Amorim Wise Cork Pure Environmental footprint

Amorim Cork Flooring

Executive summary

October 2021



Disclaimer

EY carbon footprint analysis follows a life-cycle approach based on ISO Standard 14040 on Amorim Cork Flooring data and business assumptions. These results are not third-party verified.

EY LCA analysis is based on ISO Standard 14040 and EN 15804, and on Amorim Cork Flooring data and business assumptions. The results presented are not third-party verified.



Executive summaries

The present document presents the executive summaries, which include the products' information, methodology and the main results for carbon footprint and environmental footprint of the following products:

- A Amorim Wise Cork Pure PU PF
- B Amorim Wise Cork Pure UV





Amorim Wise Cork Pure PU PF



Agenda - Amorim Wise Cork Pure PU PF

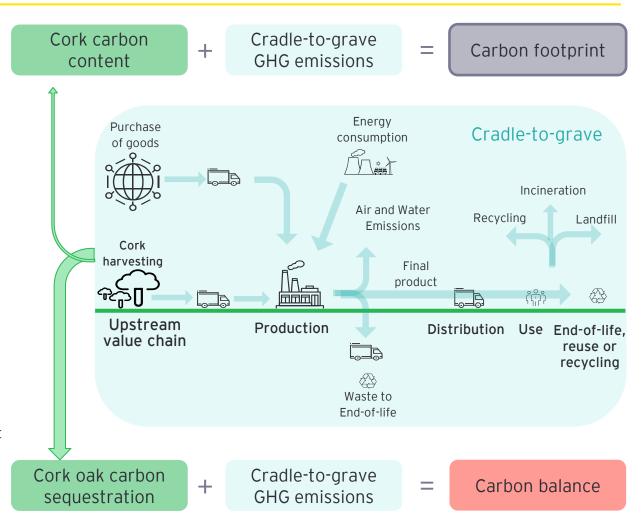
- $\frac{1}{\cdot}$ About the study
- 2 Carbon footprint
 Cradle-to-grave
 Sensitivity analysis
- 3. Carbon balance

Scenario analysis with carbon sequestration at the forest stage

4.LCA

Lifecycle environmental impacts for cradle-to-gate scope for main impact categories

5. Conclusions







Context

- Corticeira Amorim is the largest world producer of cork products, championing the sector since 1870. The company has a portfolio of products with applications in multiple industries, such as wine, construction, flooring, aeronautical, automobile, footwear, among others. The company has implemented an integrated production process that ensures that no cork is wasted.
- Cork is an ecological and sustainable material 100% natural, renewable, recyclable and reusable.
- Amorim Cork Flooring (ACF), a subsidiary of Corticeira Amorim, is the world leader in producing and distributing cork incorporated floor and wall coverings. It has a unique manufacturing technology that combines the traditional production methods with cutting-edge technology to develop unique cork products with a large range of application, in over 70 countries worldwide. The incorporated cork on the different floor and wall products provides a level of comfort that cannot be achieved with any other covering materials, provides a natural thermal insulation, has impact resistance and makes the products adaptable to residential and commercial spaces.
- The main purpose is to quantify the potential environmental impacts of Amorim Wise Cork Pure PU PF produced by Amorim Cork Flooring, through a life cycle approach.
- Amorim Wise Cork Pure PU PF is one of the most sustainable flooring solutions, having a natural cork structure, that provides superior comfort and environmental performance for residential areas, with a genuine cork veener decorative layer and polyurethane finishing. This product is used as a floor covering for domestic use, providing several physical characteristics to the floor, such as stability, comfort, thermal and noise insulation, among others.

Product characteristics	Cork Pure PU	Sensitivity analysis (product size)					
Size (mm x mm x mm)	1 m x 1 m x 4 mm	1 m x 1 m x 6 mm					
Weight (kg)	2,10	3,12					
Components (N)	84,6% cork	84,6% cork					
Components (%)	15,4% customization products	15,4% customization products					





Methodology

- The study analyses the environmental footprint of the Amorim Wise Cork Pure PU PF, through a life cycle analysis (LCA) approach.
- ▶ Guidelines: The study was based on Product Category Rules (PCR) for Construction Products (2019), that are in conformance with EN 15804:2012+A2:2019, ISO 219030:2017, the General Program Instructions of the International EPD® System (v3.01) and also based on with ISO 14040/44 standards.
- **Approach**: *cradle-to-grave* (from raw material extraction to the product end-of-life)
- Life cycle stages assessed: forest management activities, broken cork and granulated cork production, agglomerated cork and genuine cork veener layers production, gluing, pressing, sanding, varnishing, cutting and packing, product expedition (transport from the factory gate to the installation site), product installation, maintenance activities, end of life (EoL) stage and the benefits and loads beyond the system boundary.
- ▶ Functional unit: 1 m² of product installed
- ▶ Modelling software and database: SimaPro 9.1 with ecoinvent 3.5 database
- ▶ **Method**: The midpoint impact method EN 15804 +A2 was used for the environmental footprint analysis. The potential climate change impacts (**carbon footprint**) of each stage were estimated selecting the impact category Climate Change from the ILCD method.
- Sensitivity analysis: A sensitivity analysis was caried to assess the variation on the environmental impacts of Amorim Cork Pure PU PF, when the thickness of the product increases from 4 mm, with 2,10 kg/m2, to 6 mm, with 3,12 kg/m².



Methodology (cont.)

▶ Impact categories assessed for the environmental footprint:

Impact category	Indicator	Description	Reference
Abiotic depletion potential for non-fossil resources (ADPE)	Depletion of abiotic resources - mineral elements	kg Sb-eq.	CML 2002 (Guinée et al., 2002) and van Oers et al. 2002.
Abiotic depletion potential for fossil resources (ADPF)	Depletion of abiotic resources - fossil fuels	MJ, net calorific value	CML 2002 (Guinée et al., 2002) and van Oers et al. 2002.
Acidification	Accumulated Exceedance, Acidification potential AP	mol H+-eq.	Accumulated Exceedance (Seppala et al. 2006, Posch et al. 2008)
Global Warming total	Global Warming Potential (GWP100)	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
GWP fossil	GWP from fossil carbon, removals and emissions	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
GWP biogenic	GWP from biogenic carbon, removals and emissions	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
GWP land use and land use change	GWP from land use and land use change, removals and emissions	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
Eutrophication potential (EP)-terrestrial	Accumulated Exceedance, Eutrophication potential, EP terrestrial	kg N-eq.	Accumulated Exceedance (Seppala et al. 2006, Posch et al, 2008)
Eutrophication potential (EP)-freshwater	Fraction of nutrients reaching freshwater end compartment Europhication potential, EP freshwater	kg P-eq.	EUTREND model (Struijs et al, 2009b) as implemented in ReCiPe



Methodology (cont.)

