

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

CMPC is a Chilean-based global leader in the Forestry, Pulp & Paper industry with more than 100 years of history. The company's strategic commitment to sustainability is embodied in its Corporate Policy & Value Creation Model, based on the use of renewable resources to develop essential products for people, which can not only be recycled and reused, but also contribute to the environment through carbon capture. It strives to create shared value for all of its stakeholders, while protecting the environment and local communities.

CMPC's forest assets span 1,307 thousand hectares across Argentina, Brazil & Chile, and it operates 47 production facilities in 8 Latin American countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru & Uruguay. Its high quality products are sold to more than 19,000 customers in over 45 countries around the world, reaching MM USD 6,323 in sales in 2020. Across the 8 countries in which CMPC operates, it has 20,068 direct collaborators, 35,888 indirect collaborators from service companies and works with 22,534 suppliers.

The company operations are divided into two business areas: CMPC Celulosa & CMPC Biopackaging, and one subsidiary: Softys. The first one with 49% of the sales is CMPC Celulosa, dedicated to sustainably managing the forest operations (85.6% FSC & PEFC certified) and manufacturing and distributing timber, solid wood products and pulp. Softys, accounting for 35% of sales, is the second largest tissue paper and personal care products producer in Latin America. Finally, CMPC Biopackaging elaborates innovative packaging solutions from recycled paper and sustainably sourced virgin fibers as well as other paper products, such as boxboard, molded pulp trays, and paper sacks, among others. Its sales represents 16% of the whole company's.

Sustainability is part of CMPC's strategy, both in terms of our impacts, risks and opportunities. Our business model pays close attention to internal circular flows and we strive towards the circular bioeconomy as the optimal use of renewable resources is essential for CMPC in terms of both its products, processes, operations, and supply chain, where 95% of our raw material input is certified. Also, black liquor, biomass and other byproducts of pulp and paper production are used for renewable energy generation, which accounts for 82% of total energy consumption. We also value the protection and conservation of biodiversity and ecosystem services and that is why 389,376 hectares of our forest assets are dedicated to that, equal to a 29.8% of the total forest assets.

In 2019, we developed and announced concrete sustainability goals focusing on reducing greenhouse gas emissions and industrial water use, the elimination of waste to landfill, and the conservation and protection of forests, as well as announcing in 2020 our innovation, and diversity and inclusion targets. In 2021, we joined the global Business Ambition for 1.5°C initiative that adheres to the Race to Zero campaign, committing to be a net zero emissions company by 2050. All these are aligned to the Sustainable Development Goals of the 2030 Agenda for Sustainable Development by the United Nations.

CMPC boasts a robust governance structure to carry out our operations, business transactions and potential risk exposure in accordance with the best international practices, strictly complying with the laws and regulations of each country where we are present, always respecting the people, their dignity and rights, as well as the environment. Our day to day activities are guided by our corporate purpose and values, as well as corporate policies such as the Integrity Policy - Anti-corruption and Fair Competition, Diversity and Inclusion Policy, Environmental Policy, Climate Change Policy and the Code of Ethics, among others. The Board of Directors comprises nine members with expertise and multiple years of experience in the industry. They are responsible for overseeing the creation of the business strategy and its implementation through a number of committees, including the Sustainability Committee, the Ethics and Compliance Committee and the Strategic Risks Committee, to name a few.

Our operations are in close proximity to local and indigenous communities and for us, it is of the most importance to exercise mutual respect with them and to get to know them in order to contribute to local development. It is our goal to promote diversity and inclusion in the workplace and build mutually beneficial networks with our contractors and suppliers. We aspire to serve our customers by constantly innovating to provide the best solutions for their daily lives.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Argentina
- Brazil
- Chile
- Colombia
- Ecuador
- Mexico
- Peru
- Uruguay

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Own land only [Agriculture/Forestry only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Timber

% of revenue dependent on this agricultural commodity

More than 80%

Produced or sourced

Both

Please explain

CMPC has forest plantations in Chile, Argentina and Brazil which cover 848,528 hectares as of 2021. These are managed by CMPC Celulosa, one of our three business units and are used to provide timber for our operations to produce pulp, wood, tissue paper and packaging products, among others. At the same time, there is a small percentage of wood supplied by third parties to our operations. Most of our revenue is dependant directly or indirectly of our forestry operations and the timber supply they generate, because it is the beginning of our complex interconnected supply chain. The timber we produce is used in our pulp and wood and timber facilities; a great amount of the pulp produced is then used to provide our tissue and packaging facilities, and the sub-products of biomass generated in timber facilities are used to generate renewable energy for our operations. That is why our timber production determines both directly and indirectly most of our revenue.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	CL0000001314
Yes, a Ticker symbol	CMPCCI

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The highest level of direct responsibility for climate change is the Sustainability Committee, which is a Board-level committee. The main purpose of it is directly supervising the implementation of the Company's sustainability strategy in its economic, social and environmental dimensions, as well as verifying the effective fulfillment of the objectives and goals set in this regard, and can also review and propose the application of best practices to reinforce CMPC's long-term commitment to sustainable development. Such as the implementation of our 4 sustainability goals: reducing 50% of scope 1 and 2 emissions by 2030, reduce in 25% water use per tonne of product by 2025, be a zero waste to landfill company by the year 2025 and restore, protect and conserve 100,000 more hectares by 2030, all related to climate change mitigation or adaptation (considering 2018 as baseline for all targets). A specific example of a climate-related decision made by the board committee during 2021 was the approval to move forward with the establishment of a science-based Scope 3 emissions reduction target. This committee is composed by the CEO, Chief Sustainability Officer, Chief Corporate Affairs Officer, Chief Environmental Officer, the Chairman of the board and 2 other board directors. In addition, at some sessions, one of the general managers of the business units presents climate-related issues in their business unit and the progress and roadmaps towards sustainability objectives. This committee meets every two months.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues 	<Not Applicable>	The sustainability committee in every meeting reviews progress towards the company's climate related goals, reviews and guides the business strategy and major plans of action towards climate risks and suggests best practices when necessary, especially focus on our 4 sustainability goals related to GHG emissions, water, waste and conservation and protection of ecosystems and biodiversity, mentioned in C1.1a. Every meeting the CSO presents the progress towards our sustainability goals and focuses on and specific contingent sustainability or climate related topic that needs to be reviewed and incorporated to our business strategy, being material issues for the company. At the same time, every meeting a Chief Operating Officer of one of our business units, presents it's business major plans of action and strategy towards corporate goals and main sustainability issues; giving the board a major oversight of where we stand in our progress towards sustainability goals and main issues, which need to be revised, and which are the major plans of actions. In October 2021, CMPC's Sustainability Committee approved moving forward with the establishment of a science-based Scope 3 emissions reduction target.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	To identify whether board members have expertise in climate-related issues, at least one of the following criteria must be met: 1) Training in climate change, energy or sustainability issues and 2) Work experience in climate change, energy or sustainability issues. Accordingly, it was determined that a board member meets the second condition since he has been general manager, president and vice-president of the board of directors of an energy company, implementing the risk management model, where climate change aspects are relevant due to physical and transition risks. Additionally, he has been president of trade associations in the industrial sector, where issues such as sustainable development, corporate environmental responsibility and circular economy have been a priority. Additionally, he has experience in the pulp and paper sector.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Chief Risks Officer (CRO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

CSO: The CSO is part of the Corporate Affairs Department and is the highest management level position responsible for addressing all climate-related issues. Climate change is one of the main material issues for our company related to sustainability, so the CSO is responsible for the implementation and development of the climate change strategy and the supervision of progress and implementation of measures towards our commitments with sustainable development; such as our sustainability goals established in september 2019: reducing 50% of scope 1 and 2 emissions by 2030, reduce in 25% water use per tonne of product by 2025, be a zero waste to landfill company by the year 2025 and restore, protect and conserve 100,000 more hectares by 2030. Every two months, the CSO presents to the sustainability board committee the status of this 4 targets to date, in comparison to our baseline year 2018, reporting scope 1+2 emissions to date, water use per tonne of product, new hectares conserved or protected, total amount of waste sent to landfill. At the same time, he presents the roadmap and new projects towards achieving them in accordance with each business unit manager, as well as focusing in other key elements to address climate-related issues such as the development of internal policies, such as the climate change policy. During 2021 the CSO presented to the Sustainability Committee the Business Ambition 1.5° and Race to Zero initiatives, detailed and broke down the composition of scope 3 emissions, making a science-based target proposal for this scope, which was accepted by the Committee, which subsequently led and submitted for validation by SBTi. Additionally, the CSO was part of the working team that has been incorporating the TCFD recommendations for the disclosure of climate change risks and opportunities, advancing in the understanding of the methodology, definitions of roles and responsibilities, establishment of indicators and targets, as well as with the first approximations of orders of magnitude of the financial impacts.

CRO: The CRO is the highest management level position responsible for addressing climate related risks and opportunities and it is installed inside the Corporate Legal Department, depending on the Chief Legal Officer which reports to the CEO. The CRO supervises the assessment and management of company-wide risk strategy considering all risks, including climate change. During 2019, he developed a new risk management program which was used to obtain a list of the 20 main risks for the company. In 2021, the risk assessment process was completed, initiating a second cycle in which 15 risk categories were generated to classify all types of material risks, with the participation of approximately 200 employees in the 8 countries where the company has a presence. The CRO led the team that identified 4 categories that present a greater potential for risks associated with climate change. Some risks are related to climate change such as: Water availability for industrial operations, wildfires, fiber scarcity, positioning of the forestry industry, product innovation for the market, natural disasters, Changes in environmental Regulations.

The CRO reports the progress of the management and assessment of these risks to the Audit Board Committee, which supervises and coordinates activities designed to identify, inform about and prevent risks inherent to the business and reviews the risk matrix. At the same time, there is an executive Strategic Risks Committee, lead by the CRO, where all the first line executive managers participate and all Main risks are assessed, including all climate related risks. During 2021, a Risk Appetite Statement was formalized, this document qualitatively establishes the appetite for each of the risk categories, establishing monitoring and quantitative measurement indicators along with tolerance thresholds. The indicators were measured, and a first version of the CMPC Risk Management Report was generated, built through different dashboards that make it possible to visualize and monitor the indicators against objectives and tolerance thresholds. This first version of the report was presented to the Risk and Audit Committee in the fourth quarter. KPIs related to climate change risks include: water withdrawals, CO2e emissions and waste sent to landfills, number of fires, hectares affected by fires, value of assets affected by fires, plantation yields, among others. Additionally, the CRO was part of the working team that has been incorporating the TCFD recommendations for the disclosure of climate change risks and opportunities, advancing in the understanding of the methodology, definitions of roles and responsibilities, establishment of indicators and targets, as well as with the first approximations of orders of magnitude of the financial impacts.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Yes, we provide incentives towards climate change issues performance and we plan to deepen this in the next few years in the incentive plans of executives.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project Emissions reduction target	The career development plan of every employee at CMPC, considers the setting of annual objectives which fulfillment determines the annual bonus. By Annual Bonus, it is understood the following: gross variable amount accrued and paid to the worker once a year. The amount of the Annual Bonus will be determined based on the weight of the business result (40%) and the individual performance evaluation (60%) which includes de fulfillment of annual objectives. Among the objectives set for the CSO are the Support and progress of the implementation of the corporate sustainability goals: GHG emissions reduction, water intensity reduction, becoming zero waste to landfill and adding new hectares for conservation and protection; specifically setting internal annual goals for these targets so business units can develop investments plans towards their fulfillment and reporting progress to the sustainability board committee.
All employees	Monetary reward	Behavior change related indicator	The career development plans of our employees aims to generate competences, among which sustainable and efficient management stand out. The annual bonus considers these competences, in addition to performance of individual objectives, which are monitored by specific processes and compliance indicators. By Annual Bonus, it is understood the following: gross variable amount accrued and paid to the worker once a year. The amount of the Annual Bonus will be determined based on the weight of the business result (40%) and the individual performance evaluation (60%), this last one involves sustainable development among the 5 competences evaluated.
All employees	Non-monetary reward	Efficiency project	The President and the CEO of CMPC, representing the board of the company, at its annual ceremony, recognizes the most relevant and innovative projects and initiatives developed during the year, and that are aligned with CMPC's strategy and do a specially contribution to the sustainable development of the enterprise. In the past year the collaborators involved in initiatives such as the issuance of Green Bonds, Salmon Ecobox, Project Best, Eucalydro, among others, were recognized in front of the entire audience, composed by members of CMPC, subsidiaries from Santiago and the south of Chile, as well as representatives of foreign subsidiaries. All of them, aimed to celebrate the achievements made by the company during the year and publicize the main objectives of next cycle.
Executive officer	Monetary reward	Emissions reduction target Efficiency target Other (please specify) (Ecosystem services)	Business managers have objectives associated with the 4 corporate sustainability goals associated with their performance evaluation for the receipt of the annual bonus. For example, the manager of CMPC's pulp mill, among the defined KPIs related to climate, has: in the area of mitigation, the reduction of annual GHG emissions, establishing a maximum limit and the maximum amount of tons of waste generated and sent to final disposal allowed for the year; in terms of adaptation, it considers the indicator of efficiency in the use of water in industrial processes; and in terms of mitigation and adaptation, there is the establishment of a certain amount of surface area for conservation purposes to be achieved.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	Risk assessments include the likelihood, which goes from Almost Certain, within a year or less, until remote, more than 20 year. <1 year to 5 years is considered the probable scenario for a risk from occurring in the short-term.
Medium-term	5	10	Risk assessments include the likelihood, which goes from Almost Certain, within a year or less, until remote, more than 20 year. <5 to 10 years is considered the possible scenario for a risk from occurring in the medium-term.
Long-term	10	20	Risk assessments include the likelihood, which goes from Almost Certain, within a year or less, until remote, more than 20 year. 10 to 20 year is the not very likely to unlikely time range of a risk from occurring soon, so it is considered the long-term time-horizon.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Since 2019, CMPC has a Risk Management Program, based on COSO ERM, ISO 31000 standards, and international best practices. The Program includes environmental, social and governance (ESG) risks as crucial elements to determine the implications for the sustainability of operations. This model has a corporate risk policy, procedure, and a governance, all of them applicable to all business units and their subsidiaries.

With the Program, CMPC developed a prioritization of critical risks, where 20 Major Risks were identified, which in 2021, and after 2 cycles of evaluations, transitioned to the creation of 15 risk categories, which cover all sources of risks and which, being broader than the 20 macro risks, allow classifying all types of material risks.

To define whether the impact of a risk is material, a severity table is used that defines 6 degrees or thresholds of severity or impact from (1) "very low" to (6) "catastrophic". These impacts are defined for several different types of consequences: financial and operational, safety, community and human rights, environment, reputational and legal & compliance. In the case of the financial consequence, severity thresholds go from "very low" (<USD 100 thousand) until "Catastrophic" (> USD 150 million), being these the ranges of financial impact. Likelihood thresholds go from Almost Certain (within a year) until Remote (beyond 20 years).

If the impact, in at least one of the consequences, has a financial consequence categorized as "High", "Very High" or "Catastrophic", the risk is considered material or substantive and must comply with all the requirements for analysis, evaluation, treatment, monitoring and reporting, as established in the Risk Management Program.

These risks are analysed, usually by doing a cause-consequence analysis, having as output: maximum foreseeable loss scenario, critical controls, residual risk rating (severity and likelihood) and risk management responses to improve risk profile.

CMPC's governance and risk methodology applies to the entire company, as critical issues to address are identified, there is no area out of scope.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

CMPC has a Risk Management Program, based on COSO ERM, ISO 31000 standards, and international best practices. The Program includes ESG risks as crucial elements to determine the implications for the sustainability of operations. This model has a corporate risk policy, procedure, and a governance, all of them applicable to all business units and their subsidiaries. The governance pillar involves specific roles and responsibilities, a clear process for reporting risks, and a mechanism for the oversight of the program and its components. To strengthen risk governance, there is a Strategic Risk Committee that leads efforts on these issues and report directly to the Board for its supervision. The Program began in 2019 with its first risk assessment cycle. Under a top-down approach 20 main macro risks approved by the Board of Directors were prioritized covering all subsidiaries. In 2021, the assessment process was completed, through the identification of specific risks associated with the 20 main risks, including an analysis and evaluation of all those identified. Subsequently, a second cycle was initiated that sought to improve the risk culture through greater accountability. This meant a closer approach to each subsidiary, to facilitate the process of identifying specific risks, which must meet the condition of "materiality" to be included in the Program. To achieve this approach, risk workshops were held with the teams of the industrial plants and with the functional areas, to supplement the work of the first cycle, directly incorporating the view of the operations and functions. To classify the work, 15 risk categories were created, which cover all the risk sources and, being broader than the 20 macro risks, allow all types of material risk to be classified. By the end of 2021, 200 collaborators in the eight countries of industrial operation had already participated. The plan includes closing this first round of workshops during 2022. These workshops, as well as capturing a complementary vision, allow us to review and update the risks identified in the previous cycles, given that risks are dynamic. The workshops were led by each manager responsible for the risk topic under analysis, together with Risk Management. The development of the methodology is structured based on 6 stages that are applied iteratively for a correct execution of the Program. The stages are: 1) Communication and consultation: Stage that helps to better understand the risks from the point of view of all those involved and experts. It also helps to raise awareness of existing risks and to build a risk culture. 2) Scope, context and criteria: To determine the risk profile of a company it is important to consider the context of the organization, the nature of the business, the type of company, the type of operation, the location, the environment, among other characteristics. The risk profile of a company is unique and specific to that organization. Therefore, for a good risk process, it is important to understand the internal and external context that helps to determine it. 3) Risk assessment: The assessment considers: a. Identification: The objective is to identify and prioritize material risks. To this end, risk workshops are held in the operations and functional areas. b. Analysis: The purpose is to understand the nature of the risk and its characteristics, its causes and consequences, as well as maximum loss scenarios and the level of each risk, which is weighed through severity and probability criteria. As part of the analysis, critical controls and measures are identified to prevent and/or mitigate the material risk. c. Evaluation: For each material risk, evaluate whether or not the resulting level of risk is acceptable to the Company, taking into consideration the risk appetite. 4) Risk treatment: Material risks that have an unacceptable residual level must be treated. The purpose of risk treatment is to select and implement options for addressing risk, improving the Company's risk-return profile. 5) Monitoring and review: Risk Management continuously monitors and reviews the components of the Program, both in terms of quality and effectiveness in its design and implementation, allowing for continuous improvement of the process and a risk culture in the organization. 6) Recording and reporting: The data recorded by the Risk Management Program is a fundamental input for risk management and monitoring. In 2021, a risk report was created which, through indicators that are contrasted with tolerance thresholds, makes it possible to evaluate the Company's management in this area and its exposure to risks. With climate change, a number of risk factors have emerged that may affect the Company's strategy and the achievement of its objectives. Identifying, analyzing and incorporating these factors is fundamental to improve adaptation. Climate change can also translate into opportunity factors that the company can leverage. In these lines, in 2019, CMPC created a multidisciplinary work team between Sustainability, Risk and Finance management, with the aim of advancing in a better understanding of these factors. As established by the TCFD, these factors are classified into physical risks, either acute and/or chronic, or transitory risks (or opportunities). As part of the work carried out at CMPC, to date, risk and opportunity factors related to climate change have been identified in 9 of the 15 categories of the Program. For example some of the risk factors identified in 2021 are: - Increases in extreme temperatures, wind conditions and decreased rainfall, which could lead to larger rural fires causing losses in forestry plantations, which could have an impact on production costs and profitability. In recent years, conditions aiding the start and spread of wildfires have become more common. We have classified this risk factor as acute physical according to TCFD. - Increased taxes associated with GHG and other air emissions and requirements to comply with new environmental regulations. It is feasible to expect that taxes on GHG and other atmospheric emissions will be introduced or increased in the different countries of operation, which would impact CMPC, given that there is a level of emissions generated for the operation. We have classified this risk factor as transitional, regulatory and legal according to TCFD. And on the other hand, some opportunities identified in 2021 as an example are: - Diversification of financing methods through new sustainable instruments (green bonds, green loans, green credit lines and sustainability-linked bonds). CMPC has been a pioneer in obtaining sustainable financing methods. Given the nature of its business, it has the opportunity to continue to opt for these and new financing methods, which have better rates in the markets. We have classified this risk factor as transitional, markets to TCFD.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation related to environment and climate change that we are subject to are considered in our risks assessments, especially focused on the possible changes that may occur in them. In the list of our top priority critical risks, product of our risk assessment this risk was identified as "Regulatory changes". CMPC operations are regulated by the environmental laws in the countries where it is present. Climate change as well as any future changes in these environmental regulations or their interpretation, could have an impact on the company operations. It should be noted that non-compliance with these and other environmental regulations could incur costs that would affect the business' profitability. To manage this risk, CMPC has been adopting best practices for sustainable development of its businesses, which has meant the voluntary adoption of and compliance with standards stricter than required by local regulations. This has enabled the company to adapt to modifications in environmental legislation and meet the new requirements. All regulatory developments including environmental permits are considered by the Board when making investment decisions. For example, payments under the Chilean carbon tax are monitored. Chile has an actual carbon tax for 5 USD for every tonne of CO2, this still applies for power sources generating over 50MWt. CMPC during 2021 payed the sum of 2,520,340 USD under this regulation. The price of the Chilean carbon tax might raise, that is why the emissions generated by boilers or turbines in our operations are monitored constantly. At the same time, we have established an emissions reduction target of 50% of our scope 1 and 2 emissions by 2030, and the actions that will be taken are prioritized in plants that pay high carbon taxes, by the evaluation of projects such as the replacement of fossil fuels into other biofuels.

