
AMORIM NEWS

YEAR 37 / ISSUE 3

Around the world with cork stoppers

Natural, micro-agglomerated and capsulated stoppers. Ergonomic, customised and two-disc stoppers. Stoppers for wines, sparkling wines and spirits. Cutting edge technological stoppers. Stoppers with a negative carbon footprint and stoppers with unparalleled physical, chemical and oenological performance. We produce more than 5.5 billion of these magical cylinders every year, for approximately 19,000 customers, including the world's leading wineries. We have subsidiaries in major wine-producing markets such as Spain, France, Italy, South Africa, Chile, Australia or the United States. Join us on a trip around the world of Amorim cork stoppers.



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The beginning of this new decade has, unquestionably, brought a new set of challenges for organisations around the world, no exception. But, throughout this difficult period, we remain confident in our company's collective ability to overcome yet another complicated period in our 150-year history. This long history remains the core basis for our current strength and resilience.

Some 25 years ago, artificial stoppers moved quickly to take advantages of the limitations that Nature imposes upon cork. But Amorim's response was swift. A broad corporate reorganisation delivered not only a much "leaner & meaner" production and distribution structure, it also laid the groundwork for the launch of crucial new products. Coupled to this massive corporate reengineering initiative, the company also spearheaded the digitalisation of its processes.

Today, not only are we now growing faster than any of our competitors, we are effectively able to gain market share from many artificial stoppers. Amorim Cork remains the clear industry leader, with an annual 5.5 billion cork stopper output. Showing true leadership in this field is something that runs as deep in our minds as the roots of any cork oak tree. Not only was Amorim Cork the first company in the industry to present a comparative, peer-reviewed Life Cycle Assessment of closures, we were also the first to incorporate cork's sustainability's credentials into the very fabric of our commercial offer.

The enormous investments undertaken by the company over the last 20 years have created a uniquely competitive network. Coupled with high levels of individual and collective motivation, our company-wide evolution has enabled a veritable reinvention of cork.

Although new challenges will always remain a reality, the company's commitment to resolve the TCA issue, at the beginning of next year, will represent another milestone in our more recent history. And once we finally close this current chapter, the fact will remain that we can always improve both our products and our client's satisfaction levels.

Finally, a word of deep-felt appreciation for the way that Corticeira Amorim's entire structure has responded - and continues to respond - to this on-going public health crisis, especially for those that stood firm on the front lines of our industrial production processes. They literally kept our factories humming and for these men and women - a very special thank you. They helped to keep the company on the right track. But we are also very much aware that the work at Corticeira Amorim will never be finished, and that our commitment to further growth must never falter.

For many years, "Pas de fatalité!" became kind of Corticeira Amorim's unofficial motto, an exclamation which simply meant that no outcome was predetermined and that we would always fight to uphold cork's rightful place in the minds and hearts of all our stakeholders. This is not surprising as soon as one realises that the ability to change destiny during the hardest of times is firmly embedded in the DNA of this family-owned company, the Amorim Group.

Christophe Fouquet
Co-CEO of Amorim Cork.

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Headquarters
Rua de Meladas 380
4536-902 Mozelos VFR
Portugal

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Co-ordination
Rafael Alves da Rocha

Copy
Editorialista
Inês Silva Dias

Opinion
Christophe Fouquet

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Corticeira Amorim is one of the world's most sustainable companies

Corticeira Amorim is one of the 50 companies taking part in the 50 Sustainability & Climate Leaders campaign. The project is organised by TBD Media Group and its contents will be distributed by the Bloomberg group. It includes a broad range of organisations who are leading the fight against climate change worldwide. Sustainability, technology and innovation are the other drivers that led to the selection of participants of the 50 Sustainability & Climate Leaders programme, which also includes business leaders from areas such as the pharmaceutical, petrochemical and financial services sectors.

Corticeira Amorim is the only Portuguese representative in the 50 Sustainability & Climate Leaders campaign. It accompanies corporate giants such as the Groupe Rocher (France), Novartis Pharma AG (Switzerland), Ericsson AB (Sweden), Heidelberg Cement Group (Germany), Prysmian Group (Italy), Suntory Holdings Limited (Japan), Wilo Group (Germany), John Deere (USA), REHAU Group (Switzerland), MANN+HUMMEL (Germany), Statkraft (Norway), SSI Schafer GmbH (Germany) and Archroma (Switzerland).

A ranking of leading companies that “Corticeira Amorim is very proud to belong to”, explains António Rios Amorim, Corticeira Amorim’s Chairman and CEO. “This is a clear sign that we are on the right side of history. We are working with perhaps one of the most noble product offered by nature in a sustainable way, respecting normal growth cycles, using circular economy principles, without wasting raw materials, and throughout the production process contributing to decarbonisation of several industries. We are convinced that cork offers an answer to the many challenges that lie ahead in terms of sustainability and will help deliver a promising future.”

The 50 Sustainability & Climate Leaders project includes a summit of the 50 leaders that will be held in New York under the auspices of the United Nations. Scheduled for 2021, the conference will be aligned with the UN’s 17 Sustainable Development Goals. The programme will include the participation of business executives, ambassadors and experts. The goal is to promote the exchange of ideas on how to achieve greater sustainability, highlighting recent technological solutions, favouring disruptive innovation, and fostering socially responsible leadership.

