

# CORPORATE GOVERNANCE REPORT

03

Cork planks, which need space to stabilise, spend an average of one year in the cork yards, for the purposes of this mandatory stabilisation process.

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 and in article 5 of Law no. 62/2017 of 1 August (balanced representation of people 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. Having approved the remuneration policy, under the terms provided for in the aforementioned Law No. 50/2020, which took place in the General Meeting of 23 April 2021, for the 2021-2023 term of office, Corticeira Amorim, under the terms of paragraph 8 of article 26-G of the Portuguese Securities Code, has included a chapter dedicated to the Remuneration Report for 2021 in this Report.

## 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.**

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.

#### Distribuição do capital pelos acionistas

| Shareholder   | No. of shares owned<br>(quantity) | Stake (%)       | Voting rights (%) |
|---|-----------------------------------|-----------------|-------------------|
| <b>Qualifying interests:</b>                                |                                   |                 |                   |
| <b>Amorim Investimentos e Participações, S.G.P.S., S.A.</b> | 67,830,000                        | 51.000%         | 51.000%           |
| <b>A Porta da Lua, S.A.</b>                                 | 8,290,767                         | 6.234%          | 6.234%            |
| <b>API – Amorim Participações Internacionais, S.A.</b>      | 2,717,195                         | 2.043%          | 2.043%            |
| <b>Vintage Prime – S.G.P.S., S.A.</b>                       | 2,717,195                         | 2.043%          | 2.043%            |
| <b>Amorim, Soc. Gestora de Participações Sociais, S.A.</b>  | 13,414,387                        | 10.086%         | 10.086%           |
| <b>Free float*</b>  | 38,030,456                        | 28.594%         | 28.594%           |
| <b>Total</b>  | <b>133,000,000</b>                | <b>100.000%</b> | <b>100.000%</b>   |

\* 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.**

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.**

As at 31 December 2020 Corticeira Amorim held no treasury shares and it did not engage in transactions during 2021, reason why as at 31 of December 2021 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.

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 2021 there were covenants requiring the maintenance of Corticeira Amorim’s controlling interest in contracts regarding loans totalling 80 million euros (31-12-2020: 65 million euros). In the case of change of shareholder control, the contracts usually provide the possibility - but not the obligation - of early repayment of the amounts loaned. It should be added that the Company has significant liquidity reserves, as detailed in the Notes to the consolidated accounts (Note 22). Specifically, at 31 December 2021, there were 206.2 million euros of contracted and unused credit lines (31-12-2020: 260.9 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 Company’s Articles of Association 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.

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 with details of the percentage of capital and votes attributed and the source and causes of the attribution.

| Shareholder   | No. of shares     | % of share capital with voting rights |
|---|-------------------|---------------------------------------|
| <b>Amorim Investimentos e Participações, S.G.P.S., S.A. (a)</b> |                   |                                       |
| Directly  | 67,830,000        | 51.000%                               |
| <b>Attributable total</b>                                       | <b>67,830,000</b> | <b>51.000%</b>                        |

(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 Maria Fernanda Oliveira Ramos Amorim and daughters, and in the third case by Mr. António Ferreira de Amorim, wife and children.

| Shareholder   | No. of shares     | % of share capital with voting rights |
|---|-------------------|---------------------------------------|
| <b>Amorim, Sociedade Gestora de Participações Sociais, S.A. (b)</b> |                   |                                       |
| Directly  | 13,414,387        | 10.086%                               |
| <b>Attributable total</b>   | <b>13,414,387</b> | <b>10.086%</b>                        |

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

| Shareholder                     | No. of shares    | % of share capital with voting rights |
|---------------------------------|------------------|---------------------------------------|
| <b>A Porta da Lua, S.A. (c)</b> |                  |                                       |
| Directly                        | 8,290,767        | 6.234%                                |
| <b>Attributable total</b>       | <b>8,290,767</b> | <b>6.234%</b>                         |

| Shareholder                                      | No. of shares    | % of share capital with voting rights |
|--|------------------|---------------------------------------|
| <b>Maria Fernanda Oliveira Ramos Amorim</b>      |                  |                                       |
| Directly   | -                | -                                     |
| Through the shareholder A Porta da Lua, S.A. (c) | 8,290,767        | 6.234%                                |
| <b>Attributable total</b>                        | <b>8,290,767</b> | <b>6.234%</b>                         |

(c) The share capital of the company A Porta da Lua, S.A. is owned by Maria Fernanda Oliveira Ramos Amorim.

| Shareholder  | No. of shares    | % of share capital with voting rights |
|--|------------------|---------------------------------------|
| <b>API – Amorim Participações Internacionais, S.A. (d)</b> |                  |                                       |
| Directly   | 2,717,195        | 2.043%                                |
| <b>Attributable total</b>                                  | <b>2,717,195</b> | <b>2.043%</b>                         |

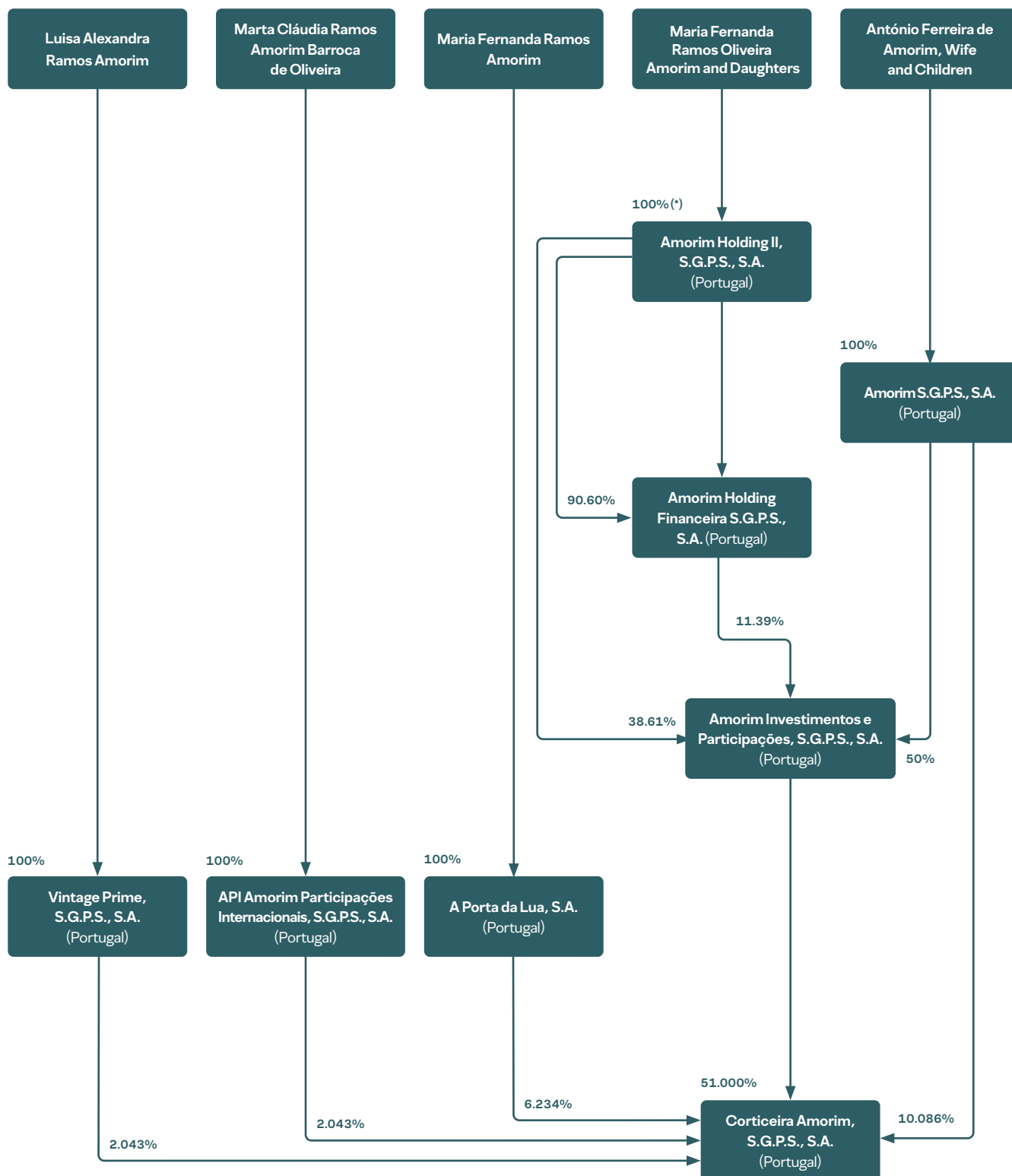
| Shareholder   | No. of shares    | % of share capital with voting rights |
|---|------------------|---------------------------------------|
| <b>Marta Cláudia Ramos Amorim Barroca de Oliveira</b>                       |                  |                                       |
| Directly  | -                | -                                     |
| Through the shareholder API – Amorim Participações Internacionais, S.A. (d) | 2,717,195        | 2.043%                                |
| <b>Attributable total</b>   | <b>2,717,195</b> | <b>2.043%</b>                         |

(d) The share capital of the company API – Amorim Participações Internacionais, S.A. is owned by Marta Cláudia Ramos Amorim Barroca integralmente detido por Marta Cláudia Ramos Amorim Barroca de Oliveira.

| Shareholder                               | No. of shares    | % of share capital with voting rights |
|---|------------------|---------------------------------------|
| <b>Vintage Prime – S.G.P.S., S.A. (e)</b> |                  |                                       |
| Directly                                  | 2,717,195        | 2.043%                                |
| <b>Attributable total</b>                 | <b>2,717,195</b> | <b>2.043%</b>                         |

| Shareholder  | No. of shares    | % of share capital with voting rights |
|--|------------------|---------------------------------------|
| <b>Luisa Alexandra Ramos Amorim</b>                        |                  |                                       |
| Directly   | -                | -                                     |
| Through the shareholder Vintage Prime – S.G.P.S., S.A. (e) | 2,717,195        | 2.043%                                |
| <b>Attributable total</b>                                  | <b>2,717,195</b> | <b>2.043%</b>                         |

(e) The share capital of Vintage Prime – S.G.P.S., S.A. is owned by Luisa Alexandra Ramos Amorim.



(\*) 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 Body of the Company:

- i. The members of the governing bodies did not trade any shares representing the share capital of the Company during the 2021 financial year. At 31 December 2021, 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 2021 financial year there were no transactions under the terms set out in this note.

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

- i. On 1 July 2021, it was resolved to close the liquidation of the company Great Prime, S.A. – in Liquidation, which held 13,725,157 shares representing 10.32% of the share capital and voting rights of Corticeira Amorim, S.G.P.S., S.A. Following this, the said shares were distributed, on 13 July 2021, from the shareholders of Great Prime, S.A., including the following companies in which members of the governing bodies of Corticeira Amorim, S.G.P.S., S.A. hold management positions:

- Vintage Prime – S.G.P.S., S.A. now directly holds 2,717,195 shares, representing 2.043% of the share capital and voting rights of Corticeira Amorim, S.G.P.S., S.A.

Luisa Alexandra Ramos Amorim, member of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A. fully owns the share capital of Vintage Prime – S.G.P.S., S.A., a company in which she is also chairperson of the Board of Directors;

- API – Amorim Participações Internacionais, S.A. is the holder of 2,717,195 shares, representing 2.043% of the share capital and voting rights of Corticeira Amorim, S.G.P.S., S.A.

Nuno Filipe Vilela Barroca de Oliveira, Vice-Chairperson of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A., is a member of the Board of Directors of API – Amorim Participações Internacionais, S.A.

d) Corticeira Amorim, S.G.P.S., S.A. 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 of the voting rights of Corticeira Amorim, S.G.P.S., S.A.. António Rios de Amorim (Chairperson of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.),

Nuno Filipe Vilela Barroca de Oliveira (Vice-Chairperson of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.), Cristina Rios de Amorim Baptista e Luisa Alexandra Ramos Amorim (members of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.) are, respectively, member, member, vice-chairperson, and member of the Board of Directors of Amorim Investimentos e Participações, S.G.P.S., S.A.

- ii. Vintage Prime – S.G.P.S., S.A. is the holder of 2,717,195 shares, representing 2.043% of the share capital and of the voting rights of Corticeira Amorim, S.G.P.S., S.A..

Luisa Alexandra Ramos de Amorim, member of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A., holds the position of Chairperson of the Board of Directors of Vintage Prime – S.G.P.S., S.A.

- iii. API – Amorim Participações Internacionais, S.A. is the holder of 2,717,195 shares, representing 2.043% of the share capital and voting rights of Corticeira Amorim, S.G.P.S., S.A..

Nuno Filipe Vilela Barroca de Oliveira, Vice-Chairperson of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A., is a member of the Board of Directors of API – Amorim Participações Internacionais, S.A.

- iv. 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, S.G.P.S., S.A..

António Rios de Amorim and Cristina Rios de Amorim Baptista (respectively, Chairperson and Member of the Board of Directors of Corticeira Amorim, S.G.P.S., S.A.) hold the position of Directors of Amorim – Sociedade Gestora de Participações Sociais, S.A.

The ownership recorded on 31 December 2021, referred to in paragraphs i., ii., iii. and vi. remains unchanged at the issue date of this report.

e) Transactions of directors and/or entities closely related to directors:

In addition to the changes in the direct ownership of shares in Corticeira Amorim mentioned in the previous subsection c), which consist of the transfer of shares by entities closely related to directors, under the terms described in the said subsection, in 2021, no other transactions in Corticeira Amorim shares were conducted by entities related to its directors.

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 conducted 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 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 i. and ii. refers to 31 December 2021, 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 with an indication as to the allocation date, time period within which said powers may be conducted, 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 Audit Committee 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 Chairperson;
- 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 assets;
- f. Providing bonds and personal or real guarantees by the Company;
- g. Opening or closing establishments or important component parts thereof;
- h. Significantly expanding or reducing the Company's activity;
- i. Making major changes in the Company's organisation;
- j. Establishing or terminating important and long-lasting cooperation projects with other companies;
- k. Change of head office;
- l. Merging, de-merging or changing the legal status of the Company;

- m. Deciding on any matters put forward at the request of any director for resolution of the Board of Directors.

The Company's Articles of Association<sup>1</sup> give the Board of Directors the following powers: the exercise of all powers of direction, management, administration and representation of the Company and in particular:

- a. Move the location of the registered office of the Company to any other place permitted by law;
- b. Set up any branches, offices, affiliates, subsidiaries, agencies or representative offices of any kind anywhere in the Portuguese territory or abroad;
- c. Acquire, sell or pledge, in any manner, shares and debentures of its own stock belonging to the Company and any rights attached thereto as well as to conduct any transactions with such shares and debentures and upon such terms as the directors shall think fit;
- d. Acquire, sell, exchange and lease real estate for the purposes permitted by law, as well as encumber them;
- e. Exercise and promote the exercise of the rights of the Company in companies in which the Company has an interest;
- f. Acquire, sell, exchange, lease and pledge personal property in any manner;
- g. Negotiate borrowings with financial institutions on the terms, conditions and forms which the Board of Directors shall think fit;
- h. Operate bank accounts, deposit and draw monies, make, accept, sign and endorse cheques, negotiable invoices, bills of exchange, promissory notes and other negotiable instruments;
- i. Disclose, give up or come to terms in any proceedings or enter into arbitration;
- j. Exercise all other powers, authorities and discretions provided by law and these Articles of Association.

Under the terms of the Regulations of the Board of Directors of Corticeira Amorim, the formalisation process of which was concluded on 23 February 2022, the Board of Directors is responsible for managing and representing Corticeira Amorim, under the terms envisaged in the applicable legal and statutory rules, with the responsibility to manage the Company's business and carry out all acts and operations relating to its purposes that are not the responsibility of the other corporate bodies. It is also responsible for establishing the strategic guidelines of the companies that are in a control or group relationship with it, in accordance with article 21 of the Portuguese Securities Code (the "Corticeira Amorim Group"). This is done in compliance with the applicable legal provisions, particularly those relating to the business sectors in which each company in the Corticeira Amorim Group operates. In the exercise of its powers, the Board of Directors is responsible for:

- a. Defining the strategy and approving the general policies of the Corticeira Amorim Group, as well as the codes necessary for its good governance;
- b. Defining the organisational structure of the Company and the Corticeira Amorim Group, namely the organisation by sub-holdings of the various Business Units that comprise it;
- c. Giving binding instructions to the management of the Business Units, whenever it deems useful or necessary, namely within the scope of the matters listed herein;
- d. Approving the business plan and the annual or multi-annual investment plan and monitoring its implementation;
- e. Approving the sale of assets and/or rights, investments and encumbrances to be made by the Company or the Corticeira Amorim Group companies;

- f. Representing the Company in and out of court, in cases it has filed or it is defending, and it may waive, negotiate and admit guilt in any legal proceedings, as well as enter into arbitration agreements;
- g. Incorporating companies and to subscribe, acquire, encumber or dispose of shareholdings;
- h. Deciding to incur debt on the national or international financial market, including through the issue of bonds or any other securities;
- i. Deciding that the Company will provide technical and financial support to the companies in which it directly or indirectly owns shares, interests or other corporate holdings, namely by granting them loans and providing guarantees to their benefit;
- j. Proposing to the General Meeting the acquisition and sale of own shares, own bonds or other own securities, within the limits established by law;
- k. Approving the Company's internal control, risk management and internal audit systems;
- l. Deciding on the matters provided for in article 406 of the Commercial Companies Code;
- m. Exercising any other powers that may be conferred upon it by law, by Corticeira Amorim's Articles of Association or by the General Meeting.

The Board of Directors may delegate the following powers<sup>2</sup> to one or more of its members or to an Executive Committee, through a duly minuted resolution:

- a. The implementation of the decisions made by the directors;
- b. The day-to-day management of the Company;
- c. The authority, power and discretion to implement certain management matters.

It is the Board of Directors' responsibility to set the limits of the delegation of powers mentioned in the previous paragraph as well as determine the *modus operandi* of the Executive Committee.

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.

According to the law, the following powers are thus not subject to delegation in the Executive Committee:

- a. Choosing the Chair of the Executive Committee (Chief Executive Officer - CEO);
- b. Co-opting directors;
- c. Requesting the convening of General Meetings;
- d. Approving management reports and annual accounts;
- e. Providing bonds and personal or real guarantees by the Company;
- f. Changing the registered office and capital increases, under the terms foreseen in the Company's Articles of Association;
- g. Merging, de-merging or changing the legal status of the Company.