	Relevance & inclusion	Please explain
Emerging regulation	Relevant, always included	Current and emerging regulations related are considered in our risks assessments. CMPC is aware that regulatory changes may affect it, with special attention to environmental regulations, including those that may arise from efforts to mitigate or adapt to climate change. Product of our risk assessment this risk was categorized as "Regulatory changes", were the possibility of new environmental regulations and their compliance is considered a critical risk because could have an impact on the company's operations and incur costs that would affect the business profitability. That is why emerging regulations and possible changes in current ones are constantly being monitored by our legal team, and how it might affect our current operations is foreseen. For example, there are 2 emerging laws in Chile related to environmental issues. First, there is the Climate Change law which purpose is to transform Chile's development into low carbon and to increase resilience to the effects of climate change. Considering this, CMPC's operations in Chile might be affected, because we might be obliged to decrease the emissions generated in our operations and invest in more efficient technology. The second law is the green taxes for emissions. The new tax reform will force fixed entities to pay the Green Tax for their emissions and no longer for their installed capacity. The current law taxes emissions of Particulate Matter, NOx, SO2 and CO2 into the air, produced by boilers or turbines with a thermal power greater than or equal to 50 MWt, however, the modification conditions that an annual threshold of emissions be exceeded, thus taxing all emissions of polluting compounds that are emitted over 100 or more tons per year of particulate matter or 25,000 or more tons per year of CO2. To manage this risk, CMPC has been adopting best practices for sustainable development of its businesses, which has meant the voluntary adoption of and compliance with standards stricter than required by local regulations. This is how in 2019, and in line with these two emerging legislations, we established a voluntary emissions reduction target of 50% of our Scope 1 and 2 emissions by 2030, providing mitigation efforts, before these regulations were established, which are preparing us in advance.
Technology	Relevant, always included	Technology risks are included in our risk assessment as "critical equipment failure" and "innovation, market and competitive advantages" categories. For example, critical equipment failure can be caused, among other things, by increase occurrence of extreme weather events or natural disaster due to climate change, such as floods or increase in days with extremely high temperatures in summer, just to mention a few. Should this risk materialize, it could have a significant impact on the continuity of operations, causing stoppages and affecting production goals and the ability to meet the needs of clients. It could also force unforeseen disbursements for asset maintenance and recovery, all of which may adversely affect CMPC's financial results. Additionally, the materialization of this risk can have significant consequences on the occupational health and safety of workers, the environment, communities and the reputation of the company. CMPC has planned maintenance standards and goals to avoid equipment obsolescence to manage the risk of failure. Additionally, the management of this risk considers the implementation of operational continuity plans to mitigate the impact if the risk materializes, whether due to endogenous or exogenous causes. The company has contracted insurance coverage through which a substantial part of its industrial risk is transferred. At the same time, CMPC has programmed industrial equipment and facilities maintenance schedules with the manufacturers of our key components and only these suppliers are allowed to intervene critical equipment. Also, the Company constantly invests in new technological equipment such as boilers, effluent treatment plants, among other critical components, being ahead of this risk. For example, during 2021 an improvement of the Caieiras Softys mill's water treatment plant was financed. This new water treatment plant allows water use reduction and better effluent treatment, reducing the concentration of pollutants discharged to water sources.
Legal	Relevant, always included	Legal risks especially related to environmental accidents or incidents, are included in our prioritized risks as "Environmental management and compliance". The operation of industrial plants could produce an environmental incident if the operating parameters go out of the established ranges. The potential occurrence of environmental incidents or accidents can affect people and the environment, as well as implying possible sanctions, the shutdown of operations, and damage to the company's reputation. CMPC continuously manages people, processes, and facilities to prevent the occurrence of environmental incidents and identify improvement opportunities. In turn, it has methods that, in case of the occurrence of an event, make it possible to deal with an emergency situation in a timely and effective manner, and with processes to track the causes to their origin and implement corrective actions to minimize the impact. Also, CMPC's guidelines are aimed at ensuring the proper use and care of renewable natural resources: water, air, soil, and other components to prevent environmental impacts resulting from the operation. That is why compliance with local regulations and laws is constantly monitor. For example, Air emission including NOx, SOx and particulate material are monitored in CMPC plants which are subject to emissions limitations by local regulations and reported to the authorities. Also, water quality discharge parameters are monitored by internal laboratories and in many cases more ambitious internal KPI for this parameters than the ones required by the law are established, focusing in avoiding non-compliances. For this same purpose, a new Corporate Environment Department was created during 2020, and its implementation was completed in 2021. As another example, during 2021, an upgrade of the water treatment plant at the Caieiras Softys factory was financed to reduce the concentration of pollutants discharged to water sources and improve regulatory compliance.
Market	Relevant, always included	Market risks are considered in our assessment process with the category "Innovation, market and competitive advantages". They are associated with lack of innovation or unsuccessful innovation, which implies a loss of competitiveness. It includes a market-oriented approach, i.e. not anticipating changes in consumer preferences and innovation in production processes, which may involve the development of disruptive technologies in competition, resulting in lower costs and greater competitiveness. The company is working on and will continue to be committed to a number of projects in order to increase its capacity and culture of innovation, as well as being market and consumer oriented. A large proportion of our production is for export to international clients, so changing demands in the market-place including increasing demands for environmentally friendly products are an important element of our risk assessment process. In addition to being perceived as sustainable, the products derived from natural and renewable fibers that represent more than 90% of CMPC's sales today, have the potential to directly replace in some cases fossil fuel-based products, such as retail bags, and in others - through innovations such as frozen salmon boxes or nanocellulose. In this aspect we perceive as a market risk not being able to satisfy the consumers new demands for our products on time. That is why we focus on innovation for the development of new products. For example, during 2021, we launched Zero Waste Sack, a paper sack that allows cement and its packaging to be directly fed into the mixer machine. In only seven minutes, the paper disintegrates thanks to the water's mechanical action, becoming another element of the concrete. After this process, the mixture is ready to be used, without waste generation.
Reputation	Relevant, always included	Reputational risks are very relevant and are taken into account in our risk assessment. They are considered within the category "Company and industry positioning and social license to operate", and focus especially on the emergence of a poor public perception, or weak positioning, of the forest industry and/or the company. Also, social license to operate risks, due to a weakening of trust or breakdown in the relationship with communities, and/or a lack of development and engagement with the community environment. CMPC runs forestry and industrial operations in different geographical locations. It is important for the company to be on good terms with these communities, as it could be considered a risk if these relationships worsen for our operational continuity, which can mean an interruption in production, leading to be unable to meet customers demands. That is why CMPC has a Community Engagement Policy, which aims to contribute to the environmental and social sustainability of all these communities, generating programs for employment, education and the furthering of productive development, including support for micro-entrepreneurship initiatives by families that live in these areas, among other initiatives. It should be noted that in Chile, such initiatives take place in more than 380 mapuches communities. At the same time, specially related to climate change, we have identified the risk of not managing to position forests, the use of biofuels and the creation of bioproducts as important in society. There are significant opportunities in positioning the forestry industry as one that plays a crucial role in capturing carbon and similarly for the wood industry. In addition, bioproducts have an enormous potential to be positioned as a renewable alternative to substitute fossil-based non-renewable products. For example, as prohibitions on plastic bags and other plastic products have risen, CMPC has expanded its paper bags production and sales during 2020 and 2021. Depending on the handling of this issue by CMPC and its communication to internal or external stakeholders, the company has the opportunity to position itself among the best prepared to face and mitigate climate change especially through its products or, otherwise, without this positioning and positive reputation, it would be a risk for the company's sales. That is why CMPC promotes the use of wood, paper and its products in various instance.
Acute physical	Relevant, always included	Acute physical risks are included in our assessment as strategic and operational risks. Some acute physical risks identified by the company are associated with occasional events of extreme temperatures, extremely hot or extremely cold days that could affect the performance and operation of certain industrial equipment, reducing their production or affecting forest plantations, leading to losses in the availability of fiber; the higher incidence of natural disasters, such as floods, cyclones, hurricanes, heavy rains, floods or landslides, which beyond the existence of insurance, these factors could result in events that cause significant damage to facilities and fixed assets, which would have a cost of restitution of equipment and infrastructure. In addition, it could impact the ability to supply customers on time and the health and safety of workers; more intense rainfall events could affect the accessibility of CMPC's forestry assets that depend on road conditions. Thus, heavy and unexpected rainfall events could make this access more difficult or result in the need to construct new paved roads; and increases in extreme temperatures, wind conditions and decreased rainfall, which could lead to larger rural fires causing losses in forestry plantations, which could have an impact on production costs and profitability. In recent years, conditions aiding the start and spread of wildfires have become more common. That is why the company has developed a program for the prevention of fires as well as systems for fire control in order to minimize their impact. The company allocates funds in its annual budget for the prevention and control of fire, as well as for training its workers and the local community in the 3 countries where we have forestry plantations, Argentina, Brazil and Chile. For the 2020-2021 period, the investment in wildfire prevention and combat was USD 38.7 million and trained in wildfire 955 collaborators and contractors and 2,768 neighboring communities. All of these risk factors could affect the continuity of operations, causing stoppages and affecting production targets and the ability to meet customer needs. They could also force unforeseen expenditures for maintenance and asset recovery, all of which could negatively affect CMPC's financial results.
Chronic physical	Relevant, always included	Chronic physical risks are included in our assessment as strategic and operational risks. Some risk factors associated with chronic physical risks are lower plantation yields due to the permanent decrease in rainfall, since CMPC's production and its competitive advantage depends largely on the yield and low cost of its plantations, which only use rainwater for their growth; the increase in the incidence or appearance of new pests and pests due to new climatic conditions may be proliquet for existing pests and pests or for the migration of new ones in forest plantation areas, which could lead to losses of forest assets; the increase in the average temperature of the water catchment bodies used for cooling could lead to a greater water requirement for these processes and, due to the future scarcity of this resource, could affect the viability of certain operations or increase cooling infrastructure costs; The lower availability of water for production processes given the water shortage could lead to the need to spend on the purchase of water from other sources or for technologies to reduce the use of water in the processes; and the rise in sea level could affect the route of the barges used for transportation in Guaiba in Brazil, as well as facilities, forestry properties or homes of CMPC employees in the same city due to its proximity and connectivity to the sea. This can also occur in Altamira, Mexico or the Bucalemu sawmill in Chile. On the other hand, it may also affect the main ports that CMPC uses for exports. In order to reduce some of these risks, CMPC is examining new technologies and processes for the reduction of its industrial water use, and has set a target to reduce its industrial water use per ton of product by 25% considering all its industrial operations in the 8 countries where we operate. Also, CMPC makes significant investments in genetic improvements for its plantations, such as the eucalydro project, which selects eucalyptus phenotypes with higher yields, which decrease water consumption and selects specific phenotypes that can successfully settle in regions with different future climate conditions, so we can ensure fiber supply in future climate change scenarios.

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Wildfire
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Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

One of the main strategic risk related to acute physical climate changes for our Company is the increase severity and propagation of Wildfires. In recent years, conditions aiding the start and spread of wildfires have become more common, this conditions include: the increase of extremely high temperatures in summer, changes in wind conditions and decrease in precipitations which aid the propagation of forest fires and difficult their control, causing serious economic losses for our surrounding communities and our operations. The 99.7% of wildfires are caused by human activity, as the product of negligence or intentionally. Although Chile is the most affected country within CMPC, all its forestry operations are prepared to handle wildfires according to best practices. These impact CMPC's working, natural/ native forests by suffering material losses resulting in (1) fiber scarcity, (2) damage to neighbouring communities as well as to (3) the environment. That is why the company has developed a program for the prevention of fires as well as systems for fire control in order to minimize their impact and allocates funds in its annual budget for the prevention and control of fire, as well as for training its workers and the local community in the 3 countries where we have forestry plantations, Chile, Argentina and Brazil. Fire outbreaks occur mainly during spring-summer seasons. In the 2020-21 season, CMPC's total damages were of 1,129 outbreaks & 6,575 ha, the investment in wildfire prevention and combat was USD 38.7 Million, including a) Social prevention, b) Preventive Silviculture, c) Predictive Models. 2) Combat: Investing in combat equipment (2 tanker aircraft, 4 Helicopters, 21 aircraft, 59 brigades, 26 water trucks, 5 water tank pickups, 90 detection towers, 11 towers with detection cameras, 8 detection cameras, and 24 pickups with combat kit). 3) Pos-Fire work: appropriate, support is provided to the affected areas, communities and the damaged fiber is recovered for use in consumption centers.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

38700000

Potential financial impact figure – maximum (currency)

100219438

Explanation of financial impact figure

During 2021, 46,835 Ha were harvested, with a total production of 20,394,736 m3, which gives an average of 435.5 m3/ha harvested. If we assume an average value of USD 35 per m3 of wood, we have a value of USD 15,242.5 per ha. If we use these assumptions, we could have a maximum replacement value of the wood equivalent for the 6,575 ha burned in the 2020-2021 season of USD 100,219,438. For the minimum value, it was used the value of mitigation and fire fighting used in the 2020-2021 season, equivalent to USD 38,700,000.

Cost of response to risk

38700000

Description of response and explanation of cost calculation

CMPC is committed to human life & ecosystems health, so it has developed a Prevention & Firefighting Program. Since 2017 the prevention & firefighting program managed to avoid the affectation of 1.5 ha, for each ha burned. Funds are allocated annually, focusing on: -Preventive silviculture: activities to reduce fire spread are applied in 4 levels: 1. Perimeter firebreaks by physical & chemical mechanisms 2. Fuel reduction areas 3. Preventive silvicultural rings 4. Use of more resistant species such as Euca Nitens -Community prevention & education: the Community Prevention Network develops: 1. Construction & maintenance of preventive rings, water sources & road preparation & cleaning, power lines clearing, preventive signage & waste removal 2. Protection & prevention training & firefighting tools, plus, legal advice in dealing with theft & burning 3. Training & campaigns at every community level (local, provincial, regional) -Combat: use of the state-of-the-art technology, with more aerial & ground vehicles, brigades, & other operational inputs, such as protection equipment & tools. -Post-fire work: immediately burnt-land recovery, using & restoring it as not to lose growth. For this, Mingeo & Global Forest Watch are tools that the 3 forestry operations use, among others. During 2021, CMPC allocated USD MM 3.7 on prevention by: (1) a prevention culture by the Community Prevention Network in Chile. This network brings together 64 committees in 25 municipalities, most of them in the Biobio region, which is a large territorial extension. CMPC participates in prevention campaigns and operations together with the Community Prevention Network. The network develops three lines of action: 1. Preventive actions: construction and maintenance of firebreaks, cleaning of roads, installing preventive signage, collaborative waste collection with the municipality, companies and the community, among others. 2. Education: training, workshops and educational activities at the local (door-to-door), municipal, provincial and regional levels (with the implementation of stands at thematic fairs). 3. Coordinated response: fire drills with communities. CMPC allocated USD MM 35.5 to combat fire by: installing & reinforcing infrastructure in Argentina, Brazil & Chile 2 tanker aircraft, 25 aircraft (2 heavy Chinook in CL), 59 brigades, 26 water trucks, 5 water tank pickups, 90 detection towers, 11 towers with detection cameras, 8 detection cameras, and 24 pickups with combat kit).

Comment

These cost estimates are the first approximations of financial impact to understand the magnitudes of these climate risks and the company is working to better pinpoint the company's financial impacts.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased diversification of financial assets

Company-specific description

During 2021, CMPC consolidated a Sustainable Culture that identifies, in addition to its ethical behaviour & its 3Cs, the search for financing that contributes to increasing its base of shareholders & investors interested in ESG conscious actions by green bonds & loans financing opportunities, mainly growing since 2017. In August 2020, the company closed a two-year USD 100 million sustainability-related committed credit facility or Sustainability Linked Loan (SLL), together with MUFG Bank, Sumitomo Mitsui Banking Corporation, Export Development Canada & BNP Paribas acting as administrative agent & sustainability coordinator. This credit line is closely related to the environmental sustainability goals announced in 2019, as the annual interest rate is adjusted according to the results of the four environmental targets. Among the initiatives that have been and will be developed with these resources are projects such as the modernization of the steam system at the Valdivia Boxboard plant in Chile, the restoration of native forests & biodiversity conservation in southern Chile, and the improvement of the effluent treatment plant in Caieiras, Brazil. Following CMPC's corporate purpose, during the year 2021 CMPC issue the first Chilean SLB (Sustainable-Linked Bond) for USD 500MM in which targets were committed in relation to greenhouse gas emissions and water use intensity. These targets were set for the year 2025 and this instrument has a mechanism where the interest rate will be increased by 12.5 bps for each target that is not met. Likewise, at the end of 2021, a Committed Credit Facility structured as a Sustainable-Linked Loan for US\$100 million was closed, in which targets were established for 2022 and 2023 in terms of greenhouse gas emissions, water use intensity, waste and conservation areas.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

6250000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact is mainly due to the committed 2021 Sustainable-Linked Bond targets, where for each missed target there will be a step-up (+12.5 bps) in the interest rate for payments made from 2026 to 2031. It is important to clarify that no financial impact is estimated for the December credit facility considering that it is a line of credit and for the time being no drawings are projected. Additionally, 100% of the funds related to Green Bonds and Loans have already been used in Green projects, therefore, there should be no financial impact related to these financings. There is also a financial impact related to the time of issuance, called "Greenium", which is considered a reward for green financing, which allows access to better financing rates. However, this is not guaranteed and depends on how the market behaves in the future.

Cost to realize opportunity

500000

Strategy to realize opportunity and explanation of cost calculation

The opportunity cost of green financing would be mainly to borrow with common instruments and not related to green projects or objectives. In this way, the cost of financing could increase considering that in a green financing there is a premium in the interest rate ("greenium") that ranges between 10-15 bps, causing a lower financing cost for the company. During the last few years CMPC has worked to align its corporate strategy and sustainability goals with its financing structure. One point that reflects the above is that since 2017 CMPC has used as source of financing the following instruments: 3 Green Bonds, 1 Green Loan, 1 Sustainable-Linked Bonds and 2 Sustainable-Linked Loans as a source of financing. For the calculation of the potential impact, we have that in 2021 a Sustainable-Linked Bond was issued by CMPC for 500 million USD for a 10-year term. Therefore, the cost of not having agreed sustainable debt would be an addition of 10bps on the annual interest rate: - 10 bps * 500.000.000 USD = 500.000 USD (Estimated figure)

Comment

It is important to clarify that these calculations are estimates and that the premium for green financing (greenium) is not assured in the future and may vary depending on different factors such as market conditions, company reputation, among others.

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

Yes

Mechanism by which feedback is collected from shareholders on your transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

As part of the methodologies and instances to receive feedback from our shareholders and other stakeholders to our climate transition action plan, we identified at least 3 processes: 1.- Annual Shareholders' Meeting. Each year prior to the annual shareholders' meeting, at least 3 weeks in advance, we send them the company's integrated report, a document that contains the financial report and the different ESG actions, where climate management is part of the material issues defined by our stakeholders. The Integrated Report is part of the agenda of the meeting where each shareholder is given the opportunity to express their opinion. 2.- Green financing instruments or instruments linked to sustainability: Since 2017, CMPC has issued green debt placements of all types. More recently instruments linked to sustainability, where all cases include climate goals as part of the KPIs to evaluate the company's performance and determine whether interest rates will present variations in certain evaluation horizons. This has prompted the company to invest in projects aligned with sustainability goals, in particular GHG emissions reductions that are aligned with the 1.5°C transition scenarios. For example, during 2021, the company issued a USD 500 million sustainability target-linked bond (SLB) in the US market, linked to corporate sustainability targets for greenhouse gas emissions (scope 1 and 2) and industrial water use intensity; and a sustainability target-linked loan (SLL) and its performance indicators are greenhouse gas emissions (scope 1 and 2), intensity of industrial water use, waste to final disposal, and conservation, restoration and/or protection areas, also aligned with corporate goals. 3.- Meetings with stakeholders: The company regularly meets with different stakeholders (shareholders, banks, investors, among others) to receive feedback on goals, projects, governance, risks and metrics related to sustainability, where those related to climate change are of utmost importance. We have also met with signatories of the Principles for Responsible Investment (PRI) to discuss these issues. The integrated report contains information on the contents of the plan: Targets and other metrics: p.37, 100, and 174-176 (pdf). Strategy and Governance: p.39-41, 44, 49, 56-57, 90-95, 97 and 133-134 (pdf). Climate change management: 98-113 (pdf). GHG emissions: p. 100-101 and 175 (pdf) Risk management: p. 126-130 and 176-180 (pdf).

Frequency of feedback collection

Annually

Attach any relevant documents which detail your transition plan (optional)

REPORTE_INTEGRADO_2021_ENG.pdf

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 8.5	Business activity	<Not Applicable>	Due to the consequences of climate change, droughts, increase in average temperature, variations in rainfall, among others, CMPC's activities could be affected, both negatively and positively, especially related to the availability of fiber. CMPC is currently working on two lines of adaptation to climate change in its forestry operations: 1) Genetics: Focused on generating greater adaptability of species to climatic conditions. For example, greater resistance to frost, drought and even to insect and fungal attacks that may proliferate due to changing environmental conditions. 2) Silvicultural development: Review silvicultural management to respond to changes in environmental conditions and optimize the resources used. To this end, a study is being carried out to estimate new productivity curves that take into account the effects of climate change, mainly increased temperature, decreased precipitation and increased CO2. Since 2019 CMPC has conducted a quantitative scenario analysis on the climate sensitivity of temperature and precipitation variables considering RCP 8.5 and RCP 4.5 scenarios for forestry assets in Chile, corresponding to 65% of the total forest plantations. A "business as usual" and extreme warming scenario was considered as the worst case scenario in which we would have to operate in the future and a more positive scenario to see the differences in the effects depending on the changes in conditions for our plantations. The objective of the study is to know the effect of these future precipitation and temperature scenarios on plantation growth in order to propose mitigation and adaptation actions, which can be economically evaluated. For example, this will help us make the best decisions regarding the species to be planted and the variations or management schemes (initial densities, pruning schemes, final densities, best planting locations) among other important parameters to be prepared to continue operating in future climate change scenarios. The study uses a climatic database that covers from the south of the O'Higgins region to the Los Lagos region in Chile in Chile, with historical data on maximum and minimum temperature and precipitation covering the period 1960 - 2017 and two projected periods 2021 - 2046 and 2046 - 2070. It also includes 7 lines of work: Forest Fires, Water Availability, Phytosanitary Scenarios, Site Productivity, Site Vulnerability, Genetics and Economic Effects.
Physical climate scenarios	RCP 4.5	Business activity	<Not Applicable>	Due to the consequences of climate change, droughts, increase in average temperature, variations in rainfall, among others, CMPC's activities could be affected, both negatively and positively, especially related to the availability of fiber. CMPC is currently working on two lines of adaptation to climate change in its forestry operations: 1) Genetics: Focused on generating greater adaptability of species to climatic conditions. For example, greater resistance to frost, drought and even to insect and fungal attacks that may proliferate due to changing environmental conditions. 2) Silvicultural development: Review silvicultural management to respond to changes in environmental conditions and optimize the resources used. To this end, a study is being carried out to estimate new productivity curves that take into account the effects of climate change, mainly increased temperature, decreased precipitation and increased CO2. Since 2019 CMPC has conducted a quantitative scenario analysis on the climate sensitivity of temperature and precipitation variables considering RCP 8.5 and RCP 4.5 scenarios for forestry assets in Chile, corresponding to 65% of the total forest plantations. A "business as usual" and extreme warming scenario was considered as the worst case scenario in which we would have to operate in the future and a more positive scenario to see the differences in the effects depending on the changes in conditions for our plantations. The objective of the study is to know the effect of these future precipitation and temperature scenarios on plantation growth in order to propose mitigation and adaptation actions, which can be economically evaluated. For example, this will help us make the best decisions regarding the species to be planted and the variations or management schemes (initial densities, pruning schemes, final densities, best planting locations) among other important parameters to be prepared to continue operating in future climate change scenarios. The study uses a climatic database that covers from the south of the O'Higgins region to the Los Lagos region in Chile in Chile, with historical data on maximum and minimum temperature and precipitation covering the period 1960 - 2017 and two projected periods 2021 - 2046 and 2046 - 2070. It also includes 7 lines of work: Forest Fires, Water Availability, Phytosanitary Scenarios, Site Productivity, Site Vulnerability, Genetics and Economic Effects.
Transition scenarios	Customized publicly available transition scenario	Company-wide	Unknown	Since the end of 2019, CMPC began assessments of climate scenarios and their potential impact, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in order to generate adaptation plans to these new scenarios, ensure future operational continuity and take advantage of the opportunities that climate change means for the company, understanding that the forestry sector is key in terms of mitigation and adaptation. To this end, the Company formed a working group with the participation of the Risk, Finance and Sustainability areas, which has been carrying out and updating the initial analysis exercises of the main risks - transitory and physical - and opportunities related to climate change. The next steps are to improve the transition scenarios to move to quantitative assessments of risks and opportunities.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Most of our revenue is dependant directly or indirectly of our forestry operations and the timber supply they generate, because it is the beginning of our complex interconnected supply chain. The timber we produce is used in our pulp and wood and timber facilities; a great amount of the pulp produced is then used to provide our tissue and packaging facilities, and the sub-products of biomass generated in timber facilities are used to generate renewable energy for our operations. That is why our timber production determines both directly and indirectly most of our revenue. Therefore, in the context of the climate emergency, understanding how our plantations may be affected by climate change and proposing management and technological measures is fundamental to the long-term planning of our production. The use of these scenarios aims to answer at least the following questions: 1. How will climate change affect natural resources, bioclimatic variables and therefore the production of our forest plantations? 2. Will it be techno-economically feasible to prepare for the effects of climate change, through adaptive actions, simulating different scenarios?