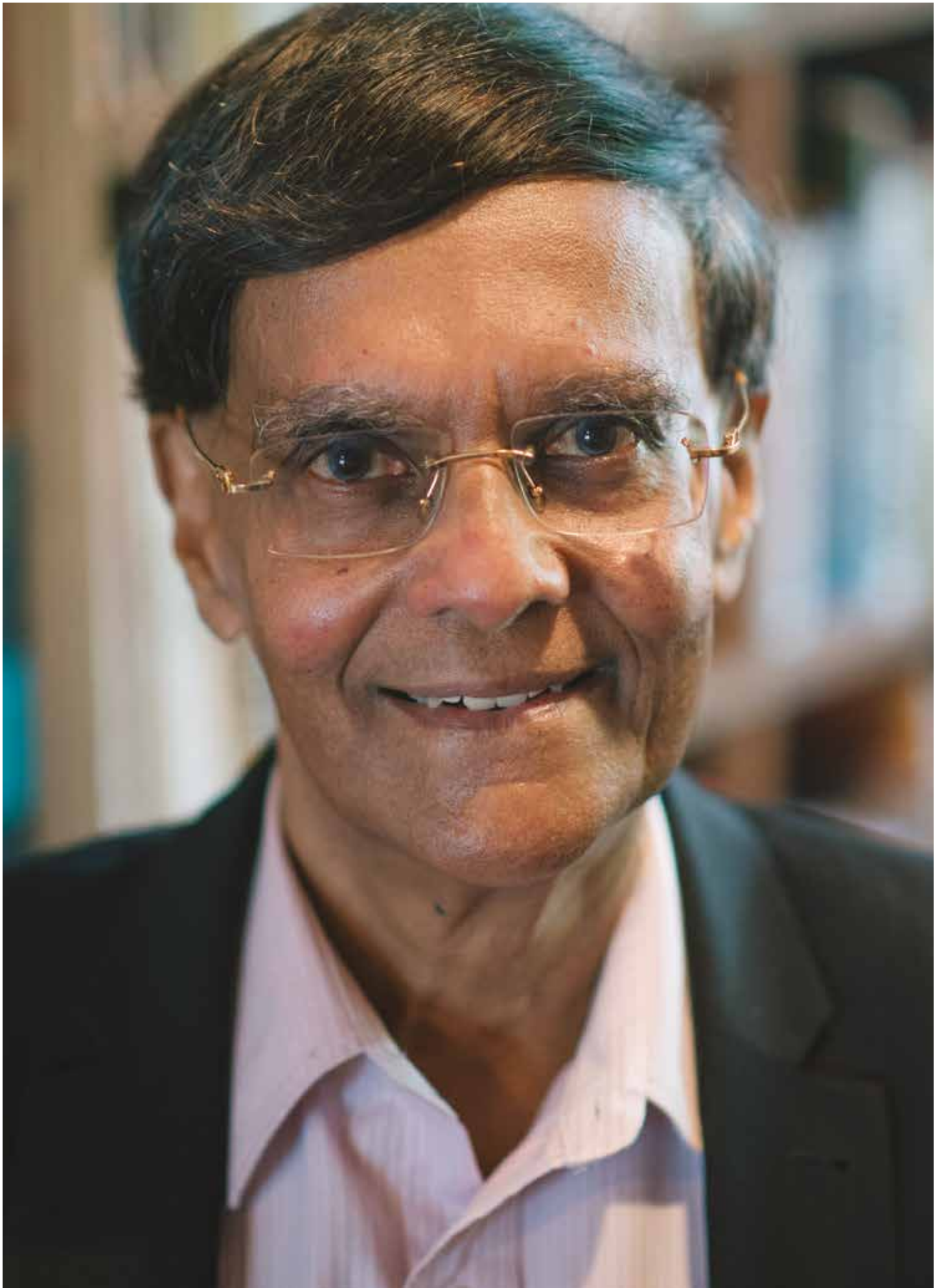




Corticeira Amorim wins Best Raw Materials Sustainability – Europe 2020

Corticeira Amorim, the world leader of the cork industry, has been awarded the top prize in the category, “Best Raw Materials Sustainability - Europe 2020”, as part of the awards attributed by Capital Finance International (CFI.co). The renowned English magazine highlighted the company’s pioneering attitude towards sustainable development and underlined its commitment to conservation of cork oak forests. It also highlighted Corticeira Amorim’s dynamic approach to in-house and external innovation, that has made it possible to find new uses and markets for cork. The jury also praised Corticeira Amorim’s dedication to upholding best practices in terms of environmental, social and governance (ESG), while maintaining a high-level of profitability. CFI.co highlighted the wide range of applications of cork, from cork stoppers, architecture, to space exploration. The jury reiterated that cork is completely natural, always reusable, and is extracted cyclically without causing damage to the cork oak tree. The English magazine also highlighted the important role played by the cork

tree, and its associated ecosystem in terms of climate regulation. They noted a key reference for the cork industry: for each ton of cork produced, the cork oak forest can sequester up to 73 tons of CO₂. Corticeira Amorim’s Chairman and CEO, António Rios Amorim, disclosed that “we are extremely proud to receive international recognition of Corticeira Amorim’s global strategic commitment to Sustainable Development. Especially our defence of cork and the cork oak forest. We work with a unique raw material and believe that it responds to the challenges of modern society, benefitting people, the planet and the sustained growth of organisations.”



Inclusive green growth is the answer

Mohan Munasinghe, winner of the Nobel Peace Prize, is one of the world's leading authorities on climate change. In an exclusive interview, from which we publish various excerpts, the physicist, academic and economist from Sri Lanka argues that combatting climate change must be integrated within the sustainable development strategies of companies. The forestry sector and winegrowing are clear examples of this interconnection.

Sustainable development is a goal, and also a path. How can we move towards a more sustainable society?

Yes, the goal is sustainable development and the path is called Balanced Inclusive Green Growth (BIGG). Sustainable development requires that we harmonise the triangle between the economy, society and the environment. Therefore, BIGG means that we must strike a balance between an inclusive society, a green environment and a growing economy.

The case of Corticeira Amorim is especially relevant because our business depends so much on sustainability, without which, we don't have raw materials, we don't have a business, period. How do you see the sustainability approach at Corticeira Amorim?

When we talk about sustainable consumers and sustainable producers that support each other, Corticeira Amorim is a very good example. Basically, you are developing a self-sustaining cycle, of sustainable forestry in your region. I think that's exactly right. I think certainly, in terms of carbon release you are excellent. Because basically you have a zero or negative carbon footprint, which is very important, and because your cork lasts a long time and you are sucking carbon from the air. You are practicing the concept of the circular economy a great deal. And you are also interested in sustainable forest management, the environment and

biodiversity, and the social perspective. The fact that you are providing jobs, taking care of people, in terms of working conditions and so on, in a very traditional industry, is innovative, at the front end. And in terms of the products. So, I think that you are a very good example of this type of sustainability approach.

"The climate is important not because it is an abstract scientific phenomenon, but because it will affect the next harvest and the growth of the vineyards, their profitability, the quality of wines, the way they are going to pay their workers, all of these factors". What can you tell us about the impact of climate change on viticulture? In the Western Mediterranean basin - where cork trees grow, and also on a global scale.

The change in the air temperature and so on, suggests that with global warming, the wines or the grapes that are suitable for

Climate is important not because it is some abstract scientific phenomenon, but because it's going to affect the next harvest and the growth of the vineyards, their profitability, the quality of the wines, how are they going to pay their workers, all of this.

certain regions will shift. That is going to be a real challenge and generally the same grapes now will either survive better, or not. This is not just true of the Mediterranean but all over the world. The temperature increase is very gradual, that gradual shift will affect wine growers over the long term. There are changes in rainfall, which generally involves less rainfall, particularly in the summer. That will, of course, depend on the particular region, but that will also be something that wine growers have to be particularly careful of.

Within the framework of Balanced Inclusive Green Growth, what can be done to find a solution that benefits people, the planet and prosperity? What role can be played by companies such as Corticeira Amorim in this process?

