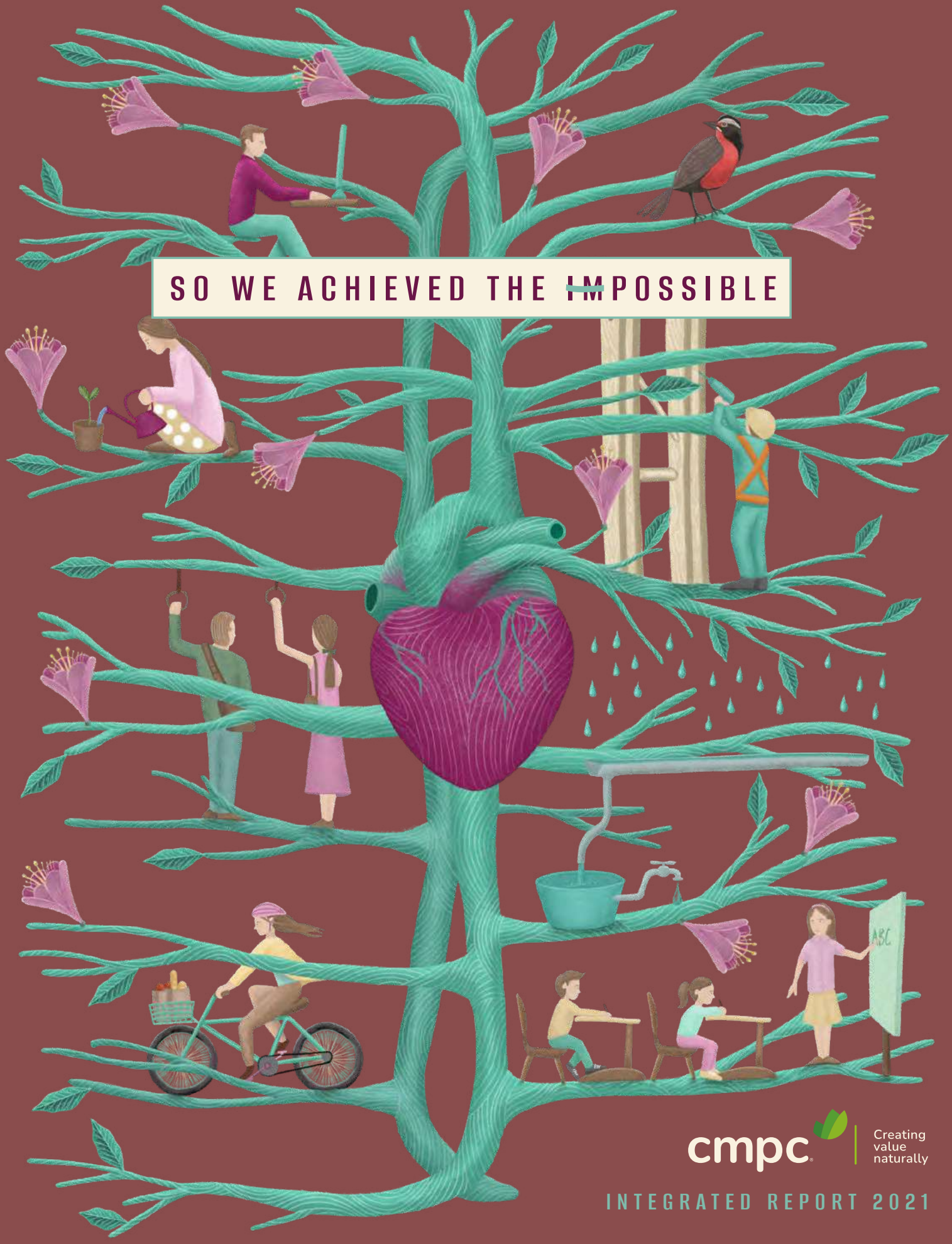


cmpc

Creating value naturally

INTEGRATED REPORT 2021

SO WE ACHIEVED THE IMPOSSIBLE

[2-1]

Name: Empresas CMPC S.A.
Chilean Tax ID Number (RUT): 90.222.000-3.
Head Office: 1343 Agustinas St, Santiago, Chile.
Telephone: +56 2 2441 2000.
Corporate website: www.cmpc.com
Incorporation: A publicly traded corporation controlled by the Matte Group, which owns 55.83% of the share capital. Incorporated on February 5, 1920 at the Notary Public's office in Santiago of Mr. Manuel Gaete Fagalde. Decree N° 589, as Compañía Manufacturera de Papeles y Cartones.

Contacts:

[2-3d]

- To learn more about the 2021 Integrated Report, please contact Francisco Torrealba, Public Affairs Assistant Manager, by e-mail at francisco.torrealba@cmpc.cl
- For more information on sustainability, please contact Nicolás Gordon, Sustainability Manager, by e-mail at nicolas.gordon@cmpc.cl
- To contact Investor Relations, please contact Colomba Henríquez, Investor Relations Manager, by e-mail at colomba.henriquez@cmpc.cl
- For information on corporate governance, please contact Rafael Cox, Chief Legal Officer, by e-mail at rafael.cox@cmpc.cl

INTEGRATED REPORT 2021

cmpc Creating value naturally

cmpc Creating value naturally

WE WANT TO ACHIEVE THE IMPOSSIBLE.



That is why we join the global **Business Ambition for 1.5°C** for 1.5°C initiative that adheres to the **Race to Zero** campaign, an urgent call for companies and industries to commit to emission reduction goals aligned with science and aim for net zero emissions by 2050.

1.5 degress It is the limit that we set for the increase in global temperature by **2050**

0 net emissions is our commitment as a company for **2050**

SCIENCE BASED TARGETS BUSINESS AMBITION FOR 1.5°C RACE TO ZERO

In October 2021, CMPC made an important announcement in the framework of the Business Ambition for 1.5°C initiative that adheres to the global Race to Zero campaign:

"We want to Achieve the ~~im~~possible"

The question is how can the impossible be achieved? What actions are going to be developed along these lines?

INTEGRATED REPORT 2021

SO WE ACHIEVED THE ~~IM~~POSSIBLE



Araucaria araucana from the Nahuelbuta mountain range, Araucanía region, Chile.

It is time for action

In August 2021, the Intergovernmental Panel on Climate Change (IPCC) noted in its Sixth Assessment Report that unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to between 1.5°C and 2°C will be unattainable[1]. Along with this, warned that human-induced climate change is affecting all regions of the world without exception, **"it is an unequivocal fact that human influence has warmed the atmosphere, ocean and land. Widespread and rapid changes in the atmosphere, ocean, cryosphere and biosphere have occurred."**

[1]Climate Change 2021. The Physical Science Basis. Working group 1. Contribution to the Sixth Assessment Report of the Intergovernmental Panel of Climate Change. At: https://www.ipcc.ch/report/sixth-assessment-report-working-group-i/

Some specific facts highlighted in the report:

• In the last 50 years, global warming has increased faster than in any equivalent period in the last 2,000 years.

• The use of fossil fuels has intensified extreme weather events and millions of people suffer daily from the impacts of different types of catastrophes.

• By 2030, a heat wave - which used to occur once every 50 years - is expected to happen every 6 years and will be approximately 2°C warmer.

• It is evident that heavy precipitation events will be 50% more likely and 10% more rainy

• In regions that are becoming more arid, drought will be twice as likely and wildfire conditions will worsen.

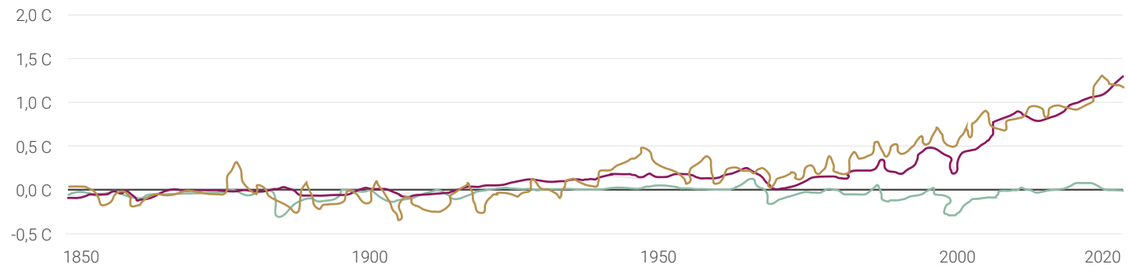
We are, undoubtedly, at a critical moment, because the problem continues to worsen. Moreover, although the scientific community points out that there is still time to take action, the more the deadlines advance, the more difficult adaptation becomes.

The World Bank (2021)[2] states that natural disasters caused by climate change generate costs close to USD 18 billion per year for low- and middle-income countries, in terms of damage to transportation and power generation infrastructure. Also, this entity forecasts that by 2050, some 216 million people will be displaced within their respective countries and around 132 million people will fall into poverty in the next ten years due to this phenomenon.

To address this problem, it is essential to act together, joining wills and forces under the same purpose: a global partnership in defense of the climate.

Human influence has warmed the climate

Change in global average temperature relative to 1850 - 1900, showing observed temperatures and computer simulations.



Note: Shaded areas show the very likely range of simulated scenarios.
Source: IPCC, 2021: Summary for Policymakers.

At CMPC, consistent with our **corporate purpose to create, coexist and conserve, we work to achieve the impossible**, convinced that our action together with the public and private sectors and civil society is the way to produce results on the scale and at the time required, making a contribution to climate action.

[2]https://www.bancomundial.org/es/topic/climatechange/overview#1



Ruiles at Empedrado, High Conservation Value Area (HCVA), Maule Region, Chile.

Conserve

We understand that our work depends on natural resources and **our commitment to the climate crisis is urgent and indissoluble.**

Forests, like other types of vegetation, play a fundamental role in mitigating climate change due to their capacity to capture and store CO_2, an element recognized by the scientific community as the main greenhouse gas (GHG) produced by human activity. During their growth, trees -all trees- absorb carbon dioxide from the atmosphere and convert it into carbon, storing it in their trunks, roots and leaves. In short, forest ecosystems prevent CO_2 from being released into the environment (ENCCV[3]).

For this reason, we develop actions around the care of the forest life cycle, from forest plantations to generate quality raw material and care of native forests and conservation areas, to certifications, ensuring sustainable forest management.

As a result of this collaborative formula, where the industry is supplied by renewable and certified plantations, without intervening in native forests, countries such as Chile show positive forestation rates.

Additionally, to contribute to the reduction of global warming also in our production processes, at CMPC we have proposed to achieve four corporate goals that simultaneously contribute to the conservation of ecosystems[4], water use reduction, and operational efficiency.

↓ 50%

Reduce by 50% absolute greenhouse gas emissions (Scope 1 and 2) by 2030.

↓ 25%

Reduce by 25% the industrial water use per ton of product by 2025.

↓ Zero

Achieve zero waste a to landfill by 2025.

↑ 100,000

Add 100,000 hectares of conservation and/or protection by 2030.

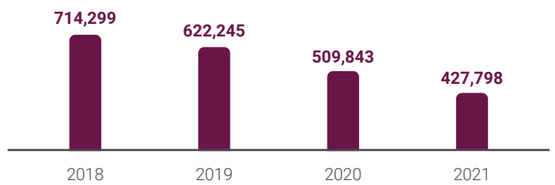
Scope 1 and 2 GHG Emissions ($ktCO_2e$)



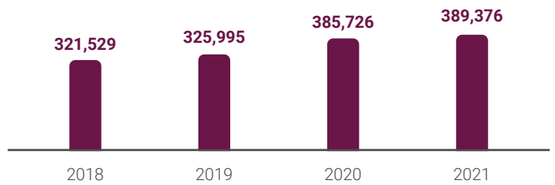
Water use (m^3/t)



Non-hazardous waste to landfill (tons)



Conservation, protection and/or restoration area (hectares)



[3]National Strategy on Climate Change and Natural Resources in Chile.
[4]Its progress is in the development of the report.

On the road to net zero emissions

We join

BUSINESS AMBITION FOR 1.5°C **OUR ONLY FUTURE**

Business Ambition for 1.5°C is a call for immediate action from a coalition of UN agencies, business and industry leaders on a global scale, arising from concerns about climate change and the urgency for the private sector to align under 1.5°C decarbonization trajectories.

The partnership is made up of Science Based Targets Initiative (SBTi), World Business Council for Sustainable Development (WBCSD), World Economic Forum (WEF), International Chamber of Commerce (ICC), Principles for Responsible Investment (PRI), Carbon Disclosure Project (CDP) and World Wildlife Fund (WWF), among others. Its mission is to mobilize the private sector to commit to a net zero emissions future by 2050.

As of December 31, 58 companies in Latin America are participating in the initiative, including CMPC.

Specifically, the agreement seeks to achieve "science-based net emissions reduction targets in line with a future of 1.5ºC and net zero emissions," which translates into achieving a balance between greenhouse gas emissions and removals within the company's value chain.

To achieve this, CMPC is taking the following actions:

- **New contracts to supply us with electric power from 100% renewable sources.**
- **Technological replacement of machinery for more efficient alternatives.**
- **Substitution of fossil fuels for biofuels or other green energy inputs.**
- **Waste to landfill reduction.**
- **Low-emission product development.**

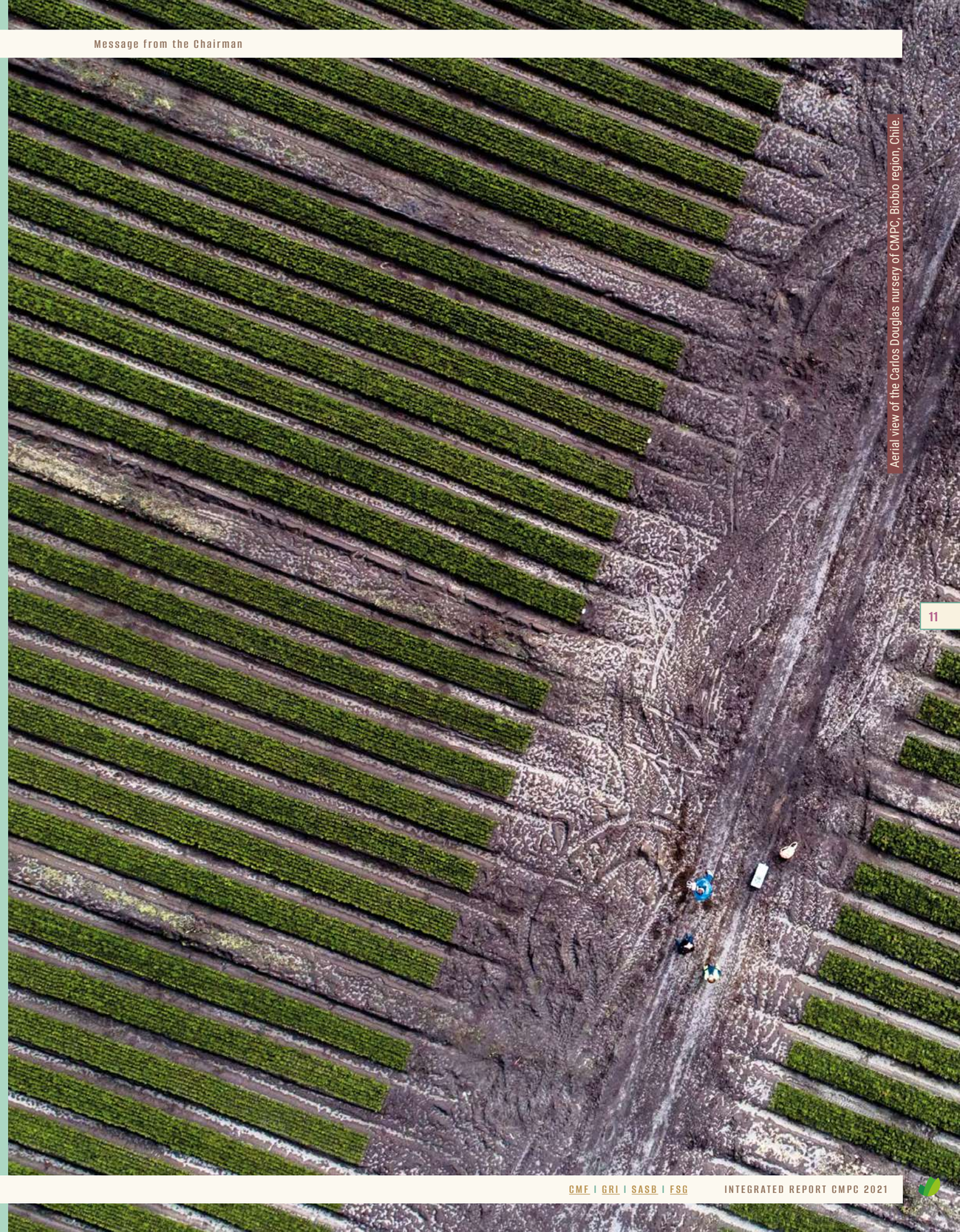
RACE TO ZERO

Race to Zero, a global campaign under the United Nations Framework Convention on Climate Change (UNFCCC) that aims to achieve net zero emissions by 2050.

In October 2021, we joined the Race to Zero, reinforcing the 2050 commitment to achieve net emissions in our operations and value chain.

In October 2021, CMPC's Sustainability Committee approved moving forward with the establishment of a science-based Scope 3 emissions reduction target.

13.3 17.17



Aerial view of the Carlos Douglas nursery of CMPC, Biobio region, Chile.

Create

Products from **renewable origins**, which connect the most genuine consumer needs with **sustainable solutions.**

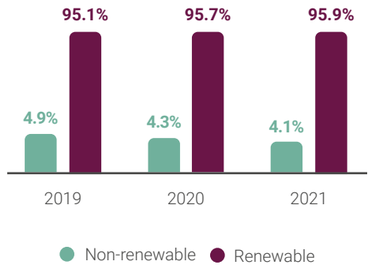
Wood-paneled house. CMPC Europe products.

The forest sector plays a very important role in the transition to a low-carbon economy. Forests have the capacity to capture carbon, which is also stored in their products. In Chile, 57% of the country's total emissions are absorbed by the forest sector, while 10.2% of the total capture corresponds to carbon stored in wood products[5].

In particular, the Chilean Ministry of the Environment indicates, in its Third Biennial Report, that forest plantations for industrial use generate a large contribution to CO_2 capture, and that today about 95% of the capture corresponds to the forest sector, while the remaining 5% corresponds to grasslands[6].

For the manufacture of our products, we use natural raw materials, which makes them biodegradable, compostable and recyclable. Added to this is the renewable dimension of our main raw material, gradually reducing the use of non-renewable raw materials.

Weight of raw material by type (%)



Thanks to these attributes, and the implementation of biotechnology, we explore innovations for the development of new solutions.

The wood we manufacture is used in construction, as a replacement for materials such as cement and steel; wood fibers have an important use as housing insulation with thermal and acoustic properties.

The World Conference on Timber Engineering (WCTE 2021) was held in 2021, where representatives from the public, private and academic worlds highlighted the renewable origin of this material, its flexibility, the role it plays in industrialization and the advantages of its use in mitigating climate change, reducing CO_2 and the world's housing deficit.

This conference was held with the support of the UC-Corma Wood Innovation Center (CIM UC Corma), Chilean and foreign universities; the public sector, led by the Minvu, Ministry of Foreign Affairs and CORFO; and companies in the sector, including CMPC.

The construction sector represents about 38% of the carbon dioxide (CO_2) emitted into the atmosphere, generates 30% of solid waste and 20% of water pollution[7].



Molded pulp tray, product of the Papers, Biopackaging business unit.

[5]National Greenhouse Gas Inventory, Ministry of the Environment, 2020, Memoria Corma (Corma Annual Report) 2020-2021.
[6]Third Biennial Update Report of Chile on Climate Change (2018). Available at: https://mma.gob.cl/wp-content/uploads/2018/12/3rd-BUR-Chile-SPanish.pdf
[7]The 2020 Global Status Report for Buildings and Construction. Available at: https://globalabc.org/sites/default/files/inline-files/2020%20Buildings%20GSR_FULL%20REPORT.pdf

Niuform
Wood revolution

9.4

According to studies presented in 2016 by experts from the University of Cambridge, buildings with wood are capable of reducing environmental impact by between 34% and 84% compared to those constructions made with concrete. Today, in the United States 90% of houses are built in wood, in Japan 40% and in Chile 20%.

Niuform, a joint venture between CMPC and the company Cortelima, experts in developing wood construction solutions, was created as an innovative milestone, seeking to build new constructions in this material, mainly in residential and high-rise commercial projects.

For its development, we use **Cross Laminated Timber (CLT) and Glulam/GLT**, solutions that offer multiple advantages for their ability to adapt to different types of structures and be sustainable. All CLT and Glulam Niuform solutions use wood that meets the highest standards of sustainable forest management, which guarantees, among other things, the protection of native forests and biodiversity. In this way, at CMPC we provide products with greater added value and seek to contribute new construction solutions.

It is estimated that by the year 2025 the authorized building area in Chile will increase to 17.5 million m^2. Of this total, 20% will correspond to wood construction, where Niuform aims to achieve 7%.

Niuform's first projects in Chile will be the expansion of a factory near Los Angeles, in the Biobio region, and the construction of a condominium of 100 wooden houses in the Buin municipality, in the Metropolitan region, to which 10 more projects are in the pipeline.



Corporate building in Los Angeles, Biobio region, Chile.

Developing innovative and environmentally friendly solutions is a fundamental goal for CMPC. In this sense, our efforts to change the way we manufacture, thinking about the continuity of the company for another 100 years and the wellbeing of our stakeholder groups, have focused not only on the replacement of machinery and technology used in plants, but also on the final products that today reach the hands of our customers and society in general, with a crucial role in the substitution of fossil fuel-based materials for materials of renewable origin.

At CMPC, we manufacture packaging materials, made from different types of cardboard, boxboard and paper for the handling and transportation of products, both from virgin and recycled raw materials.

Zero Waste Sack
It is dissolved in the concrete mixer machine

As a way to contribute to reducing the waste generated by the cement industry, we launched Zero Waste Sack, a paper sack that allows cement and its packaging to be directly fed into the mixer machine. In only seven minutes, the paper disintegrates thanks to the water's mechanical action, becoming another element of the concrete. After this process, the mixture is ready to be used, without waste generation.

The product is unprecedented in Chile and is the result of our efforts to offer sustainable packaging solutions, driven by the implementation of the Extended Producer Responsibility Law (EPR Law). Due to its characteristics, this type of sack does not require any special treatment, for either storage or transportation, thus contributing as an immediate solution for those areas where a more developed waste management system is needed.



Zero Waste Sack, first commercial product manufactured and sold.

12.5

Coexist

With our stakeholder groups **we seek to be factors in the development of the territories** where we are present.

Climate change is an unpredictable and multifaceted problem in many cases. Moreover, while local communities can change their dynamics and production activities to adapt to new scenarios, they suffer the most visible consequences of this crisis, which, after impacting the environmental balance of the territories, affects social and economic aspects.

Together with the increase in temperature, climate change causes precipitation and extreme weather events, water resource reduction, biodiversity loss, health effects, infrastructure damage, power supply problems, farming area relocation, fishery resource depletion, and affects tourism, among other impacts.

The highly complex situations that require solutions - or mitigation actions - take into account community and territorial realities, from the perspective of governance and resources. This challenge, which can be at local and global scale, brings to the forefront the importance of intersectoral and networked action, taking advantage of the resilience of human groups and their ability to organize themselves.

Our countries and their communities face situations of uncertainty that require addressing through the participation of different players. Climate migration[8] studies point out that populations are growing in regions that had previously been identified as environmental danger zones, showing an increase in population in areas threatened by global warming (GIZ; 2019).

The forest sector is responsible for more than 300 thousand jobs, about 2% of GDP, thanks to a productive chain that involves thousands of small, medium and large producers suppliers, contractors and other services companies.

Under the Coexist dimension, at CMPC we build partnerships with our different stakeholder groups to strengthen the potential of each territory in which we are present, being a player that enhances and improves people's quality of life. We do this through social investment initiatives at the service of the needs and requirements of the communities, with a forward-looking projection.

This view includes a commitment to our more than 20,000 employees, with whom we seek to advance in a more diverse environment that creates more opportunities and where everyone can achieve their potential.

From this point of view, we aspire to a sustainable development that meets the needs of the people, service companies and different stakeholder groups that are part of the local territory today, without affecting the prospects of future generations.

[8]Migration, Displacement and Planned Relocation in the Eastern Caribbean, the Pacific and the Philippines. 2019. Available at: https://www.giz.de/en/downloads/GIZ-HMCCC-Global-Factsheet-2019.pdf



Eva Maldonado, potter from the Piutril Santa Ema community of Collipulli, Araucanía region, Chile.

CMPC Duoc UC Nacimiento Campus

First "Campus of the future"

11.3 - 11c 4.4

To provide greater opportunities for young people in the municipality of Nacimiento and the surrounding area, in November 2021 we laid the first stone of the CMPC Duoc UC Nacimiento Campus, a technical and professional education center, in this city in the Biobio region, where our Santa Fe pulp plant is located.

The project consists of building a higher education center to provide opportunities for young people in the region through a dual education model. It is expected that this campus will serve approximately 700 undergraduate students, helping to increase the coverage of higher education in the area, as well as developing the competencies and knowledge necessary for the Company's line of business.

With this project we will install the first "campus of the future", a space that fosters and promotes local development in multiple dimensions, enhancing wellbeing and social gatherings. This includes support for entrepreneurship and ongoing training for CMPC employees, supplier companies and the community in general.

The education center will enable:
• To provide ongoing training for suppliers, employees and the community.
• The creation of the Entrepreneurship Center, which aims to promote the labor development of adults and young people, as well as the generation of skills and capabilities in entrepreneurs and small and medium-sized local companies.
• To teach degrees in the following areas: People Management Technician, Electricity and Industrial Automation Technician, Administration Technician, Senior Nursing Technician, Analyst Programmer Technician, among others.

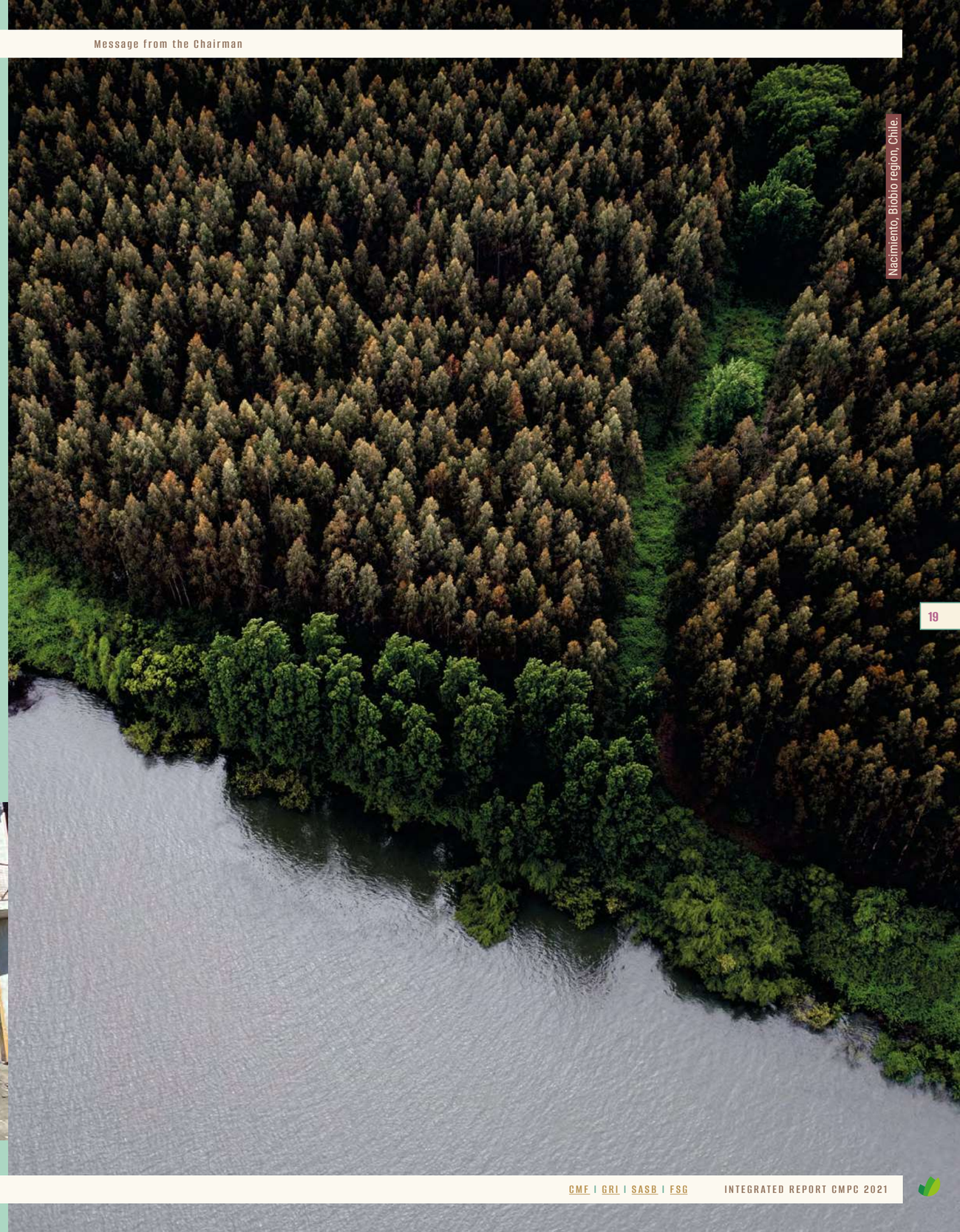
The building will have more than 3,500 m² of spaces equipped with state-of-the-art rooms, technology laboratories, a library, among other facilities. Its construction uses wood that is characteristic of the area and has a respectful design with the surrounding environment.

