W0.1

(W0.1) Give a general description of 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 45 production facilities in 8 Latin American countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru & Uruguay. Its high-quality products are sold to more than 26,700 customers in over 45 countries around the world, reaching MM USD 6,323 in sales in 2021. Across the 8 countries in which CMPC operates, it has 20,068 direct collaborators, and 28,540 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, considering our risks and opportunities. Our business model pays close attention to internal circular flows, and we strive toward the circular bioeconomy as the optimal use of renewable resources is essential for CMPC in terms of 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 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, eliminating of waste to landfill, and the conservation and protection of forests. In 2020 our innovation, diversity, and inclusion targets, and in October 2021, in the framework of the Business Ambition for 1.5°C initiative, committed to becoming a 0 net emissions company for 2050, with the Race to Zero campaign. All of these are aligned with the Sustainable Development Goals of the 2030 Agenda for Sustainable Development by the United Nations. CMPC has 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 people human rights as well as the environment. Daily 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, Human Right Policy 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 near local and indigenous communities and for us, it is of most important to exercise mutual respect with them and to get to know them to contribute to local development. It is our goal to promote diversity and inclusion in the workplace and build mutually beneficial networks with our value chain. We aspire to serve our customers by constantly innovating to provide the best solutions for their daily lives.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1, 2021</td>
<td>December 31, 2021</td>
</tr>
</tbody>
</table>

W0.3

(W0.3) Select the countries/areas in which you operate.

Argentina
Brazil
Chile
Colombia
Ecuador
Mexico
Peru
Uruguay

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5
(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

<table>
<thead>
<tr>
<th>Indicate whether you are able to provide a unique identifier for your organization.</th>
<th>Provide your unique identifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, a Ticker symbol</td>
<td>CMPCCI</td>
</tr>
<tr>
<td>Yes, an ISIN code</td>
<td>CL0000001314</td>
</tr>
</tbody>
</table>

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

<table>
<thead>
<tr>
<th>Sufficient amounts of good quality freshwater available for use</th>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vital</td>
<td>Important</td>
<td></td>
<td>Pulp and paper production uses large amounts of freshwater, where good quality is vital to achieve high standard final products. The company's water supply comes from three major sources: surface water, groundwater and/or municipal water, depending on location, quantity and quality requirements. The primary use is in our industrial operations to produce pulp, paper, paper board, molded pulp, and tissue products. We have other production lines, like wood and timber or personal care, which do not use water. Water is also used to cool down equipment. In our forestry operations water comes from rain where quantity is important, but not quality. This water use is not directly measured, because there are not enough methodologies to track the consume in all the forestry operations of the company. In respect to manufacture our products, without the proper amount of good quality water, will not be possible. Water use in indirect operations is important upstream of our supply chain to produce chemicals employed in our manufacturing processes. Downstream it is important for the use of some of our products like market pulp, which is then transformed into paper, tissue and packaging products around the world, which use substantial amounts of water. In the future, we will continue depending on water, however we are developing actions to decrease the amount of water use both on direct and indirect operations. Consequently, the implementation of the sustainability goal of 25% reduction in industrial water use per ton of product by 2025 is crucial; incorporating green financing mechanisms linked to sustainability performance and greater investment in water efficiency; integrating TCFD recommendations, climate change adaptation studies to define mitigation and adaptation actions, shadow pricing of water for project evaluation and decision making processes, CMPC Beyond initiative to develop ideas focused on &quot;water use reduction&quot; and lastly investments in water efficiency projects.</td>
</tr>
</tbody>
</table>

Sufficient amounts of recycled, brackish and/or produced water available for use | Important | Neutral | At CMPC, we do not use brackish water or water produced in our processes since we use fresh water from the surface, subway and/or municipal sources for our direct operations. However, we do use recycled water from pulp, paper, tissue, and packaging production processes, reincorporating it into the process after its respective treatment. This is thanks to the constant innovation in the processes based on achieving our goal of reducing in industrial water use by 25% per ton of product by 2025, aiming to have more efficient processes and promote water recycling. In the case of indirect operations, the use of recycled water is neutral, especially in the use of our products, since in the case of our main product, market pulp, to be transformed into other products such as paper and tissue, a large amount of good quality water is required, so the option of recycling water, although it could be developed, is not essential. However, in some processes of transformation of our products, we do use recycled and reused water, discarding the use of brackish water due to its low quality for what these processes require. It is worth mentioning the CMPC Beyond initiative, which seeks to transform our processes to face the next 100 years through 8 focuses for the future, among which is the reduction of water use, both direct and indirect, seeking to use this resource efficiently, generating lines of action and linkages with other companies. In addition, in 2021 CMPC created the water resources and effluents sub-management, together with the approval of the water resources strategy, with its four lines of action focused on minimizing and controlling liquid effluents. New opportunities in water reuse will be identified, raising projects to increase recirculation and improve the quality of effluents. |
 Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

| Water withdrawals – total volumes | 100% | Water intake by the source is measured and monitored across all subsidiaries which belong to CMPC. Monitoring monthly is vital for the processes of the Company. Volumes are measured daily using digital flow meters, and the results are tracked automatically (online) in the primary plants and manually in others. Our total water withdrawals by source are publicly disclosed in our integrated report and verified by a third party. |
| Water withdrawals – volumes by source | 100% | Water intake by source is tracked across all the subsidiaries of the Company. Our total water withdrawals, by source, are publicly disclosed in our integrated report and are verified by a third party. Volumes are measured daily using digital flow meters, and the results are tracked automatically (online) in the main plants and manually in others. |
| Entrained water associated with your metals & mining sector activities – total volumes [only metals and mining sector] | Not Applicable | <Not Applicable> |
| Produced water associated with your oil & gas sector activities – total volumes [only oil & gas sector] | Not Applicable | <Not Applicable> |
| Water withdrawals quality | 100% | Water quality is monitored where it is necessary for processes or extracted for human consumption by sending samples to external laboratories monthly. For industrial uses, water quality indicators including temperature, pH and suspended solids are monitored monthly by internal laboratories. Quality of water for human consumption is reported to the local authority on a monthly basis under Chilean law 409. |
| Water discharges – total volumes | 100% | Water discharge temperature is measured and monitored by all plants that require it, daily, using digital flowmeter at the discharge site. All plants comply with the corresponding local legislation and measure the required discharge parameters. For example, in Chile, the regulatory bodies DS 90 and DS 609 consider temperature as one of the parameters to be monitored, therefore they must be measured by all the plants to which these regulations apply and comply with the established ranges. |
| Water discharge – volumes by treatment method | 100% | Discharges are tracked according to the treatment method applied (e.g. primary, secondary, and tertiary). Discharged volumes are measured daily, and the results are tracked automatically (online) in the main plants and manually in others. In Brazil, daily measurements are reported publicly in an online environmental portal. |
| Water discharge quality – by standard effluent parameters | 100% | Water quality by standard effluents parameters are measured by both, internal and external laboratories. Water quality indicators including temperature, pH and conductivity are monitored daily by internal laboratories, and the other water quality parameters as BOD, COD, suspended solids, among others, are monitored monthly by internal laboratories. This internal measurements are mainly for operational control, and in Guabia daily measurements are reported publicly every two weeks in their environmental portal, as part of their commitment with local authorities. External measurements are made by accredited and certified laboratories by the competent authorities and are used to report to the sanitary or environmental authority according to local legislation or environmental commitments obtained in the resolutions that authorize the operation of the plant. This measurements are reported monthly by each plant in compliance with local laws, e.g. Chilean laws DS 90, 46, and 609. |
| Water discharge quality – temperature | 100% | Water discharge temperature is measured and monitored by all plants that require it, daily, using digital flowmeter at the discharge site. All plants comply with the corresponding local legislation and measure the required discharge parameters. For example, in Chile, the regulatory bodies DS 90 and DS 669, consider temperature as one of the parameters to be monitored, therefore they must be measured by all the plants to which these regulations apply and comply with the established ranges. |
| Water consumption – total volume | 100% | Water consumption (i.e. the difference between withdrawals and discharges) is regularly measured and monitored by all plants, daily, as the difference between the measurements at the withdrawal site and at the discharge site. Furthermore, during 2019 we started a work to standardize information and concepts so that all plants communicate and report a single language, mainly differentiating the extraction of consumption, which will help to better manage the information. Now the understanding of water concepts and how to calculate the indicators is understood by all employees. |
| Water recycled/reused | 100% | In some plants, we have processes which recycle/reuse water, in all the plants that have this processes the recycled water is measured daily, then a recycled % is reported monthly at a corporate level. These percentages are estimated calculating the total water recycled/reused divided in the total water withdrawal, multiplied by 100. It is important to note we do not store water, so it is not included in this calculation. |
| The provision of fully-functioning, safely managed WASH services to all workers | 100% | Fully-functioning managed WASH water is provided always without interruptions to all our workers. This is monthly measured when provided by municipal water company. Water quality is also measured and monitored monthly by external laboratories whenever water withdrawn is treated for human consumption and the stated parameters are reported to the local authorities. |

W1.2b
What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total withdrawals</td>
<td>203935.77</td>
<td>About the same</td>
</tr>
<tr>
<td>Total discharges</td>
<td>167845.25</td>
<td>About the same</td>
</tr>
<tr>
<td>Total consumption</td>
<td>36090.52</td>
<td>About the same</td>
</tr>
</tbody>
</table>

W1.2d

Indicate whether water is withdrawn from areas with water stress and provide the proportion.

<table>
<thead>
<tr>
<th>Withdrawals are from areas with water stress</th>
<th>% withdrawn from areas with water stress</th>
<th>Comparison with previous reporting year</th>
<th>Identification tool</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw 1</td>
<td>Yes</td>
<td>1-10</td>
<td>Lower</td>
<td>WRI Aqueduct</td>
</tr>
</tbody>
</table>

W1.2h
(W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater, water from wetlands, rivers, and lakes</td>
<td>Relevant 165915.9</td>
<td>About the same</td>
<td>We consider that the values remain &quot;about the same&quot; when the difference is about 5%. Freshwater is very important, because it represents over 93% of the water withdrawn for our operations, being vital for our productive processes. In comparison to last year, the reported number decreased by 2.75%. About the future of fresh water withdrawals we expect them to stay about the same as we continue to increase our production or be reduced, because of the efforts made in new technology, by closing circuits and water efficiency projects. However, the company's performance was better because production remained the same (+0.3%) compared to 2020. CMPC has been more efficient in the use of water resources as the company's yield in 2021 was 29.96 m3/t compared to 31.07 m3/t in 2020, due to the implementation of water efficiency and reclamation projects, advancing 19.8% towards our goal of 25% reduction of industrial water per ton produced by 2025, 2018 as the baseline.</td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>This is not relevant because our plants are not very close to this water sources in most cases, not being a viable option to withdraw water from this sources. Probably in the close future the withdrawal from this sources will continue to be not relevant. This also, because our industry needs high quality water for pulp and paper production, were brackish surface water/ sea water would need considerable treatment to reach those standards.</td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Relevant 15568.79</td>
<td>Lower</td>
<td>We consider values to be &quot;lower&quot; when the decrease is greater than 5%. Ground-renewable water is not used in a high quantity in our processes, it represents about 7.6% of water withdrawal. This water source is used in 14 of the 45 production plants. Despite not being large quantities of water, this source is relevant for these plants because some of the facilities depends entirely on this source, and the others it has as an emergency backup which without they would have to stop the operation. This amount decreased in around 7.6% to 2021 compare to 2020. However, the company's performance was better because production remained the same (+0.3%) compared to 2020. CMPC has been more efficient in the use of water resources as the company's yield in 2021 was 29.96 m3/t compared to 31.07 m3/t in 2020, due to the implementation of water efficiency and reclamation projects, advancing 19.8% towards our goal of 25% reduction of industrial water per ton produced by 2025, 2018 as the baseline.</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>This is a not relevant category because CMPC is not using non-renewable sources for groundwater withdrawals. This is the reason why this feature is not relevant. We do not expect to withdraw water from this source in the future.</td>
</tr>
<tr>
<td>Produced/Entrained water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>This is a not relevant category because CMPC is not using produced y/o entrained waters. This is the reason why this feature is not relevant.</td>
</tr>
<tr>
<td>Third party sources</td>
<td>Relevant 2451.08</td>
<td>Much lower</td>
<td>We consider values to be &quot;much lower&quot; when the decrease is greater than 10%. This category corresponds to water supplied by municipal water suppliers and other CMPC facilities that function as water services for other plants, and is relevant to our process even though it only represents about 1% of the total volume of water withdrawn, because for the facilities that use it, this is their only source to operate the facility. The amount declared for 2021 has decreased by 13.6% compared to 2020. However, the company's performance was better than last year because production remained the same (+0.3%) compared to 2020. CMPC has been more efficient in the use of water resources as the company's yield in 2021 was 29.96 m3/t compared to 31.07 m3/t in 2020, due to the implementation of water efficiency and reclamation projects, advancing 19.8% towards our goal of 25% reduction of industrial water per ton produced by 2025, 2018 as the baseline.</td>
</tr>
</tbody>
</table>

(2W.1h) Provide total water discharge data by destination.