In addition to the matters provided for in the Portuguese Companies Code, the following are not considered to be powers of day-to-day management of the Company and are therefore not delegated in the Executive Committee:

- a. Approval of the annual investment/disinvestment plan of the Company and of the companies directly or indirectly controlled by the Company and amendments of an amount exceeding ten (10) percent of the overall value of the approved annual investment/disinvestment plan;
- b. Acquisition, disposal or encumbrance of real estate assets of the Company and of the companies directly or indirectly controlled by the Company not related to the operational activities pursued by the companies directly or indirectly controlled by the Company;
- c. Incorporation or taking an interest in, namely through the direct or indirect acquisition of shareholdings, of companies worth more than EUR 2,500,000.00 (two million five hundred thousand euros);
- d. Approval and modification of the strategic plans and annual targets of the Company and the Corticeira Amorim Group;
- e. Approval and modification of the main policies of the Company and the Corticeira Amorim Group;
- f. Transactions of the Company, or of companies directly or indirectly controlled by the Company, with related entities or with any shareholders of the Company;
- g. Approval and modification of the organisational structure of the Company and the Corticeira Amorim Group;
- h. Issue of bonds or other debt instruments of the Company;
- i. The companies controlled by the Company entering into subordination agreements and parity group agreements.

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 a majority of two-thirds of its members, increase the share capital, one or more times, in accordance with the law, up to EUR 200 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 a majority of two-thirds 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 200 million. It is also responsible for deciding on the respective terms, conditions method and length of the subscription and payment period. This assignment of powers to the Board of Directors was given by the General Meeting of 23 April 2021, with the resolution to amend article 8, paragraph 1, of the Articles of Association; 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 Articles 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. Additional information: in October 2021 no capital increases were issued under the powers of the Board of Directors.
2. Regarding the current term of office (2021-2023), the Board of Directors decided to delegate powers to an Executive Committee in accordance with its respective Regulations available at: <https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>

## 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.





Each year, between mid-May and mid-August, men and women travel through the Alentejo's cork oak forests, passing through all the cork oak trees which bear markings that indicate that the bark can once again be extracted. This is a delicate ancestral process, that can only be carried out by those who have a deep understanding of the practice, technique and expertise, which makes it possible to perform this specialised work without harming the tree.



# 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 and specialised internal committees, in particular the Board of Directors and the Audit Committee, 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 Audit Committee, 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 knowledge 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 Audit Committee, compliance is verified with the policy indicated in section 19. (Board of Directors) and 33. (Audit Committee) of this report. It is to be noted, in particular, that the Board of Directors includes 40% of people of the under-represented gender (female), and that the Audit Committee has an equal composition in terms of gender.

As detailed in point 15 of this report, the Company has adopted the Anglo-Saxon governance model, which advocates the existence of a Board of Directors that includes an Audit Committee, that is,

including administration control within the same body, thereby keeping two levels of supervision: that undertaken by the Audit Committee (supervision) and that undertaken by the statutory auditor (financial).

## 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 Meeting is composed of a Chairperson and a Secretary, posts occupied by:

**Chairperson:** 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 (2021-2023): 31 December 2023, 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 (Chairperson)

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 Chairperson 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. Chairperson 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 (CIJE) 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 Chairperson 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: 57

## 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: 28

### 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.**

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 qualifies for one vote. The total number of shares in the Company is 133 million.

Those entitled to attend the General Meeting and discuss and vote on those who, on the record date, corresponding to 00.00 (GMT) on the fifth working day prior to the date of the Annual General Meeting, are registered as an owner of shares entitling them to at least one vote. In the event that the Annual General Meeting is adjourned, the adjourned meeting shall be made up of members who provide evidence of holding shares in the Company, provided that the record date shall be observed.

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. 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 Chairperson 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 Chairperson 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 2021. 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 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 recommendations issued by the CMVM, Corticeira

Amorim decided, given that there was no statutory provision forbidding it, that the Shareholders' General Meeting of 23 April 2021 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. At the end of the year, given the frankly positive evolution in the pandemic situation, Corticeira Amorim decided to hold its Extraordinary General Meeting for Shareholders on 3 December 2021 in a face-to-face manner, at its registered office, taking all the measures and procedures necessary so that it could be held in safety for all those attending, with the right to vote being exercised by electronic correspondence, in accordance with the provisions of Article 384(8) and (9), of the Portuguese Companies Act, and Article 22 of the Securities Market 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](http://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.

Following extensive reflection on the governance model of Corticeira Amorim, and considering the evolution of the shareholder structure of the Company, which is now more international, and various organisational changes that have been implemented over the years (namely through the structuring of the activities in different Business Units, managed by professional and independent executive teams), the Board of Directors considered it appropriate to propose to the General Meeting the adoption by Corticeira Amorim of the corporate governance model referencing best international practices, which is more modern, participative and therefore suited to the continued development of the Company and the challenges it will face in the future.

Therefore, at the Shareholders' General Meeting held on 23 April 2021, following a proposal by the Board of Directors, approval was given to the adoption of the Anglo-Saxon governance model, with an extended Board of Directors, including an Audit Committee, in the current term of office, fully composed of independent members, and with a dual supervision, by the Audit Committee (fiscalisation/supervision) and by the Statutory Auditor (financial supervision).

In the Board of Directors' opinion, this new model when fully implemented, contributes effectively to:

- Greater agility, greater proximity and better monitoring and therefore also greater efficacy and efficiency for the Company and in conducting the internal management and supervision of this, due to including the Audit Committee within the Board of Directors;
- Greater diversity (academic background, skills, gender, age, professional experiences) on the Board of Directors and independent visions with the ability to consider the business from new perspectives, thereby adding value and sustainability to Corticeira Amorim.

Specialised internal committees were also set up as well, chaired by an independent director and composed of members of Company bodies with corporate functions: the Risk Committee, the ESG (Environmental, Social & Governance) Committee and the Appointments, Evaluation and Remuneration Committee.

The Board of Directors believes that the adoption of this new governance model at Corticeira Amorim will boost its long-term growth and profitability, in harmony and along with the long-term interests of all its stakeholders.

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 promotes diversity in the composition of its governing bodies, enhancing the performance of each member and, as a whole, of each body;
- It provides reasoned and agile decision and control processes;
- It encourages shareholder participation in the life of the Company;
- It fosters the efficiency and competitiveness of Corticeira Amorim;
- Contributes 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 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. The reflection on the corporate structure itself is conducted both by the Executive Committee and by the Board of Directors which is advised on this matter by the ESG (Environmental, Social & Governance) Committee.

#### 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.

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 conducted 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 Audit Committee appoints a replacement. The co-option and appointment by the Audit Committee 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 Audit Committee also take into account the Policy of Promoting Diversity in the Company's Corporate Bodies (available at: <https://www.amorim.com/en/investors/corporate-governance/board-members/>) 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 (which includes an Audit Committee) composed of a Chairperson, a vice-Chairperson and one to nine other members. In the current term (2021-2023), the Board of Directors consists of a Chairperson, a vice-Chairperson and eight members, all incumbent members.

The duration of the term of office of the Board of Directors is three calendar years<sup>3</sup>.

Board of Directors Composition (ten effective members):

### **Chairperson: António Rios de Amorim**

Date of first appointment to the Board of Directors: 29 March 1990  
First appointment as Chairperson of the Board of Directors: 31 March 2001  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Vice-Chairperson: Nuno Filipe Vilela Barroca de Oliveira**

Date of first appointment to the Board of Directors: 28 March 2003  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board 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 (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board Member: Cristina Rios de Amorim Baptista**

Date of first appointment to the Board of Directors: 20 July 2012  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board 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 (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board Member: Juan Ginesta Viñas**

Date of first appointment to the Board of Directors: 20 July 2012  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board Member: José Pereira Alves**

Date of first appointment to the Board of Directors: 23 April 2021  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board Member: Marta Parreira Coelho Pinto Ribeiro**

Date of first appointment to the Board of Directors: 23 April 2021  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board Member: Maria Cristina Galhardo Vilão**

Date of first appointment to the Board of Directors: 23 April 2021  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

### **Board Member: António Lopes Seabra**

Date of first appointment to the Board of Directors: 23 April 2021  
End of current term of office (2021-2023): 31 December 2023, remaining in office until a new election pursuant to law.

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3. 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 (ten effective members), this body delegated the executive management to an Executive Committee composed of four members:

### Executive members:

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

### Non-executive members:

|               |   |
|---------------|---|
| Board Member: | Luisa Alexandra Ramos Amorim                      |
| Board Member: | Juan Ginesta Viñas                                |
| Board Member: | José Pereira Alves (Independent Lead Director)    |
| Board Member: | Marta Parreira Coelho Pinto Ribeiro (Independent) |
| Board Member: | Maria Cristina Galhardo Vilão (Independent)       |
| Board Member: | António Lopes Seabra (Independent)                |

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 (six, representing 60% of the Board of Directors) and independent members (four, representing 40% of the Board of Directors and 66.7% of the non-executive members) that it considers appropriate for the functions they undertake and the size of the Company.

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 Chairperson of the Board of Directors and the Executive Committee

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 Chairperson 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-Chairperson of the senior board). He is also a member, representing Corticeira Amorim, of the Business Roundtable Portugal Association. Since 2014 he has been Honorary Consul of the Republic of Bulgaria in Santa Maria da Feira, with authority in the districts of Porto, Aveiro and Braga. Nationality: Portuguese • Gender: Male • Age: 54

### Nuno Filipe Vilela Barroca de Oliveira Vice-Chairperson of the Board of Directors and member of the Executive Committee

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 conduct executive functions from that date and is currently Vice-Chairperson 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. Nationality: Portuguese • Gender: Male • Age: 51

### Fernando José de Araújo dos Santos Almeida Member of the Board of Directors and member of the Executive Committee

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. Nationality: Portuguese • Gender: Male • Age: 60

**Cristina Rios de Amorim Baptista**  
**Member of the Board of Directors and member of the Executive Committee**

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-Chairperson 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 Executive Board of the Association of Listed Companies (AEM) since 2014 and a member of the Board of the Business Council for Sustainable Development (BCSD) Portugal since 2016.  
Nationality: Portuguese • Gender: Female • Age: 53

**Luisa Alexandra Ramos Amorim**  
**Member of the Board of Directors**

With a degree in Marketing from ISAG and Hospitality from EHTE and EHTP, 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). She 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 with 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.  
Nationality: Portuguese • Gender: Female • Age: 48

**Juan Ginesta Viñas**  
**Member of the Board of Directors**

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.  
Nationality: Spanish • Gender: Male • Age: 80

**José Pereira Alves**  
**Member of the Board of Directors, Chairperson of the Audit Committee and lead independent Director**

Graduated with a Bachelor's Degree in Economics from the University of Porto, Faculty of Economics. He began his career in 1984 as an audit technician with the international audit firm Coopers & Lybrand. In 1990, after a professional qualification examination, he became a Statutory Auditor. In 1993, he became a partner at the External Audit Firm Bernardes, Sismeiro & Associados, SROC. On 1 January 1994, he became a partner at PricewaterhouseCoopers (PwC), and for over 22 years was responsible for coordinating the audit and review work for various groups, including Amorim, RAR, Salvador Caetano, Nors, Ibersol, TAP, CTT, Semapa and Jerónimo Martins, among others. Between 2001 and 2015, he was on many occasions a member of the Territory Leadership Team, PwC's management body in Portugal, and between 1 July 2011 and 30 June 2015 he led the firm in Portugal as Territory Senior Partner (Chairperson). On 30 June 2016 he ceased to be a partner at PwC Portugal. He is Chairperson of the Supervisory Board for SFS – Gestão de Fundos, S.G.O.I.C., S.A., Chairperson of the Supervisory Board for The Fladgate Partnership, S.A., Chairperson of the Supervisory Board for Galp Energia, S.G.P.S., S.A. and Chairperson of the Supervisory Board for NOS, S.G.P.S., S.A.  
Nationality: Portuguese • Gender: Male • Age: 60 • Independent

**Marta Parreira Coelho Pinto Ribeiro**  
**Member of the Board of Directors and member of the Audit Committee**

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 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.  
Nationality: Portuguese • Gender: Female • Age: 51 • Independent

**Maria Cristina Galhardo Vilão**  
**Member of the Board of Directors and member**  
**of the Audit Committee**

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 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 & 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.

Nationality: Portuguese • Gender: Female • Age: 57 • Independent

**António Lopes Seabra**  
**Member of the Board of Directors and member**  
**of the Audit Committee**

Graduated with a Bachelor's Degree in Electrical Engineering from the Faculty of Engineering at the University of Porto in 1973 and completed postgraduate programmes in Management at INSEAD (France) in 1991, 2000 and 2015. He was Vice-President of Continental Tires (The Americas), with headquarters in Fort Mill, S.C., USA, from 2015 to 2017. Executive Vice-President of Continental AG at the BU Tires APAC, with headquarters in Shanghai, China, from 2012 to 2015 and chairperson of the Board of Directors of Continental Mabor – Indústria de Pneus S.A., with headquarters in Lousado, Portugal, from 2000 to 2011. He was also the Manager of Continental de Mexico, S.A. de C.V., with headquarters in San Luis Potosí, Mexico. From 2000 to 2011 he was Director of Continental Pneus (Portugal), Chairperson of the Board of Continental-Lemmerz and Chairperson of the Board of the Portuguese Rubber Industry Association (APIB). He was the Portuguese representative at the Rubber Industry Liaison Office (BLIC) / European Tyre and Rubber Manufacturers Association (ETRMA) from 2000 to 2008. From 2006 to 2011 he was a member of the Advisory Board in Engineering and Management at the Instituto Superior Técnico and a Member of the Casa da Música Founders Council where, from 2008 to 2011 he was also a Member of the Board for the Foundation of the same name. From 1990 to 2000 he worked at Continental Mabor S.A. in successive roles as Supplies Director, Materials and Distribution Director and Operations and Logistics Director. He was Supplies Director at Mabor - Manufatura Nacional de Borracha, S.A., from 1989 to 1990. From 1984 to 1987 and 1987 to 1989 he was on the staff of EDPE.P. where he worked as a Standardisation Engineer and a Standardisation and Network Planning Adviser. From 1997 to 1989, he was Director of the Planning, Design and Construction Division of the Macau Utility Company (CEM) LV/MV/HV Network. He was a lecturer at the Instituto Superior Técnico (Lisbon) and simultaneously a member of the research team at the National Institute for Scientific Research (INIC) from 1976 to 1979. He began his career as a project and construction engineer for MV and LV electrical networks at the Federation of Ribatejo Municipalities (Santarém), in 1973 and 1974. Nationality: Portuguese • Gender: Male • Age: 70 years • Independent

## 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.;
- 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.
- Luisa Alexandra Ramos Amorim is Chairperson of the Board of Directors of Vintage Prime – S.G.P.S., S.A.;
- Nuno Filipe Vilela Barroca de Oliveira is member of the Board of Directors of API – Amorim Participações Internacionais, S.A.

Maria Fernanda Oliveira Ramos Amorim is Luisa 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.

In accordance with the Rules of procedure of the Board of Directors, its members must:

- Punctually inform the Chairperson of any facts that may constitute or give rise to a conflict between their interests and the interests of Corticeira Amorim or the Corticeira Amorim Group;
- Promptly inform their Chairperson of any and all circumstances, changes and/or transactions that may in any way create doubt as to a potential conflict or that, in general, may conflict with their duties to Corticeira Amorim or the Corticeira Amorim Group;
- In the event of a conflict of interest, the member of the Board of Directors in question may not interfere in the respective decision-making process, without prejudice to the duty to provide any information and clarifications requested.

## 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 committee members currently in office are:

### Presiding Board of the General Meeting

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

The Chairperson 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 Chairperson 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 Directors <sup>4</sup>

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

### Executive Committee

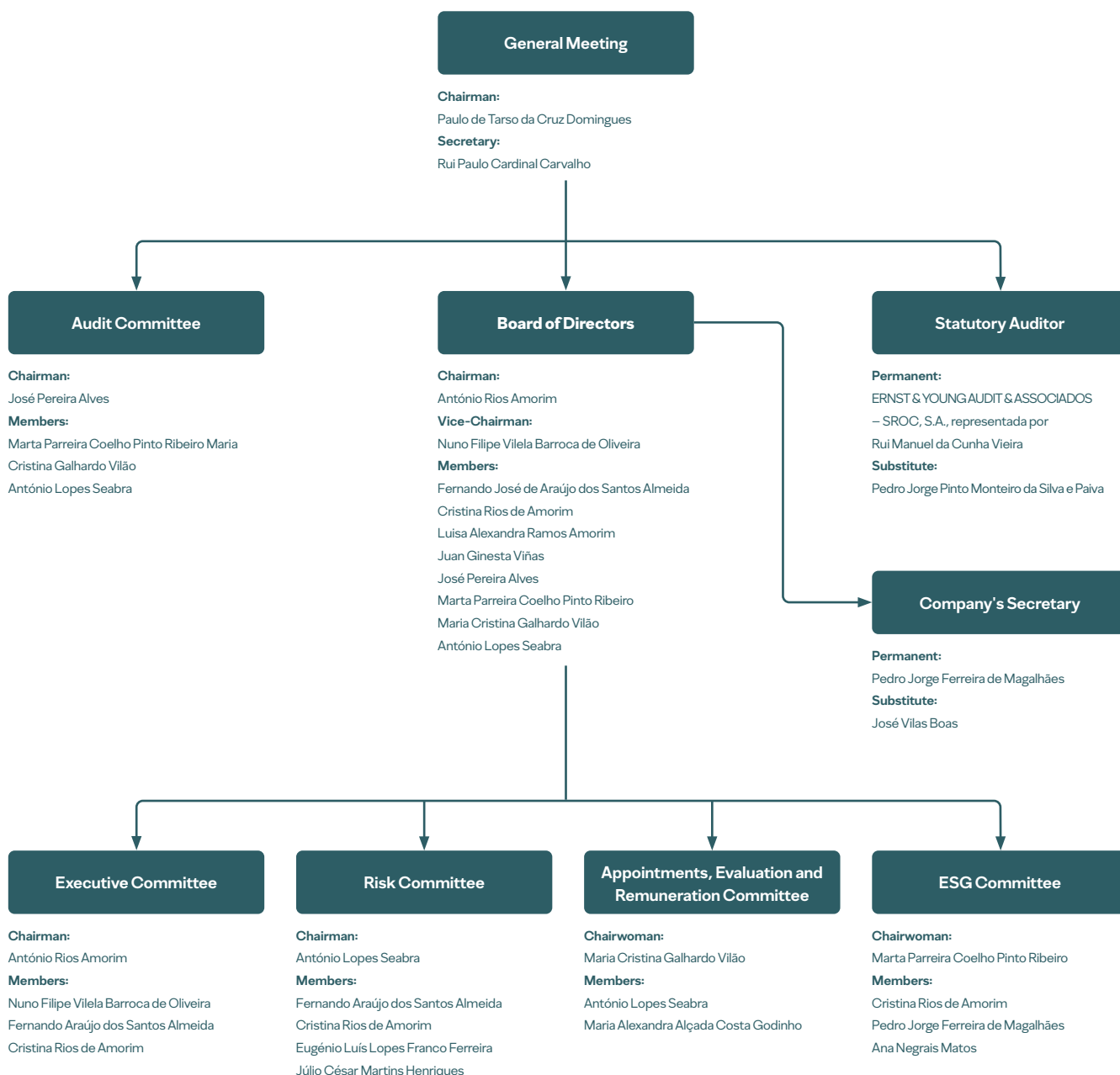
Composition and term of office as described in section 28 of this report; duties as described in section 29 of this report.

