the Organisational Development and Strategic Planning area seek to anticipate such amendments and adapt corporate governance practices accordingly. The numerous certification processes (food safety, quality, environmental management, human resources, etc.), as described in Chapter 6 of the Management Report, are based on procedures designed, implemented and regularly and strictly audited by certifying organisations, thus guaranteeing the minimisation of such risks. Wherever possible and practicable, the Organisation takes out insurance to mitigate the effects of uncertain but potentially unfavourable events.

Financial risk:

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

In addition to the responsibilities of the finance department regarding identification, monitoring and management of the above risks, the main objectives of this department are to assist with the definition and implementation of global financial strategies and with the coordination of the financial management of the group's Business Units. It is structured as follows:

- A Financial Board, which coordinates the financial function at a central level. The FB is responsible for developing policies and measures (to be approved by the Executive Committee) and implementing them, for conducting global dealings with financial counterparts, for monitoring progress and preparing regular reports (to the director responsible for the financial section and to the Executive Committee and the Board of Directors);
- Financial Managers who, at the company level, follow the progress of business deals managing their financial component in accordance with the advocated policies and guidelines, articulating their work performance with the Financial Board.

The financial organisational structure is coordinated as follows:

- Daily and weekly reports and fortnightly debates on financial markets and economic developments that may have an impact on the companies' business;
- Regular (monthly) reports on globally agreed conditions;
- Quarterly meetings of finance managers with a view to reviewing the current specific state of affairs and defining measures to be implemented;
- On the basis of reports submitted to the Board of Directors, the most important aspects of the financial operations (debt, investments, liabilities) shall be discussed.

Cyber risk:

The rapid development of the information society and the resulting competitive advantages for all has led to a growing adoption of information and communication technologies across the entire structure of Corticeira Amorim, including crucial areas such as operations, logistics throughout the production chain, asset management and the development of human resources.

Given this critical nature, network and information security, as a way of guaranteeing the protection and defence of critical infrastructures, is a strategic priority.

Corticeira Amorim is exposed to the risk of digital attacks, namely:

- Systems, networks and operational technology programmes, with potential impacts on the development of the business, whether in terms of production and the associated supply and distribution chain, or in terms of the protection of specific assets (e.g. intellectual property);
- Information technology, which could result in damage or loss resulting from intentional attacks originating from sources external and internal to the Group.

Corticeira Amorim has a specialised team to systematically address these risks with a view to their prevention. In view of growing information security concerns, in 2019 the Executive Board put a programme in place that addresses needs in this area. With the support of an external partner specialised in this area, a diagnosis of the situation was made and a multi-annual intervention plan was drawn up that focuses on the following areas:

- Transformation activities: review and/or implementation of policies and procedures, governance model, techniques, etc.;
- Recurrent activities: such as periodic evaluation with internal and external pentesting, phishing tests, employee training, and awareness and motivation campaigns supported by a communication plan.

On an ongoing basis, the global framework is assessed with regard to new threats, technological evolution and new methodologies, opening up new lines of action whenever necessary, both in the field of transformation activities and recurrent activities.

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

54. Description of the procedure for identification, assessment, monitoring, control and risk management.

The system of internal control, risk management and detection/prevention of irregularities currently implemented in the Company stems from an in-depth and continuous process of improvement and adaptation of internal reflection in the Company, involving both the Board of Directors, in particular its Executive Committee, and the different support areas - in particular the area of Organisational Development and Strategic Planning - or the support of external specialised consultants, where appropriate.

Also noteworthy is the Internal Audit area, whose work has significant impact on reducing the organisation's operational risks and detection/prevention of irregularities and non-conformities. The main tasks are to assess and review internal control systems with a view to optimising resources and safeguarding assets as well as monitoring activities carried out in order to provide the management bodies with a reasonable degree of certainty that business goals will be achieved.

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

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

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

55. Core details on the internal control and risk management systems implemented in the Company regarding the procedure for reporting financial information (Article 245-A/1/m).

In regard to the **preparation and disclosure of financial information - including consolidated**, the Company promotes close cooperation among all those involved in the process to ensure that the production, processing and dissemination of information is adequate and accurate, namely that:

- Its implementation, preparation, and processing complies with all applicable legal requirements and best practices in terms of transparency, relevance and reliability;
- The information has been properly checked both internally and by the appropriate supervisory bodies;
- The information has been approved by the appropriate governing body;
- Its public disclosure complies with all relevant legal requirements and recommendations, specifically those of the CMVM and is made in the following order: first, via the data dissemination system of the Portuguese Securities Market Commission (www.cmvm.pt); second, via the Company's website (www.corticeiraamorim.com); third, by means of a long list of Portuguese and foreign media contacts; and fourth, to Corticeira Amorim's staff and to shareholders, investors, analysts and other stakeholders, whose contacts are stored in a database.

The process of implementing, preparing, and processing financial information, including consolidated information, is dependent on the transaction recording process and support systems. There is an Internal Controls Procedures Manual and an Accounting Manual implemented at the Group level. These manuals contain a set of policies, rules and procedures to (i) ensure that the process of preparation of financial information follows homogeneous principles and (ii) the quality and reliability of the financial information is ensured.

The implementation of accounting policies and internal control procedures relating to the preparation of financial information is subject to evaluation by the internal and external auditors.

The consolidated financial information by Business Unit is assessed, validated and approved by the management of the respective Business Unit, every quarter. This procedure has been consistently adopted by all the Corticeira Amorim's business units.

The consolidated financial information of Corticeira Amorim is approved by the Board of Directors and presented to the Supervisory Board, before its publication.

It is also to be emphasized that the referred Internal Control Procedures Manual contains a set of rules intended to ensure that the process of disclosure of financial information, including consolidated information, guarantees the quality, transparency and fairness in the dissemination of information.

IV. INVESTOR ASSISTANCE

56. Department responsible for investor assistance, composition, functions, the information made available by said department and contact details.

Corticeira Amorim ensures, through the Investor Relations Officer, the existence of permanent contact with the Capital Markets, promoting the communication of relevant and up-to-date information to the financial community. Its activity is based on the principles of transparency, rigour and integrity, respecting the principle of equality of shareholders and preventing asymmetries in access to information by investors, financial analysts and regulatory entities.

The Investor Relations Officer brings together and coordinates the work of professionals from other departments (Consolidation, Management Control, Legal and tax, Administrative, Financial, Communication) of Corticeira Amorim in order to provide impartial and timely replies to all requests from investors (whether shareholder or not).

Role:

The Investor Relations Officer of Corticeira Amorim has the following responsibilities:

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

The following **activities carried out in 2020** in the context of contact with investors are especially noteworthy:

- Presentation of annual and biannual business activity and results via audio-conferencing, thereby promoting interaction in the disclosure of that information;
- One-on-one meetings with investors and financial analysts;
- Participation in road shows, both in Portugal and abroad;
- Conducting conference calls and video conferences with investors;
- Participation in conferences, both in Portugal and in the main European financial centres, mainly by virtual means.

The management team, whenever possible and appropriate, were involved in the actions described above, both those of Corticeira Amorim and of the various Business Units.

Corticeira Amorim has been using its information technology to regularly disclose and disseminate its economic and financial

information, including the Company's operation performance evaluation reports and financial results as well as its answers to specific questions and queries raised by investors.

Type of information made available (in Portuguese and English):

- The Company's name, public status, registered office and other information set out in article 171 of the Portuguese Companies' Code;
- Articles of Association;
- Identification of the members of the Company's governing bodies and the investor relations officer;
- The Office of Investor Assistance, its functions and means of accessing this Office;
- Financial statements, including an annual report on the corporate governance structure and practices;
- Six-month calendar of corporate events released at the beginning of each half-year;
- Notices to members of Annual General Meetings to be given during a 21-day period prior to the date fixed for each meeting;
- Motions submitted for discussion and vote at a General Meeting during a 21-day period prior to the date fixed for the meeting;
- Voting form;
- Proxy form for Annual General Meetings;
- Disclosure of annual, biannual and quarterly information on the Company's business affairs;
- Main financial and activity indicators;
- Share price evolution;
- Press releases: financial results, confidential information, qualifying interests in the share capital of the Company;
- Business presentations to investors and market analysts.