Impact categories assessed for the environmental footprint:

Impact category	Description	Unit	Reference
Eutrophication potential (EP)-marine	freshwater end compartment	kg N-eq.	EUTREND model (Struijs et al, 2009b) as implemented in ReCiPe
Ozone Depletion	Depletion potential, EP marine Depletion potential of the stratospheric ozone layer, ODP	kg CFC11-eq.	Steady-state ODPs 2014 as in WMO assessment
Photochemical ozone creation	Formation potential of tropospheric ozone, POCP	kg NMVOC-eq.	LOTUS EUROS (Van Zelm et al, 2008) as applied in ReCiPE
Water scarcity	User deprivation potential	m³ world-eq deprived	Available Water Remaining (AWARE)

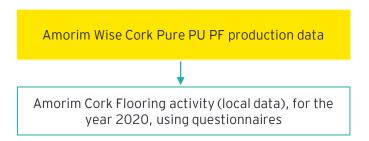
▶ Impact categories assessed for the carbon footprint:

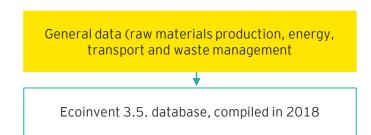
Impact category	Description	Unit	Reference
Climate Change (CC)	Global Warming Potential calculating the radiative forcing over a time horizon of 100 years.	kg CO ₂ eq	IPCC 2007



Methodology (cont.)

Data collection procedure





- Biogenic emissions and CO_{2eq} removals due carbon content in the reference flow are also considered, with the following assumptions:
 - All cork raw materials that enter the system were considered to have a similar amount of carbon stored. The calculation of ${\rm CO_2}$ uptake is based on the atomic weights of carbon (12) and carbon dioxide (44), as well as the carbon fraction (dry basis) of 55% and a moisture fraction of $6\%^1$.
 - ▶ Given the purpose of the assessment, emissions from biomass energy production are considered neutral, due to the assumption that the CO₂ that is being released in the incineration process (biogenic CO₂) was captured in the previous product stage 1 forest management and cork harvesting (uptake), as so, it is no more than a short term delayed emission, resulting in a net neutral balance of CO₂ emissions ^{2,3}.

Executive summary

Amorim Wise Cork Pure PU PF & UV environmental footprint -

ournal of Cleaner

²Demertzi, M., Paulo, J.A., Arroja, L., Dias, A.C., 2016. A carbon footprint simulation model for the cork oak sector. Science of the Total Environment 566-567 (2016) 499-511

³Rives, J., Fernandez-Rodriguez, I., Rieradevall, J., Gabarrel, X, 2013. Integrated environmental analysis of the main cork products in southern Europe (Catalonia - Spain). Journal of Cleaner Production 51 (2013) 289-298

Methodology (cont.)

- Additional scenario analysis of the potential carbon sequestration at the forest stage
 - A scenario analysis was performed, given past studies^{3,4}, where it is assumed that carbon sequestration of the cork oak forest can indirectly be attributed to cork products was simulated, as the cork transformation industry contribute to the exploitation and maintenance of the cork oak forest.
 - The analysis compares the GHG emissions of the studied cradle-to-gate system to the cork oak forest carbon uptake, considering the cork weight in the functional unit. The resulting carbon balance is presented as an additional environmental information, as should not be confused with the carbon footprint analysis, where GHG emissions and biogenic stored carbon by cork are addressed.
 - Carbon stored in cork, in the product, was excluded for this scenario to avoid double counting. Allocation of CO₂ uptake to the cork extracted from the cork oak stands follows the same premises of allocating environmental impacts in a previous study⁵
 - In this study, a weight-based perspective for carbon sequestration at the forest stage was considered: All CO₂ uptake by the cork oak forest is allocated to extracted cork, as cork production is the main economic activity of cork oak forest, considering the weight of cork present in the functional unit of the final product.
 - The analyzed scenarios consider carbon sequestration in well-managed cork oak forests, with a high tree coverage and good soil and climate conditions, to have an average CO₂ uptake of 11 t CO₂/ha⁶, reaching a maximum of 14,7 t CO₂/ha. Translating⁷ these values in function of cork extraction, there is a CO₂ uptake of 55 t CO₂/t of cork extracted, reaching up to 73 t CO₂/t of cork extracted.

⁷Conversion of forest ecosystem uptake per tonne of extracted cork considers the total cork oak occupation area in Portugal (719 937 ha) (ICNF, 2019) and an average value of cork production (145 000 t cork) based on a nine-year series (2003-2011) (APCOR, 2011).



⁴EY, 2019. Environmental footprint of natural cork stoppers. Corticeira Amorim, Santa Maria de Lamas.

⁵Dias, A.C., Rives, J.S., González-García, S., Demertzi, M., Gabarrel, X., Arroja, L., 2014. Analysis of raw cork production in Portugal and Catalonia using life cycle assessment. International Journal of Life Cycle Assessment (2014) 19:1985-2000

⁶Figures considered in the "The value of cork oak montado ecosystem services" (EY, 2019c). Average ecosystem CO₂ uptake (11 t CO2/ha) considers wet and dry years in well managed forests, with a maximum of 14,7 t CO2/ha registered in optimal climatic conditions (Costa-e-Silva et al., 2015).

Assumptions

Life cycle stages assessed:

	A - Prod	luct	Con	struction		B: Use				C: EOL				D: Benefits		
Raw material	dsur	Manufacturing	Transport	Construction- Installation process	Use	Maintenance	Repair	Replacement	Refurbishment	Operational energy use	Operational water use	De- construction/ demolition	Transport	Waste processing	Disposal	Reuse- recovery- recycling potential
A1	A2	А3	A4	A5	В1	B2	В3	B4	B5	В6	В7	C1	C2	C3	C4	D
Х	Х	Х	Х	х	ND	Х	ND	ND	ND	ND	ND	Х	Х	Х	Х	х

Product stage A1-A3

- Provision of all raw materials,
- Transport of raw materials to the production site.
- Resources consumption during the manufacturing of the product, packaging of final product, the different air emissions, as well as processing of waste generated by the factory.

Construction stage A4 - A5

- A4 includes the product's transport from the factory to the installation site (**Central Europe**)
- A5 includes the consumables and energy required and processing of waste generated during the installation.