For industrial countries, the path is essentially to maintain, or even slightly improve, their standard of living, while reducing the use of environmental resources. So, it is essentially about reducing energy use, water use, land use, but producing as much goods, or more goods than before. That has all to do with technology and the processes. And businesses are very key players. For the middle-income countries there is a different curve. Middle income countries are asked not to follow the example of the rich countries, because they have reached a position where they have to reduce their resource consumption. Instead they should use the lessons from previous years, use new technologies and innovation, which is the word you use, to find the balanced inclusive green growth path (BIGG) that will allow them to arrive at the same end point but with much less resource use. It is a leapfrogging type of approach with innovation, that is for middle-income and low-income countries. Sustainable lifestyle has to do, for example, with consumption. If you look at food, one third of the world's food production currently is wasted. So ultimately if you

have enough sustainable consumers and enough sustainable producers helping each other and buying products that are sustainable, you will have a sustainable society. But if consumers are wasteful and the producers are not responsible in the respective advertising, you will not get that outcome.

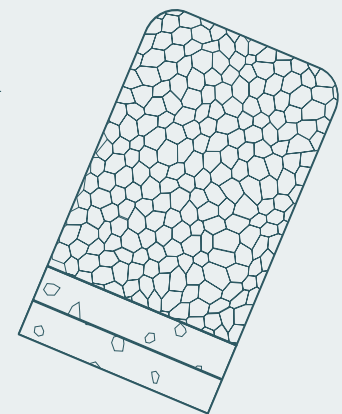
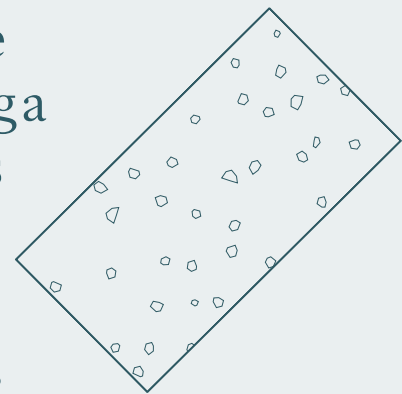
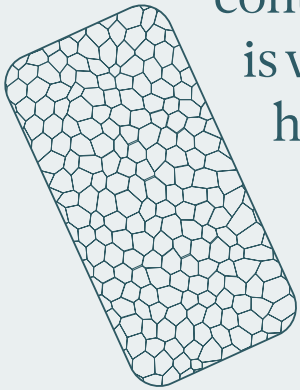
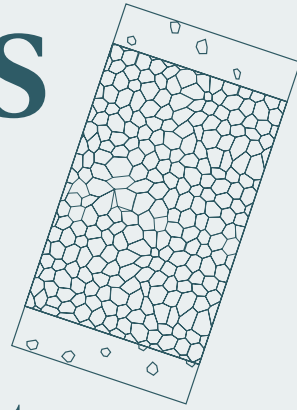
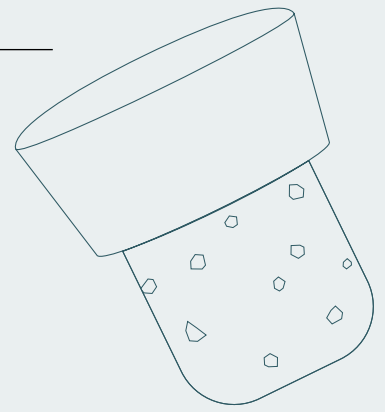
"We can make development more sustainable if we integrate mitigation and adaptation policies to climate change in the sustainable development strategy". Can you develop this concept and explain how Corticeira Amorim, as world's leading cork processing company, can make these practices even more effective?

Climate is important not because it is some abstract scientific phenomenon, but because it's going to affect the next harvest and the growth of the vineyards, their profitability, the quality of the wines, how are they going to pay their workers, all of this. So, once you bring that kind of relationship and show the linkages between the different areas of sustainable development, then you'll get a lot more support for climate change. So that is one of the things that the sustainability-oriented companies can do. The other thing they can do is practice what they preach. I am saying this particular for companies that are doing "green washing", which is not the case for Amorim, because you are very sincere. You can have a lot of influence and we are not only talking about traditional marketing. We are trying to harmonise the sustainable development triangle. So the company has to look after its economic and financial basis first. And that's fair enough because the original purpose of the company was to make profits for its shareholders. But there are many other aspects to that, which is not just the bottom line, but now a little bit the triple bottom line - that is you are now part of the community, so you are careful that you behave well within the community, where you are located. If

you are a multinational your community becomes almost the whole world. This is basically your mix of customers, plus of course your employees and others. So also you have to care for the environment, and so on. Harmonising them, becomes not so difficult, because now you are thinking on a larger scale. You may not only want to maximise profit, but also the durability and the longevity of the company, which is basically that you want to be there, not just for the first hundred years, but for another hundred years. That's very good news for the anniversary of Corticeira Amorim. Being able to say that you have laid the foundation for the next hundred years, I think that would be a good slogan. That is the message of sustainability, really. So, once you are thinking of the whole concept of shared value and so on. You share value with all your stakeholders. So first comes your shareholders themselves, who want to make some profits. But you share value with the community you live in, by making that community a more liveable and nice place. You provide jobs, you can build a park, provide childcare, and then you share value, with a broader number of people through the environment. You improve the environment. You reduce your carbon emissions, etc. and somehow the concept of shared value will help with the management and the board of the company to take a broader view of how they spend their profits. That comes back to what I said at the very beginning. Stage four is where the business grows and the company which may have started as profit, becomes much more merged with sustainability which is much better aligned with the bottom line.

Around the world with cork stoppers

For the cork industry, this is where it all began. A small, but incredibly powerful, cylinder of cork. Each cork stopper contains 800 million cells, and that is where the magic starts. Cork and wine have been united for centuries, forming a powerful binomial that spans various generations and different parts of the world, which we pride ourselves in defending and sharing with the world. With a presence in five continents and about 100 countries and with 19,000 active customers in the cork stopper area, Corticeira Amorim is the world's biggest producer of cork stoppers, producing more than 5.5 billion units per year. Although the supremacy of the cork stopper is widely demonstrated in each part of the globe, the relationship between cork and wine is experienced in a unique manner. The vital principles that underpin this relationship are sustainability and the stopper's unique contribution to the evolution of wines. The journey is exciting and it has just begun.



Amorim Cork South Africa

Located in the heart of South Africa's wine country, in Stellenbosch, Amorim Cork South Africa enjoys a privileged position, benefiting from close proximity and solid trust with the country's main wine producers. But the unit's reputation extends to other parts of the African continent, and it serves as an important platform in the region. Investment in the premium sector and in the legacy of classic wines are the most visible facets of a dynamic market, where there is considerable room to innovate.