Results of the climate-related scenario analysis with respect to the focal questions

In response to the questions posed, the use of scenario will result in the following: 1. Climate models projected up to 2070 with high spatial (500 m) and temporal resolution. 2. Proposed changes in plantation productivity and therefore, in plantation site indices, with respect to the current scenario, and management suggestions. 3. Selection of genetic material better adapted to hydric risk conditions. 4. Evaluation and proposal of new management schemes, with their respective estimates of soil present value. 5. Models of probability of occurrence and risk of forest fires, and proposal of prevention measures according to zone. 6. Interface analysis. 7. Guidelines for categorization of pathogen damage and elaboration of pest damage probability maps (mainly *Neonectria fuckeliana* and *Gonipterus scutellatus*). 8. Current and projected aridity indices and estimation of their effects at the micro-basin level. Proposal of water protection measures. 9. Proposal of adaptive silvicultural measures to cope with changes in productivity.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Due to the particular characteristics of our business CMPC sees the development and expansion of low emissions goods and services as a key opportunity for our business and as an opportunity to increase sales, that can have positive financial impacts on our company. Our strategy involves generating new investment plans to increase the offer of sustainable renewable origin products such as the above mention, expanding our share in the market. CMPC offers great amount of paper and packaging products which are made from recycled paper collected by our own paper collecting subsidiary Fibras and of virgin fibers produced in our pulp mills, coming from timber from our renewable, FSC and PEFC certified plantations. During 2021 our Softys and Biopackaging plants located in Chile, Argentina, Mexico, Colombia, Uruguay and Brazil, effectively recycled 689,914 tons within their production processes. An increasing demand for sustainable recyclable paper packaging products has been seen due to new laws and regulations and changes in consumer preferences. For example, during 2018 plastic bags in retail and commerce were prohibited in Chile, making retail companies look into new packaging solutions for their customers, seeing paper bags as a possible solution to replace them. This incremented paper bags sales and our Sackraft Chillán subsidiary invested in new machines that make paper retail bag to satisfy the increasing demand for new recyclable packaging options from renewable origin which have less embedded emissions. Since 2016 in Chile there is the Extended Producer Responsibility Law, whose collection and valorization goals come into effect from 2023 and CMPC has developed innovative products that provide solutions to its customers, thus in 2021 Biopackaging launched the Zero Waste Sack, a paper sack that allows the cement and its packaging to be incorporated directly into the mixing machine, being disintegrated thanks to the the mechanical action of the water, avoiding the generation of waste. The pulp products developed at our Guaiba pulp mill "Guaiba SE" and "Guaiba B40", are celluloses that imply emission reductions due to the lower use of chemicals (scope 3 reduction for CMPC and customers) and lower electricity consumption in our customers (scope 3 emission reduction for CMPC and scope 2 for customers), respectively.
Supply chain and/or value chain	Yes	One of the main acute physical risk identified that can affect our value and supply chain is the increase propagation and severity of wildfires. In recent years, conditions aiding the start and spread of wildfires have been enhanced such as the increase of extremely high temperatures in summer, changes in wind conditions and decrease in precipitations which aid the propagation of forest fires and difficult their control, causing serious economic losses for our surrounding communities and our operation. In the short-term, and on a yearly basis, CMPC has enhanced its fire prevention and control plans and programs in all three countries with forestry operations, Argentina, Brazil and Chile, in order to better safeguard persons and company owned and third-party forest assets, being the company's commitment the protection of human life and the ecosystem. The most strategic decision for the Company in this aspect has been allocating funds in its annual budget for the prevention and control of fire, as well as for training its workers and the local community in the 3 countries. During 2021, CMPC allocated 3.7MMUSD on prevention by: (1) a prevention culture by the Community Prevention Network in Chile. This network brings together 64 committees in 25 municipalities, and develops three lines of action: 1. Preventive actions: construction and maintenance of firebreaks, cleaning of roads, collaborative waste collection with the municipality, companies and the community, among others. 2. Education: training, workshops and educational activities at the local (door-to-door), municipal, provincial and regional levels. 3. Coordinated response: fire drills with communities. CMPC allocated 35.5MMUSD to combat fire by: installing & reinforcing infrastructure in Argentina, Brazil & Chile 2 tanker aircraft, 25 aircraft (2 heavy Chinook in CL), 59 brigades, 26 water trucks, 5 water tank pickups, 90 detection towers, 11 towers with detection cameras, 8 detection cameras, and 24 pickups with combat kit). Since 2017 the prevention & firefighting program managed to avoid the affectation of 1.5 ha, for each ha burned. In the long-term (12-24 years) we are working into the development of eucalyptus and pine phenotypes which tree bark is more resistant to fires, diminishing losses in our plantations due to wildfires.
Investment in R&D	Yes	Investments in R&D are essential, this is why CMPC during 2019 created a Corporate Innovation Department. This department, thinking about the Company's next 100 years, as CMPC has 101 years of history, during 2020 CMPC took the strategic decision of creating "Beyond". CMPC Beyond was created in August 2020, with the support of the Board of Directors and Senior Executives, through the Future Opportunities Survey, an online tool in which more than 2,039 collaborators participated. With this background, and considering the moment of its centenary, the Company creates CMPC Beyond, a transformational initiative developed internally with the support of Kairos Future, a company specialized in future analysis. As an initial milestone, the results of the survey were presented by CMPC's CEO. The next step was to form the Futuro Innovación Team (EFI, for its acronym in Spanish), a driving force that is made up of more than 60 committed professionals from all areas and countries of the Company. They worked on trends that will affect the sustainable consumer in the year 2050, with time horizons for the next 3 months, 3 years, 10 years, 30 years, and 100 years. More than 140 trends were identified and prioritized to build the CMPC Trends Map, of which 27 were selected, grouped into four macro-trends: "Consumer and Lifestyle Expressions," "Climate Change," "Economic Power" and "Intelligent Technological Revolution." Through workshops and expert support, EFI selected innovation focuses and designed the first portfolio of initiatives that will help build the company of the future, 10 of which are already under development. From the 7 innovation focuses established many are directed to creating initiatives directly related to climate change adaptation and mitigation, such as future management of forest assets, Sustainable and smart packaging and water an essential element for everyone. Also, the Future and Innovation Committee (CFI) was formed, made up of the CEO and senior executives, to constantly supervise the implementation of this initiative. Additionally, during 2021, we have been developing and completing studies related to decarbonization opportunities related to green hydrogen, electromobility and zero emission forestry operations, developing roadmaps that include technology adoption, pilots, technological developments for stationary and mobile sources.
Operations	Yes	There are several risks related to climate change that could affect our operations such as increased carbon tax and decrease water availability for industrial operations due to chronic decrease in precipitations, just to mention a few. So, contributing to climate change mitigation such as emissions reduction initiatives and promoting carbon capture and storage through our forest assets is essential. Also, water is an indispensable and strategic resource for the company's industrial operations, because paper and pulp production can not be achieved without it. Climate change could have an impact on the availability of water due to long-lasting decrease in precipitations and therefore, less accumulation of mountain water in the watersheds, which could lead to a chronic drought. That is why adapting to water scarcity situations is essential for the Company. Considering this, in line with its sustainability strategy, CMPC has taken the strategic decision of establishing 4 corporate environmental goals related to climate change adaptation and mitigation which cover all its operations in the 8 countries; Specifically the targets are: being a zero waste to landfill company and reducing water use per ton of product by 25%, both by 2025; adding 100,000 hectares for conservation and/or protection and reducing by 50% its scope 1+2 emissions considering all its facilities, both by 2030. It is important to say that the emission reduction target was modelled considering the 1.5°C scenario using the SBTi tool. Considering these targets, CMPC is examining new technology and processes for the reduction of its industrial water use. During 2020 CMPC acquired PPA's that secure the provision of 100% renewable energy for 2020 to 2027, reducing 250,000 tCO2e, and during 2021 for 4 industrial facilities in Peru for the period 2021-2025, reducing approximately 30,000 tCO2e. Energy management is also something that CMPC has been developing through the management and advice of the internal Forest Bioenergy team. During 2021, three plants were certified, which are added to those already certified in previous years, reaching a total of 22 plants certified under the ISO 50001:2018 framework, which translates into 95% of their energy consumption being efficiently managed through an Energy Management System.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures Capital allocation Access to capital	<p>CMPC climate-related risks and opportunities identified influence its financial planning in different aspects: Capital allocations: Fire prevention and control. CMPC allocates funds in its annual budget especially dedicated to fire prevention and control due to the increase acute risk of severity and likelihood of wildfires. CMPC allocated during 2021 38.7 million USD to fire prevention and control activities. The funds are allocated each year before the fire seasons and are estimated considering the severity of previous years fires and the damaged caused, as well as considering the needs foreseen to improve and maintain the already existing infrastructure for fire prevention and control. Capital expenditures: Related to the opportunity to expand low-emission assets, CMPC's Board of Directors approved the execution of the BioCMPC project, with an investment equivalent to USD 530 million, to implement the expansion and modernization of the Guaiba pulp mill in Porto Alegre (Brazil). This will increase the capacity of production line 2, with a significant reduction in production costs, including significant improvements in its environmental performance. The increase in the Guaiba plant's capacity corresponds to 350 thousand tons, reaching a total annual production of 1,850 thousand tons per year. BioCMPC's environmental benefits include discontinuing the use of the plant's coal-fired boiler, which will reduce CO2 emissions by up to 473 thousand tons, equivalent to approximately 60% less, and revising the gas capture system, making it even more effective. As a result, the CMPC Brazil plant will have the best gas treatment system in the industry in the country and one of the best in the world. The project is expected to be in operation during the last quarter of 2023. Access to capital: CMPC due to the nature of its operations, has explored and continuous to explore new green finance opportunities in the markets of the main countries where we operate and worldwide to diversify the financial assets the company has access to. CMPC became the first Chilean company to issue a green bond in 2017 for the amount of USD 500 million with a 10-year term. This led to CMPC receiving recognition in the New Countries Taking Green Bonds Global category of the Green Bond Pioneer Awards by the Climate Bond Initiative in May 2018. This was followed by the first green bond to be issued in the Peruvian market in 2018 for a 6 year term, by the CMPC subsidiary Softys Peru for the amount of approximately USD 30 million. Funds from the 2017 and 2018 bonds were fully allocated by the end of 2018. In 2019 CMPC announced two new green financing instruments: a green bond in the Chilean market in July for CLF 2.5 million (approximately USD 93 million) and a 10 year term; and a green loan syndicated by Japanese banks for USD 100 million and a 5 year term in September, making it the first company to access this new form of financing in Japan. These two instruments were united under the umbrella of the Empresas CMPC S.A. May 2019 Green Finance Framework. Their funds were dedicated to financing or refinancing, partly or completely, new and/or existing eligible projects with environmental benefits for the next 2 years. In 2020 CMPC committed a Sustainability Linked Loan (SLL) for 100 million USD for a 2 year-term. The loan's interest rate is linked to the performance of our 4 corporate environmental sustainability goals related to emissions and water reduction, zero waste and increasing conservation and protection areas. Finally, during 2021, the company issued a USD 500 million sustainability target-linked bond (SLB) in the US market, linked to corporate sustainability targets for greenhouse gas emissions (scope 1 and 2) and industrial water use intensity and a sustainability target-linked loan (SLL) and its performance indicators are greenhouse gas emissions (scope 1 and 2), intensity of industrial water use, waste to final disposal, and conservation, restoration and/or protection areas, also aligned with corporate goals.</p>

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

No, but we plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

1954359

Base year Scope 2 emissions covered by target (metric tons CO2e)

442088

Base year Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2396447

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

82

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

18

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1198223.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

1875091

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

148248

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2023339

% of target achieved relative to base year [auto-calculated]

31.1384311858347

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

On september 2019 CMPC publicly established it's tangible commitments towards sustainable development, related to emissions reductions, waste disposal, conservation and water use. About the emission reduction target, CMPC set a company-wide target to reduce by 50% all it's scope 1+2 emissions by 2030, considering 2018 as baseline, including all it's facilities where it has operational control in the 8 countries in Latin America where we operate. This emission reduction target was estimated using the SBTi-tool by an absolute contraction approach and considering the 1.5°C scenario, so we consider it a science-based reduction initiative. During 2021, we submitted our target to the SBTi validation process and expect to have this and a new reduction target for Scope 3 during 2022-2023. It is important to mention that the target covers 100% of CMPC's operations, and that during 2020 we decided to recalculate the baseline of the target, as recommended by best practices, since during that year CMPC acquired 2 new facilities, one in Brazil (Sepac) and one in Peru (Panamericana). With this goal, CMPC is contributing to target 13.3 of the Sustainable Development Goal (SDG) "Climate Action", which dictates: "Improve education, awareness and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning".

Plan for achieving target, and progress made to the end of the reporting year

In 2021, we presented a progress (31.1%) in the performance of the GHG emissions reduction target, due to the actions and projects in the 2 businesses and 1 subsidiary of the company, detailed as follows a: At Celulosa, the reductions are explained by operating results. At Santa Fe, general plant shutdowns were carried out, which resulted in a lower consumption of fuel oil 6 compared to 2020. At Guaiba, operational continuity and efficiency made it possible to use less diesel and fuel oil 6, and natural gas consumption was also reduced. Finally, at Pacifico, fuel oil 6 consumption was reduced due to the burning of hydrogen in the lime kiln. Biopackaging also showed significant reductions, which is related to the start-up of the biomass boiler and the transformation of the oil 6 boiler to natural gas at the Boxboard Valdivia plant. Additionally, the Sack Kraft Peru plant in 2021 operated under a 100% NCRE contract, which led to zero emissions in Scope 2. This effect was slightly offset by the increase at Corrugados Cordillera, a plant that had to increase cogeneration by burning more natural gas at the request of the National Electric Coordinator (CNE, for its acronym in Spanish) in Chile²⁰ and at Boxboard Maule, a greater amount of fuel oil 6 (fuel derived from petroleum for heating) was burned due to the maintenance of the EISA supplier company's biomass boilers. At Softys, reductions were represented by lower electricity consumption, efficiencies at the Talagante plant in Chile, production shutdowns at Santa Anita in Peru, and implementation of process improvements such as biomass boilers and reduction of liquefied petroleum gas forklifts at the Caieiras plant in Brazil. Finally, Scope 2 emissions decreased due to the purchase of NCRE energy contracts in Peru.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services
 Category 2: Capital goods
 Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
 Category 4: Upstream transportation and distribution
 Category 5: Waste generated in operations
 Category 6: Business travel
 Category 7: Employee commuting
 Category 9: Downstream transportation and distribution
 Category 10: Processing of sold products
 Category 11: Use of sold products
 Category 12: End-of-life treatment of sold products

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)

8708429

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

8708429

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

98

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2035

Targeted reduction from base year (%)

25

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

6531321.75

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

8194363

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

8194363

% of target achieved relative to base year [auto-calculated]

23.6123415601138

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain target coverage and identify any exclusions

The coverage of the target includes all the categories recommended by the GHG Protocol applicable to CMPC. These are: 1. Purchased goods and services. 2. Capital goods. 3. Fuel and energy related activities. 4. Upstream transportation & distribution. 5. Waste generated in operations. 6. Business travel. 7. Employee commuting. 9. Downstream transportation & distribution. 10. Processing of sold products. 11. Use of sold products. 12. End-of-life treatment of sold products. The "14. Franchises" and "15. Investments" categories do not apply, since CMPC has no franchises and no financial interests in other companies. The "8. Upstream leased assets" and "13. Downstream leased assets" categories are considered not relevant since it was determined through an estimate that they represent less than 1% of emissions, and asset leasing is not part of CMPC's business model. The 88.5% of "1. Purchased goods and services" category emissions are covered by the target (services are excluded). The 71.7% of "12. End-of-life treatment of sold products" category emissions are covered by the target (some tissue and personal care products are excluded). With these considerations, the total coverage of the scope 3 goal is 98% of the total emissions of this scope.

Plan for achieving target, and progress made to the end of the reporting year

A decrease is observed in Scope 3. The category that showed the most relevant decrease was the processing of sold products (-33%), as the Company's average emission factor decreased, which is considered within the assumptions for the allocation of emission factors as it is an integrated company that covers all the processing of the possible uses of our intermediate products. The roadmap to achieve Scope 3 reduction will be developed starting next year.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

- Net-zero target(s)
- Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	metric tons of waste diverted from landfill
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Target denominator (intensity targets only)

<Not Applicable>

Base year

2018

Figure or percentage in base year

714299

Target year

2025

Figure or percentage in target year

71430

Figure or percentage in reporting year

427798

% of target achieved relative to base year [auto-calculated]

44.5660002271069

Target status in reporting year

Underway

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

On september 2019 CMPC publicly established it's tangible commitments towards sustainable development, related to emissions reductions, waste disposal, conservation and water use. In terms of waste management, CMPC determined that it is going to be a zero waste to landfill company in all it's industrial operations in the 8 countries in which we operate, considering 2018 as baseline. According to international guidelines and consensus (Zero Waste International Alliance, EPA, WRI, Europe Zero Waste, among others), the concept of "zero waste to landfill" refers to a deviation towards recovery treatments of at least 90% of the waste sent to landfills, controlled disposal areas or dumps with respect to a baseline. Therefore, it is expected to reduce by at least 90% the amount of solid waste sent to any of these disposal facilities with respect to the established base year. According to this, the % of progress of the goal during 2021 was 44.6% $(\frac{[value\ year\ report] - [value\ base\ year]}{[value\ year\ goal] - [value\ base\ year]} * 100\%) = \frac{[427,798 - 714,299]}{[71,430 - 714,299]} * 100\% = 44.56\%$. It is important to mention that the target covers 100% of CMPC's operations, and that during 2020 we decided to recalculate the baseline of the target, as recommended by best practices, since during that year CMPC acquired 2 new facilities, one in Brazil (Sepac) and one in Peru (Panamericana). With this goal, CMPC is contributing to target 12.5 of Sustainable Development Goal (SDG) "Sustainable consumption and production", which states: "By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse."

Plan for achieving target, and progress made to the end of the reporting year

In 2021, we presented a progress (34.56%) in the performance of the Zero Waste target, due to the actions and projects in the 2 businesses and 1 subsidiary of the company, detailed as follows a: A Celulosa, Pacifico plant with the implementation of the zero waste plan, where recovery has been increased through improvements in the segregation of sludge, dregs and grits, because of the improved performance of the lime kilns. A fraction of storage yard sweeping waste was also recovered for energy purposes during the period. Finally, at the end of 2020, contracts with local suppliers and recipients were updated to allow better and greater options for soil applications of waste as soil property improvers. At the Nacimiento sawmill, there was an increase in waste to final disposal, since the ashes are currently taken to a landfill. At Biopackaging, there was an increase in waste, because the Papeles de Corrugados plant had a higher generation of sludge in the Effluent Treatment Plant (ETP). On the other hand, the Valdivia plant is recovering waste that was previously sent to landfill due to better internal segregation. At Softys, the reduction is due to measures such as the composting plant at Pando, which has been receiving 100% of the sludge generated since April. Also in Talagante, a larger fraction is being sent for composting and using virgin fiber. At Zarate, the sludge sent to the stabilization facility for final disposal has been reduced by sending it to brick manufacturers. At Caieiras, improvements have been made to the effluent treatment plant, sludge is being sent for energy recovery, and waste is being better separated at source. At Santa Anita there has been a

reduction in generation as a result of the shutdown of a paper machine; there has also been less production and greater use of virgin fiber rather than recycled fiber. At Cañete, generation has been reduced because with the implementation of the domestic water treatment plant, the internal gardens are irrigated. At Sepac, the centrifuge has improved its operation, reducing the humidity of the sludge and thus its energy recovery, avoiding sending it to landfill.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Oth 2

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Land use change	hectares restored
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Target denominator (intensity targets only)

<Not Applicable>

Base year

2018

Figure or percentage in base year

321529

Target year

2030

Figure or percentage in target year

421529

Figure or percentage in reporting year

389376

% of target achieved relative to base year [auto-calculated]

67.847

Target status in reporting year

Underway

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

On september 2019 CMPC publicly established its tangible commitments towards sustainable development, related to emissions reductions, waste disposal, conservation and water use. Related to our conservation efforts, CMPC committed to add 100 thousand hectares of land for conservation, protection and/or restoration by 2030 to CMPC's already existing more than 320 thousand hectares of such land in Argentina, Brazil and Chile (as of 2018). CMPC has forestry operations in Argentina, Brazil and Chile, and from its more than 1,307,351 hectares of forests assets as of 2021, 389,376 ha correspond to conservation, protection or restoration efforts, were natural ecosystems, flora, fauna, water courses, among other important natural assets are maintained and improved. Considering the 321,529 ha of the 2018 baseline, CMPC has added 67,847 ha as of 2021, making progress towards its goal. It is important to mention that the target covers 100% of CMPC's forestry operations. With these activities, CMPC contributes to target 15.1 of the Sustainable Development Goal (SDG) 15 "life on land" that states: "By 2030, ensure the conservation, restoration and sustainable use of terrestrial inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements."