The CMPC Duoc UC Nacimiento Campus began construction in November 2021 and expects to start operations in early 2023.

Key figures:
• Approximately USD 20 million total investment
• 3,500 m² construction, on a 17,900 m² site
• Access to 700 students



Luis Felipe Gazitúa, Chairman of Empresas CMPC; Francisco Gouét, Duoc UC; Carlos Toloza, Mayor of the municipality of Nacimiento; Francisco Ruiz-Tagle, CEO of CMPC, during the visit to the construction works of the CMPC DuocUC Nacimiento Campus.



Nacimiento, Biobio region, Chile.



DEAR SHAREHOLDERS:

I am pleased to address you to present our Integrated Report for fiscal year 2021, during which Empresas CMPC recorded positive results that reflect the commitment of our collaborators, the operational continuity with high levels of efficiency of our assets, the growing demand for environmentally friendly products and the best international prices.

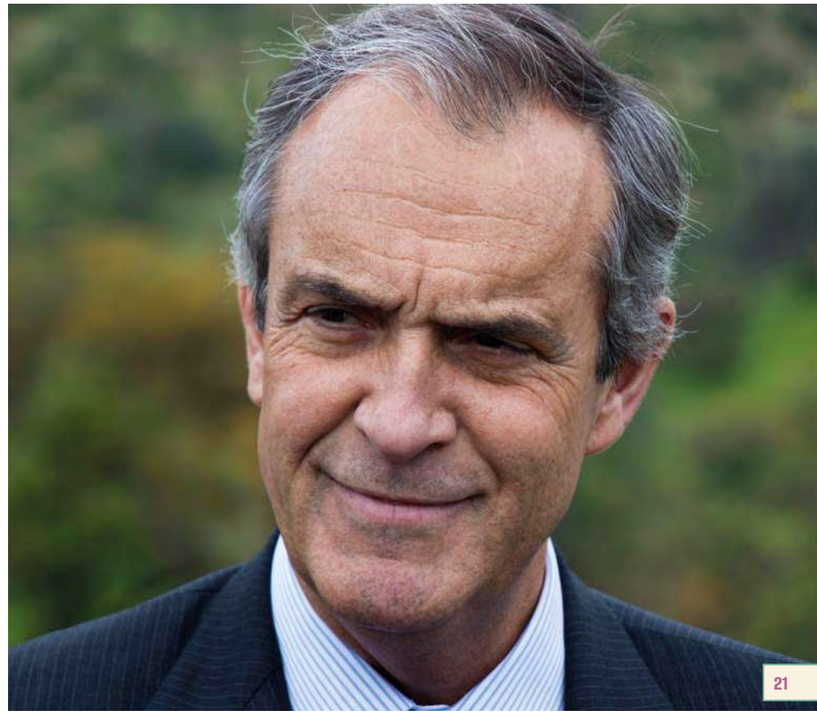
I would like to emphasize that this Integrated Report is the sixth annual version that includes the Annual Report, Balance Sheet and Financial Statements, as well as the Sustainability Report, prepared in accordance with the guidelines of the Global Reporting Initiative (GRI) and the International Integrated Reporting Council.

As in previous years, this Integrated Report is also a Communication on Progress (CoP) for the United Nations Global Compact, a network that we have been part of since March 2018.

Moving from traditional annual reports to integrated reports with ample and precise information on the purpose, strategy and activities that mark the necessary link with the environment, is a basic requirement for a company with the relevance and trajectory of Empresas CMPC.

This has been highlighted by prestigious international organizations, such as the Dow Jones Sustainability Index, which has once again positioned us as the second most sustainable forestry company on the planet, and the S&P Global Sustainability Yearbook, which distinguished our company as a Global Industry Mover among more than two thousand companies worldwide.

These awards reflect the achievements of Empresas CMPC in productive, financial, labor, environmental and relationship matters with its neighboring communities, as well as the contribution that our activity represents for the consolidation of sustainable development in the world.



Indeed, both for the carbon capture potential of our planted forests and extensive conservation areas, as well as for the benefit of the environmentally friendly products we manufacture from natural, renewable and certified fibers, the forest industry -in its broad and extensive production chain- **is a fundamental activity in the fight against the global climate emergency and the reduction of waste and single-use plastics.**

However, we see with some frustration how this potential, highly recognized and validated by scientists and environmentalists at the global level, is the object of unfounded questioning by local sectors that put their interests first, even at the cost of denying information and technical studies, thus hindering the building of a positive and environmentally friendly vision of development.

This situation, unfortunately, is not far from the unjustified criticism that we often see towards the entrepreneurship and contribution of the private sector in general, despite all the experience that shows the unfeasibility of achieving a relevant and sustainable development in time based exclusively on state rights and solutions to society's problems and demands.

This has been understood and implemented in countries with a long history and which today are seen as role models, several of which base a large part of their economies on the forest industry, such as Finland, Sweden and New Zealand. However, such private initiative is only capable of growing and developing within a framework of certainty and trust, which is not the case when its function and objectives are repeatedly attacked or disqualified.

As the former President of the Republic, Jorge Alessandri, who also headed the destinies of CMPC for many years, pointed out: *"without sacrifices, no savings are possible, and as long as the private enterprise regime prevails in Chile, those who are engaged in productive activities and legitimate trade are the great builders of national wealth."*

The willingness to change expressed by the majority of Chilean citizens represents an opportunity to advance in a comprehensive and sustainable approach to development that learns from the countless achievements we have made as a society in the past, as well as from our shortcomings. But in no case -and public opinion surveys confirm this- can it be interpreted as a mandate to re-found or revive failed conceptions that also violate rights and rules of the game, undermining the credibility and competitiveness of our country.

We are all necessary in the task of achieving a broad, harmonious, fair and supportive development, except for those who advocate and use violence and the denial of all counterparts as a mechanism to impose their exclusive visions of society.

Our company supports and commits its most active participation in any dialogue initiative that seeks to advance in a harmonious and constructive relationship between the different players that make up society, as has been proposed by the new Chilean government in relation to the problems that the southern part of our country is going through.

However, dialogue is fruitful only when there is recognition and respect between the parties, which not only implies renouncing any form of violence, but also admitting and coexisting with different visions, cultures and productive activities.

Precisely, in the name of dialogue and peace, I would like to take this opportunity to remember those who have lost their lives or suffered the physical or psychological consequences of attacks perpetrated by criminals who have no respect for life or the slightest principle of coexistence. I extend my sincere condolences to the families, friends and co-workers of those who have left us because of these condemnable acts of extreme violence.

I have had the opportunity to visit and share with collaborators and service companies that have suffered violence directly. All of them, in spite of their hard experiences, have told us their firm conviction to continue developing their work, aware that these serious events cannot end up annulling such a legitimate and important activity for Chile as the forest industry.

We have stated it on previous occasions and I reaffirm it here: the care of our employees is the highest priority for Empresas CMPC. However, the task of public safety corresponds to the State and what we have seen in recent years is a dramatic growth in organized crime with a focus on industrial wood theft and drug trafficking, as national and local authorities have warned.

As I pointed out, we are leading role players in an industry of the future, capable of responding to the needs of a more sustainable world with nature-based, renewable and certified innovations. We recently confirmed this by announcing the strategic partnership between Empresas CMPC, the Finnish company Nordic Bioproduct and the University of Aalto to advance in the production of Norratex, a new textile fiber based on our cellulose.

This was also understood by the governments that promoted the development of the forest sector in the past, starting with the administrations of Presidents Frei Montalva and Allende.

Therefore, it is neither understandable nor reasonable to deny this development opportunity to such important regions of Chile, whose inhabitants have adopted forest activity to the point of making it a way and example of life, work and commitment.

We perceive this same motivation in our collaborators. An internal reputation study developed in 2021 with a team from the Universidad de los Andes positioned us as one of the companies with the highest internal reputation in the country, especially emphasizing the high valuation that workers give to the work and the company's linkage with its communities.

By the way, this concern for the environment also includes our direct and indirect collaborators and their families, as was evident during the most demanding periods of the pandemic. Free manufacture and distribution of face masks, strict work protocols in plants and offices, adaptation of capacity, mobile clinics and vaccination centers that are still open to the community, as in the cases of Los Angeles and Nacimiento.

This care is absolutely fundamental when it comes to occupational safety in our operations. Although we have doubled our efforts, incorporating international advice and experience, we had to mourn a fatal accident at the Maule Plant this year, which obliges us to delve deeper into actions, training and safeguards.

All of the above, as the only way to continue with the development of our business areas. In this regard, I would like to highlight, the growth recorded in Brazil, with record pulp production levels at the Guaiba plant and the start of the BioCMPC project for expansion and environmental upgrading, which will allow it to add 350 thousand tons per year in its most modern Line.

The subsidiary SOFTYS agreed to acquire Carta Fabril, a company with operations in Rio de Janeiro and Goias, reaching an installed production capacity of 380 thousand tons of tissue paper per year, which consolidates it as the largest operator in the industry in Brazil and one of the main players in the industry in Latin America, with a presence in eight countries from Mexico to Chile.

existing partnerships with the Universidad de Concepción and the Universidad Austral de Chile.

In 2021, we also began construction of an educational project that will generate a substantive change in the opportunities for thousands of young people in southern Chile. This is the CMPC-Duoc UC Campus in Nacimiento, which includes a professional institute, a continuing education center and support for entrepreneurship.

It is worth noting that, as of this year, **our presence in Brazil now covers most of Empresas CMPC's business areas: forestry, pulp, tissue and paper**, following the recent agreement to acquire the forest and industrial assets of Iguazu, Celulose y Papel, located in the states of Parana and Santa Catarina. This operation also consolidates our position as the second largest producer of paper sacks globally, with a capacity of 1.5 billion sacks per year.

The growth of Biopackaging -with operations in Chile, Brazil, Mexico, Peru and Argentina- is in line with the sustained increase in demand for sustainable packaging, as we witnessed in 2021 with record production and marketing of boxboard and boxes, among other products. Biopackaging's commitment to quality and efficiency has been fundamental in this regard.

As in other business areas of the company, Biopackaging has developed a strong innovation strategy reflected in new products that have even received awards for their environmental contribution, such as biodegradable packaging capable of resisting liquids using natural barriers.

Because innovation is a fundamental pillar of Empresas CMPC's strategy, as well as sustainability and care for the environment, as evidenced by the progress made in meeting our environmental goals our company's incorporation into the global Race to Zero campaign, the clean production certifications of plants such as Chimolsa and Sack Kraft, and the transformation of Laja into the first zero waste to landfill plant.

Aware of the opportunity that our activity and the forest industry as a whole represent for protecting nature and fighting climate change, in 2021 we launched the CMPC Chair on Biodiversity and Sustainable Development in partnership with the Pontificia Universidad Católica de Chile. This is a collaborative effort between academia and business, which adds to the

This potential can also be seen by international investors, who are increasingly attracted to "green" investment opportunities as evidenced by our past debt issuances and, specifically, the placement in 2021 of the first sustainability-linked bond.

Because caring for nature and acting to address problems that affect us all, such as climate change, are tasks that are faced collectively and cannot be solved just because a new legislation so determines. In fact, the carbon sequestration objectives that the world requires can only be achieved through a strategy of promoting forests that allow sustaining both this environmental role and the productive needs, and this is how the most developed states, companies, investors and scholars understand it.

However, this sustainability strategy would be insufficient if it did not incorporate as a fundamental objective the need to become a driver of shared development in the territories where we are present. To this end, we consider the generation of local capabilities to be a key element, mainly through access to extensive, quality education.

Much of this work is accomplished through the CMPC Foundation's support programs for schools and early childhood. I would especially highlight the adaptation of its team to continue providing this support during the pandemic, as well as the development of a renewed area of distance education.

These initiatives are added to others that have a direct impact on territorial development, such as the development of new local suppliers, training and quality employment. Because we are a company fully involved with society and it is this vision that has allowed us to grow and share development for more than a century.

However, none of these initiatives would be possible without efficient and profitable production activity. Without customers and consumers, workers, suppliers, investors and shareholders that make up an entrepreneurial ecosystem that has made possible a level of prosperity never seen before in the history of mankind.

In our case, this effort to do things right resulted in profits of USD 539 million in 2021, sales of nearly USD 6.3 billion and EBITDA of nearly USD 1.7 billion. Certainly, we were favored by better prices for our products in international markets, especially for pulp and packaging solutions, but it is also important to mention the excellent operational performance of most of our operations.

Because, as I pointed out at the beginning of this letter, such results can only be obtained when there is a committed and cohesive team such as the one that has char-



Luis Felipe Gazitúa at the inauguration of Alessandri Park, Nacimiento, Biobio region, Chile.

acterized Empresas CMPC during its 102 years of existence.

Productivity and efficiency efforts will be particularly relevant for the year ahead, with special consideration for the impact that significant price increases in many of our main operating supplies may have in the medium term.

We also continue to be concerned about the costs and damages associated with wildfires, mostly intentional, which, besides affecting homes and farms, reduce the supply of wood, which is already affected by industrial-scale theft.

It is essential that, as well as increasing public security and enforcement, the authorities understand the importance of creating incentive mechanisms for small and medium-sized forest producers. Because not only is the economic livelihood of thousands of workers at risk, but also soil erosion, reduced carbon sequestration and the input needed for natural products that replace more polluting ones.

It is not a matter of demanding special conditions for the industry, but of understanding that it is a necessary activity with a positive impact, determined to respond to this potential with long-term investments to the extent that there is an enabling environment and a common vision of the existing opportunities.

I am also sure that we can dream of a country and a forest sector in very valuable regions for our beloved Chile in which we can find a common vision of society where we all have a place and where private initiative has a crucial role to play in contributing to improve the living conditions of the people who live in those places.

I would like to end these words by thanking the Board of Directors that I have chaired for two consecutive terms. Their commitment and contribution in the different areas of representation has been of enormous value for the achievements and results obtained.

I am confident that this commitment, also shown by the entire human team that makes up Empresas CMPC, whom I also thank very sincerely, will be the fundamental pillar to face the challenges that lie ahead for an activity with the potential and future of the forest, wood and paper industry.

Thank you very much

Luis Felipe Gazitúa
Chairman of Empresas CMPC

Nature-based solutions represent the best answer to the challenges facing humanity, and at CMPC **we are convinced that the fiber from our trees has the potential to replace virtually all materials from fossil sources.** Let us not miss this opportunity.

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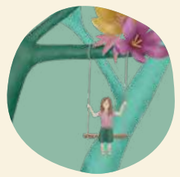
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CHAPTER ONE

CMPC

What will you find in this chapter?

1 min.

• CMPC's business is the production and marketing of wood products, pulp, packaging products, paper, tissue and personal care products.
• It was founded in 1920 with the production of paper and cardboard and today markets its products through its three business areas: Celulosa, Biopackaging and Softys, from which it reaches more than 26,700 clients around the world.
• It has 44 industrial plants in eight Latin American countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Uruguay.
• It has a global presence in 11 countries with three sales offices in the United States, Germany and China.
• Its corporate purpose - create, coexist and conserve - called the 3Cs, is integral to the Company's way of doing business and guides its corporate function toward a sustainable future.

RELATED STAKEHOLDER GROUPS

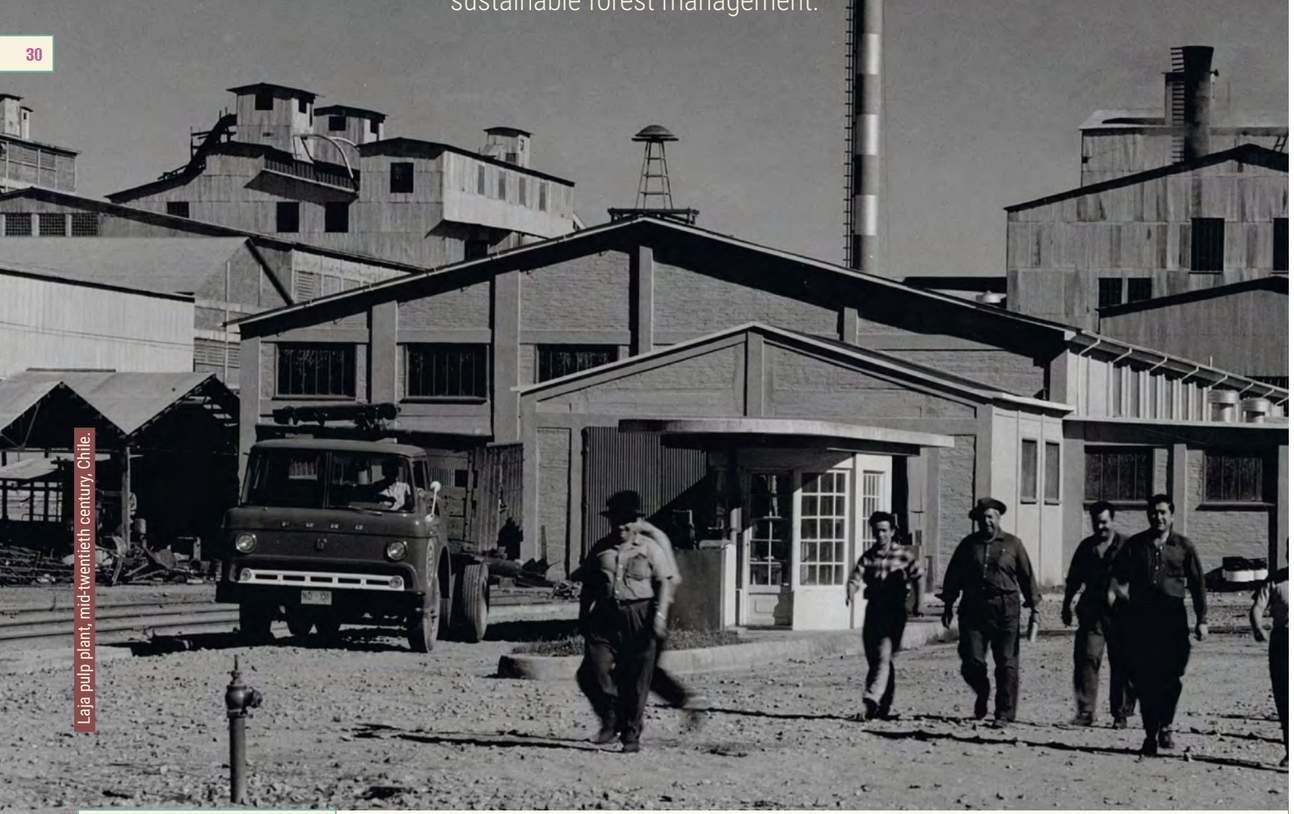
- **Board of Directors**
- **Senior Executives**
- **Collaborators Shareholders**
- **Investors**

1.1 EMPRESAS CMPC

102 years of history

[CMF 2.1; GRI 2-23]

Empresas CMPC **seeks to satisfy the most genuine needs of people through the delivery of solutions from renewable resources**. Its business is the production and marketing of wood, pulp, packaging products, paper, tissue and personal care products from certified plantations under sustainable forest management.



Laja pulp plant, mid-twentieth century, Chile.

MISSION

To produce and market -from plantations established by man- wood, pulp, packaging products, paper, tissue and personal care products in a sustainable manner over time, with superior and competitive quality, innovating and adding value to shareholders and clients, and creating development opportunities for workers and local communities. The aim is to be sustainable to achieve good economic performance through respect for stakeholders and care for the environment.

CORPORATE PURPOSE 3C

The corporate purpose -**C**reate, **C**oexist y **C**onserve-, called the **3Cs**, is integral to its way of doing business and guides its corporate function toward a sustainable future.

CORPORATE VALUES

In order to fulfill this mission, all those who make up CMPC guide their actions in accordance with the Company's five core values.

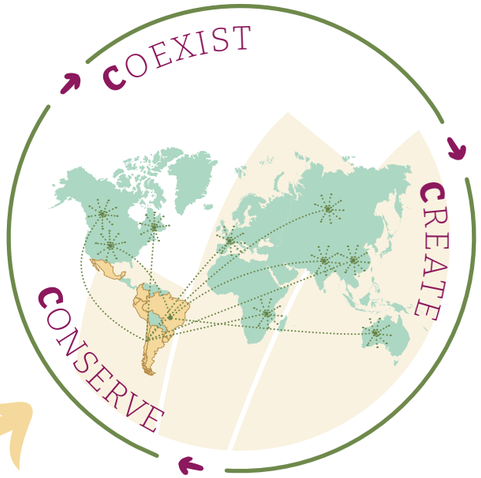
Respect for people

Care for the environment

Strict **compliance** with legal regulations

Compete **fairly**

Consideration for the needs of neighbors



CREATE

Solutions for the most genuine needs of people. Because we are present in everyday life with products derived from cellulose, wood 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 of, promoting with strength and determination 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 and citizens to renew their patterns of production, consumption and coexistence, moving from a linear economy to a circular one.

United Nations Global Compact

The 3Cs reflect CMPC's commitment to integrating sustainability into its corporate strategy through the implementation, performance and recognition of the Ten Principles of the Global Compact, which are focused on the areas of human rights, labor relations, environment and anti-corruption. All of them, basic principles of its actions with its stakeholders. CMPC adheres to the Guiding Principles on Human Rights and Business issued by the United Nations and the Global Compact.

SUSTAINABLE CULTURE

Through the 3Cs, CMPC generates a sustainable culture contributing to the creation of shared value in the short, medium and long term.

Our roadmap for the future: Business strategy

The Company **is part of global partnerships,** contributing to the sustainability of the planet, to the revitalization of local economies and positively impacting its communities with whom it shares territories. To move towards the next 100 years of history, CMPC's Corporate Strategy is based on six focuses, through which its guidelines and planning are managed.

PEOPLE

- Adopt a dynamic culture that allows us to attract and develop the best talent.

SUSTAINABILITY

- To be leaders in environmental sustainability and active participants in the communities of which we are a part of.

OPERATIONAL EXCELLENCE & PROCUREMENT

- To attain a level of operational excellence through the implementation of a program to improve productivity levels and environmental compliance to world-class standards.
- To position as a reference in asset efficiency.
- Optimize procurement to capture savings opportunities on a sustained basis.

SALES EXCELLENCE

- Positioning clients at the core of our priorities, responding to market trends.
- Presenting a diverse product portfolio tailored to clients' needs.

EFFICIENT GROWTH

- Improve Capex performance.
- Expand business using capital efficiency.

INNOVATION & DIGITALIZATION

- To excel in the delivery of innovative solutions and products.
- To work to be a benchmark in efficiency and productivity by seeking to incorporate new technologies and digitalization.

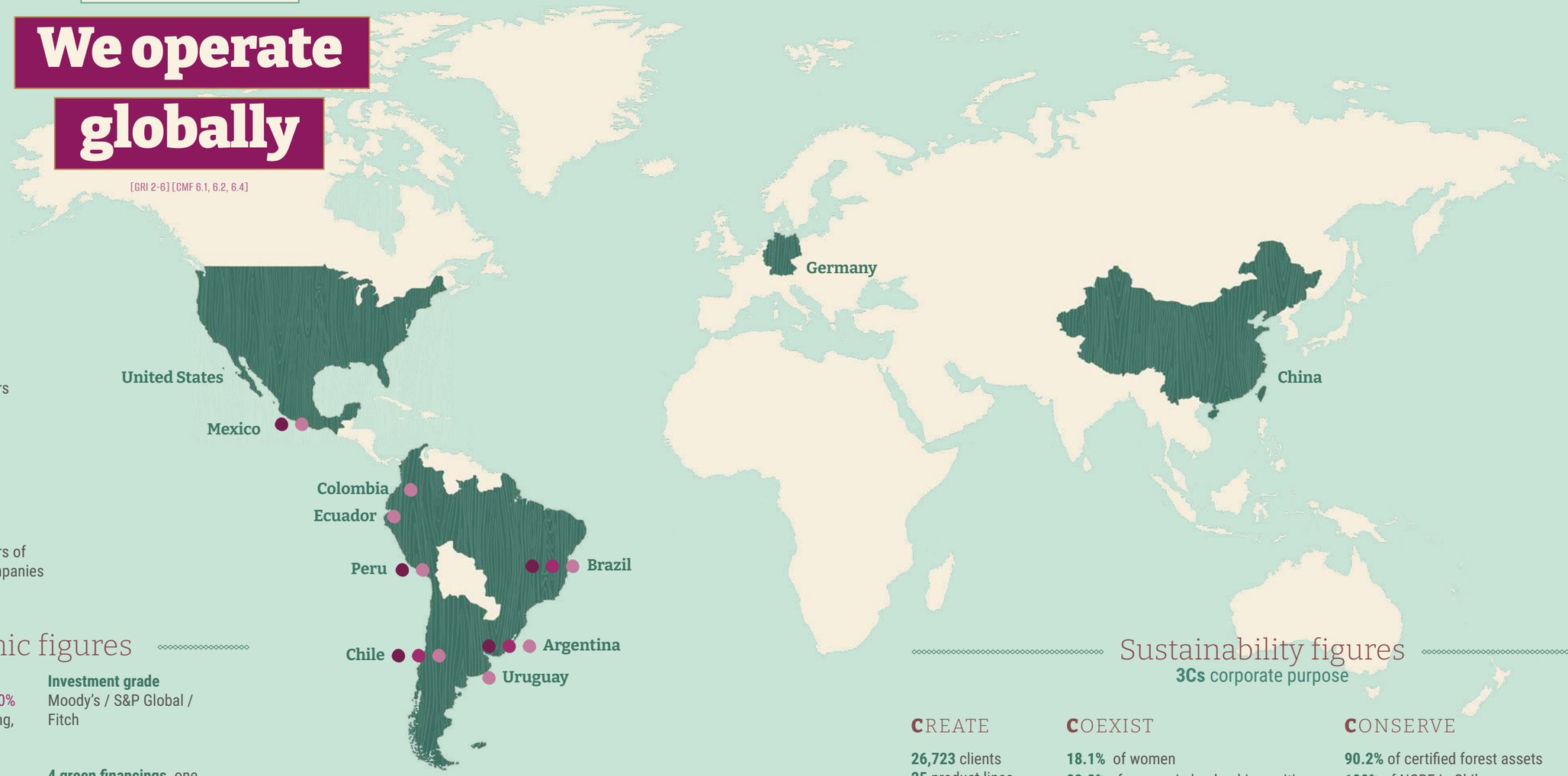


César Cárdenas, Santa Fe plant, in Nacimiento, Chile.

1.2 OVERALL FIGURES

We operate globally

[GRI 2-6] [CMF 6.1, 6.2, 6.4]



11 countries of industrial and commercial presence

20,068 direct collaborators

22,534 suppliers

44 plants

35,888 collaborators of service companies

Economic figures

MMUSD 6,323
of sales to third parties (40% Celulosa, 16% Biopackaging, 35% Softys)

Investment grade
Moody's / S&P Global / Fitch

MMUSD 1,695
EBITDA (83% Celulosa, 12% Biopackaging, 5% Softys)

4 green financings, one committed line and one bond, related to sustainability goals.

MMUSD 7,546
546 in equity

MMUSD 15,226
in assets

MMUSD 3,179
in net debt

Sustainability figures

3Cs corporate purpose

CREATE

26,723 clients
25 product lines
95.9% renewable materials
8 focuses of Future (Beyond)

COEXIST

18.1% of women
23.3% of women in leadership positions
1.3% of people with disabilities
395 Mapuche communities
+60 community investment projects
1,758 local suppliers

CONSERVE

90.2% of certified forest assets
100% of NCRE in Chile
389,376 hectares of conservation and restoration
20% of GHG emissions corresponding to scope 1 and 2
17.7% of water withdrawn consumed

Figures by country

Argentina
3 plants
1,462 collaborators
867 My SME suppliers

Brazil
5 plants
3,516 collaborators
407 My SME suppliers

Chile
23 plants
9,894 collaborators
4,846 My SME suppliers

Colombia
2 plants
564 collaborators
415 My SME suppliers

Ecuador
1 plant
272 collaborators
47 My SME suppliers

Mexico
5 plants
2,284 collaborators
282 My SME suppliers

Peru
4 plants
1,758 collaborators
288 My SME suppliers

Uruguay
1 plant
321 collaborators
179 My SME suppliers

United States
Commercial office

Germany
Commercial office

China
Commercial office

Celulosa

Responsible for forest assets, the **production, and marketing of wood and pulp products**. It has industrial operations in Argentina, Brazil and Chile.