South African wines are world-renowned, due to a unique combination of a long established wine tradition and an innovative spirit. The origin of the wine industry in South Africa dates back to 1659. But alongside this historical legacy, which inspires considerable interest in the country's wine treasures and classic wines, there are many emerging brands that renew the excellent reputation of South African wines. Amorim Cork South Africa operates in this dynamic landscape. It was officially created in 1982 and today has 20 employees. Almost four decades later, the company is a key reference not only for South Africa, but across the region. Amorim Cork South Africa works across the entire supply value chain of South African bottled wines and distilleries, from producers based in the winelands near to Cape Town, to the Northern Cape region, at a distance of about 800 km, and the sub-Saharan countries and Indian Ocean islands. "Each client is important, but we are particularly proud to have created lasting relationships, and to have become the supplier of the preferred cork stoppers for premium South African wines and spirits, a sector in expansion. The level of service, personal relationships and undoubtedly a product of excellence, has ensured that Amorim Cork South Africa has an excellent image, which enables us to work with South Africa's leading wine brands, as well as big companies that invest in faster turnaround, value for-money wines", summarises Joaquim Sá, Managing Director of Amorim Cork South Africa. Currently, the South African market produces 800 million litres of wine per year. 55% of production is for exports, where price is a decisive factor. But in a

market with more than 8,000 brands, characterised by dynamism and fluidity, the premium sector is increasingly gaining prominence: "At present, South Africa is paying close attention to the premium segment and the country's reputation in classic wines, for which a cork stopper is the obvious choice. We believe that when customers choose cork stoppers from Corticeira Amorim, they expect a better product and better service than they would have with another manufacturer. It isn't just a cork stopper. It's Amorim".

The DNA of Amorim Cork South Africa includes a strong presence on the ground, and proximity and good relations with producers, based on confidence that research, innovation and top quality. As part of their commitment to premium wines - where cork is an essential ally - South African producers are also turning to the country's wine treasures. One example is the Old Vibe Project, founded by Johann Rupert, that aims to preserve and celebrate the legacy of South Africa's old vineyards (those over 35 years old). The initiative, supported by Amorim Cork South Africa, has generated worldwide attention. In a continent that is severely impacted by climate change, wine producers are increasingly committed to sustainability. Cork's impeccable sustainability credentials place Amorim Cork South Africa in a key position, able to build bridges and give a voice to this vital cause, alongside producer - from the oldest wineries to the exciting newcomers of South African wine. In a country with a long tradition in wine culture, over recent years there has been renewed interest in South African vintage wines, which are highly coveted by international collectors. Amorim Cork South Africa has also played an important role in this regard, valuing and preserving these treasures, providing recorking operations for reputable auction houses. Viewing the overall outlook for South African wines also requires a special mention of Cap Classique sparkling wines, that are gaining a growing number of fans worldwide. Since 2002, Amorim Cork South Africa organises and sponsors the Amorim Cap Classique Challenge, a contest that annually distinguishes the best of the best among South Africa's naturally fermented sparkling wines. Guided by Amorim Cork South Africa's hallmark principles of excellence and rigour, the contest is now a leading event.

Amorim Cork America

In the United States, the world's biggest wine consumption market, the cork stopper is perceived as an unambiguous seal of quality and brand sustainability. In a growing market, importance lies in the details. Customisation is one of the keywords, as premiumisation is being consolidated, and organic wines are emerging as a new trend. In all scenarios, cork offers added value.

From Napa Valley to North America as a whole, including still and sparkling wines, and spirits, Amorim Cork America is the gateway for Amorim cork stoppers in a large market, that is still growing. Created in 1989, Amorim Cork America has its headquarters in Napa, California, which many people consider to be the epicentre of wine culture in the United States. From this industrial unit, that has around 50 employees, cork stoppers - from technical stoppers to natural corks - receive their final touches, customised to each client's needs and then sent to the various producers. "Napa, Sonoma, Washington, Oregon and the Central Coast are the main regions that we serve, but we also sell cork stoppers to North America as a whole and we value every customer. From top wines to more commercial still wines, passing through sparkling wines and spirits, we develop customised solutions for each client", explains Pedro Fernandes, managing director of Amorim Cork America. The wine market in the world's biggest economy is strong. And in many ways it functions as a global barometer. Similar to the situation in other parts of the world, the North American market has continued to grow uninterrupted for about 20 years and increasingly focuses on premiumisation. Cork stoppers undoubtedly play an important role in this trend, that emphasises and values the exclusivity and quality of wines. This is particularly important when we take into account the fact that US consumers associate cork stoppers with high quality and premium wines, and on average are willing to pay \$4 more for a bottle sealed with a cork stopper. Cork is undoubtedly a marker of quality, and also, of course, of sustainability. This question doesn't go unnoticed by North American consumers.





“Cork is highly valued in the United States, not least because sustainability is a prime concern. Cork is biodegradable and makes a valuable contribution to carbon retention, exceeding any other solution available in the market,” adds Pedro Fernandes. At a time when emerging trends such as organic wines and pesticide-free winegrowing are gaining popularity in the United States, Amorim Cork America is consolidating its position in this market, and is an active participant in an increasingly strong movement in favour of sustainable practices. For many years, the United States was the world’s biggest consumer of plastic closures. But this path has been dramatically reversed, and we are currently witnessing a migration towards more sustainable seals, with growing consumer awareness about the need to reduce consumption of plastic. As a prominent player in the US cork business, Amorim Cork America has made an important contribution to this situation, sharing knowledge and experience with producers and consumers, organising recycling campaigns for cork stoppers and highlighting its products’ certified origin (FSC - Forest Stewardship Council). The receptivity of the North American market to the pioneering twist-to-open solution, Helix, which combines convenience and sustainability, is another remarkable success story.

Víctor Y Amorim

We share the love of cork and a profound wine experience with Spain. Spain has great wine producing traditions and some of the world’s most prestigious wines. Corticeira Amorim opened its first industrial unit in Spain in 1992. It is a mature market, which values the quality and innovation associated with cork.

Twenty-eight years have passed since Corticeira Amorim opened its first industrial unit in Spain, where the final steps of the production process occur, including the marking and packaging of cork stoppers. This unit, located in Logroño, in the heart of La Rioja region, has enjoyed consistent growth and today has an annual production capacity of 140 million corks. In Spain, Corticeira Amorim’s cork stoppers are chosen by leading producers, that value the quality of the cork stopper and its connection to nature. Like wine,

which comes from the land, cork is also a natural product, extracted from the cork oak forest, an agroforestry system that in Spain is known as the “Dehesa”, whose enormous value and relevance is well known to the Spanish. Corticeira Amorim’s activity in Spain covers the entire territory, especially cities such as Rioja, Navarra, Basque and Aragon.