Plan for achieving target, and progress made to the end of the reporting year

The progress of the goal during 2021 is due to the purchase of new land contracts, in addition to the restoration, conservation and protection work carried out by the forestry area team in Argentina, Brazil and Chile.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Oth 3

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Resource consumption or efficiency	Other, please specify (Industrial water use in cubic meters (m3))
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Target denominator (intensity targets only)

metric ton of product

Base year

2018

Figure or percentage in base year

31.51

Target year

2025

Figure or percentage in target year

23.63

Figure or percentage in reporting year

29.96

% of target achieved relative to base year [auto-calculated]

19.6700507614213

Target status in reporting year

Underway

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

On september 2019 CMPC publicly established it's tangible commitments towards sustainable development, related to emissions reductions, waste disposal, conservation and water use. Related to industrial water use, CMPC committed to reduce its industrial use of water per metric ton of product by 25% by the year 2025 (using 2018 as baseline). In 2021, a methodological change and a correction of calculation factors was made for the water use reduction target. Specifically, the density data for wood products in sawmills (Nacimiento, Mulchen and Bucalemu) was corrected. This led to a modification of the 2018 baseline and the results in the following years. Thus, the reduction of 25% of m3 per ton of product is established in a final value of 23.63 m3/t. It is important to mention that the target covers 100% of CMPC's operations, and that during 2020 we decided to recalculate the baseline of the target, as recommended by best practices, since during that year CMPC acquired 2 new facilities, one in Brazil (Sepac) and one in Peru (Panamericana). Through this goal, CMPC contributes to target 6.4 of Sustainable Development Goal (SDG) "Clean Water and Sanitation", which states: "By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity."

Plan for achieving target, and progress made to the end of the reporting year

In 2021, catchment decreased by 3.67%, while production remained the same (+0.3%) compared to 2020, reflecting progress towards the corporate goal. Celulosa showed a reduction at the Pacifico plant thanks to its mechanical and chemical water filter recovery project. Biopackaging showed a decrease in the Corrugated plant due to: 1) the replacement of a meter, 2) greater efficiency of the paper machine (MP20), and 3) an improvement in the water use control standard. Boxboard Valdivia also contributed to the reduction through operational efficiency projects. Softys' decrease is explained by water efficiency projects, such as: 1) circuit closure, 2) recirculation projects and, 3) leak repairs at the Zarate (Argentina) Mogi (Brazil), Puente Alto and Talagante (Chile) plants. At Pando plant of Softys Uruguay, training was provided to operators to maximize recirculation time and a reverse osmosis plant will be installed in 2022. In addition, during 2021, the Water Resources and Effluents assistant management was created and the Water Resources Strategy was approved. Assistant Management is responsible for the efficient use of water, its ecosystem management, compliance with industrial water use reduction per ton of product and the search for new sources of supply to minimize operations' vulnerability to climate change. In September 2021, the Water Management Committee was created to ensure a global vision for the Company, follow up on the Water Resources Strategy, and make decisions regarding water-related projects.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Target year for achieving net zero

2050

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

There are no exclusions at least as reported.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Unsure

Planned milestones and/or near-term investments for neutralization at target year

<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

The commitment was formalized during 2021 and we are currently defining the strategy to achieve the target.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	118720
To be implemented*	6	116804
Implementation commenced*	1	473000
Implemented*	5	313378
Not to be implemented	2	82000

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

234140

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

80250

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

During 2020 CMPC acquired PPA's that secure the provision of a 100% non-conventional renewable energy for all the electricity purchased by its facilities in Chile for the years 2020-2027. Which implies the annual savings of 230,000-250,00 tCO2e annually considering a market-based scope 2 approach.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1433

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

217750

Investment required (unit currency – as specified in C0.4)

10900

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Through operational efficiency and training, efficiency objectives and indicators were developed for the generation of steam using natural gas at the Corrugados Cordillera Plant in Chile, achieving a reduction of approximately 7.1 GWh of natural gas.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

3087

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

588550

Investment required (unit currency – as specified in C0.4)

10900

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Through operational efficiency and training, objectives and indicators were developed for the electrical performance of the paper machine at the Maule plant in Chile, achieving a reduction of approximately 7.9 GWh of electricity consumption.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

31086

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

22931000

Investment required (unit currency – as specified in C0.4)

1500000

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Through the implementation of energy management systems and their certification, CMPC seeks to improve the energy performance of its processes by systematizing, analyzing, establishing indicators and monitoring them. During 2021, three plants were certified, which are added to those already certified in previous years, reaching a total of 22 plants certified under the ISO 50001:2018 framework, which translates into 95% of their energy consumption being efficiently managed through an Energy Management System.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

43632

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)**

2650000

Payback period

Please select

Estimated lifetime of the initiative

3-5 years

Comment

During 2021 CMPC acquired PPA's that secure the provision of a 100% renewable energy for the electricity purchased by 4 facilities in Perú for the years 2021-2025. Which implies the annual savings of 35,000-50,00 tCO2e annually considering a market-based scope 2 approach.

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	We drive our investment in emissions reduction activities to comply with the law and regulations which restrict GHG emissions or make firms pay carbon taxes. In 2017, Chile introduced a carbon tax, meaning that CMPC must make payments based on our GHG emissions and other air quality parameters in several plants, such as Cartulinas Maule, Corrugados Cordillera, Santa Fe, Laja, Pacifico, among others. During 2019-2020 a new boiler in Cartulinas Valdivia, started operating. This investment of USD\$ 15,060,000 was driven so we could reduce our GHG emissions and other air quality parameters such as particulate matter, that if otherwise would have made this facility subject to the carbon tax. The new efficient boiler, replaces 1 Fuel Oil No. 6, and 2 other smaller less efficient biomass boilers, not surpassing the install power generating capacity that makes you subject to carbon tax in Chile and reducing GHG emissions and other air quality parameters.
Dedicated budget for energy efficiency	CMPC has been implementing Energy Management Systems (EnMS) since 2013. An EnMS is a series of procedures that allow a more efficient use of energy by optimizing its consumption at industrial facilities, which leads to significant savings in cost. This process involves the assessment and standardization of energy management practices at all industrial facilities, accounting for the various types of fuel and energy sources they use. The company aims to implement and sustain EnMS at its production facilities as a way to improve the energy performance of its processes by systemically assessing it and setting indicators to track and control. Since the beginning of this project, 22 plants' Energy Management Systems have been certified to the ISO 50001 standard, while others are currently in the process of assessment, design, implementation and verification of their systems.
Financial optimization calculations	Since 2017, CMPC has issued green debt placements of all types. More recently instruments linked to sustainability, where all cases include climate objectives as part of the KPIs to evaluate the company's performance and determine whether interest rates will present variations in certain evaluation horizons. This has led the company to invest in projects aligned with sustainability objectives, in particular the reduction of GHG emissions that are aligned with the 1.5°C transition scenarios. For example, during 2021, the company issued a \$500 million sustainability target-linked bond (SLB) in the U.S. market, linked to corporate sustainability targets for GHG emissions (scope 1 and 2) and industrial water use intensity; and a sustainability-linked loan (SLL) whose performance indicators are greenhouse gas emissions (scope 1 and 2), industrial water use intensity, waste to disposal, and areas of conservation, restoration and/or protection, also aligned with corporate objectives. Linking these financing instruments to sustainability performance indicators, such as the level of GHG emissions over time, where interest rate variations are subject to these performances and being able to access better financing conditions has led the Finance area to develop a strategy to make the allocation of resources more efficient and it is more profitable to invest in projects to improve the company's performance instead of having to pay interest that becomes a cost.

C-AC4.4/C-FB4.4/C-PF4.4**(C-AC4.4/C-FB4.4/C-PF4.4) Do you implement agriculture or forest management practices on your own land with a climate change mitigation and/or adaption benefit?**

Yes

C-AC4.4a/C-FB4.4a/C-PF4.4a

(C-AC4.4a/C-FB4.4a/C-PF4.4a) Specify the agricultural or forest management practice(s) implemented on your own land with climate change mitigation and/or adaptation benefits and provide a corresponding emissions figure, if known.

Management practice reference number

MP1

Management practice

Reforestation

Description of management practice

CMPC as a forestry industry plants/replants eucalyptus and pines, and during 2021 46,835 ha were planted in Argentina, Chile and Brazil. The objective of reforestation is to replant areas that used to be covered by forest plantations which have been harvested or which have lost their forest cover due to fire or previous agricultural practices that left the land degraded before the company's ownership. Planting is usually carried out during the winter season between May and September each year. We replant every year and will continue doing so and each time we harvest those hectares are re-planted leaving a permanent forest cover. It is important to highlight that we use eucalyptus and pine which are non-native species to the countries where we operate, so we do not harvest native forests.

Primary climate change-related benefit

Increase carbon sink (mitigation)

Estimated CO2e savings (metric tons CO2e)

428687

Please explain

The estimated CO2e saving correspond to the total carbon storage provided by 28,119 ha planted in Chile during 2021.

Management practice reference number

MP2

Management practice

Replacing fossil fuels by renewable energy sources

Description of management practice

Energy from biomass, methanol and black liquor which are Non-Conventional Renewable Energy source (NCRE), represented 82% of CMPC's total energy consumption during 2021. CMPC reduces the consumption of energy coming from fossil fuels such as electricity purchased from non-renewable origins and other primary fossil sources, by generating heat, steam and electricity in its own facilities with biomass, black liquor and methanol.

Primary climate change-related benefit

Reduced demand for fossil fuel (adaptation)

Estimated CO2e savings (metric tons CO2e)

830330

Please explain

For the calculation of the avoided emissions, the total renewable electricity generated by CMPC pulp mills (3 in Chile and 1 in Brazil) were considered. The emissions are obtained as: self-generated electricity in KWh / year multiplied by the respective emission factor of the electricity matrix of each country which is in kgCO2e/kWh. The emissions generated are avoided by the self-generation of electric energy, since plants do not buy this electricity from the grid mix, but use renewable energy generated by biomass combustion and black liquor instead, avoiding this purchase from the matrix.

Management practice reference number

MP3

Management practice

Biodiversity considerations

Description of management practice

CMPC conserves, protects and restores areas of important ecosystems and biodiversity adjacent to its forestry plantations, reaching 385,725.6 hectares in this category as of december 2020 considering all the countries where we have forestry operations: Argentina, Brazil and Chile. Restoration activities include planting of native tree species that are produced in our tree nurseries, that also help maintain permanent land cover and increase carbon capture, as well as restoring river basins and other important ecosystemic services. CMPC to continue contributing to this, has committed to protect and conserve 100 thousand additional new hectares by 2030, considering 2018 as baseline.

Primary climate change-related benefit

Increasing resilience to climate change (adaptation)

Estimated CO2e savings (metric tons CO2e)

2519687

Please explain

This figure corresponds to the carbon sequestration estimated for all our conservation and protection areas in Chile and Brazil during 2021.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Green Bond Principles (ICMA)

Type of product(s) or service(s)

Pulp and paper	Other, please specify (Wood)
----------------	------------------------------

Description of product(s) or service(s)

For CMPC, sustainability, circular bioeconomy and low-carbon economy is a very relevant and priority issue for its development, given the sector to which we belong, the business model itself and the integrated structure of the company. CMPC's business is the production and marketing of wood products, pulp, packaging products, paper, tissue and personal care products. The forestry sector plays a very important role in the transition to a low-carbon economy. Forests have the capacity to capture carbon, which is also stored in their products. We work with renewable resources that require the best practices to maintain this condition, so our performance should aim to reduce the potential impacts of our operations to ecosystems and communities, and at the same time seek the opportunities that this creates for the company. Waste or by-products generated in one plant have the potential to be used by another to manufacture new products or return to the forest to strengthen the regenerative cycles of the soil. The 82% of the energy we consume is renewable and 96% of our inputs are renewable. Our wood products offer a carbon sequestration benefit that persists during the use phase, in the construction sector generate 30% less waste than concrete, pollute less water and consume less energy in their production compared to steel and concrete. Benefits can be evaluated both compared with forestry industry peers as well as alternative technologies.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify (Bibliographic research)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Cradle-to-gate

Functional unit used

Metric ton

Reference product/service or baseline scenario used

Ton of concrete used for construction.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Cradle-to-gate

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.851

Explain your calculation of avoided emissions, including any assumptions

The base comparison uses one ton of plywood vs. one ton of concrete, the exercise assumes that both materials are used for construction. The publication "Sustainable Buildings, Sustainable Future. Wood and the environment" from 2016, cites and references an EPA (2006) comparison chart with CO2 emission values, which is based on life cycle assessment and include raw material collection and processing, primary and secondary processing, and transportation. The study assumed that the carbon content of wood is 49%. During this year we started the process of preparing an Environmental Product Declaration under ISO 14025, 14040, 14044, 21930, EN 15804:2012+A2:2019 and the Product Category Rule for construction materials (PCR 2019:14), for plywood boards, which aims to know the specific impacts of our board and perform this type of analysis. We expect to have the results published and registered next year.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1.1

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Yes, other structural change, please specify (Closing of plants)

Name of organization(s) acquired, divested from, or merged with

From 2021, CMPC took operational control of 100% of the Mexico Sack Kraft Irapuato (Biopackaging) and Valle de Mexico (Softys) plants. In turn, as of the second half of 2021, the Santa Catarina and Softys Guaiba plants, both belonging to Softys, closed their operations.

Details of structural change(s), including completion dates

The new plants acquired as well as the plants that closed are not relevant from the point of view of sales and production (the closed plants represent 0.04% of total production and the acquired plants 0.23%). The incorporation and quantification of the indicators, including GHG emissions, of the Sack Kraft Irapuato and Valle de México plants will take place as of January 1, 2021; in turn, the operational closure of the Santa Catarina and Softys Guaiba plants will take place on June 30, 2021.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because the impact does not meet our significance threshold	In cases of structural inorganic variations of the company (mergers, new acquisitions, closures, etc.), the recalculation of the corresponding baseline of each of the environmental sustainability goals must be evaluated. The objective of these readjustments is to trace the information from the baseline year onwards, avoiding abrupt jumps or variations in the performance of the targets as a result of these new acquisitions, so as to make a correct analysis of trends and investment decisions on acquisitions. In some cases new acquisitions could mean a better performance of environmental sustainability targets. This evaluation and readjustment is carried out by the Sustainability Management considering the materiality based on criteria such as the size of the acquired plant, relevance (market or regional position or size) and the contribution to the indicator (to date, a variation greater than or equal to 5% of the total of the year in which the acquisition was made has been considered in any of these categories). The reportability of new plants acquired occurs when the company will have operational control of the full calendar year.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

1954359

Comment

In 2017, CMPC started a meticulous process to measure its GHG emissions in all its subsidiaries in Chile, including its productive operations and the administrative and management activities carried out at the main offices and headquarters. The calculations were done using data for 2016, as this was the information available at the start of the almost year-long measurement process. From 2018 on, the carbon footprint of the entire company began to be measured including all its operations in the 8 countries where we have productive facilities. During 2019, the Company measured 2017 and 2018 carbon footprints obtaining two year of company-wide calculations, considering all the activities in which we have operational control in the 8 latin american countries where we operate. Having done this complete process and being sure we were leaving no operations out of scope, we decided the 2018 inventory was a great reflex of our emissions status and at the same time, 2018 had record productions for CMPC in it's 100 years of history, being a good reflex of our operations at their maximum capacity. That is why, we consider this our baseline and we used it to set our scope 1 + 2, 50% emissions reduction target by 2030. This baseline was re-calculated including the new facilities acquired by CMPC during 2020.

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

492054

Comment

In 2018, CMPC started a meticulous process to measure its GHG emissions in all its subsidiaries in Chile, including its productive operations and the administrative and management activities carried out at the main offices and headquarters. The calculations were done using data for 2016, as this was the information available at the start of the almost year-long measurement process. From 2018 on, the carbon footprint of the entire company began to be measured including all its operations in the 8 countries where we have productive facilities. During 2019, the Company measured 2017 and 2018 carbon footprints obtaining two year of company-wide calculations, considering all the activities in which we have operational control in the 8 latin american countries where we operate. Having done this complete process and being sure we were leaving no operations out of scope, we decided the 2018 inventory was a great reflex of our emissions status and at the same time, 2018 had record productions for CMPC in it's 100 years of history, being a good reflex of our operations at their maximum capacity. That is why, we consider this our baseline and we used it to set our scope 1 + 2, 50% emissions reduction target by 2030. it is important to say that our target considers Market-based emissions. Location base emission factors are always considered for: Argentina, Brazil, Ecuador, Colombia, Uruguay, Mexico and Peru. This baseline was re-calculated including the new facilities acquired by CMPC during 2020.

Scope 2 (market-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

442088

Comment

Only for the Chile operations we are able to calculate market-based emissions, which represent over 50% of our subsidiaries which have especial electricity PPA contracts with our energy providers. All the other countries where we operate have location based scope 2 calculations, because we do not have PPA's currently in place.

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

1451074

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 2: Capital goods

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

286557

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

393239

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

1290281

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

61799

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 6: Business travel

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

531

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 7: Employee commuting

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

18185

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 8: Upstream leased assets

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category turned out not to be relevant, since in 2020 an estimate was made and they represent less than 1% of the emissions. less than 1% of emissions, and asset leasing is not part of CMPC's business model.

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

1271162

Comment

This category is accurately measured since 2018, however, we have decided to declare 2020 as the base year because it is the baseline we have considered for the establishment of scope 3 (which is in the process of validation with SBTi), also considering that in that year we expanded the coverage of scope 3 and after a study developed that same year, we reported the 15 categories recommended by the GHG Protocol.

Scope 3 category 10: Processing of sold products

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

2103796

Comment

This category began to be quantified in 2020, after CMPC conducted a study for the measurement of the 15 categories of analysis recommended by the GHG Protocol for scope 3. This study allowed CMPC to have a panoramic view of its emissions in this scope, ensuring that there are no relevant exclusions.

Scope 3 category 11: Use of sold products

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category corresponds to zero, since the products sold to end customers do not generate emissions in their use phase, as they do not require the burning of fuels or electricity to be used.

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

1663420

Comment

This category began to be quantified in 2020, after CMPC conducted a study for the measurement of the 15 categories of analysis recommended by the GHG Protocol for scope 3. This study allowed CMPC to have a panoramic view of its emissions in this scope, ensuring that there are no relevant exclusions.

Scope 3 category 13: Downstream leased assets

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category turned out not to be relevant, since in 2020 an estimate was made and they represent less than 1% of the emissions. less than 1% of emissions, and asset leasing is not part of CMPC's business model.

Scope 3 category 14: Franchises

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category does not apply to the company since CMPC does not have franchises.

Scope 3 category 15: Investments

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category does not apply to the company as CMPC has no financial interests in other companies. companies.

Scope 3: Other (upstream)

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category does not apply, as we rely on the recommendations of the GHG Protocol, covering all relevant emission sources and activities in the 15 Scope 3 categories indicated in the standard.

Scope 3: Other (downstream)

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

0

Comment

This category does not apply, as we rely on the recommendations of the GHG Protocol, covering all relevant emission sources and activities in the 15 Scope 3 categories indicated in the standard.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Brazil GHG Protocol Programme

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

Other, please specify (ISO 14067:2012)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1875091

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This includes all our industrial facilities and forestry operations in the 8 countries where we operate.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

The emission factors used vary by country and are extracted from global databases for Peru, Argentina, Uruguay, Brazil, Mexico, Ecuador and Colombia operations, being location-based. In the case of Chile and Peru, a zero factor was used because CMPC acquired PPA's that secure a 100% provision of renewable energy for all its industrial operations in Chile and 4 in Peru. This includes all our industrial facilities and forestry operations in the 8 countries where we operate.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

599764.62

Scope 2, market-based (if applicable)

148294.36

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Market-based emissions are much lower because CMPC acquired PPA's that secure provision of 100% NCRE for the electricity purchased by all its industrial facilities in Chile, for the 2020-2027 period and 4 industrial facilities and for 4 industrial facilities in Peru for the period 2021-2025.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Headquarters

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

These emissions compared to our industrial facilities emissions represent 0.15% of the Company's total scope 1+2 emissions for the reporting period. CMPC calculates these emissions every year, but they have never been relevant compared to the industrial facilities emissions, so we do not focus our GHG emissions reduction initiatives in this area. We still publicly disclose our headquarters emissions in our Integrated Report and Sustainability Report every year, separated from our industrial facilities emissions.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

0

Explain how you estimated the percentage of emissions this excluded source represents

We have headquarters emissions data, but because they are so unrepresentative, the focus of the company's emissions management is on industrial and forestry operations. The headquarter scope 1+2 GHG emissions is 3,030 tCO2e and the forestry and industrial scope 1+2 GHG emissions is 2,023,386.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1427091

Emissions calculation methodology

Asset-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The methodology used was GHG Protocol. This corresponds to the emissions associated with the production of all the main chemicals, packaging goods and raw materials used in our production facilities, which are mainly recycled fiber, pulp, plastics for packaging such as films, adhesives and other chemicals. All this calculations are made considering the amount purchased of each good and mainly Ecoinvent emissions factors, through our sustainability software Sphera Corporate Sustainability. Quantities of the procurement of each good are obtained from internal systems (SAP), so the data is delivered by the supply and logistics departments of each facility.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

523138

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This category was calculated using the GHG Protocol methodology. Input data include the money spent in the purchase of every capital good during the reporting year, which includes new facilities, machinery, land, among other capital good. The estimations are done using the money spent in each capital good classified into the type of good and considering Defra's library table 15 for emissions factors. It considers all main capitals goods purchased by CMPC during 2021, which include new forestry assets, machinery, among other. All the information from investments in capital is internal, does not relate to supplies.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

382199

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The emissions associated to the fabrication of purchased fuels are calculated using the GHG protocol methodology using Ecoinvent emission factors, this is the main sources of emissions in this category representing more than 98% of the emissions. All this calculations are made through our sustainability software SoFi. For scope 2 energy related emissions, for losses in electricity distribution we consider a 5% loss. We use internal systems information about the amount of fuels purchased and burnt in our operations. The data of electricity purchased is obtained from the suppliers electricity bills, being a primary data source.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1216561

Emissions calculation methodology

Distance-based method
Asset-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The methodology used was GHG Protocol. Considers transport of goods such as chemicals, raw materials, packaging and fuels from the suppliers to our facilities. We consider transport from port of origin in the case of imported goods to our production facilities and from the supplier to the plant in the case of local suppliers. Emissions are calculated with GHG protocol/IEA 2019 emissions factors, considering the corresponding mean of transport and tkm (tonnes per kilometer) for each good. All this calculations are made through our sustainability software Sphera Corporate Sustainability. Quantities of the procurement of each good are obtained from internal systems (SAP), so the data is delivered by the supply and logistics departments of each facility. Distances are obtained from google maps or Searates in the case of transoceanic transport.