Use stage B1-B7

Only B2 is included, that represents the product's maintenance.

End of life stage C1-C4

- Includes transport of the product to the end of life processing facility
- Includes a mixed scenario for the product's end of life:
 - Incineration with electricity production (R1>0.6) 40%
 - Landfill disposal 60%

Benefits (D)

Includes benefits associated with the recovering, recycling and reuse of the product in its end of life.

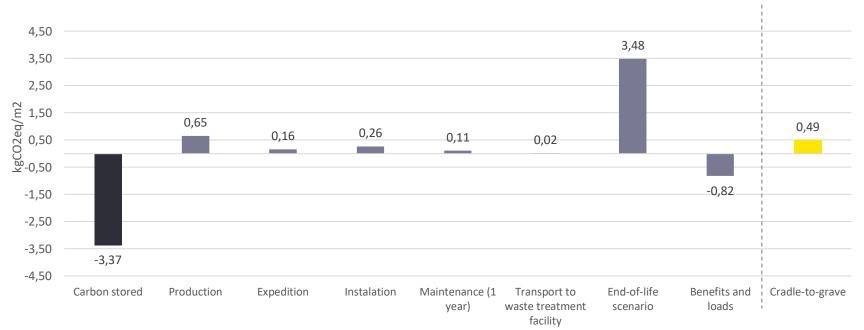


Carbon footprint



Carbon footprint - Cradle-to-grave

Amorim Wise Cork Pure PU PF (4 mm)



Amorim Wise Cork Pure PU PF carbon footprint:

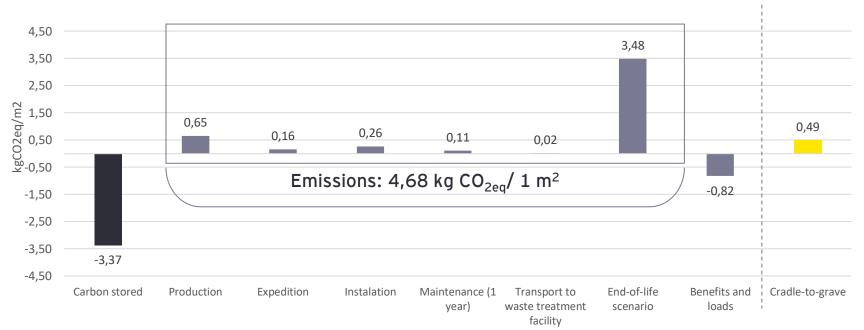
► Carbon stored in cork : -3,37 kg CO₂ /1 m²

Cradle-to-grave: 0,49 kg CO_{2eq} /1 m²



Carbon footprint - Cradle-to-grave

Amorim Wise Cork Pure PU PF (4 mm)



74% emissions associated with the end-of-life stage and 14% associated with production stage



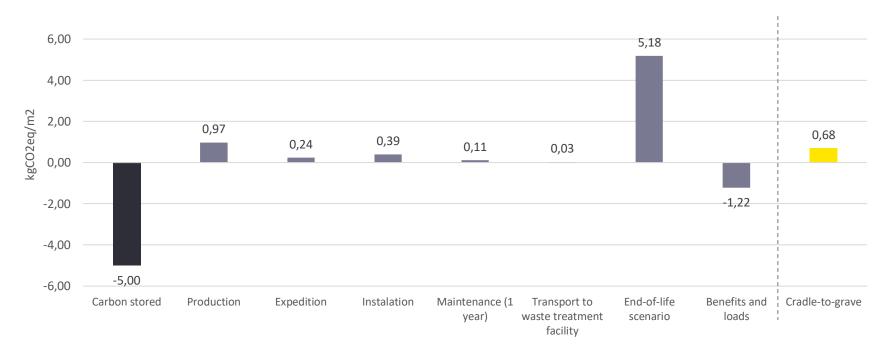
Most upstream value chain activities carbon impacts (e.g. production and purchase of chemical products), energy consumption and biogenic carbon uptake and release



Carbon footprint - Sensitivity analysis

Amorim Wise Cork Pure PU PF (6 mm)

A sensitivity analysis was caried to assess the variation on the environmental impacts of Cork Pure PU, when the thickness of the product increases from 4 mm, with 2,10 kg/m², to 6 mm, with 3,12 kg/m².



Overall impacts increase in line with the increase in thickness by an average factor of 1,49 in production (modules A1-A3) expedition and installation (modules A4 and A5) and transportation to EoL (module C2).



Carbon balance



Carbon balance: results

Scenario analysis with carbon sequestration in the cork oak montado

For the average weight Amorim Wise Cork Pure PU PF (4 mm) when considering carbon sequestration in the cork oak* montado:

There is a forest storage up to:

- 130

 $kg CO_2/1 m^2$

Therefore, the carbon balance reaches up to

-125

 $kg CO_{2eq}/1 m^2$



scenario analysis based on well-managed cork oak montado

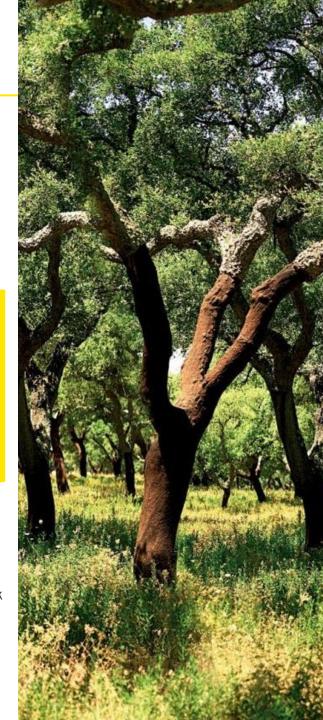
- 73 t CO₂/t cork

Maximum ecosystem CO_2 uptake registered (14,7 t CO_2 /ha) (Costa-e-Silva et al., 2015).

with the average ecosystem CO₂ uptake being - 55 t CO₂/t cork, considering wet and dry years in well managed forests (11 t CO₂/ha).⁹

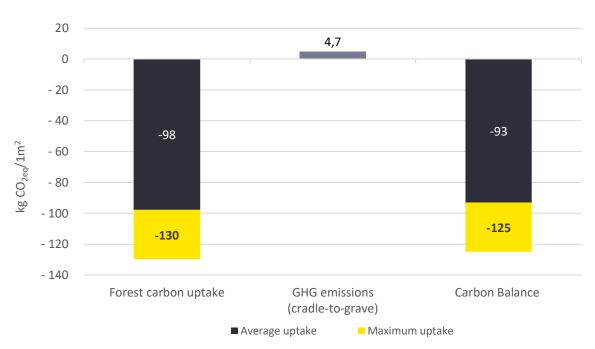
⁹ figures used in "The value of cork oak montado ecosystem services, EY 2019"