Its products are marketed in 48 countries through offices and commercial agents, of which 16 are in the Americas, nine in Asia, 18 in Europe, two in the Middle East, two in Oceania and one in Africa. To this end, it has customer service offices in the cities of Los Angeles and Santiago (Chile), Guaiba (Brazil) and Atlanta (United States), reaching more than 220 clients. It also has commercial representation in Shanghai (China) and Europe, from Germany, under the name of CMPC Europe GmbH & Co. KG, a partnership that began operations in 2020.

Celulosa does not have clients that represent more than 10% of its revenues, nor suppliers that account for more than 10% of its total purchases. Among its main competitors are Arauco, Eldorado, Klabin, Ilim, Stora Enso, Suzano, UPM and Metsa.



Carlos Douglas Nursery, Collipulli, Chile.

Our Business Areas in Bosques, Maderas and Pulp

BOSQUES

Comprises CMPC's forest assets[9], including conservation areas and productive forests in Argentina, Brazil and Chile. It also carries out proactive management of forest plantations, including pruning, thinning and harvesting, and preventive control of wildfires.

Its subsidiaries are: Bosques del Plata (Argentina), CMPC Brazil and Forestal Mininco (Chile).

MADERAS

Its mission is to add value to the forest assets through the production and marketing of wood products.

It has three sawmills (Bucalemu, Mulchen and Nacimiento); two remanufacturing plants (Coronel and Los Angeles); and a plywood plant (Collipulli). All located in Chile.

PULP

Responsible for producing and marketing pulp and its by-products.

It has four mills: Laja, Pacifico and Santa Fe (Chile), and Guaiba (Brazil).

PRODUCTS

Species:
- Argentina: *Pinus taeda and Pinus elliottii*,
- Brazil: *Eucalyptus saligna and Eucalyptus sp.*
- Chile: *Pinus radiata, Eucalyptus nitens and Eucalyptus globulus.*

Pulpwood logs, sawn logs, peeler logs or ply logs (pruned and knotty), fuel logs, wood chips and biomass.

Green and kiln dried sawn lumber, plywood, moldings and glued panels.

Bleached radiata pine kraft pulp (BSKP), unbleached kraft pulp (UKP), bleached eucalyptus kraft pulp (BEKP), sack kraft paper, and printing and writing papers (P&W).

MAIN INDUSTRIES

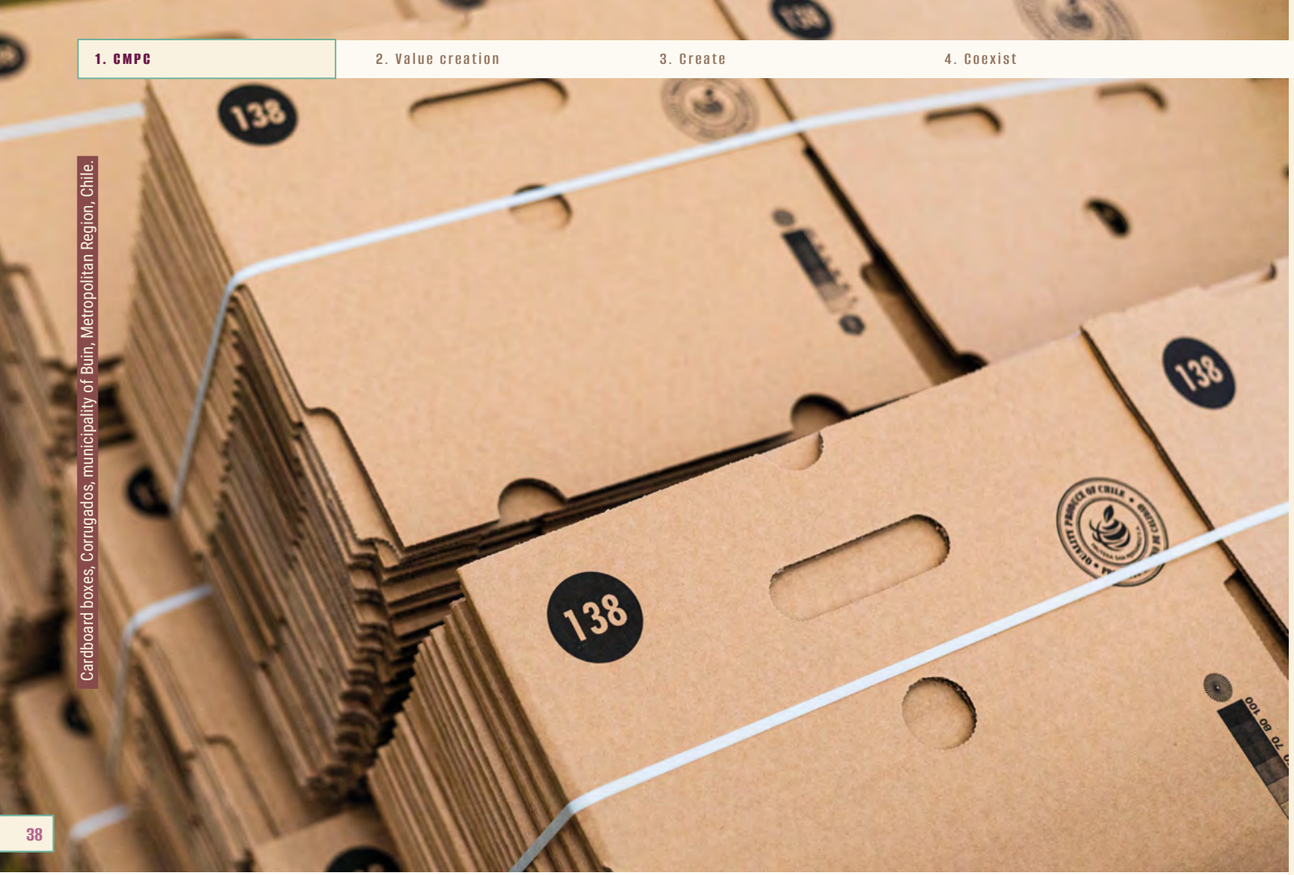
1) Wood: construction, furniture, packaging.
2) Pulp: cardboard and boxboard, tissue, printing and writing papers (P&W) and specialties (production of sales receipts, self-adhesive labels for bottles, papers for electric condensers, among others).

What is Celulosa's production capacity?

Country	Bosques (Mm³)	Maderas (Mm³)	Pulp (Mt)
Argentina	706	--	--
Brazil	7,595	--	2,010
Chile	10,442	1,520	2,381
Total	**18,743**	**1,520**	**4,391**

Source: Celulosa.

[9]Also, the Company has usufruct contracts, agreements and leases with third parties comprising approximately 116 thousand hectares of forest plantations distributed in Chile and Brazil.



Cardboard boxes, Corrugados, municipality of Buin, Metropolitan Region, Chile.

Biopackaging

Responsible for **manufacturing sustainable packaging solutions** for the protection and transportation of products, thanks to the use of virgin and recycled fibers, through its business units: Corrugated, Boxboard, Sack Kraft and Edipac. It has operations in Argentina, Chile, Mexico and Peru.

Globally, it is present with its brands in 71 countries in Africa, America, Asia, Europe and Oceania, through a network of sales representatives.

In the Corrugated Products business unit, there are no customers that represent more than 10% of its revenues, nor suppliers that account for more than 10% of its purchases. However, Boxboard has Colbun as a supplier that accounts for at least 10% of its purchases and does not have any client that individually represents more than 10% of its sales.

For its part, Sack Kraft has Westrocky and General Products as suppliers, which individually represent at least 10% of its purchases, and among its clients Lafarge Holcim, Calidra, Unacem, Pacasmayo, Cementos Yura, Cementos Cruz Azul, which individually represent at least 10% of its sales.

Finally, Sylvamo is Edipac's main supplier with more than 10% of its purchases, and in 2021, no single client exceeded 10% of sales individually.

Among its main competitors are: IP, Mondi, Stora Enso, and in some subsidiaries, it is important to mention Klabin and Smurfit Kappa.

Our Business Areas in Biopackaging

CORRUGATED

Responsible for the manufacture of corrugated paper, through the collection and recovery of paper and cardboard for recycling and conversion of paper into corrugated cardboard boxes and molded pulp trays and cases for the fruit and vegetable and industrial sectors.

Currently, it has productive presence in Chile through: Papeles Cordillera, Pulpa Moldeada, Embalajes Buin, Tiltil and Osorno and the subsidiary Fibras.

BOXBOARD

In charge of the manufacture of virgin fiber-based boxboard with an optimum weight/rigidity ratio.

It has boxboard specially designed for the packaging area, cases with barriers and the graphic area.

Its industrial operations are located in Chile in the regions of Maule and Los Rios.

SACK KRAFT

Develops packaging products (industrial multiwall sacks) based on paper made from radiata pine fiber.

It has industrial plants in: Argentina, Chile, Mexico and Peru, which are complemented by a sales network that includes an office in the United States and a logistics platform that allows it to serve more than 25 countries in the region.

EDIPAC

Distributor of paper and boxboard for printing and writing.

It is responsible for marketing products manufactured by CMPC subsidiaries and of imported products manufactured by third parties.

It is present in Chile and integrates the production of handle bags.

PRODUCTS

CORRUGATED	BOXBOARD	SACK KRAFT	EDIPAC
Corrugated cardboard boxes and corner boards, molded pulp trays and cases, corrugated and construction papers, as well as the recovery of paper and cardboard for recycling.	Boxboard of higher and lower weights. Boxboard with barriers to replace single-use plastics.	Multiwall sacks and industrial paper bags and tubes.	Distributor of products such as boxboard, packaging papers, corrugated cardboard boxes, sacks, bags, cut size, bond paper, coated paper, special papers and paper bags.

MAIN INDUSTRIES

1) Corrugated: industrial, fruit and vegetable, meat, wine, and fish.
2) Boxboard: mass consumption, food and foodstuffs, pharmaceuticals.
3) Sack Kraft: construction materials, mining, chemicals and minerals, agricultural products and foodstuffs.
4) Edipac: wholesale supermarkets and retail sector, commercial stores.

What is Biopackaging's production capacity?

Country	Corrugated (Mt)	Boxboard (Mt)	Sack Kraft (Mt)	Edipac (Mt)
Argentina	--	--	12	--
Chile	627	497	24	100
Mexico	--	--	52	--
Peru	--	--	48	--
Total	**627**	**497**	**136**	**100**

Source: Biopackaging.

Softys

Subsidiary engaged in the **manufacture and marketing of tissue paper, personal care and away from home products**, made mainly from virgin and recycled cellulosic fibers, among others.

Present in more than 20 markets through its commercial offices, it reaches more than 500 million consumers around the world with its 8 regional brands and more than 20 local brands. It has industrial operations in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Uruguay.

Walmart and Cencosud are clients that individually account for more than 10% of Softys' revenues and there are no suppliers that account for more than 10% of total purchases. The main competitors for the business are Kimberly-Clark and Essity.

What are Softys' business units?

CONSUMER TISSUE

This corresponds to the manufacture of tissue products for mass consumption, which stands out for their high quality, softness and performance in hygiene and cleaning tasks.

PERSONAL CARE

Develops products related to the care, protection and autonomy of people at different stages of their lives.

AWAY FROM HOME

Provides professional hygiene and cleaning solutions to customers, companies and institutions, who rely daily on products with attributes of high quality, innovation and efficiency.

REGIONAL PRODUCTS AND BRANDS

Through the Elite, Higienol, Nova and Noble brands, it offers toilet paper, napkins, facial tissues, paper towels, alcohol gel, liquid and bar soap.

Under the Babysec, Ladysoft and Cotidian brands, it markets products in the infant, adult and feminine protection categories. Additionally, under the Ok Pet brand, it offers pet care products.

Under the Elite Professional brand, it offers toilet paper, paper towels, medical bed sheets, napkins, soaps, alcohol gel, dispensers, cleaning line and masks (face masks).

MAIN CHANNELS

1) Consumer Tissue and Personal Care: wholesale supermarkets, retailers, distributors, pharmaceutical companies and different e-commerce channels.
2) Away From Home: tourism, lodging, education, gastronomy, industries, offices and health institutions.



Hugo Fernández, Operator of the Rolls 240 Conversion Line at the Talagante plant, Chile.

COMMERCIAL OFFICE IN THE UNITED STATES

“At CMPC USA, we know that if we want to continue to be leaders in our business for the next 100 years, we must **innovate** and try new ways of doing things. Wich we will achieve without neglecting the **values that have characterized CMPC** in the last 100 years”.

Joaquín Rojas
General manager CMPC USA Inc.



The U.S. commercial office began operating 20 years ago with the sale of wood products to local companies. Over the years, other products from the Pulp and Biopackaging business areas have entered the U.S. market, achieving a mix of Boxboard, Sack Kraft, Maderas and Pulp business areas by 2021.

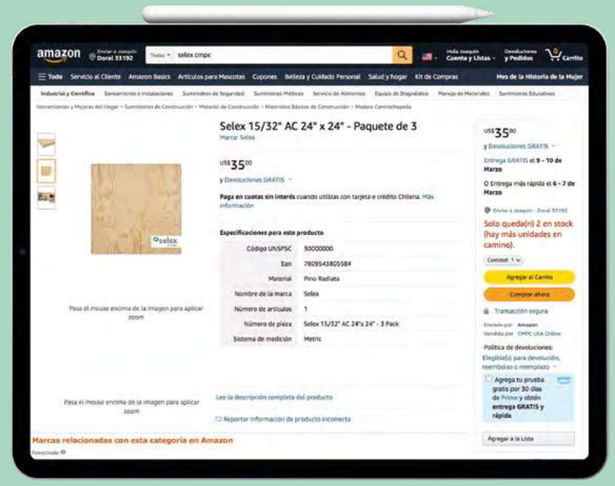
The goal of CMPC USA is to facilitate and develop a service platform that allows the business units to deploy their strategies in the United States. On the sales side, Pulp and Boxboard products are sold through an agent, while Sack Kraft and Maderas products are marketed directly and locally. A particularity of CMPC USA is that it is in charge of distribution and logistics operations, having direct points of contact and a relevant impact with our clients in the United States. Given the above, the Supply Chain and Administration areas play an important role in the service provided to internal and external clients, where the challenge is to continue improving and connecting this commercial office with the business reality and strategies.

The focus of the office in the short term is to have an operation stable and robust, that generates confidence in the business units and, at the same time, manages to create an operating model that facilitates the Company’s internationalization plans. For this, the work with the Best team has been fundamental, to generate better work dynamics and implement the fundamental improvement objectives (OMF) of CMPC USA.

Although the focus is to achieve a stable operation and that OMF are connected with business strategies, CMPC USA has managed to innovate in some key aspects.

An example is CMPC USA’s entry into B2C sales through Amazon. To do so, CMPC registered as a new seller in the Amazon.com Marketplace under the FBA (Fulfilled by Amazon) modality. Then, the products were published under the Selex brand, which correspond to plywood cut to size.

In December 2021, eight packages were shipped to Amazon’s distribution centers, of which the first six units were sold in the first month of implementation.



PARTNERSHIP WITH SUPPLIERS

Given the negative effects that the pandemic had on supply chains, the U.S. and Chilean teams, together with their local partners, were able to innovate and modify their container operation, changing it to a bulk ship movement modality, presenting a challenge, especially for Maderas products.

“CMPC has been a strategic partner of GSL for more than 15 years. The goal has been to have a strong, vertically integrated partner with the resources necessary to facilitate the production required for GSL’s growth strategy.

CMPC’s service level has improved dramatically through the end of 2021. There is more clarity and visibility into the current status of orders, shipment volume has improved, and order file and order backlog has decreased.

I see CMPC as one of the best potential suppliers in the industry, with room for improvement in many areas. With the right strategy and well-selected distribution-retail partners worldwide, I believe CMPC could experience many years of sustained growth with minimal long-term risk.”

Alan Sarfati, CEO Garden State Lumber, CMPC USA Supplier.

“Since 2017, GWSI and CMPC have developed a strategic business relationship focused on optimizing CMPC’s supply chain in the U.S. market. We are currently working on the implementation of an improved digital workflow to increase administrative and warehousing efficiencies for both companies to better serve U.S. clients.

CMPC is a leading supplier of lumber and wood products in the United States, with high standards in terms of forest management practices. **Its responsibility as a supplier is evidenced by constant work and initiatives based on the latest sustainability standards.**

CMPC’s corporate culture is based on quality, commitment and continuous work to keep up with the world.”

Mike Gerace, CEO GWSI, CMPC USA Supplier.

COMMERCIAL OFFICE IN CHINA

“The goal of the office is to bring the Company closer to the market and the client, to better understand needs, to deliver better service and to develop new business opportunities. **We are a Service Center for the client in Asia.”**

José Tomás Corthorn
CRO CMPC Shanghai



The commercial office in Shanghai began operating in 2019, with the aim of improving market knowledge and service to clients in that country. Since 2020, it expanded its activity to develop business opportunities in Asia for different areas of the Company.

Thus, in 2021, it began to consolidate the work and experience acquired, which is reflected in the clients’ perception of the services provided. In the same year, the office gave support to the Purchasing, Innovation, Biopackaging and Maderas areas to extend their operations in Asia, establish partnerships with innovation centers, introduce products to the market and increase logistics efficiency, to improve the competitiveness of CMPC’s business areas around the world.

SEMINAR CHILE & CHINA: A SUSTAINABLE PARTNERSHIP: A SUSTAINABLE PARTNER IN CHILE WEEK IN CHINA

The event was held as part of the sixth version of Chile Week in China and was attended by different authorities and players from the business world, reaching an attendance of more than 4,500 people via streaming. The goal was to strengthen commercial relations between Chilean and Chinese companies, given that the Asian market is the top destination economy for Chilean exports.

The seminar, organized by CMPC and ProChile, focused on strengthening commercial collaboration, positioning Chile as a pioneer in sustainability, and in this context addressed issues such as the forest industry, electromobility, connectivity, among others.

“At the seminar we had the opportunity to talk about topics that are now contingent for Chile and in which there are great opportunities for business exchange, such as electromobility, 5G and green hydrogen. Having CMPC as an ally in the organization enhances the seminar because of its vision of a consolidated and international company. Also, **we can learn more about their work in sustainability and serve as an example for other companies that want to replicate their model and enter the Chinese market.”**

Juan José Vidal, commercial Director of Prochile in Shanghai

Important CMPC clients in China attended the event. According to Jenny Liu, General Manager of High Hope, “these types of seminars help Chinese companies to better understand the Chilean economy, to find new business opportunities and give them more confidence to work and invest in companies from that country.

CMPC is an industry leader and an important pulp supplier in China, and has been a major supporter of the development of the paper industry in China. Also, it has rich management experiences and a friendly and open attitude.”

Jenny Liu, General Manager of High Hope.





COMMERCIAL OFFICE IN GERMANY



Last but not least, with respect to sustainability, from Europe we see that clients are demanding from companies to see more actions than good intentions. In this I feel that CMPC responds at a very high level, as the global company that it is."

"I have been working 9 years for CMPC through the GUSCO Company, where we have developed a consolidated network of clients. This last years has meant adapting to this new structure that included some challenges, however, with a very positive process.

I would say 2020 was about aligning work structures and adapting to this new format. It was an interesting and intense learning process for all parties involved, integrating new information, implementing more digital tools such as the sales force and understanding different work cultures. In that sense the cooperation between the countries was excellent.

While we already had an excellent sales network developed over the last 40 years and our clients already appreciated our products, services and brand, now with CMPC Europe clients have higher expectations. The CMPC brand represents a world-class company.

2021 has been a complex year for clients. We have had to adapt to these scenarios, not only because of the pandemic, which has been very tough, but also because of the supply chain disruptions it has brought with it, order delays and stock problems, which has led us to reorganize to meet requirements. **We have a good service to offer our clients and we are confident that this whole process will only improve our customer service.**

Jan Peter Groth
Technical Sales director Pulp



The commercial office CMPC Europe GmbH & Co. was created in 2019 through a joint venture between CMPC and the GUSCO Handel G. Schürfeld + Co.GmbH group, a strategic partner in Germany for the marketing of pulp, wood, boxboard, among others.

The commercial office officially began operations in January 2020 to enhance knowledge in the strategically important European market. The head office is located in Hamburg, Germany, and has 25 employees who work directly with CMPC's business areas in Brazil and Chile.

During the first years of operation, CMPC has adapted its procedures to provide a better and more fluid customer service, responding to clients' requirements and consolidating the work of the partnership.



Wood-paneled house, CMPC Europe.

1.3 HISTORY

Highlights

[CMF 2.2]

1920
CMPC is established in Chile as "La Papelera" (The Paper Mill).
With paper and cardboard production in Puente Alto (Chile).

1940
Start of forest business
Acquisition of fundo Pinares and first radiata pine plantations in Biobio region (Chile).

1959
Start of pulp business
The Laja plant, the first pulp mill in the Biobio region (Chile), begins operations.

1959
First export
CMPC exports the first Chilean pulp to South American clients.

1970
Recycling begins at CMPC
Creation of Sorepa, a subsidiary that recycles paper and cardboard in Chile.

1983
Enters the Personal Care business
Establishment of Prosan, a sanitary products subsidiary, and entry into the diapers market.

1991
Start of internationalization
Acquisition of the diaper producer Química Estrella San Luis S.A. in Argentina, first investment outside Chile.

1994
Arrival in the Uruguayan market
Acquisition of the tissue companies IPUSA and FABI in Uruguay and Argentina, respectively.

1996
Start of operations in Peru
Start of tissue products operations in Peru.

1999
CMPC, a leading competitor
CMPC becomes one of the leading tissue product manufacturers in Latin America.

2000
Establishment of the CMPC Foundation in Chile.

2002
CMPC USA is founded
The commercial office is created to operate in the North American market, adding value through an integrated, reliable and close service to its clients.

2004
Beginning of certifications
Obtained PEFC CERTFOR certification for eucalyptus and pine plantations in Chile. Certifications that will later be extended to other countries.

2006
Entry to Mexico
Acquisition of tissue and diaper producer Absormex to enter the Mexican market.

2007
Arrival to Colombia
Entry into the Colombian market with the acquisition of Drypers Andina, a company engaged in the manufacture and marketing of baby diapers.

2008
Operation in Ecuador
We started our industrial operation in Ecuador, with a tissue converting plant and diaper manufacturing.

2009
Entry to the Brazilian market
Acquisition of Melhoramentos Papeis, a manufacturer of tissue products, with industrial plants in Sao Paulo (Brazil). Acquisition of the Guaiba pulp mill from Aracruz Celulose, in the state of Rio Grande do Sul, Brazil.

2014
Listed in the Dow Jones Sustainability Index
CMPC is listed for the first time in the Dow Jones Sustainability Index.

2017
Issuance of the first green bond
On April 4, CMPC made a public offering of a USD 500 million Green Bond in the U.S. market, being the first Chilean company to issue this type of financing.
The issuance was made to finance and/or refinance projects related to sustainable plantation management, efficient water use, biodiversity preservation, energy efficiency and pollution control and prevention.

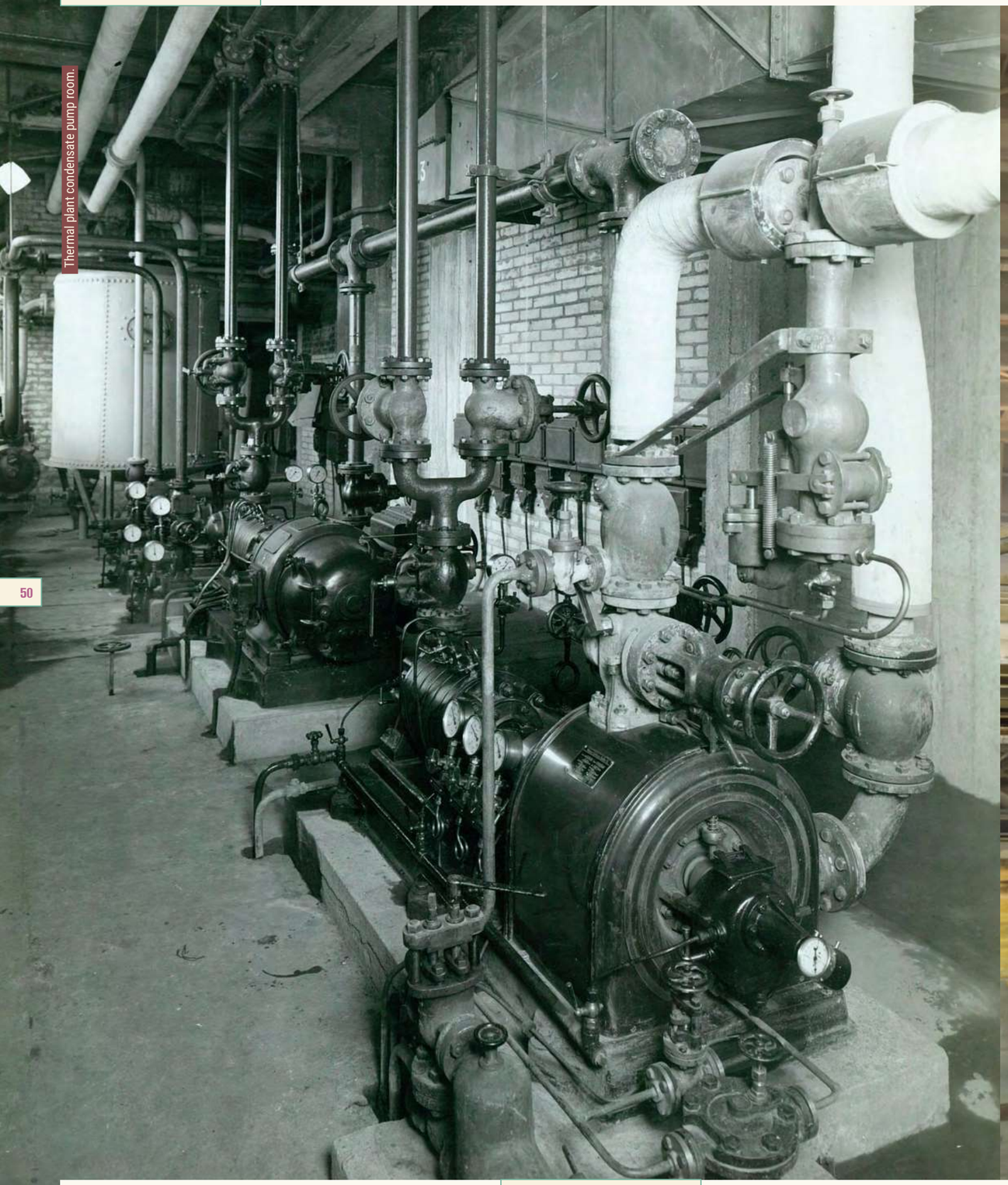
2019
Expansion continues
Signing of a joint agreement with GUSCO Handel G. Schürfeld + Co.GmbH, a German strategic partner, to strengthen business in Europe and opening of a commercial office in Shanghai China.

2019
Announcement of corporate sustainability goals
CMPC announced its corporate goals, publicly committing to the reduction of: (1) water use, (2) emissions (3) waste and 4) to the conservation, protection and/or restoration of 100 thousand hectares.

2020
The beginning of the pandemic
The company carried out a number of actions to deal with the pandemic. One of them was the purchase of six face mask manufacturing machines to produce a product that at that time was in very short supply in Latin America. More than 20 million face masks were donated during the period, along with other actions to support the communities.

2020
Corporate D&I and Innovation Targets
After the initial kick-off in establishing sustainability goals, the company defined medium-term objectives for the inclusion of women and people with disabilities, as well as innovation goals.

Thermal plant condensate pump room.



Paper machine number 3, Softys Talagante, Chile.



1.4 OUR 2021

Main milestones

01 JANUARY

Creation of the Environmental Management

On January 18 sthe Environmental Management was created, whose mission is to achieve that the operations carried out by Pulp and Biopackaging are developed according to the highest global standards in terms of environmental care.

02 FEBRUARY

Support for Covid-19 vaccination

CMPC, in conjunction with Desafío Levantemos Chile (Let's Raise Chile Challenge), provided the Chilean authorities with two fully equipped, mobile clinics to travel to distant places in the communes of La Araucania and Biobio to transport health personnel and inoculate as many people as possible. In the whole process, the clinics traveled more than 20,000 kilometers.

This measure was the beginning of other support provided by CMPC during the second year of the pandemic.

03 MARCH

CMPC: first company in Chile to issue sustainability-related bond in international markets

The bond, which amounted to USD 500 million for a 10-year term reached CMPC's lowest historical rate, thanks to the good reception it received in the market.

This, as well as being a true reflection of investor confidence in the company, is a significant contribution to advancing the company's commitment to sustainability.

For more information on this milestone, see section 6.3 ❊

04 APRIL

Urban improvement works in Alegria and Alvorada are completed

The initiative, co-created with the community, defined by the Public Ministry and executed jointly by CMPC Brazil and Fundação Estadual de Proteção Ambiental Henrique Luis Roessler (Fepam), ended with the delivery to the municipality of two bathing areas in the city of Guaiba.

https://www.youtube.com/watch?v=ucEaamKghzw&t=3s

05 MAY

Change in CMPC's Board of Directors

The Board of Directors was informed of the resignation of Mr. Bernardo Matte L. from his position as a director, which he assumed in 1985. In view of this, the Board thanked Mr. Matte and positively valued the management he carried out during his tenure as a director.