### Audit Committee

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.



## Organisational Structure of the Company

As explained in detail 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 Audit Committee whenever required by law or the articles of association, and is also supported by specialised internal committees set up with duties in specific areas: Risk, ESG (Environmental, Social & Governance) and Appointments, Evaluation and Remuneration. 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 qualifications<sup>5</sup>, 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 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.

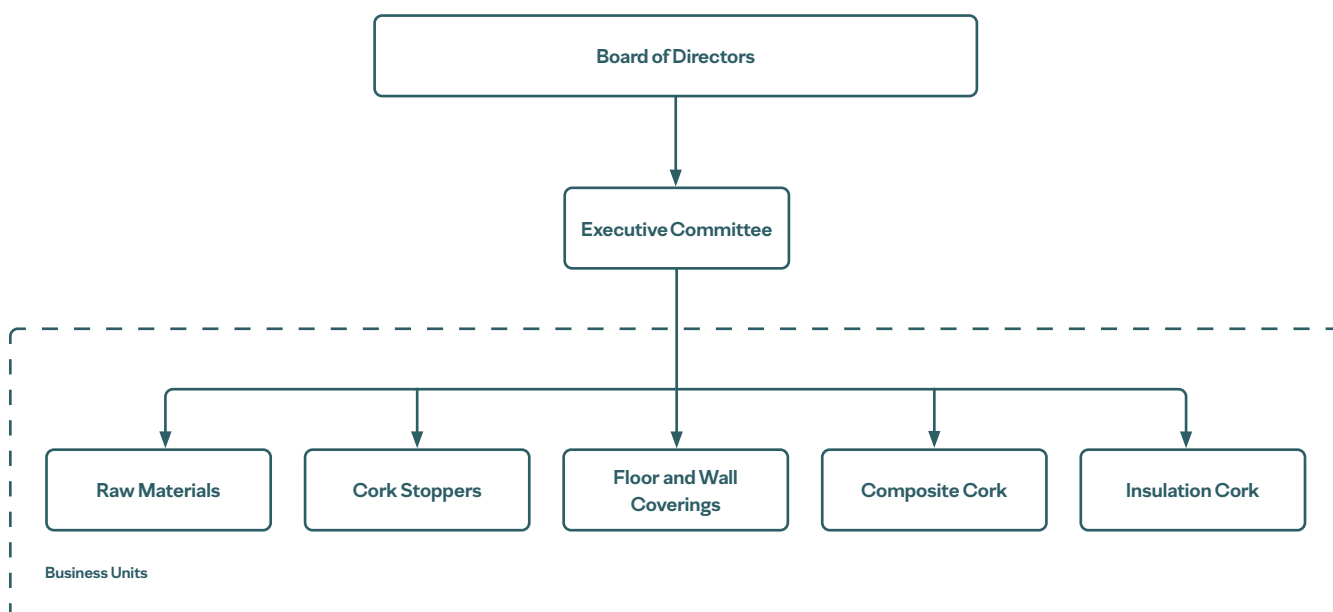
Adopting a management model based on a strategic-operational holding concept, the Business Units are coordinated by the Executive Board of Corticeira Amorim.

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 Chairperson 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 for the organisation as a whole and specifically for Corticeira Amorim.

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

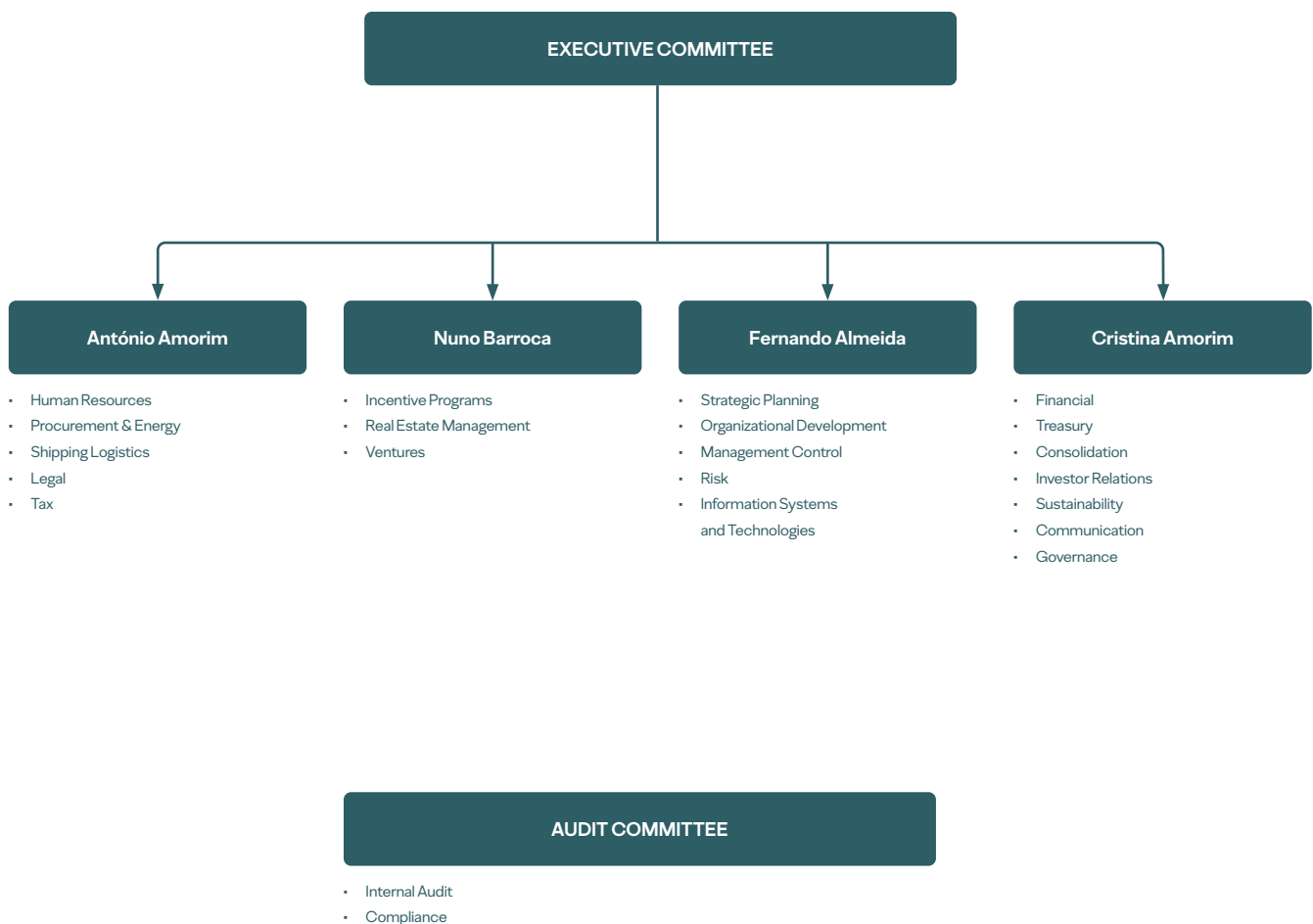


The **Support Divisions** are responsible for monitoring and coordinating the operation of the Business Units and their functional areas, under the coordination of the members of the Executive Committee.

With the exception of the Internal Audit and Compliance areas, which report to the Audit Committee, the activities of the other support areas are periodically reported to the Executive Committee, with the activity monitored by an executive director, as shown in the map below.

At intervals deemed suitable/ appropriate, the director monitoring 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 conducted 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.

4. 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 23 April 2021 for the 2021-2023 term did not appoint advisors to the Board of Directors.
5. 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). He is an external reviewer for the journal RED – Revista Eletrónica de Direito (Electronic Journal of Law) – Centre for Legal and Economic Research (CIJE) of the Faculty of Law of the University of Porto and author of the book Corporate Governance and Company Sustainability - Stakeholders Model versus Shareholders Model (2019, Livraria Almedina). Included in Legal 500's General Counsel Powerlit Iberia: Portugal Teams since 2017. He also an associate of the Portuguese Institute of Corporate Governance (IPGC), founding member of the Common Home of Humanity and the Association for the Sustainability of the Planetary System (ZERO).



## **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 and in the Company's Code of Business Ethics and Professional Conduct.

The operating regulations are available at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>

### **23. The number of meetings held and the attendance report for each member of the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable.**

Pursuant to the Articles of Association, the Board of Directors shall meet when and where corporate interest requires. Eleven meetings of the Board of Directors were held throughout 2021 (2020: 13 meetings), and all the members of the Board attended or were represented at the meetings, with the exception of the meeting in December, which was not attended by Juan Ginesta Viñas. Overall attendance was 99% and the individual was 90% for Mr. Juan Ginesta Viñas and 100% for the other directors.

### **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.

Until 23 April 2021, the Remuneration Committee elected by the General Meeting of Shareholders was in office, and it was responsible for conducting the assessment referred to in this point, and it effectively did so. On the said date, the shareholders of Corticeira Amorim, meeting in their General Meeting and following a proposal from the Board of Directors, resolved to approve the adoption of a new governance model which did not include a committee elected by the General Meeting with the powers referred to in this point.

Thus, it is the Board of Directors' responsibility to decide on the assessment of the executive directors. In this matter, the Board of Directors is assisted by the Appointments, Evaluation and Remuneration Committee (AERC), a permanent specialised internal Committee, the duties of which include advising the Board of Directors on its annual self-assessment process, including the evaluation of members of the Executive Committee. The AERC is made up of a majority of independent non-executive directors, and does not include any executive directors.

### **25. Predefined criteria for assessing executive director's performance.**

Pursuant to the statement on the policy for remunerations awarded to the Board of Directors approved at the shareholders' General Meeting of 23 June 2021, as proposed by the Company's Board of Directors (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/bonus for achieving the one-year targets of the companies of the Corticeira Amorim Group, and three-year targets of the Company.

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 sustainability of the Organisation.

The actual amount of the variable pay shall always depend on the appraisal to be conducted every year by an internal committee specially created for this purpose (the Appointments, Evaluation and Remuneration Committee, made up of independent, non-executive directors). It shall appraise the performance of the Board of Directors' 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.

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



## António Rios de Amorim (Chairperson)

| Company   | Position Held   |
|---|---|
| <b>Corticeira Amorim Group</b>                                  |   |
| Amorim Bartop – Investimentos e Participações, S.A.             | President of the Board of Directors   |
| Amorim Champcork, S.A.  | President of the Board of Directors   |
| Amorim Cork Composites, S.A.                                    | President of the Board of Directors   |
| Amorim Cork Flooring, S.A.                                      | President of the Board of Directors   |
| Amorim Cork Insulation, S.A.                                    | President of the Board of Directors   |
| Amorim Cork Research, Lda.                                      | Director  |
| Amorim Cork Services, Lda.                                      | Director  |
| Amorim Cork, S.A.   | President of the Board of Directors   |
| Amorim Cork, S.G.P.S., S.A.                                     | President of the Board of Directors   |
| Amorim Florestal España, S.L.                                   | President of the Board of Directors   |
| Amorim Florestal II, S.A.                                       | President of the Board of Directors   |
| Amorim Florestal III, S.A.                                      | President of the Board of Directors   |
| Amorim Florestal, S.A.  | President of the Board of Directors   |
| Amorim Industrial Solutions – Imobiliária, S.A.                 | President of the Board of Directors   |
| Amorim Natural Cork, S.A.                                       | President of the Board of Directors   |
| Amorim Subertech, S.A.  | President of the Board of Directors   |
| Amorim Top Series, S.A.   | President of the Board of Directors   |
| Chapius, S.L.   | President of the Board of Directors   |
| Comatral – Compagnie Marocaine de Transformation du Liège, S.A. | Chairperson of the Board of Directors and Chairperson of the Presiding Board of the General Meeting |
| Compruss – Investimentos e Participações, Lda.                  | Director  |
| Cosabe – Companhia Silco-Agrícola da Beira, S.A.                | President 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   | President of the Board of Directors   |
| Olimpiadas Barcelona 92, S.L.                                   | President 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  |
| <b>Other companies</b>  |   |
| Amorim – Investimentos e Participações, S.G.P.S., S.A.          | Member of the Board of Directors  |
| Amorim – Serviços e Gestão, S.A.                                | President 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.         | President of the Board of Directors   |
| Amorim Global Investors, S.G.P.S., S.A.                         | President 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.                       | President 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-Chairperson)

| Company   | Position Held                              |
|---|--|
| <b>Corticeira Amorim Group</b>                                      |  |
| Amorim Cork, S.A.   | Vice-Chairperson 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           |
| <b>Other companies</b>  |  |
| 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           |
| ARESPT Real Estate, 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           |
| Sombralicante – Unipessoal, Lda.                                    | Director                                   |
| Taboadella, S.A.  | Member of the Board of Directors           |

## Fernando José de Araújo dos Santos Almeida (Member)

| Company   | Position Held                       |
|---|-------------------------------------|
| <b>Corticeira Amorim Group</b>                      |                                     |
| Amorim Cork Services, Lda.                          | Director                            |
| Amorim Cork Flooring, S.A.                          | Member of the Board of Directors    |
| Vatrya – Consultoria e Marketing, Lda.              | Director                            |
| <b>Other companies</b>                              |                                     |
| Kaizen Tech, S.A.                                   | President of the Board of Directors |
| OSI – Sistemas Informáticos e Electrotécnicos, Lda. | Director                            |

## Cristina Rios de Amorim Baptista (Member)

| Company   | Position Held   |
|---|---|
| <b>Other companies</b>  |   |
| Amorim – Investimentos e Participações, S.G.P.S., S.A.              | Non-executive Vice-President 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                              |
| <b>Other institutions</b>   |   |
| 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.   | President of the Board of Directors |
| Amorim Negócios II, S.G.P.S., S.A.   | President of the Board of Directors |
| Bucozal – Investimentos Imobiliários e Turísticos, Lda.                            | Director                            |
| Dreaming Fix, Lda.   | Director                            |
| Época Global, S.G.P.S., S.A.   | President of the Board of Directors |
| Folha da Fonte – Agropecuária, Lda.  | Director                            |
| Herdade Aldeia de Cima do Mendro – Sociedade Comercial, Agrícola e Turística, Lda. | Director                            |
| LUYNES – Investimentos, S.A.   | President of the Board of Directors |
| Mercado Prime – S.G.P.S., S.A.   | President of the Board of Directors |
| Mercado Urbano – Gestão de Imobiliária, S.A.                                       | President of the Board of Directors |
| OSI – Sistemas Informáticos e Electrotécnicos, Lda.                                | Director                            |
| Quinta Nova de Nossa Senhora do Carmo, S.A.  | President of the Board of Directors |
| Vintage Prime, S.G.P.S., S.A.  | Member of the Board of Directors    |
| Taboadella, S.A.   | President of the Board of Directors |
| Other institutions   |                                     |
| Associação Bagos D'Ouro – a Private Institution of Social Solidarity (IPSS)        | President of the Board              |

## Juan Ginesta Viñas (Member)

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

## José Pereira Alves (Member)

| Company                                  | Position Held                      |
|--|------------------------------------|
| Other companies                          |                                    |
| Galp Energia, S.G.P.S., S.A.             | President of the Supervisory Board |
| NOS, S.G.P.S., S.A.                      | President of the Supervisory Board |
| SFS – Gestão de Fundos, S.G.O.I.C., S.A. | President of the Supervisory Board |
| The Fladgate Partnership, S.A.           | President of the Supervisory Board |

## 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 does not hold any other company positions in other companies, be it in or out of the Corticeira Amorim Group.

| Company   | Position Held   |
|---|---|
| Other companies   |   |
| Galhardo Vilão, Torres e Associados, Sociedade de Advogados, R.L. | Partner and Director                                      |
| Hexagen, S.A.   | Chairperson of the Presiding Board of the General Meeting |
| Hotel Santa Marta, S.A.   | Chairperson of the Presiding Board of the General Meeting |
| Inspira Santos, S.A.  | Chairperson of the Presiding Board of the General Meeting |
| Investoc, S.G.P.S., S.A.  | Chairperson of the Presiding Board of the General Meeting |
| Osório de Castro – Investimentos Imobiliários, S.A.               | Chairperson of the Presiding Board of the General Meeting |

## António Lopes Seabra (Member)

Does not hold any position in any other company.

## c) Committees within the Board of Directors

### 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.

The Board of Directors delegated powers to an Executive Committee and established three specialised internal committees: Risk Committee; Appointments, Evaluation and Remuneration Committee; and ESG (Environmental, Social & Governance) Committee. The regulations of these committees are available at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>.

### 28. Composition of the Executive Committee.

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

|                      |  |
|----------------------|--|
| <b>Chairperson:</b>  | António Rios de Amorim                     |
| <b>Board Member:</b> | Nuno Filipe Vilela Barroca de Oliveira     |
| <b>Board Member:</b> | Fernando José de Araújo dos Santos Almeida |
| <b>Board Member:</b> | Cristina Rios de Amorim Baptista           |

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.