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

215379

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The emissions calculation methodology is GHG Protocol. The calculation of GHG emissions considers the total amount of waste generated in the production plants and forestry operations of Empresas CMPC, segregated by type of treatment destination (recycling, reuse, landfill, energy recovery, among others) and the materiality or characterization of the waste (paper, plastic, organics, metals, wood, among others). It is assumed that GHG emissions from composting treatment are the same as those from beneficial use in soil (disposal to improve soil properties). For this we use Defra 2021 emissions factor for waste treatment. They are calculated using internal information of waste generation and the treatment they receive. This emissions are considered not relevant because they represent less than 5% of our total scope 3 emissions.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

702

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The methodology used was GHG protocol. All International and national flights in economic and executive classes were considered. We use the kilometers traveled by each of CMPC's collaborators, obtaining passenger-kilometer information and using Defra emissions factors for business and economy flights. All this process is done through our sustainability platform SoFi. The emissions are calculated using the data provided by the travel agencies that purchased and manage business travel for our company. They provide the passenger, facility, class, flight route, and kilometers flown for our emissions calculations. This emissions are not relevant because they represent 0.01% of our scope 3 emissions.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

17992

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The methodology used was GHG protocol. The means of transport considered were Bus, Bicycle, Car, Metro, Walking, among others, in addition to considering the total employees of the company and the average distance travelled by each one of them from home to the corresponding working facility and back. Using this information we obtain person-kilometer data for all employees in each means of transport and use Defra emissions factors for each mean. We use internal information from polls made to our employees as to what mean of transport they use and the average distance they travel everyday. This emissions are not relevant because they represent less than 0.2% of our scope 3 emissions.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The categories related to leased assets ("Upstream leased assets" and "Downstream leased assets") are considered not relevant, since an estimate was made and they represent less than 1% of CMPC's emissions and the leasing of assets is not part of its business model.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1356365

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The methodology used was GHG Protocol. National distribution and exports to all countries are considered for each subsidiary. We calculate emissions in terms of tkm (tonnes per kilometer) for all our products distribution. We consider the total amount in tonnes of product dispatched and the average distance to storage, national clients and the port of destination in the case of international sales, obtaining tkm. Then, we use Defra emissions factors for each means of transport. We used internal information coming from our logistics departments.

Processing of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1411165

Emissions calculation methodology

Methodology for direct use phase emissions, please specify (As we are an integrated company, our intermediate products will have the same destinations or uses. Therefore we assume that our customers have emission factors similar to ours.)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We use the GHG Protocol for this calculations. We consider the total amount of products we sell to third parties that require further processing such as pulp, board, container board and timber. It is important to note that a great amount of the products sold that need further processing are sold to our own facilities, so we account for the emissions of this processing within the boundaries of our inventory in scope 1 and 2. The products we sell to third-parties we know which is the further processing they will require, because we have information, for instance, of how much pulp goes to clients that produce tissue, board, cardboard, etc. Using this information and our internal emission factors of our own productive facilities, because we produce most of the final products that can be made with the raw materials we sell, such estimation can be made considering our own processing facilities emission factors. We use internal emissions factors and our sales department information to determine what the further processing of our intermediate sold products is.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The category "Use of sold products" is zero, since the products marketed by CMPC to end customers do not generate emissions in their use phase, as they do not require energy for their operation. Not a relevant category. According to GHG protocol category 11: Use of sold products; A reporting company's scope 3 emissions from use of sold products include the scope 1 and scope 2 emissions of end users. Our products sold to final consumers do not generate emissions at the use stage and no energy or fuel consumption is needed for their use. We sell tissue paper, personal care products, wood and other paper products to final customers. So the emissions related to this category are 0.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1643771

Emissions calculation methodology

Average data method

Waste-type-specific method

Methodology for indirect use phase emissions, please specify (Depending on the final products that go directly to customers or direct consumers, we assume the materiality of the product and assign the corresponding emission factors based on global data of the waste treatment destination.)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We use GHG protocol for this calculations. The end of life treatment of products sold to end users are estimated using the amounts sold for each product and Defra emissions factors for end of life treatment considering the most likely destination they will have after they've been used: landfill, recycling, etc, for each product. We use internal information about sales.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The categories related to leased assets ("Upstream leased assets" and "Downstream leased assets") are considered not relevant, since an estimate was made and they represent less than 1% of CMPC's emissions and the leasing of assets is not part of its business model. According to GHG Protocol Accounting and Reporting Standard as described in the 13th category downstream leased assets: this accounts for emissions of assets that the company acts as lessor, not included in scope 1 and 2. CMPC only acts as lessor of 2 small facilities and emissions were estimated using Quantis scope 3 evaluator and they represent less than 0.04% of our scope 3 emissions.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The "Franchises" category is not considered since CMPC does not have any franchises. According to GHG Protocol Accounting and Reporting Standard as described in the 14th category: Franchises, this only applies to franchises or franchisors, so it would not apply to CMPC since we are not a franchise or franchisor company.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The "Investments" category is not considered since CMPC has no financial interests in other companies. According to GHG Protocol, category 15 Investments applies to companies that provide financial services and have financial interests in other companies. CMPC, is not a company that provides financial services and does not have financial interests in other companies, so this category does not apply to its business model.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

There are no other relevant upstream emissions not already considered in the scope 3 categories above.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

There are no other relevant downstream emissions not already considered in the scope 3 categories above.

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.**CO2 emissions from land use management****Emissions (metric tons CO2)**

377003

Methodology

Empirical models

Please explain

In both Brazil and Chile, studies are being developed to know how much CO2 stock is stored in our heritage and the captures/emissions of each year. However, the methods and forms of estimation are different. In Chile, CMPC developed its own model to calculate biogenic emissions from its forestry operations. This model include the use of field data of the growth of our plantations and native forest and the forest covers as well as changes in it. It depends on field data of growth of our plantations according to age of trees, species and the type of soil where they have been planted. As well as the use of average emission factors for carbon content by species. For the case of heritage in Brazil, a third party consultancy is developed that considers emissions/captures from plantation areas, permanent protection areas (APP) and legal reserves (RL), considering national statistics of capture according to vegetation type (vegetation physiognomy). The next steps are the standardization of the quantification process of the capture/emissions associated with the forestry operation. During the 2019-2020 period, the emissions are associated with the occurrence of rural wildfires. The 2021 results are in the process of quantification for reporting.

CO2 removals from land use management**Emissions (metric tons CO2)**

170766320

Methodology

Empirical models

Please explain

In both Brazil and Chile, studies are being developed to know how much CO2 stock is stored in our heritage and the captures/emissions of each year. However, the methods and forms of estimation are different. In Chile, CMPC developed its own model to calculate biogenic emissions from its forestry operations. This model include the use of field data of the growth of our plantations and native forest and the forest covers as well as changes in it. It depends on field data of growth of our plantations according to age of trees, species and the type of soil where they have been planted. As well as the use of average emission factors for carbon content by species. For the case of heritage in Brazil, a third party consultancy is developed that considers emissions/captures from plantation areas, permanent protection areas (APP) and legal reserves (RL), considering national statistics of capture according to vegetation type (vegetation physiognomy). The next steps are the standardization of the quantification process of the capture/emissions associated with the forestry operation. The figure reported above corresponds to the total carbon stock in our forest assets in Chile and Brazil, considering the forest plantation coverage at the end of 2020. The total area of both countries from the end of 2019 to the end of 2020 corresponds to 693,116 ha. The 2021 results are in the process of quantification for reporting.

Sequestration during land use change**Emissions (metric tons CO2)**

10576661

Methodology

Empirical models

Please explain

In both Brazil and Chile, studies are being developed to know how much CO2 stock is stored in our heritage and the captures/emissions of each year. However, the methods and forms of estimation are different. In Chile, CMPC developed its own model to calculate biogenic emissions from its forestry operations. This model include the use of field data of the growth of our plantations and native forest and the forest covers as well as changes in it. It depends on field data of growth of our plantations according to age of trees, species and the type of soil where they have been planted. As well as the use of average emission factors for carbon content by species. For the case of heritage in Brazil, a third party consultancy is developed that considers emissions/captures from plantation areas, permanent protection areas (APP) and legal reserves (RL), considering national statistics of capture according to vegetation type (vegetation physiognomy). The next steps are the standardization of the quantification process of the capture/emissions associated with the forestry operation. The sequestration figure includes the changes in the carbon balance in our forestry assets in Chile from the end of 2019 to the end of 2020. A carbon sequestration of 10,576,661 tCO2e is reached during 2020, considering emissions from land use change (changes in forest cover of plantations), sequestration from native forest growth and carbon stored in harvested forest products. Considering these 3 flows, the result is a positive increase in carbon sequestration for 2020. The 2021 results are in the process of quantification for reporting.

CO2 emissions from biofuel combustion (land machinery)**Emissions (metric tons CO2)**

0

Methodology

Empirical models

Please explain

We do not have biofuel emissions from land machinery in our operations.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

Emissions (metric tons CO2)

10196270

Methodology

Empirical models

Please explain

For this calculation, the existing biogenic carbon emissions are generated from the burning of biomass and black liquor in some of the company's productive plants which use it to produce energy. The plants that use biomass are Softys Pando, Softys Caieiras, Softys Sepac, Boxboard Valdivia, Laja, Pacífico, Guaiba and Santa Fe pulp mills; Mulchén and Nacimiento Sawmills. Black liquor is generated in the pulp production process, so it is burned in Santa Fe, Pacífico, Laja and Guaiba, only. The methodology is proposed by the company, based on the GHG protocol, where biogenic emissions are reported separately from fossil carbon emissions. The methodology is based on the calculation of biogenic emissions using the amount of dry biomass and black liquor burnt, from which the carbon content is calculated according to the species (Eucalyptus or Pine) considering empirical values for each of the species. Then, assuming that the reaction has an efficiency of 100% and making a mass balance between the carbon content in the biomass and black liquor, and the CO2 generated in the reaction, the respective emission factors are obtained. Finally, depending on the biofuel, the amount of biomass burnt or black liquor is multiplied by its respective emission factor.

CO2 emissions from biofuel combustion (other)

Emissions (metric tons CO2)

0

Methodology

Empirical models

Please explain

We do not have other relevant biofuel combustion emissions.

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Timber

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

For CMPC, timber is the main raw material, since it is the beginning of the supply chain for the manufacturing of all final products. That is why we have close to 850,000 hectares of productive plantations and we account emissions for all our forestry operations in the three countries where they are present: Argentina, Brazil and Chile.

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Timber

Reporting emissions by

Unit of production

Emissions (metric tons CO2e)

0.017

Denominator: unit of production

Metric tons

Change from last reporting year

Much lower

Please explain

This calculations are made using the GHG Protocol and considers all scope 1 + scope 2 + scope 3 relevant emissions from all the forestry operations of CMPC (Chile, Brazil and Argentina) . In 2020 the total emissions per metric ton of timber produced were very similar, 0.022. The variation and improvement in the performance of the indicator is explained by the increase in production compared to the previous year (+21%) and the reduction in net GHG emissions (-8%), due to lower intensity, severity and focuses of rural wildfires, making less use of equipment and mobile sources for displacement and combat, reducing emissions of scope 1. There are no relevant exclusions in these calculations.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00032

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2023386

Metric denominator

unit total revenue

Metric denominator: Unit total

6323000000

Scope 2 figure used

Market-based

% change from previous year

21.1

Direction of change

Decreased

Reason for change

The reason for the improvement of the emission intensity indicator, decreasing in 21.1% during 2021 compared to 2020, is due to two reasons: 1) The company's total revenue increased by 19.6%, and 2) CMPC reduced approximately 120,000 tCO2e (5.6%) mainly because at Celulosa, the reductions are explained by operating results. At Santa Fe, general plant shutdowns were carried out, which resulted in a lower consumption of fuel oil 6 compared to 2020. At Guaiba, operational continuity and efficiency made it possible to use less diesel and fuel oil 6, and natural gas consumption was also reduced. Finally, at Pacifico, fuel oil 6 consumption was reduced due to the burning of hydrogen in the lime kiln. Biopackaging also showed significant reductions, which is related to the start-up of the biomass boiler and the transformation of the oil 6 boiler to natural gas at the Boxboard Valdivia plant. Additionally, the Sack Kraft Peru plant in 2021 operated under a 100% NCRE contract, which led to zero emissions in Scope 2. This effect was slightly offset by the increase at Corrugados Cordillera, a plant that had to increase cogeneration by burning more natural gas at the request of the National Electric Coordinator (CNE, for its acronym in Spanish) in Chile20 and at Boxboard Maule, a greater amount of fuel oil 6 (fuel derived from petroleum for heating) was burned due to the maintenance of the EISA supplier company's biomass boilers. At Softys, reductions were represented by lower electricity consumption, efficiencies at the Talagante plant in Chile, production shutdowns at Santa Anita in Peru, and implementation of process improvements such as biomass boilers and reduction of liquefied petroleum gas forklifts at the Caieiras plant in Brazil. Finally, Scope 2 emissions decreased due to the purchase of NCRE energy contracts in Peru.

Intensity figure

0.214

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2023386

Metric denominator

metric ton of product

Metric denominator: Unit total

9477023

Scope 2 figure used

Market-based

% change from previous year

4

Direction of change

Decreased

Reason for change

The reason for the improvement of the emission intensity indicator, decreasing in 4.0% during 2021 compared to 2020, is due to the fact that CMPC reduced approximately 120,000 tCO2e (5.6%) mainly because at Celulosa, the reductions are explained by operating results. At Santa Fe, general plant shutdowns were carried out, which resulted in a lower consumption of fuel oil 6 compared to 2020. At Guaiba, operational continuity and efficiency made it possible to use less diesel and fuel oil 6, and natural gas consumption was also reduced. Finally, at Pacifico, fuel oil 6 consumption was reduced due to the burning of hydrogen in the lime kiln. Biopackaging also showed significant reductions, which is related to the start-up of the biomass boiler and the transformation of the oil 6 boiler to natural gas at the Boxboard Valdivia plant. Additionally, the Sack Kraft Peru plant in 2021 operated under a 100% NCRE contract, which led to zero emissions in Scope 2. This effect was slightly offset by the increase at Corrugados Cordillera, a plant that had to increase cogeneration by burning more natural gas at the request of the National Electric Coordinator (CNE, for its acronym in Spanish) in Chile20 and at Boxboard Maule, a greater amount of fuel oil 6 (fuel derived from petroleum for heating) was burned due to the maintenance of the EISA supplier company's biomass boilers. At Softys, reductions were represented by lower electricity consumption, efficiencies at the Talagante plant in Chile, production shutdowns at Santa Anita in Peru, and implementation of process improvements such as biomass boilers and reduction of liquefied petroleum gas forklifts at the Caieiras plant in Brazil. Finally, Scope 2 emissions decreased due to the purchase of NCRE energy contracts in Peru. Although production decreased by 1.6%, the reductions obtained during the year led to a better intensity indicator, being more efficient and generating lower GHG emissions.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	1788982	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	11633	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	74390	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Chile	825420
Brazil	800856
Argentina	50351
Colombia	13947
Ecuador	112
Uruguay	3911
Peru	52661
Mexico	127834

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By business division
- By facility
- By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Celulosa	1051988
Biopackaging	186095
Softys	382728
Forestal	254281

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Santa Fe Pulp Mill	230962	-37.515833	-72.653333
Laja Pulp Mill	87318	-37.289485	-72.711933
Pacífico Pulp Mill	93944	-37.789641	-72.48491
Guaiba Pulp Mill	624703	-30.134444	-51.317222
Mulchen Sawmill	4654	-37.702107	-72.260584
Nacimiento Sawmill	4023	-37.518278	-72.659447
Bucalemu Sawmill	987	-37.170492	-72.407664
Los Angeles Remanufacturing Plant	1044	-37.339706	-72.378583
Coronel Remanufacturing Plant	517	-36.965774	-73.163955
Plywood Plant	3834	-37.796907	-72.4802
Bosques del Plata	4963	-27.43637	-55.929391
Forestal Mininco	103993	-37.468634	-72.334722
Florestal Brasil	145326	-30.134444	-51.317222
Softys Puente Alto	9272	-33.704855	-70.936737
Softys Talagante	100593	-33.610976	-70.568379
Softys Altamira	127153	22.408602	-97.891303
Softys Santa Catarina	64.7	25.698482	-100.469606
Softys García	3.97	25.638598	-100.318166
Softys Ganchancipá	13938	5.014807	-73.86198
Softys Cali	8.29	3.028839	-76.48923
Softys Pando	3911	-34.732792	-55.947698
Softys Cañete	16572	-13.135899	-76.367786
Softys Rosales (Santa Anita)	311	-12.044874	-76.960983
Softys Santa Rosa (Santa Anita)	31233	-12.045387	-76.962866
Sorepa Perú (Santa Anita)	202	-12.017844	-77.10386
Softys Guayaquil	112	-2.003709	-79.967786
Softys Guaiba	2	-30.119193	-51.384295
Softys Mogi	10075	-23.5421	-46.27054
Softys Caieiras	16813	-23.368251	-46.762776
Softys Recife	51.3	-34.941479	-8.166819
Softys Naschel	362	-32.921488	-65.376542
Softys Zarate	44698	-34.057975	-59.090945
Softys Tortuguitas	10.6	-34.616178	-58.449984
Corrugados Pulpa Moldeada	10796	-33.606313	-70.558611
Corrugados Planta Cordillera	98124	-33.610558	-70.564614
Boxboard Maule	60811	-35.605255	-71.586895
Boxboard Valdivia	2554	-39.789722	-73.186666
Edipac	136	-33.346388	-70.716388
Fibras	517	-33.482496	-70.635787
Sack Kraft Chile	561	-36.580555	-72.103611
Sack Kraft Argentina	318	-36.864722	-60.163888
Sack Kraft México Guadalajara	367	-10.327027	20.499166
Sack Kraft Perú	1057	-11.971666	-77.061944
Corrugados Impresos Buin	6264	-33.733055	-70.726666
Corrugados Impresos Tiltil	2841	-33.134444	-70.814166
Corrugados Impresos Osorno	1672	-40.704444	-73.003055
Softys Sepac	3886	-25.866631	-50.811139
Softys Panamericana	3285	-16.419199	-71.551266
Sack Kraft México Irapuato	75	20.768554	-101.321836
Softys Valle de México	170	19.706579	-99.187566

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Industrial Operations	1620810
Forestry Operations	254281

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4a/C-FB7.4a/C-PF7.4a

(C-AC7.4a/C-FB7.4a/C-PF7.4a) Select the form(s) in which you are reporting your agricultural/forestry emissions.

Total emissions

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Agriculture/Forestry

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

254281

Methodology

Default emissions factor

Please explain

CMPC considers the emissions for all our forestry operations in the Celulosa business unit, we have operations in Chile, Brazil and Argentina.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Chile	433099	11365
Brazil	38870	38870
Argentina	50734.38	50734.38
Colombia	7400	7400
Ecuador	1070	1070
Uruguay	613	613
Peru	31399	1662
Mexico	36579	36579

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Celulosa	120069	5609
Biopackaging	288022	10911
Softys	191119	131391
Forestal	555	383

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Santa Fe Pulp Mill	46638	0
Pacifico Pulp Mill	1504	0
Laja Pulp Mill	9216	0
Guaiba Pulp Mill	2925	2925
Mulchen Sawmill	9573	0
Nacimiento Sawmill	6165	0
Bucalemu Sawmill	7630	2684
Clear Remanufacturing Plant	4802	0
Coronel Remanufacturing Plant	4232	0
Plywood Plant	27384	0
Boxboard Maule	177692	8228
Boxboard Valdivia	23519	0
Sack Kraft Chile	1493	0
Sack Kraft Perú	896	0
Sack Kraft México Guadalajara	1675	1675
Sack Kraft Argentina	284	284
EDIPAC	410	0
Fibras	497	218
Corrugados Pulpa Moldeada	1537	0
Corrugados Planta Cordillera	70820	0
Corrugados Buin	4841	0
Softys Puente Alto	28523	0
Corrugados Tiltit	2515	0
Corrugados Osorno	1336	0
Softys Talagante	2365	0
Softys Naschel	5392	5392
Softys Zárate	44769	44769
Softys Tortuguitas/Wilde	221	221
Softys Guayaquil	1070	1070
Softys Pando	613	613
Softys Ganchancipá	6638	6638
Softys Cali	763	763
Softys García	6952	6952
Softys Altamira	23891	23891
Softys Santa Catarina	900	900
Softys Caieiras	16681	16681
Softys Recife	136	136
Softys Mogi	2656	2656
Softys Guaiba	42	42
Softys Cañete	10604	0
Softys Santa Rosa (Santa Anita)	16877	0
Softys Rosales (Santa Anita)	1359	0
Sorepa Perú	56	56
Softys Sepac	16350	16350
Softys Panamericana	1606	1606
Sack Kraft México Irapuato	506	506
Softys Valle de México	2655	2655
Forestal Mininco	407	235
Bosques del Plata	68	68
Florestal Brasil	80	80

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Industrial Operations	599210	147911
Forestry operations	555	383