Finally, it was agreed at the same meeting to appoint Mr. Bernardo Larraín M. as his replacement.

06 JUNE

Building the company of the next 100 years

Launch of Savia (Sap): open innovation program that seeks to revolutionize the packaging industry. The initiative invited teams from around the world to present their sustainable packaging solutions.

For more information on this milestone: section 3.2 ❊

Creation of Niuform: *jjoint venture with Cortelima for the development of wood construction solutions.*

For more information on this milestone: report ❊

07 JULY

Construction work begins for the CMPC-DUOC UC campus in Nacimiento

On July 8, CMPC's contribution of USD 20 million, was approved to build this technical and professional education center in the Biobio region.
The initiative, which includes technical degrees in engineering, business administration, health, and information technology, will benefit 700 undergraduate students. As part of its sustainability strategy, the company expects to have a positive impact on educational and entrepreneurial development in the communities of the provinces of Biobio and Malleco in Chile.

For more information on this milestone: section 4.4 ❊

08 AUGUST

Guaiba plant to be one of the most efficient in the world

The Board of Directors approved the execution of the BIOCMPC project, with an investment equivalent to USD 530 million to implement the expansion and modernization of the Guaiba pulp mill in Porto Alegre (Brazil).

As a result, the capacity of production line 2 will be increased, with a significant reduction in production costs, including significant improvements in its environmental performance.

For more information on this milestone: section 6.4 ❊

09 SEPTEMBER

CMPC distributes a second interim dividend

At the September meeting, the Board of Directors approved the distribution of interim dividend No. 276 of USD 0.1 per share as of September 30. This dividend adds to the dividend Nº275 already paid in July, which amounted to USD 0.032 per share.

This is the second dividend paid in response to the change in the dividend policy in which it was agreed to increase the amount to be distributed from 30% to 100% of the distributable net income for 2021.

Also, at the same meeting, it was agreed to pay a third interim dividend in December of USD 0.053 per share and the final dividend.

10 OCTOBER

Softys Brazil signs agreement to acquire all the shares of Carta Fabril S. A.

On October 29, a contract was signed for the purchase and sale of all the shares of Brazilera Carta Fabril, which has plants in Goias and Rio de Janeiro, with a production capacity equivalent to 100,000 tons of tissue paper per year and nine production lines of personal care.

The transaction is subject to the completion of conditions precedent, including the approval of the Brazilian Antitrust Authority. If the transaction is completed, Softys Brazil will consolidate its position as the leader in the tissue paper market in Brazil.

11 NOVEMBER

Race to Zero: CMPC joins global initiative to fight climate change

CMPC is committed to establishing a long-term science-based goal to achieve zero net direct and indirect greenhouse gas emissions by 2050.

Race to Zero, a global campaign under the United Nations Framework Convention on Climate Change (UNFCCC), brings together more than 120 countries, 4,400 companies and other institutions and investors to halve global emissions by 2030 and achieve net zero emissions by 2050.

12 DECEMBER

CMPC signs agreement to acquire assets of Iguaçu Celulose, Papel S.A.

On December 8, it was agreed to acquire the forest and industrial pulp, paper and paper sack assets of the company located in Parana and Santa Catarina, Brazil.

This transaction includes the acquisition of three production units, the assets and services necessary for the company's operations, as well as 1.9 million cubic meters of pine plantations.

Recognitions and seals

Dow Jones Sustainability Index recognizes CMPC as second most sustainable forest company in the world

Its good performance in this area has allowed CMPC to be included in the Chile, Pacific Alliance (MILA) and Emerging Markets indexes.

The Company was also recognized among the members of Sustainability Yearbook 2022, also part of S&P Global. The companies that have a presence in this document are those that distinguish themselves by making up the top 15% of the industry, as well as achieving a score of no less than 30% in terms of the best sustainable performance in their sector. CMPC achieved Industry Mover recognition, which distinguishes companies that achieved an improvement in their S&P Global ESG Score of at least 5% and achieved a substantial improvement in their sector.

CMPC stood out with a score of 76 compared to the 67 points obtained the previous year.

CDP Leaders on water, climate change and forests

This year, the international organization CDP included CMPC in the "A List" category for fighting deforestation and climate change. It also designated CMPC in the A- leadership rank for water security.

The Company's efforts deployed to address climate change highlights the goal of reducing Scope 1 and 2 emissions by 50% by 2030, the greater relationship with the value chain, risk management, and also the project to incorporate the TCFD recommendations, including aspects such as green finance in financial planning.

Among the top 10 in the Informe Reporta (Reporta Report) ranking

CMPC ranked ninth in the general ranking of Informe Reporta, conducted by the communications and sustainability agency Deva, among the Chilean companies associated with the Santiago Stock Exchange's Selective Stock Price Index (IPSA). In the category of accessibility to information, it once again ranked first.

CMPC Brazil awarded in three categories at the 500 Maiores du Sul

With 31 years of history, 500 Maiores do Sul of Amanhã Magazine is one of the main regional rankings of companies in Brazil. Based on data, it ranks the largest and most competitive companies in the south of the country.

CMPC Brazil improved in the categories General South Region and General Rio Grande do Sul, reaching 11th and 3rd place, which implies an increase of one position in the ranking with respect to the previous version and maintaining an outstanding performance as a company in the southern region of the country.

CMPC Brazil wins Top Citizenship award

The Brazilian Association of Human Resources (ABRH-RS) distinguished CMPC Brazil, in the Organization category, for the case *"The Covid-19 crisis: a new way of acting while guaranteeing our corporate purpose"*, which was aimed at taking actions to ensure the safety and care of people, acting in solidarity and continuing to supply pulp to the market, which is the essential raw material for the production of basic necessities.

This award seeks to promote the implementation of good ideas in the area of social responsibility and in valuing the work of its collaborators, with the purpose of replicating them in other markets.

The best company in the industry in Valor 1000 (Value 1000) categories

CMPC was awarded 1st place in EBITDA margin as the largest company in the pulp and paper sector in southern Brazil by the Valor 1000 (Value 1000) yearbook - 2021 edition, whose publication includes one thousand companies that stood out in management and accounting and financial performance.

Among the criteria considered for the rankings are net income and financial performance data, such as EBITDA. CMPC's other positions in the sector's financial indicators were: 5th place in Net Income, 6th place among the companies with the best scores, and 8th place in Activity Margin and also in Current Liquidity.

Awarding of Energy Excellence Seals (SelloEE) in Chile

In virtue of the energy efficiency measures implemented in its production plants, CMPC was once again recognized in three categories with the Energy Excellence Seal awarded by the Ministry of Energy and the Energy Sustainability Agency.

The SelloEE Seal highlights organizations that show commitment to sustainability and progress in matters related to efficiency in the use of energy.

In this year's version, CMPC was awarded the two main prizes for its Track Record in Energy Management and Efficient Transportation and Electromobility. Also, 11 of its plants were distinguished with the Gold seal for their Energy Management Systems.

Urban Contribution Award (PAU, for its acronym in Spanish) 2021

The Alessandri Park in Nacimiento was one of the three recipients of this nomination, organized by the Chilean Chamber of Construction, in the category of Best Public Use Space Project, for its positive impact as a place open to the community, visited by more than 40 thousand people and benefiting the quality of life of its inhabitants.

The PAU is an annual award in Chile that, in its seventh edition, is supported by the Ministry of Housing and Urban Planning, the National Council for Urban Development, the Chilean Association of Architects, the Chilean Association of Real Estate Developers, the Chilean Association of Architects' Offices and the Chilean Chamber of Construction.

Natural Kraft Project is awarded as the most innovative project



CMPC received the highest recognition in the consolidated company category thanks to its Natural Kraft boxboard, which stands out for being 100% recyclable and contains a barrier against grease, making it a sustainable alternative for the food, fast food and delivery industry worldwide.

This recognition was created by PwC and the Faculty of Economics and Business of the Universidad del Desarrollo in 2013. The criteria evaluated were: the degree of innovation, globalization of the product, economic and social profitability and the potential growth of the product.

CMPC received the award for Best World Class Talent Management Implementation in Latin America.

More than 1,200 people from different Latin American countries participated in Latin America Converge 2021, an event that brings together leading companies in talent and human capital management in the region.

The Cornerstone Awards 2021 were presented at this event, where CMPC received the award for the best talent management implementation. The solutions implemented, which involved more than 17 collaborators in the 11 countries of operation, were: recruitment, induction, learning, collaboration, performance, succession and participation. Also noteworthy was the integration of SAP Employee Central, which provides complete visibility of the human resources cycle through Mi Fibra (My Fiber).

CHAPTER TWO

Value Creation

What will you find in this chapter?

1 min.

RELATED STAKEHOLDER GROUPS

- **Associations, unions and the business world**
- **Evaluators and certifiers**

- The strategic approach to sustainability is based on principles, standards, partnerships and global and local commitments aligned with the protection of human rights, labor relations, environment, education, decent work, among others.
- Based on the 2021 materiality update exercise, 22 material issues were defined, which are divided into 9 level 1 issues (first order) and 13 level 2 issues (second order).
- Through an identification process in which different areas participated, 11 priority stakeholder groups were identified, with which there are different forms of engagement and communication.
- CMPC has defined 12 medium and long-term corporate goals in the areas of innovation, diversity and inclusion, occupational safety, water, waste, emissions and conservation.
- CMPC is a member of the WBCSD and its Forest Solutions Group (FSG) initiative, adhering to the principles and responsibilities set forth therein and promoting leading-edge sustainability efforts.
- The Company has a Sustainability Committee where the implementation of the sustainability strategy is followed up, and progress in this area are proposed and monitored.
- CMPC creates and develops partnerships with different sustainability organizations in the countries where it is present.

Araucaria araucana, Nahuelbuta mountain range, Araucanía region, Chile.

2.1 STRATEGIC SUSTAINABILITY APPROACH

Part of our DNA

CMPC's operations and activities are deeply connected to their surroundings; the communities, territories and ecosystems that comprise them. The direct work of its operations with natural resources such as soil, water, and forests creates both positive and negative impacts, which leads to the identification of opportunities and challenges in the short, medium and long term.

Fundamentals for a Strategic Sustainability Approach

[CMF 3.5; GRI 2-22; GRI 2-23; GRI 2-24; GRI 2-25]

The Company's commitment to sustainability stems from its integration into the corporate strategy ❊, based on principles, standards, partnerships and global commitments aligned with the protection of human rights, labor relations, environment, education and decent work.

CORPORATE STRATEGY
p. 32

UNITED NATIONS GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

A set of guidelines agreed upon by the international community of the United Nations, which are materialized in a more specific set of norms and agreements aimed at protecting, guaranteeing and restoring the rights of individuals in the face of corporate activities.

GLOBAL COMPACT

Universal guidelines to promote and disseminate the Ten Principles of the United Nations Global Compact and mobilize the contribution of the private sector.

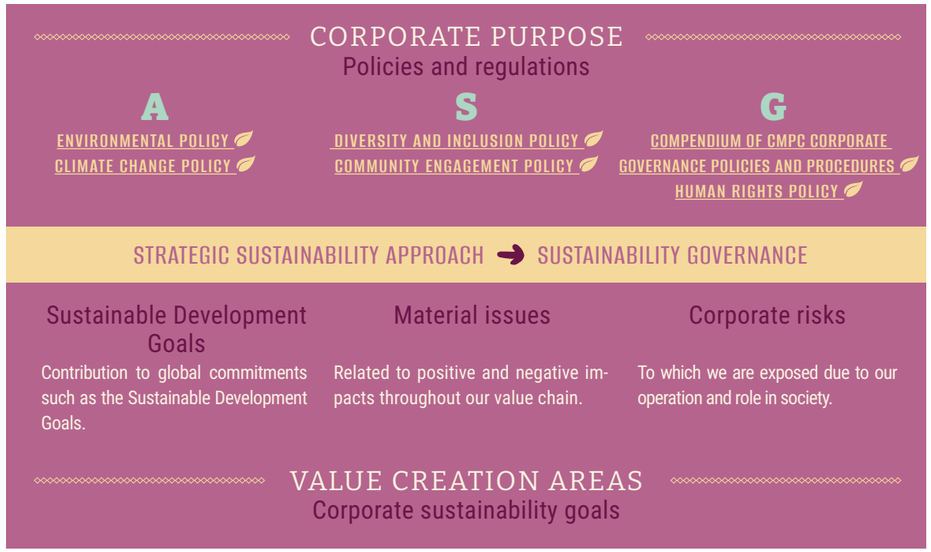
INTERNATIONAL LABOR ORGANIZATION

Specialized United Nations organization dealing with labor rights and social justice issues, which sets labor standards, formulates policies and develops programs promoting decent work for all, women and men.

SUSTAINABLE DEVELOPMENT GOALS

17 United Nations-driven goals that constitute a universal call to action to end poverty, protect the planet, and improve the lives and prospects of people around the world by 2030.

Under its corporate purpose **-Create, Coexist and Conserve-** - the Company develops its business within the framework of a Strategic Sustainability Approach, seeking to create value for its environment and stakeholder groups.



ENVIRONMENTAL POLICY
https://www.cmpc.com/pdf/Pol%C3%ADtica-de-Medioambiente-2021.pdf

CLIMATE CHANGE POLICY
https://www.cmpc.com/pdf/Manual-de-Gobierno-Corporativo-2021.pdf

DIVERSITY AND INCLUSION POLICY
https://www.cmpc.com/pdf/Pol%C3%ADtica-de-Diversidad-e-Inclusión-2021.pdf

COMPENDIUM OF CMPC CORPORATE GOVERNANCE POLICIES AND PROCEDURES
https://www.cmpc.com/pdf/Compendio-de-Pol%C3%ADticas-y-Procedimientos-de-Gobierno-Corporativo-2021.pdf

Sustainability materialization

[CMF 3.1; GRI 3-2; GRI 3-3]

CMPC has a survey of material[10] non-financial or environmental, social and governance (ESG) issues that includes relevant aspects of its industry, business areas and value chain. Its identification seeks to determine the positive and negative impacts, both real and potential, that its operations and activities cause, as well as the opportunities and challenges that arise from them and generate value.

Three key stages are identified in its development:

Context > **Identification** > **Prioritization**

CONTEXT

OECD
https://www.oecd.org/acerca/

GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS
https://www.ohchr.org/documents/publications/guidingprinciplesbusiness-hr_sp.pdf

Information was gathered from secondary sources and best practices for each country of industrial operation, both at the regulatory level and in terms of institutional governance and the political, social and environmental context.

For the context analysis information on critical risks, and geographical aspects of each country was identified, and interviews were conducted with local experts and meetings were held with authorities, clients and representatives of local communities. The above, in order to identify the real and potential economic, social and environmental impacts, with a strong human rights base. The latter, through the Due Diligence framework recommended by the framework recommended by the Organization for Economic Cooperation and Development (OECD) ,and the Guiding Principles on Business and Human Rights .

Annually, a context update is performed through three sources of analysis. In 2021, it was performed:

- Trend analysis: review of macro sustainability trends relevant to CMPC.
- Press analysis: review of the main events of the year, identifying key milestones and public events relevant to the annual reporting exercise.
- Benchmarking: rreview of best practices in the sectors of which CMPC is part of, identifying reported topics, case studies, among others.

As a result of this analysis, a list of relevant issues is identified, which are delved into in the next stage.

IDENTIFICATION

To identify the issues, 40 interviews were conducted with senior executives and leaders of the operation, who analyzed and validated the 30 relevant issues identified in the previous stage.

In 2021, between November and December, a round of 85 interviews was conducted among the different businesses, countries and areas. The interviews were aimed at senior executives, managers, assistant area managers and different leaders in these issues. Also, two members of CMPC's Board of Directors were consulted.

Part of this process also included the identification of the main stakeholder groups with which the Company is permanently linked, those in which it generates an impact -both positive and negative- as a result of its operations and those who have a particular interest in the information it discloses and communicates.

This, allowed us to conclude the process with 22 relevant ESG issues.

PRIORIZATION

In an exercise to distinguish and prioritize those issues that are crucial for CMPC, understanding its sector and its risk exposure levels, in 2020, nine level 1 or first order material issues were determined and 13 level 2 or second order material issues, a structure that remains in place in 2021.

Level 1 material issues are closely related to the lroadmap the Company has outlined for the years 2025, 2030 and 2050 through its corporate sustainability goals. They also connect the corporate purpose and value creation areas, while making visible the most direct contributions to the Sustainable Development Goals.

Annually, CMPC **updates the materiality incorporating relevant topics according to the reporting year and the context.** Since 2020, 9-level 1 or first-order material topics and 13-level 2 or second-order material topics have been determined. Level 1 material topics are associated with specific year goals and the progress report. All material topics are highlighted properly in each chapter of the Integrated Report.

[10]CMPC's Materiality Study was developed in 2018. Due to the pandemic situation, the company had to postpone the development of a new materiality study planned for 2021, which will be carried out in 2022. That study initially defined 30 material issues for the Company.

CMPC'S strategic approach to sustainability and materiality

Corporate Purpose	Value creation areas	Mat level 1 9 issues	Mat level 2 13 issues
Create	**Innovating to solve genuine needs**	• Innovation and digitalization	• Product quality and safety • Procurement and logistics
	Direct communication with clients		• Customer satisfaction • Brand value
Coexist	**To contribute to the development of the territories**	• Community engagement • Relations with indigenous peoples	• Local development • Corporate citizenship
	Positively transforming environments	• Diversity and inclusion • Occupational health and safety of employees and contractors	• Work life cycle
Conserve	**Active conservation of ecosystems**	• Ecosystem conservation	• Forest management • Wildfire fighting
	Climate emergency response	• Water management • Waste recovery • Climate change	• Energy efficiency • Environmental events
Sustainable Culture	**Sustainable economic performance**		• Green financing
	Leaders in ethics and compliance		• Ethics and compliance

Level 1 material topics also **contribute to the sustainable development of the industry.** Likewise, level 2 material issues mobilize CMPC internally and externally.



Carahue, Imperial River.



Francisco Cayuman and Delia Vega, beneficiaries of the José Cayuman de Lumaco community with the water for human consumption project of the initiative, Desafío Agua para Chile.

2.2 OUR STAKEHOLDER GROUPS

Joint and collaborative work

[GRI 2-29, CMF 3.7; CMF 6.3]

CMPC has identified **11 priority stakeholder groups with which it maintains a direct and close relationship** from its business areas and company-wide management. Each of them has different interests and concerns, associated with the type of relationship they have with the Company, so it is vital for CMPC to listen to these groups to strengthen its ability to provide answers and information in general. Given the above, the ways of engaging and communicating with each of them differ.

CMPC's main stakeholder groups

Investors and lenders
- Shareholders
- Investors
- Banks
- Other financial institutions

Direct collaborators
- Collaborators
- Unions
- Potential collaborators

Associations, unions and the business world
- Global partnerships
- Local associations
- Forest trade associations
- Other trade associations

Communities
- Neighbors and neighborhood councils
- Social leaders
- Indigenous peoples
- Suppliers
- Law enforcement and security forces
- Workers' families

Academia, research and public policy centers
- Academics
- Universities
- Research Centers
- Public-private entities

Evaluators and certifiers
- Financial evaluators
- Sustainability evaluators
- Certification agencies
- Certification seals
- Other evaluators

Suppliers
- Suppliers of goods
- Service companies
- Transportation companies
- SMEs

Authorities and Regulators
- Local authorities
- National authorities
- Regulators

Strategic partners
- Startups
- Potential partners
- NGOs
- Foundations

Media
- National, local, print, radio, other media

Clients and consumers
- Clients
- Consumers

The engagement and involvement with stakeholders has four focuses:

TO LISTEN	TO INFORM	TO INTERACT	TO COLLABORATE
CMPC addresses the concerns of its stakeholder groups, considering their priorities and the context in which they occur. In a transversal way, it counts with: • Reporting hotline • Web contact form	CMPC has various means to inform its stakeholder groups in a transparent manner. Among the means available to all groups are: • Integrated Report • Sustainability Report • Corporate Website • Investor Relations website • Television and radio advertisements • Articles in the press • Social media	Interactions with stakeholder groups are different depending on the group. Within these formats there are working meetings to discuss topics of interest to both parties. Also, it is possible to interact with the Company through its social media • Instagram • LinkedIn • Twitter • Faceebok	The company generates work instances together with stakeholder groups, whose objectives are similar. These instances are materialized in initiatives or projects for the benefit of stakeholder groups.

INTEGRATED REPORT
https://www.cmpc.com/sostenibilidad/#reporte

CORPORATE WEBSITE
https://www.cmpc.com

REPORTING HOTLINE
https://lineadenuncia.cmpc.cl/Denuncias

WEB CONTACT FORM
https://www.cmpc.com/contacto/

INSTAGRAM
@somoscmpc

LINKEDIN
@somoscmpc

TWITTER
@SomosCMPC

FACEBOOK
@SomosCMPC

Luis Cortés, CMPC's Patrimonial Administrator, and Ignacio Lira, CMPC's Corporate Affairs Assistant Manager, in the project to improve water wells for human consumption in the Piutril Santa Ema community, Collipulli, Chile.

Stakeholder groups participation framework

Group	How do I communicate?	How do I engage?	What are your expectations?	Material issues relevant to your concerns	How are expectations considered?
Collaborators and contractors	• Corporate website • Mi Fibra Portal • Internal e-mailing • Job portal	• Work climate survey • Feedback meetings • Union dialogue	• Work-life balance • Professional growth and development • Fair wages • Health and safety • Diverse and inclusive environment	• Diversity and inclusion • Work Life Cycle • Occupational health and safety	Chapter 4
Clients and customers	• Corporate website • Websites of each business • Brand websites	• Sales agents • Satisfaction surveys	• Client and consumer experience • Innovative solutions to your needs • Claim resolution	• Innovation and digitalization • Product quality and safety • Customer satisfaction • Brand value	Chapter 3
Suppliers	• Supplier Portal	• Supplier training • Meetings for the presentation of new portals for suppliers • Supplier contact and claims site	• Order continuity • Timely payment	• Procurement and logistics	Chapter 3
Communities	• Corporate website • Delivery of information in person in the communities (brochures, etc.) • Direct phone calls	• Meetings with communities • Work meetings • Social collaboration agreements	• Local employment • Local development (social investment projects and works of trust)	• Local development • Corporate citizenship • Community engagement • Relations with indigenous peoples • Environmental impacts	Chapter 3 Chapter 5
Strategic partners	• Work meetings	• Work meetings • Framework collaboration agreements • Joint action programs	• Research and development projects	• Innovation and digitalization	Chapter 3
Associations, unions and the business world	• Direct information delivery to associations • Corporate website	• Meetings and participation of the working groups	• Ongoing support and long term relationship with stakeholders • Association participation and seminars • Future trends	• Ecosystem conservation • Water management • Waste recovery • Climate change and GHG • Forest management • Wild fire fighting • Energy efficiency	Chapter 2 Chapter 5
Media	• Press releases • Corporate website	• Public relations meetings	• Company Development • Corporate Information	• All issues	Chapter 1
Academia, research and public policy centers	• Work meetings • Corporate website	• Work meetings	• Company developments in areas of interest to the group (innovation, sustainability, industry, etc.)	• Innovation and digitalization	Chapter 3
Investors and lenders	• Investor Day • Investor Relations website • Shareholders website	• Meetings and consultations with CMPC teams	• Governance • Risk management • Investments and returns • Operational and financial performance • Regulations	• Ethics and compliance • Green financing • Financial, indebtedness and liquidity	Chapter 6 Chapter 7
Authorities and Regulators	• Delivery of information required by the regulations • Material facts	• Informative or consultative meetings	• Tax payments • Compliance with laws and regulations • Reduced impacts on the community • Economic growth	• Ethics and compliance • Environmental impacts	Chapter 4 Chapter 6
Evaluators and certifiers	• By mail information requested for assessment/evaluation	• Receipt of feedback from assessments/evaluations	• Advances in sustainability • Applying global best practices	• All issues • Sustainable forest management	Chapter 2 Chapter 5

JOB PORTAL
https://cmpc.csod.com/ux/ats/careersite/4/home?c=cmpc

SUPPLIER PORTAL
https://www.cmpc.com/proveedores/

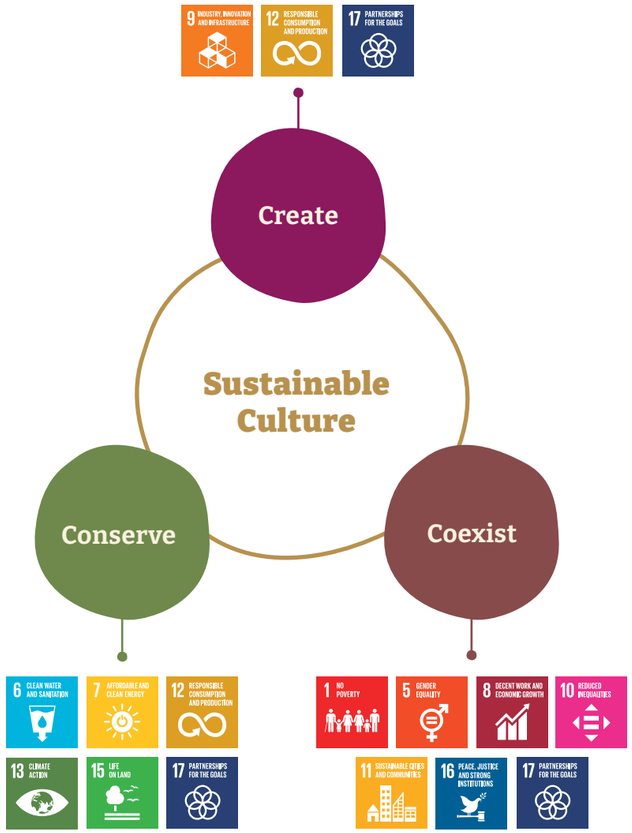
INVESTOR RELATIONS WEBSITE
https://ir.cmpc.com/Spanish/inicio/

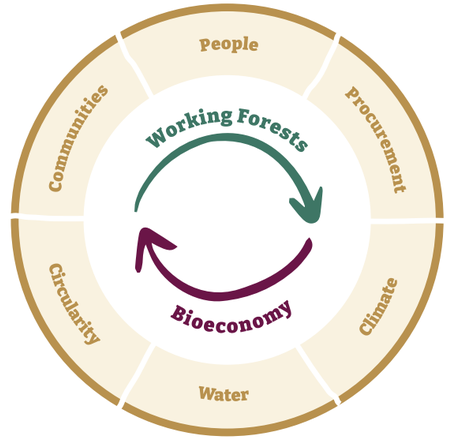
SHAREHOLDERS WEBSITE
https://acciones.cmpc.cl/

2.3 SUSTAINABLE DEVELOPMENT GOALS

Maximizing our contribution

In line with its corporate purpose and together with the Materiality Study, **in 2018 CMPC prioritized its contribution to the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.** To this end, it chose **13 SDGs** in which its business areas have the greatest potential for action and contribution.





In 2019, the Company announced its corporate Environmental goals ❊ which were supplemented in 2020 with the Diversity & Inclusion and Innovation goals. In this way, CMPC supplemented its action framework to contribute to the SDG goals identified as priorities for the forest and paper sector.
Furthermore, in 2019, it adhered to the principles and responsibilities established by the WBCSD's Forest Solutions Group (FSG) through the Forest Sector Sustainable Development Goals Roadmap published in July of that year, followed by its first Implementation Report (2020).

This Roadmap provides a reference framework to move forward in a determined and united manner in contributing to the SDGs. To this end, it has two mutually reinforcing programs: sustainable forest management and bioeconomy, which in turn are subdivided into eight impact areas to determine the industry's progress through key performance indicators.

In 2021, FSG published the list of key indicator, which allows companies to take stock of the status of implementation and provide a baseline to track progress over time.

CMPC, in **line with the FSG commitments**, publishes its progress on these indicators in this Integrated Report.

