



# EMPRESAS CMPC S.A. SUSTAINABLE FINANCING FRAMEWORK

## DNV INDEPENDENT ASSESSMENT

### Scope and Objectives

Empresas CMPC S.A. (hereafter referred to as “CMPC”) is a Chilean multinational company within the integrated forest industry. The company’s operations are organized within three business divisions: Pulp and Forestry, Biopackaging, and Softys. CMPC owns more than 1.2 million hectares of forest assets in Argentina, Brazil, Chile. In addition, the Company has industrial operations in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, and Uruguay.

To support its commitment to creating long-term shared value, the company has identified its corporate purpose to create, coexist, and conserve as the focus areas of the CMPC’s Strategic Sustainability Approach.

In terms of the environment and under the focus area of Conserve, CMPC has identified the following targets, which considers 2018 as baseline:

- Reduce industrial water use per ton of product by 25% by 2025
- Reduce absolute greenhouse gas emissions (direct and indirect) by 50% by 2030
- 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
- 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

CMPC has developed a Sustainable Financing Framework (the “Framework”) to support the company’s strategy to channel further investments towards relevant environmental initiatives as well as achievement of its environmental goals. The Framework enables:

- Issuance of ‘Use of Proceeds’ bonds and/or loans to finance, or refinance, in whole or in part, eligible Green Projects in the Eligible Green categories (collectively referred to as “Use of Proceeds Instruments”)
- Issuance of Sustainability-Linked Bonds (referred to as “SLB”) for general purposes where CMPC commits to future sustainability improvements within a predefined timeline
- Issuance of a Green Sustainability-Linked Bond which combines the features of a “Use of Proceeds” Green bond to finance/refinance eligible Green Projects and SLB for general purposes where CMPC commits to future sustainability improvements within a predefined timeline

Further details are outlined in the “Findings and DNV’s Opinion” section.



**Page 2 of 30**

DNV Business Assurance USA, Inc. ("DNV") has been commissioned by CMPC to provide a review of the Framework and conduct an eligibility assessment on whether the Framework meets the criteria established within:

<b>International Capital Market Association (ICMA)</b>	<b>Loan Market Association (LMA)</b>
<b>Green Bond Principles 2021 (GBP)</b>	<b>Green Loan Principles 2021 (GLP)</b>
<b>Sustainability-Linked Bond Principles 2020 (SLBP)</b>	

Our methodology to achieve this is described under 'Work Undertaken' below. DNV was not commissioned to provide independent assurance or other audit activities. No assurance is provided regarding the financial performance of instruments issued via the Framework, the value of any investments, or the long-term environmental benefits of the associated transactions. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

## **Responsibilities of the Management of CMPC and DNV**

The management of CMPC has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform CMPC management and other interested stakeholders in the Framework as to whether the established criteria have been met, based on the information provided to us. In our work, we have relied on the information and the facts presented to us by CMPC. DNV is not responsible for any aspect of the projects or assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by CMPC management and used as a basis for this assessment were not correct or complete.

## Basis of DNV’s opinion

We have adapted our eligibility assessment protocol which incorporates the requirements of GBP, GLP, and the SLBP to create a CMPC-specific Sustainable Financing Eligibility Assessment Protocol (henceforth referred to as “Protocol”). Our Protocol includes a set of suitable criteria that can be used to underpin DNV’s opinion. As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the following Principles by type of issuance:

	Use of Proceeds for Bonds and Loans	Sustainability-Linked Bonds
<b>Principle One</b>	<p><b>Use of Proceeds.</b></p> <p>The Use of Proceeds criteria are guided by the requirement that an issuer of funding instruments under the framework must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.</p>	<p><b>Selection of Key Performance Indicators (KPIs).</b></p> <p>The issuer of a sustainability-linked bond should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed SPTs. The KPI should be reliable, material to the issuer’s core sustainability and business strategy, address relevant ESG challenges of the industry sector and be under management control. The KPI should be measurable or quantifiable on a consistent methodological basis, externally verifiable, and able to be benchmarked externally.</p>
<b>Principle Two</b>	<p><b>Process for Project Evaluation and Selection.</b></p> <p>The Project Evaluation and Selection criteria are guided by the requirements that an issuer of funding instruments under the Framework should outline the process it follows when determining eligibility of an investment using proceeds from Green Instruments and outline any impact objectives it will consider.</p>	<p><b>Calibration of Sustainability Performance Targets (SPTs).</b></p> <p>The SPTs should be ambitious, meaningful and realistic. The target setting should be done in good faith and based on a sustainability improvement in relation to a predetermined performance target benchmark.</p>
<b>Principle Three</b>	<p><b>Management of Proceeds.</b></p> <p>The Management of Proceeds criteria are guided by the requirements that a Green bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.</p>	<p><b>Bond Characteristics.</b></p> <p>The bond will need to include a financial and/or structural impact depending on whether the selected KPIs reach (or not) the predefined SPTs. The bond documentation needs to require the definitions of the KPI(s) and SPT(s) and the potential variation of the SLB’s financial and/or structural characteristics. Any fallback mechanisms in</p>