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	32564	Decreased	1.5	In 2020 scope 1+2 emissions from all CMPC operations were 2,143,198 tCO2e and during 2021 they were 2,023,386 tCO2e. Therefore, the change in emissions was -119,812 tCO2e (2020 scope 1+2 emissions - 2021 scope 1+2 emissions). Then, the percentage reduction is estimated as the total reduction over the 2020 scope 1+2 gross emissions (-119,812/2,143,198*100) giving a -5.6% variation. CMPC during 2021 acquired PPA's that ensure the provision of 100% renewable energy for 4 industrial operations in Peru which explains the decrease in total Scope 1 and 2 emissions, since when considering market emissions Scope 2 emissions were counted as a zero factor. This reduction was 32,534 tCO2e and considering the total 2020 scope 1 and 2 emissions, the variation is accounted as -1.5% (-32,534/2,143,198*100).
Other emissions reduction activities	88551	Decreased	4.1	In 2020 scope 1+2 emissions from all CMPC operations were 2,143,198 tCO2e and during 2021 they were 2,023,386 tCO2e. Therefore, the change in emissions was -119,812 tCO2e (2020 scope 1+2 emissions - 2021 scope 1+2 emissions). Then, the percentage reduction is estimated as the total reduction over the 2020 scope 1+2 gross emissions (-119,812/2,143,198*100) giving a -5.6% variation. In 2021, it presented a decrease in emissions in all three business areas. At Celulosa, the reductions are explained by operating results. At Santa Fe, general plant shutdowns were carried out, which resulted in a lower consumption of fuel oil 6 compared to 2020. At Guaiba, operational continuity and efficiency made it possible to use less diesel and fuel oil 6, and natural gas consumption was also reduced. Finally, at Pacifico, fuel oil 6 consumption was reduced due to the burning of hydrogen in the lime kiln. Biopackaging also showed significant reductions, which is related to the start-up of the biomass boiler and the transformation of the oil 6 boiler to natural gas at the Boxboard Valdivia plant. This effect was slightly offset by the increase at Corrugados Cordillera, a plant that had to increase cogeneration by burning more natural gas at the request of the National Electric Coordinator (CNE, for its acronym in Spanish) in Chile and at Boxboard Maule, a greater amount of fuel oil 6 (fuel derived from petroleum for heating) was burned due to the maintenance of the EISA supplier company's biomass boilers. At Softys, reductions were represented by lower electricity consumption, efficiencies at the Talagante plant in Chile, production shutdowns at Santa Anita in Peru, and implementation of process improvements such as biomass boilers and reduction of liquefied petroleum gas forklifts at the Caeiras plant in Brazil. All these actions combined are estimated at a reduction of 88,551 tCO2e and considering the total 2020 Scope 1 and 2 emissions, the variation is accounted for as -4.1% (-88,551/2,143,198*100).
Divestment	2134	Decreased	0.1	In 2020 scope 1+2 emissions from all CMPC operations were 2,143,198 tCO2e and during 2021 they were 2,023,386 tCO2e. Therefore, the change in emissions was -119,812 tCO2e (2020 scope 1+2 emissions - 2021 scope 1+2 emissions). Then, the percentage reduction is estimated as the total reduction over the 2020 scope 1+2 gross emissions (-119,812/2,143,198*100) giving a -5.6% variation. During 2021, on June 30, 2 plants were closed at CMPC, Softys Guaiba and Softys Santa Catarina. This reduction was 2,134 tCO2e and considering the total 2020 scope 1 and 2 emissions, the variation is accounted as -0.1% (-2,134/2,143,198*100), which reflects that the variation due to this situation was not significant.
Acquisitions	3406	Increased	0.2	In 2020 scope 1+2 emissions from all CMPC operations were 2,143,198 tCO2e and during 2021 they were 2,023,386 tCO2e. Therefore, the change in emissions was -119,812 tCO2e (2020 scope 1+2 emissions - 2021 scope 1+2 emissions). Then, the percentage reduction is estimated as the total reduction over the 2020 scope 1+2 gross emissions (-119,812/2,143,198*100) giving a -5.6% variation. During 2021, as of January 1, CMPC took operational control of 100% of the Sack Kraft Irapuato and Softys Valle de Mexico plants, both located in Mexico. This variation implied an increase of 3,406 tCO2e and considering the total 2020 scope 1 and 2 emissions, the variation is accounted as +0.2% (3,406/2,143,198*100), which reflects that the variation due to this situation was not significant and counteracts the closure of the other 2 Softys plants mentioned above (Divestment).
Mergers	0	No change	0	There were no mergers during 2021.
Change in output	0	No change	0	There were no relevant changes in emissions due to changes in outputs during 2021.
Change in methodology	0	No change	0	There were no changes in the scope 1 and 2 methodology during 2021.
Change in boundary	0	No change	0	There were no changes in boundaries during 2021.
Change in physical operating conditions	0	No change	0	There were no changes in physical operating conditions that affected scope 1 and 2 emissions during 2021.
Unidentified	0	No change	0	There were no unidentified changes in emissions during 2021.
Other	0	No change	0	There were no other changes in emissions during 2021.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 20% but less than or equal to 25%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	28271656	5775056	34046712
Consumption of purchased or acquired electricity	<Not Applicable>	1567143	722912	2290055
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	547202	0	547202
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	30386001	6497968	36883969

C8.2b**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.****Sustainable biomass****Heating value**

LHV

Total fuel MWh consumed by the organization

5214738

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

585443

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

4629295

Comment

All biomass consumed by CMPC is certified under a sustainable forest management or chain of custody certification scheme FSC or PEFC. We use biomass in stationary sources only.

Other biomass**Heating value**

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

All biomass consumed by CMPC is certified under a sustainable forest management or chain of custody certification scheme FSC or PEFC. We do not use any other type of biomass in our stationary sources.

Other renewable fuels (e.g. renewable hydrogen)**Heating value**

LHV

Total fuel MWh consumed by the organization

23056923

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

154860

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

22902063

Comment

In this category we are reporting the black liquor generated in the manufacturing process of our pulp mills, hydrogen also generated in the pulp manufacturing processes through electrolysis for which we have NCRE certificates for the electricity consumed only in Pacífico pulp mill and biogenic methanol consumed in Pacífico and Guaíba pulp mills.

Coal**Heating value**

LHV

Total fuel MWh consumed by the organization

1043444

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

1043446

Comment

We use coal only in the Guaíba pulp mill. However, during 2021 we began construction of the BioCMPC project in Guaíba to modernize our plant, expand production and replace the coal-fired boiler. The project should be operational by 2024.

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

1497579

MWh fuel consumed for self-generation of electricity

59297

MWh fuel consumed for self-generation of heat

1438282

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

In this category we are incorporating Fuel Oil 6 and diesel. We use fuel oil in stationary sources and diesel in stationary and mobile sources.

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

3232743

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

1571053

MWh fuel consumed for self-generation of steam

1169179

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

492510

Comment

In this category we are considering the consumption of NGL and LPG. We use NGL in stationary sources only and LPG in our mobile sources mainly and in some stationary sources.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

We do not use any other non-renewable fuel that falls into this category.

Total fuel**Heating value**

LHV

Total fuel MWh consumed by the organization

34046712

MWh fuel consumed for self-generation of electricity

59297

MWh fuel consumed for self-generation of heat

3164195

MWh fuel consumed for self-generation of steam

1754622

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

29067314

Comment

The total value reported corresponds to the primary energy consumption for the production of secondary energy for the entire company. There are no exclusions.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	3779896	3540487	3303175	2568685
Heat	3164195	3164195	154860	154860
Steam	1387473	1387473	866523	866523
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Peru

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

148980

Country/area of origin (generation) of the low-carbon energy or energy attribute

Peru

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1906

Comment

The origin of Enel Generación Perú and Enel Distribución Perú dates back to the creation of Empresas Eléctricas Asociadas in 1906, a private company engaged in the generation, transmission and distribution of electricity. During 2016, by agreement of the General Shareholders' Meetings of these companies that were majority owned by the Enel Group in Peru, the change of the names of the companies Edelnor, which was renamed Enel Distribución Perú, was approved.

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Large hydropower (>25 MW)

Country/area of low-carbon energy consumption

Chile

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

643560

Country/area of origin (generation) of the low-carbon energy or energy attribute

Chile

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2016

Comment

The Carilafquén-Malalcalahuello run-of-river power plant was designated by the Committee of Ministers of the economic area as a priority initiative for private investment at the national level. In addition, the project is a finalist in the 2015 Private Sector Infrastructure Sustainability Awards of the Inter-American Development Bank (IDB), in recognition of relevant improvements in terms of environmental optimization, basically replacing open water conduction channels with subway pipes that minimize effects on the landscape, safety, and barrier effects for agricultural and grazing uses. During 2020 CMPC acquired PPA's that secure the provision of a 100% non-conventional renewable energy for all the electricity purchased by its facilities in Chile for the years 2020-2027. Which implies the annual savings of 230,000-250,00 tCO₂e annually considering a market-based scope 2 approach. One of these contracts was with Empresa Eléctrica Carén S.A. Attribute transfers are made through RENOVA, a national platform for the complete registration of the voluntary market of renewable energy attributes in the National Electric System, developed by the National Electric System. National Electric System, developed by the National Electric Coordinator and whose technological base is centered on blockchain. This registry guarantees the transparency, traceability and robustness of the renewable energy attributes market, avoiding double accounting, double sales or proclamation of renewable attributes and, thus, enabling supply companies and end customers to verify compliance with their associated contractual commitments. The platform works on the basis of the Monthly Energy Injection and Withdrawal Balances, Annual ERNC Balance balances, Annual NCRE Balance and information exported from the Coordinator's platforms (Infotécnica for Coordinator (Infotécnica for Facilities and REUC -Registro Único de Coordinados- for Organizations). The process also requires organizations to register and validate contracts (automatic transactions) between the selling and buying parties. buying side. In this way, reports with different granularities granularity, issuance factors and compliance and certificates of compliance.

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

Chile

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

214520

Country/area of origin (generation) of the low-carbon energy or energy attribute

Chile

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2016

Comment

The Luz del Norte project is a solar photovoltaic (PV) power facility built in 2016, and occupies 478 hectares of land located 58 km northeast of Copiapó, Chile. The 141 MW project features power generated by more than 1.7 million thin-film PV modules from First Solar, while avoiding CO₂ emissions equivalent to more than 185,000 metric tons per year. In addition to supplying the solar modules for this project, First Solar is providing engineering, development, construction, operations and maintenance, and recycling services. During 2020 CMPC acquired PPA's that secure the provision of a 100% non-conventional renewable energy for all the electricity purchased by its facilities in Chile for the years 2020-2027. Which implies the annual savings of 230,000-250,00 tCO₂e annually considering a market-based scope 2 approach. One of these contracts was with Luz del Norte SpA. Attribute transfers are made through RENOVA, a national platform for the complete registration of the voluntary market of renewable energy attributes in the National Electric System, developed by the National Electric System. National Electric System, developed by the National Electric Coordinator and whose technological base is centered on blockchain. This registry guarantees the transparency, traceability and robustness of the renewable energy attributes market, avoiding double accounting, double sales or proclamation of renewable attributes and, thus, enabling supply companies and end customers to verify compliance with their associated contractual commitments. The platform works on the basis of the Monthly Energy Injection and Withdrawal Balances, Annual ERNC Balance balances, Annual NCRE Balance and information exported from the Coordinator's platforms (Infotécnica for Coordinator (Infotécnica for Facilities and REUC -Registro Único de Coordinados- for Organizations). The process also requires organizations to register and validate contracts (automatic transactions) between the selling and buying parties. buying side. In this way, reports with different granularities granularity, issuance factors and compliance and certificates of compliance.

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Sustainable biomass

Country/area of low-carbon energy consumption

Chile

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

252609

Country/area of origin (generation) of the low-carbon energy or energy attribute

Chile

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2011

Comment

Although CMPC's main business is not electricity generation, the company, through its Forest Bioenergies area, injects energy into the national electricity system through certified biomass and other biofuels such as black liquor and methanol. Although CMPC's main business is not electricity generation, the company, through its Forest Bioenergies area, injects energy into the national electricity system through certified biomass and other biofuels such as black liquor and methanol. Its corporate purpose are: Production, transportation, distribution, supply and distribution of energy; Management and operation of power generation plants; Develop projects under the Kyoto agreement or other agreements; Buy and sell certified greenhouse gas emission reductions; among others. During 2020 CMPC acquired PPA's that secure the provision of a 100% non-conventional renewable energy for all the electricity purchased by its facilities in Chile for the years 2020-2027. Which implies the annual savings of 230,000-250,00 tCO2e annually considering a market-based scope 2 approach. The difference between consumption and attributes committed in contracts is covered by Bioenergías Forestales. Attribute transfers are made through RENOVA, a national platform for the complete registration of the voluntary market of renewable energy attributes in the National Electric System, developed by the National Electric System. National Electric System, developed by the National Electric Coordinator and whose technological base is centered on blockchain. This registry guarantees the transparency, traceability and robustness of the renewable energy attributes market, avoiding double accounting, double sales or proclamation of renewable attributes and, thus, enabling supply companies and end customers to verify compliance with their associated contractual commitments. The platform works on the basis of the Monthly Energy Injection and Withdrawal Balances, Annual ERNC Balance balances, Annual NCRE Balance and information exported from the Coordinator's platforms (Infotécnica for Coordinator (Infotécnica for Facilities and REUC -Registro Único de Coordinados- for Organizations). The process also requires organizations to register and validate contracts (automatic transactions) between the selling and buying parties. buying side. In this way, reports with different granularities granularity, issuance factors and compliance and certificates of compliance.

C8.2g**(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.****Country/area**

Chile

Consumption of electricity (MWh)

3309063

Consumption of heat, steam, and cooling (MWh)

3128063

Total non-fuel energy consumption (MWh) [Auto-calculated]

6437126

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Brazil

Consumption of electricity (MWh)

1508134

Consumption of heat, steam, and cooling (MWh)

942095

Total non-fuel energy consumption (MWh) [Auto-calculated]

2450229

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Argentina

Consumption of electricity (MWh)

157290

Consumption of heat, steam, and cooling (MWh)

234848

Total non-fuel energy consumption (MWh) [Auto-calculated]

392138

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Peru

Consumption of electricity (MWh)

157000

Consumption of heat, steam, and cooling (MWh)

296040

Total non-fuel energy consumption (MWh) [Auto-calculated]

453040

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Mexico

Consumption of electricity (MWh)

279507

Consumption of heat, steam, and cooling (MWh)

665907

Total non-fuel energy consumption (MWh) [Auto-calculated]

945414

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Colombia

Consumption of electricity (MWh)

46181

Consumption of heat, steam, and cooling (MWh)

87229

Total non-fuel energy consumption (MWh) [Auto-calculated]

133410

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Uruguay

Consumption of electricity (MWh)

23638

Consumption of heat, steam, and cooling (MWh)

47320

Total non-fuel energy consumption (MWh) [Auto-calculated]

70958

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Ecuador

Consumption of electricity (MWh)

5387

Consumption of heat, steam, and cooling (MWh)

400

Total non-fuel energy consumption (MWh) [Auto-calculated]

5787

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Land use

Metric value

389376

Metric numerator

Hectares conserved, protected and/or restored.

Metric denominator (intensity metric only)

N/A

% change from previous year

0.9

Direction of change

Increased

Please explain

CMPC conserves and protects important species of flora, fauna, river basin and critical ecosystems and their services. Approximately 1/3 of our forest assets correspond to protection and conservation areas. During 2019 we committed to continue increasing the conservation and protection areas in our forestry patrimony, committing to add 100,000 ha to the already existing ones in Argentina, Brazil and Chile, considering the 2018 baseline of 321,529 ha. By 2021 we reached 389,376 ha of conservation and protection, 3,650 ha more than 2020 (385,726 ha), reaching a percentage of progress against our baseline of 67.8% and 0.9% over last year.

Description

Waste

Metric value

427798

Metric numerator

metric tons of waste sent to landfill.

Metric denominator (intensity metric only)

N/A

% change from previous year

16.1

Direction of change

Decreased

Please explain

In 2019, CMPC committed to be a company with zero waste to landfill by 2025 considering 2018 as the baseline where 714,299 metric tons were sent. During 2021 we sent 427,798 metric tons, having made progress in the amount of waste diverted from landfills, reaching a percentage of progress against our baseline of 44.6% and 16.1% compared to last year.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Carbon footprint verification letter - CMPC 2021 (english).pdf

Page/ section reference

Pages 1 to 3.

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Carbon footprint verification letter - CMPC 2021 (english).pdf

Page/ section reference

Pages 1 to 3.

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

- Scope 3: Purchased goods and services
- Scope 3: Capital goods
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Downstream transportation and distribution
- Scope 3: Processing of sold products
- Scope 3: Use of sold products
- Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Carbon footprint verification letter - CMPC 2021 (english).pdf

Page/section reference

Pages 1 to 3.

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	KPMG performed a limited review of the content and data related to the SASB indicator "RR-PP130a.1": (1) total energy consumed, (2) percentage of electricity from the grid, (3) percentage from biomass, (4) percentage from other renewable energies. The review was conducted in accordance with the attestation engagement standards established by the Chilean Association of Accountants and the information was disclosed in the Company's 2021 integrated report.	Page 204 (of the PDF) of the Integrated Report contains the assurance letter from the external audit firm KPMG. This verification is conducted annually, performed by a third party, and the results are publicly disclosed in our Integrated Report. The verification is a limited review, in which the third party selects a random sample of facilities that provide all the required information, and is analyzed and reviewed by a team of experts provided by the third party. REPORTE_INTEGRADO_2021_ENG.pdf Sustainability indicators verification letter - CMPC 2021 (english).pdf
C4. Targets and performance	Other, please specify (The 3 other climate related targets reported in C4.2 are verified: waste diverted from landfill, industrial water use intensity, and hectares reserved, protected and restored.)	KPMG conducted a limited review of the content and data related to the GRI indicators 306-4 and 306-5, SASB indicator "RRPP-140a.1" and CMPC indicator CMPC1 and CMPC9. The review was conducted in accordance with the attestation engagement standards established by the Chilean Association of Accountants and the information was disclosed in the Company's 2021 integrated report.	Page 204 (of the PDF) of the Integrated Report contains the assurance letter from the external audit firm KPMG. This verification is conducted annually, performed by a third party, and the results are publicly disclosed in our Integrated Report. The verification is a limited review, in which the third party selects a random sample of facilities that provide all the required information, and is analyzed and reviewed by a team of experts provided by the third party. REPORTE_INTEGRADO_2021_ENG.pdf Sustainability indicators verification letter - CMPC 2021 (english).pdf
C9. Additional metrics	Other, please specify (The 3 other climate related targets reported in C4.2 are verified: waste diverted from landfill, industrial water use intensity, and hectares reserved, protected and restored.)	KPMG conducted a limited review of the content and data related to the GRI indicators 306-4 and 306-5, SASB indicator "RRPP-140a.1" and CMPC indicator CMPC1 and CMPC9. The review was conducted in accordance with the attestation engagement standards established by the Chilean Association of Accountants and the information was disclosed in the Company's 2021 integrated report.	Page 204 (of the PDF) of the Integrated Report contains the assurance letter from the external audit firm KPMG. This verification is conducted annually, performed by a third party, and the results are publicly disclosed in our Integrated Report. The verification is a limited review, in which the third party selects a random sample of facilities that provide all the required information, and is analyzed and reviewed by a team of experts provided by the third party. REPORTE_INTEGRADO_2021_ENG.pdf Sustainability indicators verification letter - CMPC 2021 (english).pdf
C0. Introduction	Other, please specify (Area of forestland and certified)	KPMG conducted a limited review of the content and data related to SASB indicator "RR-FM-000.A" and "RR-FM-160a.1". The review was conducted in accordance with the attestation engagement standards established by the Chilean Association of Accountants and the information was disclosed in the Company's 2021 integrated report.	Page 204 (of the PDF) of the Integrated Report contains the assurance letter from the external audit firm KPMG. This verification is conducted annually, performed by a third party, and the results are publicly disclosed in our Integrated Report. The verification is a limited review, in which the third party selects a random sample of facilities that provide all the required information, and is analyzed and reviewed by a team of experts provided by the third party. REPORTE_INTEGRADO_2021_ENG.pdf Sustainability indicators verification letter - CMPC 2021 (english).pdf
C11. Carbon pricing	Other, please specify (Green tax)	KPMG conducted a limited review of the content and data related to internal CMPC indicator "CMPC4". The review was conducted in accordance with the attestation engagement standards established by the Chilean Association of Accountants and the information was disclosed in the Company's 2021 integrated report.	Page 204 (of the PDF) of the Integrated Report contains the assurance letter from the external audit firm KPMG. This verification is conducted annually, performed by a third party, and the results are publicly disclosed in our Integrated Report. The verification is a limited review, in which the third party selects a random sample of facilities that provide all the required information, and is analyzed and reviewed by a team of experts provided by the third party. REPORTE_INTEGRADO_2021_ENG.pdf Sustainability indicators verification letter - CMPC 2021 (english).pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Chile carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Chile carbon tax

Period start date

January 1 2021

Period end date

December 31 2021

% of total Scope 1 emissions covered by tax

35.8

Total cost of tax paid

2520340

Comment

This tax applies only to the some of the company's facilities in Chile, such as: Corrugados Cordillera, Maule, Santa Fe, Pacifico, Laja and Softys Talagante. The tax, taxes emissions of particulate matter (PM), nitrogen oxide (NOx), sulfur dioxide (SO2) and carbon dioxide (CO2), produced by establishments whose stationary sources, made up of boilers or turbines, individually or together add up to a generation power greater than or equal to 50 [MWt]. It is important to consider that it taxes the emissions as a whole and considers biogenic emissions of CO2, not considered in scope 1 and reported separately, and particulate matter air emissions that are not greenhouse gasses, also not consider in scope 1. That is why reporting the percentage of scope 1 emissions covered is not accurate, though and estimation is presented, as the total amount of scope 1 emissions from stationary sources of the facilities subject to this tax from the total scope 1 of CMPC.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

In 2017, Chile introduced a carbon tax, meaning that CMPC must make payments based on our GHG emissions and other air emissions such as particulate matter. These regulations may become more restrictive over time, having a potential impact on our operational costs. That is why in 2016, CMPC started a meticulous process to measure its GHG emissions in all its subsidiaries in Chile, including its productive operations and the administrative and management activities carried out at the main offices and headquarters. Since 2017 CMPC measure its carbon footprint considering all its operations in 8 Latin American countries. During September 2019, to be ahead of future restrictions on emissions, CMPC established the long-term commitment to reduce by 50% it's scope 1+2 emissions by 2030, considering it's company-wide operations. Currently we are developing our roadmap to achieve this goal considering emissions reduction investments where they are most cost efficient, and where they have the biggest impact, that includes our operations in Chile which are subject to carbon taxes such as our pulp mills: Santa Fe, Pacifico and Laja and our Boxboard facility Maule; focusing our investments in emissions reductions in the facilities with higher emissions and that are subject to taxes. Investments have already been made to reduce emissions and avoid paying taxes in some facilities. For example during 2019 and 2020, a new first class biomass boiler was installed in Cartulinas Valdivias, replacing 2 older biomass boilers and one fuel oil boiler. This new boiler allows the facility to generate enough power to supply the facility with enough energy for future increases in the plant's production capacity, without surpassing the 50MWt generation power that makes you subject to the chilean carbon tax and at the same time, reduces scope 1 emissions from the less efficient biomass boilers and the fuel oil one it replaces.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

0.14

% total procurement spend (direct and indirect)

13.4

% of supplier-related Scope 3 emissions as reported in C6.5

7

Rationale for the coverage of your engagement

During 2021, our subsidiary Softys conducted a pilot evaluation of its suppliers through the ECOVADIS program. The pilot considered 31 suppliers, corresponding to 33% of critical input suppliers, equivalent to 40% of spending in these categories. Scope 3 emissions for Softys in these Scope 3 categories correspond to 1,425,949 tCO₂e, however when weighted by expenditure, emissions translate into 570,380 tCO₂e, corresponding to 7% of CMPC's total Scope 3 emissions (8,194,363 tCO₂e).