In a country with a rich wine tradition, cork stoppers are increasingly demonstrating their superiority, gaining ground over synthetic stoppers. Top wine producers demand high-quality cork stoppers, and for that reason, premium wines, which take several years to age, evolving until they reach their maximum expression, find their best ally in natural cork stoppers. But cork stoppers are also increasingly viewed as the right choice for fast turnaround wines. Environmental awareness plays a crucial role in this regard: “fewer and fewer wineries want to associate their wine with an artificial and non-recyclable product. An increasing number of producers and winemakers are aware that investing in cork stoppers constitutes a commitment to an ecological industry, that not only doesn’t harm the environment it contributes to conservation of the cork oak forest and all species that live in that habitat” summarises Ignacio Garcia, the head of Víctor Y Amorim. The Spanish wine market can be characterised as a mature, which was developed distinct segments over recent years. On the one hand, there has been increasing demand for technical cork stoppers for young wines, known as *crianzas*, and, on the other hand, there has been an increase in demand for high quality natural cork stoppers used in wines that will age in the bottle, with a strong focus on innovation, as demonstrated by the strong market adhesion to the NDtech solution, the first stopper that delivers non-detectable TCA performance. This cutting-edge technology, developed and patented by Corticeira Amorim, is the most visible face of an important investment in R&D and innovation, that is highly valued by wine consumers and winemakers in Spain. Whereas cork stoppers in general are perceived as being synonymous with quality and safety standards, Corticeira Amorim’s stoppers add a new layer of meaning, since they are associated with cutting-edge innovation and state-of-the-art technology, applied individually to each stopper. In a relatively large country, small wineries, focused on making high quality wines in

small quantities, are gaining increasing acceptance. These premium wines, fruit of great knowledge and experience, need, to evolve in the right way, by using cork stoppers made from high quality natural materials, and customisation, two things that Corticeira Amorim can guarantee in the blink of an eye.

Amorim Cork Italia

Italy is the world’s biggest wine producer and is a market that values tradition and sustainability. The cork stopper plays a leading role in this dynamic landscape, where sparkling wines occupy an increasingly prominent position. In a country that is famous for its red wines, one of the major challenges is to ensure longevity for white wines. And cork also has an important role to play in this regard.

About 60% of Corticeira Amorim stoppers sold in Italy are shipped from Portugal, but 42% are produced in Italy, in an industrial unit founded in 1999, in Conegliano, in the middle of the Veneto region, that has the capacity to produce 1.3 million stoppers per day. Altogether, 55 employees and about 50 agents take Corticeira Amorim cork stoppers to the leading Italian producers, in the country’s three main winegrowing regions - Veneto, Piedmont and Tuscany - and across all segments, with major expression in sparkling wines and reserve wines.

“In a market that has a major vocation for exports, the cork stopper is the leader, but there is still further room to grow. Above all, bearing in mind that the tendency is to bottle more and more wine, and sell less in bulk format, complemented by growth of the DOC and IGT wine segments in detriment to consumption of generic wines”, explains Carlos Santos, director of Amorim Cork Italia.

Evolution of consumer tastes also provides important data: Italians are drinking less, but better. Wine consumption per capita has lowered, but the demand for quality wines has increased, which has increased the relevance of cork stoppers. Indeed, experienced Italian wine producers are aware of cork’s superiority and higher perceived value, whether in terms of premiumisation or sustainability associated with this solution. Over almost two decades of activity in Italy, Corticeira Amorim has been building

Cork for the Environment

In the forest as in the vineyard. Two products united at birth, a gift of nature and culture, emotion and discovery. A permanent dialogue, a strong, unbreakable link, a mutually nurturing relationship that brings out the best of each of them. Two sectors where tradition and innovation intersect on a daily basis and where sustainability is vitally important, here and now.

The results of the studies conducted by the consultancy EY, and by the consultant PwC in the case of the Neutrocork stopper, are crystal clear: Corticeira Amorim's cork stoppers have a negative carbon balance when considering the carbon sequestration of cork oak forests. They provide an important contribution to decarbonisation of the wine industry and also combat climate change, thereby helping promote sustainability and the future of the planet.



a solid reputation in this market, where it stands out for its active and innovative leadership position, and its defence of sustainability. With numerous initiatives, Amorim Cork Italia is currently preparing to launch the Amorim Cork Italia Academy, that aims to reinforce cork culture and develop marketing associated to the packaging as a core vector of value creation. In a country that is a leading reference in international design, the launch of the collection of SUBER cork furniture, made from recycled cork stoppers, is an example of a success story that can unite the identities of cork and Italy. Amorim Cork Italia is implementing many initiatives that aim to value cork and its potential, always from a sustainability perspective and including support for training in the areas of marketing and winemaking. In 2011, in line with Corticeira Amorim's other cork stopper recycling programmes, the Etico project was launched, with over 1,000 volunteers, 6,000 collection points for recycling stoppers and 120 tonnes of corks collected to date. In 2015, the Eticork award was set up, which annually distinguishes the most sustainable wine company, in environmental and social terms. In a country where winegrowing dates back to classical antiquity (when cork stoppers were used in wine amphorae), the present global outlook offers an opportunity for cork to shine. One example is investment in cork stoppers that will enable white wines to be preserved over time, one of the trends of an expanding wine market, where traditionally red wines tend to be more popular. For top white wines, with character and time, cork is the ideal choice, since it is the only solution that contributes to evolution of the wines until they reach their full-bodied splendour.

Amorim France

An increasingly demanding market, where oenological, visual and environmental factors are leading to growing appreciation of cork. Corticeira Amorim has three industrial units in France, that cover the entire spectrum of French production of wines and spirits, ranging from still wines to renowned champagnes and cognacs. Valuation of sustainability and quality are dictating a return to natural products.

This market is as heterogeneous as France itself - a country with great wine traditions that also values innovation. In France, where Corticeira Amorim has owned subsidiaries since the early 1990s, the group currently has three industrial units: one for finishing cork stoppers for still wines; another, in the Champagne region, for cork stoppers for sparkling wines; and a third, in the Cognac region, for capsulated cork stoppers for spirits. This segmentation reflects a company that has a strong and well-known presence, which encompasses all French wine regions, and which has used its *savoir-faire* to win everyone's trust, from winegrowers to cooperatives, including the leading French wine industrialists. "The French market looks for a wide range of stoppers, ranging from traditional, natural stoppers, technical stoppers and sparkling wine stoppers, with different qualities" explains Franck Autard, Managing director of Amorim France.