CORPORATE ENVIRONMENTAL GOALS
p. 72

FSG
https://www.wbcsd.org/Sector-Projects/Forest-Solutions-Group

FOREST SECTOR SUSTAINABLE DEVELOPMENT GOALS ROADMAP
https://docs.wbcsd.org/2019/07/WBCSD_Forest_Sector_SDG_Roadmap.pdf

IMPLEMENTATION REPORT (2020)
https://www.wbcsd.org/contentwbc/download/10909/161128/1

LIST OF KEY INDICATORS
https://www.wbcsd.org/download/file/12834

2.4 CORPORATE SUSTAINABILITY GOALS

Committed

[CMF 4.2]

3C	MAT 1	Corporate Goals	Base-line	Progress 2021	CUMPLIANCE %	Goal	SDG Goal
CREATE	**Innovation and digitalization**	30% of process improvements by 2025 should come from digital innovation and the use of data.	2020	-		-	**8.2**
		20% of the specific sustainable development goals must be achieved through innovation, new or disruptive technologies.	2020	-	-	-	**9.4**
		10% of the sales of the three business areas by 2025 must come from new products, business areas or business models that they did not offer as of January 1, 2020.	2020	-	-	-	
COEXIST	**Diversity**	Increase the number of women in the organization by 50% by 2025.	2019	15.4%	**15%**	25%	**5.5**
		Increase the number of women in leadership positions by 50% by 2025.	2019	17.4%	**16.3%**	30%	
	Inclusion	Achieve 2.5% of the workforce with disabilities by 2025.	2019	1.29%	**-13.5%**	2.5%	**10.2**
	Health and safety	Zero fatalities in operations, both in direct collaborators and in service companies, whether in industrial plants or in forest operations.	2019	2 fatalities	**0%**	Zero	**8.8**
CONSERVE	**Water**	Reduce industrial water use per ton of product by 25% by 2025.	2018	29.96 m^3/t	**19.8%**	23.63 m^3/t	**6.4**
	Emissions	Reduce absolute greenhouse gas emissions (direct and indirect) by 50% by 2030.	2018	2,023.4 $ktCO_2e$	**31.1%**	1,198.0 $ktCO_2e$	**13.3**
		Net zero emissions by 2050.	2021	In implementation			
	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.	2018	427,798 t	**44.6%**	71,430 t	**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.	2018	389,376 ha	**67.8%**	421,529 ha	**13.1 13.3 15.1**

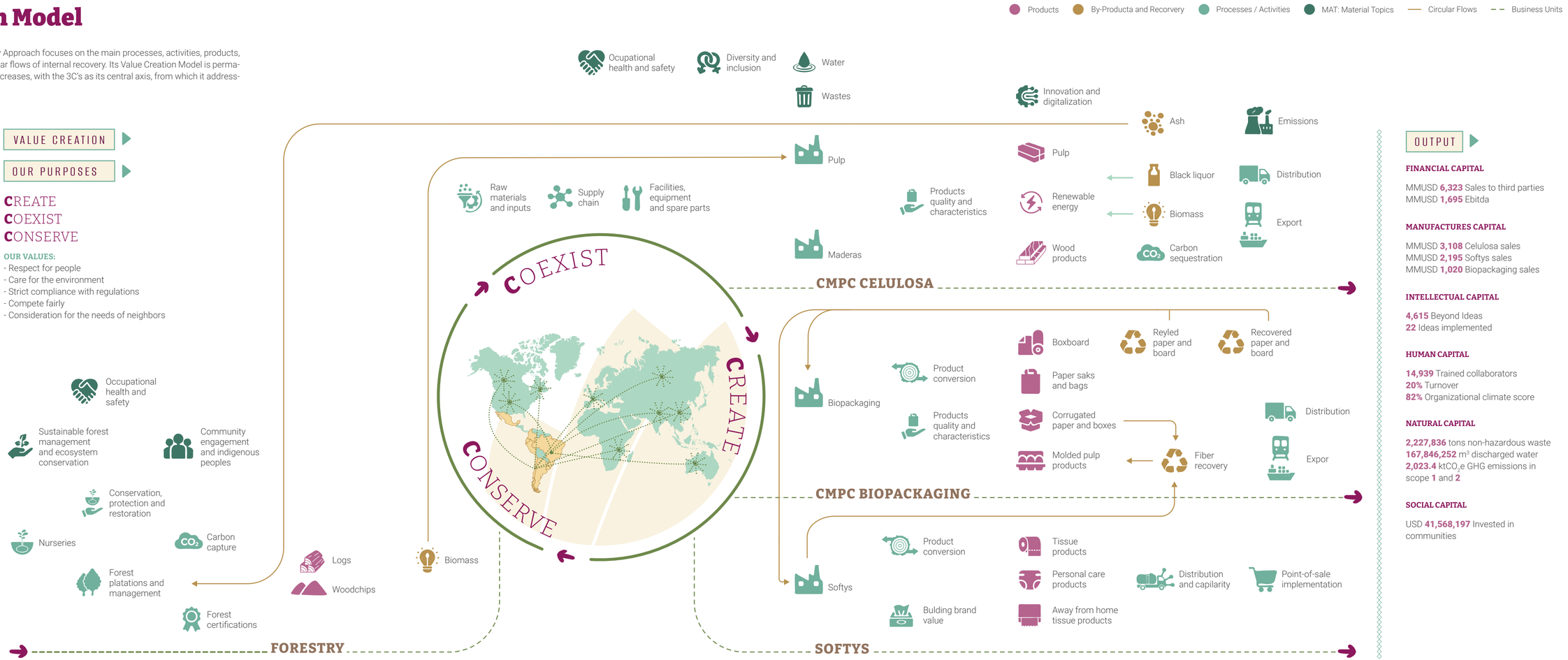
In 2021, CMPC adhered to the Race to Zero campaign, through the Business Ambition for 1.5°C global initiative.



Los Angeles sign, project developed in partnership with the community, Biobio region, Chile.

Value Creation Model

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



2.5 GOVERNANCE FOR SUSTAINABILITY

Sustainability Committee

[GRI 2-26]

To implement, supervise and follow up on the corporate sustainability objectives and goals, as well as the projects that contribute to their achievement, the Sustainability Committee was created in 2019 at the CMPC Board of Directors level.

The Committee, which meets bimonthly, reviews and proposes the adoption of best practices to reinforce the long-term commitment to sustainable development. During the year, the Committee reviews the Company's overall performance towards its four environmental sustainability goals in relation to the established objectives.

President Empresas CMPC
Luis Felipe Gazitúa A.

Director of CMPC
Vivianne Blanlot

Director of Celulosa, Biopackaging and Softys
Bernardo Matte I.

Chief Executive Officer and Chairman of the Sustainability Committee
Francisco Ruiz-Tagle

Corporate Affairs Manager
Guillermo Turner

Environment Manager
Sandra Riquelme

Sustainability Manager
Nicolás Gordon



Pontificia Universidad Católica de Chile and CMPC join forces to develop a Biodiversity and Sustainable Development Chair.

Some 2021 milestones of our committee

- In 2021, the committee met six times and had 100% attendance of its members.
- Its sessions were held in a hybrid manner, in person and virtually.
- Sandra Riquelme, the Environment Manager, joined the committee in January.
- Along with regular monitoring of corporate goals, each business - Celulosa, Biopackaging and Softys - presented the main milestones and issues in terms of environmental performance.
- The Committee reviewed the action plan in terms of social impact measurement and evaluation.
- In relation to reportability, a summary of the assurance process of the sustainability indicators reported in the 2020 Integrated Report was presented.
- Also, an update on the Company's Scope 3 emissions situation was presented. Along with this, the Science Based Targets Initiative (SBTi) framework was presented, under which the targets have been modeled in alignment with science.
- Finally, and in specific sessions, the committee had the participation of managers, other collaborators linked to sustainability and external experts.

“We are committed to **generating strategies for change**, which is why the role of the committee has been to work with the different areas of the company in order to promote these changes”.

Interview with **Vivianne Blanlot**,
Director of CMPC and member of the Sustainability Committee

How have you seen CMPC's evolution in sustainability?

First of all, it must be said that CMPC has always been concerned about environmental issues, forest conservation, protection and sustainable forest management. It is not something recent, however, in the past few years, there are several issues that have become more critical from the company's strategic point of view.

CMPC has undergone a very strong structural and organizational transformation process. It has been a kind of recreation of the company in many aspects: in technology, ethics, control systems and not only that, but it has undergone a process of complementing regulations, team training, among others.

I believe that above all, the ambition with which these issues have been raised and the sense of urgency it gives is a hallmark for CMPC and positions it as one of the companies with the best sustainability policies.

Thinking about the environmental dimension of a company like CMPC, what do you consider to be its main challenges and how does it address them?

At the industrial level, the challenges are diverse, such as lowering atmospheric emissions and, in particular, greenhouse gases, reducing the amount of water used in the processes and also eliminating waste as much as possible. On the other hand, at the level of forest management, I believe that we must understand that this is a great instrument for capturing CO_2 and, therefore, keeping areas in conservation, promoting the protection of native forests, are tremendous opportunities.

As for CMPC, since I joined in 2016 until today, there has been significant progress. First with sound and strict policies and, recently, with the four environmental goals in terms of solid waste, water use, emissions and conservation, which are very ambitious.

I believe that we have been making steady progress in these areas, sometimes with small setbacks, but ultimately there is a real, concrete concern and commitment, which can be seen in the results. However, we are in the middle of a process that has great challenges, because when one sets these ambitious goals, it requires great investment and technologies.

Moving to the social side, how do you evaluate this dimension?

The social approach integrates several aspects. CMPC also works very rigorously in relation to its collaborators, creating an environment that stimulates them, that allows them to grow and in which they can support their families in a dignified manner. I emphasize that CMPC is not among the companies that pay minimum wage.

I would add that there is a special concern for the safety and health of workers, in that sense I believe that we are at the level of the most developed companies in the world, the same happens with contractors, suppliers and service companies.
On the other hand, we have local suppliers that are small companies, which find it more difficult to develop and raise the qualifications of their workers and, consequently, it is more difficult for them to increase their productivity and wages, therefore, here we have a great challenge, of which CMPC is aware. Therefore, we are working with our suppliers so that they can meet sustainability criteria, contributing to the Sustainable Development Goals.

Finally, there is the issue of engagement with society in general and in particular, with the communities near CMPC, which are the ones that are directly impacted by the industrial activity. Given this, there is a genuine concern to engage with the communities, understand their situation and see to what extent their needs are feasible to alleviate with the company's activity.

In those cases where it is feasible, we develop and participate in initiatives that have an impact on the areas of influence. Among the projects we have implemented are rural drinking water initiatives, educational issues, such as technical training centers, local economic activation programs, among others.

Finally, I believe that in the different areas that have to do with the walks of life of those who are related to CMPC, we are acting through continuous and joint work.

As part of your comments, in 2020 the Company also announced corporate goals that have to do with diversity, women in the organization, women in leadership positions and people with disabilities, how do you see this challenge?

It must be recognized that CMPC is a company that had very few women, particularly in decision-making areas, and an effort has been made to increase this proportion.

Although we have been making progress, there is still a long way to go, especially in operations and in leadership positions, but this is a process that is happening in all companies, in some with greater ease and in industrial companies with greater difficulty. Therefore, to address it, CMPC has worked on a policy that establishes a commitment to increase the participation of women and has been achieving this over the last seven years.

On the other hand, there are the challenges of including people with disabilities, there is a goal in this area and the People area is working on systems to facilitate their incorporation.

How do you evaluate the work developed by the Sustainability Committee to follow up on this roadmap?

I believe it has been a great decision to have created a Sustainability Committee, since it has allowed us to provide greater coordination and coherence to everything that is being done in these matters.
As a committee we have the possibility of monitoring progress, we talk to the managers of each business and this allows us to identify, for example, shortcomings in investments that have been postponed. Therefore, we are committed to generating change strategies to work with the different areas of the company in order to promote these changes.



2.6 PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT

Multiplying efforts

[CMF 6.1; GRI 2-28]

GLOBAL COMPACT CHILE
https://pactoglobal.cl

WBCSD
https://www.wbcsd.org/

CDP
https://www.cdp.net/en/

AMCHAM CHILE
https://www.amchamchile.cl

AMCHAM BRASIL
https://www.amcham.com.br

Member of Global Compact Chile since 2018, and from 2020 part of the new 2020-2021 Executive Committee, for the promotion of sustainable development of companies based on joint collaboration and the establishment of good practices among its members.

Also, CMPC Brazil is also a member of the Global Compact in that country.

Reporting to its database since 2013 and members since 2019 of CDP, an organization that operates the largest global system of environmental disclosures for companies and cities. It promotes disclosure and transparency of corporate information to help companies reduce their greenhouse gas emissions, safeguard water and protect forests.

Member of World Business Council for Sustainable Development since 2011. This organization seeks, through business collaboration, to accelerate the transition to a sustainable world. Among the actions carried out, CMPC, together with UPM, led the work of the Forest Solutions Group until 2016. In 2019, it presented to the UN the Forest Sector Roadmap for the coming years, in line with the 2030 Agenda.

Co-chairs the Sustainability Committee of the American Chamber of Commerce, AmCham Chile until 2021. This committee promotes a culture of collaboration between different actors of civil society with a focus on environmental care, ensuring the correct and comprehensive implementation of best practices and contributing to the creation of a sustainable future for both society and companies.

Also, CMPC Brazil participates in the AMCHAM Brasil working group.


Consuelo Vallejos, member of CMPC's 811 Women Brigade.

CHAPTER THREE

Create

What will you find in this chapter?

1 min.

- Of the more than 4,600 ideas submitted to Beyond, 22 are in the implementation stage.
- CMPC developed a platform for easy, fluid and real-time communication with clients called Fiberplace. Through this platform, clients can place orders online, track their production, obtain documents and certificates, and monitor production cycles.
- Through the Niuform Joint Venture, CMPC enters the world of wood construction, with the aim of improving the sector's productivity, reducing construction costs of the works and promoting the industry's sustainability.
- The Company is carrying out a series of initiatives within the framework of innovation and support for startups, which have innovative solutions and ideas in the forest industry.
- Among the investments made by CMPC Ventures, it highlights Strong by Form and Boxia.

RELATED STAKEHOLDER GROUPS

- **Clients**
- **SMEs**
- **Suppliers**
- **Communities**



Growing seedlings, biotechnology, CMPC.

3.1 INNOVATION

Creating the future

Innovation MAT 1

Why is it relevant?

Innovation is fundamental to create value for clients and consumers, make its processes more efficient and collaborate with the construction of a sustainable environment. In this context, CMPC seeks to project itself into the next 100 years by implementing bio-solutions that meet market needs in a timely manner.

Identified economic, social, environmental or human rights impact.

Innovation brings economic benefits by opening markets and generating new business; social benefits by empowering entrepreneurship; and environmental benefits by operating efficiently and developing sustainable solutions to meet the demands of our clients and consumers.

Our regulatory framework in this matter

- The Company has 3 Innovation Focuses to generate its projects in this area.

What is the challenge?

Satisfying the most genuine needs of people is for CMPC a permanent challenge and also a constant opportunity for innovation to generate value for its clients and consumers, contributing to improve their quality of life.

Innovation targets[11]

30% of process improvements by 2025 should come from innovation, digitalization and the use of data.

In 2021, innovation targets accounted for 3% of improvements for Celulosa and 8% for Biopackaging, in line with the annual target set for 2025. This first year is not only the first measurement, but has also been a learning experience in the adoption of this type of initiative.

20% of the sustainable development targets must be achieved through innovation, new to CMPC or disruptive technologies.

In 2022, Innovation portfolios will be defined for each subsidiary to achieve these sustainability targets.

10% of sales, by 2025, will come from new and innovative products, business areas or business models.

In 2021, innovation projects accounted for 2% of the sales of each business, in line with the defined annual targets.

8.1 9.4

[11]These targets exclude the Softys subsidiary.

Development and strengthening of a circular bioeconomy

CMPC seeks to **innovate in processes, products and new business models** for its consumers. In the **circular bioeconomy focus** it has a structured effort to create new biomaterials for the future:

New pulps

- Pulpa B. Development of pulp with lower whiteness for new applications focused on the Asian tissue market.

- Pulpa S. Development of a new type of pulp that generates energy savings for tissue and decor customers.

Replacing single-use plastic

- Grease barrier papers. Se desarrolló con éThe use of biodegradable barriers for boxboards was successfully developed, being the Natural Kraft Grease Barrier product a real contribution to replacing plastic in fast food and delivery. This product also received FDA certification in the United States and ISEGA for Europe. In Chile, Natural Kraft Grease Barrier received the "PwC Innovation Chile 2021 Award".

Biomaterials

- Lignin. Exploration of new applications for both processes and other industries. It is expected to advance along this path and thus open up and contribute to the development of the kraft lignin market, with the aim of replacing materials derived from fossil fuels.

- Nanocellulose. The use of nanocellulose in products dates back to 2020 as a strengthening agent in paper and tissue processes.

- Tall oil and Turpentine. The use of these pine chemicals is relevant in different industries such as paints, food, construction and biofuels. CMPC is exploring new applications to diversify its bioproducts portfolio.

Construction

- Niuform. CMPC Maderas entered into a joint venture with the company Corte Lima to develop sustainable construction solutions based on mass timber, that is, cross laminated timber (CLT) and glued laminated timber (GLT or Glulam).

- Ivory Papers. The Corrugated subsidiary developed specific papers for the construction industry in building solutions for partition walls and interior ceilings.

- Specialty woods. CMPC Madera's portfolio of new products included innovative solutions such as plywood with G and G profiles for use mainly in interiors, and smooth plywood impregnated with micronized copper, which protects the wood from fungi and insects and extends its durability for more than 30 years.



Detail of wood used in the corporate building in Los Angeles, Biobio region, Chile.

Linkage with the Innovation ecosystem: CMPC Ventures

Enhancing the Company's innovation through the connection with innovative entrepreneurship.

17.17

At the end of 2020, CMPC Ventures was created, an independent investment vehicle that seeks to link CMPC with the most relevant innovation ecosystems in the world. CMPC Ventures contributes to the Company's global innovation strategy through links with Startups, Innovation and Entrepreneurship centers with a scientific and technological base, and world-class technology developers.

CMPC Ventures will catalyze the construction of new sustainable businesses for CMPC for the future, always with a global outlook.

CMPC Ventures operates as a venture catalyst, with the mission of catalyzing both startups and innovation within the Company by making all of CMPC's resources and capabilities available to global entrepreneurship.

WHY IS IT RELEVANT TO CREATE PARTNERSHIPS WITH STARTUPS?

This is a double benefit. On the one hand, companies increase their competitiveness through the incorporation of talent, technologies, often disruptive, receiving value in an agile way; and on the other hand, startups validate their solutions and have access to the entire CMPC network, generating commercial traction and enabling their path to scaling thanks to the collaborative work with the CMPC ecosystem.

CMPC Ventures explores companies, technologies and entrepreneurs from all over the world that are working in one of these strategic focuses:

New uses of wood and sustainable construction

To break the paradigms of the type of materials used for construction, providing more space for innovation in wood construction.



Sustainable packaging

Develop smarter, more sustainable packaging for the future that accelerates the replacement of single-use plastics.

New biomaterials made from lignin and nanocellulose

Identify and develop new biomaterials associated with the use of lignin and nanocellulose, as well as other possible by-products of the processes to convert them into sustainable solutions to environmental challenges.

Textile fiber

Cellulose-based fibers have a growing role in the global textile market because they can replace and supplement polyester and cotton. It actively seeks innovative and sustainable textile fiber technologies and solutions.

Digital solutions and circular business models

Explore new, more digital, circular and environmentally conscious business models that relate to our business.

CMPC Ventures' 2021 milestones include:

- The connection and insertion of CMPC in innovation ecosystems in different parts of the world. This allowed to be present and facilitate the identification and connection with start-ups, Research Centers, Accelerators, other corporate investment funds and venture capital, from more than 20 countries.
- Among these, VTT, an important research center in Finland, stands out, where the Company explores a number of opportunities, including CMPC experts who were research mentors at this center.
- Participation as a partner in Bionext - an acceleration program for Canadian start-ups, in collaboration with Foresight Canada, the most important accelerator of companies in the bioeconomy in that country.
- Global research on textile fiber, liquid packaging and lignin solutions was driven, promoting internal strategic discussion on possible new businesses to be explored by CMPC.

WHAT IS BIONEXT?

Acceleration program that brings together all actors in the bioeconomy ecosystem from academia, to start-ups and industrial partners, to identify, promote and scale bio-based technological solutions. In this way explore and enhance the use of renewable resources to generate products, processes and services aligned with a sustainable economic system. Through this partnership with Foresight Canada, we hope to contribute to and promote a platform for bioeconomy-based innovations, and connect with Canada's most promising start-ups.

PORTFOLIO:

Additionally, the first two investments in Boxia and Strong By Form have been completed:

- CMPC Ventures' first investment was in the Chilean start-up Strong by Form. This company is developing additive manufacturing technologies based on wood chips, optimizing their behavior to be structurally competitive with concrete and steel. Its "Woodflow" technology combines material science, digital optimization and robotic manufacturing.
- Boxia is an intrapreneurship that was born from Biopackaging and launched at the end of 2021. This is a spin-off of CMPC, i.e. a start-up created and accelerated internally. It is an online platform for buying and selling sustainable packaging products for the Mexican market, uniting supply and demand in a single site, efficiently and securely.

Finally, towards the end of 2021, a partnership was formed with Nordic Bioproducts Group, a Finnish start-up that has developed a new, more sustainable technology for the production of MCC and textile fiber based on cellulose. For CMPC this means a concrete step in connecting with global innovations that contribute to the growth and sustainability of CMPC for the future, as well as advancing in the establishment of CMPC Ventures in the Nordic countries.

CMPC Ventures brings a **futuristic and disruptive vision**, that challenges the limits of the business and seeks to catalyze both startups and innovation within the Company.

Strong by Form

New wood uses

Chilean start-up that develops sustainable materials, by combining the properties and natural intelligence of wood, digital optimization technologies and robotics, with the aim of making diverse industries more productive and sustainable.

Its first technology **"Woodflow"** uses the concepts of additive manufacturing, wood fiber and resins. In this way, this bio-composite allows the manufacture of high-performance, low-weight structural wood shells, capable of being a sustainable alternative to materials such as steel, concrete and aluminum.

CMPC became a strategic investor in this start-up, facilitating the conversation and the entry of others interested in investing. Also, it has made available the Company's process and raw material experts to accelerate the development of the technology.

What is the sustainability benefit?

- Wood-based construction and architectural design, which decreases the intensive use of concrete and steel.
- Structural bio-composite shells aim to make wood eligible where it is not possible today.
- By optimizing material use, energy use is reduced from production to associated logistical costs.
- One of the objectives of the technology is the more efficient use of the forest resource for structural elements.

Andrés Mitnik
Strong by Form CEO

Boxia

Sustainable market place for SMEs

What is Boxia?
It is an online platform for buying and selling sustainable packaging products for the Mexican market. Operating as a spin-off of CMPC, Boxia will be in the pilot stage in the first half of 2022, during which value assumptions will be tested and the platform's business model will be validated.

What products are offered?
In this first stage, we offer boxes, sheets and other corrugated cardboard products.

When and how did it start?
It started in 2020 with the ideation of the business, then the technological development of the platform and finally the business survey of those who later became Boxia's pioneer clients. The main focus is to serve SMEs.

What are the benefits of Boxia?
First, it facilitates SMEs' access to sustainable packaging products and encourages their digitalization. Also, more than 90% of the companies that work with Boxia, both buyers and producers, are SMEs, contributing to the development of this key segment of the Mexican economy.

Finally, it contributes to the progressive replacement of unsustainable packaging, being a direct benefit for sustainability.

Fernando Jofre
Boxia CEO

Nordic Bioproducts

Cellulose-based textile fiber

Finnish start-up has successfully come up with a new plant-based textile fiber. Nordic Bioproducts Group is a spin-off from Aalto University in Finland, which has created a new plant-based textile fiber, Norratex that is manufactured without toxic chemicals or expensive solvents.

The Norratex method can use a wide variety of raw material sources. Fibers can be made from cellulose, forest industry by-products, textile waste and OCC.

In early 2022, the company announced the launch of a collaboration with CMPC focused on accelerating the development and scale-up of this technology.

"Being successful so early was a big surprise for our whole team".

Ville Nyman
R+D Director, Nordic Bioproducts

"We are very excited about this new collaboration. For CMPC, this represents a significant step towards **eestablishing a leading role in developing the future of bioindustries with global impact."**

Bernardita Araya
Manager CMPC Ventures



Norratex fabric based on cellulose microfibers.

Digital Transformation at CMPC: Data & Analytics

CMPC is developing the **Best 4.0** and **Fiber Place** programs in its different business areas. Both programs **aim to transform operations by leveraging technology** and capturing all the opportunities that digital transformation provides.

Best 4.0 seeks to transform CMPC into a global benchmark in the use of technology for industrial efficiency and sustainability. Fiber Place, on the other hand, aims to deliver a one-stop digital experience that is distinctive for consumers and clients.



Collaborators in Best event.

Best 4.0

The Best 4.0 program aims to transform the operation towards a data-driven vision of processes for operational excellence. In this context, in the first year a Digital Transformation strategy was designed, in which the transformation roadmap was defined, which includes different lines of work that can be summarized as: i) technological enablers, ii) organizational enablers, culture and new digital capabilities, iii) new digital ways of working, iv) implementation of prioritized digitalization initiatives.

In these different areas, it is worth mentioning a few examples.

In talent management, a course on data science for digital transformation was designed together with the Universidad de Concepción for industrial process areas. In 2021, 70 people from the different business areas participated, who obtained certification in entry-level data science, where they acquired knowledge in digital transformation and industry 4.0, data science and machine learning as promoters of innovation and competitiveness.

In terms of new ways of working, the use of agile methodology as a project management model and work philosophy has been deepened.

Finally, in relation to the execution and implementation of digital initiatives, several applications are already in production at the Santa Fe, Laja, Pacifico, Maule and Corrugados plants in Chile, as well as in Guaiba in Brazil.

Thanks to the implementation of these initiatives, in 2021 we have a portfolio of projects operating with an estimated impact of USD 15 million and another USD 20 million more in projects under development.

Some Best 4.0 projects

BLEACHING OPTIMIZATION

Reduction of chemical consumption in bleaching and delignification.

PAPER QUALITY

Reduction of variability and optimization of quality in paper Jumbos.

STEAM CONSUMPTION

Prediction and optimization of steam consumption in paper machines.

KAPPA OPTIMIZATION

Variability control and optimization of the kappa value, allowing increasing the wood yield.

Fiber Place

Fiber Place is CMPC's digital identity, representing the digital meeting place for CMPC's business areas and its clients and agent network. In 2021, Fiber Place was launched for the Boxboard business unit with the functionalities of order entry, order tracking and certificate availability. It was also launched in a first iteration of order tracking for the Maderas business unit. The future of Fiber Place points to a multi-functional roadmap and its implementation to all CMPC business areas, becoming a true "digital one stop shop" for the business and service needs of clients around the world.



Other important links with start-ups, universities and R+D centers

STRATEGIC AGREEMENT WITH UNIVERSIDAD DE CONCEPCIÓN

Recovery of your SME

In collaboration with the Business Platform Incuba UDEC (Universidad de Concepción), the Company developed the second version of the program called Reactiva tu Pyme ("Recovery of your SME"), driven by the consequences brought about by the pandemic, especially in small and medium-sized companies.

The program is aimed at residents of the municipalities of Laja, Nacimiento, Mulchen, Los Angeles, San Rosendo and Collipulli, and its objective is to transfer to entrepreneurs the knowledge and competencies to activate, strengthen and improve their businesses in different areas.

To date, the program has benefited close to 120 entrepreneurs in the Biobio and Araucania regions of Chile, with the objective of improving the competitiveness and economic recovery of local businesses.

RECOVERY OF YOUR SME
https://www.incubaudec.cl/reactiva-tu-pyme/

CONEXIÓN CMPC CHALLENGE
https://www.incubaudec.cl/desafio-conexion-cmpc/

Technology Exploration Program

Program that aims to convene and connect CMPC with technological solutions of global reach and that respond to CMPC's innovation challenges, with the expert help of Incuba UdeC.

In 2021, 8 challenges were launched, for which 71 potential solutions were identified, 4 of which are currently in pilot stage.

The solutions came from Canada, Chile, the United States, and Finland.

The Mentors Program

The Mentors Program seeks to enhance the development of start-ups linked to the industries in which CMPC participates, explore new technologies and strengthen the Company's presence in the regional innovation ecosystem.

The program has brought together start-ups with CMPC executives, who support them in the process of validating their technologies and business models through mentoring sessions over a period of one semester.

In 2021 the program reached 20 start-ups that were accompanied by 20 mentors, who in turn were prepared with a mentoring certification program together with the Universidad de Concepción, with the objective of strengthening the value delivered to the start-ups.

Desafío Conexión CMPC

The second version of *Desafío Conexión* CMPC (CMPC Connection Challenge), a program that links undergraduate and graduate students from the Universidad de Concepción with technical teams from CMPC to solve innovation challenges, was held in 2021.

13 challenges were proposed by 7 subsidiaries, which involved more than 30 students from different academic degrees and majors of the University to solve them.

The students were able to solve, together with CMPC sponsors, challenges related to environmental issues, automation and process optimization, design of new tools, logistics and new products.

CMPC STARTUP DAY AND SAVIA GLOBAL CONTEST

Startup Day II

In January 2021, the second version of Startup Day was held, with the objective of promoting CMPC's relationship with start-ups. In this version, the discussion "Connecting large companies with entrepreneurships: Challenges and opportunities of the linkage", which was attended by Rocío Fonseca (CORFO Innovation Manager); Francisco Ruiz-Tagle (CMPC CEO), Felipe Alcalde (CMPC Innovation and Information Manager) and Bernardita Araya (CMPC Ventures Manager).

SAVIA

As part of the actions performed by CMPC to build the company of the future, SAVIA was created, a global innovation program that seeks sustainable packaging solutions for clients and consumers, with a high scalability potential.

SAVIA received 123 applications, pre-selecting 59 from 22 different countries.

Subsequently, 10 projects were selected and an expert jury, made up of authorities from the Ministry of Science, Technology and Innovation of the Government of Chile, the Danish Design Centre, an international benchmark in design, innovation and circular economy, the Universidad de Concepción, the Royal College of Arts, among others, selected six solutions as winners, which underwent a thorough review of their projects and fit with the Biopackaging business, and together developed prototypes for implementation.

SAVIA has made it possible to:
· Broaden the radar in the search for solutions around the world.
· Find solutions around: new uses for CMPC products; new qualities for packaging; use of new technologies; digitalization and traceability; new materials, among others.
· To create knowledge exchange links and international business networks.



9.4

SAVIA
https://saviapackaging.com

CMPC Beyond

CMPC Beyond arose in 2020 as a result of both the context of uncertainty and change brought about by the pandemic in all areas of people's lives, as well as the arrival of the Company's centennial. This allowed an internal reflection, under the premise of answering about how the scenario of sustainable consumption would be, globally, in the year 2050.

This approach to building the Company of the future was addressed by two dimensions: (i) the 8 Future Focuses that seek through specific projects and transformations to tackle long-term strategic issues for CMPC; and (ii) the Ideas Beyond program, where through a structured process, the door is open to all CMPC employees to contribute with ideas for improvement for the Company, whether these are for continuous improvement or innovation, with a focus on making CMPC more sustainable in general.

BEYOND IDEAS

To achieve the enabling conditions that allow CMPC to have ideas for improvement and the future, a participatory program for the massive gathering of ideas for improvement and the future was carried out: Beyond Ideas. This program was piloted in 13 areas and then scaled up in each of CMPC's plants, areas and sites.

4,615
Submitted ideas

1,743
Participating collaborators

241
Ideas prioritized to be implemented for the period 2022

22
Ideas were implemented or piloted in 2021

Key to the success of this initiative was the participation of "Beyond Ambassadors". They are more than 250 collaborators deployed in each of the Company's operations and who contributed effectively both in the dissemination of the challenges to be solved, through "Beyond Ideas", as well as in the prioritization of the ideas received.

The initiatives implemented in 2021, achieved an increase in the production of 1,300 m^3 of additional wood products per year, a reduction of 17 thousand m^3 of water per year in operations, a 21% reduction in damaged shoots by using drones for control in Brazil, as well as generating production increases and cost reductions in nurseries in Argentina, among other benefits. By 2022, we expect to scale up the pilots already explored and add more than 200 new initiatives already prioritized.

FUTURE FOCUSES

To prepare the Company for the transformations of the future, the Beyond Future Committee - made up of 12 senior executives[12] - defined 8 Future Focuses. Each of them is led by a sponsor and has the mission to develop company-wide transformations with a work plan to 2025 and beyond.

[12]CEO of CMPC, Finance Manager, Innovation and Information Manager, Chief Legal Officer, Environment Manager, People and Organization Manager, Corporate Affairs and Sustainability Manager, Development Manager, Celulosa Manager, Biopackaging Manager, General Manager CMPC Brazil and Boxboard General Manager.

8 Beyond Future Focuses

REDUCING WATER USE >

To achieve sustainable development through the efficient use of water, carrying out an eco-systemic management of water resources, reducing industrial use per ton of product and seeking new sources of supply to become independent from those that are highly vulnerable to climate change.

One of the first transformations consisted in the development of the Shadow Price of Water: including the real value of water in project evaluations, using operational criteria, but also basin water stress and other social factors.

To review more details of the Shadow Price of Water project, review Chapter 5: Conserve.

FUTURE ORGANIZATION AND WORK >

Be able to capture the environment and design solutions faster, develop new internal capabilities and connect externally with the knowledge and innovation ecosystem.

One of the initiatives prioritized in this focus is "CMPC Navy Seals", which seeks to install agility and flexibility capabilities in diverse groups and processes to transform the way the organization works.

It began with 5 pilots.

REPLACING SINGLE-USE PLASTIC >

Incorporating the challenge of eliminating single-use plastics from internal processes to final consumer use, through new bio-solutions that position CMPC as a global actor in bioeconomy.

PLANTATIONS OF THE FUTURE >

Create conditions to support the growth of the forest industry in response to the demand for sustainable products derived from natural fibers.

DIGITAL AND DATA-CENTRIC PROCESSES >

Digitally transform CMPC's internal processes, building a much more productive and agile organization, with a strong focus on end-to-end visibility of information and data-driven decision making.

FACTOR OF SOCIAL DEVELOPMENT CHANGE >

Position the Company as a "factor of social development change" in the communities and priority territories in which it operates, through tools to generate impact and shared value.

FACTORIES OF THE FUTURE >

To achieve excellence through operational excellence, strongly leveraged on digitalization and new technologies, developing global leadership in cost, organizational health, operational excellence maturity and sustainability and environmental impact.

CMPC CUSTOMER CENTRIC >

Ensure that all areas of CMPC make the needs and concerns of consumers and internal and external clients their own.



Egg trays in Corrugados, Biopackaging.

3.2 CUSTOMER SATISFACTION

Clients at the core

Customer Satisfaction MAT 2
Brand value MAT 2

Our regulatory framework in this matter

- Local consumer protection regulations

Identified economic, social, environmental or human rights impact.

To develop solutions that simplify consumers' lives while having a minimal environmental impact, thus improving their experience.

CMPC had 26,723 clients at the end of 2021. Delivering a good shopping experience to clients involves establishing fluid and direct communication with them, generating feedback spaces and measuring their satisfaction with the products delivered. Monitoring clients allows the company to continuously improve, adding value to its processes.

The main challenge in 2021 was to maintain the level of logistics service to clients, because of the worldwide delays that occurred in the second half of the year.

Commercial roadmap

CMPC has two business objectives: the first is to improve customer satisfaction and the second is to optimize the commercial mix, always considering innovation in processes and products.

Customer satisfaction

In 2021, we completed the implementation of Salesforce, information management software for sales agents, improving the quality of service. We also began the Fiber Place Discovery process, to create a digital platform that offers a distinctive digital experience to clients.

Also, since 2018, we have been working on a client segmentation model to proactively offer value propositions differentiated by groups that really succeed in satisfying the needs of each one of them.

Optimize the commercial mix

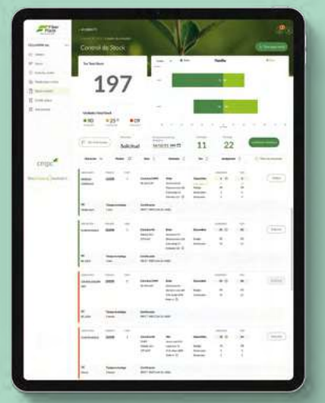
Optimizing the product mix by market to improve delivery logistics, as well as increasing the capillarity of the sales network to provide diverse options and improve resilience in product delivery.

The sales offices in Germany, China and the United States are intended to function as a service hub, increasing customer proximity and improving the level of service.

FIBER PLACE

https://boxboardonline.cmpcbiopackaging.com/login

Fiber Place



As a way to improve the clients' experience, CMPC developed a web-based system that allows for fluid, real-time, digital communication with clients, called Fiber Place.

Fiber Place considers launching attributes in different phases, with functionalities, businesses and geographies that will be covered in an orderly and staged development.

All the improvements considered for the platform are the result of a number of internal interviews with salespeople, clients, brainstorming sessions, among other instances that have allowed us to identify improvement opportunities.

The benefits of this platform are linked to the accessibility and speed with which clients can access orders, documentation, and queries, among others. Specifically, clients can:
- Enter their orders online.
- Track in real-time their production and shipping.
- Obtain documents and certificates directly from the web.
- Access to information on Boxboard's production cycles.

"Since its implementation and with the excellent support received, we have been able to migrate quickly to a new way of tracking our orders, much more agile, with permanent access and updated information on their different statuses.

Thanks to this system, we have been able to optimize our query times, both in terms of orders and production cycles."

Robinson Casanueva
head of Purchasing Hutton Sau (Argentina)

I think it is a good tool because it **reflects the order in a clear way and limits the possibilities of confusion** about what is requested. It is useful to have synchronized information on production cycles."

Julián Dominguez
head of Purchasing Interpack (Argentina)

"For SPC Impresores S.A. it **is a great innovation, a tool that helps us to place orders in a simpler way**, in which we have a better and greater control, having at hand the production cycles and real-time tracking of our orders."

Juan Carlos Siles
general Manager SPC Impresores S.A. (Bolivia)

Customer Satisfaction

CELULOSA

Pulp	
Methodology	Implementation of the Sustainability Stakeholder Index (SSIndex) survey to 148 clients (65% response rate). This survey records ESG (Environmental, Social and Governance) variables, analyzing the information reported by stakeholders, including clients.
Measurement	It considers 12 questions, six of which are associated with the measurement of customer commitment and another six complement the assessment of risk and sustainability.
Results	As a result, Pulp received the SSIndex Client Certification for the third consecutive year.
Progress	The community dimension had an improvement of 26 percentage points in three years, anti-corruption one of 17 points and the environmental culture dimension one of 7 points since 2018.
Improvement opportunities	Among the challenges facing the business with regard to its clients are logistics services, which were delayed globally in 2021, and improving cost competitiveness, effects that impacted the measurement.

Net Promoter Score (NPS) measurement

2018	2019	2020	2021
87%	88%	86%	87%

Source: CMPC Celulosa.

Maderas	
Methodology	It uses the SSIndex survey, which is applied to 110-120 clients covering the plywood plant, sawmills and remanufacturing.
Measurement	The measurement considers 12 general questions: nine specific to the business and three associated with Covid-19.
Results	Compared to the industry, Maderas ranked in the first quartile of results. In 2021, participation reached 91%, in line with the previous year.
Progress	The perception of CMPC's efforts in Sustainability issues improved, achieving significant increases (10-18%) in the environmental and social categories.
Improvement opportunities	The challenges faced by the business with regard to its clients are the logistics services, which were delayed globally in 2021, and improving cost competitiveness, effects that impacted the measurement.

Net Promoter Score (NPS) measurement

2018	2019	2020	2021
-	82%	88%	85%

Source: CMPC Celulosa.

Maderas also measures the Global Satisfaction Index (GSI), which in 2021 reached **86%**, the same result as in 2020.

BIOPACKAGING

Methodology	Implementation of a positioning and image study of the brand and its competitors, which seeks to understand the service experience and customer loyalty.
Measurement	Structured questionnaire applied by telephone, online and in person, including clients and non-clients of the subsidiaries. It measures customer satisfaction on a scale of 1 to 7 for Chile and 1 to 10 for other countries.
Progress	In general, CMPC's brands have a positive image and strong positioning in the markets in which they participate.
Improvement opportunities	The service experience and perceived value of B2B services delivered fell in 2021 due to the pandemic, affecting all market categories. The biggest challenges to achieve a good experience are to improve the attributes of: customer service, claims handling, after-sales and meeting delivery deadlines. Also, to advance in innovation and digitalization with clients.

Net Promoter Score (NPS) measurement

Business area	2019	2020	2021
Boxboard	79%	69%	-
Sack Kraft	53%	56%	-
Corrugated	84%	85%	63%
Edipac	84%	-	74%

Source: Biopackaging
Note 1: Due to the Covid-19 pandemic in 2020, this study was not implemented in the Edipac subsidiary.
Note 2: The Corrugated measurement does not consider the Fibers division.

SOFTYS

Clients

Methodology	It uses the Advantage methodology, which measures customer satisfaction with respect to the commercial service delivered and their perception of customer service.
Measurement	Implementation of annual surveys to senior management of the main retail chains (supermarkets), to determine how strong the relationship with the Company is, the strategic alignment, the level of service and the most critical aspects to be improved. This results in a ranking of corporate position within all the companies of the 25 most important suppliers in each country.
Progress	Progress was made in social and environmental responsibility, management of promotions, planning and communication in logistics to clients and trust in the commercial relationship.
Improvement opportunities	The challenges are to deepen product innovation and further integrate the e-commerce strategy.

B2C clients survey

Country	2019 Position	2020 Position	2021 Position
Argentina	14	8	16
Brazil	9	9	10
Chile	4	2	5
Mexico	15	16	9
Peru	3	4	4

Source: Softys Advantage Survey.
Note 1: The rest of the countries do not perform this measurement.
Note 2: Measurement for B2B business has been suspended due to pandemic. It is expected to be carried out in 2022.



Consumers with Softys Elite and Babysec products.

Consumers

Methodology	A quantitative study was conducted on the main categories of the Consumer Tissue and Personal Care businesses to identify brand power indicators.
Measurement	Quantitative online study that measures brand power
Progress	The brand power of Softys' main products is maintained, despite the complexity of the pandemic context.
Improvement opportunities	Softys' challenge is to control costs, and to build closeness with consumers through the promise of performance.

Brand power measurement

Toilet Paper Ranking

Country	2019	2020	2021
Argentina	1	1	1
Brazil	3	4	n/a
Chile	1	1	1
Mexico	5	5	5
Peru	2	2	2
Uruguay	1	1	n/a

Diapers Ranking

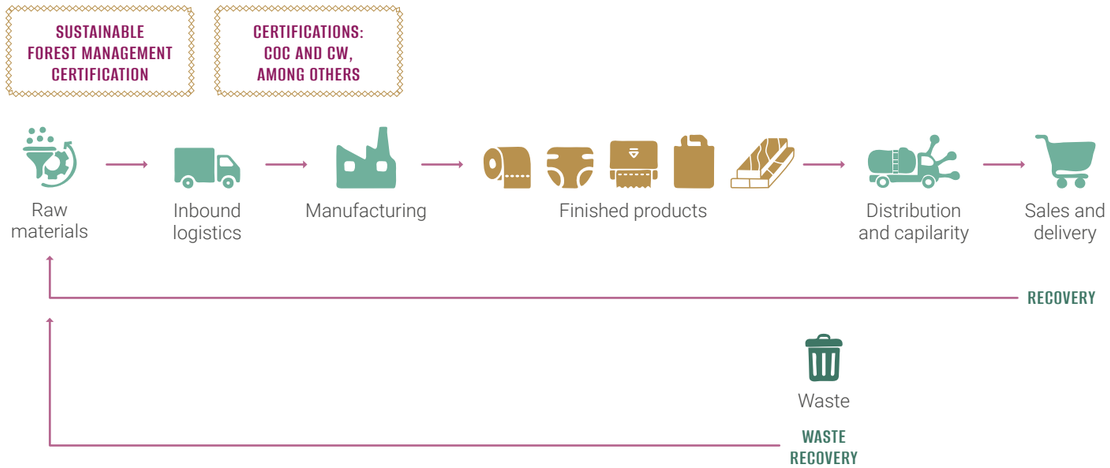
Country	2019	2020	2021
Argentina	3	3	3
Brazil	n/a	4	n/a
Chile	3	1	2
Mexico	n/a	n/a	n/a
Peru	2	2	2
Uruguay	1	1	n/a

Source: Softys.
Note: Colombia and Ecuador do not have this measurement.

3.3 SUPPLY CHAIN

Creating value in every process

The supply chain **represents the central axis of the processes by integrating all those elements that go from the purchase of raw materials to the point of sale or consumption**, complying with demanding Chain of Custody and Timber Control certifications.



Undoubtedly, one of the effects of the Covid-19 pandemic has been the worldwide logistic crisis, being one of the main concerns to fulfill the commitments made with our clients. From this perspective, CMPC considers all the necessary measures to give continuity to the delivery of products.

Responsible procurement MAT 2

Our regulatory framework in this matter

- Purchasing Policy
- Accounts Payable Policy
- General Local Supplier Development Procedure.

Identified economic, social, environmental or human rights impact.

Any interruption in the supply chain could affect stock levels or jeopardize the supply to clients. On the other hand, working collaboratively with local suppliers is an opportunity to recover the local economy of the territories.

Supplier relationship

CMPC's supply chain integrates logistics processes that include coordinating transportation -trucks, trains, barges, ships, among others- and storage of raw materials and finished products.

In 2021, CMPC reached 22,534 suppliers, of which 96% corresponds to domestic suppliers -suppliers residing in the same country of operation of CMPC- and 4% corresponds to foreign suppliers.

Total suppliers by category and expenditure (millions of USD)

[GRI 204-1]

Category	2019	2020	2021
Number of domestic suppliers	24,466	23,175	21,645
Number of foreign suppliers	873	1,058	1,069
Total suppliers	**25,339**	**24,233**	**22,534**
Micro and SME suppliers	6,815	7,563	6,826
Local suppliers	NI	NI	1,758
Total expenditure on suppliers	**4,629**	**4,583**	**4,879**
Expenditure on Micro and SME suppliers	873	837	847
Expenditure on local suppliers	NI	NI	462

Source: Administration Management.
Note 1: From 2021 onwards, a definition for local suppliers has been adopted; in previous Integrated Reports, local suppliers were domestic suppliers. This definition includes Celulosa and Biopackaging suppliers.
Note 2: The breakdown does not include purchases or suppliers of the holding company, whose service expenditure is distributed to the business areas, for example: IT (SAP, Microsoft, etc.). This group was included in the previous year's report.
Note 3: In Chile, there are 3,759 suppliers of trimmings, natural persons, who deliver to the company Sorepa.
Note 4: CMPC suppliers can provide services in more than one country at the same time, which is why national and international suppliers do not correspond to a sum.

In 2021, the **Strategic Supplier Relationship Management** was created (in the Procurement area), which in October developed the General Local Supplier Development Procedure.

SUPPLY CHAIN SUSTAINABILITY

[CMF 7.2]

WHAT IS THE DEFINITION OF A LOCAL SUPPLIER AT CMPC?

In 2021, CMPC worked on a definition of local suppliers for all its operations. These suppliers have a permanent and close relationship with the **environment closest to the industrial and forest operations.** This is evidenced by their origin, ownership and initiatives that have a positive impact on employment and socio-economic and sustainable development of their communities.

The surrounding communities are defined by the areas of impact of **CMPC's community engagement framework,** towards which value creation areas are developed.

PAYMENT TO SUPPLIERS

CMPC is aware of the day-to-day reality of smaller companies and their need for continuity in their operations, and has established timely payment to suppliers in its Accounts Payable Policy. Specifically for Micro and SME suppliers in Chile, a maximum payment term of seven days has been established, and in other countries, it respects the legal framework of their operations.

Average days of payment to suppliers (Nº)

Type of suppliers	2019	2020	2021
Micro and SME suppliers	25	19	12
Total suppliers	34	32	31

Source: Administration Management.

Especially, **in 2021, CMPC assigned social factors in all bids with a weigh of 10% in the assessment**, which is related to the degree of engagement and impact on the surrounding communities.

Among the aspects considered in this category are:

- Main office location
- Base of operation
- Permanent residence of owners
- Residence of workers
- Company size

Also, the services provided by contractors are assessed at the time of closing of their services. The assessment is performed by means of the Service Acceptance Form (SAF) and measures the following aspects:

- Environmental care
- Energy efficiency
- Health and safety of people

In 2022, **the Purchasing area will strengthen the sustainability areas in its strategy, integrating sustainability areas into the assessment of suppliers** and the classification of suppliers, clearly identifying critical, strategic and local suppliers, among others, who will be given a social questionnaire to assess the impact on the surrounding communities of their management.



Santa Fe plant, municipality of Nacimiento, Biobio region, Chile.

Local supplier development program

Local supply chain

8.3

Suppliers are relevant players in the value chain; therefore, we have sought to develop a collaborative and joint work with them, especially with local suppliers. The latter are those that have a permanent and close relationship with the communities near the operations, which can be identified by their ownership, origin, and initiatives that have a positive impact on employment, socioeconomic and sustainable development of the community.

CMPC is developing a program with them that seeks to contribute by building shared value and supporting local micro and SME suppliers to grow and participate with higher levels of competitiveness, both in the supply chain of CMPC and other companies of different industries and sizes.

The 14 supplier companies participating in the program go through an intervention model that includes diagnostic stages and the identification of opportunities for improvement. Based on these, training plans, personalized support, and a final phase of assessment of results and impacts on the participating suppliers are defined, designed, and implemented.

In the future, this program, which is currently in the pilot phase in Chile, is expected to be extended to other countries where there are opportunities for local productive linkages.

Participant description: :

- **Participants:** 14 supplier companies, 100% of the Celulosa business.
- **Location in Chile:** 7 in Nacimiento, 5 in Collipulli, 1 in Laja, 1 in Loncoche.
- **Company size:** 7 medium-sized companies, 3 small companies and 4 micro-enterprises.
- **Industries:** 9 transportation, 3 industrial maintenance, 2 garden maintenance and sanitation.
- **Modality:** Online workshops and in-person meetings at suppliers' workplaces.

"The program has had a very positive impact on the company. The information is transferred from Daniela and Juanita -who attend the program- and is delivered to the team that covers the operational area. It has been enriching at a business level and has provided learning to the team, helping to improve processes within the company. The use of tools such as Gantt charts for the development of internal activities and the implementation of client satisfaction surveys to evaluate the service provided and address points for improvement have been considered. We expect to continue incorporating the tools from the workshops to improve other areas of our company, specifically Excel and digital tools."

Víctor Figueroa
Transportes Figueroa Supplier Company,
Laja, Chile.

"Excellent opportunity to increase knowledge, great level of professionals who teach the workshops, we feel as a company very grateful and with many positive expectations to continue growing. The trainings are providing valuable information to improve as service providers. We expect to continuously grow and improve, to be able to opt for bigger and more constant jobs with CMPC or other customers."

Marcela Pérez
Bella Sombra, Supplier Company,
Villa Mininco, Chile.

Product quality and safety

Product quality and safety MAT 2

Our regulatory framework in this matter

- Value chain certifications

Identified economic, social, environmental or human rights impact.

A product that does not meet quality standards can directly affect the health of consumers or the environment. Therefore, having certifications ensures that operational processes comply with standards and that products can be delivered to clients. Added to this, if the product does not meet the required features, it can result in economic losses.

Certifications help to **maintain and monitor compliance with quality and safety standards in production processes**, certifying everything from raw materials to products, including manufacturing and logistics.

CERTIFICATIONS
https://www.cmpc.com/certificaciones/

VALUE CHAIN CERTIFICATIONS

RAW MATERIAL

- Sustainable Forest Management
- Chain of Custody and Controlled Wood

LOGISTICS AND MANUFACTURING

- Quality Management System, ISO 9001
- Environmental Management System, ISO 14001
- Food Safety, ISEGA and ISO 22001
- Environmental excellence in the production cycle, Ecolabel and Nordic Eco Label
- Occupational Health and Safety Management System, ISO 45001
- Energy Management System, ISO 50001

Sustainable Forest Management >

Local and global markets increasingly require and demand renewable products originating from forests managed in a sustainable and economically responsible manner, with care and respect for the environment, the associated communities and the employees who work in them. Although the certifications are voluntary, the fact of managing them requires annual audits to prove -quantitatively and qualitatively- compliance with their principles.

Chain of Custody and Controlled Wood >

The industrial facilities are supplied with fiber, mainly from CMPC's forest subsidiaries, which have certified Sustainable Forest Management. In this context, Chain of Custody certification guarantees that such wood maintains its traceability throughout the supply chain and is not mixed with wood from controversial sources.

Quality Management System, ISO 9001 >

It supports environmental, labor and responsible procurement in the manufacturing of products. Biopackaging works with this certification. It has 16 certified plants.

Environmental Management System, ISO 14001 >

It environmentally certifies each stage of the production process, from the entry of raw materials to the product distribution warehouses. Bosques in Argentina, Biopackaging and Softys adhere to this standard. It has 13 certified plants.

Food Safety, ISEGA and ISO 22001 >

Both schemes specify the requirements that pulp and paper production must meet to ensure the safety and innocuousness of food consumption throughout the sanitary and food chain. Pulp and Biopackaging are certified in this respect. It has 7 certified plants.

Environmental excellence in the production cycle, Ecolabel and Nordic Eco Label >

It guarantees quality and environmental excellence throughout the production cycle by complying with management criteria for products and services established by the European Union and Scandinavian countries. The standard includes waste management, quality control of air emissions and effluents, efficient use of fuel and electricity, and the use of certified wood and chemicals in concentrations that do not harm health or the environment. In the Celulosa business, 3 mills have this certification.

Occupational Health and Safety Management System, ISO 45001 >

It enables the company to manage in a systematic and structured way policies, strategies and associated improvement objectives, with the aim of preventing and controlling all risks that may occur in the work area, ensuring that continuous improvement processes minimize them. All the company's business areas base their management system on this standard. There are 16 certified plants among the Celulosa[13], Biopackaging and Softys business areas.

Energy Management System, ISO 50001 >

Seeks to improve the energy performance of processes by systematizing energy analysis, establishing indicators, and controlling and monitoring them. To date, CMPC has 22 certified plants.

[13]The Pulp subsidiary certified Laja, Pacífico and Santa Fe, in the case of the Maderas subsidiary it has a multi-site Certification that covers all plants and processes and Bosques incorporates all the productive stages of the forest cycle.

Raw materials and supplies

[GRI 301-1]

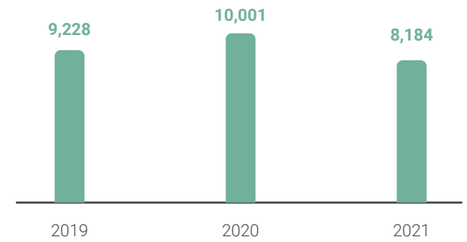
To manufacture its products, CMPC uses renewable materials from cellulose and non-renewable materials from fossil fuels, minerals and/or metals.

96% of the inputs used by CMPC are categorized as renewable materials, corresponding to raw materials for manufacturing products and packaging materials.

Non-renewable materials include recycled materials, mainly used in the product packaging process, such as wire. This total in 2021 amounted to 8,184 tons.

In this same category, chemical materials and plastics (virgin) can also be identified, both in the manufacturing and in packaging processes. This total amounted to 877,143 tons in 2021.

Recycled non-renewable materials (tons)



Cellulose is one of the most abundant polymers on the planet and could be **one of the most efficient responses to the environmental crisis.**

Materials used by type and process (tons)

Category	2019	2020	2021
Renewable			
Raw Materials	18,556,948	20,913,874	20,497,754
Packaging	25,469	30,559	34,357
Total renewables	**18,582,417**	**20,944,432**	**20,532,111**
Non-renewables			
Chemicals	901,825	885,908	826,409
Packaging	52,161	56,216	58,917
Total non-renewables	**953,986**	**942,124**	**885,326**

Source: Sustainability Management.

[SASB CG-HP-410a.1]

In the case of Softys products, it is also a challenge to integrate renewable or recycled materials in the packaging. It is in this scenario that Elite Eco was born.

At Softys, packaging[15] are:
12% renewable materials.
12% recyclable materials.

Materials used in packaging (tons and percentages)

[SASB RT-CP-410a.1]

Category	2019		2020		2021	
	Tons	%	Tons	%	Tons	%
Renewable	25,469	32.8%	30,559	35.2%	34,357	36.8%
Recycled	14,614	18.8%	13,837	15.9%	14,938	16.0%

Source: Sustainability Management.
Note 1: Aggregate information does not include internally purchased inputs to avoid double counting.
Note 2: Edipac's subsidiary is not considered, since it is a distributor.
Note 3: Finished products are not considered, because they do not correspond to the raw materials category.
Note 4: Within the parameters, it is assumed that the wire and cardboard for packaging is recycled.
Note 5: In those cases where raw materials are purchased between CMPC plants, they are not included to avoid double counting.
Note 6: The recycled category includes a fraction that is also renewable, corresponding to cardboard used as packaging.

Circularity

[GRI 301-1]

CMPC **reincorporates pre- and post-consumer paper and cardboard waste as raw material in its production processes.** This is done through the recovery and subsequent recycling of waste or secondary raw materials generated by the same plants belonging to the Company or third parties.

The use of recovered fiber generates positive impacts both at a social level, by generating a source of income for those who collect and sell paper and cardboard waste; and also at the environmental level by reducing waste going to landfill, promoting the use of secondary raw materials from the market, extending their useful life and reducing the use of virgin resources in accordance with the principles of the Circular Economy.

Recovered and recycled material, by origin (tons)

Origin	Category	2019	2020	2021
Recovered and recycled fiber in CMPC's production processes	Fibras Argentina, Chile, Peru	360,782	313,430	281,953
	Third parties	279,208	284,793	376,288
	Between facilities (intersubsidiary)	29,063	29,337	31,673
	Total	**669,054**	**627,561**	**689,914**
Fiber collected through subsidiaries or exclusive paper and cardboard collection programs	Argentina	7,074	1,892	-
	Chile	296,941	259,763	284,053
	Peru	88,251	70,117	77,967
	Total	**392,266**	**331,772**	**362,020**

Source: Sustainability Management (SoFi).
Note 1: Fibras is present in Argentina, Chile and Peru. They correspond to subsidiaries engaged in the collection of pre- and post-consumer paper and cardboard. In Chile, the company belongs to the Biopackaging business (Corrugated subsidiary), while in Argentina and Peru it belongs to the Softys business.
Note 2: Recovered and recycled fiber considers the waste paper and cardboard that the Fibers subsidiaries sold internally to CMPC plants. On the other hand, the fiber collected through the paper and cardboard collection subsidiaries includes purchases of paper and cardboard from the domestic and foreign markets. Therefore, the figures for each category will not add up to the same amount.
Note 3: At the end of 2020, the paper and cardboard recovery subsidiary in Argentina closed its operations.

The Fibras business unit (Sorepa) aims to develop the collection and recovery market for these papers and cardboard.

Recovered and recycled fiber quantity (tons)

[RR-PP-430a.2]

Category	2021	Percentage
Recycled	14,938	2%
Recovered	769,981	98%
Total	**748,919**	**100%**

Source: Sustainability Management (SoFi).

In 2021, the supply of fibers recovered compared to 2020, improving the availability of fibers given the collection model in partnership with the main retailers, which generate waste paper and mainly cardboard.

Fibras maintains a work program with the Metropolitan Association of Municipalities of Santiago Sur (Msur, for its acronym in Spanish) for environmental and waste management, which groups the fibers in collection centers where they are picked up by CMPC. It currently works with the municipalities of La Granja, La Cisterna, El Monte, San Joaquín, La Reina, Curacavi, San Bernardo, Santiago, Cerrillos, San Miguel and Macul in the Chilean capital.

Grassroots recyclers

These natural persons recover paper and cardboard, which are raw materials for CMPC's production, having in this sense a fundamental role in the promotion of the circular economy.

In 2021, we continued to support grassroots recyclers due to the pandemic, delivering 1,000 support kits with hygiene products.

Grassroots recyclers in Chile	2020	2021
Number of grassroots recyclers	1,624	1,344
Fiber recovered by grassroots recyclers (tons)	48,553	37,982

Source: Fibras.
Note: In 2021, a methodological change was made in the calculation of the number of grassroots recyclers, moving from the monthly average of suppliers to the total number of people who sold their products to CMPC.



Paper and cardboard recovery yard, Fibras subsidiary, Chile.

CHAPTER FOUR

Coexist

What will you find in this chapter?

1 min.

- CMPC has a Diversity and Inclusion policy, through which it encourages actions in gender equity, interculturality, generational diversity, disability and sexual diversity.
- In 2021, preventive health and safety actions were strengthened in the context of pandemics, to respond to the needs and its care.
- In relation to local communities, CMPC worked on the development of a Community Engagement Framework, which seeks to standardize concepts and processes to establish an adequate link in the territories where it is present with industrial operations.
- Throughout the year, the development and strengthening of spaces for convergence and dialogue for collaborative work with indigenous peoples was delved into.
- The Community Engagement Framework establishes the areas of value creation under which the Company develops its social investment programs that strengthen the link with the communities and promote a better quality of life.

RELATED STAKEHOLDER GROUPS

- **Collaborators**
- **Communities**
- **Indigenous Peoples**
- **Authorities**
- **Non-profit organizations**



4.1 WORKLIFE CYCLE

Our people

(CMF 5.9) (GRI 2-7, 2-8)



Chile. Santa Fe plant employees with their safety equipment, Nacimiento municipality, Biobio region, Chile.

Worklife cycle MAT 2

Our regulatory framework in this matter

- Local regulations and procedures.
- Subcontracting policy[14].
- Selection guidelines
- Internal mobility guidelines
- Company-employee committee

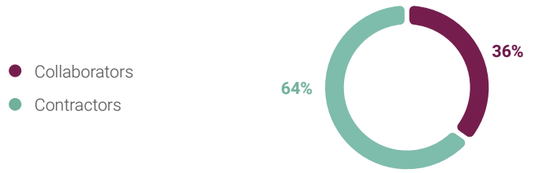
Identified economic, social, environmental or human rights impact.

Part of the company's competitive advantages and its future prospects depend on knowledge management and talent retention and attraction.

Proper talent and knowledge management not only avoids the risk of the inability to retain or attract talent, but also allows us to be proactive, capturing the different opportunities associated with it.

As of December 31, CMPC had 55,956 employees. Among them, 20,068 correspond to CMPC's own employees and 35,888 to service company employees.

Percentage of collaborators and contractors



In 2021, CMPC developed an **organizational restructuring process** that focused on the capabilities of its collaborators.

This process aims to generate skills in employees to meet the challenges of the future, such as the increasing digitalization and automation of processes. To this end, an internal process was carried out to define competencies and capabilities, creating central and corporate structures that support the company's business areas comprehensively, visualizing opportunities for improvement in their management.

The worklife cycle consists of four stages:

ATTRACTION AND RECRUITMENT > DEVELOPMENT AND TRAINING > PERFORMANCE EVALUATION > TALENT RETENTION

[14] CMPC has a subcontracting policy. This states that only up to 40% of the work assigned may be subcontracted. In no case may 100% of the work be subcontracted, nor may it be subcontracted to a second level, i.e., the subcontractor subcontracts again.

ATTRACTION AND RECRUITMENT

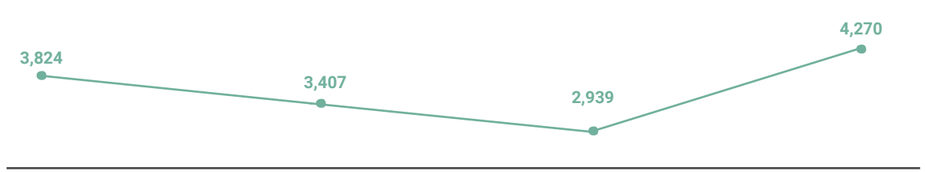
MI PAPEL
https://cmpc.csod.com/ux/ats/careersite/4/home?c=cmpc

CMPC seeks to consolidate its position as an employing brand that attracts new talent. To this end, it has several mechanisms for dissemination and attraction.

The Mi Papel portal contains information and selection processes for applicants in all the countries in which the Company is present, and the internal portal Mi Fibra (My Fiber) provides job opportunities for internal mobility.

In 2021, 4,270 people joined CMPC, of which 27.6% are women.

New employees



Source: People & Organization Management.

CMPC takes into consideration the **incorporation, development and human talent retention with the purpose of consolidating the company as the best place to work**, creating flexible, safe and inclusive work environments.

Training local talent

CMPC is developing a project that involves connecting local talent with the needs of the Company. In the first half of 2022, CMPC will work with universities in the Biobio Region (Chile) to deepen its understanding of the labor market, which will result in generating attractive job offers for young local talent.

TRAINING AND DEVELOPMENT

[GRI 404-1] [CMF 5.8]

In 2021, emphasis was placed on training in leadership positions, to improve and progress in the development of formal dialogues between teams, improve closeness with management and operations efficiency, through BEST ✻.

BEST
Cap 3.

As of this year, CMPC has four educational axes that can be found in Mi Fibra[15]:

Functional and technical
Targeted to the needs of the operation. These are skills, abilities and knowledge necessary for the development of work activities.

Certifications
Focused on regulatory standards, standard certifications and audit processes.

Method
It is built based on the BEST Model and articulates training actions that give strength to the common objective, efficient processes and continuous improvement.

Conduct
Leadership view leveraged on culture, resulting in climate and performance actions.

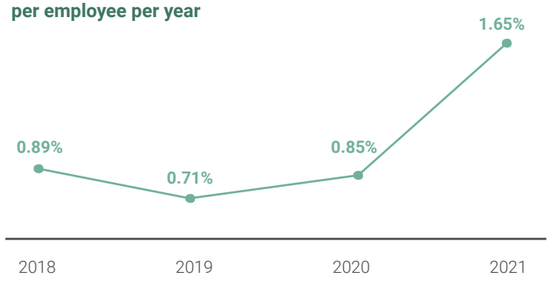
The foregoing leads to different topics covered in the training sessions:

Corporate competencies and people development:
transversal actions, which translate into leadership programs.

Social scholarships:
Specialization through studies with university organizations. Defined through the need for individual and corporate development (internal application).

Technical Training:
Training courses based on operation needs:
- Diplomas and postgraduate courses
- Seminars, congresses and workshops
- Specific courses
- Office automation courses (operating systems)
- Lenguages
- Health and safety risk prevention

Average percentage of training hours per employee per year



Source: People & Organization Management.

In 2021, the Company **invested USD 2,612,996 and doubled the average training time compared to the last three years.**

In 2021, 14,939 people were trained, including executives, Operators, professionals and technicians, representing more than 74.35% of the staffing, with a total of 715,227 hours invested in training.

[15] Portal for all employees, whose objective is to integrate people management processes.

Education and training 2021

Position	Total hours		Average hours		Number of trained	
	Men	Women	Men	Women	Men	Women
Executives	39,977	11,616	36.5	32.6	1,095	356
Professionals and technicians	144,680	147,283	41.1	86.3	3,519	1,707
Operators	340,715	31,006	46.2	34.7	7,369	893
Total	**525,372**	**189,905**	**43.8**	**64.2**	**11,983**	**2,956**

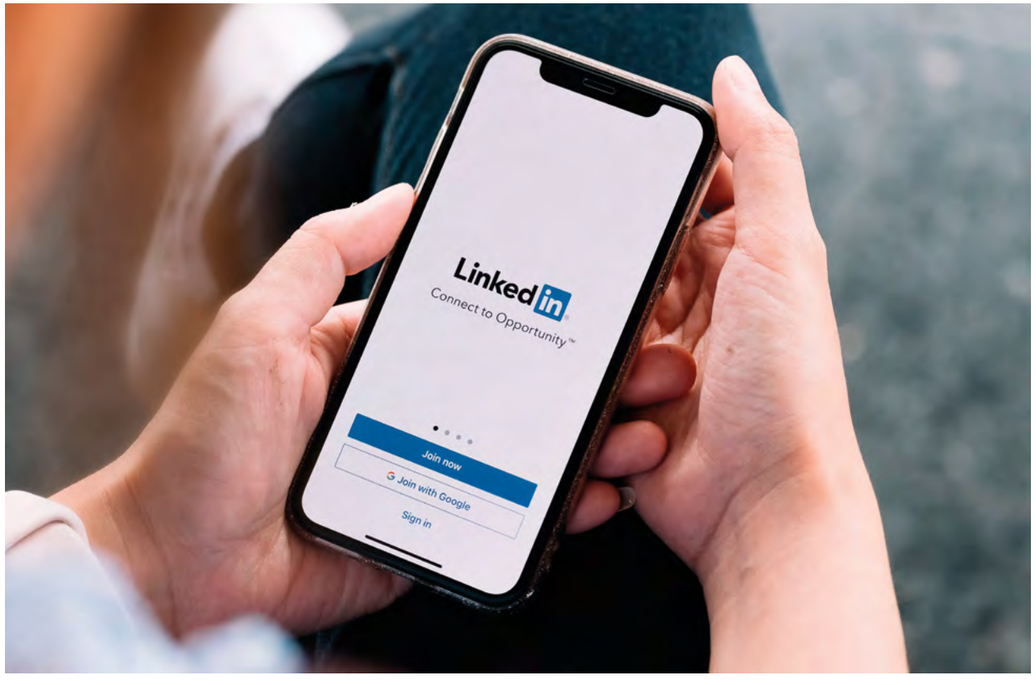
Source: People & Organization Management.

LinkedIn training pilot

In 2021, a pilot education and training program on the LinkedIn platform was carried out with 120 employees from all countries of operation.

In this space, different coaching and training resources were made available, so that participants could receive knowledge in their different areas of interest. The pilot has shown that these courses have more than 80% participation of the employees enrolled and they invest more time in training.

Given the good results, it is expected to expand this project during 2022.



PERFORMANCE EVALUATION

[GRI 404-3]

For the development of the performance evaluation, CMPC has the Mi Fibra platform, containing online and in real-time information for each employee. The performance evaluation is carried out at two levels:

1

Executive, professional and technical level, they are evaluated through objectives and competencies.

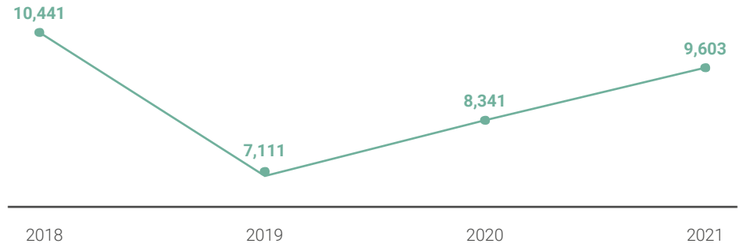
2

Operational level, it is measured by the fulfillment of behaviors associated with competencies.

The evaluation cycle includes the following stages:

1. Objective setting.
2. Mid-year performance monitoring and discussions.
3. Self-evaluation.
4. Management evaluation and calibration.
5. Annual performance discussion.

Number of evaluated



Source: People & Organization Management.

THE COMPETENCIES ARE:

- Openness to change and continuous improvement
- Leadership and empowerment
- Management skills
- Networking
- Achievement orientation and excellence
- Sustainable business management

In the case of the evaluation of the executive, professional and technical levels, the 5 stages are carried out, while at the operational level, the last three stages are considered.

In 2021, **9,603** people were evaluated, which corresponds to **47.8%** of the staffing.

TALENT RETENTION

Talent management

CMPC has implemented the "Talent Review" as a management model for identifying talent among collaborators, which allows mapping and making decisions regarding their mobility opportunities.

For this purpose, 9-box tool is used, which allows us to identify the people who may have succession plans for critical and leadership positions (including the General Manager and senior executives), as well as the time needed for preparation. Also, it allows identifying which people can take over the positions for a limited period of time in case of emergency.

Finally, the "Calibration Processes" take place, where the manager meets with each member of the team to align identification and evaluation criteria for development and succession. If there are no internal candidates or candidates with the required qualifications within the succession plans, external talent is sought.

In 2022, each CMPC employee will be encouraged to build his or her individual development plan in Mi Fibra, where activities can be monitored and reviewed. Also, the registration of the Individual Development Plan (PDI, for its acronym in Spanish) will be part of the company-wide targets associated with building a future in People.

Benefits

CMPC has multiple benefits for its employees, both transversal and specific, which depend on each plant. Among these, the following areas stand out transversally:

HOW IS 9-BOX MEASURED?

Performance:
From the annual performance evaluation, composed of organizational objectives and competencies.

Potential:
Is the result of nine questions that address the attributes of learning capacity, attitude of commitment and aspiration for professional growth.

Work-life balance

Recreation, stress and pressure management, with sports facilities, psychological support for collaborators and their families.

Quality of Life

Agreements and discounts with different entities to opt for recreational activities, among others.

Health and insurance

Preventive health programs and exclusive coverage with agreements for life and supplementary insurance, among others. In 2021, a vaccination program against influenza was carried out for all employees.

Financial security

Allowances, payments, investments, savings tips, highlighting the payment of the first three days of medical leave and advance medical subsidies, among others.

Considering the changes brought about by the pandemic and for those positions whose work allows it, in 2021 a flexible return was made with in-person and remote schedules. **51% of the people are under job adaptability or teleworking.**

Your Fiber

Starting in 2020, the Company began an internal working environment measurement to obtain quick information that would allow for regular monitoring of the organization's concerns and to focus efforts on their development.

Working environment model

COMMITMENT TO THE WORKPLACE

Corresponds to the energy and enthusiasm that people feel when performing their work. It is directly related to high performance.

IDENTIFICATION WITH THE COMPANY

Refers to the degree of belonging that the person perceives about the organization, similar to the sense of family. Its impact can be seen in aspects such as quality-oriented and a job well done.

ATTITUDE TOWARDS THE ORGANIZATION

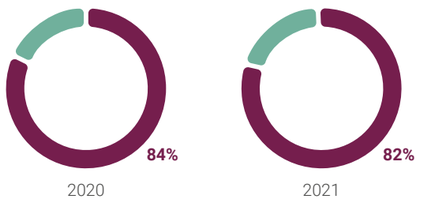
Is defined as the employee's positive evaluation of the job and what it means in his life. Positive results correlate with employee permanence within the organization and negative results correlate with increased turnover.

Conditions of the work environment under which the employees perform their duties:

- **Individual:** own work environment
- **Team:** social environment with work group
- **Organization:** global environment of the company

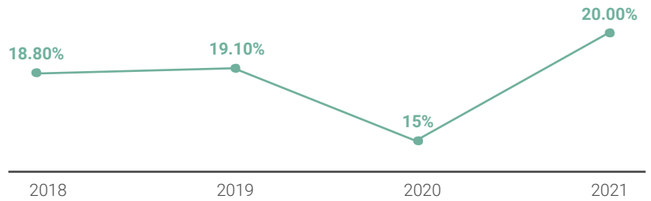
Eight out of ten employees keep a very positive perception of their working environment; even though the state of commitment, identification and positive attitude towards the organization, which reflect the motivation and attitudes of employees towards the Company, decreased by two percentage points compared to 2020.

Employee satisfaction



Source: People & Organization Management.

Turnover rate



Source: People & Organization Management.

In 2021, a sexual and workplace harassment prevention course was held, which involved the organization's leaders, and a webinar course in which more than 400 people participated.

In 2021, turnover reached **20%, 5% more** than in the previous period

Labor relations

[102-41; 407-1; 2-30]

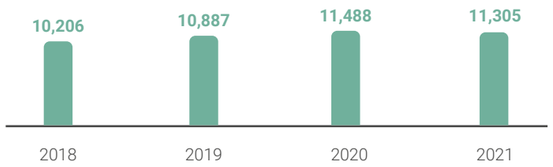
CMPC has 56 union organizations with which collective bargaining is conducted independently and in environments where the search for agreements, respect and communication are favored.

The Company respects the right of association of its employees, promoting instances with an open and permanent work of coordination and dialogue between the company and its collaborators, which is extended to the service companies.

Each subsidiary has freedom of association to form groups and collective bargaining agreements. Thus, 56.3% of the workforce is unionized and 60.3% is covered by collective bargaining.

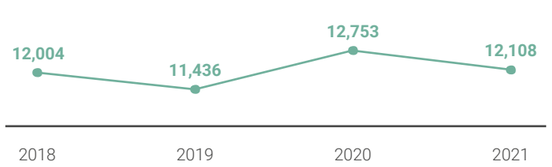
This is because there are 803 workers who are not members of a union; however, they are covered by collective bargaining agreements, representing 4% of the staffing.

Unionized workers



Source: People & Organization Management.

Workers covered by collective bargaining



Source: People & Organization Management.

In 2021, there were no episodes of strikes and/or shutdowns of activities at any of the Company's facilities with the presence of labor unions.



Employees at the Puente Alto complex, Metropolitan Region, Chile.

Creating culture

Employees at Santa Fe plant, municipality of Nacimiento, Biobio region, Chile.

Diversity & Inclusion MAT 1

Why is it relevant?

Gender equality is a fundamental human right that still presents important gaps in the domestic, financial and labor spheres, among others. According to the World Bank, with respect to labor participation, the gender gap between 25 and 54 years of age has stagnated in the last 20 years.

Also, United Nations studies on people with disabilities indicate that approximately 386 million people of working age have a disability, 80% of whom live in developing countries. Diversity, in a multinational company like CMPC, is part of its internal culture.

Identified economic, social, environmental or human rights impact.

The company is proactive in the drive to broaden diversity and delve deeper into inclusion, therefore, while it is an opportunity, any situation that may affect this process is also considered a negative impact for the organization.

Regulatory framework

- Diversity and Inclusion Policy which has four guiding principles:
  1. Care and respect
  2. Objectivity
  3. Transparency and integrity
  4. Responsibility
- Model of labor inclusion

What is the challenge?

- Ensure compliance with corporate goals. Additionally, it is important not only to generate projects along these lines, but also to generate a culture of diversity where each person can develop their potential.

For CMPC, human **diversity is multidimensiona**l, and the company understands that to conform high-performance teams it is necessary to recognize the best talents, regardless of their differences.

DIVERSITY AND INCLUSION POLICY

https://www.cmpc.com/pdf/Pol%C3%ADtica-de-Diversidad-e-Inclusión-2021.pdf

Diversity & Inclusion Program

This Program seeks to promote the development of safe workplaces where people feel valued and respected, without distinction.

REPORTING HOTLINE CHANNEL

https://lineadenuncia.cmpc.cl/Denuncias

To achieve a cultural change, in 2021 CMPC deepened the work to identify existing barriers among employees. With this result, it developed a work plan that includes training and awareness raising through e-learning for the entire organization and in-person talks, as well as informing and promoting the use of the reporting hotline channel.

An annual measurement of the culture of diversity and inclusion is established through the climate survey.

The working environment survey includes questions related to the company's appreciation for diversity. In 2021, **the score for this increased from 75 to 77 points**, compared to 2020.

The program considers the following five development focuses:

- Gender Equality
- People with Disabilities
- Interculturalism
- Sexual Diversity
- Generational Diversity

GENDER EQUITY

All efforts in gender equity have led CMPC to increase in historical percentages the proportion of women in the organization, which is reflected in an upward trend, reaching 18.1% of the total and 23.3% of women in leadership positions.

It also has 23.5% of women in science, technology, engineering and mathematics (STEM) degree-related positions and 25.9% in sales management positions.



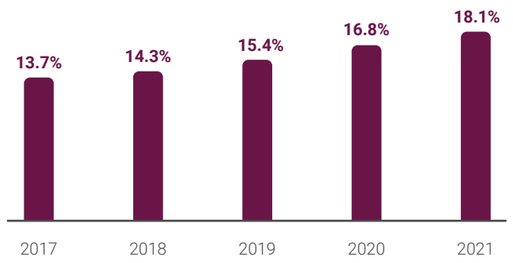
Francisca Brizuela, Safety and Emergency Brigade Supervisor, Cordillera Plant, and Constanza Soto, Biopackaging Risk Prevention Analyst, at the Papeles plant, Puente Alto, Metropolitan Region, Chile.

In 2021, the focus was on gender training for the teams. March was declared gender equity month at CMPC, and as a result, four open discussions were held, followed by specific work with managers, both in the form of talks and manuals and recommendations to share with their teams. The contents of the courses were:

HARASSMENT AND VIOLENCE
Cap 6.

GENDER STEREOTYPES
CO-RESPONSIBILITY
POSITIVE MASCULINITIES
HARASSMENT AND VIOLENCE ❊.

Women in the organization by year (%)



Source: People & Organization Management.

Due to the **progress in the hiring of women in the organization**, in December 2021, the Company re-defined the targets, making them more demanding.

Achieve **25%** of the company's staffing with **women by 2025**.

Target performance increasing proportion of women

Category	Baseline 2019	2020	2021	Goal 2025 (25%)
Performance (nº)	13.7%	14.2%	15.4%	25%
Yearly change (nº)		0.5%	1.7%	11.3%
Progress (%)		4.4%	15%	100%

5.5

Source: People & Organization Management.
Note: These percentages exclude Softys subsidiary.

To have **30%** of leadership positions held by **women by 2025**.

Target performance increase in the proportion of women in leadership positions

Category	Baseline 2019	2020	2021	Goal 2025 (30%)
Performance (nº)	15.9%	15.2%	17.4%	30%
Yearly change (nº)		-0.6%	1.5%	14.1%
Progress (%)		-4.5%	16.3%	100%

5.5

Source: People & Organization Management.
Note 1: Leadership positions refer to senior executives, managers, assistant managers and heads with/without personnel reporting to them.
Note 2: These percentages exclude Softys subsidiary.

First Women in Edipac operation

Edipac was the subsidiary selected in 2020 for installing three double handle paper bag manufacturing lines for retail. As a result, in 2021, it had to restructure its operation upon receiving the new machines.

In that context, 40 people were hired in the production process, among them the first women at Edipac.

Achieving their hiring was not easy. To this end, **the subsidiary began working with the People & Organization Management to train the entire plant on issues of diversity and inclusion, sexual and workplace harassment, among other matters, to create an inclusive space.** In addition, the facilities were adapted, for example, in the locker room area.

Sandra Cariaga was one of the women who joined Edipac, in the same period when migrants also joined the company to fill the job vacancies.

"I started working on April 14, 2021 thanks to a friend who had joined the plant, she told me about this opportunity and I took it. As for the hiring of women **I think it is good that there is parity; I see that there is kindness and respect among all the coworkers".**

Personally, I had never worked with so many men and it has been a big change for me. Everyone has been very respectful and I appreciate that, I have had no problems with anyone and I have been through all the machines.

There are people who ask me "How are you working there?" and the truth is that I have felt great. I think it is possible for more women to get in, **if I can do it, why cannot someone else?** The important thing is that they like it. Besides **there is trust from the teams and the heads,** something I haven't seen in other jobs".

Sandra Cariaga Troncoso
Process Assistant
(end of line) Edipac plant



Wage gap

[GRI 405-2] [CMF 5.4]

In accordance with the 2020 fiscal year, CMPC performed a new measurement for the calculation of the wage gap based on the 2021 earnings in effect at the end of December. The results still show a gap in favor of men in the Executives and Managers and Operators categories, the latter being the category where the organization's greatest challenge is observed. On the other hand, in the professionals and technicians category, the gap is in favor of women by 4.3%.

Wage gap	2020	2021
Executives and managers	109.9%	93.1%
Professionals and technicians	81.4%	104.3%
Operators	81.8%	83.9%

Source: Corporate People Management
Note: This indicator was included in the verification scope.

Chilean Financial Market Commission

In compliance with the request of the Commission for the Financial Market (CMF, for its acronym in Spanish), CMPC reports the mean and median wage gap, which considers all current collaborators at the end of 2021 and does not consider other variables or scopes in the measurement. The result is as follows:

Mean wage gap

Wage gap	2020	2021
Executives and managers	77.7%	85.20%
Professionals and technicians	94.3%	86.65%
Operators	82.7%	74.21%

Source: Corporate People Management.

The mean shows that women on average receive 85.2% of men's wages in the case of executives and managers, 86.65% in the case of professionals and technicians, and 74.21% in the case of operators.

Median wage gap

Wage gap	2021
Executives and managers	88.45%
Professionals and technicians	84.75%
Operators	69.40%

Source: Corporate People Management.

The median shows that women receive 88.45% of men's wages in the case of executives and managers, 84.75% in the case of professionals and technicians, and 69.4% in the case of operators.

INICIATIVA DE PARIDAD DE GÉNERO CHILE

CMPC has been a member of the Chile Gender Parity Initiative (IPG, for its acronym in Spanish) since 2017, a public-private project promoted by the Inter-American Development Bank, the World Economic Forum and the Ministry of Women and Gender Equity of Chile, which seeks to transform the contexts that maintain economic gender gaps in that country, as well as to enhance the participation of women in the labor market.

In 2021, the IPG parity index provided a baseline diagnosis and an analysis of good practices to reformulate and deepen the work plans focused on this matter.

Co-parenting: Parental Leave

[CMF 5.7; GRI 401-3]

CMPC is committed to joint parental responsibility and work-life balance. Among the actions and benefits provided to its employees is an extended postnatal leave, which since 2020 is 10 days for the birth of a child for men. This benefit is an incentive for joint parental responsibility. For women, pre- and postnatal leave is governed by the legislation of each country.

Employees who made use of their pre and postnatal leave in 2021

Position	People entitled to postnatal leave			People who made use of postnatal leave			Postnatal leave average days	
	Men	Women	Total	Men	Women	Total	Men	Women
Executives, managers and heads	11	16	27	11	16	27	15	329
Professionals and technicians	97	62	159	97	62	159	25	387
Operators	259	50	309	259	50	309	35	273
Total	**367**	**128**	**495**	**367**	**128**	**495**	**32**	**335**

Source: People & Organization Management.

People who returned to work in 2021

Category	Men	Women	Total
Employees who have returned to work during the year	334	107	**441**
Rate of return to work during the year	91	84	**89**
Employees continuing after 12 months of leave	322	107	**429**
Retention rate	96	100	**97**

Source: People & Organization Management.

CMPC takes into **consideration the importance of parental co-responsibility** and a balance between personal and work life, which at the same time reflects the actions developed on gender equity.



Pulp Jumbo, Pando plant, Softys Uruguay.

PEOPLE WITH DISABILITIES

CMPC has a Labor Inclusion Model, which ensures the correct inclusion of people with disabilities and their development.

In 2021, a sign language course was launched, available through e-learning for all of Chile.

To achieve 2,5% of the workforce **with people with disabilities by 2025**.

Target performance increase in staffing for people with disabilities

Category	Baseline 2019	2020	2021	Target 2025 (2.5%)
Performance (nº)	1.43%	1.34%	1.29%	2.5%
Yearly change (nº)		-0.1%	-0.1%	1.1%
Progress (%)		-9.2%	-13.5%	100%

10.2

Source: Corporate People Management.
Note: These percentages exclude Softys subsidiary.

ReIN
RED DE EMPRESAS INCLUSIVAS

In 2021, CMPC signed a collaboration agreement with Sofofa's Inclusive Companies Network a group of companies that seeks labor inclusion of people with disabilities. This agreement gives member companies access to talks, best practices and mentoring by expert companies.