#### I. EXECUTIVE COMMITTEE

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 Board of Directors establishes, through its Internal

regulations (available at <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>), the powers delegated to its Executive Committee:

- a. The implementation of the resolutions of the Board of Directors and the day-to-day management of the Company
- b. To determine the composition of the boards of directors of the Company's sub-holdings which shall necessarily include at least two members of the Executive Committee;
- c. Through the issuing of binding instructions, the day-to-day management of the companies directly and indirectly controlled by the Company, with the following limits:
  - The following powers, according to the law, are not subject to delegation in the Executive Committee:
    - i. Choosing the Chair of the Executive Committee (Chief Executive Officer - CEO);
    - ii. Co-opting directors;
    - iii. Requesting the convening of General Meetings;
    - iv. Approving management reports and annual accounts;
    - v. Providing bonds and personal or real guarantees by the Company;
    - vi. Changing the registered office and capital increases, under the terms foreseen in the Company's Articles of Association;
    - vii. Merging, de-merging or changing the legal status of the Company.
  - The following are not considered to be management powers of ordinary course of the Company, and are therefore not delegated to the Executive Committee:
    - i. Approval of the annual investment/disinvestment plan of the Company and of the companies directly or indirectly controlled by the Company and amendments of an amount exceeding ten (10) percent of the overall value of the approved annual investment/disinvestment plan;

- ii. Acquisition, disposal or encumbrance of real estate assets of the Company and of the companies directly or indirectly controlled by the Company not related to the operational activities pursued by the companies directly or indirectly controlled by the Company;
- iii. Incorporation or taking an interest in, namely through the direct or indirect acquisition of shareholdings, of companies worth more than EUR 2,500,000.00 (two million five hundred thousand euros);
- iv. Approval and modification of the strategic plans and annual targets of the Company and the Corticeira Amorim Group;
- v. Approval and modification of the main policies of the Company and the Corticeira Amorim Group;
- vi. Transactions of the Company, or of companies directly or indirectly controlled by the Company, with related entities or with any shareholders of the Company;
- vii. Approval and modification of the organisational structure of the Company and the Corticeira Amorim Group;
- viii. Issue of bonds or other debt instruments of the Company;
- ix. The companies controlled by the Company entering into subordination agreements and parity group agreements.

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 Chairperson of the Executive Committee, who is also the Chairperson of the Board of Directors, provides timely minutes of the Executive Committee meetings to the Chairperson of the Audit Committee.

## Summary of activity conducted in 2021:

The activity of the Executive Committee was conducted in 2021 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.

The Executive Committee met 17 times during 2021 (2020: 15), attendance was 100% (in overall and individual terms).

## II. RISK COMMITTEE

The **Risk Committee** is a permanent specialised internal Committee, whose mission is to advise the Board of Directors in the follow-up and monitoring of risk management activities at Corticeira Amorim. The Risk Committee's duties shall relate to Corticeira Amorim and its various Business Units and encompass all subsidiaries in which it holds a controlling interest.

The Risk Committee is composed of five members, appointed by the Board of Directors of Corticeira Amorim, presided over by an independent director and composed, in the majority, of members of Company bodies. The position of Chair of the Risk Committee will necessarily be attributed to a director of Corticeira Amorim's Audit Committee.

Other persons may be invited to attend meetings on a permanent basis, at the invitation of the Risk Committee, but without having voting rights. Such persons shall be invited considering their specialised knowledge of the Risk Committee's area of intervention. The Risk Committee may also request that other persons, internal or external to Corticeira Amorim, may attend specific meetings of the Risk Committee, due to the fact they have knowledge that may be relevant to the topics under discussion. The Risk Committee appoints a coordinator from among the Committee's members to act, whenever necessary, as liaison with the sub-holdings that head the different Business Units, on matters attributed to the Risk Committee.

The Risk Committee may request from the Board of Directors, the Audit Committee, the Executive Committee or any other internal committee of the Board of Directors and support areas, as well as, through the designated coordinator, and from the boards of directors and executive managements of the sub-holdings heading the different business units, all the information, documentation and assistance necessary to exercise its powers.

The Risk Committee was designated by the Board of Directors on 3 May 2021 for the 2021–2023 term of office, and is now comprised as follows:

|                      |  |
|----------------------|--|
| <b>Chairperson:</b>  | António Lopes Seabra<br>(independent non-executive director) |
| <b>Board Member:</b> | Fernando José de Araújo dos Santos Almeida                   |
| <b>Board Member:</b> | Cristina Rios de Amorim                                      |
| <b>Board Member:</b> | Eugénio Luís Lopes Franco Ferreira                           |
| <b>Board Member:</b> | Júlio César Martins Henriques                                |

Under the terms of the respective regulations (available at <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>) the Risk Committee has been attributed the following powers:

- Advise the Board of Directors on Corticeira Amorim's risk policy and, within that framework, on the appetite for general, current and future risks;
- Evaluate and monitor the main risks inherent to Corticeira Amorim's activity, as well as the level of exposure to risk and its potential development;
- Inform the Audit Committee of the risks to which Corticeira Amorim is subject and the effectiveness of the respective mitigation plans, promoting the recommendations and reports that the Board of Directors and/or the Audit Committee may request;
- Assist the Board of Directors in supervising the execution of the risk strategy;
- Discuss and issue the opinions and recommendations to the Board of Directors that it deems appropriate on risk strategies at the aggregate level and by risk type;
- Propose the creation of mechanisms to ensure the implementation of processes which promote compliance with the approved risk policies;
- Annually review risk policies and procedures and report the results of this review to the Board of Directors.

The duties of the Risk Committee also include assisting the Audit Committee in assessing the functioning of Corticeira Amorim's internal control model, including its risk management, compliance and internal audit functions.

### Summary of activity conducted in 2021:

This Committee met three times during 2021, with 100% attendance (both overall and individually), undertaking the following activities, having actively considered and collaborated on the following processes:

- Assessment of risk management at Corticeira Amorim: risks identified; structure, processes and procedures implemented in the companies;
- Integrated risk management system: specification and implementation of an action plan with a view to formalising an integrated risk management system at Corticeira Amorim, including for its Business Units, in line with the most common standards, ISO31000 and the

Enterprise Risk Management — Integrated Framework from COSO; this was later sent for the CAU's opinion and subsequent approval by the Board of Directors;

- Risk Management Policy: support for regular monitoring in drawing up the Risk Management Policy at Corticeira Amorim S.G.P.S. S.A., its discussion and approval as well as the process of providing a prior opinion/approval, in particular, as part of its duty to collaborate with the other Company bodies, undertaking a meeting with the Audit Committee to present the said Risk Management Policy and seeking the consideration and prior opinion of the said Committee, for later approval by the Board of Directors;
- Appraisal of the formalisation of various corporate policies, the objective of which is also to mitigate risks: Sustainability Human Rights; Energy, Environment and Biodiversity; Purchases Community / Society; Tax; Fighting Corruption; Consumer Safety; Human Resources; Privacy for Managers and Employees; Privacy for the Company.

### III. E.S.G. COMMITTEE (ENVIRONMENTAL, SOCIAL & GOVERNANCE)

The **E.S.G. Committee** (Environmental, Social & Governance) is a permanent specialised internal Committee, whose mission is to advise the Board of Directors in the monitoring, supervision and strategic guidance of Corticeira Amorim in matters of corporate governance, social responsibility, the environment and ethics. The E.S.G. Committee's duties relate to Corticeira Amorim and its various Business Units and encompass all subsidiaries in which it holds control.

The E.S.G. Committee is composed of four members, appointed by the Board of Directors of Corticeira Amorim, presided over by an independent director and composed, in the majority, of members of Company bodies. The position of Chair of the E.S.G. Committee is necessarily attributed to a director of Corticeira Amorim's Audit Committee.

Other individuals may be invited to participate on a permanent basis, at the invitation of the E.S.G. Committee, but without the right to vote, given their specialised knowledge of their area of intervention in the E.S.G. Committee, and it may also be possible to request the involvement of other members within or outside Corticeira Amorim, to participate in particular meetings of the E.S.G. Committee. The E.S.G. Committee may request from the Board of Directors, the Audit Committee, the Executive Committee or any other internal Committee of the Board of Directors, as well as from the Boards of Directors of the sub-holdings heading the different Business Units, all the information, documentation and assistance necessary for the exercise of its powers.

The E.S.G. Committee was appointed by the Board of Directors on 3 May 2021 for the 2021–2023 term of office, and is now comprised as follows:

|                      |   |
|----------------------|---|
| <b>Chairperson:</b>  | Marta Parreira Coelho Pinto Ribeiro<br>(independent non-executive director) |
| <b>Board Member:</b> | Cristina Rios de Amorim   |
| <b>Board Member:</b> | Pedro Jorge Ferreira Magalhães  |
| <b>Board Member:</b> | Ana Negrais Matos   |

Under the terms of the respective regulation (available at <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>), the following powers are attributed to the E.S.G. Committee:



**In general:**

- a. Discuss and issue the opinions and recommendations to the Board of Directors that it deems appropriate on any ESG matter;
- b. Propose to the Board of Directors a Multi-Year ESG Plan for Corticeira Amorim;
- c. Assess the consistency of ESG policies with applicable legislation and best practices, proposing changes whenever it deems appropriate;
- d. Review and issue an opinion to the Board of Directors on Corticeira Amorim's Annual Sustainability Report;

**In matters of Environment:**

- e. Assess the environmental sustainability of Corticeira Amorim's business models;
- f. Develop and propose to the Board of Directors an environmental sustainability strategy cross-cutting all Business Units, which is integral and consistent with Corticeira Amorim's global strategy;

**In matters of Social Responsibility:**

- g. Give its opinion, at its initiative or at the request of the Board of Directors, on the policies of social solidarity, education, science, innovation and cultural sponsorship implemented by Corticeira Amorim;
- h. Monitor and issue an opinion on the configuration of specific initiatives to be developed within the scope of the policies identified in the previous sub-paragraph;
- i. Monitor and issue an opinion on the evolution of occupational health and safety indices, with special attention to accidents in Corticeira Amorim's industrial units;
- j. Monitor and issue an opinion on the promotion of training, equality and the well-being of Corticeira Amorim's employees;

**In matters of corporate governance:**

- k. Monitor, review and assess the suitability of Corticeira Amorim's governance model and its consistency with applicable legislation and best practices, proposing changes to the model whenever it deems appropriate;
- l. Monitor, review and assess the articulation between the governing bodies and the internal committees;
- m. Prepare and monitor decision-making by the governing bodies and relevant committees in matters of ESG, namely those that may give rise to conflicts of interest;
- n. Monitor the supervisory actions conducted by the CMVM in relation to corporate governance matters;
- o. Make recommendations on the efficiency of the role of the non-executive members of the Board of Directors;

- p. Review and propose to the Board of Directors Corticeira Amorim's Annual Corporate Governance Report;
- q. Monitor Corticeira Amorim's ratings in the various ESG rankings, as well as ratings with special relevance in corporate governance;

**In matters of Ethics:**

- r. Propose to the Board of Directors the measures it considers appropriate for the development of a culture of business ethics and professional deontology within Corticeira Amorim and its dissemination to all hierarchical levels of the companies belonging to its sphere;
- s. Assess and propose to the Board of Directors any changes and/or reviews to the internal code of business ethics and professional conduct;
- t. Advise the Audit Committee on procedures for reporting non-compliance with the internal code of business ethics and professional conduct.

**Summary of activity conducted in 2021:**

This Committee met three times during 2021, attendance was 100% (in overall and individual terms) and, having analysed, considered and, where appropriate, issued opinions and/or recommendations on:

As part of its mission and the duties conferred upon it by the Board of Directors, the E.S.G. Committee appraised and collaborated activity in the following processes, having analysed, appraised and, where appropriate, issued opinions and/or recommendations on:

- Sustainability: materiality matrix and strategy (revision in 2021); road map 2024/2030: specification of targets for social and environmental matters;
- Circularity and recycling: importance and plan of action;
- ESG ratings: importance and notation attributed to Corticeira Amorim by the various E.S.G. Ratings companies who have analysed it; appraisal of the practices established by these companies and their suitability for Corticeira Amorim;
- Promotion of diversity: analysis of its development, objectives, actions and goals; Gender Equality Plan for 2022;
- Investor relations: activity for the year and main findings/trends concerning ESG issues;
- Corporate governance: the new Corticeira Amorim governance model, the development of specialised internal structures, the formalisation of the Corticeira Amorim Group culture (Codes, Policies and Regulations) and the respective impact on the level of adoption of the Corporate Governance Code of the Portuguese Corporate Governance Institute; future developments;
- Ethics: appraisal of the action plans which seek to guarantee the adoption of the revised practices in the Corticeira Amorim Code of Business Ethics and Professional Conduct;
- Remuneration policy: recommendation to the Appointments, Evaluation and Remuneration Committee to include/consider ESG objectives in the next Remuneration Policy to be submitted to the General Meeting;
- Appraisal of Corticeira Amorim's voluntary membership initiatives which testify to its commitment to the adoption of ESG best practices (e.g.: Global Compact Network Portugal).

## IV. Appointments, Evaluation and Remuneration Committee

The **Appointments, Evaluation and Remuneration Committee** (AERC) is a permanent specialised internal Committee, whose mission is to advise the Board of Directors (i) in the preparation of succession plans and profile recommendations for the members of Corticeira Amorim S.G.P.S., S.A.'s governing bodies; and (ii) in the evaluation of the overall performance of the Board of Directors itself, its executive members, the Audit Committee and the internal committees. The AERC will also monitor and support the Board of Directors in the appointment of the key management personnel of Corticeira Amorim S.G.P.S., S.A. The duties of the AERC will focus on the governing bodies and key management personnel of Corticeira Amorim S.G.P.S., S.A.

The AERC is composed of three members, appointed by the Board of Directors of Corticeira Amorim, with a majority of non-executive members who are independent of that Board. The position of Chair of the AERC is necessarily attributed to an independent director that is part of Corticeira Amorim's Audit Committee.

Other individuals may be invited to participate on a permanent basis, at the invitation of the AERC, but without the right to vote, given their specialised knowledge of their area of intervention in the AERC, and it may also be possible to request the involvement of other members within or outside Corticeira Amorim, to participate in particular meetings of the AERC, when their knowledge is relevant for the topics to be discussed. The AERC must be free to decide, within the budgetary constraints established by the Board of Directors, on the contracting by the Company of the consultancy services necessary or convenient for the performance of its duties and must ensure that those 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.

The AERC was appointed by the Board of Directors on 3 May 2021, for the 2021-2023 term of office, and is now comprised as follows:

|                      |   |
|----------------------|---|
| <b>Chairperson:</b>  | Maria Cristina Galhardo Vilão<br>(independent non-executive director) |
| <b>Board Member:</b> | António Lopes Seabra<br>(independent non-executive director)          |
| <b>Board Member:</b> | Maria Alexandra Alçada Costa Godinho                                  |

Under the terms of the respective regulation (available at <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>), the following powers are attributed to the AERC:

### In matters of appointments:

- Support and advise the Board of Directors in the selection of directors to be appointed to the Executive Committee of the Board of Directors (ECBD) and to internal committees;
- Support and advise the Board of Directors in identifying and selecting potential candidates to fill vacancies occurring in the governing bodies and key management personnel of Corticeira Amorim S.G.P.S., S.A.;
- Prepare a well-founded opinion for the Board of Directors whenever any vacancy appears or there is a new term of office for the governing bodies mentioned in sub-paragraph b) above. That opinion identifies the people with the most suitable profile to fill that vacancy;
- The opinions of the AERC referred to in sub-paragraph c) above will be accompanied by (i) a justification regarding the adequacy of the profile, knowledge and curriculum of each candidate for the role to be performed, (ii) the terms of reference used by the AERC. These opinions will be prepared individually for each of the candidates for membership and/or for the body as a whole. The AERC shall induce, to the best of its abilities, transparent selection processes that include effective mechanisms for identifying potential candidates, and that those put forward for selection have the greatest merit, are best suited to the requirements of the role and promote adequate diversity within the organisation, including gender diversity;
- Draw up recommendations, criteria and requirements related to the profile of new members of the governing bodies referred to in sub-paragraph b) above, 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;
- Review and evaluate incompatibilities and independence of the members of the governing bodies;



## In matters of evaluation and remuneration:

- g. Advise the Board of Directors in its annual self-assessment process, including the evaluation of the members of the ECBD, the Audit Committee and the internal committees;
- h. Advise the Board of Directors in setting the individual objectives and fixed and variable remuneration of the primary managers (non-directors) responsible for the internal control functions (Risk Management, Audit and Compliance);
- i. Advise the Board of Directors on the proposal of the criteria to be used in the annual process of evaluating and setting the variable remuneration of the ECBD members;
- j. Review and propose to the Board of Directors the Remuneration Policy and the Annual Remuneration Report of Corticeira Amorim, under the terms laid down in Law no. 50/2020 of 25 August, and issue an opinion on the proposals approved by the Board of Directors for submission to the ordinary annual General Meeting of Corticeira Amorim S.G.P.S., S.A.;
- k. Perform other duties or responsibilities that may be delegated to the AERC by the Board of Directors within the scope of its functions.

The AERC has no powers regarding the definition of the remuneration of the governing bodies of Corticeira Amorim S.G.P.S., S.A. or its key management personnel, but the assessment made by this Committee and the opinion on the Remuneration Policy of Governing Bodies and other Managers of Corticeira Amorim may potentially, and indirectly, have an impact on said remuneration.

## Summary of activity conducted in 2021:

This Committee conducted contacts and preparatory work, after which it met on 26 November 2021 (through telematic means), with the presence and participation of all its members (attendance was 100% in overall and individual terms), having analysed, appraised and, whenever appropriate, issued opinions and/or recommendations on:

- The current policy and practices of the Company regarding remunerations and evaluations, having also analysed the recommendations of the IPCG's Corporate Governance Code, concluding on the pertinence of adjusting the Remuneration Policy to those recommendations, whenever possible and applicable;
- As part of the analysis of the Company's current remuneration practices as to the executive members of the Board of Directors, a recommendation was made to the Board of Directors communicated at the meeting of the Board of Directors on 6 December 2021;
- It analysed the recommendation of the E.S.G. Committee to include/consider ESG objectives in the next Remuneration Policy to be submitted to the General Meeting", with it having been confirmed to the ESGC that, as part of the preparation of the revision of the Company's Remuneration Policy, the AERC intends to consider the establishment of criteria for the variable remuneration of executive directors which would enable an alignment with the long-term interests of the company and its shareholders, and are sustainable performance which is related to the social responsibility of the company;
- It has conducted preparatory works regarding the appointments and remuneration policies, with a view to their drawing up/revision and discussion during the first months of 2022 to establish a proposal to be put to the Board of Directors and the later consideration by the General Meeting;

- It has taken part in the preparatory works for a new Diversity Policy for managers and employees and the amendment of the current Human Resources Policy, for proposal to the Board of Directors;
- It analysed the proposal for the Training Plan for the Board of Directors in 2022.

## 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 Anglo-Saxon governance model, with a double supervisory mechanism made up of the Audit Committee and the Statutory Auditor.

#### 31. Composition of the supervisory body, 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.

The Articles of Association determined that the Audit Committee may consist of three or four effective members, the majority of whom are independent, and there may be an Alternate.

On 23 April 2021, the General Meeting of shareholders elected an Audit Committee made up of four effective members, all independent, to perform duties for the 2021-2023 term of office:

#### José Pereira Alves (Chairperson)

First appointment as Chairperson of the Audit Committee: 23 April 2021  
End of current term of office: 31 December 2023, remaining in office until a new election pursuant to law.

#### Marta Parreira Coelho Pinto Ribeiro (Member)

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)  
First appointment as Member of the Audit Committee: 23 April 2021  
End of current term of office: 31 December 2023, remaining in office until a new election pursuant to law.