Corticeira Amorim's portfolio offers stoppers for every type of wine, and in that sense its offer is complete, adapted to different market segments. In France, as in the rest of the world, Corticeira Amorim stands out in the premium segment, providing high-quality stoppers for the finest wines - the Chateaux wines - in each region, and for sparkling wines from France's most iconic wineries.

This is a big responsibility, but also a great honour, with a leading position in a benchmark market that dictates many of the trends in the world of wine. While it is true that there has been increased demand for technical stoppers over recent years, especially for rosé and white wines (very probably due to their desirable and competitive price/quality ratio), it is also true that high-end solutions, such as NDtech stoppers, are gaining increasing popularity in a key market such as France. Whereas all cork stoppers have impeccable sustainability credentials, some offer performance guarantees that are truly exceptional and have no comparison in the market. NDtech stoppers, both for still wines and, since 2019, for sparkling wines, are therefore the most sought-after solution by premium brands. "The market is increasingly demanding, whether in terms of mechanical performance, or organoleptic and visual performance, and Corticeira Amorim stoppers offer a unique guarantee in terms of leadership and innovation", sums up Franck Autard. After a few years of uncertainty, in France there is now a return to a natural solution, through cork. Even producers who, at some

point, had opted for synthetic solutions, are now returning without hesitation to cork stoppers, aware that this is the only solution that meets the necessary oenological, commercial and environmental criteria in a highly competitive market.

Essential to this renewed interest in cork is the issue of sustainability, and also the entire technological component, which has benefited from major investment from Corticeira Amorim. We are witnessing a return to a natural material that has unsurpassed characteristics, and also benefits from cutting-edge technology. In this sense, a series of tests carried out this year among producers in the Champagne region, with NDtech stoppers and *tirage* stoppers, reiterated the superiority of Corticeira Amorim's stoppers in all aspects: as a natural material, cutting edge technology, visual quality (very important for sparkling stoppers) and commercial performance.

100% natural, recyclable and biodegradable, from the forest to the bottle, cork effortlessly accompanies the key current trends in the French wine market: including the development of organic and biodynamic wines and/or wines from emerging regions and new producers.

Amorim Australasia

A vast territory, with high quality wines and a strategic market, still in expansion. In a global context, the new world of wine production is revealing increasing sophistication. It is now a mature market, but always willing to experiment and innovate with the added value of cork and the guarantee of Corticeira Amorim.

After several years of presence in the Australian market through different structures, Corticeira Amorim inaugurated its subsidiary in Australia - Amorim Australasia - in Adelaide, on 20 February 2007. This was an important step in the group's internationalisation that is now delivering benefits, both in Oceania and in other strategic markets, such as China. In just over a decade, Amorim Australasia has established an enviable reputation in this market, and is respected and recognised for its strong investment in research and development, and the fact that it is the only manufacturer capable of offering solutions



for all types of stoppers, from technical stoppers to sparkling wine stoppers, and including immaculate natural cork stoppers, made from a single piece of cork. These are truly important characteristics for a market that is continuing to expand and where several types of wines coexist: Premium wines, originating from regions with a cooler climate, such as Barossa Valley, Adelaide Hills, McLaren Valley, Yarra Valley, Mornington Peninsula, Margaret River and Hunter Valley, and also the high production wines from the hottest regions, in Riverina and Riverland; still wines, where cork is progressively gaining ground, even among wineries that initially supported alternative stoppers; and stoppers for sparkling wines, where the cork stopper is clearly the preferred solution. In addition to the domestic market, Australian wines' main export destinations include the United Kingdom and China. Currently, two thirds of production is exported, and therefore the perception of cork in these key markets is also crucial. "Premium wine regions choose cork to add value to their products, while high volume wines, destined for export, use cork to meet the expectations of the destination markets" explains Tim Stead, CEO of Amorim

Australasia. In one way or the other, cork is always an asset. In the domestic market, "cork stoppers are important since they convey a clear perception of quality, with minimal intervention and concern for the environment. In China, the growing demand for Australian wines is in line with the preference of consumers for cork stoppers, as a symbol of status and quality. As in Europe and the United States, there is a growing marked trend towards premiumisation in the Australian market. This explains the evolution of the market, which until recently has been dominated by technical stoppers, but where natural cork stoppers are gaining a share, especially the most technologically advanced stoppers, such as NDtech stoppers, which offer a truly superior performance. Indeed, for Australia, the introduction of NDtech stoppers constituted a very strong argument in favour of the return to cork for the leading wine producers. In a pioneering country, it is not surprising that one of the most exciting trends is the growth in online sales of premium wines, with a corresponding need on the part of producers to launch products that reflect the most important values of their customers. "Given that

environmental issues stand at the centre of Australians' concerns, every producer is channelling their attention to creating environmentally-friendly products, considering their carbon footprint. Legislation is being developed against single-use plastics and other products that contaminate the environment, and this encourages innovation and alternatives to products that cause environmental problems. If we combine premium online sales and the demand for products with environmental awareness, cork has a very promising future in Australia", sums up Tim Stead.

The grape decides

There are plenty of reasons to visit Quinta Nova, but one special reason currently stands out - dictated by the change in daylight, cooler temperatures and the new colours that invade the vineyards. It is September – harvest time, when the grape decides. A unique landscape awaits us, with fine wines and good people. Genuine people who are in love with the Douro. And it's hard not to fall in love too

After travelling ninety minutes from Porto the landscape begins to change dramatically. The road begins to wind through the mountains and green becomes the predominant colour. We have arrived at Quinta Nova Nossa Senhora do Carmo (QN), in Covas do Douro. In the rural world of the past, when two estates merged it was common to call the new estate, “Quinta Nova”. But there is nothing commonplace about what awaits us here. 85 hectares, divided into 41 individual plots, with a maximum altitude of 297 metres and solar exposure to the South-West. In each plot, there is “a single variety, a single plantation, ensuring the same pedigree in all the vines”, guarantees the engineer Ana Mota, QN's production and operations director, for the past 20 years.

Harvest time involves QN's usual team, with about 45 people, specifically allocated to grape harvesting. They are divided into separate groups, “each group goes to their own plot. We have people who have worked for us for 15, 16 years, who know the estate very well, know the working processes and we always try to keep people from one year to the next”. In terms of ingenuity and skill, Ana Mota guarantees that “cutting grapes means cutting grapes and not fingers, period”. The secret is in the boxes. “We are the only company in the Douro that works with boxes that are perforated at the bottom and on the side”,

which make it possible to “aerate the grapes”. Also, of equal importance, “since we buy grapes outside QN, without holes in the bottom, suppliers always tend to trample on their grapes to bring a few more kilos. If they are stepped on, they lose juice. Here the grape has to be delivered whole, otherwise, we lose quality and they lose kilos”. Today is “Port Wine Day”, reveals Ana Mota. “We needed 60 boxes of grapes from Sousão, that give more colour and more acidity”. Every day, “we move from one plot to another”. Three or four a day, “depending on what we are using in the winery and the type of wine we are making”. For example, “The Vinha Velha grape variety, used to make the AETERNUS wine, must be harvested all together in one day. So, we channel all our efforts there. Then, it is fermented in the Wine Cellar..., but that is up to the winemaker”.