Weight-based perspective: 100% of forest carbon sequestration allocated to cork (total cork oak sequestration is allocated to stopper cork weight, as cork industry is a key enabler for the montado)



Carbon balance

Amorim Wise Cork Pure PU PF (4 mm)



Carbon balance reaches up to:

-125 kg CO_{2eq}/m²

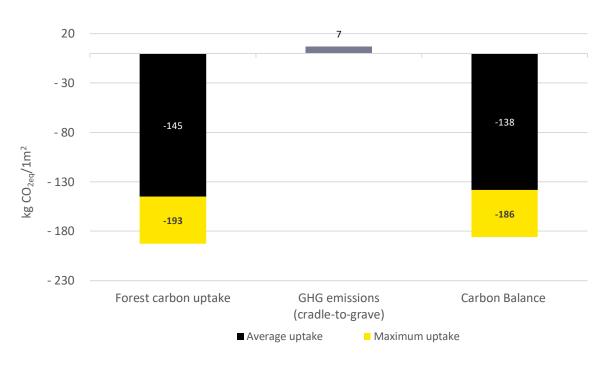
Considering:

- ILCD method carbon footprint results
- Maximum ecosystem CO₂ uptake capacity registered in a well managed cork oak montado in weight-based perspective
- Cradle-to-grave GHG emissions, thus excluding carbon stored in the final product (Production and EoL) and potential future benefits and burdens beyond the system boundary.
- Destination: Central Europe
- End-of-life mix scenario (60% landfill; 40% incineration)
- 1-year maintenance (for 23 year reference service life)



Carbon balance - Sensitivity analysis

Amorim Wise Cork Pure PU PF (6mm)



Carbon balance reaches up to:

-186 kg CO_{2eq}/m²

Considering:

- ILCD method carbon footprint results
- Maximum ecosystem CO₂ uptake capacity registered in a well managed cork oak montado in weight-based perspective
- Cradle-to-grave GHG emissions, thus excluding carbon stored in the final product (Production and EoL) and potential future benefits and burdens beyond the system boundary.
- Destination: Central Europe
- End-of-life mix scenario (60% landfill; 40% incineration)
- 1-year maintenance (for 23 year reference service life)



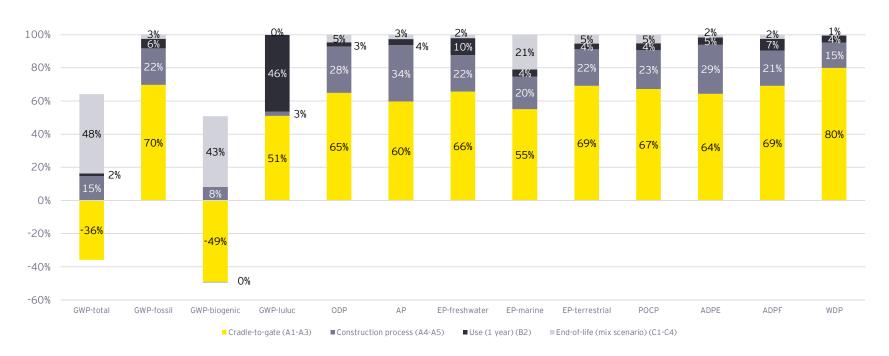
4

LCA environmental footprint



LCA results: 1m² Amorim Wise Cork Pure PU PF

Environmental footprint for 1 m² of Amorim Wise Cork Pure PU (4 mm)



Stages with higher environmental impacts

- Product stage, due to chemical products use and electricity
- Construction, due to product expedition and use of chemicals at installation
- End-of-life stage (GWP indicators), due to biogenic emissions

Impact indicators: GWP = Global warming potential; ODP = Depletion potential of the stratospheric ozone layer; AP = Acidification potential of land and water; EP = Eutrophication potential; POCP = Formation potential of tropospheric ozone photochemical oxidants; ADPE = Abiotic depletion potential for non-fossil resources; ADPF = Abiotic depletion potential for fossil resources; WDP = Water (user) deprivation potential



Conclusions



Conclusions

Environmental and carbon footprint

- Overall results for year 2020 show that, under a cradle-to-grave approach, the highest environmental impacts are
 associated with the processes where the use of both chemical products and electricity is higher, as a result, the
 impact of Amorim Wise Cork Pure PU PF production and end-of-life stages across all LCA impact categories is
 more significant.
- By using natural raw materials, such as cork, Amorim Cork Flooring is able to lower the potential environmental impacts stemming from its product, as it is the sole main component of the final product.
- The construction process stage, that includes the product's expedition and installation, also shows relevant potential impacts for the majority of the impact categories, namely due to transport and chemical products use, together with the end of life scenarios.
- Total emissions account for an overall climate change impact of 3,9 kg CO_{2eq} per 1 m². Considering the carbon stored in the cork used to produce Amorim Wise Cork Pure PU PF (3,4 kg CO_2 / 1 m²), the carbon footprint of the product is +0,5 kg CO_{2eq} per 1 m², under a cradle-to-grave approach.

Carbon sequestration of the cork oak forest

- Considering a scenario analysis, where the carbon sequestration of the cork oak forest can indirectly be attributed to cork products, based on well-managed cork oak forests, a forest carbon uptake up to -130 kg CO₂ per 1 m² can be observed. Considering both the forest carbon uptake and the GHG emissions of maximum weight Amorim Wise Cork Pure PU PF production (4,7 kg CO₂/ 1 m²), there is a carbon balance up to -125 kg CO_{2eq} per 1 m². This balance illustrates the differentiating factor between cork and other products.
- As the cork oak tree retains carbon for over 100 years, regardless of cork harvesting, cork exploitation supports the maintenance of the ecosystem, thus having a positive contribution to global climate regulation.