Impact of engagement, including measures of success

In 2021 our subsidiary Softys officially initiated the responsible sourcing program in which it analyzed the environmental, social, ethical and supply chain performance of our suppliers, from a logic of continuous improvement and moving forward together in matters of sustainability. During 2021 Softys developed and made official its Responsible Sourcing Policy, which aims to promote responsible purchasing practices, allowing to ensure a total sustainable supply chain. To this end, the following goals and lines of action were defined: 1. Achieve that 100% of our critical suppliers make their ESG management transparent through supplier management platforms by 2025. 2. Achieve 100% FSC Chain of Custody Certification by 2025. In order to talk about success in responsible sourcing actions, we consider the following indicators: 1.- Publish the Responsible Sourcing Policy: 100% compliance. 2.- Achieve FSC Chain of Custody Certification in 100% of the countries of industrial operation: 75% compliance. 3.- To successfully implement the supplier evaluation pilot in 2021: 100% compliance. 4.- Evaluate 100% of critical input suppliers by 2025: 19.3% compliance. We consider the initiative to be a success since in 2 indicators 100% has already been met and a third has reached 75%.

Comment

The percentages of emissions were calculated based on the % of expenses and segregating the total emissions by each business and subsidiary, in order to make a correct allocation of emissions. Softys' total Scope 3 emissions represent 28%. The categories associated with the relationship with suppliers represent 17.4% (excluding emissions from processing of sold products and end-of-life categories). However, the % of expenditure represented by the suppliers evaluated was 40%, equivalent to 570,380 tCO₂e or 70% of CMPC's Scope 3 total. It is important to point out that for the calculation of the % based on the number of suppliers, CMPC, having a subsidiary dedicated to the collection and management of paper and cardboard waste, receives and purchases these materials from natural persons and base collectors, which add up to a large amount, so they are not suppliers whose impact on GHG emissions is of a considerable magnitude when compared to small, medium and large companies, therefore the value has a bias that we will specify in the near future.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

0.21

% total procurement spend (direct and indirect)

10

% of supplier-related Scope 3 emissions as reported in C6.5

5.5

Rationale for the coverage of your engagement

During 2020 CMPC was part of the CDP Supply Chain program and invited suppliers to respond to the 3 questionnaires: Climate Change, Water Security and Forests. 51 suppliers were invited to respond the Climate Change questionnaire. The invited suppliers were chosen by the supply chain departments of each of CMPC's business units Celulosa, Softys and Biopackaging, considering critical suppliers criteria such as percentage of spend, volume of goods provided, capacity to replace them, among others. The list of 51 suppliers was then determined giving the same amount of suppliers to each business unit. All suppliers were personally invited to respond to the CDP questionnaire by the main contact of the supply chain department. For the company, the main objective of a sustainable value chain is to create shared value with the surrounding communities, developing local suppliers and taking care of the environment and people's safety, which is a strategic development area. Thus, in 2021, CMPC created the Strategic Supplier Relationship Management. This management is developing a comprehensive supplier evaluation model which has been planned in 3 stages. The first stage consists of the initial evaluation, accreditation and registration, where the General Procedure for the Development of Local Suppliers was generated. The following stages are related to pre-qualification, tender and the awarding purchases of products/services. It is here where clauses on sustainable development, care for the environment and community relations have been incorporated. As part of CMPC's procedures, supplier selection processes evaluate social development and environmental care factors. In particular, in 2021, all CMPC tenders were assigned a weighting of 10% for social factors, which is related to the degree of relationship and impact on the surrounding communities. In addition, the services provided by contractors at the time of closing their services are evaluated, measuring aspects of environmental care, energy efficiency and people's health and safety. Management's 2022-2023 plan is to further develop the ESG areas, where the topics related to climate change are energy efficiency, electromobility, GHG emissions, efficient water use, and environmental compliance, taking as a reference inputs from CDP Supply Chain 2020, Dow Jones Sustainability Index criteria, Sustainalytics, and GRI.

Impact of engagement, including measures of success

The CDP Supply Chain was for CMPC a first instance of supplier engagement considering specific climate change criterias so it gave as a first glimpse of how these critical suppliers that were chosen are handling climate change issues. As a first year of engagement the success metric considered was number of responding suppliers. Of the 51 suppliers invited to respond to the climate change questionnaire, 39 responded, having a 75% response rate, which is very high for the first year of the program. For us having of 50% of responding suppliers was a successful result.

Comment

The percentage of emissions was estimated considering the 10% spend this suppliers represent and the total scope 3 emissions from the categories that this suppliers contribute to, such as upstream and downstream transportation, purchased goods and services, capital goods and fuel and energy related activities. It is important to point out that for the calculation of the % based on the number of suppliers, CMPC, having a subsidiary dedicated to the collection and management of paper and cardboard waste, receives and purchases these materials from natural persons and base collectors, which add up to a large amount, so they are not suppliers whose impact on GHG emissions is of a considerable magnitude when compared to small, medium and large companies, therefore the value has a bias that we will specify in the near future.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy
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% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

24

Please explain the rationale for selecting this group of customers and scope of engagement

CMPC is constantly engaging with its customers and educating them about our Climate Change strategy, performance and initiatives. We always include contents of sustainability in all main presentations to customers and clients, and have presented this in important events such as Pulp week, pulp summit and in particular presentations for all our subsidiaries. In this presentations, we include subjects as our climate change policy and progress towards our 4 long-term sustainability targets: GHG emissions reductions targets toward 2030, and what are we going to do to achieve it, Water use reduction initiatives of 25% by 2025, How we plan to be a zero waste to landfill company by 2025 and adding 100 thousand new hectares for conservation and protection by 2030. At the same time, our Celulosa subsidiary through its marketing division, send newsletters about the company's main events and always include news related to sustainability such as questionnaires results, new green finance mechanisms, commitments, among others. We also have available a sustainability brochure in our sustainability webpage, were main sustainability performance including climate change issues are reported, and printed versions of it are handed out in customers and clients visits and events, so we consider 100% of our customers have access to be educated in our climate change performance and initiatives. During 2021 there has been greater interaction with our customers, for example in the case of Cellulose we have provided assistance and recommendations for the quantification of GHG emissions considering our products as their main raw materials. The same happens in the case of Biopackaging where we have participated in responsible sourcing programs since some of their customers are committed to SBTi reduction goals. And in particular for the case of Wood area, during 2021 we initiated the study of an Environmental Product Declaration following a request from a major customer in Europe.

Impact of engagement, including measures of success

We consider that 100% of our clients and customers have been presented or have access to our sustainability agenda including commitments towards mitigating and adapting to climate change. The positive impacts we have seen include the increasing requests of customers to have presentations of our Corporate Sustainability Department on this subjects, and increasing requests in knowing more about our sustainability commitments and future steps. This has also led to an increase in sustainability content in all the company's communications due to appreciation of customers and investors towards being inform of the positive and negative impacts we have, such as carbon emissions, reduction targets, new green finance mechanisms, sustainability questionnaires results, among others.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Declaración Pública Líderes Empresariales por la Acción Climática - CLG (CMPC).pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

To ensure that our policy engagement objectives are aligned with our overall climate change policy and strategy, engagements with trade associations and donations associated with policy influence are supervised by the Corporate Affairs Area, in which also is inserted the Corporate sustainability area. All the most important associations that are likely to take a position on Climate Change or that can influence policy are evaluated and analyzed, participating directly or indirectly in their working groups or committees, by CMPC's Corporate Director of Sustainability, who is the most senior manager in charge of guiding the company's climate change strategy, based on our climate change policy. His participation in these main instances or the participation of a company expert designated by him according to his experience, ensures that the activities in which we participate are aligned with our corporate vision and policies. For example, after several discussions, since 2021 the CEO of CMPC is a board member of the Corporate Leaders Group for Climate Change in Chile (CLG-Chile), one of the most consistent voices of open support for the development of policies in Europe that combat the effects of climate change and maintain a favorable environment for business. CMPC recognizes its responsibility for climate action in line with its mission, values, and corporate purpose. We rely on scientific data which indicates that human activity has been accelerating global warming. We also understand that deteriorating environmental conditions could in turn have an adverse effect on humanity. In our climate change policy we establish "Working with our people, communities, providers, clients and other stakeholders on building awareness about climate change and its impacts in order to inspire action and develop a shared response". The company always consider all of these before engaging in studies, working with peers and making donations to trade association or research, among other similar activities that relate to climate change. CMPC makes yearly donations to several social, cultural and academic institutions that contribute to national scientific, cultural, social, educational and economic development, specially focus in sustainable forest management and innovation. All our memberships are aimed at initiatives, alliances and/or collaborative platforms aligned with sustainable development, circular bioeconomy, mitigation and adaptation to climate change, among others.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change
Climate-related targets
Mandatory climate-related reporting

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Chile's Framework Law on Climate Change is the legal framework that allows assigning responsibilities for reducing emissions or requiring the implementation and reporting of measures to mitigate emissions and adapt to the impacts of climate change. This legislation is also key because it establishes the fight against climate change and the mechanisms that the country will use to face it. It establishes the goal for the country to be carbon neutral and climate resilient by 2050, reduce GHG emissions; adapt to the impacts generated, improve food security, increase water availability, and reduce pollution and health risks. The law also recognizes the Nationally Determined Contribution (NDC), which contains Chile's commitments to the international community in mitigation and adaptation to climate change, establishing how we will advance. Along these lines, the law requires the preparation of sectoral mitigation and adaptation plans with concrete measures and actions to meet these goals. The regulation mandates the development of Strategic Plans for Water Resources in Basins for the 101 basins of the country. In practice, the relevance of this law is that it involves also the private sector to take on the challenge of carbon neutrality and this is where the forestry sector takes on a relevant role in terms of ecosystem services of carbon capture and storage, protection of biodiversity and watersheds, and provision of resources and bioenergy.

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

Chile

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Through direct invitations to the company through: 1) participation in meetings and workshops attended by the Sustainability Director as an expert, and 2) through contributions to public consultations that contemplate the legislative processes in the country. Additionally, through the associations in which CMPC participates, there were also contributions and work through the mechanisms of meetings and public consultations. Some of these associations are CLG-Chile, CORMA and Acción Empresas, among others.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change
Climate-related targets
Mandatory climate-related reporting

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Chile's Long-Term Climate Strategy (LTCS), established by the Climate Change Law, is the instrument that defines the general long-term guidelines that the country will follow in a cross-cutting and integrated manner, considering a 30-year horizon, to face the challenges posed by climate change; The objective is to move towards a low greenhouse gas emissions development, until reaching and maintaining the neutrality of greenhouse gas emissions; to reduce vulnerability and increase resilience to the adverse effects of climate change; and to comply with the international commitments assumed by the State of Chile in this matter. Among its most relevant contents are the definition of a national budget for greenhouse gas emissions in 2030 and 2050, sectoral mitigation goals (emission budgets for each of the sectors) and adaptation indicators and goals as established in the bill, which must be met within 10 years. Additionally, it contains guidelines on adaptation to climate change, as well as risk assessment, considering the vulnerability of each specific sector.

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

Chile

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Through direct invitations to the company through: 1) participation in meetings and workshops attended by the Sustainability Director as an expert, and 2) through contributions to public consultations that contemplate the legislative processes in the country. Additionally, through the associations in which CMPC participates, there were also contributions and work through the mechanisms of meetings and public consultations. Some of these associations are CLG-Chile, CORMA and Acción Empresas, among others.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Circular economy

Specify the policy, law, or regulation on which your organization is engaging with policy makers

In 2019, the Ministry of Environment, together with the Ministry of Economy, the Production Development Corporation and the Sustainability and Climate Change Agency, initiated the development of a broad participatory process that resulted in the publication of this Roadmap for a Circular Chile by 2040. The vision of the roadmap is that, by 2040, the regenerative circular economy will drive Chile towards a sustainable, fair and participatory development that puts the welfare of people at the center; this, through the care of nature and its living beings, the responsible and efficient management of natural resources, and a society that uses, consumes and produces in a sustainable and conscious way, promoting the creation of green jobs and opportunities for people and organizations throughout the country. Seven medium- and long-term goals were established to guide Chile's transition to a circular economy, based on standard indicators and tailored to Chile's context and priorities: Generate 100 000 new green jobs by 2030 and 180 000 by 2040. Reduce municipal solid waste per capita by 10% by 2030 and 25% by 2040. Reduce total waste generation by 15% by 2030 and 30% by 2040. Increase material productivity by 30% by 2030 and 60% by 2040. Increase the overall recycling rate to 40 % by 2030 and 75 % by 2040. Increase the municipal solid waste recycling rate to 35% by 2030 and 65% by 2040. Reclaim 50 % of land affected by illegal landfills by 2030 and 90 % by 2040.

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

Chile

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

The process of developing the Roadmap included several participatory instances involved businesses, some NGOs, academic institutions and citizens. One of them were the 'thematic roundtables', which were groups of people with different profiles that will meet 3 to 6 times over 7 weeks, to generate inputs for the process of developing the Roadmap. Those invited to each roundtable include members of the Strategic Committee for the Roadmap, as well as external guests whose experience enriches the process. During 2021, the process of developing the Roadmap included several participatory instances in which CMPC participated through the Sustainability and Innovation Managements in the thematic roundtable: Scaling Innovation and Industry 4.0.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (WBCSD)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

WBCSD is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world. They help make their member companies more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment and societies. Their member companies come from all business sectors and all major economies, representing a combined revenue of more than USD \$8.5 trillion and with 19 million employees. WBCSD is uniquely positioned to work with member companies along and across value chains to deliver high-impact business solutions to the most challenging sustainability issues. Also, Combating climate change and transforming the energy system, prioritization of renewable energy, climate policy; GHG Management and Resilience, among others, objectives are fully consistent with our principles. Yes, we have influence their position, CMPC actively participates in the WBCSD Forest Solutions Group (FSG), as part of one of the 11 companies sharing our experiences, perspective, and data about: renewable energy use, energy efficiency, reducing water usage, conservation and sustainable forest management among other important key KPI for our sector. During 2019, this group launched the Forestry sector SDG Roadmap. The Roadmap was launched at the "Lead, Transform, Succeed: Chief Sustainability Officers for SDGs" event co-hosted by WBCSD as part of the United Nations High-Level Political Forum in New York, where Francisco Ruiz-Tagle CEO of CMPC presented the roadmap in the name of all the companies involved. During 2021 CMPC is part of the WBCSD working group that is reviewing and updating the Greenhouse Gas Protocol Land Sector and Removals Guidance. The objective of this working group is to develop guidelines for the quantification, accounting and reporting of GHG emissions and removals from the forestry sector. The work seeks to reach consensus on estimation methods or approaches, inventory boundaries and key definitions. CMPC is part of the Advisory Committee that provides strategic guidance on the objectives and direction of the project and will also participate in the pilot that will begin in 2022. In general, the work developed with the WBCSD and in particular with the FSG aims to provide information from the forestry sector to policy makers so that they can consider the realities and contributions of the sector.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

211832

Describe the aim of your organization's funding

The company seeks business collaboration to accelerate the transition to a sustainable world, in particular the promotion, adoption of best practices and promotion of cutting-edge sustainability efforts for the forestry sector.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Corporate Leaders Group for Climate Change Chile (CLG-Chile))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The Corporate Leaders Group for Climate Change of the United Kingdom, constitutes the business group in Chile for climate discussion. It collaborates permanently with those responsible for climate policy in the country and in other international instances, consolidating itself as the counterpart of the business world before the public sector on these issues. CMPC has been a member of the Board of Directors of CLG Chile since 2018 and adheres to the principles of CLG-Chile.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

8500

Describe the aim of your organization's funding

Through this association we seek to collaborate permanently with those responsible for climate policies in the country and in other international instances, consolidating ourselves as the counterpart of the business world before the public sector on these issues. For example, during 2021 we participated in the consultative processes for the drafting of the climate change law and the long-term climate strategy, through workshops, meetings and public consultations.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization

Other, please specify (CORMA)

State the organization to which you provided funding

The Chilean Timber and Wood Corporation, CORMA, is a Chilean trade association that brings together 190 actors from the private forestry sector and represents more than 55% of the planted hectares of the country and 85% of forest exports. Its objective is to promote the development of the forestry sector. It encourages stopping climate change, mainly by reforestation, recovering eroded soil, protecting and recovering water basins, maintaining and increasing biodiversity, among others.

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

861874

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Through CORMA, the forestry sector in Chile dialogues with different state and other actors. The position of the forestry sector in Chile is that forests and forest plantations play a fundamental role within the actions to achieve mitigation and adaptation to climate change, supporting Chile's commitments to achieve the goal of carbon neutrality. The association knows that its fundamental contributions are focused on reforestation, planting more than what is harvested; soil recovery, through vegetation cover, slowing degradation and recovering organic conditions; preserving ecosystems, protecting native forests; providing knowledge through scientific and academic collaboration and links with the public sector; certifying forest management according to different certification schemes; and through dialogue processes with communities near forestry operations, generating shared value. Since 2020 and during 2021 the State of Chile worked on the establishment of the Climate Change Law and the long-term climate strategy, where CORMA held meetings to provide feedback and highlight the importance of the forestry sector in both legal instruments.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

Acción Empresas is a non-profit organization of business origin that for 22 years has sought to improve the lives of people and the planet through business sustainability in Chile. Since 2006, it is the Chilean chapter of the WBCSD, a global association composed of more than 200 companies, which, through its CEOs, work exclusively to accelerate the sustainable development of the world through business. Among its lines of work are climate action and circular economy.

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

10348

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Through this partnership we seek to contribute and position corporate sustainability as a business vision necessary for the construction of a more inclusive and egalitarian society. For example, in 2019, the Ministry of Environment, together with the Ministry of Economy, the Production Development Corporation and the Sustainability and Climate Change Agency, initiated the development of a broad participatory process that resulted in the publication of this Roadmap for a Circular Chile by 2040. During 2021, the process of elaboration of the Roadmap contemplated several participatory instances. One of them were the 'thematic roundtables', which were groups of people with different profiles that will meet 3 to 6 times over 7 weeks, to generate inputs for the process of developing the Roadmap. Those invited to each roundtable include members of the Strategic Committee for the Roadmap, as well as external guests whose experience enriches the process. Chile published the final document, with the participation of Acción Empresas as a representative of its associates.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

REPORTE_INTEGRADO_2021_ENG.pdf

Page/Section reference

Targets and other metrics: p.37, 100, and 174-176 (pdf). Strategy and Governance: p.39-41, 44, 49, 56-57, 90-95, 97 and 133-134 (pdf). Climate change management: 98-113 (pdf). GHG emissions: p. 100-101 and 175 (pdf) Risk management: p. 126-130 and 176-180 (pdf).

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Since 2016 CMPC's mainstream report is an integrated report that follows the Integrated Reporting principle and discloses its financial performance together with its performance in the main sustainability topics.

C13. Other land management impacts

C-AC13.1/C-FB13.1/C-PF13.1

(C-AC13.1/C-FB13.1/C-PF13.1) Do you know if any of the management practices implemented on your own land disclosed in C-AC4.4a/C-FB4.4a/C-PF4.4a have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.1a/C-FB13.1a/C-PF13.1a

(C-AC13.1a/C-FB13.1a/C-PF13.1a) Provide details on those management practices that have other impacts besides climate change mitigation/adaptation and on your management response.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity

Soil

Water

Description of impact

As of 2021, CMPC conserves and protects 389,376 ha that include areas of important biodiversity, flora, fauna, water catchments and, of important socio-cultural value. The conservation and in some cases restoration of these areas, provide important ecosystem services for our company and value chain. Related to positive impacts, these areas provide habitats for native species, that sometimes are endangered, such as the Huemul in Chile in our conservation area Rucamanqui, increasing their habitat and populations, having a positive impact on biodiversity. At the same time, protecting water catchments and the forest cover around them, help maintain water flows and provide clean water to many of the local communities near our forestry operations. Lastly, soil is protected in this area due to the permanent forest cover of native species that help prevent soil degradation and improve their quality when we restore land that has been degraded.

Have you implemented any response(s) to these impacts?

Yes

Description of the response(s)

All impacts related to this activity are positive, and to continue enhancing these positive impacts, during 2019, CMPC committed to protect and conserve 100,000 additional hectares by 2030, adding to the over 320 thousand hectares CMPC already has of such land in Argentina, Brazil and Chile. By 2021, 67.8% of progress towards this target has been achieved.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	The highest level of direct responsibility for climate change is the Sustainability Committee, which is a Board-level committee. The main purpose of it is directly supervising the implementation of the Company's sustainability strategy in its economic, social and environmental dimensions, as well as verifying the effective fulfillment of the objectives and goals set in this regard, and can also review and propose the application of best practices to reinforce CMPC's long-term commitment to sustainable development. Such as the implementation of our 4 sustainability goals: restore, protect and conserve 100,000 more hectares by 2030, all related to climate change mitigation or adaptation (considering 2018 as baseline for all targets), reducing 50% of scope 1 and 2 emissions by 2030, reduce in 25% water use per tonne of product by 2025 and be a zero waste to landfill company. This committee is composed by the CEO, Chief Sustainability Officer, Chief Corporate Affairs Officer, Chief Environmental Officer, the Chairman of the board and 2 other board directors. Also, in each session one of the Chief Operating Officers of each business unit present about climate related-issues in their business unit and the progress and road-maps towards the sustainability goals. This committee sessions every 2 months. In addition, the Sustainability and Conservation Management is responsible at the corporate level for overseeing the commitments assumed in these matters by the different subsidiaries of the company. For example, the restoration commitments in Chile and the corporate goal of increasing the area under conservation, protection and restoration in Argentina, Brazil and Chile by 100,000 hectares. This management is responsible for and coordinates the process of developing the Conservation and Biodiversity Strategy for CMPC and is the company's representative to the WBCSD in the Nature Positive initiative to set sectoral goals.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to Net Positive Gain Commitment to No Net Loss Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species Commitment to no conversion of High Conservation Value areas Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples Commitment to no trade of CITES listed species	SDG CITES

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	Yes, we assess impacts on biodiversity in both our upstream and downstream value chain	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Law & policy Livelihood, economic & other incentives Other, please specify (Work plan with small landowners.)