An atypical, but extraordinary, year

The 2020 harvest is special, reveals Ana Mota. “It is the quickest harvest vintage that Quinta Nova has ever made”. Every year is challenging, but this year there was “a very unusual phenomenon. The vineyard had to adopt many phytosanitary treatments”, because the climate was very unstable throughout the development of the vine, which is “very conducive to the spread of diseases in the vineyard”. This scenario

forced more treatments than normal. However having overcome this challenge, the plant was nurtured and the vine became “green, lush and healthy”. However, “in June, July and August, we had no rain and it was very hot”. The plant “stopped growing completely”. The vines didn't grow. In the third week of August there was finally rainfall. “The plant had stopped growing. It liked the rain and started growing again, but the water at the root was insufficient, so it decided to obtain water from the grapes”, thereby causing dehydration. The result? The harvest began on August 27 and had to be carried out as quickly as possible. “We had to call on more people so that we could harvest the grapes quickly, otherwise we would only be left with raisins”!

As a result of this scenario, in 2020 the region faces one of the biggest drops in production of recent years. However, “we expect a harvest of extraordinarily high quality”. “It will be a vintage year of top wine”.

“Since the beginning of the pandemic, we haven't stopped working. The vineyard doesn't stop”, explains Ana Mota. “We spent 15 days in a teleworking regime, but we had to come to work”. In times of pandemic, the vineyard continues to demand the same attention and workmanship.

This year's harvests used the same number of people, but with different rules. The





Ana Mota, diretora de produção e operações da Quinta Nova



groups “arrived in sanitised vans and everyone disinfects their hands at the entrance”. During the trips to the vineyard, “Each person always sits in the same place and wears a mask”. After a 5-minute ride in a pick-up, we got to one of these groups. Everyone was wearing a mask. Alzira, a grandmother, an experienced grape picker had brought her granddaughter Beatriz. José António, a volunteer fireman, was taking part in the Quinta Nova harvest for the first time. Each picker has their own technique and approach, but they are all orientated by the same voice - of a mature lady who, hidden in the midst of the vineyards, sings: “Look at the Harvest, look at the Harvest, how beautiful it is...” This time of year we see many tourists. “There is higher tourism demand at harvest time”, explains Susana Pinho, in charge of wine tourism. “From the beginning of August people are already starting to ask,

‘when does the harvest begin?’ It is very difficult for us to answer, because it all depends. The grape decides.” Each time more “people want to know how the harvest is done, how the wine is produced, how the raw material is handled, from an ecological and sustainability standpoint”. This year, after the lockdown period, “the demand was primarily from the national market. However, there are some differences in terms of the experience provided. We had to adapt”, stresses Susana Pinho.

The science of the winery

At this time of year, the day at the winery begins early and has no finishing time. “We only know when we start,” explains Sónia Pereira, oenologist at QN for ten years. “Yesterday was good - we went home at 10:30 pm”. It all depends on the raw material. “We are not in charge, it’s the grape that decides! If it’s ready, it can be

taken to the winery. Otherwise we have to wait”, says Ana Mota. The grape is put on the scales. We have entered the winemakers’ territory. “From here on, the responsibility lies with me, with the engineer Jorge Alves and the winemaking team”, explains Sónia Pereira. “Every day we have ten people in the winery, including four interns. Winemaking is in fashion”. Once in the winery, “the grape is put on the selection carpet, for choice and quality control before being placed in the *girafa*. It is then placed in the *Pellenc*, whose mechanical vibration makes it possible to remove the desired amount of seed. This equipment, in conjunction with the centrifugal crusher, controls the intensity of destemming in function of the calibre of the fruit, separating the driest and greenest grapes, which are not fully mature”, explains Sónia Pereira. “This machine is widely used internationally, but in Portugal it only exists at Quinta Nova, Taboadella and one other winery”, underlines Susana Pinho. Next are the pipes that channel the must to the vats. Whites and rosé wines also make a “visit to the presses”. “We have 16 vats for fermenting the grapes, all different, all with a different level of evolution. They all require different things and you have to be very attentive”, insists Sónia Pereira. At Quinta Nova, grapes have not been pressed under foot since 2007. This technique has been replaced by “automatic grape presses” in the mechanical mill, consisting of “parts that go up and down, coated with silicone, which on contact with the grape offer the same characteristics as human skin”, says Ana Mota. And when is the wine bottled? “That all depends. If it’s a vintage wine it can be bottled in April or May. If it’s a grand reserve wine, only after 18 months”, explains Sónia Pereira. Until then the days will be demanding and busy, involving a lot of science. “Wines have to be tasted every day. If there are any anomalies, we have to act quickly to resolve the problem. And we always do. The engineer Jorge Alves, who is the consulting winemaker at QN and Taboadella, taught me that you must never turn your back on a vat. If we encounter a problem, we have to focus on resolving the problem, and never give up. Everything has a solution. This is what makes winemaking” interesting. The sun is already low on the horizon in Covas do Douro and another delivery of grapes is arriving at the winery. The hustle and bustle continues. It will be a long day, very long. After all, the grape decides!

Eco-Friendly rugs

A simple but pioneering idea lies at the heart of Sugo Cork Rugs. Taking advantage of the unique characteristics of cork to create eco-friendly rugs, with a unique texture and beautiful patterns, that improve indoor air quality and minimise allergies.



It's a fact: with some exceptions, the world of rug design is dominated by women. Perhaps this is due to the fact that the universe of weavers is markedly feminine, almost secret, with a tradition that is handed down orally. Susana Godinho, the founder of Sugo Cork Rugs, has worked as a textile designer for 18 years. After a brief period working in fashion, she focused on the world of rugs and has never looked back. It's her life – with incredible dedication, tremendous work capacity and great creativity. "I always liked weaving. At the beginning of my course I already had this intuition that this I would forge my career in this area. Weaving involves a little bit of mathematics and also design. When I finished the course, I started to work in fashion, but very early in my career, the

opportunity arose to make a rugs collection. I looked at the rugs and I thought: this is weaving, but on a more visible scale. Then the passion for rug-making began." Like so many Portuguese people, cork has been present in Susana's life since she was very young. Recovering these memories, in 2012 she had the idea to start using this noble material in her rugs. "It is a material that has always been present. My father used cork. I had the idea and started knocking on several doors to get the raw material and carry out a test on the loom. I succeeded and was happy with the results. But I had no investment and was unable to proceed with the project" she recalls. Without investment, the project remained on hold, until, two years later, Susana Godinho saw a news item in the newspaper.