Amorim Wise Cork Pure UV



Agenda

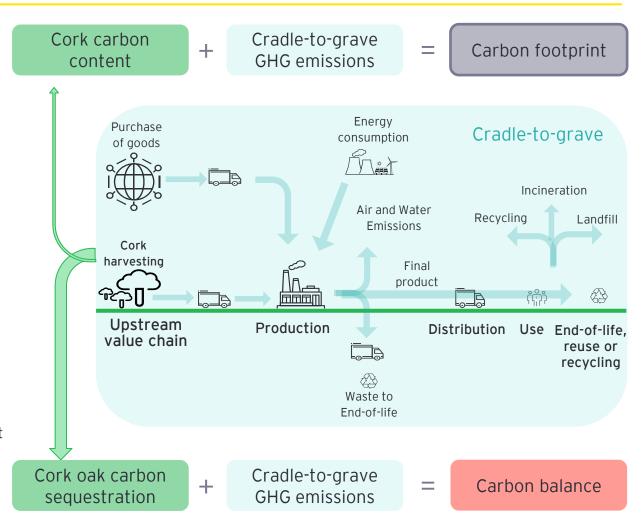
- 1. About the study
- 2 Carbon footprint
 Cradle-to-grave
 Sensitivity analysis
- 3 . Carbon balance

Scenario analysis with carbon sequestration at the forest stage

4.LCA

Lifecycle environmental impacts for cradle-to-gate scope for main impact categories

5 Conclusions







Context

- Corticeira Amorim is the largest world producer of cork products, championing the sector since 1870. The company has a portfolio of products with applications in multiple industries, such as wine, construction, flooring, aeronautical, automobile, footwear, among others. The company has implemented an integrated production process that ensures that no cork is wasted.
- Cork is an ecological and sustainable material 100% natural, renewable, recyclable and reusable.
- Amorim Cork Flooring (ACF), a subsidiary of Corticeira Amorim, is the world leader in producing and distributing cork incorporated floor and wall coverings. It has a unique manufacturing technology that combines the traditional production methods with cutting-edge technology to develop unique cork products with a large range of application, in over 70 countries worldwide. The incorporated cork on the different floor and wall products provides a level of comfort that cannot be achieved with any other covering materials, provides a natural thermal insulation, has impact resistance and makes the products adaptable to residential and commercial spaces.
- The **main purpose** is to quantify the potential environmental impacts of Amorim Wise Cork Pure UV produced by Amorim Cork Flooring, through a life cycle approach.
- Amorim Wise Cork Pure UV is one of the most sustainable flooring solutions, having a natural cork structure, that provides superior comfort and environmental performance for commercial areas, with a genuine cork veener decorative layer and UV varnish finishing. This product is used as a floor covering for commercial use, providing several physical characteristics to the floor, such as stability, comfort, thermal and noise insulation, among others.

Product characteristics	Cork Pure UV	Sensitivity analysis (product size)			
Size (mm x mm x mm)	1 m x 1 m x 4,08 mm	1 m x 1 m x 6 mm			
Weight (kg)	2,70	3,25			
Components (%)	84,4% cork	84,4% cork			
Components (%)	15,6% customization products	15,6% customization products			





Methodology

- The study analyses the environmental footprint of the Amorim Wise Cork Pure UV, through a life cycle analysis (LCA) approach.
- ▶ Guidelines: The study was based on Product Category Rules (PCR) for Construction Products (2019), that are in conformance with EN 15804:2012+A2:2019, ISO 219030:2017, the General Program Instructions of the International EPD® System (v3.01) and also based on with ISO 14040/44 standards.
- **Approach**: *cradle-to-grave* (from raw material extraction to the product end-of-life)
- Life cycle stages assessed: forest management activities, broken cork and granulated cork production, agglomerated cork and genuine cork veener layers production, gluing, pressing, sanding, varnishing, cutting and packing, product expedition (transport from the factory gate to the installation site), product installation, maintenance activities, end of life (EoL) stage and the benefits and loads beyond the system boundary.
- ▶ Functional unit: 1 m² of product installed
- ▶ Modelling software and database: SimaPro 9.1 with ecoinvent 3.5 database
- ▶ **Method**: The midpoint impact method EN 15804 +A2 was used for the environmental footprint analysis. The potential climate change impacts (**carbon footprint**) of each stage were estimated selecting the impact category Climate Change from the ILCD method.
- Sensitivity analysis: A sensitivity analysis was caried to assess the variation on the environmental impacts of Amorim Cork Pure UV, when the thickness of the product increases from 4,08 mm, with 2,17 kg/m2, to 6 mm, with 3,25 kg/m².



Methodology (cont.)

▶ Impact categories assessed for the environmental footprint:

Impact category	Indicator	Description	Reference
Abiotic depletion potential for non-fossil	Depletion of abiotic resources -	kg Sb-eq.	CML 2002 (Guinée et al., 2002) and van Oers et al. 2002.
Abiotic depletion potential for fossil	Depletion of abiotic resources - fossil fuels	MJ, net calorific value	CML 2002 (Guinée et al., 2002) and van Oers et al. 2002.
resources (ADPF) Acidification	Accumulated Exceedance, Acidification potential AP	mol H+-eq.	Accumulated Exceedance (Seppala et al. 2006, Posch et al. 2008)
Global Warming total	Global Warming Potential (GWP100)	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
GWP fossil	GWP from fossil carbon, removals and emissions	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
GWP biogenic	GWP from biogenic carbon, removals and emissions	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
GWP land use and land use change	GWP from land use and land use change, removals and emissions	kg CO ₂ -eq.	Baseline model of 100 years of the IPCC based on IPCC 2013
Eutrophication potential (EP)-terrestrial	Accumulated Exceedance, Eutrophication potential, EP terrestrial	kg N-eq.	Accumulated Exceedance (Seppala et al. 2006, Posch et al. 2008)
Eutrophication potential (EP)-freshwater	Fraction of nutrients reaching freshwater end compartment Europhication potential, EP freshwater	kg P-eq.	EUTREND model (Struijs et al, 2009b) as implemented in ReCiPe



Methodology (cont.)

Impact categories assessed for the environmental footprint:

Impact category	Description	Unit	Reference
Eutrophication potential (EP)-marine	freshwater end compartment	kg N-eq.	EUTREND model (Struijs et al, 2009b) as implemented in ReCiPe
Ozone Depletion	Depletion potential, EP marine Depletion potential of the stratospheric ozone layer, ODP	kg CFC11-eq.	Steady-state ODPs 2014 as in WMO assessment
Photochemical ozone creation	Formation potential of tropospheric ozone, POCP	kg NMVOC-eq.	LOTUS EUROS (Van Zelm et al, 2008) as applied in ReCiPE
Water scarcity	User deprivation potential	m³ world-eq deprived	Available Water Remaining (AWARE)

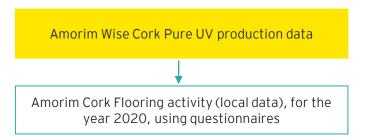
▶ Impact categories assessed for the carbon footprint:

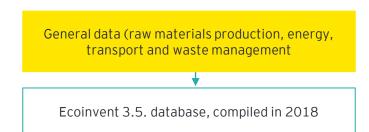
Impact category	Description	Unit	Reference
Climate Change (CC)	Global Warming Potential calculating the radiative forcing over a time horizon of 100 years.	kg CO ₂ eq	IPCC 2007



Methodology (cont.)