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water</td>
<td>Relevant 164961.09</td>
<td>About the same</td>
<td>We consider that the values remain &quot;about the same&quot; when the difference is about 5%. Fresh surface water is relevant because it is our main discharge destination, due to the fact that it is our main withdrawal source. The total volume of water discharged to fresh surface water compared to 2020 decreased by 3.64%. However, the company's performance was better than last year because production remained the same (+0.3%) compared to 2020. CMPC has been more efficient in the use of water resources as the company's yield in 2021 was 29.96 m3/t compared to 31.07 m3/t in 2020, due to the implementation of water efficiency and reclamation projects, advancing 19.8% towards our goal of 25% reduction of industrial water per ton produced by 2025, 2018 as the baseline. We expect this number to increase as we continue to reduce water consumption especially related to operational losses, returning more of the surface water we use to its origin.</td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Relevant 147.71</td>
<td>About the same</td>
<td>We consider that the values remain &quot;about the same&quot; when the difference is about 5%. This discharge destination is only relevant to one of our Softys plants in Cañete, Peru, the only one which discharges into the sea. While discharge decreased by 3.62% over 2020, this was due to water withdrawal also decreased by a similar range of magnitude, approximately 2.91%, due to the implementation of water reclamation projects, which are aligned with our corporate goal of reducing water per ton of product. We expect water discharge at this plant to increase relative to the level of water withdrawal in order to reduce water consumption.</td>
</tr>
<tr>
<td>Groundwater</td>
<td>Relevant 757</td>
<td>Much higher</td>
<td>We consider values to be &quot;much higher&quot; when the increase is greater than 10%. This discharge destination is only relevant to one of our Biobapaciguan facility in Tiilt (Chile) the only one which discharges to groundwater and is located in an area with water stress and scarcity, which is why the discharge, despite being little, takes on greater relevance. The discharge is carried out as irrigation to avoid further extraction of fresh water. This amount increased by 12.92% respect to 2020, mainly due to changes in the operation of this facility. The optimization and improvement in its water management in the operation led to reduce both, withdrawal and discharge of industrial water. It is important to highlight that the production of this facility has remained about the same. We expect this quantity to continue to raise in the future, showing a diminish in our water consumption.</td>
</tr>
</tbody>
</table>
| Third-party destinations | Relevant 3128.89 | Lower | We consider values to be "lower" when the decrease is greater than 5%. Third-party destination is important because it's the second main discharge destination. The total volume of water discharged to third party destinations decreased by 8.45%. But this decrease is mainly due to the fact that the Softys Puente Alto plant has implemented reclamation and water efficiency measures as a result of the corporate water reduction goal, which has allowed it to reduce water extraction by 236%. We expect this quantity to continue to raise in the future, showing a diminish in our water consumption.
(W1.2) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

<table>
<thead>
<tr>
<th>Treatment level to discharge</th>
<th>Tertiary treatment</th>
<th>Secondary treatment</th>
<th>Primary treatment only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance</td>
<td>Relevant</td>
<td>Relevant</td>
<td>Relevant</td>
</tr>
<tr>
<td>Volume (megaliters/year)</td>
<td>7952.73</td>
<td>159319.8</td>
<td>572.73</td>
</tr>
<tr>
<td>Comparison of treated volume with previous reporting year</td>
<td>Higher</td>
<td>About the same</td>
<td>About the same</td>
</tr>
<tr>
<td>% of your sites/facilities/operations this volume applies to</td>
<td>1-10</td>
<td>1-10</td>
<td>1-10</td>
</tr>
</tbody>
</table>

We consider values to be "higher" when the increase is greater than 5%. Tertiary treatment is considered relevant because it complies with the operating requirements for the operation of the plants, as required by the authorities, in addition to complying with all discharge parameters and returning water with a good quality. The total volume of water with tertiary treatment decreased by 4.16% to 2021. In facilities with secondary treatment there was a decrease of 4.2% of discharge, which is explained by a 3.5% decrease in water extraction and a 1.5% decrease in production. Through our sustainability strategy and the development and implementation of ambitious goals, such as the water goal that seeks to reduce, by 2025, by 25% the use of industrial water per ton produced considering 2018 as a baseline, we expect in the short term to reduce the extraction of fresh water, increase the recirculation of water within our operations, reduce consumption, returning almost all the water used and with a better quality through water efficiency projects, water recirculation, circuit closure, process improvements and effluent treatment, among others. It is also part of our aspiration as a company, in the medium to long term, to depend less and less on water, making our operation more efficient and decoupling the direct relationship between water use and production.

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Total water withdrawal volume (megaliters)</th>
<th>Total water withdrawal efficiency</th>
<th>Anticipated forward trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw 1</td>
<td>6323000.000</td>
<td>209395.77</td>
<td>31004.8600 105808</td>
</tr>
</tbody>
</table>

Based on a forecast analysis performed with historical water withdrawal and sales data from 2018 to 2021, it is estimated that a total water withdrawal efficiency of 32,659.7 would be obtained by the year 2022. It should be noted that this analysis is significantly influenced by the 2020 pandemic period. However, during 2022, different projects are budgeted focused on reducing water withdrawals to contribute to improving the estimated indicator.

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers
Yes, our customers or other value chain partners

W1.4a
What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

<table>
<thead>
<tr>
<th>% of suppliers by number</th>
<th>% of total procurement spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1%</td>
<td>1-25</td>
</tr>
</tbody>
</table>

Rationale for this coverage

We understand that our responsibility goes beyond what we can see in our direct operation, so we work closely with our suppliers, based on a logic of continuous improvement in ESG matters. Since 2020, when we carried out a first exercise of requesting information from some of our most important suppliers through the CDP Supply Chain. Each of CMPC’s three businesses selected its critical suppliers based on some cross-cutting criteria: annual expense, critical components, low substitutability and high volume. In this first instance we invited 51 suppliers (0.21% of the total in quantity and 11.5% of total spending) and we had a response rate of 67% equivalent to 34 suppliers (0.14% of the total in quantity and 7.5% of total spending). Regarding their responses, 68% indicated that they evaluate their risks and 29% indicated that they don’t. Of the risks identified, 29% correspond to water stress, 14% to water scarcity, 12% flooding, and 31% in the category others. As a result of this first exercise, in 2021 two substantive change happened. First, a new governance in related to water was created as a cross sectional area. Secondly, the subsidiary Softys developed a Responsible Sourcing Policy, which aims to promote responsible purchasing practices by Softys and their suppliers, thus enabling to ensure an end-to-end sustainable supply chain. This policy has two main objectives: to achieve that 100% of the critical suppliers make their ESG management transparent through supplier management platforms by 2025 and achieve 100% FSC Chain of Custody Certification by 2025. For this purpose, in 2021, a pilot of 33 Softys suppliers were selected on the basis of two criteria: (1) Business impact (expense, productivity and safety) (2) Purchasing complexity (difficulty of replacement/homologation and number of potential suppliers). This corresponding to 33% of the critical input suppliers (direct material), equivalent to 40% of the of spending in these categories of the suppliers evaluated, 94% of the suppliers evaluated achieved an average rating of 22%, above the overall average of the EcoVadis database 6% above the average for similar industries. It should be noted that the water variable in the evaluation of suppliers is mandatory. CMPC expect to continue strengthening our relationship with suppliers through the new Strategic Supplier Relationship Management.

Impact of the engagement and measures of success

We promote the reduction of water use through the improvement of industrial water utilization. This is an aspect we want to share with our suppliers, for that reason CMPC also want to activate continuous improvement logic with these suppliers, especially when performance is below CMPC expectations as a company. One of the measurement of success is to spread good practices like to join CDP or Ecovadis. Softys subsidiary led four companies to join ecovadis in 2021, due to the critical suppliers evaluation. In Softys subsidiary, progress towards meeting water-related targets in supplier management is incentivized, as water governance and management measures are integrated into the supplier assessment and included in the supplier award scheme. Financial incentives are offered to suppliers who reduce the impact of operations on water through the products they supply and those who develop improvements in water governance and management in their operations and supply chain. Innovation is encouraged and promoted to achieve these improvements and to work collaboratively with other users in their watersheds. On the other hand, suppliers are educated on how to carry out these collaborations and governance in water issues. With these requirements, we aim to continue advancing towards our corporate goal of reducing water use by 25% per ton of product by 2025 and contributing to the SDGs. In addition, this information is helpful for better management, identifying critical points where we can support suppliers.

Comment

The next years will contemplate increasing the number of suppliers adhering to the program, collaborating with them to achieve sustainability goals and taking advantage of the opportunity for efficient use of resources, product innovation, transparency of the supply chain and product life cycle. Softys subsidiary has a clear goal to achieve 100% of the critical input suppliers (direct material for the operations) by to 2025.
W2.2a

(W2.2a) Provide details of any other water-related supplier engagement activity.

Type of engagement
Onboarding & compliance

Details of engagement
Inclusion of water stewardship and risk management in supplier selection mechanism
Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number
Less than 1%

% of total procurement spend
1-25

Rationale for the coverage of your engagement
In 2021, Softys (subsidiary of CMPC) implemented a study to evaluate their most important and critical suppliers through their Value Chain. For the process the company request Ecovadis services to understand deeply the scenarios which could cause critical risk for the company. This alliance allows us to understand the state of the art regarding the sustainability of our “end-to-end” value chain and activates the logic of continuous improvement with these suppliers, especially when compliance is below Softys’ expectations as a company. The process considered 33% of critical input suppliers (direct material) (0.14% of total CMPC), equivalent to 40% of spending in those categories (13% of total CMPC). The trend was decidedly upward; 94% of the evaluated suppliers achieved an average score of 22%, above the overall average of the EcoVadis database and 6% above the average of similar industries. Accordingly, it is essential to note that as a company, we ensure that our suppliers comply with local water extraction and discharge regulations. However, we do not foresee substantial water-related risks in our value chain.

Impact of the engagement and measures of success
The benefits of this engagements include helping the company avoid unwanted environmental impacts and with that, reducing our supply chain risk in water related issues. Success is measured by evaluating suppliers on a scale of 0-100%. Those who score below 60% are considered to have a bad result and a risk to our company. Suppliers with a global score of less than 60% in 2 consecutive years or 3 opportunities in 5 years, cannot be CMPC suppliers. When a supplier has a poor result in one of ESG aspects (such as avoid damage to the environment, and responsible care of water) in the annual evaluation, the subsidiary together with the supplier must agree on a work plan to correct the aspects in which they were poorly evaluated. This improvement plan must consider at least the following points: Identification of the opportunity for improvement, Commitment of dates, Responsible for the supplier and the subsidiary to follow up and monitor compliance with the aspects to be improved.

Comment
In 2021, CMPC create the Strategic Supplier Relationship Management, developing a comprehensive supplier evaluation model which has been planned in 3 stages. 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.
(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

<table>
<thead>
<tr>
<th>Total number of fines</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total value of fines</td>
<td>12213</td>
</tr>
<tr>
<td>% of total facilities/operations associated</td>
<td>2.2</td>
</tr>
</tbody>
</table>

Number of fines compared to previous reporting year
Higher

Comment
The enforcement orders proceeding was initiated in 2009 against the former owner of the industrial Guaiaba pulp mill.

---

(W2.2b) Provide details for all significant fines, enforcement orders and/or other penalties for water-related regulatory violations in the reporting year, and your plans for resolving them.

<table>
<thead>
<tr>
<th>Type of penalty</th>
<th>Fine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial impact</td>
<td>12213</td>
</tr>
<tr>
<td>Country/Area &amp; River basin</td>
<td>Brazil Other, please specify (Lago Guaiaba)</td>
</tr>
</tbody>
</table>

**Type of incident**
Effluent limit exceedances

**Description of penalty, incident, regulatory violation, significance, and resolution**
Non-compliance with Conema Resolution No. 129/06 on emission standards for toxicity of treated liquid effluent discharged into the Guaiaba pulp Mill Plant in CMPC operations in Brazil and articles 10.02, 10.13, and 10.15 of LO No. 5294/2007-DL.

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(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

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(W3.3a)
Select the options that best describe your procedures for identifying and assessing water-related risks.

**Value chain stage**
- Direct operations
- Supply chain

**Coverage**
- Full

**Risk assessment procedure**
Water risks are assessed as part of an established enterprise risk management framework

**Frequency of assessment**
- More than once a year

**How far into the future are risks considered?**
- More than 6 years

**Type of tools and methods used**
- Tools on the market
- Enterprise risk management
- International methodologies and standards
- Databases
- Other

**Tools and methods used**
- Ecolab Water Risk Monetizer
- EcoVadis
- WRI Aqueduct
- COSO Enterprise Risk Management Framework
- ISO 31000 Risk Management Standard
- Life Cycle Assessment
- Regional government databases
- Internal company methods
- External consultants
- Materiality assessment

**Contextual issues considered**
- Water availability at a basin/catchment level
- Implications of water on your key commodities/raw materials
- Water regulatory frameworks
- Status of ecosystems and habitats
- Access to fully-functioning, safely managed WASH services for all employees

**Stakeholders considered**
- Customers
- Employees
- Investors
- Local communities
- Regulators
- Suppliers
- Water utilities at a local level

**Comment**
The Company has a Risk Management Program based on the standard ISO 31000, and that considers other standards such as COSO ERM, internal company procedures and best international best practices. This Program establishes the principles, governance, and management methodology of risks for the Company and the global review more than once a year. It has a transversal scope, is applied to all businesses and subsidiaries, and includes any material risk to CMPC. To be specific the Program includes environmental, social, and governance (ESG) risks that may impact sustainability and are associated with the Company’s material issues. In addition, the business units and subsidiaries have developed studies with external consultants and universities, using regional databases and simulations using RCP 8.5 and 4.5 climate scenarios. In this way, we seek to determine water availability and the effects of climate change on plantations, in order to develop adaptive strategies to current and future scenarios. The Sustainability Management also carries out simulations of water risks using the tool WRI Aqueduct to assess the company’s vulnerability and drive responses. In addition, some plants have developed LCAs of their products to determine their impacts, considering water use, in order to implement improvements. In 2021, the Research Area, through the CMPC Beyond initiative, developed the “Fair and Conscious Water Pricing” project. Through the Water Risk Monetizer tool, this project calculated the shadow price of water for the different facilities, considering operational, availability, and social variables, incorporating quantity, quality, and operational risk. This shadow water price is currently being used to evaluate projects and decision-making. On the other hand, through our strategic ally EcoVadis, we assess the sustainability of critical suppliers to determine their levels of development and management in ESG areas, supporting them in developing action plans, improvements, and opportunities.
(W4.1b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

The Company has a Risk Management Program based on the standard ISO 31000, and that considers other standards such as COSO ERM, internal company procedures and best international best practices. This Program establishes the principles, governance, and management methodology of risks for the Company and the global review is annually. It has a transversal scope, is applied to all businesses and subsidiaries, and includes any material risk to CMPC. To be specific the Program includes environmental, social, and governance (ESG) risks that may impact sustainability and are associated with the Company’s material issues. The first risk assessment cycle began in 2019. Under a top-down approach, 20 main macro risks approved by the Board of Directors were prioritized, covering all subsidiaries. In 2021, the evaluation identified specific risks associated with the 20 main risks. This new cycle was launched to improve the risk culture through greater accountability. This mean approaching each subsidiary to facilitate identifying specific risks that must meet the condition of "materiality" to be incorporated into the Program. Thus, 15 risk categories were defined to classify and aggregate the material risks identified. The Program has a Corporate Risk Policy, Corporate Risk Procedure, and Risk Appetite Statement, with which we demonstrate our commitment to being able to anticipate potential future risks (at least 6 more years), incorporating the relevance topic of climate change. The methodology has six stages that are applied iteratively for a correct execution. Notably, the Program broadly includes the stakeholders referring to the indirect effects on customers, employees, investors, local communities, suppliers, regulatory agencies, and local water supply companies since they all play a fundamental role in the business value chain. In parallel to the Risk Management Program and to go deeper into the risks identified, CMPC's Risk, Finance, and Sustainability departments, following the TCFD recommendations, classified the factors into physical risks (acute and chronic) or transition risks (or opportunities). As part of the work carried out at CMPC, to date, risk and opportunity factors related to 9 of the 15 categories of the Program have been identified. The Sustainability Department, using the WRI Aqueduct tool, evaluated all of CMPC's production facilities and identified nine facilities with a high risk of water stress or water scarcity in the future. In addition, the Forestry Department and the Water Resources Area are developing studies on future water availability and consumption reduction possibilities with external consultants and regional databases in Chile. The business units and subsidiaries have also developed studies with consultants and universities. For example, the Long-Term Forestry Planning Department of Cellulose Business, uses regional databases and simulations with RCP 8.5 and 4.5 climate scenarios to determine water availability and the effects of climate change in order to develop adaptation strategies for current and future scenarios. The Biopackaging business unit has created at least 4 LCA studies for some paper and cardboard packaging produced by the Corrugated division in Chile. Using the Water Risk Monetizer tool, the Studies Area calculated the shadow price of water for the different plants, considering operational, availability, and social variables, incorporating quantity, quality, and operational risk. The price is used to evaluate projects decision-making. The first plant estimated was the Corrugados Cordillera, located in the Maipo River basin, declared a water stress zone. For this purpose, a water resource reduction analysis was incorporated in the economic evaluation, resulting in a favorable and profitable implementation with the incorporation of the shadow price, which was contrary to the conventional price. On the other hand, we carried out a sustainability evaluation with Ecovadis of critical suppliers to determine their levels of development and management in ESG areas, supporting them in the generation of action plans. Through all of the above, we seek to address the contexts in which we operate in relation to water availability, how this impacts us on raw materials, the effect of the regulatory framework and its modifications, the state of ecosystems, as well as considering access to water for the population and our employees, all this variables have an impact on the regular operation of our business.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

(W4.1a) 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 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.

W4.1b

CDP
What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

<table>
<thead>
<tr>
<th>Total number of facilities exposed to water risk</th>
<th>% company-wide facilities this represents</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1-25</td>
<td>One of the 15 risks identified by CMPC corresponds to the reduced water availability for industrial processes. In the context of the climate emergency, climate change could affect the availability of this resource due to a prolonged decrease in rainfall and less accumulation of water in the basins. Thus, this could lead to a situation of drought, or a condition of water stress at the levels of water withdrawals by human activity, especially by industries, consuming water availability. For purposes of better understanding, the company defines &quot;facilities&quot; as any industrial plant in which CMPC has 100% operational control. CMPC has 45 facilities, of which 10, use water for their production processes and are located in areas exposed to water stress risks. All of them obtained in this variable the category of &quot;extremely high water risk&quot; according to the information provided by the WRI Aqueduct tool. These 10 plants correspond to: Corrugados Puja Molina, Corrugados Planta Cordillera, Planta Bocbord Maule, Sack Kraft Mexico Guadalajara and Sack Kraft Irapuato in Mexico, Corrugados Buin, Corrugados TI TIL, Softys Talagante, Softys Puente Alto and Softys Panamericana in Peru. However, only one facility, Bocbord Maule (2.2% of the total number of plants), currently has a substantial financial or strategic impact. Subsequently, when projecting the simulation into 2040 under the Business as usual (BAU) scenario plus climate change due to climate change scenarios RCP 8.5, the analysis points two installations. One is Maule facility and the second one is The Corrugados Cordillera facility. Both will have potential financial or strategic water risk in the future correspond to 4.4% of the total plants. This result was based on the assumption that the scarcity of water for production processes could lead to the need to increase expenditures in the acquisition of water from other sources and technologies to reduce water use in operations. This will result in increasing production costs. The economic evaluation of the financial impact assumes 20% more water supplied externally in the future with a reference price range and an increase in production of 5% per year. Two values were considered for the price range. The first (minimum) price corresponds to the shadow price of water and was calculated for each plant through the &quot;Fair, and Conscious Use of Water&quot; project carried out by the research area using the Water Risk Monetizer tool. The second price (maximum) corresponds to the current value for purchasing 1 m3 of water. Then, the price range fluctuates between (1.18 and 9.0 USD/m3). For this purpose, the following were taken into account. 7 of the 10 facilities are in scarcity areas declared during 2021 by supreme decrees defined by Chilean legislation. These 7 facilities correspond to: Corrugados Planta Cordillera, Corrugados Puja Molina, Corrugados TIL, Corrugados Buin, Softys Talagante, Softys Puente Alto, all located in the Metropolitan Region of Chile, while Bocbord Maule in the Maule Region of Chile. According to local databases, it is essential to convey that the Metropolitan Region presents a sustained reduction in rainfall, and the Maule Region has faced a decline in rains.</td>
</tr>
</tbody>
</table>
CDP

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company’s total global revenue that could be affected
1-10

Comment
CMPC has 45 facilities (1), of which eight do not have industrial water consumption because their production processes do not require this resource, hence they were excluded from this analysis. Thus, the remaining 36 plants were processed in the WRI Aqueduct tool to identify which plants were exposed to water risk. After it was possible to determine that 10 plants present water stress in the “extremely high”. Subsequently, the ten plants were used to model the water stress variable in WRI Aqueduct for the years 2030 and 2040, according to the BAU (Business as usual) RCP 8.5 scenario, to identify how they would behave in the future. From this analysis, plants were selected for either of the two periods of years, obtaining the category of “extremely high” water stress. Overall, nine plants represent 7.8% of the total water withdrawn by the Company and 14.6% of total production. On the other hand, in 2021, the project “Fair and conscious use of water” was developed to quantify water’s shadow price for the different CMPC plants through the Water Risk Monetizer tool. This shadow price considers operational variables (catchment and discharge), availability (water quality, domestic consumption, and watershed water stress), and social variables (reputation and local legislation). Therefore, this price considers quantity, quality, and operational risk. This shadow price starts to be considered when it is necessary to evaluate projects and make business decisions. In addition to the shadow price, the accurate purchase price of 1m3 of water is also considered for the evaluation to define a minimum and maximum range in which the financial or strategic impact could be found. Consequently, the 9 plants were evaluated for the future according to their respective shadow price and the actual water price, to identify which have a substantial financial or strategic water risk, based on the economic severity ranges defined in our Corporate Risk Procedure. The result of this analysis allowed us to identify that one plant of the Biopackaging business (Corrugados Cordillera), which represents 2.2% of CMPC’s total facilities and will become a facility with substantial financial or strategic water risk on 2040, since its financial severity is in the high category. This plant is located in the Maipo basin in Chile, where CMPC has six facilities that extract water from this basin, which is experiencing water scarcity problems due to the decrease in rainfall in the central-southern areas of Chile. In addition, during the year 2021, 20 law decrees were issued for the Metropolitan Region (2 that apply to the commune of Puente Alto where the plant is located), 1 for the O’Higgins region and 8 for the Valparaíso region, which declare communes or provinces as water scarcity areas (all regions are part of the Maipo basin), in line with the results of the Aqueduct tool. These law decrees aim to provide specific tools to water users and the population in general to minimize the damage caused by the drought, such as the extraction of water without the need for water extraction rights and the delivery of emergency funds for the distribution of supply through water trucks. As a result of the analysis, Corrugados Cordillera will have risk, which represents 1.65% of the total water extracted by the Company and 3.7% of total production, so the results of the simulations support CMPC’s decision to take preventive measures to face the challenges of climate change to generate resilience and sustainability over time, working on developing mitigation and adaptation measures. In this way, the establishment of the goal of reducing 25% of industrial water use per ton by 2025 addresses the future conditions projected for the different locations of our production plants to reduce risks and their impacts. Finally, it is relevant to mention that significant investments are being made available to develop projects focused on reducing water consumption or increasing the efficient use of this resource. Note (1): for these purposes of better understanding, the company defines “facilities” as any industrial plant in which CMPC has 100% operational control.

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

<table>
<thead>
<tr>
<th>Chile</th>
<th>Other, please specify (Maipo)</th>
</tr>
</thead>
</table>

Type of risk & Primary risk driver

<table>
<thead>
<tr>
<th>Chronic physical</th>
<th>Water scarcity</th>
</tr>
</thead>
</table>

Primary potential impact
Increased operating costs

Company-specific description
CMPC formed a teamwork with Risk, Finance and Sustainability areas to analyze the main risks and opportunities related to Climate Change in addition to have a better understanding of the variables consider analyzing the future, classified into acute and/or chronic physical risks. An evaluation of climate scenarios and their potential impact was carried out, under the recommendations of the TCFD, to generate adaptation plans for new scenarios and ensure future operational continuity. Among the 15 risk categories, one called Management and Continuity of Industrial Assets, whose risk factor corresponds to reduced availability of water for production processes (chronic physical risks), whose impact considers the possibility of incurring in water purchase from supplementary sources, or for technologies to reduce the use of water in the processes. The explanation of this scenario is it explained regarding the prolonged decrease in rainfall and lower water accumulations in the basins, which could lead to a chronic drought, or to a condition of water stress due to high levels of extraction of human activity with respect to availability. As example we can mention the Metropolitan Region in Chile, where CMPC has several facilities, 6 of which need water for their production processes. These facilities could have a potential impact in this matters due to future water scarcity scenarios. Using the WRI Aqueduct tool, shadow water prices and the actual purchase price, it was found that the Corrugados Cordillera plant is exposed to substantial financial or strategic water risk now and in 2040, which could have a significant impact in the future. During 2021, 20 Chilean decree law of water scarcity zones were issued, specific in the Maipo Basin for the Metropolitan Region (2 of them for Puente Alto, where the facility is located), one for the O’Higgins Region and eight for the Valparaíso Region, in accordance with the results of the analysis. These regulations provide tools to minimize the damages caused by the drought and the delivery of emergency funds for the distribution of water supply. The results of these simulations support the company’s decision to take preventive measures to face climate change challenges, so the establishment of a 25% reduction in water withdrawal per ton produced by 2025 to reduce risks and their impacts, contributing to the...
CDP

Primary potential impact

concrete actions (individual or collective)

Management, future guidelines will be defined to address these risks associated with water through collecting technical information and seeking to be prepared through

All this measurement contributes to the resource availability for industrial and domestic use, contributing to SDG 6. However, with the creation of the Water Resources Sub-

braking system of the winder to cool with air instead of water, measured and maintained the heat exchangers in the paper machine, managed the control of water towers to

Investment of 0.96 MMUSD in water reduction studies for the Pacifico and Santa Fe Plants. On the other hand, Planta Cordillera defined a daily reduction target. Improving:

Spiro, and toilet. This will reduce 1.3 m3/t through an investment of US$0.7 million. 2) Puente Alto Plant closed circuit heat exchanger project: Consists of implementing

In Talagante plant, it will be conducted a water recovery project in wastewater treatment to replace fresh water with water which is recover from the treatment plant for Press,

quality of treated water, reducing organic content and effluent volume. Some of the investment projects in sustainable water and wastewater management for 2021 were: 1)

consider reducing water consumption in industrial processes, wastewater recycling, reuse systems and developing facilities with better technologies that could improve the

environmental projects reach the amount of 207.1 MMUSD, almost 6.6% corresponded to sustainable water and wastewater management projects. These projects

To provide a potential financial impact figure, Yes, an estimated range

Potential financial impact figure - minimum (currency)

2000000

Potential financial impact figure - maximum (currency)

12000000

Explanation of financial impact

The Management and Continuity of Industrial Assets are among the 15 risk categories defined by CMPC in 2021. This category is considered a chronic physical risk, as it

focuses on the reduced water availability for production processes to which we could be exposed. This scenario involves considering the possibility of incurring expenses to

purchase water from other sources or for technologies to reduce water use in the industrial processes, increasing production costs. In order to estimate the financial impact,

our company works through two assumptions: 1. CMPC consider that in the future the company will have to cover 10% of our water withdrawals through external supply to

continue to operate normally. 2. CMPC average annual production growth of 3% is considered to project extractions to 2040 and homologate the period modeled in WRI

Aqueduct. In addition, this year 2021 includes the shadow price of water for each plant, which fluctuates for the Corrugados Cordillera Plant between 2.27 and 2.64

USD/m3, corresponding to the value for year one and year 10, respectively. On the other hand, the study evaluated another scenario with the actual water purchase price

considering 9 USD/m3 to assess a maximum range. In this way, it is possible to calculate the total financial impact of the plants located in basins with water risk. We

understand the importance for CMPC to have its Risk Program, which seeks to identify, evaluate, analyze, assess, treat, and control the risks for each of the facilities with

their respective realities, simulating under possible scenarios and in different periods of time, where sustainability and environmental aspects must be incorporated. This

type of studies allows us to respond to and overcome operational contingencies such as the one that occurred in 2019 regarding the increase in the time required to

replenish the static level of the groundwater well at the Corrugados Til Til Plant. In this way, through our Corporate Risk Policy, the Corporate Risk Procedure, and the Risk

Appetite Statement, we demonstrate our commitment to being able to anticipate potential future risks, incorporating the relevance of climate change in our industry.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

CMPC, aware of the complexity of climate change, with the Risk, Finance, and Sustainability team, analyzes its main risks and opportunities according to climate scenarios and

their potential impact (under TCFD recommendations) to generate adaptation and mitigation plans seeking to ensure operational continuity. Since 2019 we have defined sustainability goals, including reducing 25% of industrial water use per ton of product by 2025, contributing to the progress of SDG 6. This goal seeks to be more efficient in the use of water and to be able to quantify performance over time. For this reason, CMPC invests every year in its production processes with projects to improve technologies and resource management, aiming to meet the reduction goal with efficiency, reduction of extraction, and greater recirculation. In 2021, CMPC created the Water Resources and Effluents Sub management and a water resources strategy with four main lines of action: 1) ensure supply, 2) anticipate water shortage scenarios, 3) responsible use, and 4) minimize and control liquid effluents. This last action focuses on identifying opportunities for water reuse and developing projects to increase recirculation and improve effluent quality. In the future, the Water Technical Operating Committee will work on three fronts: technological measures for water reduction based on investments, operational measures, and disruptive measures. This team is currently gathering technical information in order to define future guidelines for water resources. In addition, there is the CMPC Beyond initiative that seeks to transform our processes to face the next 100 years through 8 focuses for the future, one of them focuses on reducing water use. An example is the Fair and Conscious Use of Water project, which quantified the shadow price of water for the facilities, with the purpose to incorporate these variables in project evaluations and decision making. In 2021, the Corrugados Cordillera Plant effort has been focused on increasing the efficiency of water use based on operational measures in the paper machine and improving the standards for controlling water use.

Cost of response

7040000

Explanation of cost of response

CMPC risks the availability of water resources for our industrial operations by investing in water efficiency and reduction projects. In 2021, the total investments in environmental projects reach the amount of 207.1 MMUSD, almost 6.6% corresponded to sustainable water and wastewater management projects. These projects consider reducing water consumption in industrial processes, wastewater recycling, reuse systems and developing facilities with better technologies that could improve the quality of treated water, reducing organic content and effluent volume. Some of the investment projects in sustainable water and wastewater management for 2021 were: 1) In Talagante plant, it will be conducted a water recovery project in wastewater treatment to replace fresh water with water which is recover from the treatment plant for Press, Spiro, and toilet. This will reduce 1.3 m3/t through an investment of US$0.7 million. 2) Puente Alto Plant closed circuit heat exchanger project: Consists of implementing Chillers to cool cooling water for lubrication oil cooling of rotating equipment to close the circuits. Furthermore, this project will reduce 2.5 m3/t by investing 0.3 MMUSD. 3) Investment of 0.96 MMUSD in water reduction studies for the Pacifico and Santa Fe Plants. On the other hand, Planta Cordillera defined a daily reduction target. Improving: braking system of the winder to cool with air instead of water, measured and maintained the heat exchangers in the paper machine, managed the control of water towers to avoid overflows and installed a meter in the feed matrix with online control. All these measures have contributed to reducing water use, and reducing the risk of dependence. All this measurement contributes to the resource availability for industrial and domestic use, contributing to SDG 6. However, with the creation of the Water Resources Sub-Management, future guidelines will be defined to address these risks associated with water through collecting technical information and seeking to be prepared through concrete actions (individual or collective)

Country/Area & River basin

Chile Other, please specify (Maulé)

Type of risk & Primary risk driver

Chronic physical Water scarcity

Primary potential impact
Increased operating costs

**Company-specific description**
CMPC formed a teamwork with Risk, Finance and Sustainability areas to analyze the main risks and opportunities related to Climate Change in addition to have a better understanding of the variables considering the future, classified into acute and/or chronic physical risks. An evaluation of climate scenarios and their potential impact was carried out, under the recommendations of the TCFD, to generate adaptation plans for new scenarios and ensure future operational continuity. Among the 15 risk categories, one called Management and Continuity of Industrial Assets, whose risk factor corresponds to reduced availability of water for production processes (chronic physical risks), whose impact considers the possibility of incurring in water purchase from supplementary sources, or for technologies to reduce the use of water in the processes. The explanation of this scenarios is it is explained regarding the prolonged decrease in rainfall and lower water accumulations in the basins, which could lead to a chronic drought, or to a condition of water stress due to high levels of extraction of human activity with respect to availability. Using the WRI Aqueduct tool, shadow water prices and the actual purchase price, it was found that the Boxboard Maule is exposed to substantial financial or strategic water risk now and in 2040, which could have a significant impact in the future. The plant is in the Chilean Maule basin, which has water shortage problems due to seasonal rainfall deficit. CMPC has one facility in this sector, which could potentially impact its operations due to the water shortage scenario. In 2021, Supreme Decree No. 177 of August 25 declares the Maule area as a water shortage zone until February 2022, under the analysis results. These decrees provide tools to minimize the damages caused by the drought and deliver emergency funds for the water supply distribution. The results of these simulations support the company's decision to take preventive measures to face climate change challenges, so the establishment of a 25% reduction in water withdrawal per ton produced by 2025 to reduce risks and their impacts, contributing to the progress of SDG 6.

**Timeframe**
More than 6 years

**Magnitude of potential impact**
High

**Likelihood**
Very likely

**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)**
1000000

**Potential financial impact figure - maximum (currency)**
13500000

**Explanation of financial impact**
The Management and Continuity of Industrial Assets are among the 15 risk categories defined by CMPC in 2021. This category is considered a chronic physical risk, as it focuses on the reduced water availability for production processes to which we could be exposed. This scenario involves considering the possibility of incurring expenses to purchase water from other sources or for technologies to reduce water use in the industrial processes, increasing production costs. In order to estimate the financial impact, our company works through two assumptions: 1. CMPC consider that in the future the company will have to cover 10% of our water withdrawals through external supply to continue to operate normally. 2. CMPC average annual production growth of 3% is considered to project extractions to 2040 and homologate the period modeled in WRI Aqueduct. In addition, this year 2021 includes the shadow price of water for each plant, which fluctuates for the Maule Plant between 1.18 and 1.27 USD/m³, corresponding to the value for year one and year 10, respectively. On the other hand, the study evaluated another scenario with the actual water purchase price considering 9 USD/m³ to assess a maximum range. In this way, it is possible to calculate the total financial impact of the plants located in basins with water risk. We understand the importance for CMPC to have its Risk Program, which seeks to identify, evaluate, analyze, assess, treat, and control the risks for each of the facilities with their respective realities, simulating under possible scenarios and in different periods of time, where sustainability and environmental aspects must be incorporated. This type of studies allows us to respond to and overcome operational contingencies such as the one that occurred in 2019 regarding the increase in the time required to replenish the static level of the groundwater well at the Corrugados Til Til Plant. In this way, through our Corporate Risk Policy, the Corporate Risk Procedure, and the Risk Appetite Statement, we demonstrate our commitment to being able to anticipate potential future risks, incorporating the relevance of climate change in our industry.

**Primary response to risk**
Adopt water efficiency, water reuse, recycling and conservation practices

**Description of response**
CMPC, aware of the complexity of climate change, with the Risk, Finance, and Sustainability team, analyzes its main risks and opportunities according to climate scenarios and their potential impact (under TCFD recommendations) to generate adaptation and mitigation plans seeking to ensure operational continuity. Since 2019 we have defined sustainability goals, including reducing 25% of industrial water use per ton of product by 2025, contributing to the progress of SDG 6. This goal seeks to be more efficient in the use of water and to be able to quantify performance over time. For this reason, CMPC invests every year in its production processes with projects to improve technologies and resource management, aiming to meet the reduction goal with efficiency, reduction of extraction, and greater recirculation. In 2021, CMPC created the Water Resources and Effluents Sub management and a water resources strategy with four main lines of action: 1) ensure supply, 2) anticipate water shortage scenarios, 3) responsible use, and 4) minimize and control liquid effluents. This last action focuses on identifying opportunities for water reuse and developing projects to increase recirculation and improve effluent quality. In the future, the Water Technical Operating Committee will work on three fronts: technological measures for water reduction based on investments, operational measures, and disruptive measures. This team is currently gathering technical information in order to define future guidelines for water resources. In addition, there is the CMPC Beyond initiative that seeks to transform our processes to face the next 100 years through 8 focuses for the future, one of them focuses on reducing water use. An integrative Fair and Conscious Use of Water project was carried out, where the shadow price of water for the facilities, with the purpose to incorporate these variables in project evaluations and decision making. In 2021, the Maule Plant effort has been focused on increasing the efficiency of water use based on operational measures in the paper machine and improving the standards for controlling water use.

**Cost of response**
3560000

**Explanation of cost of response**
CMPC risks the availability of water resources for our industrial operations by investing in water efficiency and reduction projects. In 2021, the total investments in environmental projects reach the amount of 207.1 MMUSD, almost 6.6% corresponded to sustainable water and wastewater management projects. These projects consider reducing water consumption in industrial processes, wastewater recycling, reuse systems and developing facilities with better technologies that could improve the quality of treated water, reducing organic content and effluent volume. Some of the investment projects in sustainable water and wastewater management for 2021 were: 1) In Talagante plant, it will be conducted a water recovery project in wastewater treatment to replace fresh water with water which is recover from the treatment plant for Press, Sprio, and toilet. This will reduce 1.3 m³/shift through an investment of US$0.7 million. 2) Puente Alto Plant closed circuit heat exchanger project: Consists of implementing Chillers to cool cooling water for lubrication oil cooling of rotating equipment to close the circuits. Furthermore, this project will reduce 2.5 m³/h by investing 0.3 MMUSD. 3) Investment of 0.96 MMUSD in water reduction studies for the Pacifico and Santa Fe Plants. At the Maule mill, studies were conducted to evaluate alternatives for reducing water consumption in the paper machine. The mill has focused on increasing water use efficiency through operational measures and improving water use control standards. All of these measures have contributed to reducing water use, helping to reduce the risk of dependence on the resource and the additional cost it could entail. This also contributes to the resource availability for industrial and domestic use, contributing to SDG 6. However, with the creation of the Water Resources Sub-
Management, future guidelines will be defined to address better these risks associated with water through collecting technical information and seeking to be prepared through concrete actions (individual or collective).

W4.2c

(W4.2c) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks exist, but no substantive impact anticipated</td>
<td>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, electrification, 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.</td>
</tr>
</tbody>
</table>

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes, we have identified opportunities, and some/all are being realized.

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

**Type of opportunity**
- Markets

**Company-specific description & strategy to realize opportunity**

During 2021, CMPC consolidated a Sustainable Culture that identifies, in addition to its ethical behaviour & its 3C (create, coexist and conserve), 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 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, electrification, 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.

**Estimated timeframe for realization**
- 1 to 3 years

**Magnitude of potential financial impact**
- 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**

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.
W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number
Facility 1

Facility name (optional)
Corrugados Cordillera

Country/Area & River basin

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
3365.71

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
3365.71

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0

Total water discharges at this facility (megaliters/year)
2898.79

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
2898.79

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
466.91

Comparison of total consumption with previous reporting year
Much higher

Please explain

The Corrugados Cordillera Plant is a facility that produces containerboard for further processing, such as into packaging boxes. For comparisons, we consider the values to be "about the same" when the difference is between 0-5%, "low or high" when the difference is between 5-10% y "lower or higher" when the difference is more than 10%. In this case, Cordillera Plant decreased extraction by 19.81% and discharge by 25.69% concerning the previous year (2020), reducing its water use intensity per ton of product from 16.04 m³/t in 2020 to 13.36 m³/t in 2021 through operational improvements, monitoring and control, and efficiencies. This facility does not withdraw from brackish/salt water, renewable and non-renewable groundwater, produced/dranked water and third-party water. In addition, it does not discharge to brackish surface water/saltwater, groundwater and third parties.
Facility reference number
Facility 2

Facility name (optional)
Boxboard Maule

Country/Area & River basin
Chile

Latitude
-35.605255

Longitude
-71.586895

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
8478.84

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
8478.84

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0

Total water discharges at this facility (megaliters/year)
7792.53

Comparison of total discharges with previous reporting year
Higher

Discharges to fresh surface water
7792.53

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
686.31

Comparison of total consumption with previous reporting year
Much lower

Please explain
The Maule mill is a paperboard mill, producing paperboard mainly for export. For comparisons, we consider the values to be "about the same" when the difference is between 0-5%, "low or high" when the difference is between 5-10% and "lower or higher" when the difference is more than 10%. In this case, the Maule Plant increased extraction by 4%, and discharge decreased by 5.88% compared to the previous year (2020). However, consumption fell by 13.45%. Although extraction increased, the use of the resource was much more efficient, as consumption decreased by a higher percentage due to improvements in processes and efficiencies in the use of the water resource. This facility does not extract fresh surface water, renewable and non-renewable groundwater and third party water. In addition, it does not discharge into brackish surface water/saltwater, groundwater and third parties.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?
Water withdrawals – total volumes
% verified
76-100

Verification standard used
These figures are monitored and audited by the Chilean regulatory bodies (DGA), with calibration procedure and established frequencies in line with ISO 14001. Also, the figures were audited by KPMG base in standard SASB number RRPP-140a.1, an external audit, for all the plants and were reported in our publicly available Integrated Report. A verification letter was given and is publicly available.

Please explain
<Not Applicable>

Water withdrawals – volume by source
% verified
76-100

Verification standard used
These figures are monitored and audited by the Chilean regulatory bodies (DGA), with calibration procedure and established frequencies in line with ISO 14001. Also, the figures were audited by KPMG base in standard SASB number RRPP-140a.1 for all the plants and were reported in our publicly available Integrated Report. A verification letter was given and is publicly available.

Please explain
<Not Applicable>

Water withdrawals – quality by standard water quality parameters
% verified
76-100

Verification standard used
These figures are monitored and audited by the Chilean regulatory body (Seremi de Salud), dependant on The Health Ministry.

Please explain
<Not Applicable>

Water discharges – total volumes
% verified
76-100

Verification standard used
These figures are monitored and audited by the Chilean regulatory bodies (DGA), with calibration procedure and established frequencies in line with ISO 14001. Also, the figures were audited by KPMG base in standard SASB number RRPP-140a.1 and were reported in our publicly available Integrated Report. A verification letter was given and is publicly available.

Please explain
<Not Applicable>

Water discharges – volume by destination
% verified
76-100

Verification standard used
These figures are monitored and audited by the Chilean regulatory bodies SMA, the" environment superintendence" dependant of the Environment Ministry. Also, the figures were audited by KPMG base in standard SASB number RRPP-140a.1 and were reported in our publicly available Integrated Report. A verification letter was given and is publicly available.

Please explain
<Not Applicable>

Water discharges – volume by final treatment level
% verified
76-100

Verification standard used
Water discharges are monitored and audited by the Chilean regulatory bodies (DGA), with calibration procedure and established frequencies in line with ISO 14001. Considering that each plant uses always the same treatment methods established by current regulations and their effluent plant parameters, it is understood that this volumes are verified.

Please explain
<Not Applicable>

Water discharges – quality by standard water quality parameters
% verified
76-100

Verification standard used
These figures are monitored and audited by the Chilean regulatory bodies SMA, the" environment superintendence" dependant of the Environment Ministry.

Please explain
<Not Applicable>
Water consumption – total volume

% verified
76-100

Verification standard used
The overall figures were audited by KPMG, an external audit base in standard SASB number RRPP-140a.1 for all the plants and were reported in our publicly available Integrated Report. A verification letter was given and is publicly available.

Please explain
<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.
<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
<td>Description of business dependency on water. Description of business impact on water. Description of water-related performance standards for direct operations. Description of water-related standards for procurement. Reference to international standards and widely-recognized water initiatives. Company water targets and goals. Commitment to align with public policy initiatives, such as the SDGs. Commitments beyond regulatory compliance. Commitment to water-related innovation. Commitment to stakeholder awareness and education. Commitment to water stewardship and/or collective action. Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace. Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities. Acknowledgement of the human right to water and sanitation. Recognition of environmental linkages, for example, due to climate change.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CMPC has a Corporate Environmental Policy and covers all businesses, subsidiaries, and countries where CMPC operates. It includes the following: We believe in the concrete application of the sustainable development principle; we believe in the ethical concept contained in environmental protection. Strict compliance with the current environmental regulatory framework is our duty; we promote the inclusion of environmental sustainability variables as an integral part of decision-making at our forest and industrial operations; we are committed to conducting all activities with the highest levels of excellence and to including environmental considerations; we concern ourselves with spreading awareness and providing training so that environmental guidelines, standards and best practices; we measure the efficacy of committed resources and actions; we are also committed to increasing the water use, energy, raw materials and natural resource efficiency of all our operations. Helping create reasonable and necessary public policies whose aim is the long-term coexistence of needed productive activities and environmental protection. Fomenting research and development of technologies that support environmental sustainability. Moreover, in 2021 CMPC worked to build a code of conduct for suppliers. This was launched in April 2022 that encourage our suppliers to protect with the utmost diligence and take care of the environment in the places where they carry out their business and operations. Additionally, they also must undertake the so-called &quot;Precautionary Principle&quot; in any situation where the possible environmental impacts of their actions are unknown. The aim of this policy is to have a commitment toward sustainability and compliance with environmental standards beyond local regulations. Stating our operation's dependency on the natural environmental, promoting its care and proper use of soil, water, and protection of biodiversity. Also, CMPCs have KPIs and goals associated with the use, consumption, and quality of water. In 2019 made public its corporate sustainability goals formalizing its commitment to reducing industrial water use by 25% per metric ton of product by 2025. CMPC plan to work in 2022 to have a corporate water policy that includes issues related to efficiency, management, basin context and innovation, in addition to the quality standards with which it is returned, both in direct and indirect use of our supply chain.</td>
<td></td>
</tr>
</tbody>
</table>

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a
(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of individual</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board-level committees</td>
<td>The highest level of direct responsibility for sustainability and environmental issues, including water, is the Sustainability Committee (here and after SC), which is a Board-level committee (Composition: Chairman, 2 Directors, the CEO, the Corporate Affairs Director, the CISO &amp; the Environmental Director, defining objectives &amp; assessing the fulfillment of the Corporate Policies (Environment, Climate Change) &amp; The Conservation Strategy (ongoing), complying the CMPC’s Sustainability Goals related to the environment &amp; innovation. The main purpose is to supervise the implementation of the Company’s value creation strategy in its ESG areas and verify effective compliance with the objectives and goals set annually. 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 ton of product by 2025, being 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 a baseline for all targets). The Committee meets bi-monthly during 2021. The SC is responsible for monitoring the Company’s performance and progress with respect to sustainability targets. During the 2021 year, the business areas presented their sustainability strategies, environmental and social risks, team organization, and internal objectives. As part of the 2021 water activities the SC: the annual objective was not to exceed 30 m³/t of industrial water use per ton produced. Reviewed and validated the roadmap of each business for its contribution to the achievement of sustainability goals, which involved the review of initiatives and projects, deadlines, costs, and impact. Also, the SC discusses progress in community engagement, green finance, indirect GHG in the value chain (scope 3), the environmental performance of new plants, responsible supply chain, forest management, and native forest conservation.</td>
</tr>
<tr>
<td>Chief Sustainability Officer (CISO)</td>
<td>Within the Corporate Affairs Area, is installed the Sustainability Director (CISO), who has the responsibility with his team of reading the sustainability-state-of-art related to CMPC’s different objectives &amp; tasks facing the future. Given the nature of the company, the key cases are related to sustainable manage of forest, climate change, energy, water efficiency, waste management &amp; innovation for all the business units, and its subsidiaries &amp; facilities, as well as, social topics inside &amp; outside the company, and throughout the whole value chain. At the same time, CISO has every 2 months the responsibility of leading the Corporate Sustainability Committee, giving all the relevant information in these topics, also, assessing and helping to manage them, tracking &amp; reporting the corporate goals compliance and performance. Also, the develop of the Conservation &amp; Water Strategies will be released by the end of 2022.</td>
</tr>
</tbody>
</table>

(W6.2b) Provide further details on the board’s oversight of water-related issues.

<table>
<thead>
<tr>
<th>Frequency that water-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled all meetings</td>
<td>Monitoring implementation and performance</td>
<td>The Sustainability Committee meets every two months, and sustainability and environmental issues such as water are discussed at meetings, or according to strategic planning, and are regularly communicated by the CISO. Always, in each of the sessions, the progress of the sustainability goals is updated, including the reduction of water use per tonne of product. In addition, according to schedule, other topics are presented and discussed, such as annual sustainability targets, the portfolio of projects and budgets to be executed to achieve sustainability goals, the sustainability agenda and programs, such as the implementation of new indicators (e.g. the water footprint), policy proposals, a benchmarking of key performance indicators, policies and goals of companies in the sector, among others. As part of the 2021 activities the Sustainability Committee: - Approved CMPC’s annual sustainability objectives aligned to achieve the corporate sustainability goals. In the case of water, the annual objective was not to exceed 30 m³/t of industrial water use per ton produced. - Reviewed a first proposal for a corporate water policy, which is still under development and discussion, and is expected to be published no later than 2022. - Reviewed and validated the roadmap of each business for its contribution to the achievement of sustainability goals, which involved the review of initiatives and projects, deadlines, costs, and impact. - Also, the Committee discusses progress in community engagement, green finance, indirect GHG in the value chain (scope 3), the environmental performance of new plants, responsible supply chain, forest management, and native forest conservation.</td>
</tr>
<tr>
<td>Row 1 - all meetings</td>
<td>Reviewing and guiding business plans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding major plans of action</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding risk management policies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding corporate responsibility strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Setting performance objectives</td>
<td></td>
</tr>
</tbody>
</table>

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

<table>
<thead>
<tr>
<th>Board member(s) have competence on water-related issues</th>
<th>Criteria used to assess competence of board member(s) on water-related issues</th>
<th>Primary reason for no board-level competence on water-related issues</th>
<th>Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address this lack of competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>In 2021, CMPC count with more than one director with competences in water matters. As a way of guaranteeing the correct functioning of corporate governance, CMPC establishes policies, procedures, control and monitoring structures, support committees, audits and permanent reviews. The board members in charge of reviewing all water issues is the Sustainability Committee which must oversee the implementation of the sustainability strategy which incorporates all the environmental areas. All this aspect are consider by the leaders of the company in water aspects: • Induction procedure for new directors. • Procedure in the event of conflicts of interest with related parties. • Board of directors training. • Board of directors continuity in crisis situations. • Field visit procedure. • Procedure for operational continuous improvement. • Board of directors access to information. • Risk management and control procedures.</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Row 1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

W6.3
(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on water-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Assessing future trends in water demand</td>
<td>More frequently than quarterly</td>
</tr>
<tr>
<td></td>
<td>Assessing water-related risks and opportunities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Managing water-related risks and opportunities</td>
<td></td>
</tr>
</tbody>
</table>

Please explain
The CSO is part of the Sustainability Committee and works with the chiefs of all business units to implement sustainability across the company. His main duties and task include working with the risk area in formulating criteria for exposure to water risks and other sustainability issues, promote and develop sustainability policy proposals, such as the corporate water policy, building a company-wide water footprint, designing water reduction targets and monitoring the progress of them, supporting all business units in water management plans and integrating water issue as a variable in investment projects which promote sustainability in the company, among others. Bimonthly, environmental parameters and issues, including water, are reported to the board by the CSO. The results and implementation of the sustainability initiatives including water issues such as risk and their management are reported to the Sustainability Committee and some are publicly available in our Integrated Report.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on water-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment/Sustainability manager</td>
<td>Assessing future trends in water demand</td>
<td>More frequently than quarterly</td>
</tr>
<tr>
<td></td>
<td>Assessing water-related risks and opportunities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Managing water-related risks and opportunities</td>
<td></td>
</tr>
</tbody>
</table>

Please explain
The Environment Manager joined the committee in January 2021. The primary duties are monitoring corporate goals; each business - Celulosa, Bio packaging, and Softys - presented the main milestones and issues in terms of environmental performance, including water. The main topics of the agenda were at the industrial level, and the challenges are reducing the amount of water used in the processes and understanding the offer and the demand deeply.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on water-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Assessing future trends in water demand</td>
<td>More frequently than quarterly</td>
</tr>
<tr>
<td></td>
<td>Assessing water-related risks and opportunities</td>
<td></td>
</tr>
</tbody>
</table>

Please explain
CMPC’s CEO is part of all the Board Committees in which water-related items are discussed according to agreed plans in the Sustainability & the Executive Risk & Innovation Committees. The water-related issues are material to the company in all aspects, so their reports are done in each and every Committee’s session. Specifically, the Sustainability Committee’s sessions deal with environmental & social topics related to the Corporate Goals, Risks, Material Issues & also on how to keep contributing to SDGs. Subjects like fiber price/availability/scarcity, wildfires or low rainfall are a constant concern. The committee outputs are communicated in every board’s session by the CEO. All the external official communication related to ESG is conducted by the CEO itself, for example, the Integrated Report launch and several dialogues with collaborators related to social brake in Chile, the pandemic’s measures, Beyond program, as well as main results & new projects.

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

<table>
<thead>
<tr>
<th>Provide incentives for management of water-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes, we provide incentives towards water-related issues performance and we plan improve the incentive plans of executives in the next few years.</td>
</tr>
</tbody>
</table>

(W6.4a)
(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

<table>
<thead>
<tr>
<th>Role(s) entitled to incentive</th>
<th>Performance indicator</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board chair</td>
<td>Reduction of water withdrawals</td>
<td>At CMPC, C-suite employees have a professional development plan to generate competencies, including sustainable and efficient management. This plan details the performance objectives. Among them is the Sustainability item, which is broken down into different KPIs, one of which corresponds to the KPI for industrial water use. The objective is to contribute to the advancement of our corporate goal of reducing 25% of industrial water use per ton of product by 2025. At the time of the performance evaluation, this KPI is reviewed to verify compliance, which is associated with an annual bonus that considers the individual objectives' competencies and performance. The yearly bonus corresponds to the gross variable amount accrued and paid to the employee once a year. The bonus amount will depend on the weight of the business result (40%) and the global individual performance evaluation (60%).</td>
</tr>
<tr>
<td>Corporate executive team</td>
<td>Reduction of water withdrawals</td>
<td></td>
</tr>
<tr>
<td>Chief Financial Officer (CFO)</td>
<td>Improvements in efficiency - direct operations</td>
<td></td>
</tr>
<tr>
<td>Chief Operating Officer (COO)</td>
<td>Improvements in waste water quality - direct operations</td>
<td></td>
</tr>
<tr>
<td>Chief Purchasing Officer (CPO)</td>
<td>Improvements in efficiency - direct operations</td>
<td></td>
</tr>
<tr>
<td>Chief Risk Officer (CRO)</td>
<td>Improvements in product-use</td>
<td></td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Improvements in waste water quality - direct operations</td>
<td></td>
</tr>
<tr>
<td>Other C-suite Officer (CEOs of each business unit (Timber, Biopackaging and Softys), Chief Environmental Officer, VP Sustainability)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other, please specify (All Employee)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Non-monetary reward

<table>
<thead>
<tr>
<th>Role(s) entitled to incentive</th>
<th>Performance indicator</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board chair</td>
<td>Reduction of water withdrawals</td>
<td>The President and the CEO of CMPC, representing the board of the company, at its annual ceremony, recognize 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. These type of incentives, generates ownership of the achievements obtained collectively. In the past year the collaborators involved in initiatives such as the issuance of Green Bonds, Salmon EcoBox, Project Best, Eucalytho, Source protection 2021: “because water is life”, 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.</td>
</tr>
<tr>
<td>Corporate executive team</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Financial Officer (CFO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Operating Officer (COO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Purchasing Officer (CPO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Risk Officer (CRO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other C-suite Officer (Chief operating officers of each business unit )</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other, please specify (All Employee)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers
Yes, trade associations
Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

CMPC publicly discloses its sustainability strategy, which includes water-related aspects linked to sustainable development and the SDGs. We are committed to financing activities that are consistent with our policies.

Some of our collaborations: Corma (Forestry sector trade association), WBCSD (CMPC co-led the development of a roadmap for the SDGs as part of the FSG), CLG Chile (Climate Leaders Groups developing strategies to address climate change in Chile), Acción Empresas, WBCSD representatives in Chile. Authorized CMPC representatives engage with authorities and trade associations to argue the company’s interests. The Sustainability Committee comprises the President, CEO, and CSO, among others. This Committee discusses water-related issues, key topics such as participation in public spaces, progress, results of commitments, and inconsistencies between CMPC and their collaborations. If discrepancies arise between both parties, the company will resolve them through dialogue with the associations by raising the concern in a Special Committee. Finally, in 2021, the Water Resources and Effluents Sub-Management was created, which led to CMPC’s water resources strategy.

To conclude, the measurement of success varies according to each activity. One example of an influence in policy making: Since 1995, CMPC has participated in "voluntary agreements for watershed management" Chilean Biobio basin. Based on the information generated, the quality standard D.S. 9/2015 was enacted.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

REPORTE CMPC INGLÉS 2021 - INTERACTIVO_.pdf
### W7.1

**Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

<table>
<thead>
<tr>
<th>Are water-related issues integrated?</th>
<th>Long-term business objectives</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>&gt; 30</td>
<td>Long-term business goals are set with sustainable development in mind. CMPC's Strategic Sustainability Approach is composed of its corporate purpose, governance, management of material issues, and identification of business risks. In addition, it is complemented by sustainability goals, as well as by its Value Creation Model, water being a fundamental resource and element within the strategy. In fact, as a result of the centennial, social demands, and the pandemic, CMPC Beyond was born in 2020 to prepare the Company for its next 100 years and respond to the sustainable consumption of future. The collaborative process was fundamental, and the employees were protagonists through their ideas and knowledge to generate a roadmap that projects CMPC as a leader in innovation. Beyond's innovation focuses are 7, of which at least 3 are directly related to water. Future management of forest assets: Holistic development considering different aspects such as securing fiber supply and conserving and protecting biodiversity. Water is an essential element for all: Seek more efficient and disruptive ways to use this resource. Deep sustainability: Capitalize on sustainability to show the world that Company's purpose contributes to solutions to the environmental and communities. Also, CMPC has been conducting quantitative climate scenarios analysis to determine water availability and the effects of climate change on our forestry and industrial assets to develop adaptive strategies.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>11-15 Water issues are of great importance to the company's long-term strategy (11-15 years), according to CMPC's Strategic Sustainability Approach. Strategies to achieve better water quality, reduce water withdrawal and consumption, as well as increase water re-circulation and discharge, among other issues, are set through objectives and targets defined at the corporate and business level, measuring annual progress through internal tracking methodologies. In 2019 the company made public its corporate sustainability goals, formalizing its commitment to reduce industrial water use by 20% per metric ton of product by 2025, reduce its absolute greenhouse gas emissions by 5% (scope 1 and 2) by 2030, become a zero waste-to-landfill company by 2025, and conserve, protect and restore an additional 320,000 hectares by 2030 to the company's existing 320,000 hectares. The targets are based on 2018 data as a baseline. In 2020 all CMPC's facilities began to design a portfolio of projects to implement and achieve all corporate sustainability goals. In the case of water, the company started implementing water efficiency and water re-circulation measures, mainly at Softys. These measures contributed to the more efficient use of water as a company, as 2021 performance was 29.96 m3/tonne versus 31.07 m3/tonne in 2020, advancing by 19.8% towards our corporate goal. We expect to continue to make progress in implementing the goals and increase investment in these projects.</td>
<td></td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>11-15 Investments, costs and operational expenses related to water treatment and consumption reduction and its associated logistics are considered in the financial planning in the short and medium-term. As well as important investments in sustainable forest management are planned yearly, especially in the generation of eucalyptus with better water consumption and site specific selection according to water availability are made. In addition, CMPC contemplates investments to modernizing the facilities with the best available technology which by consequence reduces considerable water consumption. For instance, during 2021 CMPC invested 13,76 MMUSD in sustainable water and wastewater. Moreover, it is important to mention that in 2021 CMPC will establish the Water Resources and Effluents Submanagement, and a water resources strategy with four main lines of action: 1) assure supply, 2) anticipate water shortage scenarios, 3) responsible use, and 4) minimize and control liquid effluents. This last action focuses on identifying opportunities for water reuse, developing projects that will capable to increase re-circulation and improve efficient quality. This new sub-management is currently collecting technical information in order to define future guidelines for water resources and future projects and financial planning.</td>
<td></td>
</tr>
</tbody>
</table>

### W7.2

**What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

**Row 1**

| Water-related CAPEX (+/- % change) | 1.9 |
| Anticipated forward trend for CAPEX (+/- % change) | 7.46 |
| Water-related OPEX (+/- % change) | 0 |

**Please explain**

CMPC annually project investment focused on reducing or improving the efficient use of water, the objective is clear to achieve the goal of reducing water use by 25% per ton of product by 2025. In 2021, 13.76 MMUSD were considered for studies of future projects and for projects that reduce or reuse water, comparing to 13.6 MMUSD invested in 2020. Some of the projects include: Cordillera Plant Research to reduce water consumption in the paper machine (3.8 MMUSD), Puente Alto Softys Project to reduce water consumption (2.5 m3) through the implementation of a closed circuit in the heat interchanger (0.3 MMUSD), Talagante Softys Project to reduce water consumption (1.25 m3) through the implementation of a cooling tower (0.77 MMUSD). We expect OPEX to remain the same, as the cost of labor, supply, quality analysis, chemicals and treatment remain stable.

### W7.3

**Does your organization use scenario analysis to inform its business strategy?**

<table>
<thead>
<tr>
<th>Use of scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>CMPC uses climate-related scenario analysis to inform its business strategy, and we have on going scenario analysis projects. 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 in its production processes and supply chain, specially related to fiber availability for its operations. CMPC is currently working on two lines of adaptation to climate change in its forest operations: 1) Genetic Focus on the development of genetic materials with greater capacity to adapt to the most likely climate conditions for the regions where CMPC operates, for example, with greater resistance to frost, drought and even greater resistance to attack by insects and fungi due to changing environmental conditions; 2) Silvicultural development: Revise silvicultural establishment and management prescriptions to respond to new changes in environmental conditions.</td>
</tr>
</tbody>
</table>

CDP
(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

<table>
<thead>
<tr>
<th>Type of scenario analysis used</th>
<th>Parameters, assumptions, analytical choices</th>
<th>Description of possible water-related outcomes</th>
<th>Influence on business strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water-related Climate-related</td>
<td>Base in the IPCC report, the next scenarios were taken into account: RCP 4.5 and RCP 8.5.</td>
<td>Water is essential for industrial and forestry operations, and water scarcity scenarios could affect our business. For this reason, we are conducting long-term studies using historical data to simulate future conditions resulting from climate change up to 2070. Since 2019, we have been conducting quantitative scenario analyses on the climate sensitivity of temperature and precipitation variables considering RCP 8.5 and RCP 4.5 scenarios which could apply to forestry assets in Chile. These are vulnerable to climatic changes and physical events (high temperatures and decreased precipitation). For instance, plantations depend on rainwater to grow. A critical shift in precipitation patterns and a temperature rise will affect evapotranspiration. First results picture that forest productivity will change the tree growth pattern. This change, for one side, tree growth (height) will be reduced, which will be significant in the central zones of Chile. On the other hand, if we analyze the Chilean southward, there will be growth gains due to changes in climatic conditions, but not enough to compensate for the losses. In addition, climate scenarios and their potential impact were evaluated under the TCDF recommendations, obtaining 15 risk categories defined by CMPC. Nine have risk factors (acute and/or chronic) and opportunities (transition risk), which allows estimating gaps in the environmental resources and productivity of the plantations to propose mitigation and adaptation plans.</td>
<td>In 2021 in CMPC, as a result of all climatic change scenarios that we can have access. It is becoming evident to take action concerning water resources. As a measure, the Water Resources and Effluents Sub-Management was created along with a water resources strategy. This strategy has four main lines of action: 1) ensuring supply, 2) anticipating water shortage scenarios, 3) responsible use, and 4) minimizing and controlling liquid effluents. This last action will focus on identifying opportunities in water reuse and developing projects to increase recirculation to improve the quality of effluents that return to the natural environment. In September 2021, the water management committee was created, headed by the Environmental Manager, to provide a global vision of the Company, follow up on the water resources strategy, and adopt decisions related to water-related projects. In the future, the Water Technical Operating Committee will work on three fronts: technological measures for water reduction based on investments and operational and disruptive solutions. The new Sub-Management is gathering technical information to define future guidelines for water resources.</td>
</tr>
</tbody>
</table>

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

Yes

Please explain

In 2021, the “Fair and Conscious Use of Water” project was developed by the Corporative Research management area, which seeks to quantify the shadow price of water in different CMPC facilities. It was defined to use Ecolab’s Water Risk Monetizer tool, all part of Beyond’s work, to promote awareness of water use in operations and quantify its fair price. This shadow price considers operational (withdrawal and discharges), availability (water quality, domestic consumption, and hydrographic basin water stress), and social (reputation and local legislation) variables. Therefore, this price includes quantity, quality, and operational risk. Currently, the shadow price is being considered when evaluating projects and decision support.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

<table>
<thead>
<tr>
<th>Products and/or services classified as low water impact</th>
<th>Definition used to classify low water impact</th>
<th>Primary reason for not classifying any of your current products and/or services as low water impact</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, but we plan to address this within the next two years</td>
<td>Other, please specify (We are in process of initiating an environmental assessment of our products.)</td>
<td>For CMPC, water is a vital resource for the operation of our facilities. Since 2019, the company has defined its sustainability goals, reducing 25% of industrial water use per ton of product by 2025, taking 2018 as the base year. Although today the focus is not yet on outcomes, we are in the midst of a life cycle analysis project to verify the environmental declaration of 10 types of wood products from the Pulp Business Plywood Plant with the consulting firm EDGE Chile. Also, the BioPackaging business unit has created at least 4 LCA studies for some paper and cardboard packaging produced by the Corrugated division in Chile.</td>
<td></td>
</tr>
</tbody>
</table>

W8. Targets

W8.1
### Approach to setting and monitoring targets and/or goals

<table>
<thead>
<tr>
<th>Levels for targets and/or goals</th>
<th>Monitoring at Corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide targets and goals</td>
<td>Targets are monitored at the corporate level</td>
<td>In 2019, CMPC publicly committed four specific objectives for sustainable development, at a company-wide level, in the priority areas of its sector, considering the performance of the year 2018 as the baseline since that year the company operated at its maximum capacity, being a historical performance year for CMPC. These goals are aligned with the United Nations Sustainable Development Goals (SDGs), in addition to best practices based on science; and emerge as mitigation and adaptation measures to the climate emergency that we are experiencing. One of these corporate objectives corresponds to a 25% reduction in the industrial use of water per ton produced by 2025, including our 45 production plants distributed in 8 countries in Latin America. This target, seeks to reduce water withdrawals, for which it will be necessary to make the production processes more efficient and at the same time, implement the water recycling and reuse measures. Additionally, the different businesses that make up CMPC, have their own environmental performance objectives and targets considering water efficiency and quality parameters, at a facility level, due to the fact that they produce different products and they have special characteristics of manufacturing processes. For example the 3 business areas of CMPC, Softys, Pulp and Biopackaging have different objectives for reducing water consumption and key performance indicators (KPI) due to the difference in the production process and quality parameters, which depend on local regulations. The Sustainability Committee meets every two months, and sustainability and environmental issues such as water are discussed at meetings, or according to strategic planning, and are regularly communicated by the CSO. Also, in 2021, the Water Resources and Effluents Sub-Management was created, which led to CMPC’s water resources strategy. This team is currently gathering technical information in order to define future guidelines for water resources. Finally, CMPC understands that save guarding natural areas means maintaining their ecosystem services, such as secure water provision for our operations and for all the stakeholders around us.</td>
</tr>
<tr>
<td>Business level specific targets and/or goals</td>
<td>Targets are monitored at the corporate level</td>
<td></td>
</tr>
<tr>
<td>Site/facility specific targets and/or goals</td>
<td>Goals are monitored at the corporate level</td>
<td></td>
</tr>
</tbody>
</table>

### W8.1a

#### Provide details of your water targets that are monitored at the corporate level, and the progress made.

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Target 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of target</td>
<td>Water withdrawals</td>
</tr>
<tr>
<td>Level</td>
<td>Company-wide</td>
</tr>
<tr>
<td>Primary motivation</td>
<td>Climate change adaptation and mitigation strategies</td>
</tr>
<tr>
<td>Description of target</td>
<td>This goal emerges as a measure of adaptation to the climate emergency with the aim to continue operating in a sustainable and resilient way, and contributing as a company to the fight against climate change. Furthermore, this goal is aligned with the SDGs and mainly with the specific objective 6.4, “to significantly increase the efficient use of water resources in all sectors and guarantee the sustainability of extraction and fresh water supply to address water shortages”. For this, CMPC established the intensity target of reducing 25% the use of industrial water per ton produced, by 2025, considering 2018 baseline. By reducing freshwater withdrawals from different basins in different countries, it helps maintain water availability, for different stakeholders. In this way, by reducing our water use, we are also ensuring availability for others, including most importantly, human consumption.</td>
</tr>
<tr>
<td>Quantitative metric</td>
<td>% reduction per product</td>
</tr>
<tr>
<td>Baseline year</td>
<td>2018</td>
</tr>
<tr>
<td>Start year</td>
<td>2019</td>
</tr>
<tr>
<td>Target year</td>
<td>2025</td>
</tr>
<tr>
<td>% of target achieved</td>
<td>26.8</td>
</tr>
<tr>
<td>Please explain</td>
<td>The target percentage is measured considering the 2021 intensity in comparison to the intensity that CMPC has to achieved in 2025 (100% og the goal). This target was implemented in September 2019, and the facilities have been carrying out reduction and efficiency actions during 2021. Notably, is reflected in the progress percentage increase with respect to the year 2020. CMPC is expecting to continue improving by 2022.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Target 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of target</td>
<td>Water pollution reduction</td>
</tr>
<tr>
<td>Level</td>
<td>Site/facility</td>
</tr>
<tr>
<td>Primary motivation</td>
<td>Reduced environmental impact</td>
</tr>
<tr>
<td>Description of target</td>
<td>AOx compounds are generated by the Pulp facilities (Santa Fe, Pacifico, Gualba and Laja). Each of these facilities have annual intensity targets for the discharge of this compound. These targets are aligned with the environmental authorizations that result from the environmental impact assessments by the authorities of the country for each of the plants, therefore these are specific regulations for that particular plant according to the production process that it develops, and the local context. In this particular case, as an example, we are declaring the specific target for the Santa Fe pulp mill located in Chile, whose performance exceeded by 166% the target (more ambitious than local regulations). During 2021, the target was not to surpass the discharge of 197,1 metric tonnes of AOx.</td>
</tr>
<tr>
<td>Quantitative metric</td>
<td>% reduction in concentration of pollutants</td>
</tr>
</tbody>
</table>
Baseline year
2021
Start year
2021
Target year
2021
% of target achieved
100
Please explain
The target is not to exceed a concentration of the pollutant AOx, therefore an extrapolation was carried out to bring it to a mass flow considering the effluent flow. These results are a consequence of quantitative and qualitative improvements through the installation of control equipment, formation of a water management committee and a water unit chief.

Target reference number
Target 3
Category of target
Water withdrawals
Level
Business
Primary motivation
Climate change adaptation and mitigation strategies

Description of target
The CMPC subsidiary Softys, aligned with corporate sustainability goals, decided to advance in the area of water and set a more ambitious intensity goal by 2025, which consists of a 40% reduction in the use of industrial water per ton of product considering as a baseline in 2019. Thus, its goal is to maintain water use below 20 m3/t in 2021 and below 15 m3/t in 2025

Quantitative metric
% reduction per product
Baseline year
2019
Start year
2019
Target year
2025
% of target achieved
75.2
Please explain
The percentage reached is measured considering the percentage change in the ratio between the total extraction of water for industrial use and the total tons produced with respect to the base year (2019). This goal was launched in November 2020, and the facilities have been taking actions during all 2021 in this direction because this target is aligned with the company-wide target.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal
Watershed remediation and habitat restoration, ecosystem preservation

Level
Company-wide

Motivation
Commitment to the UN Sustainable Development Goals

Description of goal
CMPC has the goal to maintain the existing conservation areas and improving their value, and at the same time has the commitment of restoring and preserving new areas. CMPC understands that save guarding natural areas means maintaining their ecosystem services such as secure water provision for our operations and for all the stakeholders around us. CMPCs corporate purpose declares that we own our existence to the natural environment, which is the fruit of our business and helps as contribute to society. It is divided into 3C: Create, Coexist and Conserve. This 3 lines are linked to the SDGs, where conserve is linked, among others, to the SDG 6 and SDG 15. Aligned with our corporate purpose and SGD 15, specifically 15.1 target, CMPC has a compromise of conserving forests and biodiversity, maintaining during 2021 389,376 hectares that includes native forests, water catchment areas, river basins, flora, fauna and high conservation value areas (HCVAs). Among this last ones, there are 3 categories: biological, service and socio-cultural. The service HCVA are Geological areas providing basic services in critical situations and fulfilling the basic needs of local communities, for example, water catchment areas. CMPC conserves and restores areas across the whole forestry patrimony in the 3 countries, implementing specific biodiversity management plans in each area, as well as specific restoration plans in reference to the existing ecosystems.

Baseline year
2018
Start year
2019
End year
Progress
CMPC has been restoring and conserving biodiversity by protecting and developing biodiversity management plans. CMPC conserves more than 389,000 hectares of native forests, water catchments, river basins and endemic flora and fauna, having an specific biodiversity management plan in all its HCVA, according to the characteristics of the ecosystems present, which are monitored twice a year. At the same time, CMPC has been restoring native forest around water catchments and in biodiversity hotspots across its patrimony. Progress in this area can be measured by reviewing CMPC's restoration goal of 100,000 hectares by 2030, with a baseline of 321,529 hectares in 2018. In 2021, 3,660 hectares were added to be restored, having reached a total of 389,376 hectares. Equal to 67.8% of the established goal.

Goal
Engaging with local community

Level
Business

Motivation
Commitment to the UN Sustainable Development Goals

Description of goal
Softys is the CMPC’s subsidiary unit that manufactures tissue paper and personal care products, whose presence covers 8 countries in Latin America. Their purpose is the personal care, and health, hygiene and wellbeing are drivers of development for Softys. Therefore, its value proposition is closely related to promoting this care and hygiene in people and their communities. Softys' sustainability strategy has 4 pillars, one of which is “empowering the development of local communities”, understanding their role as corporate citizens in the local development of the countries where they are present. In this line, under the context that on this Latinamerica, 37 million people lack access to drinking water and almost 110 million do not have access to sanitation, Softys creates the Water Challenge as an initiative in response to a reality that is very little visible: the lack of access to drinking water that millions of people suffer in Latin America. This initiative is connected with the purpose of Softys: “to develop brands that provide the best care that people need in their day to day and at every stage of their lives”, care that is achieved by innovating in order to continue developing hygiene and cleaning solutions.

Baseline year
2019

Start year
2020

End year
2021

Progress
The booming call, developed in 2021 in partnership with the Amulen Foundation and the UC Innovation Center, aimed to find ventures dedicated to water innovation that could improve access in the most deprived communities in the region. The convocation achieved more than 500 applications worldwide, after which a complete acceleration process was developed for the 20 best projects, resulting in 3 winners. According to the record, 100% progress was achieved in 2021 by implementing the 3 Softys Water Challenge (SWC). 1) Caucallute Island Project: thanks to the work of the Amulén Foundation and Softys, 16 families have drinking water for human consumption. The project includes 120,000 liters of water annually through an investment of US$44,495. 2) Lumaco Project: The initiative, financed by CMPC with the support of Fundación Amulén, enables the capture, storage, and purification of rainwater for 40 families. The project includes 46,000 liters of water annually through an investment of US$108,123. 3) Caieiras Project: Collaborative work of the Isla Urbana team, Teto Brasil, and Softys, which allows the capture and treatment of rainwater in the community of Calcárea, Sao Paulo, Brazil. The program benefits 15 families, providing 41,000 liters of water annually through an investment of US$26,423.

Goal
Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities

Level
Company-wide

Motivation
Corporate social responsibility

Description of goal
According to World Bank data, water scarcity affects more than 40% of the world’s population. By 2025, approximately 1.8 billion people will live in regions or countries with absolute water scarcity. Furthermore, according to the latest Casen survey in Chile, La Araucanía is one of the poorest regions in the country and 71% of rural households lack drinking water. Seeking to provide a sustainable solution to the social problem of lack of access to water, CMPC and Desafío Levantemos Chile launched the initiative “Desafío Agua Para Chile” (Challenge Water for Chile), that seeks to address the reality of availability and accessibility of this essential resource in municipalities in the regions of Biobío and Araucanía, in Chile, through the implementation of 20 water resource projects, either for consumption or for productive activities. These regions have the highest rate of population lacking access to water in the country, and at the same time are among the regions that spend the most resources to distribute it through water trucks to their inhabitants.

Baseline year
2020

Start year
2020

End year
2021

Progress
In 2021, it focused especially on the construction of water supplies for human consumption and the implementation of irrigation systems, reaching more than 502 family beneficiaries and an investment of USD 705,353.
W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

<table>
<thead>
<tr>
<th>Disclosure module</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>W1 Current state</td>
<td>Total withdrawals, water consumption and water discharges by business unit and facilities.</td>
<td>Other, please specify (Section AT210)</td>
<td>The information and data was disclosed in our 2021 Integrated Report. Contents and data related to disclosed information in the CMPC 2021 Integrated Report were reviewed by KPMG considering the criteria established in the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and International Integrated Reporting Standard, as well as Empresas CMPC’s internal guidelines, confirming the essential option stated by CMPC. KPMG did an Independent Assurance Report &amp; Verification Letter, based on 27 KPIs related to SASB, GRI, IIRC &amp; CMPC’s (for details see page 107 of the report). To the reporting year, KPMG established their procedures for conducting inquiries with CMPC’s management, business units &amp; personnel as well as performing other analytical procedures and tests, including: interviews with CMPC’s key personnel, verification of contents and data through supporting contents provided by CMPC; analysis of the process and quality control of contents &amp; data; verification of data reliability using testing samples basis and the review of calculations. KPMG conducted a limited review of the content and data related to the SASB (RRPP-140a.1.).</td>
</tr>
<tr>
<td>W8 Targets</td>
<td>Total withdrawals by business unit and facilities</td>
<td>Other, please specify (Section AT210)</td>
<td>The information and data was disclosed in our 2021 Integrated Report. Contents and data related to disclosed information in the CMPC 2021 Integrated Report were reviewed by KPMG considering the criteria established in the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and International Integrated Reporting Standard, as well as Empresas CMPC’s internal guidelines, confirming the essential option stated by CMPC. KPMG did an Independent Assurance Report &amp; Verification Letter, based on 27 KPIs related to SASB, GRI, IIRC &amp; CMPC’s (for details see page 107 of the report). To the reporting year, KPMG established their procedures for conducting inquiries with CMPC’s management, business units &amp; personnel as well as performing other analytical procedures and tests, including: interviews with CMPC’s key personnel, verification of contents and data through supporting contents provided by CMPC; analysis of the process and quality control of contents &amp; data; verification of data reliability using testing samples basis and the review of calculations. KPMG conducted a limited review of the content and data related to indicator CMPC1 “Conservation, Protection and Restoration”, CMPC 9 “Industrial Water Intensity” (cubic meters per ton of product), CMPC 7 “Number of Comunity Engagement Programs”, and SASB (RRPP-140a.1.).</td>
</tr>
<tr>
<td>W0 Introduction</td>
<td>Area of forestland owned, leased, and/or managed, and Area of forestland certified to a third-party forest management standard</td>
<td>Other, please specify (Section AT210)</td>
<td>The information and data was disclosed in our 2021 Integrated Report. Contents and data related to disclosed information in the CMPC 2021 Integrated Report were reviewed by KPMG considering the criteria established in the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and International Integrated Reporting Standard, as well as Empresas CMPC’s internal guidelines, confirming the essential option stated by CMPC. KPMG did an Independent Assurance Report &amp; Verification Letter, based on 27 KPIs related to SASB, GRI, IIRC &amp; CMPC’s (for details see page 107 of the report). To the reporting year, KPMG established their procedures for conducting inquiries with CMPC’s management, business units &amp; personnel as well as performing other analytical procedures and tests, including: interviews with CMPC’s key personnel, verification of contents and data through supporting contents provided by CMPC; analysis of the process and quality control of contents &amp; data; verification of data reliability using testing samples basis and the review of calculations. KPMG conducted a limited review of the content and data related to indicator SASB RR-FM-000a.A “Area of forestland owned, leased, and/or managed by the entity”, and SASB RR-FM-160a.1 “Area of forestland certified to a third-party forest management standard, percentage certified to each standard”.</td>
</tr>
</tbody>
</table>

W10. Sign off

W-FI

(W-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.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

<table>
<thead>
<tr>
<th>Row</th>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chief Executive Officer</td>
<td>Chief Executive Officer (CEO)</td>
</tr>
</tbody>
</table>

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No
SW. Supply chain module

SW0.1

(SW0.1) What is your organization’s annual revenue for the reporting period?

<table>
<thead>
<tr>
<th>Annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>6323000000</td>
</tr>
</tbody>
</table>

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No, CDP supply chain members do not buy goods or services from facilities listed in W5.1.

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

<table>
<thead>
<tr>
<th>Are you able to provide geolocation data for your facilities?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for all facilities</td>
<td>All 45 operational facilities</td>
</tr>
</tbody>
</table>

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Latitude</th>
<th>Longitude</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Softys Puente Alto</td>
<td>33.6112</td>
<td>-70.565300</td>
<td>Softys plant located in Puente Alto, Santiago, Chile. Within its processes it uses water and its main products are sanitary products and tissue paper: napkins, toilet paper and absorbent paper.</td>
</tr>
<tr>
<td>Softys Talagante</td>
<td>33.7031</td>
<td>-70.935528</td>
<td>Softys plant located in Talagante, Santiago, Chile. Within their processes they use water and produce mainly paper jumbos which they convert into tissue products: napkins, toilet paper and absorbent.</td>
</tr>
<tr>
<td>Softys Gachancipa</td>
<td>5.01516</td>
<td>73.861723</td>
<td>Softys plant, located in Bogota, Colombia. Within their processes they use water and its main products are paper jumbos which they transform into: toilet paper, napkins, towels, tissues, facial and institutional products.</td>
</tr>
<tr>
<td>Softys Cali</td>
<td>3.02820</td>
<td>76.48592</td>
<td>Softys plant located in Cali, Colombia. Its processes do not use water, and its main products are sanitary products.</td>
</tr>
<tr>
<td>Softys Ecuador</td>
<td>2.00395</td>
<td>79.968151</td>
<td>Softys plant located in Guayaquil, Ecuador. They buy paper jumbos which they transform into tissue products and also produce sanitary products. Water is not used in their industrial processes.</td>
</tr>
<tr>
<td>Softys Zarate</td>
<td>34.0599</td>
<td>-59.09721</td>
<td>Softys plant located in Zaraate, Buenos Aires, Argentina. Within their processes they use water and produce mainly paper jumbos which they convert into tissue products: napkins, toilet paper and absorbent paper.</td>
</tr>
<tr>
<td>Softys Naschel</td>
<td>32.9140</td>
<td>-55.947701</td>
<td>Softys plant located in San Luis, Argentina. Its processes do not use water, that is, they are dry and its main products are disposable baby diapers, towels and female protectors.</td>
</tr>
<tr>
<td>Softys Pando</td>
<td>34.7326</td>
<td>-100.31805</td>
<td>Softys plant located in Montevideo, Uruguay. Its production processes use water. Its main products are absorbent and toilet paper, sanitary products such as diapers, napkins, among others.</td>
</tr>
<tr>
<td>Softys Altamira</td>
<td>22.4083</td>
<td>97.890913</td>
<td>Softys plant located in Altamira, Mexico. Its processes use water. Its main product is jumbo rolls, in order to take them to other plants to transform them into final products such as, toilet paper and napkins, among others.</td>
</tr>
<tr>
<td>Softys Garcia</td>
<td>25.6389</td>
<td>-100.31805</td>
<td>Softys plant located in Monterrey, Mexico. The plant does not use water in its process, and it only produces sanitary products.</td>
</tr>
<tr>
<td>Softys Caiaras</td>
<td>23.3673</td>
<td>46.762390</td>
<td>Softys plant located in Caiaras, Brazil. This is one of the biggest Softys plant, which uses water in their production processes, which include pulp, paper jumbos, tissue products and sanitary products.</td>
</tr>
<tr>
<td>Softys Recife</td>
<td>8.06398</td>
<td>34.872445</td>
<td>Softys plant located in Pernambuco, Brazil. Conversion plant. Their productive process don't need water. This plant receives paper jumbos from Caiaras and converts it into tissue products.</td>
</tr>
<tr>
<td>Softys Guapia</td>
<td>29.9694</td>
<td>51.155914</td>
<td>Softys plant located in Guapia, Brazil. Their productive process don't use water. They buy paper jumbos and convert them into tissue products.</td>
</tr>
<tr>
<td>Softys Mogi</td>
<td>23.5430</td>
<td>-46.2706</td>
<td>Softys plant located in Mogi das Cruzes, São Paulo, Brazil. Within their processes they need water for the production of paper jumbos which they then convert into tissue products.</td>
</tr>
<tr>
<td>Softys Santa Anita</td>
<td>12.0452</td>
<td>76.963381</td>
<td>Softys plant located in Lima, Peru. This complex considers Santa Rosa, Rosales and Sorepa Peru. Within their processes they use water for the production of paper jumbos. Its main products are toilet paper, impregnated paper cloths, paper tablecloths and napkins and paper coasters.</td>
</tr>
<tr>
<td>Facility</td>
<td>Identifier</td>
<td>Latitude</td>
<td>Longitude</td>
</tr>
<tr>
<td>---------------------------</td>
<td>------------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>Softys Cafetín</td>
<td>13.1352</td>
<td>13.1352</td>
<td>66</td>
</tr>
<tr>
<td>Bioboard Maule</td>
<td>35.6061</td>
<td>35.6061</td>
<td>11</td>
</tr>
<tr>
<td>Bioboard Valdiva</td>
<td>39.7897</td>
<td>39.7897</td>
<td>23</td>
</tr>
<tr>
<td>Sack Kraft Chile</td>
<td>36.5805</td>
<td>36.5805</td>
<td>55</td>
</tr>
<tr>
<td>Sack Kraft Peru</td>
<td>11.9716</td>
<td>11.9716</td>
<td>66</td>
</tr>
<tr>
<td>Sack Kraft Mexico</td>
<td>20.4991</td>
<td>20.4991</td>
<td>66</td>
</tr>
<tr>
<td>Sack Kraft Argentina</td>
<td>36.6847</td>
<td>36.6847</td>
<td>22</td>
</tr>
<tr>
<td>Corrugados Cordillera</td>
<td>33.6105</td>
<td>33.6105</td>
<td>55</td>
</tr>
<tr>
<td>Corrugados Tilt</td>
<td>33.1344</td>
<td>33.1344</td>
<td>44</td>
</tr>
<tr>
<td>Corrugados Buin</td>
<td>33.7330</td>
<td>33.7330</td>
<td>55</td>
</tr>
<tr>
<td>Corrugados Osorno</td>
<td>40.7044</td>
<td>40.7044</td>
<td>44</td>
</tr>
<tr>
<td>EDIPAC</td>
<td>33.3463</td>
<td>33.3463</td>
<td>88</td>
</tr>
<tr>
<td>Fibras</td>
<td>33.39</td>
<td>33.39</td>
<td>70</td>
</tr>
<tr>
<td>CHMOLSA</td>
<td>33.6063</td>
<td>33.6063</td>
<td>13</td>
</tr>
<tr>
<td>Celulosa Laja</td>
<td>37.5434</td>
<td>37.5434</td>
<td>4</td>
</tr>
<tr>
<td>Celulosa Santa Fe</td>
<td>37.5158</td>
<td>37.5158</td>
<td>33</td>
</tr>
<tr>
<td>Celulosa Pacífico</td>
<td>37.8604</td>
<td>37.8604</td>
<td>54</td>
</tr>
<tr>
<td>Plywood</td>
<td>37.8255</td>
<td>37.8255</td>
<td>36</td>
</tr>
<tr>
<td>Remanufactura Concepción</td>
<td>36.9655</td>
<td>36.9655</td>
<td>55</td>
</tr>
<tr>
<td>Asenaderos Mulchen</td>
<td>37.7019</td>
<td>37.7019</td>
<td>44</td>
</tr>
<tr>
<td>Asenaderos Nacimiento</td>
<td>37.5180</td>
<td>37.5180</td>
<td>55</td>
</tr>
<tr>
<td>Remanufactura Los ángeles</td>
<td>37.3934</td>
<td>37.3934</td>
<td>44</td>
</tr>
<tr>
<td>Asenaderos Bucalén</td>
<td>37.1702</td>
<td>37.1702</td>
<td>77</td>
</tr>
<tr>
<td>Celulosa Guábita</td>
<td>30.1344</td>
<td>30.1344</td>
<td>44</td>
</tr>
<tr>
<td>Panamericana</td>
<td>16.4218</td>
<td>16.4218</td>
<td>8</td>
</tr>
<tr>
<td>SEPAC</td>
<td>25.8660</td>
<td>25.8660</td>
<td>8</td>
</tr>
<tr>
<td>Softys Valle de México</td>
<td>19.7090</td>
<td>19.7090</td>
<td>48</td>
</tr>
<tr>
<td>Biopackaging Huapayo</td>
<td>20.7685</td>
<td>20.7685</td>
<td>54</td>
</tr>
</tbody>
</table>
Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

**Requesting member**
Arcos Dorados

**Category of project**
Relationship water assessment

**Type of project**
Aligning goals to feed into customers targets and ambitions

**Motivation**
Uprising demand for sustainable products, committed to responsible management of natural resources.

**Estimated timeframe for achieving project**
4 to 5 years

**Details of project**
Establish a goal to reduce their indirect water footprint, focused on the suppliers to promote better water management in the locations where your sales operations take place. Popular opinion have been demanding increasingly for sustainable products, so the commitment of the whole supply chain is a joint effort of all the stakeholders. Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.

**Projected outcome**
Having a goal on indirect water will encourage other manufacturing companies to develop goals on their direct water usage. In facilities located in basins under water stress risk, the water availability has been decreasing over the last years, so immediate actions to reduce the impact on the industries are required. Otherwise, the risk of not taking preventive measures is to barely have water available for human consumption, which will lead to shut down facilities' operations. On the other side, restrictions on the operations to benefit human consumption are being applied in some locations, so a better water management is mandatory. Being the promoter to develop goals around water withdrawal, quality, and consumption enhances the relationships from the manufacturer to the final client, and are necessary for assurance the availability of products. Also, popular opinion have been demanding increasingly for sustainable products, so the commitment of the whole supply chain is a joint effort of all the stakeholders. Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.

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**Requesting member**
Wal Mart de Mexico

**Category of project**
Relationship water assessment

**Type of project**
Aligning goals to feed into customers targets and ambitions

**Motivation**
Uprising demand for sustainable products, committed to responsible management of natural resources.

**Estimated timeframe for achieving project**
4 to 5 years

**Details of project**
Establish a goal to reduce their indirect water footprint, focused on the suppliers to promote better water management in the locations where your sales operations take place. Popular opinion have been demanding increasingly for sustainable products, so the commitment of the whole supply chain is a joint effort of all the stakeholders. Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.

**Projected outcome**
Having a goal on indirect water will encourage other manufacturing companies to develop goals on their direct water usage. In facilities located in basins under water stress risk, the water availability has been decreasing over the last years, so immediate actions to reduce the impact on the industries are required. Otherwise, the risk of not taking preventive measures is to barely have water available for human consumption, which will lead to shut down facilities' operations. On the other side, restrictions on the operations to benefit human consumption are being applied in some locations, so a better water management is mandatory. Being the promoter to develop goals around water withdrawal, quality, and consumption enhances the relationships from the manufacturer to the final client, and are necessary for assurance the availability of products. Also, popular opinion have been demanding increasingly for sustainable products, so the commitment of the whole supply chain is a joint effort of all the stakeholders. Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.

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**Requesting member**
Suzano Papel & Celulose

**Category of project**
Relationship water assessment

**Type of project**
Aligning goals to feed into customers targets and ambitions

**Motivation**
Uprising demand for sustainable products, committed to responsible management of natural resources.

**Estimated timeframe for achieving project**
4 to 5 years

**Details of project**
Establish a goal to reduce their indirect water footprint, focused on the suppliers to promote better water management in the locations where your sales operations take place. Popular opinion have been demanding increasingly for sustainable products, so the commitment of the whole supply chain is a joint effort of all the stakeholders. Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.

**Projected outcome**
Having a goal on indirect water will encourage other manufacturing companies to develop goals on their direct water usage. In facilities located in basins under water stress risk, the water availability has been decreasing over the last years, so immediate actions to reduce the impact on the industries are required. Otherwise, the risk of not taking preventive measures is to barely have water available for human consumption, which will lead to shut down facilities' operations. On the other side, restrictions on the operations to benefit human consumption are being applied in some locations, so a better water management is mandatory. Being the promoter to develop goals around water withdrawal, quality, and consumption enhances the relationships from the manufacturer to the final client, and are necessary for assurance the availability of products. Also, popular opinion have been demanding increasingly for sustainable products, so the commitment of the whole supply chain is a joint effort of all the stakeholders. Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.
Buying a product is no longer a decision only made by price, or quality. Environmental impact of the products has taken more and more importance over recent years.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?
No

SW3.1

(SW3.1) Provide any available water intensity values for your organization’s products or services.

<table>
<thead>
<tr>
<th>Product name</th>
<th>Water intensity value</th>
<th>Numerator: Water aspect</th>
<th>Denominator</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tissue products</td>
<td>18.87</td>
<td>Water withdrawn</td>
<td>Metric tons of tissue paper produced.</td>
<td>Arcos Dorados compra productos de papel tisú a Softys Mogi, Talagante y Pando. La intensidad del agua indicada anteriormente se calcula tomando la intensidad media de las plantas. Se calcula como Volumen de consumo de agua [m³] / Papel tisú producido [toneladas métricas].</td>
</tr>
<tr>
<td>Tissue products</td>
<td>18.14</td>
<td>Water withdrawn</td>
<td>Metric tons of tissue paper produced.</td>
<td>Walmart buys tissue products from our Mexico Softys facility, Softys Altamira. Water intensity reported above is calculated taking the average intensity of the plant. Is calculated as Volume of water consumption [m³] / Tissue paper produced [metric tons].</td>
</tr>
<tr>
<td>Tissue products</td>
<td>23.69</td>
<td>Water withdrawn</td>
<td>Metric tons of tissue paper produced.</td>
<td>Suzano buys tissue products from Softys Caieiras. Water intensity reported above is calculated taking the average intensity of the plant. Is calculated as Volume of water consumption [m³] / Tissue paper produced [metric tons].</td>
</tr>
</tbody>
</table>

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Please select your submission options</th>
<th>I understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Public</td>
</tr>
</tbody>
</table>

Please confirm below
I have read and accept the applicable Terms