		<p>case the SPTs cannot be calculated or observed in a satisfactory manner, should be explained.</p>
<p><b>Principle Four</b></p>	<p><b>Reporting.</b> The Reporting criteria are guided by the recommendation that at least annual reporting to the investors of the instrument should be made of the use of bond proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.</p>	<p><b>Reporting.</b> Issuers should publish and keep readily available and easily accessible up to date information on the performance of the selected KPI(s), as well as a verification assurance report outlining the performance against the SPTs and the related impact and timing of such impact on the bond’s financial and/or structural characteristics, with such information to be provided to investors participating in the bond at least once per annum.</p>
<p><b>Principle Five</b></p>	<p>N/A</p>	<p><b>Verification (Post-issuance).</b> The Issuer should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, such as an auditor, environmental consultant and/or independent ratings agency, at least once a year. The verification of the performance against the SPT(s) should be made publicly available.</p>

## Work undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by CMPC in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a CMPC-specific Protocol, adapted to the purpose of the Framework, as described above;
- Assessment of documentary evidence provided by CMPC on the Framework and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Discussions with CMPC’s management, and review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria.

Our opinion as detailed below is a summary of these findings.

## Findings and DNV’s opinion

DNV’s findings are listed below:

CMPC intends to use the Framework to issue sustainability-linked bonds, green bonds and loans referred to as “Use of Proceeds Instruments,” and “Green Sustainability-Linked Bonds” which combine the features of Use Proceeds Green Bonds and Sustainability-Linked Bonds.

	Use of Proceeds for Bonds and Loans	Sustainability-Linked Bonds
<b>Principle One</b>	<p><b>Use of Proceeds.</b></p> <p>The Use of Proceeds instruments will finance or refinance Eligible Green Projects. The Framework defines Eligible Green Projects as those that fall into one or more of the following categories that are in line with relevant GBP and GLP:</p> <p><b>Eligible Green Categories:</b></p> <ul style="list-style-type: none"> <li>• Renewable energy</li> <li>• Energy efficiency</li> <li>• Pollution prevention and control</li> <li>• Environmentally sustainable management of living natural resources and land use</li> <li>• Clean transportation</li> <li>• Sustainable water and wastewater management</li> <li>• Circular Economy adapted products, production technologies and processes and/or certified eco-efficient products</li> <li>• Green buildings</li> </ul> <p>For Eligible Green Project categories, CMPC has also specified suitable eligibility criteria such as Green Building certifications representing top performance within the local building stock.</p> <p>CMPC has provided tables mapping its Eligible Green Categories and the United Nations Sustainable Development Goals</p>	<p><b>Selection of Key Performance Indicators (KPIs).</b></p> <p>DNV confirms that CMPC’s environmental sustainability KPIs are material to the company’s overarching sustainability strategy. The rationale and process for KPI selection, as well as its definition, measurability and verifiability, are deemed to be robust, reliable and in accordance with the SLBP.</p> <p><b>KPI 1 – Absolute CO2 emissions - Scopes 1 and 2 (in tCO<sub>2</sub>e)</b></p> <p><b>KPI 2 – Industrial Water Use Intensity (in m<sup>3</sup>/ton of product)</b></p>

	<p>(“UN SDGs”). The types of project within each category and associated selection criteria is provided in the Framework to determine eligibility. DNV concludes that the eligible categories outlined in the Framework are consistent with the categories outlined in the GBP and GLP.</p>	
<p><b>Principle Two</b></p>	<p><b>Process for Project Evaluation and Selection.</b></p> <p>Proceeds from the “Use of Proceeds Instruments” will be allocated to finance and refinance Eligible Green projects (see Schedule 1). DNV has reviewed evidence that demonstrates that CMPC regularly assesses opportunities for improvement and devises action plans and initiatives to mitigate negative environmental and social impacts from its operations.</p> <p>DNV concludes that there is a robust decision-making process through CMPC’s Sustainable Finance Committee – comprised of representatives from functional departments such as finance and sustainability - behind the approval of any Eligible Categories and Projects which considers the parameters as outlined in the Framework</p>	<p><b>Calibration of Sustainability Performance Targets (SPTs).</b></p> <p>DNV concludes that the SPTs are meaningful and relevant in the context of CMPC’s broader sustainability and business strategy and that the SPTs represent a material improvement over a predefined timeline.</p> <p>DNV considers the SPTs to be aligned with CMPC’s sustainability strategy and are reflective of CMPC’s environmental sustainability priorities.</p> <p><b>SPT 1 - Scopes 1 and 2 greenhouse gas emissions (GHG) equal to or less than 1,833,060 tCO<sub>2</sub>e, for the year 2025</b></p> <p><b>SPT 2 - Scopes 1 and 2 GHG emissions equal to or less than 1,198,218 tCO<sub>2</sub>e, for the year 2030</b></p> <p>The SPTs related to GHG emissions were developed utilizing the Science-Based Target Initiative, considering the 1.5°C scenario. DNV concludes that -23.5% and -50% reduction in emissions by 2025 and 2030 respectively as compared to its 2018 baseline is ambitious compared to the company’s past performance as well as peers and is consistent with the overall aim of the Paris Climate Goals. DNV has reviewed the credibility of CMPC’s approach to achieving the SPTs by reviewing GHG Roadmap and concludes that this plan is viable and possible to meeting the SPT targets outlined in the Framework.</p>

		<p><b>SPT 3 - Industrial water use intensity equal to or less than 23.63 m<sup>3</sup>/ton, for the year 2025</b></p> <p>The SPT related to water intensity was benchmarked against best practices, including Best Available Technologies and peer commitments. DNV concludes that the 25% reduction in industrial water use intensity by 2025 as compared to the 2018 baseline is an ambitious SPT. DNV considers the company approach to achieving the SPTs to be credible. CMPC has disclosed that the company has considered the issue of water scarcity and adopted water risk scenario tools in assessing its approach to achieving this SPT.</p>
<p><b>Principle Three</b></p>	<p><b>Management of Proceeds.</b></p> <p>CMPC will hold the balance of Net Proceeds not already allocated to Eligible Projects within the treasury of the company, invested in cash, cash equivalents, and/or financial instruments.</p> <p>CMPC will implement an internal monitoring process, through its monthly Investment Report, of its projects. The Investment Report includes tracking of all current investment projects and actual amounts of net proceeds from any Use of Proceeds Instruments spent on Eligible Projects. This report also classifies projects with positive environmental impact</p> <p>CMPC’s Sustainable Finance Committee will have oversight of the management and allocation of the amount of funds equivalent to the net proceeds from Green Financing under the Framework.</p>	<p><b>Bond Characteristics.</b></p> <p>DNV confirms that the financial characteristics of Bonds issued under the framework are impacted based on KPI performance under SPTs, in line with SLBP. For any securities issued under this Framework, there will only be one Trigger Event impacting the financial characteristics of the security. The occurrence of a Trigger Event will result in a coupon step-up, accruing from the date specified in the relevant Bond or an increase of the premium. A step-up of the coupon shall be triggered if a KPI has not achieved the SPT on the target observation date or if the verification of the SPT has not been provided and made public by the time of the Reporting End Date. In the event more than one SPT is selected for the specific transaction, the coupon step-up may be bifurcated.</p>
<p><b>Principle Four</b></p>	<p><b>Reporting.</b></p> <p>CMPC commits to annual reporting until the Net Proceeds are allocated in full to Eligible Projects.</p> <p>CMPC will publish a Sustainable Finance Impact Report on the company’s investor relations site. The report will include:</p>	<p><b>Reporting.</b></p> <p>DNV concludes that the framework will ensure that the required information, as outlined in SLBP, will be published annually and kept publicly available.</p>

	<ul style="list-style-type: none"> <li>• the amount of net proceeds allocated to each Eligible Projects either individually or by category, subject to confidentiality considerations;</li> <li>• the share of proceeds used for financing vs refinancing;</li> <li>• expected impact metrics, where feasible;</li> <li>• a selection of brief project descriptions; and</li> <li>• the outstanding amount of net proceeds to be allocated to Eligible Projects at the end of the reporting period</li> </ul> <p>Where feasible, CMPC commits to adopting the guidance in <i>The Harmonized Framework for Impact Reporting (2021)</i> and will measure and report the impact of the proceeds from future issuances through a range of potential KPIs listed in the framework. DNV concludes that CMPC has committed to producing appropriate and transparent reporting on the environmental impacts of future issuances within the Framework that meet the requirements of the GBP and GLP that the Framework complies with.</p>	
<p><b>Principle Five</b></p>	<p>The GLB and GLP guidelines do not outline criteria related to Post-issuance verification. Within the Framework, CMPC commits to an attestation report from an independent third-party to accompany the annual Sustainable Finance Impact Report. Until net proceeds from Green Financing Instruments are allocated in full to Eligible Projects (and in case of any material changes in the list of Eligible Projects), attestation report will cover the third party examination the use of proceeds including their allocation consistent with the eligibility criteria established within the Framework.</p>	<p><b>Verification (Post-issuance).</b>            DNV confirms that CMPC will have its performance against each SPT independently verified annually until achieving the deadline of the CMPC’s 2025-2030 Sustainability Goal or for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SLB financial and/or structural characteristics, until after the last SPT Trigger Event of the bond has been reached.</p>



On the basis of the information provided by CMPC and the work undertaken, it is DNV's opinion that the Framework meets the criteria established in the Protocol and that it is aligned with the stated definitions of: Green bonds within the Green Bond Principles (GBP) 2021 and Green Loans - Green Loan Principles (GLP) 2021. The Framework is also aligned with the stated definition of Sustainability-Linked Bonds within the Sustainability Linked Bond Principles (SLB) 2020, which is to "incentivise the issuer's achievement of material, quantitative, pre-determined, ambitious, regularly monitored and externally verified sustainability (ESG) objectives through KPIs and SPTs", thereby providing "an investment opportunity with transparent sustainability credentials".

For DNV Business Assurance USA, Inc  
18 February 2022

A handwritten signature in black ink, appearing to read "Natasha D'Silva".

**Natasha D'Silva**  
Sr. Consultant  
Sustainability & Supply Chain Services

A handwritten signature in black ink, appearing to read "Mark Robinson".



**Mark Robinson**  
Manager  
Sustainability Services






#### **About DNV**






Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

## SCHEDULE 1: DESCRIPTION OF ACTIVITIES TO BE FINANCED UNDER THE USE OF PROCEEDS BONDS AND LOANS

ICMA Green Project category	Description of activities (non-exhaustive list)	UN SDGs
Renewable Energy	<p>Investments and expenditures related to the development, construction, maintenance, acquisition, and operation of renewable energy projects, such as:</p> <ul style="list-style-type: none"> <li>• solar (photovoltaic and Concentrating Solar Plants which generate at least 85% electricity from solar sources)</li> <li>• wind (onshore and offshore).</li> </ul> <p>This includes Power Purchase Agreements (PPAs) and virtual PPAs that are project specific and long term (≥ 5 years)</p>	
Energy Efficiency	<p>Expenditures related to projects that result in increased energy efficiency, using best efforts basis to achieve at least a 30% energy efficiency improvement.</p> <p>Eligible Projects include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Financing of electric powered machinery or incorporation of energy saving technologies, including LED lighting technology.</li> <li>• Energy storage systems, energy efficient heating, ventilation, air conditioning (HVAC), refrigeration, and electrical equipment.</li> <li>• Acquisition of more efficient electric engines, valves and pumps.</li> <li>• Optimization projects in CMPC's plants.</li> </ul>	

<p>Pollution Prevention and Control</p>	<p>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.</p>	 
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p>	<p>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.</p> <p>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<sub>2</sub> capture.</p>	
<p>Clean Transportation</p>	<p>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).</p> <p>Eligible projects include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Electric passenger and freight vehicles</li> <li>• Hybrid passenger vehicles which meet threshold of 50gCO<sub>2</sub>/km</li> <li>• Hybrid freight vehicles which meet threshold of 25gCO<sub>2</sub>/km</li> <li>• Rolling stock and vehicles for electrified public transport, such as electrified rail, trams, trolleybuses and cable cars.</li> <li>• Buses (fully electric).</li> </ul> <p>Expenditures related to the installation, acquisition, modernization and maintenance of infrastructure projects associated with electric vehicles, including charging stations.</p>	 

<p>Sustainable Water and Wastewater Management</p>	<p>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.</p>	 
<p>Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-Efficient Products</p>	<p>Expenditures on projects for the development and introduction of environmentally sustainable products, with an eco-label or environmental certification, resource-efficient packaging, and distribution.</p> <p>Eligible Projects include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Sustainable construction materials based on wood structures and solutions.</li> <li>• Fiber-based sustainable packaging solutions.</li> <li>• Natural and renewable bioproducts. including pulp-based textile fibers, lignin and nanocellulose.</li> </ul>	 
<p>Green Buildings</p>	<p>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).</p> <p>Building is eligible when at least one of the following criteria is met:</p> <ul style="list-style-type: none"> <li>• 30% or more emissions/energy performance improvements over baseline such as ASHRAE 90.1 2010 or equivalent</li> <li>• 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).</li> <li>• The Building receives/targets a Design, Post-Construction or In-Use environmental certification. Eligible Certification standards include:             <ul style="list-style-type: none"> <li>○ LEED Gold certified or higher</li> <li>○ BREEAM Excellent or higher</li> <li>○ HQE Excellent or higher</li> <li>○ Other equivalent local or regional sustainability certifications.</li> </ul> </li> </ul>	

## SCHEDULE 2: GREEN USE OF PROCEEDS INSTRUMENT AND GREEN PROJECT ELIGIBILITY PROTOCOL

### 1. Use of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Types of Financing Framework	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> <li>• Use of Proceeds Bond</li> <li>• Use of Proceeds Revenue Bond</li> <li>• Project Bond</li> <li>• Securitized Bond</li> </ul> <p>Green loans are defined as any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Green Projects.</p>	<p>In addition to reviewing the evidence below, we had several detailed discussions with CMPC. Evidence reviewed:</p> <ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> </ul>	<p>The Framework outlines the type of Use of Proceeds instruments expected to be issued under the Framework as various funding instruments including but not limited, Sustainability-Linked Bonds, Green Bonds and Loans, and Green Sustainability-Linked Bonds. The specific type of Use of Proceeds Instruments will need to be further assessed on an individual basis.</p>
1b	Green Project Categories	<p>The cornerstone of a Green bond/loan is the utilisation of the proceeds which should be appropriately described in the legal documentation for the security.</p>	<p>Evidence reviewed:</p> <ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> </ul>	<p>As identified by the Framework and set out in Schedule 1, the purpose of the Use of Proceeds Instrument is to use the proceeds for financing and refinancing of a broad range of environmentally focused projects across operations and regions where CMPC is based.</p> <p>CMPC intends to use proceeds from future issuances to finance or refinance Green Projects in the following categories:</p> <p>These are noted to fall within the categories of:</p> <ul style="list-style-type: none"> <li>• Renewable energy</li> </ul>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Pollution prevention and control</li> <li>• Environmentally sustainable management of living natural resources and land use</li> <li>• Sustainable water and wastewater management</li> <li>• Circular Economy adapted products, production technologies and processes and/or certified eco-efficient products</li> </ul> <p>DNV’s assessment concludes that that the nominated projects would present tangible environmental benefits. DNV confirms that these projects fall within the definition of Eligible Categories as outlined in the Framework and Schedule 1 of this opinion and that they are consistent with the GBP and GLP guidelines. We can conclude that the Framework appropriately describes the proposed utilisation of proceeds. The specificities of each issuance will need to be further assessed on an individual basis.</p>
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable or social benefits, which, where feasible, will be quantified or assessed by the issuer.	<ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• CMPC Green Bond Projects February 2022</li> </ul>	<p>CMPC has provided a description of the types of Eligible Green projects that it intends to finance under the Framework. The green project categories are aligned with GBP and GLP.</p> <p>To make the benefits quantifiable, CMPC has provided a detailed list of potential KPIs within the Framework.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				The evidence reviewed gives us the opinion that future issuances to be issued under Framework will deliver clear environmental benefits.
1d	Refinancing share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that Issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• CMPC Green Bond Projects February 2022</li> </ul>	In the Framework (Use of Proceeds), it is clearly indicated that the net proceeds will be used to finance or refinance Eligible Green Project Categories

## 2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Investment-decision process	The issuer of a Bond/Loan should outline the decision-making process it follows to determine the eligibility of projects using Bond/Loan proceeds	<ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• CMPC Green Bond Projects February 2022</li> </ul>	<p>DNV can confirm that CMPC has specified eligibility criteria within the Framework. Proceeds from the “Use of Proceeds Instruments” will be allocated to finance and refinance Eligible Green projects as outlined in Schedule 1.</p> <p>DNV has reviewed evidence that demonstrates that CMPC regularly assesses opportunities for improvement and devises action plans and initiatives to mitigate negative environmental and social impacts from its operations.</p>

				<p>DNV concludes that there is a robust decision-making process through CMPC’s Sustainable Finance Committee – comprised of representatives from functional departments such as finance and sustainability - behind the approval of any Eligible Categories and Projects which considers the parameters as outlined in the Framework</p> <p>DNV has reviewed the structure and function of the Project Selection criteria and confirmed it is in line with the criteria set out in the GLP and GBP.</p>
2b	Issuer’s environmental and governance framework	In addition to information disclosed by an issuer on its Green Bond process, criteria and assurances, investors may also take into consideration the quality of the issuer’s overall framework and performance regarding environmental sustainability.	<p>In addition to reviewing the evidence below, we had several detailed discussions with CMPC. Evidence reviewed:</p> <ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> </ul> <p>We also reviewed additional governance documentation:</p> <ul style="list-style-type: none"> <li>• CMPC Integrated Report, 2020</li> <li>• CMPC Sustainability Report, 2020</li> </ul>	<p>DNV has reviewed CMPC’s corporate policies and Sustainability Strategy as detailed and benchmarked in their annual Sustainability Reporting. CMPC’s proposed Use of Proceeds Instrument is confirmed by DNV to be aligned with and consistent with CMPC’s overarching Sustainability Strategy Approach.</p> <p>To support its commitment to creating long-term shared value, the company has identified its corporate purpose to create, coexist, and conserve as the focus areas of the CMPC’s Strategic Sustainability Approach.</p> <p>In terms of the environment and under the focus area of Conserve, CMPC has identified the following targets:</p> <ul style="list-style-type: none"> <li>• Reduce industrial water use per ton of product by 25% by 2025</li> <li>• Reduce absolute greenhouse gas emissions (direct and indirect) by 50% by 2030</li> </ul>



				<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> </ul> <p>DNV also carried out a high level media review of CMPC and did not identify any instances of or examples of poor environmental stewardship in the conduct of this search.</p> <p>Based on the evidence reviewed and the discussion we had with CMPC managers, along with the evaluation of the Framework, we found that CMPC’s current sustainability framework to represent good practice.</p>
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### 3. Management of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure	The net proceeds of a Bond/Loan should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer’s lending and investment operations for Green Projects.	Evidence reviewed: <ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• Description of Notes</li> <li>• Offering Memorandum</li> </ul>	CMPC will hold the balance of Net Proceeds not already allocated to Eligible Projects within the treasury of the company, invested in cash, cash equivalents, and/or financial instruments.

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>With its monthly Investment Report, CMPC will implement an internal monitoring process of its projects tracking actual amounts of net proceeds from any Use of Proceeds Instruments spent on Eligible Projects.</p> <p>CMPC’s Sustainable Finance Committee will have oversight of the management and allocation of the amount of funds equivalent to the net proceeds from Green Financing under the Framework.</p>
3b	Tracking procedure	So long as the Bond/Loans are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• Description of Notes</li> <li>• Offering Memorandum</li> </ul>	We conclude that there is a clear process in place for the tracking of the balance taking into account disbursements. CMPC will implement an internal monitoring process of its projects tracking actual amounts of net proceeds from any Use of Proceeds Instruments spent on Eligible Projects. CMPC’s Sustainable Finance committee will have oversight of the management and allocation of the funds and has established a minimum meeting cadence.
3c	Temporary holdings	Pending such investments or disbursements to eligible Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• Description of Notes</li> <li>• Offering Memorandum</li> </ul>	The net proceeds of the Green Instruments will be held within the treasury of the company until applied toward Eligible Green Projects as per the CMPC Sustainable Financing Framework

#### 4. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Bond and where appropriate Loan proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	<ul style="list-style-type: none"> <li>• CMPC Sustainable Financing Framework</li> <li>• Description of Notes</li> <li>• Offering Memorandum</li> </ul>	<p>We confirm that CMPC has committed to annual reporting on the Use of Proceeds Instrument which will be made available through a Sustainable Finance Impact Report on the company’s investor relations site which will provide investors with information on the selected projects and include quantification of the environmental benefits of the selected projects where feasible.</p> <p>Within the Framework, CMPC commits to an attestation report from an independent third-party to accompany the annual Sustainable Finance Impact Report. Until net proceeds from Green Financing Instruments are allocated in full to Eligible Projects (and in case of any material changes in the list of Eligible Projects), attestation report will cover the third party examination the use of proceeds including their allocation</p> <p>DNV considers the proposed allocation and impact reporting proposed and the means of communication to be aligned with the criteria set out in the GLP.</p>

## SCHEDULE 3: SUSTAINABILITY-LINKED BOND ELIGIBILITY ASSESSMENT PROTOCOL

### 1. Selection of Key Performance Indicators (KPIs)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	KPI – material to core sustainability and business strategy	<p>The issuer’s sustainability performance is measured using sustainability KPIs that can be external or internal. The KPIs should be material to the issuer’s core sustainability and business strategy and address relevant environmental, social and/or governance challenges of the industry sector and be under management’s control. The KPI should be of high strategic significance to the issuer’s current and/or future operations;</p> <p>It is recommended that issuers communicate clearly to investors the rationale and process according to which the KPI(s) have been selected and how the KPI(s) fit into their sustainability strategy.</p>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019</li> <li>- CMPC Climate Change – CDP submittal in 2019</li> </ul> <p>Discussions with CMPC’s management</p>	<p>DNV has reviewed CMPC’s sustainability KPIs and can confirm that the chosen KPIs are material and relevant to the company’s core sustainability and business strategy.</p> <p>CMPC defines Value Creation as core to its business strategy and from 2017 has defined its corporate purpose to create, coexist, and conserve.</p> <p>Value Creation is also core to its sustainability strategy and more specifically promotes reuse and/or recycling, mitigation and adaptation measures to address climate change through the use of renewable energies, carbon capture and sequestration. This is evidenced by the 4 environmental sustainability goals established in 2019 This is communicated in the sustainability-linked bond framework.</p> <p>The chosen KPIs are outlined in more detail in Schedule 1, and entail:</p> <ul style="list-style-type: none"> <li>• Absolute carbon emissions, Scope 1 and Scope 2 (in tCO<sub>2</sub>e)</li> <li>• Industrial Water Use Intensity (in m<sup>3</sup>/ton of product)</li> </ul> <p>Greenhouse Gas emissions and water use are widely used metrics in the pulp and paper industry to monitor and report operational performance efficiency. It is a suitable metric to be used to address the environmental challenge for the industry being the needed reduction in GHG emissions and reduction in water use. The KPI is therefore of high strategic relevance for</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>CMPC now and for the foreseeable future to measure absolute carbon emission and relative water intensity reductions of its operations. The elements which make up the KPIs are under management control and are monitored at the Board Level within the Sustainability Committee. The KPI is material, as carbon and water use impacts CMPC's own value creation as well as that of its external stakeholders.</p>
1b	KPI - Measurability	<p>KPIs should be measurable or quantifiable on a consistent methodological basis; externally verifiable; and able to be benchmarked, i.e. as much as possible using an external reference or definitions to facilitate the assessment of the SPT's level of ambition.</p> <p>Issuers are encouraged, when possible, to select KPI(s) that they have already included in their previous annual reports, sustainability reports or other non-financial reporting disclosures to allow investors to evaluate historical performance of the KPIs selected. In situations where the KPIs have not been previously disclosed, issuers should, to the extent possible, provide historical externally</p>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019</li> <li>- CMPC Climate Change – CDP submittal in 2019</li> </ul> <p>Discussions with CMPC's management</p>	<p>DNV concludes that the absolute carbon emissions and water use intensity KPIs are measurable on a consistent methodological basis, externally verifiable and able to be benchmarked to external references. DNV concludes that it is a robust and reliable metric to measure</p> <ol style="list-style-type: none"> <li>1. absolute carbon emissions for all operating subsidiaries</li> <li>2. water use intensity from total withdrawals from the facilities against total production of the facilities</li> </ol> <p>The KPIs are consistent with reporting on carbon emissions and water use for the industry. We confirm that CMPC provides absolute carbon emissions and waste use intensity performance figures dating back to 2018 in the Framework. We note CMPC has externally verified the baseline data (year 2018) and performance for years 2019 and 2020. The KPI can therefore be benchmarked to external references.</p> <p>CMPC's goal of reducing 50% of its emissions was developed using the Science-based target tool, the General Contraction Approach and the Trajectory of 1.5°C, determined by the IPCC.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		verified KPI values covering at least the previous 3 years.		<p>The water use intensity was developed by benchmarking against Best Available Technologies and peer review.</p> <p>CMPC has publicly disclosed its performance for years 2018 (baseline) and 2019 in sustainability related disclosures (CDP submittal, Integrated Report, and Sustainability Report) and the data have been externally verified.</p> <p>Performance in year 2020 has not been publicly disclosed at time of DNV’s assessment.</p>
1c	KPI – Clear definition	A clear definition of the KPI(s) should be provided and include the applicable scope or perimeter as well as the calculation methodology	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019</li> <li>- CMPC Climate Change – CDP submittal in 2019</li> </ul> <p>Discussions with CMPC’s management</p>	<p>DNV confirms that the KPIs chosen by CMPC provide a clear scope and calculation methodology.</p> <p>The absolute carbon emissions KPI uses the parameters of fuel, electricity, heat, steam, and cooling consumption – and is reported in tonnes of CO<sub>2</sub>e</p> <p>The water use intensity uses the parameters of total industrial water withdrawal for production facilities that use industrial water in production processes against total production.</p>

## 2. Calibration of Sustainability Performance Targets (SPTs)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Target Setting - Meaningful	The SPTs should be ambitious, realistic and meaningful to the issuer's business and be consistent with the issuers' overall strategic sustainability/ESG strategy	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019 and 2020</li> <li>- CMPC Climate Change – CDP submittal in 2019 and 2020</li> <li>- CMPC GHG Roadmap 2025</li> <li>- CMPC GHG Roadmap 2030</li> <li>- CMPC Water Roadmap 2025</li> </ul> <p>Discussions with CMPC's management</p>	<p>DNV confirms that the SPTs are consistent with the CMPC's overall strategic sustainability strategy, as they are 100% aligned with two of CMPC's four environmental sustainability goals. This target is meaningful to CMPC's business, as it addresses the environmental challenge for pulp and paper industry being the needed reduction in GHG emissions and water use.</p> <p>After review of GHG and Water reduction roadmap, DNV concludes that the SPTs are realistic and that the plan is viable and possible to meeting the SPT targets outlined in the framework.</p>
2b	Target Setting - Meaningful	SPTs should represent a material improvement in the respective KPIs and be beyond a "Business as Usual" trajectory; where possible be compared to a benchmark or an external reference and be determined on a predefined timeline, set before (or concurrently with) the issuance of the bond.	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019 and 2020</li> </ul>	<p>CMPC reports that the chosen SPTs represent a material improvement of the KPI. Without interventions, the anticipated business as usual trajectory is 10% increase in emissions. CMPC will not achieve the targets without the deployment of technical and operational measures to its production and forestry operations.</p> <p>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.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
			<ul style="list-style-type: none"> <li>- CMPC Climate Change – CDP submittal in 2019 and 2020</li> <li>- CMPC GHG Roadmap 2025</li> <li>- CMPC GHG Roadmap 2030</li> <li>- CMPC Water Roadmap 2025</li> </ul> <p>Discussions with CMPC’s management</p>	<p>DNV concludes that -23.5% and -50% reduction in emissions by 2025 and 2030 respectively as compared to its 2018 baseline is ambitious compared to the company’s past performance as well as peers and is consistent with the overall aim of the Paris Climate Goals. This highlights that improvements beyond what is considered the industry standard will have to occur and can thus be deemed to go beyond what is considered ‘business-as-usual’.</p> <p>DNV concludes that the 25% reduction in industrial water use intensity by 2025 as compared to the 2018 baseline is an ambitious SPT. DNV considers the company approach to achieving the SPTs to be credible. CMPC has disclosed that the company has considered the issue of water scarcity and adopted water risk scenario tools in assessing its approach to achieving this SPT.</p>
2c	Target Setting – benchmarks	<p>The target setting exercise should be based on a combination of benchmarking approaches:</p> <ol style="list-style-type: none"> <li>1. The issuer’s own performance over time for which a minimum of 3 years, where feasible, of measurement track record on the selected KPI(s) is recommended and when possible forward-looking guidance on the KPI</li> <li>2. The SPTs relative positioning versus the issuer’s peers where comparable or available, or versus industry or sector standards</li> </ol>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019 and 2020</li> <li>- CMPC Climate Change – CDP submittal in 2019 and 2020</li> <li>- CMPC GHG Roadmap 2025</li> <li>- CMPC GHG Roadmap 2030</li> <li>- CMPC Water Roadmap 2025</li> </ul>	<p>DNV confirms that the SPT target setting exercise has been based on an appropriate combination of benchmarking approaches:</p> <ol style="list-style-type: none"> <li>1. DNV confirms that the framework provides a KPI performance track-record going back to 2018 and provides forward year-on-year guidance leading up to 2030 – in accordance with the ICMA principles.</li> <li>2. DNV concludes that the SPTs outlined go beyond that of the industry peers. The carbon emissions SPT is modelled using the Science-Based Target tool and the Water Use Intensity is based on Benchmarking against industry practices including Best Available Techniques.</li> <li>3. DNV concludes that the SPT is put in an appropriate context of international climate change mitigation efforts and management of water scarcity.</li> </ol>



Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		3. Systematic reference to science-based scenarios, or absolute levels (e.g. carbon budgets) or official country/regional/international targets or to recognised Best-Available-Technologies or other proxies	Discussions with CMPC's management	
2d	Target setting – disclosures	Disclosures on target setting should make clear reference to: <ol style="list-style-type: none"> <li>1. The timelines of target achievement, the trigger event(s), and the frequency of SPTs</li> <li>2. Where relevant, the verified baseline or reference point selected for improvement of KPIs as well as the rationale for that baseline or reference point to be used</li> <li>3. Where relevant, in what situations recalculations or pro-forma adjustments of baselines will take place</li> <li>4. Where possible and taking into account competition and confidentiality considerations, how the issuers intend to reach such SPTs</li> </ol>	Review of: <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- CMPC Integrated Report 2019</li> <li>- CMPC Sustainability Report 2019</li> <li>- CMPC Integrated Report 2020</li> <li>- CMPC Sustainability Report 2020</li> <li>- CMPC Water Security – CDP submittal in 2019 and 2020</li> <li>- CMPC Climate Change – CDP submittal in 2019 and 2020</li> <li>- CMPC GHG Roadmap 2025</li> <li>- CMPC GHG Roadmap 2030</li> <li>- CMPC Water Roadmap 2025</li> </ul> Discussions with CMPC's management	DNV confirms that the relevant disclosures on target setting are appropriately referenced: <ol style="list-style-type: none"> <li>1. The timelines of SPT target achievement are clearly referred to with achievements in 2025 and 2030. Securities issued under the framework will need to deliver on applicable SPT(s) – in accordance with corresponding target observation dates for specified trigger events.</li> <li>2. The reference point for the SPT will be a baseline from 2018. 2018 was considered a year with consistent and significant operations across the business</li> <li>3. The framework appropriately defines the situations that could lead to a recalculation of the KPI baseline/trajjectory. Specifically, if M&amp;A/Divestment represents greater than or equal to 5% of annual sales revenue, then re-baseline would be mandatory. If M&amp;A/Divestment represents less than 5% of annual sales revenue, the company will assess whether it has a significant impact on the GHG or Water KPI. The company will determine at its sole discretion whether to re-baseline.</li> <li>4. After review of GHG and Water Roadmap, DNV concludes that the SPTs are realistic and that the plan is viable and possible to meeting the SPT targets outlined in the framework.</li> </ol>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>CMPC has detailed that capital expenditure approvals to invest in energy efficiency, fossil fuel substitution and the incorporation of new technologies in processes that allow GHG emissions reduction will be a factor that supports achievement of the GHG SPTs.</p> <p>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 will be factors in supporting the industrial water use SPT.</p>

### 3. Bond Characteristics

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Bond Characteristics – SPT Financial/structural impact	The SLB will need to include a financial and/or structural impact involving trigger event(s) based on whether the KPI(s) reach the predefined SPT(s).	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> <li>- Bond Draft Term Sheet</li> <li>- Description of Notes</li> </ul> <p>Discussions with CMPC’s management</p>	<p>DNV can confirm that the inclusion of trigger event(s) under the framework is in line with the requirements outlined by ICMA’s SLBP.</p> <p>Trigger events, with corresponding target observation date(s) and performance requirements under specific SPTs - as outlined in each specific financial security issued under the framework - will ensure that the financial characteristics of the security changes in accordance with performance. The extent of this impact will be outlined in the specific Bond documentation.</p>
3b	Bond Characterist	Any fallback mechanisms in case the SPTs cannot be calculated	Review of:	A step-up of the coupon shall be triggered if the verification of the SPTs has not been provided and made public by the time of

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
	<p>ics – Fallback mechanism</p>	<p>or observed in a satisfactory manner should be explained.</p> <p>Issuers may also consider including, where needed, language in the bond documentation to take into consideration potential exceptional events</p>	<ul style="list-style-type: none"> <li>- CMPC Sustainable Financing Framework</li> </ul> <p>Discussions with CMPC management</p>	<p>the Notification Date, as defined in the bond documentation as detailed in the Framework, Section 2.23.</p> <p>The framework highlights that mergers and acquisitions and divestures can lead to alterations to the KPI dataset</p>

#### 4. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Reporting	<p>Issuers of SLBs should publish, and keep readily available and easily accessible:</p> <ol style="list-style-type: none"> <li>1. Up-to-date information on the performance of the selected KPI(s), including baselines where relevant</li> <li>2. A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing of such impact, on the bond's financial and/or structural characteristics</li> <li>3. Any information enabling investors to monitor the level of ambition of the SPTs</li> </ol> <p>This reporting should be published regularly, at least annually, and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SLB's financial and/or structural characteristics.</p>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- CMPC sustainability-linked finance framework</li> </ul> <p>Discussions with CMPC management</p>	<p>DNV concludes that the framework will ensure that required information, as required by the SLBP, will be published in a timely manner and kept publicly available:</p> <ol style="list-style-type: none"> <li>1. KPI performance relative to the SPT targets will be published annually, at least until Target Observation Date, in the Annual Integrated Report and/or a Sustainable Finance Impact Report which will be made available on the company website, as well as for any date/period relevant for a trigger event as outlined in the documentation of any specific Bond issued under the framework.</li> <li>2. CMPC's performance relative to outlined SPTs will be subject to annual verification from an independent reviewer – and made public within the Annual Integrated Report Sustainable Finance Report.</li> <li>3. CMPC's Annual Integrated Report or Sustainable Finance Impact Report will provide updates that are relevant to monitoring progress and the level of ambition of the SPTs.</li> </ol>

## 5. Verification

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
5a	External Verification	Issuers should have its performance against each SPT for each KPI independently verified by a qualified external reviewer with relevant expertise, at least once a year and for each SPT trigger event.	<ul style="list-style-type: none"> <li>- CMPC sustainability-linked finance framework</li> </ul> <p>Discussions with CMPC management</p>	DNV confirms that CMPC has committed in their Sustainability-Linked Finance Framework to obtain external and independent verification of its annual KPI performance relative to the SPT and in connection with any trigger event as specified in specific Bond documentation.