Data collection procedure





- Biogenic emissions and CO_{2en} removals due carbon content in the reference flow are also considered, with the following assumptions:
 - All cork raw materials that enter the system were considered to have a similar amount of carbon stored. The calculation of CO₂ uptake is based on the atomic weights of carbon (12) and carbon dioxide (44), as well as the carbon fraction (dry basis) of 55% and a moisture fraction of 6%¹.
 - Given the purpose of the assessment, emissions from biomass energy production are considered neutral, due to the assumption that the CO₂ that is being released in the incineration process (biogenic CO₂) was captured in the previous product stage 1 - forest management and cork harvesting (uptake), as so, it is no more than a short term delayed emission, resulting in a net neutral balance of CO₂ emissions ^{2,3}

Executive summary

Amorim Wise Cork Pure PU PF & UV environmental footprint -

¹Dias, A.C., Arroja, L., 2014. A model for estimating carbon accumulation in cork products. Forest Systems 2014 23(2): 236-246

²Demertzi, M., Paulo, J.A., Arroja, L., Dias, A.C., 2016. A carbon footprint simulation model for the cork oak sector. Science of the Total Environment 566-567 (2016) 499-511

³Rives, J., Fernandez-Rodriguez, I., Rieradevall, J., Gabarrel, X, 2013. Integrated environmental analysis of the main cork products in southern Europe (Catalonia - Spain). Journal of Cleaner Production 51 (2013) 289-298

Methodology (cont.)

- Additional scenario analysis of the potential carbon sequestration at the forest stage
 - A scenario analysis was performed, given past studies^{3,4}, where it is assumed that carbon sequestration of the cork oak forest can indirectly be attributed to cork products was simulated, as the cork transformation industry contribute to the exploitation and maintenance of the cork oak forest.
 - The analysis compares the GHG emissions of the studied cradle-to-gate system to the cork oak forest carbon uptake, considering the cork weight in the functional unit. The resulting carbon balance is presented as an additional environmental information, as should not be confused with the carbon footprint analysis, where GHG emissions and biogenic stored carbon by cork are addressed.
 - Carbon stored in cork, in the product, was excluded for this scenario to avoid double counting. Allocation of CO₂ uptake to the cork extracted from the cork oak stands follows the same premises of allocating environmental impacts in a previous study⁵
 - In this study, a weight-based perspective for carbon sequestration at the forest stage was considered: All CO₂ uptake by the cork oak forest is allocated to extracted cork, as cork production is the main economic activity of cork oak forest, considering the weight of cork present in the functional unit of the final product.
 - The analyzed scenarios consider carbon sequestration in well-managed cork oak forests, with a high tree coverage and good soil and climate conditions, to have an average CO₂ uptake of 11 t CO₂/ha⁶, reaching a maximum of 14,7 t CO₂/ha. Translating⁷ these values in function of cork extraction, there is a CO₂ uptake of 55 t CO₂/t of cork extracted, reaching up to 73 t CO₂/t of cork extracted.

⁷Conversion of forest ecosystem uptake per tonne of extracted cork considers the total cork oak occupation area in Portugal (719 937 ha) (ICNF, 2019) and an average value of cork production (145 000 t cork) based on a nine-year series (2003-2011) (APCOR, 2011).



⁴EY, 2019. Environmental footprint of natural cork stoppers. Corticeira Amorim, Santa Maria de Lamas.

⁵Dias, A.C., Rives, J.S., González-García, S., Demertzi, M., Gabarrel, X., Arroja, L., 2014. Analysis of raw cork production in Portugal and Catalonia using life cycle assessment. International Journal of Life Cycle Assessment (2014) 19:1985-2000

⁶Figures considered in the "The value of cork oak montado ecosystem services" (EY, 2019c). Average ecosystem CO₂ uptake (11 t CO2/ha) considers wet and dry years in well managed forests, with a maximum of 14,7 t CO2/ha registered in optimal climatic conditions (Costa-e-Silva et al., 2015).

Assumptions

Life cycle stages assessed:

	A - Prod	luct	Con	struction		B: Use				C: EOL				D: Benefits		
Raw material	dsur	Manufacturing	Transport	Construction- Installation process	Use	Maintenance	Repair	Replacement	Refurbishment	Operational energy use	Operational water use	De- construction/ demolition	Transport	Waste processing	Disposal	Reuse- recovery- recycling potential
A1	A2	А3	A4	A5	В1	B2	В3	B4	B5	В6	В7	C1	C2	C3	C4	D
Х	Х	Х	Х	х	ND	Х	ND	ND	ND	ND	ND	Х	Х	Х	Х	х

Product stage A1-A3

- Provision of all raw materials,
- Transport of raw materials to the production site.
- Resources consumption during the manufacturing of the product, packaging of final product, the different air emissions, as well as processing of waste generated by the factory.

Construction stage A4 - A5

- A4 includes the product's transport from the factory to the installation site (**Central Europe**)
- A5 includes the consumables and energy required and processing of waste generated during the installation.

Use stage B1-B7

Only B2 is included, that represents the product's maintenance.

End of life stage C1-C4

- Includes transport of the product to the end of life processing facility
- Includes a mixed scenario for the product's end of life:
 - Incineration with electricity production (R1>0.6) 40%
 - Landfill disposal 60%

Benefits (D)

Includes benefits associated with the recovering, recycling and reuse of the product in its end of life.

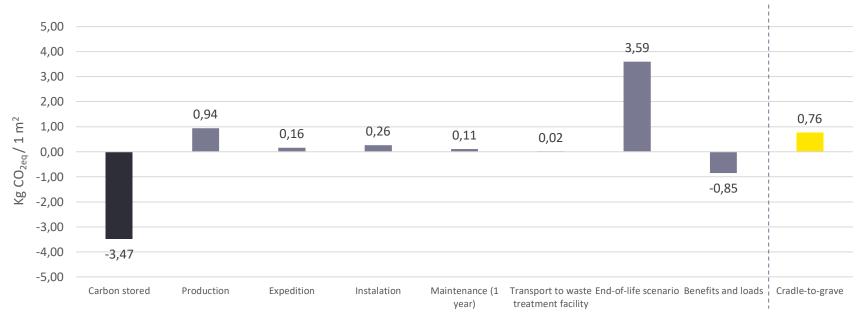


Carbon footprint



Carbon footprint - Cradle-to-grave

Amorim Wise Cork Pure UV (4 mm)



Amorim Wise Cork Pure UV carbon footprint:

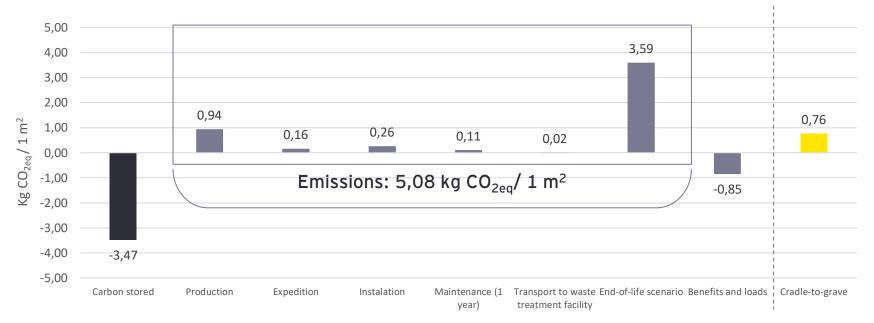
Carbon stored in cork : -3,47 kg CO₂ /1 m²

Cradle-to-grave: 0,76 kg CO_{2eq} /1 m²



Carbon footprint - Cradle-to-grave

Amorim Wise Cork Pure UV (4 mm)



71% emissions associated with the end-of-life stage and 19% associated with production stage



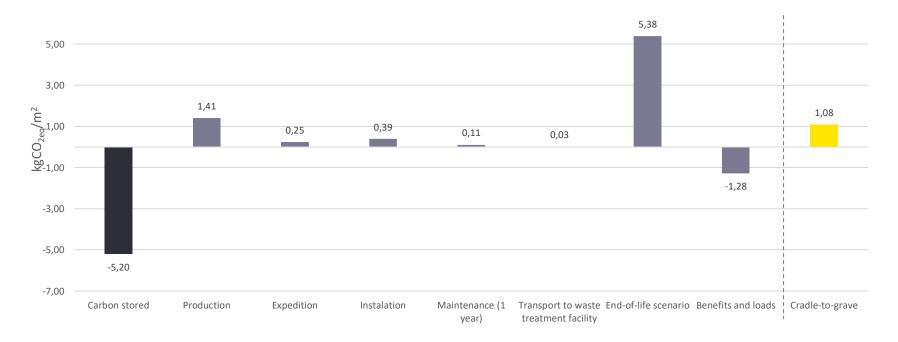
Most upstream value chain activities carbon impacts (e.g. production and purchase of chemical products), energy consumption and biogenic carbon uptake and release



Carbon footprint - Sensitivity analysis

Amorim Wise Cork Pure UV (6 mm)

A sensitivity analysis was caried to assess the variation on the environmental impacts of Cork Pure UV, when the thickness of the product increases from 4,08 mm, with 2,17 kg/m², to 6 mm, with 3,25 kg/m².



Overall impacts increase in line with the increase in thickness by an average factor of 1,49 in production (modules A1-A3) expedition and installation (modules A4 and A5) and transportation to EoL (module C2).



Carbon balance



Carbon balance: results

Scenario analysis with carbon sequestration in the cork oak montado

For the average weight Amorim Wise Cork Pure UV (4 mm) when considering carbon sequestration in the cork oak* montado:

scenario analysis based on well-managed cork oak montado

There is a **forest storage up to**:

- 134

 $kg CO_2/1 m^2$

Therefore, the carbon balance reaches up to

-129

 $kg CO_{2eq}/1 m^2$

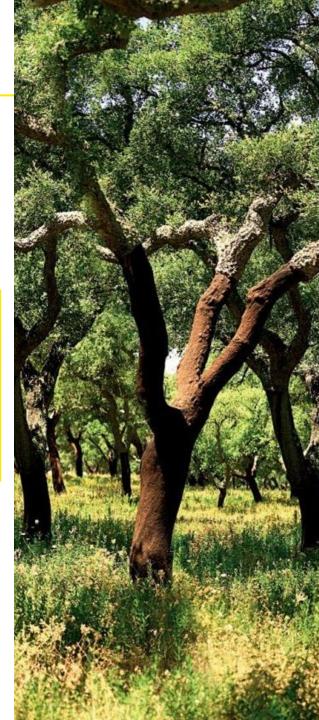
- 73 t CO₂/t cork

Maximum ecosystem CO₂ uptake registered (14,7 tCO₂/ha) (Costa-e-Silva et al., 2015).

with the average ecosystem CO₂ uptake being - 55 t CO₂/t cork, considering wet and dry years in well managed forests (11 t CO₂/ha).⁹

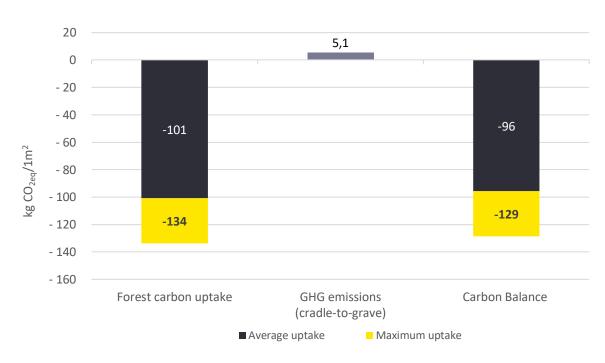
⁹ figures used in "The value of cork oak montado ecosystem services, EY 2019"

Weight-based perspective: 100% of forest carbon sequestration allocated to cork (total cork oak sequestration is allocated to stopper cork weight, as cork industry is a key enabler for the montado)



Carbon balance

Amorim Wise Cork Pure UV (4 mm)



Carbon balance reaches up to:

-129 kg CO_{2eq}/m²

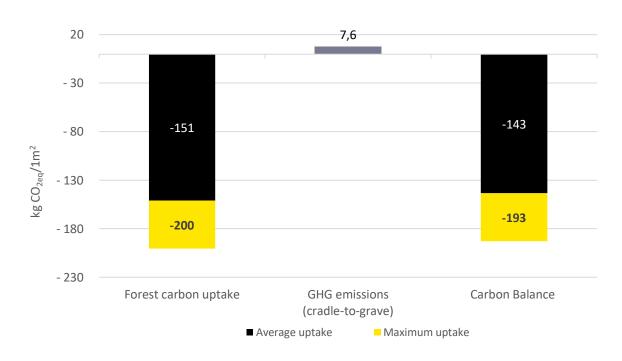
Considering:

- ILCD method carbon footprint results
- Maximum ecosystem CO₂ uptake capacity registered in a well managed cork oak montado in weight-based perspective
- Cradle-to-grave GHG emissions, thus excluding carbon stored in the final product (Production and EoL) and potential future benefits and burdens beyond the system boundary.
- Destination: Central Europe
- End-of-life mix scenario (60% landfill; 40% incineration)
- 1-year maintenance (for 23 year reference service life)



Carbon balance - Sensitivity analysis

Amorim Wise Cork Pure UV (6 mm)



Carbon balance reaches up to:

-193 kg CO_{2eq}/m²

Considering:

- ILCD method carbon footprint results
- Maximum ecosystem CO₂ uptake capacity registered in a well managed cork oak montado in weight-based perspective
- Cradle-to-grave GHG emissions, thus excluding carbon stored in the final product (Production and EoL) and potential future benefits and burdens beyond the system boundary.
- Destination: Central Europe
- End-of-life mix scenario (60% landfill; 40% incineration)
- 1-year maintenance (for 23 year reference service life)



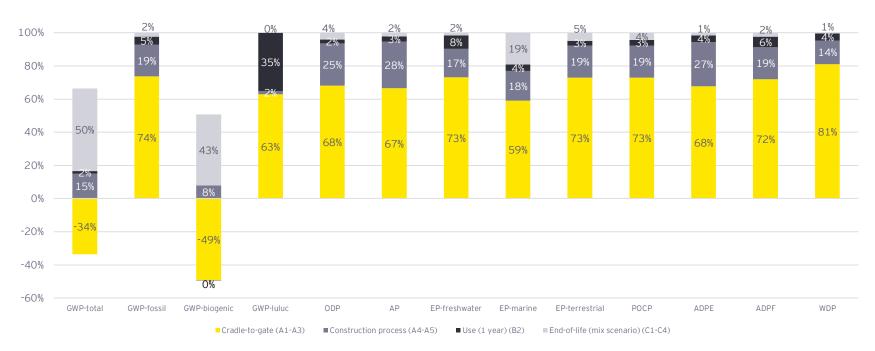
4

LCA environmental footprint



LCA results: 1m² Amorim Wise Cork Pure UV

Environmental footprint for 1 m² of Amorim Wise Cork Pure UV (4 mm)



Stages with higher environmental impacts

- Product stage, due to chemical products use and electricity
- Construction, due to product expedition and use of chemicals at installation
- End-of-life stage (GWP indicators), due to biogenic emissions

Impact indicators: GWP = Global warming potential; ODP = Depletion potential of the stratospheric ozone layer; AP = Acidification potential of land and water; EP = Eutrophication potential; POCP = Formation potential of tropospheric ozone photochemical oxidants; ADPE = Abiotic depletion potential for non-fossil resources; ADPF = Abiotic depletion potential for fossil resources; WDP = Water (user) deprivation potential



Conclusions



Conclusions

Environmental and carbon footprint

- Overall results for year 2020 show that, under a cradle-to-grave approach, the highest environmental impacts are associated with the processes where the use of both chemical products and electricity is higher, as a result, the impact of Amorim Wise Cork Pure UV production and end-of-life stages across all LCA impact categories is more significant.
- By using natural raw materials, such as cork, Amorim Cork Flooring is able to lower the potential environmental impacts stemming from its product, as it is the sole main component of the final product.
- The construction process stage, that includes the product's expedition and installation, also shows relevant potential impacts for the majority of the impact categories, namely due to transport and chemical products use, together with the end of life scenarios.
- Total emissions account for an overall climate change impact of 4,2 kg CO_{2eq} per 1 m². Considering the carbon stored in the cork used to produce Amorim Wise Cork Pure UV (3,5 kg CO_2 / 1 m²), the carbon footprint of the product is +0,8 kg CO_{2eq} per 1 m², under a cradle-to-grave approach.

Carbon sequestration of the cork oak forest

- Considering a scenario analysis, where the carbon sequestration of the cork oak forest can indirectly be attributed to cork products, based on well-managed cork oak forests, a forest carbon uptake up to -134 kg $\rm CO_2$ per 1 m² can be observed. Considering both the forest carbon uptake and the GHG emissions of maximum weight Amorim Wise Cork Pure UV production (5,1 kg $\rm CO_2/1~m^2$), there is a carbon balance up to -129 kg $\rm CO_{2eq}$ per 1 m². This balance illustrates the differentiating factor between cork and other products.
- As the cork oak tree retains carbon for over 100 years, regardless of cork harvesting, cork exploitation supports the maintenance of the ecosystem, thus having a positive contribution to global climate regulation.



Technical sheet



Technical sheet

Title "Environmental footprint of Amorim Wise Cork Pure PU PF: Executive summary"

Study commissioned by

Amorim Cork Flooring

Email: amorim@amorim.com

Project team

EY - Climate Change & Sustainability Services

Email: sustentabilidade@pt.ey.com

General coordination

Manuel Mota

Executive coordination

Beatriz Varela Pinto

Technical team

Rita Pinto

Maria Carvalho

Pedro Mota

João Machado Fernandes

Cláudio Marques

© 2021 Ernst & Young, Audit & Associados - SROC, SA

All Rights Reserved

Lisboa, Portugal

October 2021



EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

About EY's Climate Change and Sustainability Services

Governments and organizations around the world are increasingly focusing on the environmental, social and economic impacts of climate change and the drive for sustainability.

Your business may face new regulatory requirements and rising stakeholder concerns. There may be opportunities for cost reduction and revenue generation. Embedding a sustainable approach into core business activities could be a complex

transformation to create long-term shareholder value.

The industry and countries in which you operate as well as your extended business relationships introduce specific challenges, responsibilities and opportunities.

Our global, multidisciplinary team combines our experience in assurance, tax, transactions and advisory services with climate change and sustainability knowledge and experience in your industry. You'll receive tailored service supported by global methodologies to address issues relating to your specific needs. Wherever you are in the world, EY can provide the right

professionals to support you in reaching your sustainability goals.

https://www.ey.com/sustainability

© 2021 Ernst & Young, Audit & Associados - SROC, SA All Rights Reserved.