From the beginning of 2009 onwards, the minutes of the General Meetings and statistical information on the attendance of shareholders at the General Meetings are also made available for consultation within five working days of the holding of the Annual General Meeting.

Contact information:

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

57. Investor Relations Officer.

The Investor Relations Officer of Corticeira Amorim is Ana Negrais de Matos.

58. Data on the extent and deadline for replying to the requests for information received throughout the year or pending from preceding years.

The response rate to requests for information is 100%. The reply is provided, on average, within 24 hours (working days), except for highly complex cases (average response time of five working days) that require consultation with external resources to the Company and are, therefore, dependent on the deadlines for the reply from such resources. These cases accounted for less than 5% of total requests for information in 2020. There were no pending replies at the end of the year.

V. WEBSITE

59. Address.

Corticeira Amorim provides a vast range of information on its website www.amorim.com about its corporate structure, business activity and the development of its business.

60. Place where information on the name, public company status, headquarters and other details referred to in Article 171 of the Commercial Companies' Code is available.

Information available at <https://www.amorim.com/en/investors/corporate-governance/governance-model/>.

61. Place where the articles of association and rules of procedure of the boards and/or committees are available.

Information on the Articles of Association, Supervisory Board Rules of Procedure, Code of Business Ethics and Professional Conduct (including the Procedure for Reporting Irregularities) available at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>.

62. Place where information is available on the names of the corporate boards' members, the Investor Relations Officer, the Office of Investor Assistance or comparable structure, respective functions and contact details.

Information on the members of the governing bodies, the Investor Relations Officer and the Investor Relations Office, their duties and how to access them - available at <https://www.amorim.com/en/investors/corporate-governance/board-members/>.

63. Place where the documents are available and relate to financial accounts reporting, which should be accessible for at least five years and the half-yearly calendar on company events that is published at the beginning of every six months, including, inter alia, general meetings, disclosure of annual, half-yearly and where applicable, quarterly financial statements.

Results and accounts available at:
<https://www.amorim.com/en/investors/financial-information/annual-report/>;
<https://www.amorim.com/en/investors/financial-information/other-financial-reports/>;

Half-yearly calendar of company events, available at:
<https://www.amorim.com/en/investors/financial-calendar/>.

64. Place where the notice convening the general meeting and all the preparatory and subsequent information related thereto is disclosed.

<https://www.amorim.com/en/investors/general-meeting/>.

65. Place where the historical archive on the resolutions passed at the Company's General Meetings, share capital and voting results relating to the preceding three years are available.

<https://www.amorim.com/en/investors/general-meeting/>.

[D.] Remuneration

I. POWER TO ESTABLISH

66. Details of the powers for establishing the remuneration of corporate boards, members of the executive committee or chief executive and directors of the Company.

The Annual General Meeting opted to appoint a Remuneration Committee, taking into consideration the ability and capacity of the members of the Committee to perform the duties assigned to them in an independent manner for their entire term of office, i.e. to define remuneration policies for the members of the governing bodies that foster, over the medium and long term, the alignment of their respective interests with those of the Company.

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

Thus,

- The Remuneration Committee of Corticeira Amorim is responsible for setting the fixed and variable remuneration to be awarded to members of the Board of Directors, and also setting the remuneration to be awarded to members of the remaining governing bodies;
- The Board of Directors of Corticeira Amorim is responsible for setting the fixed and variable remuneration to be awarded to its officers.

II. REMUNERATION COMMITTEE

67. Composition of the remuneration committee, including details of individuals or legal persons recruited to provide services to said committee and a statement on the independence of each member and advisor.

Pursuant to the Articles of Association, the Remuneration Committee has three members, who will choose the respective Chairman.

The Shareholders' General Meeting, held on 26 June 2020, re-elected the following members for the current term of office (2020-2022):

Chairman:	José Manuel Ferreira Rios
Member:	Jorge Alberto Guedes Peixoto
Member:	Abdul Rehman Omarmiã Mangá

End of current term of office: 31 December 2022, remaining in office until a new election pursuant to law.

The Remuneration Committee may decide to hire consulting services that it deems appropriate and suitable for the full exercise of its functions, and must ensure that the selection of the respective

providers obeys criteria of competence and independence. In the financial year under review, no natural or legal person was hired to assist the Remuneration Committee.

The Remuneration Committee met five times in 2020 (2019: five). The global attendance rate was 100%.

It is the responsibility of this Committee to present the Remuneration Policy to be submitted to the Shareholders' General Meeting regarding the remuneration to be paid to members of the corporate bodies (Presiding Board of the General Meeting, Board of Directors, Supervisory Board and Statutory Auditor). It is also responsible for deciding on the remuneration (fixed and/or variable) of each director, which directors' remuneration consists of profit sharing as well as the percentage attributable to each of these.

The members of Corticeira Amorim's Remuneration Committee should not be formally considered independent (although none of them are on the Company's the Board of Directors). It is generally believed – particularly by the Annual General Meeting which elected the Committee members – that they have adequate technical skills, practical experience, judgement and ethics to enable them to fully protect the interests entrusted to them.

68. Knowledge and experience in remuneration policy issues by members of the Remuneration Committee.

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

Professional qualifications of each member of the Remuneration Committee and other significant curricular information:

José Manuel Ferreira Rios (Chairman):

Graduated with a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics. Property Damage Claims Specialist Course (2016) and frequents various courses on Safety and Human Resources. Has performed since 1975 Management positions in various companies, including, among others, leadership in human resources departments, with extensive experience in human resource management, definition of analysis metrics and performance evaluation.

Currently also holds the titles of Chairman of the Presiding Board of the General Meeting of the Portuguese Cork Association (APCOR), member of the Supervisory Committee of the Cork Technology Centre (CINCORK) and member of the Board of Trustees of Fundação AEP.

Gender: Male | Age: 71

Jorge Alberto Guedes Peixoto (Member):

Graduated with a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics. Started working in 1969, as an accountant. He has worked at the Amorim Group since 1970, as an accountant, CFO, general Business Unit manager and director at several companies.

Experience in the management of human resources and remuneration practices, which comes from the numerous positions held.

Gender: Male | Age: 69

Abdul Rehman Omarmiã Mangá (Member):

Bachelor of Accounting from the Commercial Institute of Lourenço Marques, Mozambique. He worked as the managing director of the Cervejeiro Moçambicano Group and general director of the

Footwear Units after the independence of Mozambique, with direct responsibility for the management of human resources. Managing director of Ormac – Organização, Máquinas e Artigos para Calçado, S.A., also in charge of human resources.

Since June 1988, he has been the administrative director and person in charge of human resources at Amorim Investimentos e Participações, S.G.P.S., SA.

Gender: Male | Age: 72

III. REMUNERATION STRUCTURE

69. Description of the remuneration policy of the Board of Directors and Supervisory Boards as set out in Article 2 of Law No. 28/2009 of 19 June.

Under the proposal submitted by the Company's Remuneration Committee, the shareholders' General Meeting held on 26 June 2020 approved the following remuneration policy:

1. The remuneration of the **group chairing the General Meeting** is in the form of an attendance fee. This is established for the entire term of office, considering the characteristics of the Company and market practices;
2. In line with market practice and the duties and responsibilities inherent in the position held by the **members of the Supervisory Board** as well as their technical and professional knowledge and skills required for carrying out the supervisory functions, these members shall be paid exclusively a fixed remuneration payable in 12 instalments per year;
3. The remuneration of the **Statutory Auditor** is in the form of a provision of services. This is established annually, considering the characteristics of the Company and market practices;
4. The **members of the Board of Directors** shall be paid adequate remuneration taking into account:
 - The individual remuneration package agreed upon between the Company and each Director;
 - Observance of the principles of internal equity and external competitiveness, taking into account relevant information disclosed by the main Portuguese economic groups on their remuneration policies and practices;
 - Whenever such is adequate and feasible, such remuneration shall primarily consist of a fixed pay (for executive and non-executive directors) plus a variable pay (for executive directors only) as performance-based premium;
 - The award of the variable pay component of remuneration referred to in the preceding paragraph shall be a bonus resulting from short term performance evaluation and from the contribution of the annual performance to medium / long term economic, environmental and social sustainability of the Organisation;
 - The actual amount of the variable pay shall depend on the appraisal to be carried out every year by the Remuneration Committee on the performance of the Board members, examining the contribution of each individual executive director to both the Company's profit in the relevant financial year and compliance with the Company's targets and implementation of the medium/long-term strategies adopted by the Company; the development of the results

and the level of compliance with the following strategic objectives: innovation, sustainability, organisational development and safety, competitiveness, growth, financial soundness and value creation;

- The payment of the variable pay component, if any, may be made wholly or in part after determination of the profit (or loss) in respect of a three-year period. There is, therefore, the possibility of the variable pay being reduced if the profit for the year reflects a significant deterioration in the Company's performance in the last financial year or if it is expectable that a significant deterioration will occur in the financial year underway;
 - The members of the Board of Directors are prohibited from concluding contracts with the Company or with its subsidiaries and/or companies in which it holds an interest, which may mitigate the risk inherent to the variability of the remuneration as determined by the Company.
5. It is the Company's policy to assign the following duties to the members of its governing bodies:
- The allotment of shares and/or options to acquire shares or based on share price variation; or
 - Any retirement benefit scheme to members of the governing bodies.

70. Information on how remuneration is structured so as to enable the aligning of the interests of the members of the Board of Directors with the Company's long-term interests and how it is based on the performance assessment and how it discourages excessive risk taking.

The remuneration policy approved by the General Meeting and described in section 69 is fully adopted.

71. Reference, where applicable, to there being a variable remuneration component and information on any impact of the performance appraisal on this component.

The remuneration policy approved by the General Meeting and described in section 69 is fully adopted. The executive members of the Board of Directors earn a variable remuneration component which depends on the evaluation of their performance, in particular the respective contribution either to the profit obtained in the financial year in question or to achieving goals and implementing the strategies defined by the Company for the medium/long term: the evolution of results and the level of achievement of the strategic objectives of innovation, sustainability, organisational development and security, competitiveness, growth, financial solidity and value creation.

72. The deferred payment of the remuneration's variable component and specify the relevant deferral period.

The remuneration policy approved by the General Meeting and described in section 69 is fully adopted. In those terms, the payment of the variable pay component, if any, may be made wholly or in part after determination of the profit (or loss) for the years in respect of the whole term of office. There is, therefore, the possibility of the variable pay being reduced if the profit for the year reflects a significant deterioration in the Company's performance in the last financial year or if it is expectable that a significant deterioration will occur in the financial year underway.

In the financial year under review, there were no deferred payments of any variable component.

73. The criteria whereon the allocation of variable remuneration as shares is based, and also on maintaining Company shares that the executive directors have had access to, on the possible share contracts, including hedging or risk transfer contracts, the corresponding limit and its relation to the total annual remuneration value.

Variable remuneration in the form of shares as described in this section does not exist.

74. The criteria whereon the allocation of variable remuneration as stock options is based and details of the deferral period and the exercise price.

Variable remuneration in the form of stock options as described in this section does not exist.

75. The key factors and grounds for any annual bonus scheme and any additional non-financial benefits.

There are no other systems of annual bonus or other non-cash benefits besides those identified in the previous sections.

76. Key characteristics of the supplementary pensions or early retirement schemes for Directors and state date when said schemes were approved at the general meeting, on an individual basis.

There are no supplementary pensions or early retirement schemes.

As mentioned in section 69, the Remuneration Committee of Corticeira Amorim submitted to the General Meeting held on 26 June 2020 the remuneration policy for the members of the Board of Directors. This proposal, which was approved, expressly stated that the remuneration policy does not include the award of the benefits referred to in this note.

Although no retirement benefit systems similar to the ones described in this subsection were in place in the Company on the date hereof, should their implementation be proposed, the General Assembly shall assess the characteristics of the systems adopted and in force in the respective financial year (just as it assessed the non-assignment).

IV. REMUNERATION DISCLOSURE

77. Details on the amount relating to the annual remuneration paid as a whole and individually to members of the Company's Board of Directors, including fixed and variable remuneration and as regards the latter, reference to the different components that gave rise to same.

In the 2020 financial year, all the members of the Board of Directors earned remunerations from Corticeira Amorim amounting to EUR 563,368.50:

- The executive members earned fixed remunerations amounting to EUR 552,653.50 (António Rios de Amorim: EUR 239,284.50; Nuno Filipe Vilela Barroca de Oliveira: EUR 169,284.50; Fernando José de Araújo dos Santos Almeida: EUR 144,084.50) and variables which amounted to EUR 10,715.00 (António Rios de Amorim: EUR 1,000.00; Nuno Filipe Vilela Barroca de Oliveira:

EUR 1,000.00; Fernando José de Araújo dos Santos Almeida: EUR 8,715.00).

- The non-executive members of this Board did not receive any remuneration for the performance of their roles on the Board of Directors of Corticeira Amorim.

78. Any amounts paid, for any reason whatsoever, by other companies in a control or group relationship, or are subject to a common control.

In the 2020 financial year none of the members of the Board of Directors earned remunerations from other associate or subsidiary companies included in the consolidated accounts of Corticeira Amorim.

79. Remuneration paid in the form of profit sharing and/or bonus payments and the reasons for said bonuses or profit sharing being awarded.

In 2020, the variable component of remuneration for the members of the Board corresponded to:

- An exceptional bonus of 1,000.00/manager, which was also awarded to all employees hired up to 1 June 2020 in national and international companies fully owned by the Corticeira Amorim Group. This bonus was awarded in view of the fact that in 2020 the Group celebrated its 150th anniversary, during a difficult year with extremely tough conditions due to the COVID-19 pandemic, although the Group continued to perform very well;
- A performance bonus calculated according to the degree of compliance with the Company's strategic targets, goals and initiatives and its three-year priority action plan and annual variations. Of note for this purpose were, among others, the analysis of the development of the results and the level of compliance with the following strategic objectives: innovation, sustainability, financial soundness, value creation, competitiveness and growth.

The amounts paid to the members of the Board of Directors pursuant to this note are detailed in section 77. Compared to previous years, they are considerably lower taking into account that, under the objectives defined for 2019, at least 90% of the proposed targets have not been achieved.

80. Compensation paid or owed to former executive Directors concerning contract termination during the financial year.

No compensation was paid or is owed to former directors regarding the termination of their duties in 2020.

81. Details of the annual remuneration paid, as a whole and individually, to the members of the Company's supervisory board for the purposes of Law No. 28/2009 of 19 June.

The members of the **Supervisory Board** earned as a whole remuneration amounting to EUR 36,000.00 (Manuel Carvalho Fernandes: EUR 12,000.00; Marta Parreira Coelho Pinto Ribeiro: EUR 9,600; Eugénio Luís Lopes Franco Ferreira: EUR 9,600.00 euros; Maria Cristina Galhardo Vilão: EUR 4,800.00). Under the remuneration policy set out herein, the members of the Supervisory Board did not earn any variable remuneration.

82. Details of the remuneration in said year of the Chairman of the Presiding Board to the General Meeting.

The Chairman and the Secretary of the Board Presiding the General Meeting earned total remuneration amounting to EUR 5,000 and EUR 1,500.00, respectively.

V. AGREEMENTS WITH REMUNERATION IMPLICATIONS

83. The envisaged contractual restraints for compensation payable for the unfair dismissal of Directors and the relevance thereof to the remunerations' variable component.

No contractual restraints are envisaged in accordance with this section.

84. Reference to the existence and description, with details of the sums involved, of agreements between the Company and members of the Board of Directors and managers, pursuant to Article 248-B/3 of the Securities' Code that envisages compensation in the event of resignation or unfair dismissal or termination of employment following a takeover bid. (Article 245-A/1/I).

There are no agreements according to the terms set out in this section. No agreements providing for the payment of compensations to the Company's directors and officers (other than where required by law) have been entered into by and between the Company and its Directors or Officers.

VI. SHARE AWARD AND/OR STOCK OPTION PLANS

85. Details of the plan and the number of persons included therein.

No share award or stock option plans exist in the Company.

86. Characteristics of the plan (award conditions, non-transfer of share clauses, criteria on share pricing and the exercising option price, the period during which the options may be exercised, the characteristics of the shares or options to be awarded, the existence of incentives to purchase and/or exercise options).

Pursuant to the remuneration policy approved at the General Meeting and as described in section 85, there are no share award or stock option plans in the Company.

The Company believes that if plans of this type are to be implemented, the General Meeting should consider the characteristics of the plans to adopt, as well as their achievement in each financial year.

87. Option rights to acquire shares (stock options) granted to Company workers and employees.

Option rights of this type do not exist in the Company.

88. Control mechanisms for a possible employee-shareholder system inasmuch as the voting rights are not directly exercised by said employees (Article 245-A/1/e).

Control mechanisms of this type do not exist in the Company.

[E.] Related Party Transactions

Executive Committee required for the transactions referred to in point i) of the preceding paragraph will not be necessary when they apply to ongoing contracts, or renewals in terms substantially similar to the contract previously in force.

I. CONTROL MECHANISMS AND PROCEDURES

89. Mechanisms implemented by the Company for the purpose of controlling transactions with related parties.

When not expressly prohibited by law⁸, related party transactions comply with the Regulation on Transactions with Related Parties (formalised on 1 August 2014; revised on 7 December 2020 in light of the entry into force of Law No. 50/2020 of 25 August); available at:

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

The assessment to be carried out under the authorisation procedures and prior opinion applicable to Related Parties transactions must take into account, among other relevant aspects depending on the specific case, the principle of equal treatment of shareholders and other stakeholders, the pursuit of the interests of the Company, and the impact, materiality, nature and justification of each transaction.

As a rule, transactions concluded between the Company and any Subsidiary or Related Party must be conducted within the scope of the Company's or Subsidiary's current activity and under normal market conditions; transactions that do not meet these requirements are subject to a decision by the Board of Directors or the Executive Committee, preceded by an opinion from the Supervisory Board.

Within the scope of the internal control mechanisms for transactions with Related Parties, the following procedures and criteria, considered adequate to guarantee the transparency of the decision-making process and the determination of the transactions subject to disclosure, are in place:

- a. By the end of the month following the end of each quarter, the Board of Directors or the Executive Committee, shall verify and inform the Supervisory Board of the value and nature of the transactions carried out in the previous quarter with each Related Party, specifying those that have been subject to specific approval by any of those bodies;
- b. The carrying out of Related Parties transactions shall be submitted for a prior opinion to the Supervisory Board followed by a specific decision by the Board of Directors and/or the Executive Committee in the following cases:
 - i. Transactions whose value per transaction exceeds one million euros or where the value accumulated during the year exceeds three million euros;
 - ii. Transactions with a significant impact on the business activity of the Company and/or its subsidiaries due to their nature or strategic importance, regardless of the original value;
 - iii. Transactions exceptionally undertaken, outside of normal market conditions, regardless of the respective value.
- c. The prior opinion of the Supervisory Board as well as the specific decision of the Board of Directors and/or the

For the purposes of assessing the transaction in question and issuing the Supervisory Board's opinion, the Board of Directors or the Executive Committee, as part of the respective delegation of powers, shall provide that body with the necessary information and a reasoned justification.

The assessment to be carried out under the authorisation procedures and prior opinion applicable to Related Parties transactions must take into account, among other relevant aspects depending on the specific case, the principle of equal treatment of shareholders and other stakeholders, the pursuit of the interests of the Company, and the impact, materiality, nature and justification of each transaction.

Pursuant to the law, the Company's Articles of Association and the Regulation on Transactions with Related Parties, for assessed transactions subject to prior opinion by the Supervisory Board and/or approval by the Board of Directors and/or the Executive Committee, the members of these bodies who are, for the specific or planned transaction, Related Parties must provide all information and clarifications with a view to the full understanding of the relevant transaction, although they are not allowed to participate in the decision and/or the respective vote.

Related Party Transactions carried out either by the Company or by any of its Subsidiaries (i) whose value is equal to or greater than 2.5% of the Company's consolidated assets or (ii) are not carried out as part of normal business or under normal market conditions, must be disclosed publicly, no later than the time they are carried out. Such disclosure should include the identification of the related party and the nature of that relationship, the date and amount of the transaction, the rationale for the transaction and the direction of the Supervisory Board's opinion.

These procedures do not apply to:

- Transactions carried out between the Company and its Subsidiaries, where no Party Related to the Company has an interest in that Subsidiary;
- Transactions related to the directors' remuneration, or to certain elements of that remuneration;
- Transactions proposed to all shareholders under the same terms, where equal treatment for all shareholders and protection of the Company's interests are ensured.
- The value of these transactions is disclosed annually in the Consolidated Annual Report and Accounts of Corticeira Amorim (section 92 herein).

8. Article 397 - Business with the Company, of the Portuguese Companies' Code provides, with binding force, that:

1. The Company is prohibited from granting loans or credit to directors, making payments on their behalf, providing guarantees for obligations contracted by them and granting them advances on remuneration exceeding one month.
2. Contracts concluded between the Company and its directors, directly or through an intermediary, shall be null and void if they have not been previously authorised by decision of the board of directors, the interested party not having a vote, and following a favourable decision by the supervisory board.
3. The provisions of the preceding subsections shall extend to acts or contracts entered into with companies that are in a group or control relationship with the Company of which the contracting party is a director.
4. In its annual report, the board of directors shall specify any authorisations it has granted under subsection 2 and the supervisory board's report shall mention the opinions given on such authorisations.
5. The provisions of subsections 2, 3 and 4 shall not apply where the act is part of the Company's own business and no special advantage is granted to the contracting director.

Part II

Corporate Governance Assessment

90. Details of transactions that were subject to control in the referred year.

During the year under review, no transactions took place which, in accordance with the procedures described above, required a prior opinion from the Supervisory Board followed by a specific resolution by the Board of Directors and/or the Executive Committee.

The procedure by which the Board of Directors or the Executive Committee verifies and submits, each quarter, the value and nature of transactions with Related Parties to the Supervisory Board, is in place.

91. A description of the procedures and criteria applicable to the supervisory body when same provides preliminary assessment of the business deals to be carried out between the Company and the holders of qualifying interests or entity-relationships with the former, as envisaged in Article 20 of the Securities' Code.

As set out in section 89 above.

II. DATA ON BUSINESS DEALS

92. Details of the place where the financial statements including information on business dealings with related parties are available, in accordance with IAS 24, or alternatively a copy of said data.

The transactions of Corticeira Amorim with related parties are, in general, due to the provision of services by the subsidiaries of Amorim – Investimentos e Participações, S.G.P.S., S.A., (Amorim Serviços e Gestão, S.A., Amorim Viagens e Turismo, Lda., OSI – Sistemas Informáticos e Electrotécnicos, Lda.). The total of services provided by these companies to the companies of Corticeira Amorim was EUR 11.862 million (2019: EUR 11.107 million). The transactions in the opposite direction amounted to EUR 101 thousand (2019: EUR 91 thousand).

The sales of Quinta Nova de Nossa Senhora do Carmo, S.A. and Taboadella, S.A., subsidiaries of Amorim – Investimentos e Participações, S.G.P.S., S.A., to the companies of the universe of Corticeira Amorim totalled EUR 30 thousand (2019: EUR 46 thousand). The transactions in the opposite direction amounted to EUR 34 thousand (2019: EUR 318 thousand).

Purchases of reproduction cork during the year from companies owned by the major indirect shareholders of Corticeira Amorim amounted to EUR 1,339 thousand (2019: EUR 444 thousand) corresponding to less than 2% of total purchases of the cork raw material.

[1.] Details of the Corporate Governance Code Implemented

In matters of corporate governance Corticeira Amorim is governed by: (i) current Portuguese legislation, in particular the Portuguese Companies' Code, Portuguese Securities' Code and the regulations issued by the Portuguese Securities Market Commission (CMVM), which may all be accessed on the CMVM's website: www.cmvm.pt; (ii) its own articles of association, which are available on the Company's website <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>. It also embraces the Corporate Governance Code issued by the Portuguese Institute of Corporate Governance (IPCG), 2018 edition with the 2020 revision, and, although it is only a recommendatory framework, it is an important reference point of good practice, which is also available at www.cgov.pt.

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

[2.] Analysis of compliance with the Corporate Governance Code Implemented

CHAPTER I — GENERAL

I.1. Company Relations with Investors and Information

I.1.1. The Company must establish mechanisms that adequately and precisely ensure the production, treatment and timely disclosure of information to its corporate bodies, shareholders, investors and other stakeholders, financial analysts and the market in general.

Complies. Sections 55, 56, 57 and 58.

I.2. Diversity in the composition and functioning of corporate bodies.

I.2.1. Companies must establish criteria and requirements related to the profile of new members of the corporate bodies appropriate to the function to be performed. In addition to individual attributes (such as competence, independence, integrity, availability and experience), these profiles should consider diversity requirements, particularly to gender, which can contribute to improving the performance of the body and to the balance in its composition.

Complies. Part I - introduction to Chapter B., sections 19 and 26 (Board of Directors), sections 33 and 36 (Supervisory Board), section 11 (Board of the General Meeting) and sections 67 and 68 (Remuneration Committee).

Corticeira Amorim adopts policies and practices aimed at promoting diversity in governing bodies <https://www.amorim.com/en/investors/corporate-governance/board-members/>.

Corticeira Amorim is the holding company of an economic group based in Portugal, solidly established internationally, through subsidiaries, associate companies and joint ventures. The vast portfolio of products and solutions it continually develops responds to diverse markets and consumers.

The governance of Corticeira Amorim addressing the challenges arising from this framework, advocates a policy of diversity in the composition of its corporate bodies, in particular the Board of Directors and the Supervisory Board, as a way to:

- Promote diversity in the composition of the respective body;
- Enhance the performance of each member and, jointly, of each body;

- Stimulate comprehensive, balanced and innovative analysis and consequently allow informed and agile decision-making and control processes;
- Contribute to the increase of innovation and self-renewal of the Company, for its sustainable development and creation of value for the shareholders and other stakeholders in the long term.

Corticeira Amorim thus recognises the need to continuously promote diversity in its corporate bodies, particularly in the Board of Directors and the Supervisory Board, particularly in the following areas:

- Adequate academic qualifications and professional experience relevant to the performance of the specific corporate position which, in the respective corporate body as a whole, gather together the necessary competences to ensure the capable performance of the role of that body;
- Inclusion of members from different age groups, combining the know-how and experience of older members with the innovation and creativity of younger members, so as to enable the respective body to steer towards an innovative business vision and prudent management of risks;
- The promotion of gender diversity and, consequently, an adequate balance of sensitivities and style of decision-making within the respective body.

The result of the adoption of these policies is reflected in the composition of the members of their governing bodies, in particular those who are particularly covered by this recommendation.

I.2.2. The management and supervisory bodies and their internal committees must have internal regulations - in particular for the exercise of their duties, chairmanship, frequency of meetings, operation and framework of duties of their members - published in full on the Company's website, and detailed minutes of the respective meetings must be drawn up.

Complies partially.

As explained in sections 22 and 27, there are no formalised internal rules for the Board of Directors or the Executive Committee established from it, which becomes limited by the scope of the resolution of delegation that gave rise to it. As referred to in these sections, these two bodies act in a legal, statutory and procedural framework which, as a whole, already establishes appropriate functioning rules conducive to the adoption of best practices, in order to safeguard the efficiency of the Company and the creation of value for the shareholder.

The internal rules of the Supervisory Board exist and are available on the Company's website.

Detailed minutes of the meetings of these two bodies are drawn up.

I.2.3. The internal rules of management and supervisory bodies and their internal committees must be fully disclosed on the website.

Adopted with respect to the Supervisory Board (sections 22, 34, and 61); there are no formalised internal rules for the other bodies, so they are not disclosed on the Company's website.

I.2.3. The composition and number of annual meetings of the management and supervisory bodies and their internal

committees shall be made public through the Company's website.

Complies. Sections 17 and 23 (Board of Directors); sections 28 and 29 (Executive Committee); and sections 31 and 35 (Supervisory Board).

The information can be found at:

<https://www.amorim.com/en/investors/corporate-governance/board-members/>.

I.2.4. The Company's internal rules must provide for the existence and operation of mechanisms for the detection and prevention of irregularities and a whistleblowing policy - that guarantees adequate means for the communication and treatment of the same safeguarding the confidentiality of the information transmitted and the identity of the person who provided it - shall also be adopted when this is requested.

Complies. Section 49 and Section III - Internal Control and Risk Management of Chapter C - Internal Organisation, in particular section 54.

I.3. Relations between the Company bodies

I.3.1. The Articles of Association or other equivalent means adopted by the Company must establish mechanisms to ensure that, within the limits of applicable legislation, the members of the management and supervisory bodies are permanently assured access to all information and employees of the Company for performance evaluation, the status and the prospects for the development of the Company including, in particular, the minutes, supporting documents for the decisions taken, notices and archives of meetings of the executive management body, without prejudice to access to any other documents or persons who may be asked to provide explanations.

Does not formally comply. Although not provided for in the Articles of Association or other equivalent means, access to all the information and other elements referred to in this recommendation is fully and permanently ensured. **Sections 21, 29 and 38.**

I.3.2. Each body and committee of the Company must ensure, in a timely and adequate manner, the flow of information, starting with the respective notices and minutes, necessary for the performance of the legal and statutory powers of each of the remaining bodies and committees.

Complies. Sections 21, 29 and 38.

I.4. Conflicts of Interest

I.4.1. Through internal rules or equivalent means, members of management and supervisory bodies and internal committees are obliged to inform the respective body or committee whenever there are facts that may constitute or cause a conflict between their interests and those of the Company.

Complies. Sections 21 and 29 and pursuant to Article 3 of the Related Party Transactions Regulation.

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

With regard to the Supervisory Board, it should be noted that at Corticeira Amorim, this body is composed exclusively of independent members who are, therefore, not associated with any

specific interest group within the Company, nor are they under any circumstances likely to affect impartiality of analysis or decision-making.

I.4.2. Procedures must be adopted to ensure that the member in conflict does not interfere in the decision-making process, without prejudice to the duty to provide information and clarifications requested by the body, the committee or its members.

Complies. Sections 21 and 29 and pursuant to Article 3 of the Related Party Transactions Regulation.
(<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>).

I.5. Related party transactions

I.5.1. The management body should disclose, in the governance report or by other publicly available means, the internal verification procedure for transactions with related parties.

Complies. Sections 38, 89, 90 and 91.

I.5.2. The management body should report to the supervisory body on the results of the internal verification procedure for related party transactions, including transactions under review, at least every six months.

Complies. The businesses covered by Recommendation I.5.1. are communicated to the Supervisory Board on a quarterly basis. The value of these transactions is disclosed annually in the Corporate Governance Report (section 92).

CHAPTER II — SHAREHOLDERS AND GENERAL MEETING

II.1. The Company must not set an excessively large number of shares necessary to confer the right to a vote, and should state in the governance report its option whenever it implies a deviation from the principle that each share corresponds to one vote.

Complies. Section 12.

II.2. The Company shall not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.

Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests. Section 14.

As detailed in section 14, the **Articles of Association of Corticeira Amorim** enshrine a quorum for calling meetings to order/taking decisions that is greater than that established in law **in the following situations:**

- Restriction or withdrawal of pre-emption rights in share capital increases – the Company's Articles of Association require that the Annual General Meeting be attended by shareholders accounting for at least 50% of the paid-up share capital (Article 7);
- Removal of a director elected under the special provisions set out in Article 392 of the Portuguese Companies' Code – it is necessary that shareholders accounting for at least 20% of the share capital vote against the resolution to remove a Director from office (Article 17);

- In order that resolutions may be passed at an Annual General Meeting convened by shareholders, the meeting shall be attended by members holding shares equivalent to the minimum amount required by law to justify the calling of such a meeting (Article 22);
- Change in the statutory rules on the composition of the Board of Directors – this resolution must be approved by shareholders accounting for at least two-thirds of the share capital (Article 24);
- Winding-up the Company – such resolution requires the approval of shareholders representing at least 85% of the paid-up share capital (Article 33).

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

Thus, it is considered that keeping these conditions will contribute to enhance and protect shareholders' rights and role in respect of significant corporate governance matters – values that the Corporate Governance Code seeks to protect.

II.3. The Company shall implement adequate means for shareholders to participate in the General Meeting remotely, in a manner commensurate with its size.

Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests. The Articles of Association of Corticeira Amorim do not allow taking part in the shareholders' General Meeting by telematic means.

As mentioned in the preceding paragraph, Corticeira Amorim favours the attendance in person of the shareholder at the General Meetings for the reasons given. The very high levels of shareholder participation indicate that this is also the favoured method of shareholders in their interaction with the Company and with the members of their governing bodies.

Therefore, taking this reality as a basis and taking into account the complexity associated with holding general meetings by telematic means (in particular material resources and technical means, control system and verification of shareholder status) as well as the risks of computer tampering and the associated costs for both parties to avoid these risks, Corticeira Amorim believes that it is appropriate to maintain current practice with regard to holding and participating in shareholders' General Meetings.

This position and understanding does not preclude that, considering the specific framework for scheduling/holding the General Meeting, remote participation by shareholders is not possible. This was the case in 2020, due to the health crisis that severely impacted the world, Europe and, in particular, Portugal. This pandemic even led to the declaration of a state of emergency in Portugal and a set of measures was implemented in response to the pandemic, including reducing contact between people to the absolute minimum and restricting or even prohibiting internal and cross-border travel.

In view of these circumstances, Corticeira Amorim also implemented a contingency plan to protect all its stakeholders, including safeguarding the health and well-being of its shareholders.

Thus, the Annual General Meeting was held exclusively through telematic means and, to ensure the most ample conditions for conducting an informed vote, shareholders' right to vote and to information at the General Meeting could be exercised by electronic mail.

II.4. The Company must also implement adequate means to exercise the right to vote remotely, including by mail and electronic means.

Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests. Section 12.

Voting by mail (postal ballot) is permitted. The votes, addressed to the Chairman of the Board of the General Meeting, must be received at the Company's headquarters on or before 6.00 pm of the third business day prior to the day set for the General Meeting and under the other conditions expressly announced in each Notice of General Meeting. The presence of the shareholder at the General Meeting revokes any vote it may have sent by mail.

Corticeira Amorim's Articles of Association allow electronic voting, provided that there are adequate technical resources available to enable checking the validity of electronic votes and ensuring their data integrity and confidentiality. If the Chairman of the Presiding Board decides that the technical requirements for voting by electronic means are met, such information shall be included in the Notice calling the meeting.

For Corticeira Amorim, the shareholders' General Meeting is an event of special relevance to the Company and its shareholders, as a privileged forum for communication between the Company (via the members of its statutory bodies) and its shareholders, encouraging transparency, joint reflection, the exchange of ideas and arguments and the alignment of interests. Thus, the high active participation of Corticeira Amorim's shareholders in the General Meetings motivates the Company to maintain the current system of participation and voting (in person and vote by mail) ensuring, on the one hand, the participation of all those who cannot or do not intend to participate in person and, on the other hand, enhancing the traditional participation in person which largely exceeds 80% of the total shares issued.

In addition, it is considered that (i) for the shareholder, the complexity associated with secure electronic voting is disproportionate to the vote by mail, which also allows for non-presential participation, which can even be revoked by the presence of the shareholder; (ii) both for the shareholder and for the Company, the resulting costs are materially relevant.

As mentioned in the previous section, this position and understanding does not preclude that, considering the specific framework for scheduling/holding the General Meeting, remote voting is not possible. This was the case in 2020. For the reasons already mentioned, to ensure the most ample conditions for conducting an informed vote, shareholders' right to vote and to information at the general meeting could be exercised by electronic mail.

II.5. The Company's Articles of Association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or jointly with other shareholders, shall also foresee for a resolution by the General

Assembly (5 year intervals), on whether that statutory provision is to be amended or prevails – without super quorum requirements as to the one legally in force – and that in said resolution, all votes issued be counted, without applying said restriction.

Not applicable. Section 5 and 13.

The Articles of Association of Corticeira Amorim do not provide for the limit on the number of votes that each shareholder (either separately or jointly with other shareholders) is entitled to cast or exercise.

II.6. Measures that determine the payment or assumption of fees by the Company in the event of change of control or change in the composition of the Board and that which appear likely to impair financial interests in the free transfer of shares and free assessment by shareholders of the performance of the directors shall not be adopted.

Complies. The Company has not entered into any agreements that determine payments or the assumption of charges by the Company in the event of a change of control or change in the composition of the Board of Directors, except for the normal "change of ownership" clauses included in certain financing agreements entered into in the ordinary financing of operations and which, on a case-by-case basis, have been analysed and their acceptance considered the most appropriate for the Company's interests. The existence of a large liquidity reserve (credit lines contracted and not used (see Section 4) allows that, even if such a clause were to be exercised, the Company would still be able to timely finance itself and/or service its debt.

Therefore, (i) as this is standard market practice which, among other things, seeks to ensure that financing can be obtained on terms that are more advantageous to the Company; (ii) as financing means are guaranteed that are immediately available in the event of the exercise of these clauses; (iii) as this information is disclosed annually in the Company's accounts, it is considered that the contracting/maintenance of these clauses is not likely to jeopardise the free transferability of shares nor impair the free appraisal by shareholders of the performance of members of the Board of Directors.

No measures have been implemented specifically targeting the effects described in this recommendation. **Sections 4 and 84.**

CHAPTER III — NON-EXECUTIVE MANAGEMENT AND SUPERVISION

III.1. Without prejudice to the legal duties of the chairman of the board of directors, if he/she is not independent, the independent directors must designate a lead independent director from among them, namely: (i) acting as liaison with the chairman of the board of directors and other managers, (ii) ensure that they have all the necessary conditions and means to carry out their duties; and (iii) coordinate them in the evaluation of performance by the management body provided for in recommendation V.1.1.

Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests. There are no independent directors, which prevents the adoption of the practice in the precise terms in which it is advocated.

However, it is considered that the objectives are fully taken care of (i) by the careful and collegial performance of the Board of Directors, both in its monthly meetings where all relevant issues for Company are discussed with the presence of its chairman (attendance record: 100%); (ii) the implemented system ensures, on the one hand, the

timely reporting of the Executive Committee to all members of the Board of Directors and, on the other hand, the preparation of meetings of the Board of Directors, scheduling them in advance and circulating the agenda of the same and respective supporting documents with the necessary advance for study and questions; (iii) the evaluation is done collegially, by all the members that make up the Board of Directors.

III.2. The number of non-executive members of the management body as well as the number of members of the supervisory board and the number of members of the committee for financial matters should be appropriate to the size of the Company and the complexity of the risks inherent in its activity, but sufficient to efficiently ensure the tasks entrusted to them, and the formulation of this suitability assessment must be included in the governance report.

Complies. Section 18 (Board of Directors), and section 31 (Supervisory Board).

III.3. In any case, the number of non-executive directors must be higher than that of executive directors.

Does not comply. Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests. Section 18.

Although the number of non-executive directors is equal to the number of executive directors, they are considered to perform their responsibilities fully and efficiently – as described in a separate chapter of the Director's Report "Activity by non-executive members of the Board of Directors of Corticeira Amorim" – and it may also block any resolution of the Board of Directors.

III.4. Each company must include a number not less than one-third but always plural, of non-executive directors who meet the requirements of independence. For the purposes of this recommendation, a person who is not associated with any specific interest group in the Company nor is it likely under any circumstance to affect his or her exemption in terms of analysis or decision-making, shall be considered independent, in particular by virtue of:

(i) Having exercised for more than twelve years, on a continuous or interim basis, roles in any corporate body;

(ii) Having been a worker of the company or company with which it is in a control or group relationship in the last three years;

(iii) Having, in the past three years, provided services or established a significant business relationship with the company or company with which it is in a control or group relationship, whether directly or as a shareholder, director, manager or leader of a legal person;

(iv) Being the beneficiary of remuneration paid by the company or company with which it is in a control or group relationship, beyond the remuneration resulting from the exercise of the role of director;

(v) Living in a common-law union or being the spouse, relative or similar relationship in a straight line and up to the 3rd degree, inclusive, in a collateral line, of directors of the company, of directors of legal persons directly or indirectly holding qualifying holdings, or of directors of natural persons directly or indirectly holding qualifying holdings;

(vi) Being the holder of a qualifying holding or representative of a

shareholder having qualifying holdings.

Does not comply. Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests. Sections 18 and 20.

Although there are no independent directors, non-executive directors have a wide and diversified academic and professional experience, as well as high standards of ethics and professional conduct that give added guarantees of performance in the pursuit of the greater interest of the Company and shareholders in general, to the detriment of private interests.

The existence of clear and mandatory internal rules governing transactions between related parties as well as the obligation to abstain from decisions in which they may have a particular interest, make it impossible for them to act for their own benefit, thus ensuring impartial professional activity.

III.5. The provisions of paragraph (i) of recommendation III.4 shall not preclude the qualification of a new director as independent if at least three years have elapsed between the termination of duties in any Company body and the appointment to the new role (cooling-off period).

Not applicable.

III.6. In compliance with the powers conferred upon it by law, the supervisory body shall evaluate and issue its decision on the strategic guidelines and risk policy prior to final approval by the management body.

Adopted a practice that is considered equivalent to the proposal in this recommendation.

Defining strategic guidelines and risk policy, as referred to in section 52, is the responsibility of the Board of Directors. Although there is no formal evaluation and prior opinion from the Supervisory Board with respect to their approval, it is a matter the Supervisory Board must be aware of and it may at any time request clarifications, make suggestions or request information on their implementation.

III.7. Companies shall have specialised committees for corporate governance, appointments and performance evaluation that are either separate or combined. In the event the remuneration committee provided for in Article 399 of the Portuguese Companies' Code has been created, and this is not prohibited by law, this recommendation may be complied with by granting this committee powers in the aforementioned matters.

Complies partially. The performance and remuneration assessment is the responsibility of the Remuneration Committee, elected by the shareholders (section 66).

There is no committee specialised in corporate governance or appointments, matters that, given the size of the Company and the fact that the Board of Directors has expertise in the same areas, are dealt with by the Board of Directors and/or Executive Committee.

CHAPTER IV — EXECUTIVE MANAGEMENT

IV.1. The management body must approve, through internal regulations or through equivalent means, the performance scheme for executives and the exercise by them of executive duties in entities outside the group.

Adopted a practice that is considered equivalent to the proposal in

this recommendation, i.e. to safeguard the same interests.

Although there are no internal rules formalised in the terms foreseen in this recommendation: (i) the Company's Articles of Association limit the powers of the Executive Committee to executing the decisions of the Board of Directors and to the day-to-day running of the company, including, inherently, administrative matters; (ii) there is a formal delegation of Board of Director duties to the Executive Committee which, together with the legislation in force, establish the performance scheme for the members of the Executive Committee, and (iii) there are clear and generally observed internal rules for the Board of Directors to have information on possible corporate positions, executive or not, in entities not related to the Corticeira Amorim Group.

IV.2. The management body must ensure that the Company acts in accordance with its objectives and must not delegate powers as regards the following: i) definition of the strategy and the general policies of the Company, ii) organisation and coordination of the business structure; (iii) matters which are to be considered strategic in view of their amount, risk or special characteristics.

Complies. Section 21.

IV.3. In the annual report, the management body explains how the defined strategy and main policies seek to ensure the long-term success of the Company and what the main resulting contributions are to the community at large.

Complies. Chapter 17. Annual Performance Assessment of the Consolidated Management Report and Section 5.3. Economic Performance of the Sustainability Report.

CHAPTER V — PERFORMANCE ASSESSMENT, REMUNERATION AND APPOINTMENTS

V.1 Annual Performance Assessment

V.1.1. The management body must annually assess its performance, as well as the performance of its committees and delegated directors, taking into account compliance with the Company's strategic plan and budget, risk management, internal operations and the contribution of each member to that end, and the relationship between the bodies and committees of the Company.

Complies. Chapter 17. of the Consolidated Management Report.

V.2 Remunerations

V.2.1. The Company must establish a remuneration committee, whose composition ensures its independence from management, which may be the remuneration committee designated under Article 399 of the Portuguese Companies' Code.

Partially adopted. Sections 66, 67 and 68.

V.2.2. Powers to set remuneration shall lie with the Remuneration Committee or the General Meeting, acting on a proposal from said Committee.

Complies. Sections 66, 67 and 68.

V.2.3. For each term of office, the remuneration committee or

the general meeting, on a proposal from said committee, shall also approve the maximum amount of all compensation to be paid to the member of any corporate body or committee due to the respective termination of office, and said situation and amounts shall be disclosed in the governance report or remuneration report.

Complies.

Payments arising from the termination of office of members of any of the Company's bodies or committees are those stipulated in the general law, in the absence of specific agreements that may allow the payment of other compensation; In the event of a termination of office before the end of the respective mandate, the Remuneration Committee is responsible for assessing and approving the compensation and its amount.

V.2.4. In order to provide information or clarification to the shareholders, the chairman or, in his/her absence, another member of the remuneration committee, shall be present at the annual general meeting and any other meetings if the respective agenda includes matters concerning the remuneration of the members of the corporate bodies and committees, or if such presence has been requested by shareholders.

Complies.

It is standard practice for the Remuneration Committee to be present or represented at the General Meetings. The Chairperson of this Committee was present at the shareholders' General Meeting of 26 June 2020, both on his/her own behalf and on behalf of the other members of the Committee.

V.2.5. The remuneration committee must be free to decide, within the budgetary constraints of the Company, on the contracting by the Company of the consultancy services necessary or convenient for the performance of its duties.

Complies. Section 67.

V.2.6. The remuneration committee shall ensure that the services are provided independently and that the respective providers will not be hired for the provision of any other services to the Company itself or to other companies that are in a control or group relationship without the express authorisation of that committee.

Complies. Section 67.

V.2.7. In view of the alignment of interests between the company and executive directors, a portion of their remuneration should be of a variable nature that reflects the sustained performance of the company and does not encourage excessive risk-taking.

Complies. Sections 69, 70 and 71.

V.2.8. A significant part of the variable component must be partially deferred over time for a period of not less than three years, associating it, necessarily, with confirmation of the sustainability of said performance, in the terms defined in the internal rules.

Partially adopted. Sections 69 and 72.

Payment of the variable component of remuneration, if any, may be made, in whole or in part, after the clearing of the accounts for the financial year corresponding to the entire term of office. Since the

term of office is three years, such deferral may not be for a period of more than three years.

V.2.9. When the variable remuneration includes options or other instruments directly or indirectly dependent on the value of shares, the beginning of the exercise period shall be deferred for a period not less than three years.

Not applicable.

Pursuant to the statement on remuneration policy approved at the shareholders' General Meeting, based on proposal of the Remuneration Committee, it is not the Company's policy to assign shares and/or stock option systems to the members of its corporate bodies, based on stock price changes.

V.2.10. The remuneration of non-executive directors shall not include any component whose value depends on the performance of the Company or its value.

Complies. Sections 77 and 78.

V.3. Appointments

V.3.1. The Company must, under such terms as it deems appropriate, but perfectly demonstrable, ensure that proposals for the election of members of corporate bodies are accompanied by a statement of the adequacy of the profile, knowledge and curriculum of each candidate for the role.

Complies.

The proposals to the shareholders' General Meeting for the election of the members of the corporate bodies are accompanied by a statement of the adequacy of the candidates for the role, namely through their knowledge and academic and professional curriculum, indicating their academic and professional competences, their professional career and relevant positions held or in currently being held, which show the adequacy of the profile, knowledge and curriculum of each candidate for the role in the Company.

V.3.2. Unless the size of the company does not justify it, the role of monitoring and supporting appointments of senior management must be attributed to an appointments committee.

Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests.

Given the organisation of the Company's activity (i) in specialised Business Units, with integrated but autonomous activities, which respond to markets, challenges and promote non-homogeneous strategies, and also (ii) the size of the Company, the function of monitoring and supporting the appointment of managers is carried out by the Human Resources Department of the respective Business Unit or by the Human Resources Department of Corticeira Amorim (holding company).

V.3.3. This committee includes a majority of independent non-executive members.

Not applicable. There is no Appointments Committee.

V.3.4. The Appointments Committee shall make its terms of reference available and shall, to the extent of its competences, induce transparent selection procedures that include effective mechanisms for identifying potential candidates, and that those proposed have the greatest merit, are most adequate to the

demands of the function and promote, within the organisation, adequate diversity including in terms of gender.

Adopted a practice that is considered equivalent to the proposal in this recommendation, i.e. to safeguard the same interests.

Although there is no Appointments Committee as stated in V.3.2., in Corticeira Amorim the Human Resources Departments act in accordance to a set of internally established procedures that advocate and enable:

- The timely and adequate identification of the profiles required/compatible with a given management role;
- The conduct of the selection processes is based on the adequacy of the profile with a view to the function to be performed and criteria of professional merit;
- The appointment of senior management abides by the diversity policy of Corticeira Amorim (Introduction to Section B. in Part I of this report).

CHAPTER VI — INTERNAL CONTROL

VI.1. The management body must discuss and approve the Company's strategic plan and risk policy, including the establishment of limits as regards risk assumption.

Complies. Sections 52 and 54.

VI.2. The supervisory body must be internally organised, implementing periodic control mechanisms and procedures to ensure that the risks effectively incurred by the Company are consistent with the objectives set by the management body.

Complies.

The reporting and periodic control mechanisms implemented allow the Supervisory Board to monitor these matters; the control systems implemented by the Company, considered robust by the Supervisory Board, ensure that the risks incurred are consistent with the objectives set, particularly in the areas considered most critical, where there are perfectly established/implemented monitoring/control and mitigation plans (for instance, the forest intervention programme aimed at ensuring the availability of the raw material cork, or exchange rate developments). In addition, there is a robust culture of budget management control (which also serves as a scoreboard for evaluating the performance of the Group's upper management).

VI.3. The internal control system, comprising the risk management, compliance and internal audit functions, shall be structured in terms that are appropriate to the size of the Company and the complexity of the risks inherent to its activity. The supervisory body shall evaluate it and, within the scope of its powers to supervise the efficiency of this system, propose any adjustments that may be deemed necessary.

Complies. Sections 52, 53 and 54.

VI.4. The supervisory body shall give its opinion on the work plans and resources concerning the internal control system services, including the risk management, compliance and internal audit functions, and may propose any necessary adjustments.

Complies. Sections 38 and 50-52.

As can be seen in the sections mentioned above, the internal control system implemented at Corticeira Amorim relies on significant and productive interaction with the Supervisory Board, which, at any time, may request clarifications or propose adjustments that it considers necessary.

VI.5. The supervisory body shall receive reports drawn up by the internal control services, including the risk management, compliance and internal audit functions, at least with respect to matters concerning accountability, the identification or resolution of conflicts of interest and the detection of potential irregularities.

Complies partially. On a quarterly basis, the following is reported to the Supervisory Board in a specific report for this purpose: the analyses carried out at the internal control level, with respective conclusions and action plans implemented/under implementation in order to mitigate any detected non-compliance.

VI.6. The Company must establish a risk management function based on its risk policy, identifying

- i. the main risks to which it is subject in the performance of its business activity,
- ii. the probability of their occurrence and the respective impact,
- iii. the instruments and measures to be adopted with a view to their mitigation,
- iv. the monitoring procedures, with a view to their monitoring.

Complies. Section 54.

VI.7. The Company shall establish procedures for the supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance with the system, as well as the possibility of amending the previously defined risk framework.

Complies. Section 54.

CHAPTER VII — FINANCIAL INFORMATION

VII.1 Financial information

VII.1.1. The internal rules of the supervisory body must establish that it supervises the adequacy of the preparation and disclosure of financial information by the management body, including the adequacy of accounting policies, estimates, judgements, relevant disclosures and their consistent application between financial periods, duly documented and communicated.

Complies. Section 38.

VII.2 Statutory audit and supervision

VII.2.1. The supervisory body shall, by means of internal regulations, define supervisory procedures to ensure the independence of the Statutory Auditor, in accordance with the applicable general rules.

Complies. The Supervisory Board has established an internal procedure that covers these matters.

VII.2.2. The supervisory body must be the main liaison with

the statutory auditor of the company's accounts and the first recipient of the relevant reports, and is responsible, inter alia, for proposing the relevant remuneration and ensuring that the proper conditions for the provision of services are provided within the Company.

Complies.

It is the responsibility of the Supervisory Board to propose the Statutory Auditor and the respective remuneration, within the framework of the Remuneration Policy approved at the shareholders' General Meeting.

VII.2.3. The supervisory board must annually assess the work performed by the statutory auditor, its independence and suitability for the performance of the functions and propose to the competent body its dismissal or termination of the contract as to the provision of the services when there is a valid basis for said dismissal.

Complies. Section 38.

Mozelos, 29 March 2021

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



In 2020, we celebrated our 150th anniversary. We unveiled a new corporate identity, renew and intensified our communication, seeking to involve all our stakeholders in special moments to celebrate and share our values, culture and pride in the successes that we have achieved together.