Corticeira Amorim, via Amorim Cork Ventures (ACV), was looking for new ideas using cork, and was willing to inject expertise, energy and investment. Susana was immediately excited by the idea. She prepared her portfolio, gathered one or two pre-prepared prototypes with cork and cotton and went to Amorim, with her small loom under her arm, for a meeting to present her project. The meeting went very well. That was in the summer of 2014. Sugo Cork Rugs was one of the ideas chosen, and a few months later, in October 2014, the "Skills Reinforcement" programme started, in which Susana Godinho took part. Paulo Bessa, ACV's Managing Director, recalls this experience: "It was a very unusual process for a designer, who by the end of the programme had developed



a business mindset. It was clear that the programme had had a strong impact". Two projects were selected at the end of the programme: Sugo Cork Rugs and ASPORTUGUESAS, and then the adventure began - the "business acceleration phase". Rome wasn't built in a day, nor was a sustainable rug company with contemporary design. It was necessary to invest in equipment, design collections, develop prototypes, apply for a patent. At the end of this process, the first Sugo Cork Rugs collection was launched, in January 2017.

A cork ribbon

In our homes, and in some of the world's finest hotels, Sugo Cork Rugs stand out because of their beauty and originality, colours, textures, and cork's inherent sustainability and also from the use of other recycled materials and the production method itself. In addition to the surface, which features intersected and interwoven lines, there is a well-kept secret: an original and exclusive cork thread, specially developed for this product by the Amorim team. "I achieved exactly what I was looking for" recalls Susana Godinho. "More than a thread, I was looking for a ribbon that was able to create more texture in the rug. I like textured rugs. To make the material stand out, there has to be more thickness. The idea was to include the characteristics of cork in the rugs, but with a look that highlighted the qualities of natural cork. That's what we achieved, because the cork ribbon has this flattened volume, which contrasts with the cotton or wool threads, giving a more

appealing appearance to the rug." Three years after the launch of Sugo Rugs, its success, in Portugal and abroad, is undeniable. It has been successful in markets such as Germany and Japan, where there is great receptivity and knowledge of sustainability, and also in the United States and France. "It took time. In the beginning, when we were trying to schedule meetings with customers to present our cork-based rugs, people had many doubts. Because they have never seen, never touched, never experienced such a thing" recalls the designer. In the first year, Susana Godinho made many business trips, contacted architects, from the North to South of Portugal, and managed to secure several projects, but her main objective was clear: internationalisation.

In the first year, she had the chance to attend the leading international interior design fairs. Susana took her brand to Japan, and then to Paris, for a decisive participation in Maison & Objet, and then to London, for the London Design Week "People could learn about the product, from social networks, and seeing it in a magazine, and might find them appealing and original. But seeing them live, being able to touch them, is entirely different. Participating in international design fairs opened many doors for us. From then on, things were completely different". Orders began to come in for totally personalised projects, designed by Susana Godinho, or in partnership with architects and interior designers. "I appreciate it when an architect or designer knows exactly what he or she wants - a specific pattern or colour - because I feel that the rugs are truly

personalised, and that also allows me to see things and discover things I wasn't familiar with", she concludes.

Innovation and sustainability

Using this logic, all projects have a special meaning. Amongst her most recent projects, Susana Godinho highlights the rugs provided for Sublime Comporta, because of their sophisticated simplicity, and also the exclusive model designed for the prestigious French brand, Ligne Roset. In Germany, the Treudelberg hotel chain ordered cork rugs for a major project - the renovation of a luxury hotel in Hamburg. "There is an important effect here, which are the leading projects, which end up having an impact on other projects", agrees Paulo Bessa, who highlights the importance of the *contract* sector for this business.

The looms are used by women who weave the rugs by hand, composing intricate or minimal patterns, always following traditional methods. A medium-sized rug can take two days to make. The materials are organic, starting with cork, and also including wild linen, and recovered or recycled cotton thread. "We use waste from the weaving operations of other companies. When fabrics are finished, the thread spools are almost empty, but they still have usable material. We work with companies that collect this waste. At our factory we have a machine that makes a kind of *bouclé* with these threads, transforming them into a new, thick thread. We call this *recycled thread*. We transform waste from the textile industry into a completely new thread", explains Susana Godinho.

In fact, it was innovation, combined with sustainability, that captivated ACV's interest from the outset, and led the company to invest its resources in a project that highlights cork's technical characteristics - It has developed a material that fulfils the necessary requirements. "Today Sugo Cork Rugs are positioned exactly in the segment they want to be in, sending a clear and inspiring message to other businesses," explains Paulo Bessa. "This involves a long-term trend, rather than a passing fad. It is the concern with indoor air quality, on the one hand, and the environmental impact of such solutions, on the other. We think that we have a concept that makes perfect sense, and which is based on a long-term trend."

Planet Cork: cork in a museum

At WOW - World of Wine, the new cultural quarter of Greater Porto, inevitably there had to be a space dedicated to cork, as the great ally of wine. Designed with a significant contribution from Corticeira Amorim, Planet Cork is a museum that aims to tell the history of cork and also reveal the full potential of this unique raw material to the world.



From the cork tree to outer space. Starting in the forest - the origin of cork - and ending in the most technologically advanced features of this unique natural material, Planet Cork - the fifth museum of the World of Wine, which opened in August 2020, tells the story of cork from within, bringing the public closer to this unique product, that is so important for Portugal.

An engaging and interactive experience, that spans the entire world of cork, looking closely at the cork oak tree, delving into the cork forest, analysing the unique characteristics of this natural material, and discovering all the workings of an industry that is sustainable by nature, from bark to bottle, and with a multitude of applications, where nothing is wasted.

According to António Rios Amorim, Chairman and CEO of Corticeira Amorim, the new museum "is a fundamental showcase for cork's unique technical

characteristics and cutting-edge potential. We are happy with the final result of Planet Cork, because it highlights how cork is a sustainable solution for the world of wine, and also reveals its ability to meet the needs of so many other industries and markets." Located in the historic centre of Vila Nova of Gaia, in renovated Port wine cellars, WOW - World of Wine is the new cultural quarter of Greater Porto. An initiative pioneered by The Fladgate Partnership, it has a gross building area of 55,000 m², and includes museums (which in addition to Planet Cork, includes the Porto Region Across The Ages, The Wine Experience, The Bridge Collection and The Chocolate Story), restaurants and cafes, shops, a wine school, an exhibition space and several event areas.



150 Years: Act Four



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