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators Pressure indicators Response indicators

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Details on biodiversity indicators Influence on public policy and lobbying Risks and opportunities Biodiversity strategy	Since 2016 CMPC's mainstream report is and Integrated Report that discloses its financial performance together with its performance in the main sustainability topics. We have a public commitment related to biodiversity and others. Public Biodiversity and No Deforestation Commitment.pdf Code-of-Ethics-2021.pdf REPORTE_INTEGRADO_2021_ENG.pdf Climate-Change-Policy.pdf Environmental-Policy.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

There is no additional information we think is relevant that we haven't already disclosed.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Several key actors can be found within the company's supply chain. For CMPC, the opinion of our clients is very important, which is why we strive to improve the communication and sustainability information disclose to them. CMPC has over 26,723 clients in over 45 countries around the world, so reaching them all directly is not always possible, then we make an effort in making the best possible public information available and are always open to responding any specific requests directly.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	6323000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Arcos Dorados

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Brazil, which is Softys Mogi. Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

1180

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of LNG (100%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

2831

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Mogi facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party

verified, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Brazil, which is Softys Mogi. Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

311

Uncertainty (±%)

0

Major sources of emissions

Softys Mogi's Scope 2 emissions result from the consumption of electricity purchased from the energy matrix.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

2831

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity consumption within Mogi's operations is considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Brazil, which is Softys Mogi. Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

6103

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 27.9%. 2. Capital goods: 0.1%. 3. Fuel- and energy related activities (not included in scope 1 or scope 2): 6.1%. 4. Upstream transportation and distribution: 5.6%. 5. Waste generated in operations: 0.2%. 6. Business travel: 0%. 7. Employee commuting: 0.7%. 8. Upstream leased assets: 0%. 9. Downstream transportation and distribution: 11%. 10. Processing of sold products: 0%. 11. Use of sold products: 0% 12. End-of-life treatment of sold products: 48.3%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

2831

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Mogi, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Wal Mart de México purchases tissues products from in México, which is Softys Altamira (Absormex). Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

69860

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of LNG (99%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

36418

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Altamira facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party verified, but not the allocation of emissions to customers.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Wal Mart de México purchases tissues products from in México, which is Softys Altamira (Absormex). Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

13126

Uncertainty (±%)

0

Major sources of emissions

Softys Altamira's Scope 2 emissions correspond to the consumption of electricity purchased from the energy matrix, autogenerated electricity and autogenerated steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

36418

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity consumption, electricity autogeneration and steam autogeneration inside Altamira's operations are considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Wal Mart de México purchases tissues products from in México, which is Softys Altamira (Absormex). Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO2e

151891

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 12.3%. 2. Capital goods: 0.2%. 3. Fuel- and energy related activities (not included in scope 1 or scope 2): 14.2%. 4. Upstream transportation and distribution: 6.5%. 5. Waste generated in operations: 24.8%. 6. Business travel: 0%. 7. Employee commuting: 0.4%. 9. Downstream transportation and distribution: 8%. 10. Processing of sold products: 0%. 11. Use of sold products: 0%. 12. End-of-life treatment of sold products: 33.7%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

36418

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Altamira, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Walmart, Inc. purchases tissues products from in México, which is Softys Altamira (Absormex). Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO2e

69860

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of liquified natural gas (99%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on the energy content of products purchased

Market value or quantity of goods/services supplied to the requesting member

36418

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Altamira facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party verified, but not the allocation of emissions to customers.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Walmart, Inc. purchases tissues products from in México, which is Softys Altamira (Absormex). Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO2e

13126

Uncertainty (±%)

0

Major sources of emissions

Softys Altamira's Scope 2 emissions correspond to the consumption of electricity purchased from the energy matrix, autogenerated electricity and autogenerated steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

36418

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity consumption, electricity autogeneration and steam autogeneration inside Altamira's operations are considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Walmart, Inc. purchases tissues products from in México, which is Softys Altamira (Absormex). Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

151891

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 12.3%. 2. Capital goods: 0.2%. 3. Fuel- and energy related activities (not included in scope 1 or scope 2): 14.2%. 4. Upstream transportation and distribution: 6.5%. 5. Waste generated in operations: 24.8%. 6. Business travel: 0%. 7. Employee commuting: 0.4%. 9. Downstream transportation and distribution: 8%. 10. Processing of sold products: 0%. 11. Use of sold products: 0%. 12. End-of-life treatment of sold products: 33.7%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

36418

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Altamira, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

Requesting member

Suzano Papel & Celulose

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Suzano purchases tissues products from in Brazil, which is Softys Caieiras. Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

3577

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of LNG (92%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

42173

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Caieiras facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party verified, but not the allocation of emissions to customers.

Requesting member

Suzano Papel & Celulose

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Suzano purchases tissues products from in Brazil, which is Softys Caieiras. Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

3549

Uncertainty (±%)

0

Major sources of emissions

Softys Caieiras's Scope 2 emissions result from the consumption of electricity purchased from the energy matrix.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

42173

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity consumption within Caieiras's operations is considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Suzano Papel & Celulose

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Suzano purchases tissues products from in Brazil, which is Softys Caieiras. Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

72020

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 44.4%. 2. Capital goods: 1.6%. 3. Fuel- and energy related activities (not included in scope 1 or scope 2): 1.6%. 4. Upstream transportation and distribution: 6.2%. 5. Waste generated in operations: 2.5%. 6. Business travel: 0%. 7. Employee commuting: 0.4%. 9. Downstream transportation and distribution: 8.9%. 10. Processing of sold products: 15.2%. 11. Use of sold products: 0%. 12. End-of-life treatment of sold products: 19.3%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

42173

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Caieiras, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

Requesting member

Banco Bradesco S/A

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Banco Bradesco S/A purchases tissues products from in Brazil, which is Softys Mogi. Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

74.7

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of LNG (100%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

179.29

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Mogi facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party verified, but not the allocation of emissions to customers.

Requesting member

Banco Bradesco S/A

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Banco Bradesco S/A purchases tissues products from in Brazil, which is Softys Mogi. Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

19.69

Uncertainty (±%)

0

Major sources of emissions

Softys Mogi's Scope 2 emissions result from the consumption of electricity purchased from the energy matrix.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

179.29

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity consumption within Mogi's operations is considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Banco Bradesco S/A

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Banco Bradesco S/A purchases tissues products from in Brazil, which is Softys Mogi. Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

386.55

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 27.9%. 2. Capital goods: 0.1%. 3. Fuel- and energy related activities (not included in scope 1 or scope 2): 6.1%. 4. Upstream transportation and distribution: 5.6%. 5. Waste generated in operations: 0.2%. 6. Business travel: 0%. 7. Employee commuting: 0.7%. 8. Upstream leased assets: 0%. 9. Downstream transportation and distribution: 11%. 10. Processing of sold products: 0%. 11. Use of sold products: 0%. 12. End-of-life treatment of sold products: 48.3%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

179.29

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Mogi, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Chile, which is Softys Talagante. Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

156

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of LNG (99%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

184

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Talagante facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party verified, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Chile, which is Softys Talagante. Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

0

Major sources of emissions

Softys Talagante's Scope 2 emissions correspond to the consumption of electricity (renewable energy) purchased from the energy matrix, autogenerated electricity and autogenerated steam. As of 2020, the plant purchases non-conventional renewable energy (NCRE) attribute certificates, which through the market method brings Scope 2 emissions to zero.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

184

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity (renewable energy) consumption, electricity autogeneration and steam autogeneration inside Talagante's operations are considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Chile, which is Softys Talagante. Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO₂e

381

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 17.6%. 2. Capital goods: 1.2%. 3. Fuel and energy related activities (not included in scope 1 or scope 2): 12.2%. 4. Upstream transportation and distribution: 11.1%. 5. Waste generated in operations: 3.8%. 6. Business travel: 0%. 7. Employee commuting: 0.4%. 8. Upstream leased assets: 0%. 9. Downstream transportation and distribution: 3.1%. 10. Processing of sold products: 0%. 11. Use of sold products: 0% 12. End-of-life treatment of sold products: 50.5%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

184

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Talagante, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 1

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Uruguay, which is Softys Pando. Emissions are a proportion of the facility's scope 1 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO2e

13

Uncertainty (±%)

0

Major sources of emissions

Major sources of emissions are the burning of LNG (90%) in paper machines for the production of steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

94

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All stationary and mobile combustion sources and the fuels burnt in them, inside the Pando facility are considered in our scope 1 calculations, there are no exclusions. In our GHG inventory we consider the boundary of operational control. Emissions sources are identified through a field assessment of the facility by the plants Environmental Engineer, making sure there are no emissions sources not considered. It is important to note that our GHG inventory for scope 1, 2 and 3 for this facility are third-party verified, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Uruguay, which is Softys Pando. Emissions are a proportion of the facility's scope 2 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO2e

2

Uncertainty (±%)

0

Major sources of emissions

Softys Pando's Scope 2 emissions correspond to the consumption of electricity purchased from the energy matrix and autogenerated steam.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

94

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

All electricity consumption and steam self-generation within Pando's operations are considered in our Scope 2 calculations, there are no exclusions. In our GHG inventory we take into account the operational control boundary. Emission sources are identified through a field assessment of the facility by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scope 1, 2 and 3 for this facility is third party verified, but not the allocation of emissions to customers.

Requesting member

Arcos Dorados

Scope of emissions

Scope 3

Allocation level

Facility

Allocation level detail

We allocate emissions from the specific facility that Arcos Dorados purchases tissues products from in Uruguay, which is Softys Pando. Emissions are a proportion of the facility's scope 3 as of the metric tons of products purchased by them from the facility's total production.

Emissions in metric tonnes of CO2e

188

Uncertainty (±%)

0

Major sources of emissions

The weighting of the categories recommended by the GHG Protocol for Scope 3 is as follows: 1. Purchased goods and services: 45.4%. 2. Capital goods: 0.6%. 3. Fuel- and energy related activities (not included in scope 1 or scope 2): 2%. 4. Upstream transportation and distribution: 10.9%. 5. Waste generated in operations: 2.7%. 6. Business travel: 0%. 7. Employee commuting: 0.4%. 8. Upstream leased assets: 0%. 9. Downstream transportation and distribution: 3.6%. 10. Processing of sold products: 0%. 11. Use of sold products: 0% 12. End-of-life treatment of sold products: 34.3%.

Verified

No

Allocation method

Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member

94

Unit for market value or quantity of goods/services supplied

Metric tons

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

At Softys Pando, the calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In our GHG inventory we take into account the operational control limit. Emission sources are identified through a field assessment of the facility performed by the plant's Environmental Engineer, ensuring that there are no emission sources not considered. It is important to note that our GHG inventory for Scopes 1, 2 and 3 of this facility is verified by third parties, but not the allocation of emissions to customers.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

We publicly disclose scope 1, 2 and 3 emissions for all our facilities in our Integrated Report. Specific information of the emissions and verification process can be found in p.198-200, 349 and 404-406 of our integrated report: https://www.cmpc.com/pdf/REPORTE_INTEGRADO_2021_ENG.pdf

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	CMPC has many products (wood, pulp, packaging paper, boxes, cardboard, tissue paper, sanitary products, among others) and over 26,723 clients for these products. This makes it an enormous challenge to address them all and we are beginning by addressing the biggest ones. Considering the vast amount of products and operations of CMPC in 8 countries, we can estimate the emission for a specific customer, if customers provide us the amount and type of product purchased, and the country where it was purchased, so we can know which facilities are the ones producing these products and allocate the emissions at a facility level. For example, in the case of Arcos Dorados, which is a multinational company, they are requesting information for our operations in Brazil, Mexico, Uruguay and Chile. If I consider my internal information only, I would probably have considered all the product sold to them and not the specific Softys products they are requesting information for. At the same time, with Walmart Mexico they request specific information for their purchases in Mexico and we sell products to Walmart in other countries where we operate. So being specific about the products and countries from where the SC members are requesting information, is key to giving them a good response.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

As we continue to make a more accurate calculation of our scope 3 emissions, we plan to be able to give exact allocation of calculations to customers and explore possibilities of how to reduce scope 3 emissions together. We are starting by responding to CDP Supply chain members and will continue to allocate emissions to customers upon request. It is important to consider we have over 26,700 customers, so we plan to address first the biggest ones. At the same time, we plan to explore first the emissions of processing of sold products for our products such as pulp, timber and paper for packaging, which need further processing, being a relevant scope 3 category for us, so we might start requesting information from customers that purchase these products.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Arcos Dorados

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

Other, please specify (Yet to be determined)

Estimated lifetime CO2e savings

13.8

Estimated payback

Cost/saving neutral

Details of proposal

One of the most relevant Scope 3 categories for CMPC is transportation and downstream distribution, which includes all emissions from transportation of products to domestic and international customers, as well as transportation to warehouses. During 2021 we submitted for validation our Scope 3 reduction target, which represents approximately 80% of our GHG inventory, where transportation and downstream distribution is one of our main categories (17% of the Company's total Scope 3). When this happens, we will have to examine our downstream logistics and look at the possibilities of changing transportation modes, routes and making logistics more efficient. Here we will need the collaboration of our customers to rethink our logistics, being an important opportunity for them to reduce their scope 3 emissions for upstream transportation and distribution as well. So, we see an important future collaboration with Arcos Dorados in this aspect, as they are customers who buy more than 3,100 tons of tissue products from CMPC. It is estimated that through efficient logistics the reductions could be 2%, considering the emissions of the plants requested by Arcos Dorados (Softys Mogi, Softys Pando and Softys Talagante), the reduction is estimated at 13.43 tCO2e.

Requesting member

Banco Bradesco S/A

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

Other, please specify (Yet to be determined)

Estimated lifetime CO2e savings

0.85

Estimated payback

Cost/saving neutral

Details of proposal

One of the most relevant Scope 3 categories for CMPC is transportation and downstream distribution, which includes all emissions from transportation of products to domestic and international customers, as well as transportation to warehouses. During 2021 we submitted for validation our Scope 3 reduction target, which represents approximately 80% of our GHG inventory, where transportation and downstream distribution is one of our main categories (17% of the Company's total Scope 3). When this happens, we will have to examine our downstream logistics and look at the possibilities of changing transportation modes, routes and making logistics more efficient. Here we will need the collaboration of our customers to rethink our logistics, being an important opportunity for them to reduce their scope 3 emissions for upstream transportation and distribution as well. So, we see an important future collaboration with Bradesco in this aspect, as they are customers who buy more than 170 tons of tissue products from CMPC. It is estimated that through efficient logistics the reductions could be 2%, considering the emissions of the plants requested by Bradesco (Softys Mogi), the reduction is estimated at 850 kgCO2e.

Requesting member

Suzano Papel & Celulose

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

Other, please specify (Yet to be determined)

Estimated lifetime CO2e savings

128

Estimated payback

Cost/saving neutral

Details of proposal

One of the most relevant Scope 3 categories for CMPC is transportation and downstream distribution, which includes all emissions from transportation of products to domestic and international customers, as well as transportation to warehouses. During 2021 we submitted for validation our Scope 3 reduction target, which represents approximately 80% of our GHG inventory, where transportation and downstream distribution is one of our main categories (17% of the Company's total Scope 3). When this happens, we will have to examine our downstream logistics and look at the possibilities of changing transportation modes, routes and making logistics more efficient. Here we will need the collaboration of our customers to rethink our logistics, being an important opportunity for them to reduce their scope 3 emissions for upstream transportation and distribution as well. So, we see an important future collaboration with Suzano in this aspect, as they are customers who buy more than 42,150 tons of BCTMP pulp from CMPC. It is estimated that through efficient logistics the reductions could be 2%, considering the emissions of the plants requested by Suzano (Softys Caieiras), the reduction is estimated at 128 tCO2e.

Requesting member

Wal Mart de Mexico

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

Other, please specify (Yet to be determined)

Estimated lifetime CO2e savings

243

Estimated payback

Cost/saving neutral

Details of proposal

One of the most relevant Scope 3 categories for CMPC is transportation and downstream distribution, which includes all emissions from transportation of products to domestic and international customers, as well as transportation to warehouses. During 2021 we submitted for validation our Scope 3 reduction target, which represents approximately 80% of our GHG inventory, where transportation and downstream distribution is one of our main categories (17% of the Company's total Scope 3). When this happens, we will have to examine our downstream logistics and look at the possibilities of changing transportation modes, routes and making logistics more efficient. Here we will need the collaboration of our customers to rethink our logistics, being an important opportunity for them to reduce their scope 3 emissions for upstream transportation and distribution as well. So, we see an important future collaboration with Walmart Mexico in this aspect, as they are customers who buy more than 36,400 tons of tissue products from CMPC. It is estimated that through efficient logistics the reductions could be 2%, considering the emissions of the plants requested by Walmart Mexico (Softys Altamira), the reduction is estimated at 243 tCO2e.

Requesting member

Walmart, Inc.

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

Other, please specify (Yet to be determined)

Estimated lifetime CO2e savings

243

Estimated payback

Cost/saving neutral

Details of proposal

One of the most relevant Scope 3 categories for CMPC is transportation and downstream distribution, which includes all emissions from transportation of products to domestic and international customers, as well as transportation to warehouses. During 2021 we submitted for validation our Scope 3 reduction target, which represents approximately 80% of our GHG inventory, where transportation and downstream distribution is one of our main categories (17% of the Company's total Scope 3). When this happens, we will have to examine our downstream logistics and look at the possibilities of changing transportation modes, routes and making logistics more efficient. Here we will need the collaboration of our customers to rethink our logistics, being an important opportunity for them to reduce their scope 3 emissions for upstream transportation and distribution as well. So, we see an important future collaboration with Walmart Inc. in this aspect, as they are customers who buy more than 36,400 tons of tissue products from CMPC. It is estimated that through efficient logistics the reductions could be 2%, considering the emissions of the plants requested by Walmart Inc. (Softys Altamira), the reduction is estimated at 243 tCO2e.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Yes, I will provide data

SC4.1a

(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

3.41

SC4.2a

(SC4.2a) Complete the following table for the goods/services for which you want to provide data.

Name of good/ service

Tissue paper

Description of good/ service

Our Tissue paper products include: toilet paper, napkins, hand towels, among others, which are final products sold to direct customers or businesses which use them in their facilities, such is the case of Arcos Dorados, Banco Bradesco, Walmart Inc. and Walmart Mexico, requesting CDP Supply Chain members. This products are produced exclusively by our Softys business division, in 8 Latin American countries: Argentina, Chile, Brazil, Colombia, Ecuador, Uruguay, Peru and Mexico.

Type of product

Final

SKU (Stock Keeping Unit)

metric tonnes

Total emissions in kg CO₂e per unit

1926

±% change from previous figure supplied

2.9

Date of previous figure supplied

December 31 2021

Explanation of change

A change of less than 5% is not a relevant change, only a regular fluctuation in annual processes due to changes in demand, operating conditions, among others, there is no specific reason for it.

Methods used to estimate lifecycle emissions

GHG Protocol Product Accounting & Reporting Standard

Name of good/ service

BCTMP Pulp

Description of good/ service

The bleached chemi-thermomechanical (BCTMP) pulp, named as B-Yield, it's a high-yield pulp can be used by companies seeking cost optimization in the production of various types of paper, as it offers good whiteness, thickness and absorption properties. The B-Yield is made of 100% eucalyptus wood and can be used in the production of toilet paper, paper towels, napkins, boxboard, specialty paper, notebooks, books, flexible packaging, as well as printing/ writing paper. This product is produced exclusively by our Softys business division, in Brazil, specifically by the Softys Caieiras plant.

Type of product

Intermediate

SKU (Stock Keeping Unit)

metric tonnes

Total emissions in kg CO₂e per unit

1257

±% change from previous figure supplied

-2.2

Date of previous figure supplied

December 31 2021

Explanation of change

While a change of less than 5% is not a relevant change, only a regular fluctuation in the annual processes due to changes in demand, operating conditions, among others, there is no specific reason for this; during 2021 at the Softys Caieiras plant, in Brazil, improvements such as biomass boilers and reduction of LPG forklifts have been implemented contributing to the reduction of emissions.

Methods used to estimate lifecycle emissions

GHG Protocol Product Accounting & Reporting Standard

SC4.2b

(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.

Name of good/ service

Tissue paper

Please select the scope

Scope 1, 2 & 3

Please select the lifecycle stage

Cradle to grave

Emissions at the lifecycle stage in kg CO2e per unit

2488

Is this stage under your ownership or control?

Yes

Type of data used

Primary and secondary

Data quality

We consider our data to be of good quality because our calculations are based on our internal data for purchased goods, fuels, electricity, etc., which are constantly accounted for in our internal systems such as SAP, invoices and others. The data provided corresponds to emissions intensity indicators, in our GHG estimation process, is done through a corporate approach according to the GHG Protocol guidelines, which during 2021 was verified by the external auditor Deuman, who thoroughly reviewed the data sources for all our emissions calculations. It is necessary to mention that the quantification base structure is also supported by the work developed during 2018 whose approach was under the ISO 14067 standard for product carbon footprint.

If you are verifying/assuring this product emission data, please tell us how

The data provided corresponds to emissions intensity indicators, in our GHG estimation process, is performed through a corporate approach according to GHG Protocol guidelines, which during 2021 was verified by the external auditor Deuman during January-March 2021, who thoroughly reviewed the data sources for all our emissions calculations in a limited assurance process. It is necessary to mention that the quantification base structure is also supported by the work developed during 2018 whose approach was under the ISO 14067 product carbon footprint standard.

Name of good/ service

BCTMP Pulp

Please select the scope

Scope 1, 2 & 3

Please select the lifecycle stage

Cradle to gate

Emissions at the lifecycle stage in kg CO2e per unit

1257

Is this stage under your ownership or control?

Yes

Type of data used

Primary and secondary

Data quality

We consider our data to be of good quality because our calculations are based on our internal data for purchased goods, fuels, electricity, etc., which are constantly accounted for in our internal systems such as SAP, invoices and others. The data provided corresponds to emissions intensity indicators, in our GHG estimation process, is done through a corporate approach according to the GHG Protocol guidelines, which during 2021 was verified by the external auditor Deuman, who thoroughly reviewed the data sources for all our emissions calculations. It is necessary to mention that the quantification base structure is also supported by the work developed during 2018 whose approach was under the ISO 14067 standard for product carbon footprint.

If you are verifying/assuring this product emission data, please tell us how

The data provided corresponds to emissions intensity indicators, in our GHG estimation process, is performed through a corporate approach according to GHG Protocol guidelines, which during 2021 was verified by the external auditor Deuman during January-March 2021, who thoroughly reviewed the data sources for all our emissions calculations in a limited assurance process. It is necessary to mention that the quantification base structure is also supported by the work developed during 2018 whose approach was under the ISO 14067 product carbon footprint standard.

SC4.2c

(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
Tissue products	1	During September 2019, CMPC announced its 4 corporate sustainability goals. In line with GHG emissions, the company committed to reduce by 50% its absolute scope 1+2 emissions, by 2030, considering 2018 as baseline. This target includes all facilities, as well as Softys, so the reduction activities carried out, will reduce the overall scope 1+2 emissions associated to tissue products fabricated in the company's facilities.	Ongoing	74

SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms