Sustainable Financing Framework

March 2022

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01 CMPC SUSTAINABILITY STRATEGY

1.1
Company Overview

Guaiba Mill, Brazil. The Guaiba Mill was acquired by CMPC in December 2009 in the State of Rio Grande do Sul. During 2021, the BioCMPC project was announced, which aims at major environmental and social improvements of the plant.

Empresas CMPC S.A. (the "Company" or "CMPC") is a multinational company with more than 100 years of history that seeks to satisfy some of humanity's most pressing needs through the delivery of solutions from renewable resources. CMPC's business is the production and marketing of wood, pulp, packaging products, paper, tissue and personal care products from certified plantations under sustainable forest management. The Company's operations are organized into three business divisions: Pulp and Forestry, Biopackaging, and Softys. CMPC currently owns more than 1.2 million hectares of forest assets in Argentina, Brazil and Chile, and operates 43 production facilities in eight Latin American countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Uruguay. CMPC's high quality products are sold to approximately 20,000 clients in 65 countries.

1.2
Corporate Purpose

For over 100 years of delivering solutions based on renewable resources, CMPC has sought to strengthen its sustainability vision, which aims to create long-term shared value, with its purpose as its core. CMPC's corporate purpose – create, coexist, and conserve – termed the "3Cs," is integral to the Company's way of doing business and guides its corporate function towards a sustainable future.

CREATE

Solutions for people's most pressing needs. Because we are present in everyday life with products derived from wood, pulp, or recycled fibers.

COEXIST

With our stakeholders, creating opportunities for mutual development. Because we know that we hold a privileged position to contribute to the positive transformation of the ecosystems of which we are a part, we strongly and resolutely promote ways of being and doing that allow us to achieve better living conditions, both for current and future generations.

CONSERVE

Our environment. Because we understand that our work depends on natural resources, we are fully aware that today we are a global company, part of a new era that challenges companies andcitizens to renew their patterns of production, consumption, and coexistence, moving from a linear economy to a circular one.

Through the 3Cs, the company seeks to generate and promote a sustainable culture that, in the short, medium, and long term, will contribute to the creation of shared value.

1.3

Strategic Sustainability Approach

CMPC's Strategic Sustainability Approach is composed of its corporate purpose (3Cs), focus on key value creation areas, management of environmental, social and governance (ESG) issues, alignment with business risks, and ambitious corporate sustainability goals. All of this, guided by robust sustainability governance, is known as sustainable development. the Value Creation Model, which summarizes the integration of businesses and subsidiaries around sustainable development.

Corporate purpose 3C → Value creation areas → Material issues → Business risk → Corporate goals

SUSTAINABILITY GOVERNANCE

CMPC's Strategic Sustainability Approach focuses on its main processes, activities, products, and by-products, and emphasizes the circular flows of internal recovery. Its Value Creation Model is constantly evolving as internal understanding increases, with the 3Cs as its central axis, from which it addresses its corporate sustainability goals.

As part of its business model, CMPC works in seven key areas to extend its positive impact on people and the environment:

1. Recognize the importance of strong business relationships with global and diversified clients, building a comprehensive logistics network and a client-oriented service culture.
2. Promote practices that favor free competition, benefit consumers, allowing the efficient allocation of resources, while encouraging innovation.
3. Strictly comply with the laws and regulations in the countries where it operates, through a corporate culture based on keeping our pledged word, a job well done, and personal effort.
4. Develop its collaborators integrally, generating identity, commitment, and high performance in their work teams.
5. Use state-of-the-art technology in its processes to maintain quality standards, safety, and protection of people and the environment.
6. Reject child labor, forced labor, and any type of discrimination.
7. Progress toward meeting its sustainability goals.

CMPC´s Strategic approach to sustainability and materiality

FOCUS OF THE 3Cs	VALUE CREATION AREAS	STAKEHOLDER
CREATE	Innovating to solve genuine needs	• Clients • Consummers • Service companies
	Direct communication with clients	
COEXIST	To contribute to the development of the territories	• Communities • Indigenous peoples • Local suppliers
	Positively transforming environments	• Collaborators • Service companies • Society
CONSERVE	Active conservation of natural forests	
	Climate emergency response	
SUSTAINABLE CULTURE	Sustainable economic performance	• Collaborators • Clients • Consumers • Investors • Shareholders • Service companies • Unions / Associations • Academia • NGOs
	Leaders in ethics and compliance	

1.4

Sustainability and Diversity and Inclusion Targets

3C	MATERIAL ISSUE	CORPORATE GOALS	BASELINE	PERFORMANCE 2020	COMPLETION %	GOAL	SDG AND SDG GOAL
CREATE	Innovation and digitalization	A 30% of process improvements by 2025 should come from digital innovation and the use of data.	(2020)	-	-	-	8.2
		A 20% of the specific sustainable development goals must be achieved through innovative technology.	(2020)	-	-	-	9.4
		A percentage of the sales of the three business areas by 2025 must come from new products, businesses or business models that the areas did not offer as of January 1, 2020.	(2020)	-	-	-	
COEXIST	Diversity	Increase the number of women in the organization by 50% by 2025.	2,750 woman (2019)	3,304	40.2%	4,125	5.5
		Increase the number of women in leadership positions by 50% by 2025.	230 woman (2019)	266	31.3%	345	
	Inclusion	Achieve 2.5% of the workforce with people with disabilities by 2025.	1.0% (2019)	1.1%	6.6%	2.5%	10.2
	Health and safety	0 fatalities in operations, both in direct collaborators and in service companies, whether in industrial plants or in forest operations.	(annual)	0	100%	Zero	8.8
CONSERVE	Water	Reduce industrial water use per ton of product by 25% by 2025.	31.51 m3/t (2018)	31.07	5,6%	26.63	6.4
	Emissions	Reduce absolute greenhouse gas emissions (direct and indirect) by 50% by 2030.	2,396 $MtCO_2e$ (2018)	2,142	21.2%	1,198	13.3
	Waste	Achieve zero waste to final disposal by 2025, through the reduction of waste generation, the recovery of by-products, and the strengthening of circular models.	714,299 t (2018)	509,843	28.6%	Zero	12.4 - 12.5
	Conservation	Add 100,000 hectares of conservation or protection by 2030, to the more than 320,000 hectares that the Company already has for these purposes.	321,529.0 ha (2018)	385,725.6	64.2%	421,529	13.1 - 13.3 15.1

1.5

Sustainability Governance

In 2019, CMPC established the Sustainability Committee in the Board of Directors, with the main purpose of directly supervising the implementtion of the Company's sustainability strategy in its social and environmental aspects, as well as verifying effective compliance with the objectives and goals set annually. The Sustainability Committee also reviews and proposes the adoption of best practices to strengthen CMPC's long-term commitment to sustainable development.

The Sustainability Committee is responsible for monitoring the Company's performance and progress towards its long-term sustainability goals. Throughout the year, the Company's business areas present their sustainability strategies, environmental and social risks, team organization, and internal objectives to the Sustainability Committee for evaluation and approval of next steps.

CMPC's Chief Sustainability Officer coordinates, monitors and oversees the Company's sustainability progress across its three business areas and its eight countries, in addition to the Company's corporate sustainability goals.

1.6

Sustainability Partnerships and Recognitions

Recognizing the importance of collaboration, CMPC partners with important national and international organizations, looking to build more sustainable best practices in order to enhance its shared value chain. The Company knows that sustainability is comprised of several topics, so CMPC engages in several partnerships to ensure alignment. The Company has been a core member of the World Business Council for Sustainable Development ("WBCSD") and its Forest Solutions Group ("FSG") since 2011. It recently served as co-chair in the elaboration of the Forest Sector SDG Roadmap by the FSG, which was presented to the United Nations by CMPC's CEO, Francisco Ruiz-Tagle, in 2019. The roadmap identifies risks and opportunities for the sector and provides a pathway towards minimizing negative impacts and contributing to the UN Sustainable Development Goals ("SDG") by identifying eight impact opportunities in respect of which companies can align and strike forward. These are: Working Forest, Bioeconomy, Climate, Water, Circularity, People, Communities and Procurement. CMPC participates in the UN Global Compact (member of the Chile network excecutive committee), the Climate Leaders Group and Acción Empresas (Chile network for WBCSD), and partners with many local educational institutions, government entities and NGOs.

CMPC has been recognized for its track record in sustainability by several ESG Awards and Ratings, including being ranked as the second most sustainable company in the Forest Product Industry by the Dow Jones Sustainability Indexes and being included in the S&P Global Sustainability Yearbook 2022 as an Industry Mover. CMPC was also included in the Forest and Climate Change A-List of CDP and VigeoEiris Best Emerging Market Performers, among others. CMPC has also joined several global initiatives to combat climate change, including the Business Ambition for 1.5°C and the 'Race to Zero', which aim to mobilise industries to reduce greenhouse gas emissions through tangible goals based on science.

1.7 Sustainable Financing History

With a comprehensive and consolidated background on the “use of proceeds” label, in August 2020, CMPC took a new step by closing a USD 100 million revolving credit facility structured as a Sustainability-Linked Loan (“SLL”) for a term of two years. The interest rate margin on such SLL was structured to be adjusted annually in accordance with the Company’s performance against four sustainability key performance indicators (“KPI(s)”), which were identified as key environmental aspects for the Company and the Pulp&Paper industry as a whole, motivating the Company to outperform holistically.

In April 2021, CMPC continued to advance in its sustainable financing strategy by issuing a USD 500 million Sustainability-Linked Bond for a 10-year term. This issuance aimed to further incorporate sustainability performance metrics into CMPC’s financing, by linking the interest rate payable on such instrument to CMPC’s absolute CO2e emissions and water use intensity targets. In December 2021, CMPC also closed a three-year USD 300 million revolving credit facility structured as an SLL in order to refinance the SLL entered into in August 2020.

The Company started its path towards sustainable finance in March 2017, when CMPC issued its first green bond in an aggregate principal amount of USD 500 million. This was the first operation of its kind by a Chilean company. In October 2018, the Company issued a second green bond in an aggregate principal amount of PEN 100 million (approximately USD 30 million) on the Peruvian Stock Exchange through its subsidiary Softys Peru, being the first green bond to be issued in Peru. In July and September 2019, CMPC announced two new green finance instruments: i) a third green bond in an aggregate principal amount of UF2.5 million (approximately USD 93 million) listed on the Santiago Stock Exchange, and ii) a syndicated green loan with Japanese banks in an aggregate principal amount of USD 100 million

The proceeds of these transactions were allocated to eligible green projects in the following categories: Sustainable Forest Management, Preservation of Biodiversity and Restoration of Forest, Pollution Prevention and Control, Energy Efficiency, Sustainable Water and Wastewater Management, Eco-Efficiency and/or Circular Economy Adapted Products and Green Buildings.

2017

CMPC is the first Chilean company to issue a 10-year USD 500 million Green Bond

2018

First Green Bond in the Peruvian market

by CMPC´s subsidiary Softys Perú, for USD $30 million.

2019

CMPC issues Green bond

in the chilean market (USD 93 million)

CMPC obtains Green loan

Syndicated by japanese banks (USD 100 million)

2020

Revolving Credit Facility related to sustainability

(SLL) for USD 100 million for a 2-year term

2021

Sustainable Linked Bond

(SLB) for USD 500 million for a 10-year term

Revolving Credit Facility

Structured as a sustainability linked loan (SLL) for USD 300 million and a term of 3 years

02 SUSTAINABLE FINANCING FRAMEWORK

CMPC is committed to playing an important role in the development of sustainable finance in Chile and the world by highlighting its ability to channel more investments towards relevant environmental and social initiatives, and to develop a serious commitment to achieving ambitious environmental goals.

2.1 Green Financing

In accordance with our sustainability strategy, CMPC has developed this Sustainable Financing Framework (the "Framework") in fulfillment of the following voluntary process guidelines that recommend transparency, disclosure and the promotion of integrity for best practices. This Sustainable Financing Framework has been developed to include Green Use of Proceeds Bonds and Loans ("Green Bonds" and "Green Loans", respectively), as well as Sustainability-Linked Bonds, or a combination thereof ("Green Sustainability-Linked Bonds" or "Green Sustainability-Linked Loans").

Green Financing Instruments:

Green Bonds, Green Loans, and other debt or financing instruments that fund Eligible Green Projects and that conform to:

· The International Capital Market Association's ("ICMA") Green Bond Principles 2021 ("GBP")[1] ;
· The Loan Syndications and Trading Association, Loan Market Association and Asia Pacific Loan Market Association's Green Loan Principles 2021 ("GLP")[2] .

The above mentioned Principles introduce voluntary process guidelines for best practices when issuing Green Financing Instruments, and in alignment with these, this section is based on the following four pillars:

1. Use of Proceeds
2. Project Evaluation and Selection Process
3. Management of Proceeds
4. Reporting

This framework also satisfies the two "Key Recommendations" of the GBP:

1. Green Bond Frameworks
2. External Reviews

[1] https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Bond-Principles-June-2021-140621.pdf

[2] https://www.lma.eu.com/application/files/9115/4452/5458/741_LM_Green_Loan_Principles_Booklet_V8.pdf

CMPC is constantly looking for clean energy sources such as biomass. In total, renewable energies account for 84% of energy consumed by operations, and this proportion expected to continue to increase.

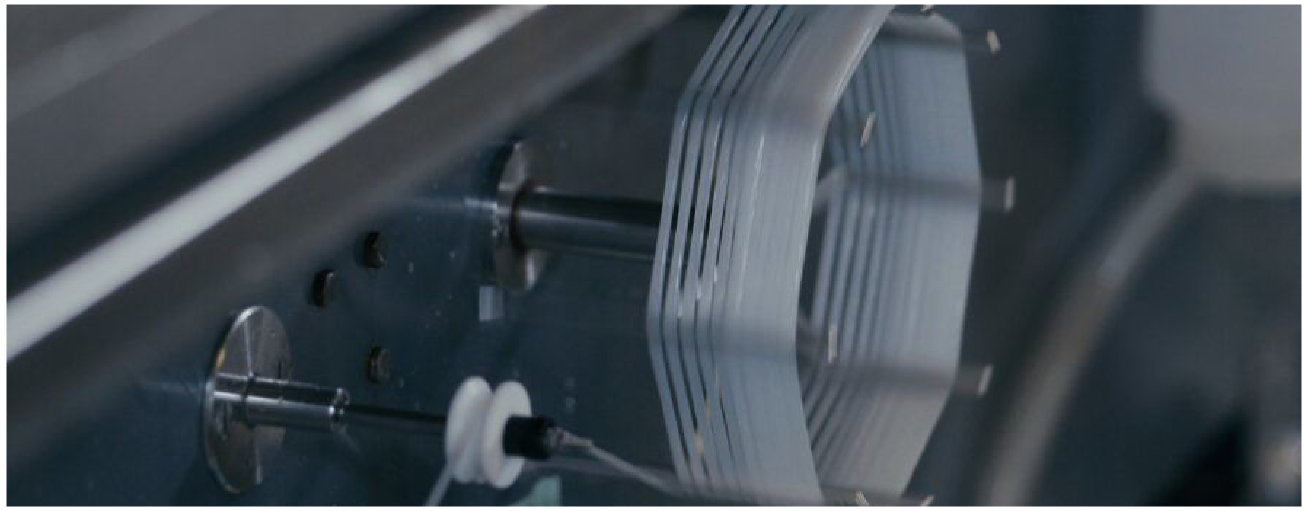
2.1.1 Use of Proceeds

For each Green Financing Instrument under this Framework, we intend to allocate an amount equal to the net proceeds to financing or refinancing, in whole or in part, existing or new Eligible Green Projects ("Eligible Projects"). Eligible Projects include investments and expenditures by CMPC and its subsidiaries related to one or more of the categories and criterialisted below. These Eligible Projects include those for which CMPC made disbursements within the 24 months prior to the issuance of the applicable Green Financing Instrument and up to 24 months after such issuance, unless otherwise noted in the respective financing documents. All projects must be associated with direct CMPC operations. We may allocate to a single Eligible Project or any combination of Eligible Projects, and no assurances can be provided that any amount will be allocated to fund any particular category of Eligible Project.

CMPC´S CORPORATE PURPOSE	ICMA GBP CATEGORY	UN SDG´S	DESCRIPTION
CREATE	Eco-Efficient and/or Circular Economy Adapted Products	9 Industry, Innovation and Infrastructure; 12 Responsible Consumption and Production	Expenditures on projects for the development and introduction of environmentally sustainable products, with an eco-label or environmental certification, resource-efficient packaging and distribution. Eligible Projects include, but are not limited to: - Sustainable construction materials based on wood structures and solutions. - Fiber-based sustainable packaging solutions. - Natural and renewable bioproducts. including pulp-based textile fibers, lignin and nanocelulose.
CONSERVE	Energy Efficiency	7 Affordable and Clean Energy	Expenditures related to projects that result in increased energy efficiency, using best efforts basis to achieve at least a 30% energy efficiency improvement. Eligible Projects include, but are not limited to: - Financing of electric powered machinery or incorporation of energy saving technologies, including LED lighting technology. - Energy storage systems, energy efficient heating, ventilation, air conditioning (HVAC), refrigeration, and electrical equipment. - Acquisition of more efficient electric engines, valves and pumps. - Optimization projects in CMPC's plants.
	Green Buildings	11 Sustainable Cities and Communities	Expenditures related to the acquisition, financing, construction or retrofitting of buildings in line with Green Building Standards (planning and design, energy efficiency, green roofs, water efficiency and conservation, material conservation and resource efficiency, environmental quality). A building is eligible when at least one of the following criteria is met: - 30% or more emissions/energy performance improvements over baseline such as ASHRAE 90.1 2010 or equivalent - The level of energy performance of the building belongs to the top 15% of the national stock of the respective region (based on Primary Energy Demand and/or Carbon Emissions Intensity). - The Building receives/targets a Design, Post-Construction or In-Use environmental certification. Eligible Certification standards include: LEED Gold certified or higher, BREEAM Excellent or higher, HQE Excellent or higher, or other equivalent local or regional sustainability certifications.

CMPC´S CORPORATE PURPOSE	CMA GBP CATEGORY	UN SDGS	DESCRIPTION
CONSERVE	Environmentally Sustainable Management of Living Natural Resources and Land Use	15 Life on Land	Expenditures on projects related to the restoration and conservation of existing natural resources and/or biodiversity, including maintenance, protection and identification of endangered flora and fauna and the preservation and restoration of High Conservation Value Forests. Expenditures on projects related to sustainable forest management for eucalyptus and radiata pine plantations certified by FSC, CERTFOR (PEFC) or equivalent certification, such as the acquisition, planting and maintenance of seedlings up to harvest and the development of hybrids without genetic manipulation to improve the productivity of plantations while reducing water consumption and increasing CO^2 capture.
	Sustainable Water and Wastewater Management	13 Climate Action; 15 Life on Land	Expenditures on projects related to sustainable water management projects, such as the reduction of water consumption in industrial processes, systems facilitating reuse of water in industrial processes, and the implementation of technologies and systems that improve the quality of treated water; reduction of organic content and volume of effluent.
	Pollution Prevention and Control	13 Climate Action; 12 Responsible Consumption and Production	Expenditures on projects related to pollution and prevention control, such as liquid and solid waste prevention and control projects, and gas capture and incineration in production facilities, including reduction of air emissions, greenhouse gas control, soil remediation, waste prevention, waste reduction, waste recycling and energy/ emission-efficient waste to energy.
	Clean Transportation	13 Climate Action; 12 Responsible Consumption and Production	Expenditures related to the acquisition, modernization, and maintenance of our transport fleet, including transportation with zero direct emissions (i.e. electric vehicles) and low GHG emissions (i.e Hybrid vehicles). To be eligible, hybrid passenger vehicles must meet a threshold of 50gCO2/km and hybrid freight vehicles (such as heavy trucks) must meet a threshold of $25gCO_2/km$. Eligible projects include, but are not limited to: - Electric passenger and freight vehicles. - Rolling stock and vehicles for electrified public transport, such as electrified rail, trams, trolleybuses and cable cars. - Buses (fully electric). Expenditures related to the installation, acquisition, modernization and maintenance of infrastructure projects associated with electric vehicles, including charging stations.
	Renewable Energy	7 Affordable and Clean Energy; 13 Climate Action	Investments and expenditures related to the development, construction, maintenance, acquisition, and operation of renewable energy projects, such as solar (photovoltaic and CSP[3]) and wind (onshore and offshore). This includes Power Purchase Agreements (PPAs) and virtual PPAs that are project specific and long term (≥ 5 years), including those entered into prior to the issuance of the relevant Green Financing Instrument as well as later extensions.

[3]To be eligible, CSP plants must generate at least 85% of electricity from solar sources



1

We will not knowingly allocate proceeds of any Green Financing Instrument to investments that have received an allocation of proceeds from any other Green Financing Instrument.

Exclusionary Criteria:
We will not knowingly use the proceeds of any Green Financing Instrument for financing of assets or projects that involve the following:

- Activities related to the exploration, production or transportation of fossil fuels (e.g., coal, oil and gas);
- Consumption of fossil fuels for the purpose of power generation;
- Nuclear energy; or
- Activities involving exploitation of human rights, modern slavery (e.g., forced labor or human trafficking) or child labor.

2

(1) Plant-based textile fiber (Norratex method). In early 2022, CMPC and the Finnish company Nordic Bioproducts announced an agreement to produce a new plant-based textile fiber.

(2) CMPC reinforces its commitment to the environment by searching for new energy sources, promoting and innovating in green projects that generate renewable energy.

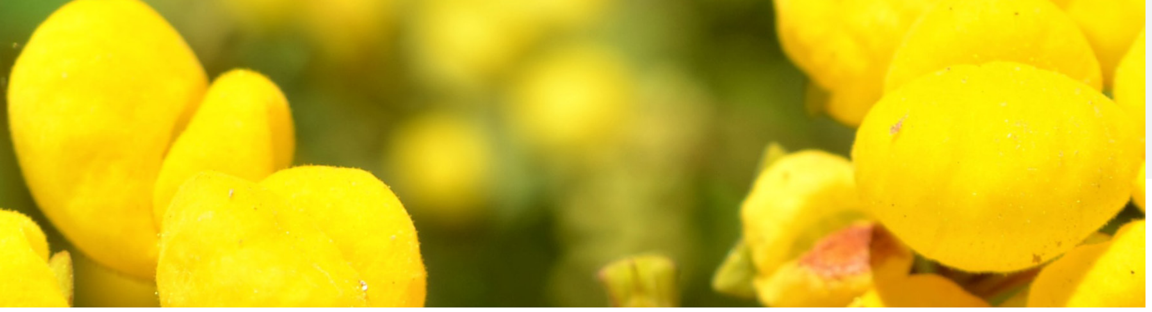
Los Ángeles Building, Región del BíoBío. Opened in 2019, it considers the highest efficiency standards prioritizing the use of wood in its structure and infrastructure.

2.1.2 Project Selection and Evaluation Process

CMPC has established a Sustainable Finance Committee co-chaired by the Chief Financial Officer and the Chief Sustainability Officer. The Sustainable Finance Committee is comprised of representatives of the Corporate Finance Department, the Sustainability Department, the Development Department, the Investor Relations Department and qualified persons belonging to the technical and financial departments of CMPC. The Sustainable Finance Committee oversees the selection of projects, acquisitions and investments and reviews the allocation of funds. The selection process includes evaluation of adequacy and eligibility of selected projects against the categories of Eligible Projects and CMPC's own criteria, as well as any processes used to assess social/environmental risks associated with the nominated projects/assets. For the selected projects and/or acquisitions, the business units are responsible for ensuring compliance with any Use of Proceeds requirements, preparing audit documentation and gathering the necessary evidence to facilitate external audit checks.

2.1.3 Management of Proceeds

So long as a Green Financing Instrument remains outstanding, our internal records will show the amount of the net proceeds from the issuance of such Green Financing Instrument allocated to Eligible Projects, as well as the amount of net proceeds pending allocation. The Company has a monthly Investment Report which includes all current investment projects and total disbursements. This report also classifies projects with positive environmental impacts. An amount equivalent to the net proceeds from any future Green Financing Instrument issued under this Framework will be allocated and managed by CMPC's Sustainable Finance Committee. Pending the allocation of the net proceeds to Eligible Projects, CMPC will temporarily invest the net proceeds in cash, cash equivalents and short-term marketable securities or repayment of debt. In addition, CMPC will implement an internal monitoring process of its projects, tracking actual amounts of net proceeds from any Green Financing Instrument spent on Eligible Projects. The Sustainable Finance Committee will be in charge of this process. CMPC will use reasonable efforts to substitute any material Eligible Project that is no longer eligible as soon as practicable upon identifying an appropriate substitute Eligible Project.



2.1.4 Reporting

Until the net proceeds from its Green Financing Instruments have been allocated in full to Eligible Projects, or later in the case of any material changes to the list of Eligible Projects, CMPC will publish an annual Sustainable Finance Impact Report on its Investor Relations site (ir.cmpc.com).

1. the amount of net proceeds allocated to Eligible Projects, either individually or by category, subject to confidentiality considerations;
2. the share of net proceeds used for financing or refinancing;
3. expected impact metrics, where feasible;
4. a selection of brief project descriptions; and
5. the outstanding amount of net proceeds to be allocated to Eligible Projects at the end of the reporting period.

In addition, in the case of any issues with an Eligible Project, CMPC will use reasonable efforts to substitute any material Eligible Project that is no longer eligible as soon as practicable upon identifying an appropriate substitute Eligible Project.

Where feasible, CMPC will adopt the guidance set forth in ICMA's Harmonized Framework for Impact Reporting (June 2021). Performance of estimated impacts will not be tied to the pricing or other characteristics of a Green Financing Instrument under this Framework. Any impact report will include, to the extent reasonably practicable, i) yearly expected environmental impact, for projects in the implementation phase, and/or ii) actual environmental impact achieved in a specific year, for projects already executed.
Examples of KPIs to be reported include the following:

ELEGIBLE CATEGORY	EXAMPLE OF KPI
Eco-Efficient and/or Circular Economy Adapted Products	- Volume of plastic bags replaced (tons/year)
Energy Efficiency	- GWh/ADT reduction; - Tons of Fuel Oil/m^3 transported, tons FO/Adt; - Tons of CO_2 emissions avoided, tons CO_2/year.
Green Buildings	- MWh/year saved in comparison with a non-LEED certified building
Environmentally Sustainable Management of Living Natural Resources and Land Use	- Land area restored (Ha) - Hectares Planted (Ha) - GHG emissions captured through planted forests, tons CO_2/year; - Maintenance of FSC; Certfor (PEFC) or equivalent internationally recognized certification; - Less water consumption m^3/year, improved CO_2 sequestration ton CO_2/year.
Sustainable Water and Wastewater Management	- Cubic meters of water saved, reduced or reused, m^3/year; - Reduction of fiber content in effluent, mg/l or percent; - Reduction of DBO in effluent, mgO2/lt.
Pollution Prevention and Control	- Reduction of liquid/solid waste; - M^3/day; - Avoided PM emissions, tons/year; - TRS reduction, Nm3/h. - GHG emissions avoided or reduced; tons CO_2/year
Clean Transportation	GHG emissions avoided or reduced; tons CO_2/year
Renewable Energy	GHG emissions avoided or reduced; tons CO_2/year

2. SUSTAINABLE FINANCING FRAMEWORK

2.1.5
External Review

2.1.5.1
Second Party Opinion

CMPC has appointed DNV Business Assurance USA, Inc. ("DNV") to assess this Framework. DNV applies its own methodology in line with market norms and the GBP and GLP guidelines to carry out this assessment. The results are documented in DNV's Second Party Opinion ("SPO"), which refers to the current Framework in its entirety. The SPO will be available on CMPC's Investor Relations website (ir.cmpc.com).

2.1.5.2
External Verification

Until the net proceeds from Green Financing Instruments are allocated in full to Eligible Projects and later, in case of any material changes in the list of Eligible Projects, we expect that our annual Sustainable Finance Impact Report will be accompanied by:

I. an assertion by management that an amount equal to the net proceeds of an offering of Bonds/Loans was allocated to Eligible Projects, and

II. an attestation report from an independent third party who will examine and review management's decisions regarding the use of net proceeds from any Green Financing Instrument and provide limited assurance as to which portion or all of the net proceeds from any Green Financing Instrument have been allocated consistent with the eligibility criteria set forth in this Framework.

2.2
Sustainability-Linked Financing

This Framework has been created to facilitate transparency, disclosure and integrity with regards to CMPC's sustainability-linked issuances, as recommended by the Sustainability-Linked Bond Principles 2020 ("SLBP") published by the ICMA.

The SLBP introduce voluntary process guidelines for best practices when issuing Sustainability-Linked Instruments and, in alignment with these, the Framework is based on the following five pillars:

1. Selection of Key Performance Indicator(s) ("KPI(s)")
2. Calibration of Sustainability Performance Target(s) ("SPT(s)")
3. Bond Characteristics
4. Reporting
5. External Review

Sustainability Linked Instruments ("SLI(s)") are bonds in respect of which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined Sustainability and ESG objectives. In that sense, issuers are committing expressly to future improvements in sustainability outcomes within a predefined timeline that are relevant, core and material to their overall business. SLIs are a forward looking performance based instrument.

The proceeds of SLIs are intended to be used for general corporate purposes, unless the SLI is also designated as a green bond. Prior to issuing an SLI, CMPC will select one or more of the following SPTs, which are core, relevant, and material to our business and measure progress against our sustainability commitments measure progress against our sustainability commitments.

2.2.1 Selection of KPIs

For the selection of the KPIs, CMPC aligned with two of its four environmental goals, in order to make them relevant, material and highly significant for the strategy of the Company. These KPIs will be verified by an independent third party on a consistent methodological basis, and progress will be published annually in the Company's Integrated Report and/or a separate Sustainable Finance Impact Report, published on the Company's Investor Relations website.

KPI #1: Greenhouse Gas Emissions

KPI	Absolute CO2 emissions - Scope 1 and 2 (in tCO_2)
KPI Boundary	Scope 1 and Scope 2 emissions account for approximately 20% of our total 2019 absolute emissions and Scope 3 represents the remaining 80%
Baseline	2,396,436 tCO_2 e (2018)
Sustainability Goal	1,198,218 tCO_2 e (2030) – 50% Reduction
2020 Performance	2,142,060 tCO_2 e – 10.6% Progress*
2021 Estimated Permormance**	2,032,865 tCO 2 e – 15.17% Progress*
SDG Alignment	SDG 13 Climate Action - Target 13.3: "Improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning."
Rationale	Greenhouse gas ("GHG") emissions and climate change are two of the main issues raised in CMPC's 2018 materiality analysis. CMPC selected the Scope 1 and 2 absolute emissions reduction goal as one of its main focus areas for improving our environmental footprint because it will have a meaningful and direct contribution through mitigation.
Calculation Methodology and Benchmark	"GHG emissions" refers to the carbon dioxide equivalent emissions of all the operating subsidiaries of CMPC measured in metric tons of CO_2. This inventory includes scope 1 (direct) and scope 2 (indirect from energy purchases) emissions according to the Greenhouse Gas Protocol (WRI & WBCSD) 2nd Edition. The Company's goal of reducing 50% of its emissions was constructed using the Science-based target tool, the General Contraction Approach and the Trajectory of 1.5°C, determined by the IPCC. Therefore, this goal is a highly ambitious target that is aligned with standards accepted within professional scientific communities.

*The progress is the calculated over the percentage of the goal.

**The 2021 data are estimated figures and will be updated when the integrated report is published.

KPI #2: Industrial Water Use

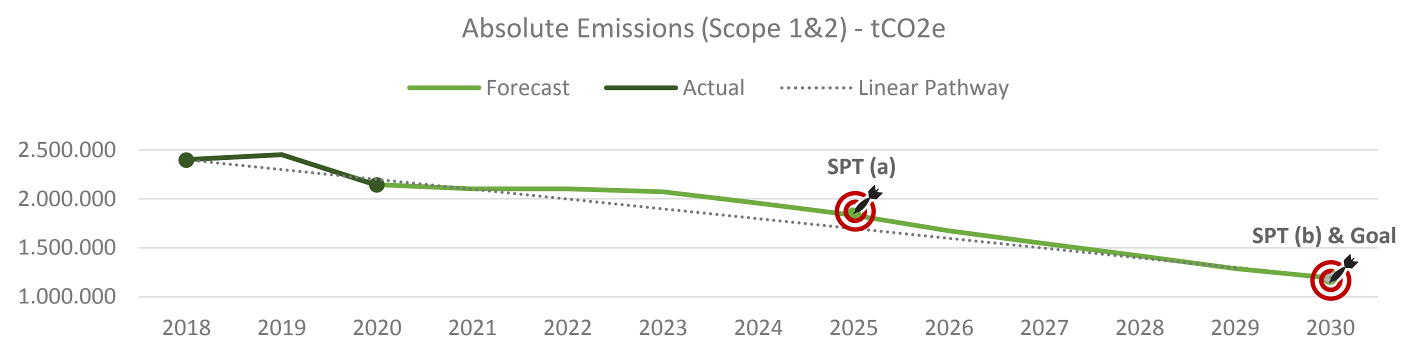
KPI	Industrial Water Use Intensity (in m^3/ton of product)
KPI Boundary	This KPI covers all of CMPC's industrial operations that use water in their processes
Baseline	31.51 m^3/t (2018)
Corporate Sustainability Goal	23.63 m^3/t (2025) – 25% Reduction
2020 Performance	31.07 m^3/t – 1.4% Progress*
2021 Estimated Performance**	29.93 m^3/t – 5.0% Progress*
SDG Alignment	SDG 6 Clean Water and Sanitation - Target 6.4: "By 2030, substantially increase water use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity."
Rationale	Another of CMPC's main material issues is water because it is fundamental to the production of pulp and paper; therefore, CMPC's operations are highly dependant on this resource. Future climate change scenarios predict water will become scarcer, especially in Chile, where CMPC has the majority of its operations. That is why the Company has committed to reducing its industrial water withdrawals by metric ton of product by 25%, considering all its industrial operations that use water in their processes. Investments in water-use reduction projects will focus on geographical areas where water is predicted to be more scarce and on operations that have higher water withdrawals.
Calculation Methodology and Benchmark	"Industrial water use" refers to the industrial water withdrawal for those production facilities of CMPC that use industrial water in their production process. The indicator is calculated as the total withdrawals measured in m^3 , divided by the total production in metric tons. The reduction of water usage intensity has been benchmarked against best practices, including Best Available Techniques ("BAT") and peer review. It is important to consider that CMPC produces a wide range of products such as pulp, cardboard, tissue paper, among others, so water intensity benchmarks vary widely among these. For example, in pulp production, BAT vary from 20 to 50 m^3/t, while in the case of tissue paper, it can range from 5 to 15 m3/t. In the case of tissue paper it is also important to consider the use of recycled paper vs. pulp, where the use of more recycled paper is correlated with an increase in water use. Considering all the different production processes, actual and available technology and current performance, CMPC determined the reduction of 25% of water use per ton of product.

*The progress is the calculated over the percentage of the goal.

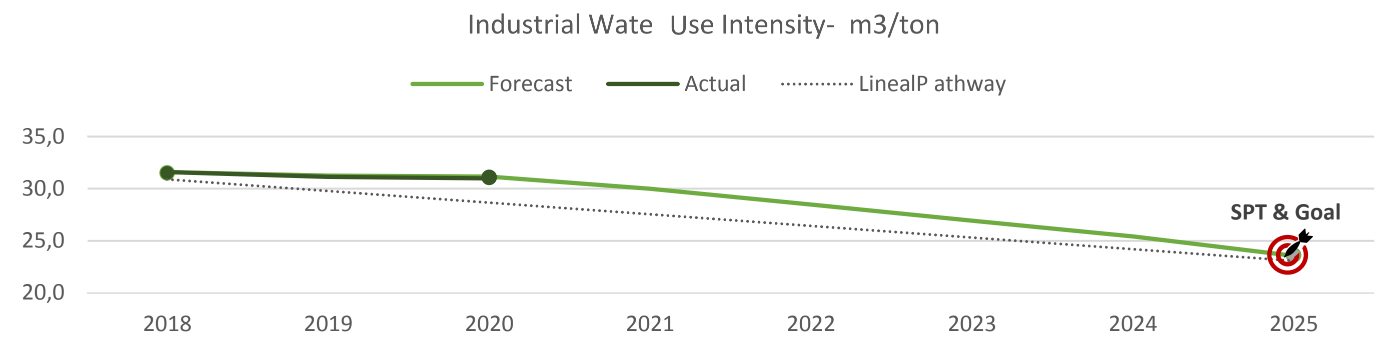
**The 2021 data are estimated figures and will be updated when the integrated report is published.

2.2.2
Calibration of Sustainability Performance Targets (SPTs)

KPI	SPT(s)	Change from Baseline at 2025 / 2030	Target Observation Date
#1 Greenhouse Gas Emissions	a) Achieve absolute CO_2 emissions -Scope 1 and 2 equal to or less than 1,833,060 tCO_2e, for the year 2025	-23.5%	December 31, 2025
	b) Achieve absolute CO_2 emissions - Scope 1 and 2 equal to or less than 1,198,218 tCO_2 e, for the year 2030	-50%	December 31, 2030



KPI	SPT(s)	Change from Baseline at 2025	Target Observation Date
#2 Industrial Water Use	Achieve industrial water use intensity equal to or less than 23.63 m 3 /ton, for the year 2025	-25%	December 31, 2025



Santa Fe Mill, Región del BioBío. Along with looking for efficiency in our processes, we seek to have a sustainable production. Currently there are projects to reduce water use in this plant, thus contributing to CMPC's corporate goal of water reduction by 2025.

Santa Fe Mill, Región del BioBío

Factors that support the achievement of the target:

Strong commitment of the Board of Directors to the Sustainability Strategy through our Sustainability Committee.
Commitment to reduction goals are modeled using the Science-Based Targets tool.
Capital expenditure approvals to invest in energy efficiency, fossil fuel substitution and the incorporation of new technologies in processes that allow GHG emissions reduction.
Investments in water efficiency which are focused on permanent improvements, such as water recycling and reuse, with the goal of making our processes more efficient and thus reducing the need for water withdrawals.

Risks to the target:

Extreme events, such as pandemics and natural disasters.
Equipment failure, unexpected plant shutdown, among other operational factors.
Changes in regulations and regulatory uncertainty.
Macroeconomic considerations that might lead us to focus investments in other projects or delay projects timelines.
Delay on the development of green technologies and innovations, or high prices that might restrict the access to them; supply chain issues.

2.2.3 Financing Characteristics

The financial characteristics of any financing issued under this Framework, including a description of the selected KPI(s), SPTs, step-up margin amount or the premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction (e.g., Final Terms of the relevant SLB).

For any financing issued under this Framework, there will only be one Trigger Event impacting the financial characteristics of the security. The occurance of a Trigger Event will result in a coupon or margin step-up, accruing from the date specified in the relevant financing (or an increase of the premium, as the case may be). The relevant timing of the potential coupon or margin step-up will be specified in the relevant financing documentation. A step-up of the coupon or margin shall be triggered if:

- a KPI has not achieved the SPT on the Target Observation Date;
- the verification (as per the verification section of this Framework) of the SPTs has not been provided by the time of the Notification Date, as defined in the relevant financing documentation; or
- the Company fails to provide Satisfaction Notice as of the Notification Date related to achieving the SPT, each as defined in the bond documentation.

In the event more than one SPT is selected for the specific transaction, the coupon or margin step-up may be bifurcated, which will be detailed in the relevant financing documentation.

2.2.4 Reporting

Annually, at least until the Target Observation Date, and in any case for any date/period relevant for assessing the trigger of the SPT performance leading to a potential coupon or margin adjustment, such as a step-up of an SLB, CMPC will publish and keep readily available and easily accessible on its website (ir.cmpc.com) a Sustainability-Linked Financing update as part of the annual Integrated Report and/or a separate Sustainable Finance Impact Report, which will include:

1. Up-to-date information on the performance of the selected KPI, including the baseline where relevant, accompanied by a verification assurance report relative to the calculation of the KPIs;
2. A discussion of the progress towards the SPTs, the related impact and the timing of such impact on a bond's financial performance; and
3. Any other relevant information enabling investors to monitor the progress of the SPT.

Information may also include when feasible and possible:

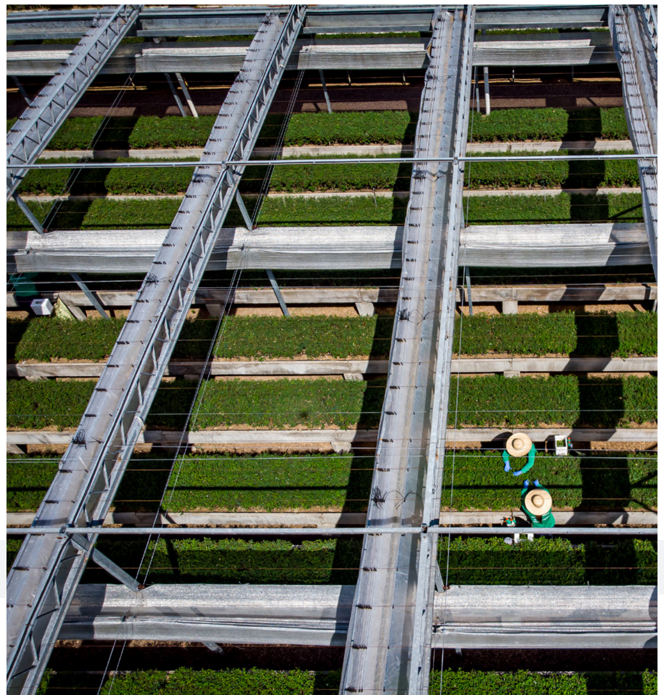
1. Qualitative or quantitative explanations of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis;
2. Illustration of the positive sustainability impacts of the performance improvement; and
3. Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

Significant Events

In the event of significant changes affecting the structure of the Company (such as acquisitions, divestitures, mergers, insourcing or outsourcing, or other corporate actions with similar effects), CMPC will recalculate in good faith the 2018 Baseline for its Greenhouse Gas Emissions or Industrial Water Use Intensity, as applicable. For any business acquired or divestiture in a transaction or series of related transactions, in each case that has consolidated total revenues for the last fiscal year for which financial information for such business is available, of 5% or more of total revenue of the Company and its consolidated subsidiaries, the Company will provide a recalculation of the levels of absolute CO_2e emissions (Scope 1&2) and a recalculation of the Industrial Water Use Intensity during the baseline year 2018. For any corporate action with an impact of less than 5 percent in total revenues of the Company and its consolidated subsidiaries, the Company may, at its own option, decide to do a recalculation of the 2018 Baseline. The Company is not required to calculate any Baseline Recalculation to the extent it determines in good faith that it does not have sufficient information to complete such calculation.

The recalculated baseline information will be reported in the annual Sustainability-Linked Financing update (see the reporting section below) and will be accompanied by a verification statement from an independent qualified external reviewer (as outlined in the verification section below).

The KPIs and SPTs set out in this framework will remain applicable throughout the tenor of any financing issued under the Framework, regardless of any changes to CMPC's sustainability strategy. This includes any changes relating to the Company's general sustainability targets and ambitions or changes in applicable benchmarks or industry standards. However, changes to CMPC's calculation methodology for a KPI or significant changes in data due to better data accessibility may result in an update in the baseline and/or the calculated KPI. Such updates will be made in good faith in the discretion of CMPC. Any new or updated Sustainable Finance Framework, whether or not related to any future capital markets transaction or other financing, shall not have any effect on the financings issued under this Framework.



2.2.5
External Review

2.2.5.1 Second Party Opinion

CMPC will obtain and make publicly available a Second Party Opinion ("SPO") and/or other external review from consultants with recognized environmental and social expertise to provide an opinion on the sustainability benefit of this Framework as well as the alignment to the SLBP 2020. The SPO will be available on CMPC's Investor Relations website (ir.cmpc.com)

2.2.5.2 External Verification

Annually, until the deadline for achieving all of CMPC´s 2025-2030 sustainability goals (or until all of such goals have been achieved), and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the financial and/or structural characteristics of any Sustainability-Linked Financing, until after the last SPT Trigger Event has been reached, external and independent auditors of CMPC are expected to deliver a report that sets forth the calculations for each KPI for a specific calendar year.

Definitions

Absolute Greenhouse Gas Emissions

Means absolute Scope 1 emissions and Scope 2 emissions of all the operating subsidiaries of CMPC, measured in tCO2e.

Scope 1 emissions

Means total greenhouse gas emissions occurring from sources that are owned or controlled by CMPC.

External Verifier

Means a qualified provider, as selected by CMPC in good faith, of third-party assurance or attestation services to review CMPC´s statement of Absolute Greenhouse Gas Emissions and Industrial Water Use Intensity.

Scope 2 emissions

Means total greenhouse gas emissions occurring from the generation of purchased energy consumed by CMPC or its subsidiaries (electricity, steam, heating and cooling).

Target Observation Date

The as-of date that will determine if the sustainability performance target has been achieved.

Industrial Water Use Intensity

Means total water withdrawals, of all CMPC's industrial operations that use water in their processes, measured in cubic meters, divided by the total production of such facilities in metric tons, expressed as m3/ton of product.

tCO2e

Means the sum of Scope 1 emissions and Scope 2 emissions during a given period, measured in metric tons of carbon dioxide equivalent, according to the Greenhouse Gas Protocol and the CMPC´s internally developed methodology.

Disclaimer

This Sustainable Financing Framework (the "Framework") does not constitute a recommendation regarding any securities of CMPC or any affiliate of CMPC. This Framework is not, does not contain and may not be deemed to constitute an offer to sell or a solicitation of any offer to buy any securities issued by CMPC or any affiliate of CMPC. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe any applicable restrictions on distribution. Any bonds/loans or other debt securities that may be issued by CMPC or its affiliates from time to time, including any Green Bonds, Sustainability-Linked Bonds, and any other Sustainable Financing, shall be offered by means of a separate prospectus or offering document in accordance with all applicable laws, and any decision to purchase any such securities should be made solely on the basis of the information contained in any such prospectus or offering document provided in connection with the offering of such securities, and not on the basis of this Framework.

The information and opinions contained in this Framework are provided as of the date of this Framework and are subject to change without notice. None of CMPC or any of our affiliates assumes any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents current CMPC policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations. This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by CMPC, and, accordingly, norepresentation, warranty or undertaking, express or implied, is made, and no responsibility or liability is accepted, by CMPC as to the fairness, accuracy, reasonableness or completeness of such information. This Framework may contain statements about future events and expectations that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as "aim," "anticipate," "believe," "drive," "estimate," "expect," "goal," "intend," "may," "plan," "project," "strategy," "target" and "will" or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections,
expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of any Sustainable Financing for the fulfillment of any environmental and sustainability criteria required by prospective investors.

Factors, among others, that could cause actual results and events to differ materially from those described in any forward-looking statements include: the highly cyclical nature of our industry (and the factors that contribute to such cyclicality, such as levels of demand, production capacity, input costs including raw material and competition); the impact on CMPC's business of adverse changes and declines in demand in the key export markets of CMPC, including in connection with trade barriers and trade tensions between China and the United States; the cost and availability of financing; CMPC's ability to fund and implement capital expenditure programs; the ongoing effects of the global coronavirus ("COVID-19") pandemic; existing and future governmental regulations, including tax, labor, pension and environmental laws and regulations; outcomes and effects of litigation (including antitrust proceedings), claims and disputes; the maintenance of relationships with customers; future demand for forest and wood products in our export markets; the volatility of international prices for forestry and wood products; supply chain distruptions; the condition of CMPC's forests; disruptions at one or more of CMPC's manufacturing, mills processing or remanufacturing facilities; the effects of fires, earthquakes, tsunamis, floods or other natural disasters; adequacy of our insurance policies; the state of the Chilean, Argentine, Brazilian, Mexican, Peruvian, world economies and manufacturing industries; the relative value of the Chilean peso, Argentine peso, Brazilian real, Mexican peso, Peruvian new sol and the currencies in any other jurisdiction in which CMPC operates, as compared to other currencies; the effects of currency fluctuations, inflation and increases in interest rates; a change of control; the effects from competition; risks related to regional social, political or military conflicts or threat of war; the effects of diseases or pests on our forestry lands; and risks related to the notes and the guarantee.

This Framework does not create any legally enforceable obligations against CMPC; any such legally enforceable obligations relating to any Sustainable Financing are limited to those expressly set forth in the legal documentation governing each such SustainableFinancing. Therefore, unless expressly set forth in such legal documentation, CMPC's failure to adhere to, or comply with, any terms of this Framework, including, without limitation, failure to achieve any sustainability targets or goals set forth herein or use proceeds for Eligible Projects, will not constitute an event of default or breach of contractual obligations under the terms and conditions of any such Sustainable Financing.