#### Maria Cristina Galhardo Vilão (Member)

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  
First appointment as Member of the Audit Committee: 23 April 2021  
End of current term of office: 31 December 2023, remaining in office until a new election pursuant to law.

#### António Lopes Seabra (Member)

First appointment as Member of the Audit Committee: 23 April 2021  
End of current term of office: 31 December 2023, remaining in office until a new election pursuant to law.

At the issue date of this report all the members making up the Audit Committee are independent.

The Policy for Promoting Diversity in the Governing Bodies applies to the Audit Committee as transcribed in the commentary to Recommendation I.2.1 of this report (available for consultation at: <https://www.amorim.com/en/investors/corporate-governance/board-members/>), 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 33 of this report.

The size, expertise, and diversity of the Audit Committee, 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.

### **32. Details of the members of the supervisory body, 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 Audit Committee are independent, 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 body and other important curricular information.**

As set out in section 19 above.

## **b) Functioning**

### **34. Availability and place where rules on the functioning of the supervisory body may be viewed.**

The operating regulations of the Audit Committee may be consulted at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>.

### **35. The number of meetings held and the attendance report for each member of the supervisory body.**

The Audit Committee meets whenever called by the Chairperson or by any other two members of the Supervisory Board, and at least bi-monthly, pursuant to article 11 of the rules of procedure of that body. The supervisory body met seven times during 2021 (2020: 7): two meetings of the Supervisory Board, operating until 23 April 2021; five meetings of the Audit Committee, operating since 23 April 2021. The overall and individual attendance was of 100%.

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

As set out in section 26 above.

## **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 Audit Committee is responsible for monitoring the independence of the Statutory Auditor, especially in relation to the provision of additional services.

Subject to the express prior approval of the supervisory body (until 23 April 2021: Supervisory Board; then, Audit Committee), services other than the statutory audit were contracted from the Statutory Auditor. Such services are described and itemised in point 47.

### **38. Other duties of the supervisory body.**

The Audit Committee is responsible, under the law and respective Rules of Procedure (can be viewed at <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>):

- a. Oversee the management of the Company;
- b. Monitor compliance with the law and articles of association;
- c. Prepare an annual report on its supervisory action and give an opinion on the report, accounts and proposals submitted by management;
- d. Convene the General Meeting when the Chairperson of that Presiding Board does not and should do so;
- e. Assess and issue its prior opinion on Related Party Transactions, under the terms of its own regulations in accordance with the applicable law;
- f. Check that the published report on the corporate governance structure and practices includes the provisions referred to in article 29<sup>a</sup>-H of the Portuguese Securities' Code;
- g. 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 consider 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;
- h. Comply with all other duties set down by law or the articles of association.
- i. Check the correctness of the accounting records and documents supporting those records;
- j. 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;
- k. Check the accuracy of the financial statements;

- l. Check whether the accounting policies and valuation criteria adopted by the Company lead to a correct assessment of the assets and profits;
- m. Independently and diligently ensure that the management body fulfils its responsibilities in choosing appropriate accounting policies and criteria and establishing adequate systems for financial reporting, risk management, internal control and internal auditing;
- n. Supervise the appropriateness of the process of preparation and disclosure of financial information by the management body, including the suitability of accounting policies, estimates, judgements, relevant disclosures and their consistent application from year to year, in a properly documented and reported manner, as well as make recommendations or proposals to ensure their integrity;
- o. Supervise and assess the adequacy of the structure and effectiveness of the internal control system, comprising the risk management, compliance and internal audit functions, and it must also issue an opinion on: (i) the strategic guidelines and the risk policy, prior to their final approval by the management body, and (ii) 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;
- p. Propose and implement mechanisms and procedures for: (i) periodic control and evaluation to ensure that the risks effectively incurred by the Company are consistent with the objectives set by the management body; (ii) adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of that system, as well as the prospects for changing the previously defined risk framework;
- q. Receive claims regarding anomalous situations reported by shareholder, Company's employees or other persons;
- r. Examine and deal with any claims regarding anomalous situations and request the required explanations about such situations from members of the other Company's governing bodies;
- s. 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 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;
- t. Suspend directors when:
  - Their health temporarily prevents them from performing their duties;
  - Other personal circumstances preclude them from performing their duties for a period of time greater than 60 days and they ask the Audit Committee to be temporarily suspended or the Board deems this to be in the interest of the Company;
- u. 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;
- v. In relation to the accounting information, it is the responsibility of the Audit Committee to:
  - Monitor and supervise the statutory audit of the individual and consolidated annual accounts, in particular the implementation of the same, taking into account any findings and conclusions of the Portuguese Securities Market Commission;
  - Consider the report of the directors, the financial statements, the statutory certification of accounts or explanatory statement regarding their non-certification, as well as the additional report to be prepared by the Statutory Auditor in accordance with article 24 of Law 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 fifteen days of the date on which it received the referred accounting documents;
  - Issue in its report and opinion a statement to be prepared, signed by each of the Audit Committee's members, with their names and positions clearly stated, where they state 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.
- w. In relation to the Statutory Auditor, it is the responsibility of the Audit Committee to:
  - Select the auditors to propose to the General Assembly and justifiably recommend the preference for one of them;
  - Monitor and supervise, under the terms of the applicable legal regime, the supervisory procedures aimed at ensuring the independence of the Statutory Auditor, 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 provision of services other than audit services;

- Be the main liaison with the statutory auditor of the company's accounts, and it is responsible, inter alia, for proposing the relevant remuneration and ensuring that the proper conditions for the provision of services are provided;
- 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.

The Audit Committee 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, 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 23 April 2021, re-elected for the current term of office (2021-2023):

**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)

Date of first re-election: 26 June 2020 (term of office 2020-2022, interrupted in 2021 following an amendment to the governance model of the Company and, subsequently, the new elections for corporate bodies)

Date of second re-election: 23 April 2021 (term of office 2021-2023)

End of current term of office: 31 December 2023, 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 chairperson 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 Chairperson 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 performs 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-elect on 23 April 2021 current term of office 2021-2023). 2021 was its fifth 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 operating supervisory body (Supervisory Board, until 23 April 2021; Audit Committee: from 23 April until 31 December 2021), 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 performing these duties, and the respective registration number in the CMVM.

The external audit of Corticeira Amorim is undertaken by the Statutory Auditor, a position held by ERNST & YOUNG AUDIT & ASSOCIADOS – SROC, S.A., represented by Rui Manuel da Cunha Vieira (Statutory Auditor).

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

As described in point 40 – five consecutive years.

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

In this matter, Corticeira Amorim aligns its practice with that enshrined in Law No. 140/2015, of 07 September (Statute of the Statutory Auditors Association) in the case of public interest entities:

- the initial term of office for the external auditor to conduct its statutory audits shall be at least two years;
- the renewal of the term of office of the external auditor is limited to fulfilling a maximum consecutive period in performing such duties of 10 years;
- the maximum period to perform such duties by the respective partner that represents the external auditor is seven years, starting from the first appointment.

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

The Audit Committee is responsible for annually assessing the work conducted by the statutory auditor, as well as its independence and suitability to perform such duties.

### 46. Details of services, other than auditing, conducted 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.

As set 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.

The Review of interim financial information and other reliability assurance services item covers the limited audit of the consolidated financial statements for the six-month period ended 30 June 2021, the independent audit of the sustainability report, the Independent audit of the green bonds report and the certification of expenses included as part of subsidised investment projects.

The Other services item includes conducting life cycle studies and/or analysis of the carbon footprint of various products of the Business Units for the Stoppers and the Coverings.

| Type of service                  | Audit and certification of accounts | The review of interim financial information and other reliability assurance services | Tax advice | Other services | Total          |
|----------------------------------|-------------------------------------|--|------------|----------------|----------------|
| <b>EY SROC</b>                   |                                     |  |            |                |                |
| Corticeira Amorim                | 39,000                              | 26,200   | 0          | 0              | 65,200         |
| Group companies                  | 158,550                             | 3,710  | 0          | 13,050         | 175,310        |
| <b>Companies of EY's network</b> |                                     |  |            |                |                |
| Corticeira Amorim                | 0                                   | 0  | 0          | 0              | 0              |
| Group companies                  | 116,860                             | 0  | 0          | 0              | 116,860        |
| <b>Total</b>                     | <b>314,410</b>                      | <b>29,910</b>  | <b>0</b>   | <b>13,050</b>  | <b>357,370</b> |
| Corticeira Amorim                | 39,000                              | 26,200   | 0          | 0              | 65,200         |
| Group companies                  | 275,410                             | 3,710  | 0          | 13,050         | 292,170        |
| <b>Total</b>                     | <b>314,410</b>                      | <b>29,910</b>  | <b>0</b>   | <b>13,050</b>  | <b>357,370</b> |
|                                  | 88%                                 | 8%   | 0%         | 4%             | 100%           |

Values in euros.





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After the cork is extracted, communication between the tree's living tissues and the exterior is achieved through its cells. Over time these cells acquire an earthy, pinkish and reddish colour as a result of oxidation of the tannins.

# C – INTERNAL ORGANISATION

## I. ARTICLES OF ASSOCIATION

### 48. The rules governing amendment to the Articles of Association.

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 chairperson, a vice-chairperson 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 this 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 Audit Board and the Legal Department, and such interpretations should be disclosed by the same means as the code; (ii) adopts any appropriate guidelines and procedures to develop the provisions of code, also disclosing them by the same means.

The Audit Committee 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 Audit Committee for evaluation and approval. Once approved by the Audit Committee, 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 the Company's Intranet and Corticeira Amorim's corporate website, also in an autonomous manner, so that all involved have access to it.

As mentioned, it is the responsibility of the Audit Committee under the terms of the respective Regulation (available for consultation at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>) to receive the information on wrongful acts reported by shareholders, by employees of the Company or other individuals/bodies and to treat such whistle-blowing reports appropriately.

Such reports shall be addressed to:

**The Audit Committee of Corticeira Amorim, S.G.P.S., S.A.**

Address: Registered office of the Company: Rua Comendador Américo Ferreira de Amorim, n.º 380  
4535-186 MOZELOS

Telephone: 22 747 54 00 | E-mail: [supervision@amorim.com](mailto:supervision@amorim.com)

the Company ensures that the Audit Committee 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 Audit Committee'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 Audit Committee – a body composed entirely of independent members, thus ensuring the impartial handling and consideration of irregularities reported; (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; (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 Organisation employees involved, while ensuring that the reporting process remains simple, and contribute effectively to promoting the impartial investigation and clarification of the situations reported.



Those seeking advice or wishing to report an incident will be treated with respect and dignity, in accordance with the following principles:

- **Confidentiality:** the details and statements made will be treated in the strictest confidentiality during all phases of the investigation. The maximum confidentiality of the information transmitted and the identity of the information transferor is guaranteed, whenever the transferor requests it.
- **Thoroughness:** information received about potential violations of the Code of Business Ethics and Professional Conduct, or associated Regulations, Policies or Principles, should be investigated fully and thoroughly to determine the truthfulness of the reported situation.
- **Respect and dignity:** those seeking advice or wishing to report an incident will be treated with the utmost respect and dignity, always respecting the fundamental rights of those involved in violations. Before evaluating the information and situations reported, the third parties and/or employees affected will be entitled to provide the reasons and explanations they deem necessary.
- **Fundamentals:** any decision must be adopted in a reasonable, proportional and appropriate manner, considering the circumstances and the nature of the events.

The Organisation undertakes to refrain from retaliation or reprisals against those who make complaints/speak out, as well as to treat the targets of the accusations fairly. In particular, employees who report illicit activities conducted by others, acting in good faith and according to criteria of reasonableness and care, may not be the subject of any disciplinary procedure.

Such commitment shall not, however, prejudice the right to any legal action, civil or criminal, that may correspond to the party or parties affected, and the Organisation therefore recommends that: (i) the Procedure for reporting irregularities be used prudently, professionally and in accordance with the highest standards of integrity; and (ii) the reporting be reasoned and made in good faith and not abusive or formulated on the basis of conjecture or supposition.

The reporter may also, at his or her discretion, request in advance an opinion from the Organisation's Legal Department on the risks of reporting and/or on the reasonableness of the grounds. Where requested, the Legal Department will ensure that the identity of whistle-blowers and the information provided by them are not disclosed and the decision as to whether or not to proceed with the report will remain with them. The email specifically set up for this purpose is as follows: [legal@amorim.com](mailto:legal@amorim.com)  
Procedure for communicating irregularities available for consultation at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>.

### 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 cross-cutting support division in this respect - Internal Audit, that also reports to the Audit Committee.

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

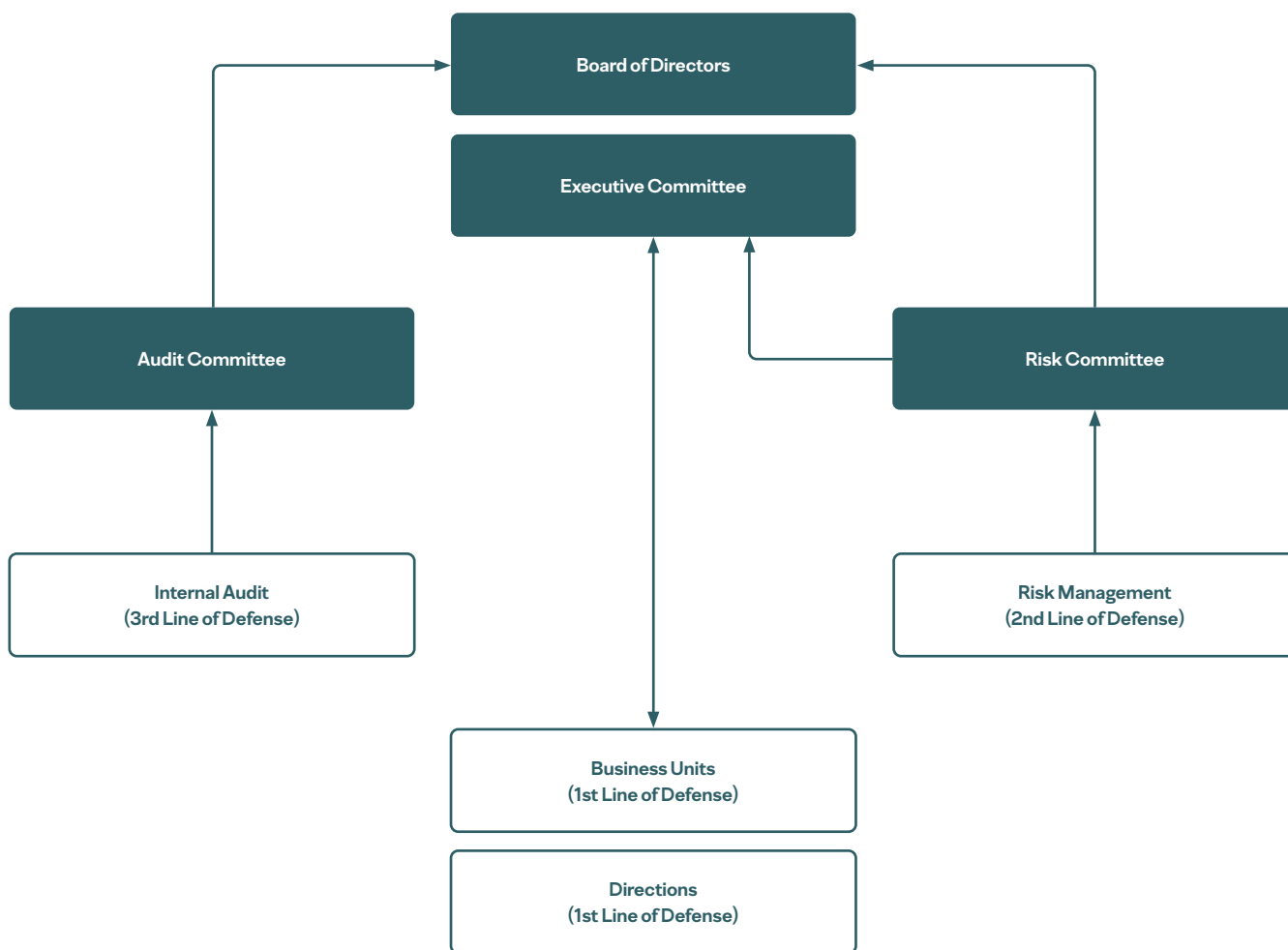
As mentioned in sections 50 and 52 above.

#### 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, with the support of the Risk Committee (specialised internal committee) and in liaison with the Audit Committee.

**Corticeira Amorim presents an integrated flow of governance of the risk management process, based on the concept of Lines of Defence**





#### Board of Directors:

- Foster risk management and promote a risk culture within the Group;
- Approve the risk management policy;
- Ensure the operation of the risk management process and supervise the execution of the risk strategy;
- Support the organisation, providing the Lines of Defence with human, financial and other resources so that they can effectively conduct their role in the risk management process;
- Appraise the Annual Risk Management Report; and
- Annually update and approve the Multiannual Risk Plan.

#### Risk Committee:

- Advise the Board of Directors on Corticeira Amorim's risk policy and, within that framework, on the appetite for general, current and future risks;
- Evaluate and monitor the main risks inherent to Corticeira Amorim's activity, as well as the level of exposure to risk and its potential development;
- Inform the Audit Committee of the risks to which Corticeira Amorim is subject and the effectiveness of the respective mitigation plans, promoting the recommendations and reports that the Board of Directors and/or the Audit Committee may request;
- Assist the Board of Directors in supervising the execution of the risk strategy;
- Discuss and issue the opinions and recommendations to

the Board of Directors that it deems appropriate on risk strategies at the aggregate level and by risk type;

- Propose the creation of mechanisms to ensure the implementation of processes which promote compliance with the approved risk policies;
- Annually review risk policies and procedures and report the results of this review to the Board of Directors; and
- Prepare an Annual Risk Management Report for the Board of Directors and for the Audit Committee, which should include an **appraisal** of the following topics:
  - The risk strategy and general risk appetite, current and future;
  - Identification of the main risks to which Corticeira Amorim is subject in conducting its activity, the probability of their occurrence and their respective impact;
  - The performance of the instruments and measures adopted with a view to mitigating the respective risks;
  - The risk monitoring procedures and of the degree of internal compliance with the adopted risk policy;

it should include proposals for adjustment of the risk policy and/or of the evaluation and supervision procedures.

## Audit Committee:

- Supervise the effectiveness of the internal control system, comprising the risk management, compliance and internal audit functions;
- Evaluate and issue its decision and the risk management policy prior to its final approval by the Board of Directors; and
- Evaluate and issue its opinion on the risk appetite levels prior to its approval by the Board of Directors.

## Internal Audit (3rd Line of Defence)

- Supervise and evaluate compliance with and the effectiveness of the controls implemented;
- Plan and conduct risk-based audit; and
- Undertake control tests to evaluate the effectiveness of the risk management and prevention.

## Risk Management (2nd Line of Defence)

- Develop and implement policies, methodologies, processes, and infrastructure for integrated risk management;
- Propose changes to the level of materiality to be considered;
- Plan and programme the annual risk management process cycle;
- Proposed revisions to the risk management policy;
- Support the coordination of the process of identifying, analysing and evaluating risks and the respective control measures;
- Ensure training and provide the necessary support for the risk identification process;
- Support the external dissemination of official information referring to business risk management;
- Provide the necessary support to the Risk Committee;
- Prepare a regular report following up on risk mitigation measures; and
- Consolidate the information collected and report the results through regular reports to the Executive Committee, the Risk Committee, the Audit Committee and the Board of Directors.

## Business Units / Departments (1st Line of Defence)

- Identify, monitor and update the risks associated with their processes and businesses;
- Propose control or mitigation measures for the risks identified;
- Implement approved control or mitigation measures;
- Monitor the effectiveness of the control and mitigation measures and report any identified shortcomings; and
- Provide the information necessary regarding the risk management of the processes under its responsibility.

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 (Audit Committee and Statutory Auditor), it can be concluded that Corticeira Amorim's risk management and internal control are 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.

In 2021, the Corticeira Amorim Group implemented a new process for identifying risks that could affect its strategy and performance through an analytical model which was:

- top-down (to identify risks of a more strategic-tactical nature); and
- bottom-up (to identify risks of a more operational/transactional nature).

Appropriate mitigation measures have been defined for the risks identified, to minimise the probability of the occurrence and/or the impact of risk, which have been compiled in Risk Catalogues. Risk indicators or gauges have also been identified for each risk, which function as monitoring instruments and enable changes or deviations to be anticipated.

### Raw material – Cork

(Strategic and exogenous risk)

- Purchasing management considering the level of quality of the cork in the different geographical areas;
- The need to encourage new plantations, to complement the natural generation of cork oak forests which, by itself, is not sufficient to meet the estimated growth in demand for cork raw material;
- Effects of climate change;
- Need to correct unsuitable cork oak forest cultivation practices, in order to mitigate certain pests and diseases;
- Availability of qualified labour for managing the Cork oak forests and extracting cork;
- With the increase in the price of cork, the selection of its application should consider the maximisation of the value that Cork adds to products and solutions, ensuring the competitiveness of the portfolio and the profitability of the company.

Main mitigation measures:

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;
- Management of raw materials from a multinational perspective;
- Strengthen its presence in cork-producing countries;
- Promote forest certification, improve the technical quality of products and enter into research and development partnerships with forestry-related partners;
- Develop R&D forest projects on cork oak genetics;
- Conduct recycling actions which increase circularity and make cork available for non-stopper applications;
- 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;

### **Disruption in the supply chain and logistics**

(Operational and exogenous risk)

The importance of the risk of disruption in the supply chain and logistics derives from the current context markedly influenced by the effects of COVID-19 and, more recently, by the serious consequences of the armed conflict between Russia and Ukraine, particularly:

- In logistical terms, as far as export sales are conducted from Portugal, so the rise of logistical obstacles in getting goods to relevant destinations for the Group represents a risk;
- Reduced number of logistical operators in certain locations (road, maritime and air transportation) and subsequent risks of unavailability and/or price increases.

Main mitigation measures

Development of a logistical model that ensures the best logistical solutions in the short and medium-long term;

Identify alternatives to the current options for the main destinations;

- Diversification of transportation and logistical suppliers;
- Selection of suppliers and search for solutions depending on their geographical location;
- Implementation of a transport tracking system;
- Monitoring and updating security plans/recovery plans following loss of significant suppliers.

### **Transportation, energy and other supply price risks**

(Operational and exogenous risk)

The importance of this risk derives from the current context markedly influenced by the effects of COVID-19 and, more recently, by the serious consequences of the armed conflict between Russia and Ukraine, particularly:

- Pressure on results due to the increase in the price of transport, energy and others;
- Unavailability of containers for transport with an impact also on the increase in price, in particular regarding Asia (purchases) and the USA (sales);
- Lack of alternative/reduced number of logistical operators in certain locations (road, maritime and air transportation) and subsequent risks of price increases;
- New energy contracts with potentially significant cost increases.

Main mitigation measures

- Continuous monitoring of market prices, conducting supply tenders, regular requests for quotations from a diverse range of suppliers;
- Significant part of energy needs satisfied based on cork dust in purchased biomass;
- Revision of the energy mix contracting strategy (longer-term contracting, increased exploitation of cogeneration and photovoltaic investments);
- Optimising the production process to obtain greater energy efficiency.

### **Price risk (other materials)**

(Operational and exogenous risk)

- Increasing the prices of other raw materials, particularly rubber, subsidiary materials and packaging materials;
- Reduced competitive supply alternatives for certain materials.

Main mitigation measures

- Continuous monitoring of market prices, conducting supply tenders, regular requests for quotations from suppliers;
- Monitoring the entire supply chain;
- Specialised team exclusively dedicated to procurement;
- R&D of new raw materials, with risk assessment of potential suppliers;
- Production verticalisation: incorporation of the intermediate transformation stages using own facilities.

### **Cybersecurity**

(Operational and exogenous risk)

- Social engineering attacks aimed at unavailability of services and/or exfiltration of data and/or execution of fraudulent financial transactions;
- Cybernetic attacks on Group companies around the world;
- Unplanned access to information/IT systems by service providers;
- Unauthorised dissemination or sharing of corporate data and/or personal data;
- Cyber-attacks targeted at disrupting critical services;
- Loss of revenue due to plant shutdowns or disruption of critical services;
- High costs for data or system recovery.

Main mitigation measures:

- Specification of corporate governance model for Cybersecurity;
- Implementation of management process and security policies with third parties;
- Regular training actions and awareness of Cybersecurity;
- Spot audits and tests aimed at testing system weaknesses every year;
- Response plan to Cybersecurity incidents;
- Entity management platform;
- Device access management and privileged access monitoring;
- Vulnerability management and remediation;
- Registration control of IT/OT assets;
- Development of cybersecurity plan cutting across all geographical areas.

## Technical/infrastructure replacement.

(Operational and exogenous risk)

- Obsolescence of installations and equipment due to the appearance of new technologies;
- Manufacturing premises and equipment with specific technical characteristics, which may make the rise of technological innovations in the market more difficult, thereby requiring a greater investment on the part of the Group in the search for new solutions;
- Increased need for investment for technological replacement of factories and premises.

Main mitigation measures:

- Implementation of a minimum CAPEX investment plan for ongoing improvement objectives and technological R&D;
- R&D investment;
- R&D Flooring programme, combining technology, formats and forms of installation, based on new composites from sustainable raw materials;
- Circular economy programme, seeking to collect and reuse industrial by-products;
- Technological development programme, using new technologies, developing knowledge and new composites from prime raw materials;
- Optimisation and optimisation of manufacturing processes;
- Digitalisation and optimisation of business support processes;
- Encourage closer ties with the start-up/entrepreneur ecosystem.

## Climate change

(Strategic and exogenous risk)

- Changes in environmental laws and regulations may require changes in products, production processes and the adoption of new technologies;
- Reduction of available raw material, as far as climate change may lead to a lack of balance in the ecosystem nurturing the cork oak, particularly due to the occurrence of severe droughts, making its dissemination and growth more difficult;
- Green product development strategy (without plastics in their composition).

Main mitigation measures:

- Long-term strategy sustained by new cork oak plantations in new geographical latitudes and new forestry models;
- Dissemination and promotion in the market of the contribution of cork products to mitigating climate change, both through their capacity to retain carbon and also through replacing more energy intensive alternative products;
- Promotion of a new value equation for the Cork oak forests which, in addition to the industrial value of cork, incorporates biodiversity and positive externalities, particularly carbon retention, as complementary sources of income;
- Plan for the diversification of the cork oak forest (geographical area, density and type of plantation);
- Reinforcing the sustainability plan in the Business Units;
- Seeing as an opportunity the fact that cork and the cork oak tree have positive connotations in future trends to combat climate change through the consumption of products with a better carbon footprint and through the planting of more trees that contribute towards carbon neutrality objectives.

## Foreign Exchange Risk

(Operational and exogenous risk)

- Exchange rate volatility is a factor in the potential erosion of business margins;
- Exchange-rate reserve volatility regarding net investment in subsidiaries/associates.
- Main mitigation measures:
- Active policy of replacing invoicing currencies, seeking to increase the percentage of invoicing in euros;
- Exchange rate risk hedging policy, either by natural hedging or by contracting suitable financial instruments;
- Regular monitoring of forecast cash flows in order to ensure the presence of the necessary liquidity to comply with obligations in foreign exchange;
- Continuous and prospective monitoring of exchange rate development, through the Trading Room, in compliance with the exchange rate contracting policies specified by the Board of Directors.

## Rise of new pandemics

(Operational and exogenous risk)

Perception of an increased probability in the appearance of new pandemics or spread of infectious diseases and the impacts that a pandemic scenario has for the Group, particularly:

- In terms of Employee health;
- Increased rates of absenteeism due to infection or prophylactic quarantining;
- In terms of the Group's productive capacity;
- Potential disruption of the supply and distribution chain;
- Reduction in demand and subsequent reduction in sales;
- The need to reorganise ways of working, particularly teleworking and working at a distance;
- Pressure on the Group's information systems due to the imposition of teleworking.

Main mitigation measures:

- Specific Contingency Plan to respond to a new pandemic scenario.

## Risk of the development of alternative stoppers

(Strategic and exogenous risk)

- Rise of new alternative materials to cork
- Increase in competition from alternative stoppers, particularly screwcaps.

Main mitigation measures:

- Investment and continuous monitoring of the quality and reliability of cork stoppers and the quality of cork raw materials;
- Ongoing reinforcement of market perception of the natural origin of cork stoppers;
- Strengthening of communication campaigns to promote the attributes of cork products;
- Investment in promoting cork stoppers as an "oenological product;"
- Continuous investment in R&D and the development of new solutions and composites for the cork stopper;
- Compliance with certifications and requirements both of purchase materials as well as manufactured products.

## Changes in consumer patterns (wine sector)

(Strategic and exogenous risk)

- Impact of changes in wine consumption patterns and habits;
- Variation in wine volumes and consumption
- Growth of alternative products to wine, particularly among younger generations;
- Campaigns against the consumption of alcohol;
- Introduction of additional taxes/tariffs on wine with an impact on prices and the reduction in consumption and other amendments to laws and regulations affecting consumption rules.

Main mitigation measures:

- Specialised team exclusively dedicated to continuously monitoring customers, market trends, and promoting the quality of the product;
- Portfolio of personalisable products based on specifications requested by customers;
- Diversification into other alcoholic beverage segments
- Continuous reinforcement of the sustainability of the cork stopper;
- Promotion of the “premium image” of the use of cork stoppers
- Promotion creditability of natural stoppers.

## Reputational risk

(Strategic and exogenous risk)

- Risk of internal or external events causing damage to the perception of the group by stakeholders such as customers, suppliers, investors, employees, financial analysis, communication channels, public entities or the market as a whole;
- Negative impact on the results, resulting from negative perception of the public image of the Group, whether justified or not.

Main mitigation measures:

- Implementation of regular mechanisms to listen to stakeholders, such as surveys or other
- Strengthening of communication campaigns to promote the attributes of cork products and the creditability of natural stoppers;
- Ongoing investment in the awareness of the Corticeira Amorim brand, in the ethical and professional conformity of conduct of the entire organisation, and appropriate communication regarding Group practices;
- Conducting market studies to show the advantages of cork stoppers, products, and solutions which incorporate cork and dissemination of the benefits of the use of these products;
- Continual reinforcement of the perception by the market of the natural origin of Cork and, consequently, the natural origin of the products that make up the Corticeira Amorim portfolio, in particular the cork stopper;
- Compliance with certifications and requirements both of purchase materials as well as manufactured products.

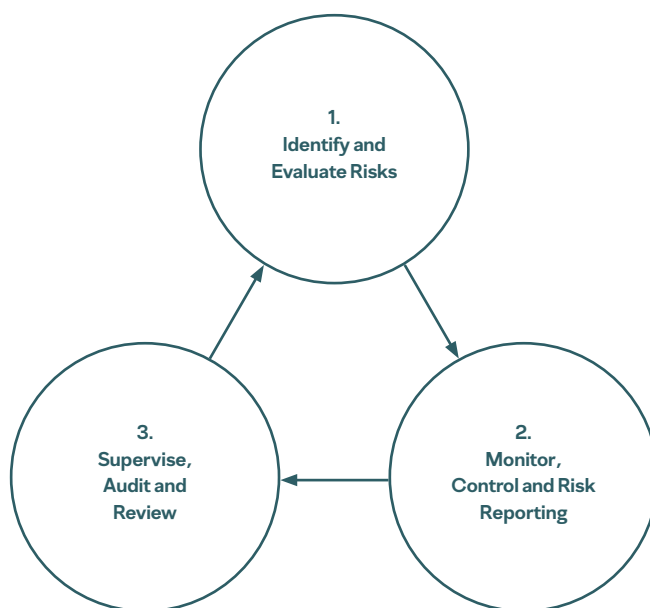
## 54. Description of the procedure for identification, assessment, monitoring, control and risk management.

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 Risk Committee, and also the various support areas – in particular the Risk Management areas and Organisational Development and Strategic Planning – or the support of external specialised consultants, where appropriate.

In order to ensure compliance with the strategic objectives, the Board of Directors 2021 formalised the Risk Management Policy of the Corticeira Amorim Group which includes the definition of objectives, processes and responsibilities which ensure a solid risk management structure.

The Risk Management Policy (i) establishes the principles, guidelines and responsibilities for adequate identification, analysis and evaluation, handling of and response to risks, (ii) ensures the convergence of risk management with strategic planning, (iii) establishes, in a systematised and cross-cutting manner, the control and/or mitigation procedures and measures to deal with the main risks for the Group.

**An integrated risk management model is adopted, based on a comprehensive risk management approach which follows a process based on three essential activities**





## 1. Identify and Evaluate Risks:

- Using internal and external sources, the Corticeira Amorim Group has developed a new process for identifying risks that could affect its strategy and performance through an analytical model which is:
  - top-down (to identify risks of a more strategic-tactical nature); and
  - bottom-up (to identify risks of a more operational/transactional nature);
- This process enables the uncertainty and impact of risks and the Consolidated Results of the Corticeira Amorim Group to be evaluated;
- The risks are hierarchised and mapped within a risk matrix and appropriate mitigation measures have been defined to minimise the probability of the occurrence and/or the impact of risk, which have been compiled in risk catalogues;
- The risk matrix makes it possible to categorise and rank risks by order of importance and to support decision-making in the definition of the prioritisation of additional actions beyond the existing controls;
- Given the subjectivity of the attribution of impact/probability criteria to certain risks, indicators or risk gauges (KPI/KRI) are identified for each risk, which workers providing an alert and enabling changes or deviations to be anticipated, which are mapped in the risk catalogue;
- In order to operationalise the risk appetite and tolerance management, global materiality is specified for monitoring risks and KPI/KRI variation bands associated with each risk, as a function of the appetite/tolerance for risk specified by the Board of Directors;
- The magnitude of exposure to the risk is assessed through quantitative and qualitative methods, which consider the individual risk distributions and correlations between risks;
- This process is reviewed annually whenever justified by a certain business contextual change, and the processes formalised in the Multiannual Risk Plan.

## 2. Monitoring, Controlling and Reporting Risks:

- The 1st, 2nd and 3rd Lines of Defence continually monitor the development in the main risks and the respective KPI/KRI (key performance indicator/key risk indicator);
- Whenever necessary, new mitigation actions are specified to be implemented by the Business Units;
- The Risk Department prepares a regular report with follow-ups on risk mitigation measures and developments in the KPI/KRI.

## 3. Supervise, Audit and Review:

- Through annual audits of the Risk Management Process, and in quarterly meetings, respectively, the Internal Audit Department, the Risk Committee and the Audit Committee monitor the risk management process, thereby contributing suggestions for improvements or changes in risks, mitigation measures or KPI/KRI; This monitoring and review also includes the evaluation of the company's risk culture, as well as the alignment between risk management and the company's other activities.

### The process and responsibilities for the main functions of the risk management process can be summarised in the following table

| Task/ function                                       | Responsibility   |
|--|--|
| Identification / annual risk revision                | Bottom-up: Business Units/ Departments<br>Top-down: Board of Directors<br>(coordination of the Risk Department)  |
| Definition of mitigation measures                    | Business Units/ Departments<br>(coordination of the Risk Department)   |
| Updating of the risk matrix and risk catalogues      | General Department for Risks<br>Risk Committee<br>Board of Directors (approval)  |
| Definition of materiality                            | Risk Department<br>Risk Committee<br>Board of Directors (approval)   |
| Updating the risk monitoring dashboard               | Risk Department<br>Risk Committee<br>Board of Directors (approval)   |
| Operational risk management                          | Business Units/ Departments  |
| Risk monitoring                                      | Business Units / Departments (1st Line of Defence)<br>General Department for Risks (2nd Line of Defence)<br>Internal Audit (3rd Line of Defence)<br>Risk Committee |
| Periodical reporting accompanied by plans (KPI/ KRI) | Risk Department<br>Risk Committee  |
| Multiannual risk plan                                | Risk Department<br>Risk Committee<br>Board of Directors (approval)   |

## 55. Core details on the internal control and risk management systems implemented in the Company regarding the procedure for reporting financial information.

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 comply 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](http://www.cmvm.pt)); second, via the Company's website ([www.corticeiraamorim.com](http://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 Audit Committee 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, Sustainability, Risk, Governance, 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 **measures conducted in 2021** 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, by virtual means.

The management team, whenever possible and appropriate, engaged 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, 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 of the General Meeting; resolutions adopted and the respective minutes;
- Absentee 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;
- Price development;
- Press releases: financial results, confidential information, qualifying interests in the share capital of the Company;
- Business presentations to investors and market analysts.

## **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](mailto: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 overly 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 2021. 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](http://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, Corporate Policies, Operating Regulations for governing bodies and specialised internal committees, 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.**

Accountability documents 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.

Pursuant to Article 19(4) of the Articles of Association of Corticeira Amorim, the General Meeting or a Committee it elects shall decide on the remuneration of the members of the governing bodies of the Company.

Until 23 April 2021, there was a Remuneration Committee elected by the General Meeting, which was responsible for determining the remuneration of the members of the governing bodies<sup>6</sup>. On that date, the General Meeting of Shareholders approved an amendment to the articles of association which provided for the adoption of an Anglo-Saxon corporate governance model and elected the governing bodies for the 2021-2023 term of office, thereby implementing the adoption of the aforementioned governance model. Thus, the Articles of Association now allowed the Board of Directors specialised internal committees including those dealing with remuneration. As the General Meeting has not elected a remuneration committee, this matter becomes the competence of:

- The General Meeting of Corticeira Amorim, concerning the establishing of the remuneration to be attributed to the members of the Board of Directors, which includes the Audit Committee, as well as establishing the remuneration to be attributed to the members of the Presiding Board of the General Meeting, and the Statutory Auditor;
- Board of Directors of Corticeira Amorim, regarding the fixing of the fixed and variable remuneration to be awarded to its directors and other and employees, under the terms of general law.

As described in point 29.IV, the Board of Directors appointed the Appointments, Evaluation and Remuneration Committee, a permanent specialised internal committee, which has the mission of advising the Board of Directors also on the matter of evaluations and remunerations, namely, to advise the Board of Directors:

- On its annual self-assessment process, including the evaluation of the members of the BoDEC, the Audit Committee and the internal committees;
- In setting the individual objectives and fixed and variable remuneration of the primary managers (non-directors) responsible for the internal control functions (Risk Management, Audit and Compliance);
- On the proposal of the criteria to be used in the annual process of evaluating and setting the variable remuneration of the ECBD members;
- In the review and proposal to the Board of Directors of the Remuneration Policy and the Annual Remuneration Report of Corticeira Amorim, under the terms laid down in Law no. 50/2020 of 25 August, and issue an opinion on the proposals approved by the Board of Directors for submission for appraisal to the ordinary annual General Meeting of Corticeira Amorim S.G.P.S., S.A.;

The AERC has no powers regarding the definition of the remuneration of the governing bodies of Corticeira Amorim S.G.P.S., S.A. or its key management personnel, but the assessment made by this Committee and the opinion on the Remuneration Policy of Governing Bodies and other Managers of Corticeira Amorim and the consequent Remuneration Report may potentially, and indirectly, have an impact on the said remuneration.

- 
6. By 23 April 2021, the General Meeting of shareholders was to appoint a Remuneration Committee. The ability and capacity of the members of the Committee to perform the duties assigned to them in an independent manner for their entire term of office, i.e., to determine the remuneration policy of the members of the governing bodies that shall foster, over the medium and long-term, the alignment of their interests with those of the Company.

The adoption of the balanced scorecard methodology, which assesses performance using both financial and non-financial measures, enabled the Remuneration Committee to evaluate every financial year, whether or not goals are achieved and to what degree. The balanced scorecard also served 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, submitted every year to the Annual General Meeting for approval. Thus, it granted that:

- The Remuneration Committee of Corticeira Amorim elected by the General Assembly of Shareholders 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.

The Appointments, Evaluation and Remuneration Committee (AERC), appointed by the Board of Directors on 3 May 2021<sup>7</sup>, in office since then, is made up of:

|                      |   |
|----------------------|---|
| <b>Chairperson:</b>  | Maria Cristina Galhardo Vilão<br>(independent non-executive director)   |
| <b>Board Member:</b> | António Lopes Seabra<br>(independent non-executive director)  |
| <b>Board Member:</b> | Maria Alexandra Alçada Costa Godinho<br>(senior management for the group, not included in the Board of Directors) |

The AERC 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.

In 2021, the AERC met once with the presence and participation of all members included in it (the Remuneration Committee, in office until 23 April 2021, met twice, with an overall and individual attendance of 100%).

## 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.

### Academic and professional qualifications of each member of the Appointments, Evaluation and Remuneration Committee and other important curricular information:

#### Chairperson: Maria Cristina Galhardo Vilão

Academic and professional qualifications, as described in point 19, and it should also be noted that, as part of her practice is a lawyer, she has experience in counselling and monitoring the hiring of directors and senior managers of companies, and remuneration policies, incentives and other policies linked to human resource management in those companies, with knowledge of relevant labour and company law in this regard.

#### Board Member: António Lopes Seabra

Academic and professional qualifications, as described in point 19. It should also be noted that his professional activity includes the exercise of being a director and senior manager in large companies, both national and international, which includes, among others, leadership in human resource areas, providing him with relevant knowledge and experience in the definition of analysis metrics and performance assessment and in the definition and implementation of incentive and talent retention programmes.

#### Board Member: Maria Alexandra Alçada Costa Godinho

Degree in Psychology, area of Social Psychology of Work and Organisations from the Faculty of Psychology of the University of Porto. Holder also of a Coaching certificate (level 2) from the European Coaching School.

She started her professional career at Renault Portuguesa in 1990, as a Human Resources officer in the areas of recruitment, assessments, training, compensation, and benefits, and later took on responsibility for the Training Service and Suggestions System. In 1998, at AXA Seguros Portugal, she took on responsibility for conducting and participating in human resources development projects both nationally and internationally. In 2001 she joined the Sonae Group, as head of human resources development at SonaeCom and a human resources anchor at Optimus Telecomunicações.

In 2003, she accepted the post of corporate director of Human Resources at Corticeira Amorim, S.G.P.S., S.A., with responsibility for defining/updating policies and conducting Human Resources development projects, ensuring the operational coordination of the Human Resources areas for the different Business Units.

Between 2012-14 she taught the Human Resources Strategic Management module and the Postgraduate Course in Human Resources at the Catholic University of Porto and also participated (2014-16) as a mentor, in the Mentoring Project of the Catholic University of Porto.

She has wide experience of remuneration and compensation policies and practices in different companies and sectors through her technical and advisory work related to salary and benefits management (job analysis and qualification, salary analysis and surveys, compensation benchmarking) and, subsequently, the

implementation of remuneration policies and practices and performance management systems at the global level of the organisations in which has worked.

Nationality: Portuguese | Gender: Female | Age: 56

- 7 Until 23 April 2021, the Remuneration Committee elected at the General Meeting of shareholders held on 26 June 2020, consisted of the following members:
- |               |                              |
|---------------|------------------------------|
| Chairperson:  | José Manuel Ferreira Rios    |
| Board Member: | Jorge Alberto Guedes Peixoto |
| Board Member: | Abdul Rehman Omarmiã Mangá   |
- The Remuneration Committee met two times in 2021. The global attendance rate was 100%.

The members of Corticeira Amorim's Remuneration Committee should not be formally considered independent (although none of them are on the Company's Board of Directors). It was 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.

## III. REMUNERATION STRUCTURE

This chapter “III. Remuneration structure” and the following chapter “IV. Remuneration disclosure” which is part of the information provided in paragraphs 1 and 2 of article 26-G of the Securities Market Code and, under the terms of the provisions of paragraph 8 of the same article, these replace the remuneration report.

### 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 Board of Directors, the shareholders' General Meeting held on 23 April 2021 approved the following remuneration policy:

1. The Members of the Presiding Board of the General Meeting shall be exclusively paid a fixed remuneration payable in twelve instalments per year, in line with market practice and the responsibilities inherent to the position held as well as their technical and professional knowledge and skills demonstrated;
2. 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;
3. The Members of the Board of Directors, including an Audit Committee, shall be paid adequate remuneration considering:
  - The individual remuneration package agreed upon between the Company and each Director;
  - Observance of the principles of internal equity and external competitiveness, considering 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 fixed pay for executive and non-executive directors, plus variable pay, for executive directors only, in the form of a performance-based premium/bonus for achieving the one-year targets of the companies of the Corticeira Amorim Group, and three-year targets of the Company;
  - 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 always depend on the appraisal to be conducted every year by an internal committee specially created for this purpose (the Appointments, Evaluation and Remuneration Committee, made up of independent, non-executive directors). It shall appraise the performance of the Board of Directors' 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 non-executive members of the Board of Directors who form part of the Audit Committee shall be paid exclusively a fixed remuneration payable in twelve instalments per year, in line with market practice and the responsibilities inherent to the position held and their technical and professional knowledge and skills demonstrated;
  - 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.
4. 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, and the Company is forbidden from establishing specific agreements that may allow the payment of other compensation.
5. The Company's other employees shall be paid adequate remuneration considering:
- Corticeira Amorim's employees are covered by the collective bargaining agreement for the cork industry, entered into by the Portuguese Cork Association (APCOR) and by the industry's trade unions, which also provides the minimum compulsory remuneration framework:
  - With regard to professional groups linked to industrial positions that require direct, indirect and administrative types of labour, the basic (fixed) remuneration benchmarks function - and should continue to function - as minimum fixed remuneration limits. Corticeira Amorim supplements this remuneration with variable bonuses linked to the degree of compliance with certain

objectives (individual and team). The aim is to increasingly differentiate and extend these practices, fostering a logic of objectives and teamwork among employees and staff in this segment, and must continue to be embodied in a remuneration package that includes a basic monthly salary (fixed), allowances indexed to working time (shift, night work) and bonuses linked to the achievement of team objectives;

- With regard to Managers, Senior Executives and Middle Management, the Company practices - and should continue to practice - remuneration with a fixed component, in balance with market remuneration practices, and a variable remuneration system linked to one-year and three-year objectives, privileging the achievement of individual and collective targets, but with a greater weighting in the achievement of the Company's profits. Its amount will be determined according to the objective and measurable contribution, through the Performance Management System - Objectives Management, of the Managers, Senior Executives and Middle Managers, in individual and/or collective terms, to the sustainable development of the activity and to the medium/long term profitability of the Company: the evolution of profits and the level of achievement of the strategic objectives of innovation, sustainability, organisational development and security, competitiveness, growth, financial soundness and value creation;
  - this policy and alignment of incentives is intended to ensure the attraction and retention of professionals with the required skills, reinforcing an internal culture in which individual performance is placed at the service of a greater collective good, and should continue to take the form of a remuneration package that includes a fixed annual remuneration at the market average and a variable remuneration for one year and deferred (three years) periods, dependent on the achievement of individual and team goals.
6. The variable remuneration to be awarded under the terms of points 3 and 5 shall not exceed 65% of the fixed annual remuneration.
7. It is not the Company's policy to pay the following to the members of its corporate bodies:
- share allotment plans and/or options to acquire shares from the Company or based on variations in the price of its shares;
  - any retirement benefit scheme to members of the governing bodies.

This Remuneration Policy is based on principles of simplicity, clarity and transparency and is in line with best practices and market trends. It aims to ensure that the total remuneration and its respective structure (fixed and variable components and, within the latter, the short and medium-term component) are competitive in relation to global market practices that encourage high levels of performance and professionalism, in favour of developing the sustainable growth strategy of the Corticeira Amorim Group.

**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 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 adopted. The executive members of the Board of Directors receive a variable component of remuneration, in the form of a bonus for achieving one-year targets for Corticeira Amorim Group companies and three-year targets for the Company. The attribution of the variable remuneration component corresponds to a bonus resulting from short-term performance evaluation and from the contribution of the annual performance to the medium/long term sustainability of the Organisation.

The actual amount of the variable remuneration to be attributed the executive members of the Board of Directors will depend on the evaluation to be conducted annually by the Appointments, Evaluation and Remuneration Committee on their respective performance, analysing the respective contribution both to the results obtained in the economic year under consideration as well as compliance with the goals and implementation of the medium/long-term strategies adopted by the Company.

**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 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. Likewise, if there is variable remuneration, the definitive calculation of which only occurs at the end of the term of office, the variable remuneration is subject to correction (including restitution) until the end of that term of office. If the variable remuneration has been unduly awarded, even though it has been paid, its reimbursement may be demanded, whether or not the beneficiary is still employed by the Company.

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 Board of Directors of Corticeira Amorim submitted to the General Meeting held on 23 April 2021 the remuneration policy for the members of the Board of Directors. This proposal, which was approved, expressly stated that the award of the benefits referred to in this note is not the remuneration policy.

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 2021 financial year, the set of all the members of the **Board of Directors** (six members until April, inclusive; ten members from May, inclusive, including an Audit Committee) earned gross earnings from Corticeira Amorim amounting to 769,126.60 euros, corresponding to 707,126.60 euros of fixed remuneration and 61,650.00 euros of variable remuneration.

## Total remuneration broken down to the different components (subparagraph a), paragraph 2, article 26-G of the Securities Market Code)

| Directors                                  | Position        | Notes | Remuneration Paid |                        |
|--|-----------------|-------|-------------------|------------------------|
|  |                 |       | Fixed Component   | Variable Component (f) |
| Executive:                                 |                 |       |                   |                        |
| António Rios Amorim                        | Presidente      |       | 239,309.10        | 500.00                 |
| Nuno Filipe Vilela Barroca de Oliveira     | Vice-presidente |       | 169,309.10        | 500.00                 |
| Fernando José de Araújo dos Santos Almeida | Vogal           |       | 144,109.10        | 60,150.00              |
| Cristina Rios de Amorim Baptista           | Vogal           | (a)   | 154,749.30        | 500.00                 |
| Non executive:                             |                 |       |                   |                        |
| Luisa Alexandra Ramos Amorim               | Vogal           |       | -                 | -                      |
| Juan Ginesta Viñas                         | Vogal           |       | -                 | -                      |
| José Pereira Alves                         | Vogal           | (b)   | 22,666.64         | -                      |
| Marta Parreira Coelho Pinto Ribeiro        | Vogal           | (c)   | 14,666.64         | -                      |
| Cristina Galhardo Vilão                    | Vogal           | (d)   | 14,666.64         | -                      |
| António Lopes Seabra                       | Vogal           | (e)   | 14 666.64         | -                      |

Values in euro

- Remuneration earned since May 2021 inclusive, following his appointment as a member of Corticeira Amorim's Executive Committee. Until May 2021, he was part of the Board of Directors of the Company as a non-executive member, without remuneration.
- Remuneration earned since April 2021, inclusive, following his election as an independent non-executive member of the new Board of Directors of Corticeira Amorim, including the Audit Committee of which José Pereira Alves is the chairperson. Remuneration is earned through the set of posts/duties conducted at the Company.
- Remuneration earned since April 2021, inclusive, following her election as an independent non-executive member of the new Board of Directors of Corticeira Amorim, including the Audit Committee of which Marta Coelho Pinto Ribeiro is a member. Remuneration is earned through the set of posts/duties conducted at the Company. In addition, and for undertaking the post of member of the Supervisory Board (operating from 1 January to 23 April 2021), she earned 3 200,00 euros.
- Remuneration earned since April 2021, inclusive, following her election as an independent non-executive member of the new Board of Directors of Corticeira Amorim, including the Audit Committee of which Cristina Galhardo Vilão is a member. Remuneration is earned through the set of posts/duties conducted at the Company. In addition, and for undertaking the post of member of the Supervisory Board (operating from 1 January to 23 April 2021), she earned 3 200,00 euros.
- Remuneration earned since April 2021, inclusive, following his election as an independent non-executive member of the new Board of Directors of Corticeira Amorim, including the Audit Committee of which António Lopes Seabra is a member. Remuneration is earned through the set of posts/duties conducted at the Company.
- An exceptional bonus of 500.00 euros was also attributed to all the executive directors, which was also attributed to all employees hired up to 30 September 2021 in national and international companies fully owned by the Corticeira Amorim Group.

## Proportion regarding the fixed remuneration and variable remuneration (subparagraph a), paragraph 2, article 26-G of the Securities Market Act)

| Directors                                  | Position         | Remuneration Paid |                    |
|--|------------------|-------------------|--------------------|
|  |                  | Fixed Component   | Variable Component |
| Executive members                          |                  |                   |                    |
| António Rios Amorim                        | Chairperson      | 99.79%            | 0.21%              |
| Nuno Filipe Vilela Barroca de Oliveira     | Vice-Chairperson | 99.71%            | 0.29%              |
| Fernando José de Araújo dos Santos Almeida | Member           | 70.55%            | 29.45%             |
| Cristina Rios de Amorim Baptista           | Member           | 99.68%            | 0.32%              |
| Non executive:                             |                  |                   |                    |
| Luisa Alexandra Ramos Amorim               | Member           | -                 | -                  |
| Juan Ginesta Viñas                         | Member           | -                 | -                  |
| José Pereira Alves                         | Member           | 100.00%           | -                  |
| Marta Parreira Coelho Pinto Ribeiro        | Member           | 100.00%           | -                  |
| Cristina Galhardo Vilão                    | Member           | 100.00%           | -                  |
| António Lopes Seabra                       | Member           | 100.00%           | -                  |

Annual variation in the remuneration, for the performance of the Corticeira Amorim Group and the average remuneration of the employees in full-time equivalent terms for the Corticeira

Amorim Group, excluding the members of the management and supervisory bodies, during the last five financial years ((subparagraph c), paragraph 2, article 26-G of the Securities Market Code):

## Annual variation of remuneration for the members of the Board of Directors

| Directors                                  | Position         | Component  | YEAR       |            |            |            |            |
|--|------------------|------------|------------|------------|------------|------------|------------|
|  |                  |            | 2017       | 2018       | 2019       | 2020       | 2021       |
| Executive members                          |                  |            |            |            |            |            |            |
| António Rios Amorim                        | Chairperson      | Fixed      | 239,239.20 | 239,256.15 | 239,274.90 | 239,284.50 | 239,309.10 |
|  |                  | Variable   | 110,600.00 | 120,500.00 | 120,400.00 | 1,000.00   | 500.00     |
|  |                  | Change (%) | 23.05%     | 2.83%      | -0.02%     | -33.19%    | -0.20%     |
| Nuno Filipe Vilela Barroca de Oliveira     | Vice-Chairperson | Fixed      | 169,239.20 | 169,256.15 | 169,274.95 | 169,284.50 | 169,309.10 |
|  |                  | Variable   | 55,600.00  | 60,500.00  | 60,400.00  | 1,000.00   | 500.00     |
|  |                  | Change (%) | 23.05%     | 2.83%      | -0.02%     | -33.19%    | -0.20%     |
| Fernando José de Araújo dos Santos Almeida | Member           | Fixed      | 141,239.20 | 142,656.15 | 144,184.95 | 144,084.50 | 144,109.10 |
|  |                  | Variable   | 59,885.00  | 111,650.00 | 66,850.00  | 8,715.00   | 60,150.00  |
|  |                  | Change (%) | 8.34%      | 26.44%     | -17.02%    | -27.60%    | 33.68%     |
| Cristina Rios de Amorim Baptista           | Member           | Fixed      | N/A        | N/A        | N/A        | N/A        | 154,749.30 |
|  |                  | Variable   | N/A        | N/A        | N/A        | N/A        | 500.00     |
|  |                  | Change (%) | -          | -          | -          | -          | -          |
| Non executive:                             |                  |            |            |            |            |            |            |
| Luisa Alexandra Ramos Amorim               | Member           | (b)        | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       |
| Cristina Rios de Amorim Baptista           | Member           | (a)        | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       |
| Juan Ginesta Viñas                         | Member           | (b)        | 0.00       | 0.00       | 0.00       | 0.00       | 0.00       |
| José Pereira Alves                         | Member           | Fixed (c)  | N/A        | N/A        | N/A        | N/A        | 22,664.64  |
| Marta Parreira Coelho Pinto Ribeiro        | Member           | Fixed (c)  | N/A        | N/A        | N/A        | N/A        | 14,666.64  |
| Cristina Galhardo Vilão                    | Member           | Fixed (c)  | N/A        | N/A        | N/A        | N/A        | 14,666.64  |
| António Lopes Seabra                       | Member           | Fixed (c)  | N/A        | N/A        | N/A        | N/A        | 14,666.64  |

Values in euro

- Remuneration earned since May 2021 inclusive, following his appointment as a member of Corticeira Amorim's Executive Committee. Until May 2021, he was part of the Board of Directors of the Company as a non-executive member, without remuneration.
- Non-executive, non-remunerated directors.
- Remuneration earned since April 2021, inclusive, following their election as independent non-executive members of the new Board of Directors of Corticeira Amorim, including the Audit Committee of which they were members. Remuneration is earned through the set of posts/duties conducted at the Company.

## Annual average remuneration variation of the employees of the company Corticeira Amorim

| Employees of the Corticeira Amorim Company | YEAR      |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
|  | 2017      | 2018      | 2019      | 2020      | 2021      |
| Total Remuneration                         | 45,541.00 | 46,824.00 | 48,420.00 | 40,173.00 | 41,885.00 |
| Change                                     | -         | 2.82%     | 3.41%     | -17.03%   | 4.26%     |

Values in euro

## Annual variation in the performance of the Corticeira Amorim Group

| Desempenho do Grupo Corticeira Amorim |            | ANO     |         |         |         |         |
|---------------------------------------|------------|---------|---------|---------|---------|---------|
|                                       |            | 2017    | 2018    | 2019    | 2020    | 2021    |
| Sales                                 | Value      | 701,609 | 763,117 | 781,057 | 740,113 | 837,820 |
|                                       | Change     | 9.39%   | 8.77%   | 2.35%   | -5.24%  | 13.20%  |
| Current EBITDA                        | Value      | 133,594 | 133,984 | 124,724 | 122,512 | 134,399 |
|                                       | Change     | 9.19%   | 0.29%   | -6.91%  | -1.77%  | 9.70%   |
| EBITDA/Sales                          | Percentage | 19.00%  | 17.60%  | 16.00%  | 16.60%  | 16.00%  |
| Net income                            | Value      | 73,027  | 77,389  | 74,947  | 64,326  | 74,755  |
|                                       | Change     | -28.89% | 5.97%   | -3.16%  | -14.17% | 16.21%  |
| Net Interest-bearing Debt             | Value      | 92,784  | 139,009 | 161,091 | 110,717 | 48,072  |
|                                       | Change     | 158.53% | 49.82%  | 15.89%  | -31.27% | -56.58% |

Values in thousand euro

**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 2021 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 2021, the variable component of remuneration for the executive members of the Board corresponded to:

- An exceptional bonus of EUR 500.00/manager, who was also awarded to all employees hired up to 30 September 2021 in national and international companies fully owned by the Corticeira Amorim Group. This bonus was awarded in view of the performance of the whole organisation during a difficult year with extremely tough conditions due to the COVID-19 pandemic, although the Group continued to perform very well;
- Although the performance targets for the variable remuneration of executive directors were not obtained, the executive director Fernando José de Araújo dos Santos Almeida received a performance bonus which was attributed in 2021, due to attaining the individual objectives established the 2020.

The amounts paid to the members of the Board of Directors pursuant to this note are detailed in section 77.

**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 2021.

**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.**

All the members of the **Supervisory Board** (in office until April 2021) earned total remunerations of 10,400,00 euros (Eugénio Luís Lopes Franco Ferreira: EUR 4,000.00; Marta Parreira Coelho Pinto Ribeiro: EUR 3,200.00; Maria Cristina Galhardo Vilão: EUR 3,200.00). Under the remuneration policy set out herein, the members of the Supervisory Board did not earn any variable remuneration.

The members of the Audit Committee earned an overall remuneration for conducting a set of posts at Corticeira Amorim (Board of Directors, Audit Committee, specialised internal committees), the value of which is described in point 77.

**82. Details of the remuneration in the said year of the Chairperson of the Presiding Board of the General Meeting.**

The Chairperson and the Secretary of the Board of the General Meeting earned a total remuneration of EUR 9,000.00 and EUR 3,000.00, 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, that envisages compensation in the event of resignation or unfair dismissal or termination of employment following a takeover bid.**

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.

Under the terms of the Remuneration Policy referred to in point 69, in the event of the termination of duties of the members of any body or committee of the Payments arising from the termination of office of members of any body or committees of the Company, the payments resulting from that termination are those provided for in general law, and the Company is forbidden from establishing specific agreements that may allow the payment of other compensation.



## 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.

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

## E – RELATED PARTY TRANSACTIONS

### 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 law<sup>8</sup>, related party transactions follow the provisions of the Regulation and Related Party Transactions available for consultation at:

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

As a rule, transactions concluded between the Company and any Subsidiary<sup>9</sup> or Related Party<sup>10</sup> 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 Audit Committee.

The assessment to be conducted under the authorisation procedures and prior opinion applicable to related parties' transactions must consider, 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.

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:

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 Audit Committee of the value and nature of the transactions conducted in the previous quarter with each Related Party, specifying those that have been subject to specific approval by any of those bodies;

- a. The conducting of Related Parties transactions shall be submitted for a prior opinion to the Audit Committee followed by a specific decision by the Board of Directors in the following cases:
- b. Transactions whose value per transaction exceeds one million euros or where the value accumulated during the year exceeds three million euros;
  - i. 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;
  - ii. Transactions conducted outside the ordinary course of business of the Company or any subsidiary.
  - iii. For the purposes of assessing the transaction in question and issuing the Audit Committee'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 conducted under the authorisation procedures and prior opinion applicable to Related Parties transactions must consider, 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 Audit Committee and/or approval by the Board of Directors, 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.

It is incumbent upon the Executive Committee (i) to establish mechanisms (subject to the prior appraisal of the Audit Committee) designed to ensure the identification of related party transactions by the Company and by its subsidiaries, and (ii) to inform the Audit Committee with due notice whenever the transaction is subject to a prior opinion from the Audit Committee under the terms of subparagraph b) of paragraph 1 of this article.

Related party transactions conducted either by the Company or by any of its subsidiaries:

(i) that are not conducted in the ordinary course of business or under normal market conditions shall be disclosed to the market in accordance with current legislation and/or accounting rules in force; (ii) the value of which is equal to or greater than 2.5% of the Company's consolidated assets and which do not meet the requirements set out in the previous point, must be disclosed publicly, no later than at the time they are conducted. 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 sense of the Audit Committee's opinion.

These procedures do not apply to:

- i. transactions conducted between the Company and its subsidiaries, where no Party Related to the Company has an interest in that subsidiary;
- ii. transactions related to the directors' remuneration, or to certain elements of that remuneration;
- iii. 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).

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 body, is in place.

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. [Audit Committee]
  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 [Audit Committee] 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.
9. Company in which Corticeira Amorim held 50% and/or management control (subsidiary).
10. Within the meaning of international accounting standards adopted in accordance with Regulation No. 1606/2002, of the European Parliament and of the Council of 19 July 2002 (related part).

## 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 body (Supervisory Board: until 23 April 2021; Audit Committee: from 23 April 2021).

## 91. A description of the procedures and criteria applicable to the supervisory body when same provides preliminary assessment of the business deals to be conducted 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.

## Related party transactions

| Entity  | Other information                   | 31/12/2021      | 31/12/2020      |
|---|-------------------------------------|-----------------|-----------------|
| <b>i) Transactions, the value per transaction of which does not exceed one million euros or where the value accumulated during the year does not exceed three million euros</b> |                                     |                 |                 |
| <b>Transações de aquisição a:</b>   |                                     |                 |                 |
| Amorim Serviços e Gestão, S.A.  | Provision of services               | 707.9           | 902.0           |
| Quinta Nova N. Sra. do Carmo, Lda.  | Purchases and provision of services | 13.3            | 27.8            |
| Amorim Viagens e Turismo, S.A.  | Provision of services               | 662.4           | 487.8           |
| Taboadella, S.A.  | Provision of services               | 4.6             | 2.5             |
| <b>Vendas e prestação de serviços:</b>  |                                     |                 |                 |
| Amorim Serviços e Gestão, S.A.  |                                     | 52.0            | 50.4            |
| Quinta Nova N. Sra. do Carmo, Lda.  |                                     | 41.4            | 31.7            |
| Amorim Viagens e Turismo, S.A.  |                                     | 10.1            | 11.8            |
| OSI – Sist. Informáticos e Electrotécnicos, Lda.  |                                     | 33.9            | 38.7            |
| Taboadella, S.A.  |                                     | 19.6            | 2.0             |
| <b>Cork purchases:</b>  |                                     |                 |                 |
| Caneicor – Sociedade Agro-Florestal, S.A.   |                                     | -               | 161.6           |
| Afaprom – Sociedade Agro-Florestal, S.A.  |                                     | 74.2            | -               |
| Montinho das Ferrarias de Baixo – Sociedade AgroFlorestal, S.A.   |                                     | 233.2           | -               |
| Soc. Agrícola de Cortiças Flocor, S.A.  |                                     | 143.0           | 271.3           |
| Bomsobro – Sociedade Agro-Florestal, S.A.   |                                     | -               | -               |
| Corunhal – Sociedade Agro-Florestal, S.A.   |                                     | -               | 630.0           |
| Agro-Pecuária do Mirante e Freires, S.A.  |                                     | -               | 177.5           |
| S.S.A. Sociedade de Serviços Agrícolas, S.A.  |                                     | -               | 98.3            |
| <b>ii) Transactions with the significant impact on activity, Independent of the respective amount:</b>  |                                     |                 |                 |
| They did not exist  |                                     |                 |                 |
| <b>iii) Transactions exceptionally undertaken, outside of normal market conditions:</b>   |                                     |                 |                 |
| They did not exist  |                                     |                 |                 |
| <b>iv) Transactions conducted outside the ordinary course of business of the Company or any Subsidiary:</b>   |                                     |                 |                 |
| They did not exist  |                                     |                 |                 |
| <b>v) Transactions resulting from contractual renewals or ongoing contracts (a):</b>  |                                     |                 |                 |
| <b>Acquisitions to:</b>   |                                     |                 |                 |
| OSI – Sist. Informáticos e Electrotécnicos, Lda.  |                                     | 10,484.2        | 10,471.8        |
| <b>vi) transactions submitted for prior opinion:</b>  |                                     |                 |                 |
| They did not exist.   |                                     |                 |                 |
| <b>Total</b>  |                                     | <b>12,479.7</b> | <b>13,365.2</b> |

Values in thousand euro.

- a. Under the terms of the Regulation for Related Party Transactions in force until 5 July 2021.





Corticeira Amorim currently has 1.1 million m<sup>2</sup> of cork yards spread across the Iberian Peninsula, where the process of separating the cork planks begins: between cork to be used for natural cork stoppers, for the manufacture of discs and for granulated cork.





The first selection of cork is followed by a boiling process. The cork planks are boiled in closed and filtered stainless steel tanks. The primary aim is to enable the cork to reach the correct moisture content for processing.



## PART II

# CORPORATE GOVERNANCE ASSESSMENT

## 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](http://www.cmvm.pt); (ii) its own articles of association, which are available on the Company's website at: <https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>. 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](http://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 and Audit Committee), section 11. (Presiding Board of the General Meeting).

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 Audit Committee, 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, particularly the Board of Directors and the Audit Committee, 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 knowledge 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, chairpersonship, 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.**

Formalised and available for consultation are the internal regulations of the Board of Directors, the Audit Committee, the Executive Committee and the specialised internal committees: Risk Committee, E.S.G. Committee. (Environmental, Social & Governance) and Appointments, Evaluation and Remuneration Committee which regulate, among other matters, all the references in this note. Detailed minutes of the meetings of these bodies and committees are drawn up

The information can be found at: (<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>).

**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); section 29. (Risk Committee, ESG Committee, Appointments, Evaluation and Remuneration Committee); sections 31 and 35. (Audit Committee).

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.**

**Complies.** As stated in this Report and/or provided for in the internal operating regulations and/or inherently part of the conducting of duties, the full access to all information and other elements referred to in this recommendation are 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, as well as under the terms of the provisions of the internal operating Regulations of the bodies and committees (<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>).

## 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 20 and 29, and as stipulated in the internal Regulations of the Board of Directors and the Executive Committee and, in general terms, article 3 of the Regulation for Related Party Transactions (<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>).

With regard to the Audit Committee, 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 20 and 29, and as stipulated in the internal Regulations of the Board of Directors and the Executive Committee and, in general terms, article 3 of the Regulation for Related Party Transactions (<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.** Point 38, 89, 90 and 91 and as stipulated in the Regulation of the Related Parties Transactions (<https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>).

**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 transactions covered by Recommendation I.5.1 are communicated to the supervisory board (up to 23 April 2021 Supervisory Board; after 23 April 2021 Audit Committee) 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.**

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

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

**This practice 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 extremely 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 the General Meeting of shareholders.

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 at the General Meeting held on 23 April 2021, with the COVID-19 pandemic resulting in the implementation of a set of sanitary measures, including the reduction of contact between people to the bare minimum and a reduction or even ban on internal and cross-border travel. Thus, the Annual General Meeting was held exclusively through telematic means and, to ensure the amplest 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.**

**This practice is considered equivalent to the proposal in this recommendation, i.e., to safeguard the same interests. Section 12.**

Voting by mail (postal ballot) was permitted, if received at the Company's registered office by the third business day prior to the day set for the General Meeting and under the other conditions expressly announced in each Notice of meeting of the General Meeting.

The Articles of Association of Corticeira Amorim provide for the possibility of voting by electronic means, if received at the Company's registered office by the third business day before the date fixed for the holding of the General Meeting. The Chairperson of the Residing Board of the General Meeting shall verify prior to the call for the General Meeting whether the Company is equipped with communication means that can ensure the security and authenticity of the votes cast. If the Chairperson 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.

The presence of the shareholder at the General Meeting revokes the vote sent by mail or by electronic means.

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 voting 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 amplest 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. Section 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 substantial liquidity reserve (credit lines contracted and not used – see point 4) provides that, even if this clause were exercised, the Company would still be able to finance itself and/or service its debt on time.



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 chairperson 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 chairperson 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.**

**Complies.** The independent directors have, among themselves, designated José Pereira Alves as the lead Independent director so that, in that capacity, he may namely: (i) act, whenever necessary, as liaison with the chairperson of the Board of Directors and with the other directors, (ii) ensure that the independent directors have the set of conditions and means necessary to undertake their duties; and (iii) coordinate them in the self-assessment of performance by the management body as envisaged in recommendation V.1.1.

**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. (Audit Committee).

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

**Complies.** Section 18.

**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 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 third 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.**

**Complies.** Section 19.

**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 with respect to any independent member of the Board of Directors elected at the General Meeting of 23 April 2021.

**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.**

**Complies.** Sections 38 and 52,

**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.** Sections 27. and 29.



## 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.**

**Complies.** The Board of Directors fixes, through the Regulation for the functioning of the Executive Committee (available at: <https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>) the current regime for executives in bodies outside 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 9. and Regulation for the functioning of the Executive Committee (available at: <https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>)

**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, considering 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.**

**Complies.** Sections 29, 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.**

Under the terms of the Remuneration Policy approved by the General Meeting of shareholders of 23 April 2021 (available at: <https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>), 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, and the Company is forbidden from establishing specific agreements that may allow the payment of other compensation.

**V.2.4. In order to provide information or clarification to the shareholders, the chairperson 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 shareholders have requested such presence.**

**Complies.**

It is the practice of the Remuneration Committee to be present or represented at the meetings of the General Meeting in which items are considered related to the remuneration of corporate bodies and Company committees. The chairperson of this Committee was present at the General Meeting of Shareholders of 23 April 2021.

**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.** Point 67 and Regulation of the Appointments, Evaluation and Remuneration Committee (<https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>).

**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.** Point 67 and Regulation of the Appointments, Evaluation and Remuneration Committee (<https://www.amorim.com/pt/investidores/governo-societario/estatutos-regulamentos-e-politicas/>).

**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.**

Not adopted and under development. Sections 69 and 72,

Although the payment of the variable component of remuneration, if any, may take place, in full or in part, after the determination of the profit (or loss) for the financial year corresponding to the entire term of office, as the term of office is for three years, such deferral may not be for a period of less than three years, which is why this recommendation is not considered as having been adopted.

**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.**

Partially adopted and been improved.

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.

In view of the guidance provided in Interpretive Note no. 3 of the Corporate Governance Code, the Appointments, Evaluation and Remuneration Committee is in the process of defining an

Appointments Policy for the members of the management and supervisory bodies of Corticeira Amorim, establishing, among other aspects, procedures and responsibilities for selection and appointments, as well as the requirements for nomination, in line with other policies and procedures already in force for matters related to such selection and appointments, as well as other internal rules, namely the articles of association of the Company, the Code of Business Ethics and Professional Conduct of Corticeira Amorim, the Diversity Policy and the Human Resources Policy (available at: <https://www.amorim.com/en/investors/corporate-governance/corporate-regulation-and-policies/>).

**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.**

Complies. Section 29. IV.

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

Complies. Section 29. IV.

**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.**

**This practice is considered equivalent to the proposal in this recommendation, i.e., to safeguard the same interests.**

In Corticeira Amorim, the Human Resources Departments act in accordance with 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).

It should also be noted that, given that the Board of Directors has appointed the Appointments, Evaluation and Remuneration Committee, made up mainly of independent non-executive directors, and in order to fully comply with this recommendation, this Committee is in the process of defining the Appointments Policy for the Appointment of members of management and supervisory bodies of Corticeira Amorim (as described in the note to recommendation V.3.1) which will strengthen the practices envisaged in this recommendation.

## 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 will enable the supervisory body (up to 23 April 2021: Supervisory Board; after 23 April 2021: Audit Committee, to monitor these matters; the control systems implemented by the Company, considered robust by the supervisory body, 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 cork raw material, 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 body, 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. Section 38.

**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. Sections 50, 52 and 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.

### VII.1 Financial information

#### The Board of Directors

of Corticeira Amorim, S.G.P.S., S.A.

**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 Audit Committee 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 Audit Committee 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.** Sections 38.