CMPC was part of a pioneering initiative in Chile, the First Inter-company Diversity Week, where 25 organizations joined in a virtual meeting that aimed to promote the creation of safe and respectful spaces that allow collaborators and clients to achieve their best version of themselves, regardless of gender, sexual orientation, nationality or disability.

The Diversity Week consisted of two talks per day according to each theme: equity, interculturality, generations, inclusion of people with disabilities and the LGBTIQ+. community.

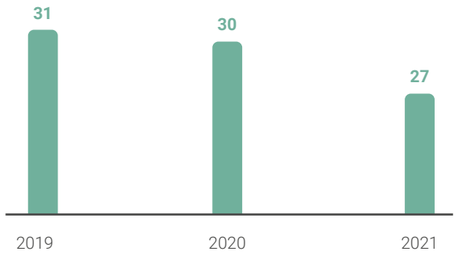
Also, ReIN delivered a set of specific training courses from its Expert Training program on this topic, which were given to the prevention, labor administration and talent attraction teams, which are the first ones to welcome people with disabilities.

INCLUSIVE COMPANIES NETWORK
https://empresainclusiva.cl/rein/

INTERCULTURALITY

Another focus of the D&I program is to have diverse teams that represent a true reflection of the societies where the Company operates.

Nationalities



Source: Corporate People Management.

Currently, CMPC **has operations in 11 countries and employs people of 27 nationalities, totaling 404 collaborators,** i.e. people who work in a country other than their country of origin.

In 2021, massive talks were held on the value of interculturality in the workplace

CMPC is part of the Intercultural Business Network of the Jesuit Migrant Service (SJM for its acronym in Spanish), a collaborative space based on the promotion of interculturalism in private sector organizations.

SJM
https://sjmchile.org

SEXUAL DIVERSITY

Sexual diversity is another focus of the program. For its implementation, a gender transition protocol was developed in 2020 to support employees in this process and to provide timely guidance on the actions to be taken in the event that an employee requires it.

In 2021, the program focused on sharing the topic with employees.

In June, a series of **talks were held** in the framework of **LGBTIQ+ Pride Day**, which sought to educate about the context of this day and about the view that the Company has.

GENERATIONAL DIVERSITY

The fifth focus of the program deals with generational diversity. During the inter-company diversity week, led by ReIN, there was also access to talks related to the importance of generational diversity and its positive impact on organizations.

At CMPC, there are currently **12 employees over 70 years of age** and in 2021, two older adults joined the company.



Carlos Douglas Nursery, Collipulli, Chile.

Ana Ilha, Painel Operator at Guaiba plant, CMPC Brazil.

4.3 HEALTH AND SAFETY

Creating a culture of care

Health and safety MAT 1

Why is it relevant?

Healthy and safe working conditions are recognized as a human right and are covered by numerous intergovernmental instruments, such as the International Labor Organization (ILO), the Organization for Economic Cooperation and Development (OECD) and the World Health Organization (WHO). The commitment to employee health and safety involves creating a culture through different prevention plans.

Identified economic, social, environmental or human rights impact

Accident risks with high consequences of irreparable damage, or even a fatality, are identified as a triple impact for the organization, in terms of human rights, social, economic and other areas. Any situation that could involve an accident or serious illness for a collaborator is considered a risk of the utmost importance for CMPC.

Our regulatory framework in this matter

- Health and Safety Management Systems based on ISO 45001:2018.
- Covid-19 Protocol
- Local legislation
- Integrated Health and Safety Policy
- Procedures by business area

What is the challenge?

- The challenge is to achieve zero fatalities in direct employees and contractors annually. Given this, it is important to consolidate all safety models and internally review processes to avoid accidents and to create a preventive culture throughout the organization, without exception.

Achieve zero fatalities in its operations, both for direct employees and contractors.

Target performance zero fatalities

Category	2019	2020	2021	Annual target
Collaborators	1	0	1	0
Contractors	1	0	1	0
Performance (N°)	2	0	2	0

8.8

Source: OHS areas (Pulp, Celulosa, Maderas, Bosques, Biopackaging, Softys and Corporate Building).

Collaborators at Pulp's Laja plant, Biobio region, Chile.

Safety is a value

[CMF 5.6, GRI 403-9, 403-10]

Main OHS figures in 2021

OHS Indicator	Collaborators	Contractors
Occupational diseases	30	NI
Occupational disease rate	0.15	NI
Fatalities	1	1
Fatality rate	5.05	2.90
Accident rate	0.72	0.34
Lost work rate	27.33	16.78
Frequency rate	3.28	2.00
Severity rate	124.29	98.91
Average lost days due to accidents	37.87	49.53

Source: Celulosa, Pulp, Maderas, Bosques, Biopackaging, Softys and Corporate OHS areas.
Note 1: The number of occupational diseases does not account for those persons infected with Covid-19.
Note 2: The calculation formulas for the reported rates and indices are found in the Annexes section of this integrated report.

Last year, the Company regretted the death of one of its direct collaborators at Biopackaging and a contractor at Bosques. Each of these business areas **analyzed what happened in depth** and took the corresponding **actions**, reinforcing preventive measures for employees and contractors.

Management systems

[GRI 403-1 403-8]

CMPC'S CERTIFICATIONS
https://www.cmpc.com/certificaciones/

The business areas have Health and Safety Management Systems based mainly on the international standard ISO 45001:2018, each of which sets out the requirements for implementing an occupational health and safety culture. This considers processes such as: organizational context analysis, risk and opportunity management, non-conformity management and incident investigation, operational control, change management, behavioral and leadership management, among others.

The management systems apply to direct collaborators and contractors, covering 100% of the facilities. All are audited and in some cases are certified, thus enabling policies, plans and objectives to prevent and control risks that may occur in the work area.

A task for everyone

[GRI 403-2]

Business areas **develop analyses of their risks and prepare matrices of all operations and activities** to evaluate and manage them on an ongoing basis. Given the hierarchy of these matrices, the first step is to eliminate the risk factor and, if this is not possible, to establish controls for the most significant ones.

Critical risks identified

PULP

- Work requiring isolation, blocking and verification of zero energies
- Chemical exposure
- Work at height
- Work in confined spaces
- Hot work
- Lifting and loading
- High-pressure power washing
- Thermal overload
- Electrocution
- Excavation work

MADERA

- Work at height
- Work with suspended load
- Hazardous atmospheres in confined spaces
- Exposure to ionizing radiation
- Contact with equipment with moving parts
- Electrocution
- Hot work
- Exposure to high temperatures
- Falling materials
- Working with pressurized equipment
- Handling of manual tools and equipment
- Landslides and falls due to excavations
- Run over by rolling equipment

BOSQUE

- Crushing
- Cargo Vehicle Traffic Accident
- Fall from height
- Personal ambush in the field
- Uncontrolled wildfires
- Burning of forest machinery
- Burns and/or asphyxiation by wildfire
- Rural violence attacks
- Traffic accidents

BIOPACKAGING

- Work at height
- Lifting and suspended load
- Blocking and isolation
- Hot work
- Machine trapping protection
- Electrical contact
- Operation of rolling equipment
- Passenger transportation
- Cargo transportation
- Fire and explosions

SOFTYS

- Trapping by parts and pieces of moving equipment
- Fall from height
- Asphyxiation due to confined space entry
- Run over by self-propelled loading equipment
- Crushing by lifting operations
- Electrocution
- Fires

Each business promotes the participation of its workers in the development and implementation of procedures to **build a preventive health and safety culture.**

All business areas have a preventive safety management, where hazards are identified and risks are assessed and controlled in the execution of the work. To this end, the contribution of each of the plant's workers, whether they are employees or contractors, is essential.

The involvement of collaborators in this process allows for different instances of participation (work tables, meetings, surveys, preventive observations, incident investigation, etc.), to jointly analyze risk factors and adopt the corresponding measures, ensuring the participation of the safety committees.

In 2021, 280,996 preventive observations were received among CMPC business areas

Occupational diseases

[GRI 403-3, 403-6]

All facilities have identified and monitored the agents that cause occupational diseases, as well as implemented controls for the proper and timely management of each one of them.

All workers categorized as "at risk" are under strict monitoring and evaluation programs with qualified entities. Preventive education campaigns and recommendations are made to all workers regarding these risks. Also, early action can be adopted in cases of damage (relocation).

The most recurrent occupational diseases are the result of occupational noise (sensorineural hearing loss) and musculoskeletal disorders caused by repetitive movements of the upper extremities (tendinitis).

The response to these cases is to implement acoustic enclosures for machines that protect exposed employees, programs for the observation of safe practices associated with the correct use of hearing protection and ergonomic work plans.

Medical and non-work related health care services are carried out through the People and Organization area, including health promotion campaigns, psychological care and campaigns related to people's wellbeing. Also, some plants have health facilities to deal with work-related emergencies and common illnesses by referring them to specialists.



César Cárdenas, Santa Fe plant in Nacimiento, Chile.

4.4 COMMUNITY ENGAGEMENT

To be a factor of development in the territories

Manuel Echeverría, potter in Nacimiento, Biobío region, Chile.

Community engagement MAT 1
Local development MAT 2

Why is it relevant?

CMPC has forest and industrial operations in different geographical locations, which have positive and negative impacts and, in turn, interact with local communities.

For this reason, the Company understands the importance of maintaining close relationships with these communities through a permanent community engagement, becoming drivers of local development and creating opportunities for its neighbors, to produce economic, social and environmental value in the territories where it operates.

Identified economic, social, environmental or human rights impact.

Understanding that CMPC's operations have both positive impacts - such as the employment generation and the revitalization of local economies -and negative impacts- such as noise, dust emissions, damage to road structures, among others - the relationship with its communities is of high relevance. The Company poses a risk to its continuity and social license to operate if these engagements deteriorate.

Our regulatory framework in this matter

- Community Engagement Policy
- Social Management Framework
- Social Plan

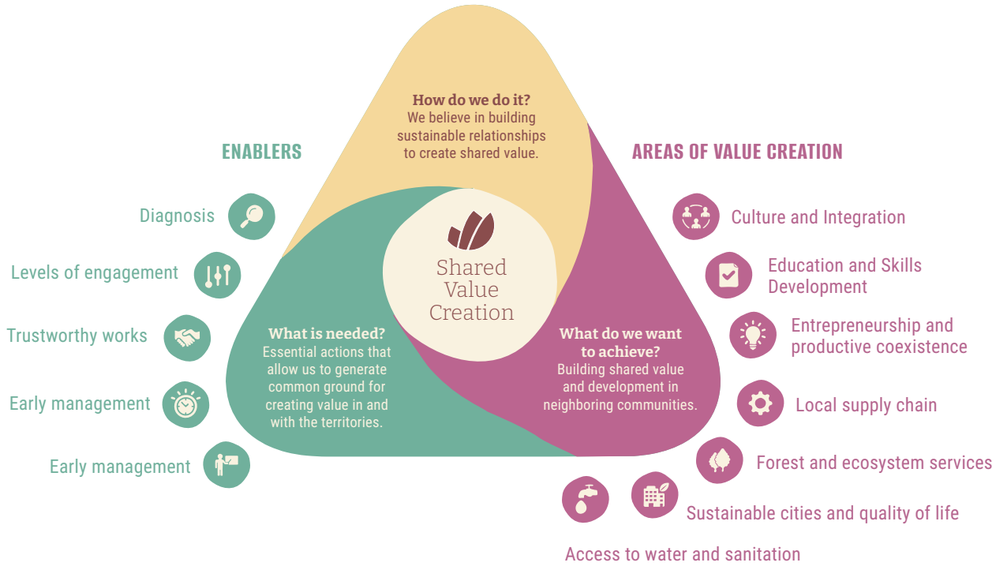
What is the challenge?

- Being a contribution to local community development implies maintaining permanent relationships with its members through a permanent dialogue forged by areas of value creation and trustworthy work.
- In terms of engagement, there is a monitoring process through a biannual community perception survey to learn about the community's perspectives.
- Added to this, it is important to generate impact measurements of social investment projects, a tool that is currently under development, to really know the contribution of the initiatives developed in the territory.

Community Engagement Framework

[GRI 413-1, CMPC 7]

The **search for opportunities for shared value and territorial** coexistence are the fundamental principles of our community engagement, reflected in this framework of actions and areas of value creation.



In the period, **79 community engagement** and local development projects were implemented with a total investment of **USD 41,568,197**[16].

[16]The total community investment includes projects carried out by Celulosa in Argentina, Brazil and Chile in addition to Biopackaging in Puente Alto.

Community engagement vision

The extension of CMPC's operations drives it to be part of the dynamics that develop in the territories where it operates, considering their particularities, needs, identities, histories and interests.

In this context, considering the current scenario of permanent change and because of an internal reflection framed to build the company of the next 100 years, CMPC seeks to assume a relevant role in the creation of shared value with the communities, generating local development opportunities.

With the aim of adequately channeling efforts and articulating management with the different stakeholders that make up the territories, din 2021 CMPC worked on the development of a Community Engagement Framework that gathers, defines and organizes the corporate long-term vision. The framework provides the transversal guidelines for engagement with stakeholder groups present in the Company's areas of influence and establishes the vision and methodologies for community engagement, extensive to all its operating locations.

The Community Engagement Framework has enabling conditions for the proper development of the relationship with the territory and establishes the areas of value creation that the Company works with communities through social investment projects. These actions create value both for the stakeholders with whom it engages and for the territories and CMPC.

EVERYONE GROWS
SOFTYS GROWS

In 2021 Softys, a subsidiary of CMPC dedicated to the manufacture of hygiene and care products, worked on a Community Engagement Policy, which establishes in a concrete manner its value proposal in the territories where it is present, based on four focuses: 1) local hiring, 2) local suppliers, 3) Softys Contigo (Softys With You), and 4) care projects.

ENABLING CONDITIONS

Within the enabling conditions for the engagement, CMPC identifies territorial diagnoses; work action plans customized to each territory; levels of engagement according to presence and type of dialogue established; early management to establish preventive models to minimize or eliminate negative impacts; and trustworthy works.

Trustworthy works are actions or initiatives that facilitate dialogue and consolidate or reestablish communication with neighbors in the territory. These projects may arise from any of the following situations.

Basic needs | Contingencies | Community demands | Conflicts

Some of the trustworthy works carried out in 2021:

Mobile Clinics

Given the socio-epidemiological context caused by the pandemic, in 2021 CMPC continued to provide medical care in municipalities in central and southern Chile through mobile clinics.

In Puente Alto, the goal was to support and care for the older adults in the Company's area of influence by carrying out prevention tests for this group, which is considered one of the most vulnerable to the pandemic. The aim is to improve their quality of life and wellbeing.

Also, in the Biobio and Araucania regions, CMPC provided mobile clinics to reinforce the vaccination process in the most isolated areas.

Investment in USD	Municipality
45,900	Puente Alto
49,400	Municipalities in the Biobio and Araucania regions

3 GOOD HEALTH AND WELL-BEING

3.8

VALUE CREATION AREAS (VCA)

CMPC defines seven Value Creation Areas to develop its social investment projects for its local communities.

CULTURE AND INTEGRATION

EDUCATION AND SKILLS DEVELOPMENT

ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE

LOCAL SUPPLY CHAIN

FOREST AND ECOSYSTEM SERVICES

SUSTAINABLE CITIES AND QUALITY OF LIFE

ACCESS TO WATER AND SANITATION

The VCAs organize the Company's social investment projects. These projects may have more than one value creation attribute among their features or objectives.

Below are some examples of how each Value Creation Area is put into practice:

CULTURE AND INTEGRATION

Support the cultural rescue of community, cultural or historical sites within CMPC's lands and/or highlight the intercultural factors that characterize a territory.

Along with this, we seek to enhance the improvement of sites and use of spaces in conjunction with the community, so that they are spaces for creating shared value, where coexistence with other cultures, dissemination of their customs and cultural practices, promotes development.

Mapuche culture and language: rescue and ancient conservation

Development of a program that seeks to strengthen the capabilities of internal collaborators in indigenous topics. To this end, it promotes knowledge, understanding and learning about the Mapuche worldview, culture and language, with a special focus on those who have relationships with the Mapuche communities located in territories where CMPC has operations.

This project, which began its implementation in 2020 with 50 participants, tripled its participation in 2021, reaching 150 in-house collaborators and another workshop aimed at Mapuche collaborators from local service companies, reaching 100 indirect collaborators. Also, it was supplemented with the incorporation of signage in Mapudungun in the corporate building in the city of Los Angeles.

Furthermore, the program implemented another project aimed at conserving, promoting and enhancing the knowledge of machis and other ancient authorities of the Mapuche people, related to the use of native species for medicinal purposes.

Currently, there is a formal agreement with the Mapuche Intercultural Hospital of Nueva Imperial, where a significant number of machis interact, with whom work has been done on the implementation of greenhouses, species reproduction, infrastructure construction, among other lines of work.


Isolina Huenulao

Program	Investment in USD	Beneficiaries
Mapuche language	100,000	100 collaborators
Mapuche medicine	3,951	20,000 people

CULTURE AND INTEGRATION

11 SUSTAINABLE CITIES AND COMMUNITIES

11.4

EDUCATION AND SKILLS DEVELOPMENT

Focused on providing equal access to quality education in CMPC's areas of influence. This translates into improving or developing different infrastructures that allow better educational processes; providing skills that allow students to access more and better opportunities in the regular education system; empowering and supporting young talents in the community to find their professional vocations, so that the professional offer in the area is increasingly better; and supporting students in degrees related to the industry, so that they can be CMPC collaborators in the future.

ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE

Contribute to the training and/or development of businesses in areas other than those of CMPC, with the goal of diversifying the income production in the territories.

To this end, the company seeks to support the inhabitants through training courses in trades and specific technical training, creating sustainable entrepreneurship and supporting them in ensuring profitability and sustainability over time.

Floresta é Vida: learning natural value

"Floresta é Vida" is an initiative implemented by CMPC in Guaiba, Brazil, in 2002, which supports school projects focused on improving learning spaces for environmental education.

The initiative implements infrastructure improvements to promote learning environments that can stimulate and favor teaching-learning interactions within the framework of promoting sustainable attitudes. The project supports the intervention in schoolyards for the implementation of vegetable gardens and other spaces, which has allowed the use of digital technologies and robotics, as well as the development of micro-enterprises.

CMPC supports projects planned for a period of one year and in the current version, the intervention was extended for two years, adapting the schedules to the context of pandemic and non-presence, responding to the demands of the beneficiary schools.



Investment in USD	Beneficiaries
16,287	3,990

EDUCATION AND SKILLS DEVELOPMENT

FOREST AND ECOSYSTEM SERVICES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
12.4

Kiufy Kimun: weaving trust

The project implemented in the municipalities of Cañete - Contulmo - Tirua - Lumaco in Chile, seeks to train women loom weavers in textile and business techniques for 4 years, to achieve associativity and create high quality products that are representative of the Mapuche culture.

Thanks to this project, the artisans will be able to supply a latent demand that exists in Chile and abroad, creating a sustainable business model in the long term.

"For the last six years I have been a member of the Manos de Contulmo (Contulmo Hands) Association, where we make loom weavings for sale. Women and men artisans of different ages participate in this group. The partnership with CMPC benefited us in being able to work directly with Magdalena Le Blanc, a designer from Santiago, who sends us different models to make different pieces, as well as providing us with the materials for weaving. When they come to pick up the products to be sold at fairs or other places, they give us the materials to continue the cycle.

I think CMPC's support is very good because it gives us the opportunity to reach other types of clients, since it is not always easy to participate in fairs and sell our products. I also believe that the company could extend its contributions to other groups such as chili, chicha or apple vinegar producers who live in the area and can also build a good working network.

I am grateful for the opportunity that CMPC gave us, I think we have to take advantage of it, because they do not do it to receive something in return, but to generate support on a small scale and it is not necessarily associated with forest operations. So I believe we have to get to know them before stigmatizing them."

Sara Leviqueo,
member of Kiufy Kimun.



Investment in USD	Beneficiaries
26.262	40 entrepreneurs

ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE

CULTURE AND INTEGRATION

8 DECENT WORK AND ECONOMIC GROWTH
8.3

LOCAL SUPPLY CHAIN

This value creation area seeks to enhance the development of local suppliers and their collaborators, so that they can become autonomous.

To this end, it contributes to the training of local suppliers, promotes the hiring of local labor by them, and establishes specialized training programs for their growth in the value chain.

Boosting employment: hand in hand with our local suppliers

In the municipalities of Lumaco, Collipulli, Cañete, Mulchen and Victoria in southern Chile, CMPC worked on the formalization of 17 Mapuche forest service companies, generating more than 590 jobs, with a special focus on the training of service provider companies in the value chain. The work of these service companies is focused on plant production, silviculture, clearing and planting, harvesting and asset work.

The project implements a model of support and training in the management of their companies, occupational health and safety issues and field operations. Also, a management process was implemented to ensure that the service companies reach the necessary levels of maturity to be sustainable in the long term.

Also, food and sanitary services improvement teams were implemented to enhance their work both with CMPC and with other companies.

Some of the key indicators of the service companies:
• 82% declare being of Mapuche ethnicity
• 77% of men and 23% of women

Investment in USD	Beneficiaries
502,960	2,360

CULTURE AND INTEGRATION | LOCAL SUPPLY CHAIN | 8.3

MORE EXAMPLES OF THIS VCA
Cap 3.

FOREST AND ECOSYSTEM SERVICES

Promote the use of ecosystem services, understanding the forest as part of the community and, therefore, it should be valued, used by the community and cared for so that it contributes to the development of the territories. Therefore, efforts are made to open spaces in the Company for different community activities, which can be recreational, cultural, sports, academic, productive, among others.

Favos do Sul: a sweet result

The "Favos do Sul" project is an initiative promoted by CMPC Brazil, which began in 1981 to facilitate access to the Company's forest lands for beekeepers who have seen the space available for this productive activity reduced as agriculture has been gaining ground in Guaiba.

The purpose of the initiative is to enable beekeepers to install their hives free of charge on the company's land next to the eucalyptus plantations, since this tree is rich in flowering. This allows the production of very high quality honey, which is then marketed, thus generating profitability.

In exchange, the beekeepers commit a part of their honey production, which is between 5% and 10% of the honey produced, to donate this food to special education schools (mostly Associação de Pais e Amigos dos Excepcionais, APAE, for its acronym in Portuguese) in some 20 municipalities in the state.

With this process, schools can sell the product in their communities and raise funds to continue developing their educational activities. This is an initiative to create shared value, as it is a process that simultaneously promotes social and economic development.



Investment in USD	Beneficiaries
0	28 beekeepers

FOREST AND ECOSYSTEM SERVICES | ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE | 8.3

SUSTAINABLE CITIES AND QUALITY OF LIFE

To achieve a socially and environmentally sustainable coexistence with the community and the cities in the Company's areas of influence. To this end, we seek to provide communities with access to basic services, improvements in infrastructure, green areas, training and opportunities to promote citizen participation in both social and environmental issues.

CMPC Conecta (CMPC Connects): internet for all

CMPC Conecta is part of an initiative called "Internet for All" funded by CMPC and led by Entel Ocean, Entel's digital unit, together with NLT Secure and País Digital (Digital Country).

The objective of this project is to bridge the digital divide existing in vulnerable communities through a free and unlimited 4G connectivity plan for the residents of Villa Mininco in the Collipulli municipality in Chile. It will also be a constant communication channel that will deliver content and information in real time, surveys to obtain feedback, opinions and/or comments from citizens.

The program consists of installing nine free WIFI points, agreed upon in conjunction with the leaders of the neighborhood councils of the sector. These points are the neighborhood centers, squares and community spaces. Apart from providing connectivity, the objective is to empower people, regardless of age, in the use of the internet and to make the most of this service.

The project is in the development phase and will benefit teachers at the Raúl Castro municipal school -which offers secondary education- to 45 SMEs and the community in general of Villa Mininco.

Also, the program includes the implementation of initiatives to teach programming and digital skills, SME digitalization programs and community-based smartcities solutions.

Investment in USD	Beneficiaries
352,941	3,000 personas

SUSTAINABLE CITIES AND QUALITY OF LIFE | EDUCATION AND SKILLS DEVELOPMENT | ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE | 9.c

Community nurseries: let's bring back to life the Lleu Lleu together

According to data from Chile's National Institute of Statistics, the municipality of Tirúa has 47.5% of inhabitants who declare themselves Mapuche, 54.2% of people lacking basic services, and 34.9% of multidimensional poverty, much higher than the 17.4% in the Biobio Region. Added to this is a lower availability of job opportunities.

Understanding the local problem, in recent years the Company, together with the community, developed a program to set up nurseries dedicated to the production of species, mainly native, which are managed and operated by the communities themselves, boosting local employment.

These species produced are then used in the native forest restoration programs to be implemented on the shores of Lake Lleu Lleu. These plants are established in the watersheds that supply water to the families of the sector and the lake shore. The aim is to protect the water resource and landscaping together with the community.

This process considers plant production in community nurseries (19 nurseries) and the restoration process is carried out together with local service companies.



Program	Investment in USD
Community nurseries	3,453,536

SUSTAINABLE CITIES AND QUALITY OF LIFE | CULTURE AND INTEGRATION | 15.1

ACCESS TO WATER AND SANITATION

Contribute to improve the quality of life of neighbors through access to water and sanitation. To this end, the Company seeks the improvement and maintenance of water sources within its properties that allow supplying the communities, mainly for agricultural and livestock development.

It also collaborates with other organizations in developing and implementing solutions for drinking water supply and/or wastewater treatment.

Finally, workshops or other initiatives are developed to raise awareness about water uses, alternative access or care.

Sources protection: because water is life

Program that seeks the protection of water sources and the installation of storage and distribution structures to allow access to water for the Baltazar school community and the families of the Quilombola Liberdade Africana community in the community of Guaiba in Brazil.

The program also helped the community of Faxinal, in the state of Parana, to gain access to water by drilling a well, ensuring better quality water for the inhabitants of the Sul Pinus community.

Investment in USD	Beneficiaries
7,452	115

ACCESS TO WATER AND SANITATION

6.1

Desafío Agua (Water Challenge): water for everybody

It is an initiative between Desafío Levantemos Chile and CMPC that seeks to address the reality of availability and accessibility of this essential resource in municipalities in the regions of Biobio and Araucania, in Chile, through the implementation of 20 water resource projects, either for consumption or for productive activities.

These regions have the highest rate of population lacking access to water in the country, and at the same time are among the regions that spend the most resources to distribute it through water trucks to their inhabitants.

In 2021, it focused especially on the construction of water supplies for human consumption and the implementation of irrigation systems.

Investment in USD	Beneficiaries
705,353	502 families

ACCESS TO WATER AND SANITATION

6.1

The annexes to this Integrated Report contain other projects developed by the Company in each value creation area.



Ana Huilcaleo, beneficiary of the Softys Contigo project, municipality of Lumaco, Araucania region, Chile.

Engagement with indigenous and traditional peoples

[CMPC 8]

Engagement with indigenous peoples MAT 1

Why is it relevant?

ILO Convention 169 on Indigenous and Tribal Peoples, ratified by the Chilean State in 2008, establishes, among other things, that all special measures must be adopted to safeguard the people, property, work, cultures and environment of indigenous peoples.

Identified economic, social, environmental or human rights impact.

CMPC's operations are close to Mapuche communities, with which it maintains permanent relationships based on mutual respect, trust and communication, elements necessary for the harmonious development of forest activities between the community and the company.

Our regulatory framework in this matter

- Social plan.
- Engagement protocol with Mapuche ancient authorities.

What is the challenge?

- Through the programs implemented in the community, CMPC maintains a relationship with the indigenous peoples of the countries where it operates. To this end, it generates permanent dialogue roundtables, collaboration agreements and special dispute resolution plans.

ILO CONVENTION 169 ON INDIGENOUS AND TRIBAL PEOPLES

https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/documents/publication/wcms_345065.pdf

ENGAGEMENT WITH INDIGENOUS COMMUNITIES

The Company has a Protocol for Engagement with Mapuche Ancient Authorities, which recognizes and highlights the importance of dialogue and active listening to the different positions, without excluding any contact person, whose objective is to express absolute respect for the ethnicity, traditions and development options of different cultures.

This document seeks to establish guidelines for a harmonious and respectful relationship of mutual benefit between the company and its communities, participating proactively and jointly in the social, economic and environmental development of the territories.

CMPC has a permanent **engagement with 396 native communities of the Mapuche people,** qwhich has led it to understand the legitimate land demands derived from a deficient State policy. However, it rejects any action that seeks to echo these demands through violence, as they do not represent the vast majority of the communities, lonkos, leaders and working men and women.

Inform and consult

Commitment to inform members of neighboring communities or their representatives of planned forest operations, for which it consults and agrees on mitigation measures with them, with the aim of reducing possible impacts.

CMPC considers dialogue as the main way for mutual understanding and building cooperation scenarios and has a methodology to solve situations of controversy, existing conflicts or conflicts that may arise.

Promote

Commitment to promote the socio-economic and cultural development of the Mapuche communities in areas where the company operates, through social investment programs, in line with the value creation areas. These are aimed at supporting local projects and activities that revitalize indigenous cultural identity and promote community development.

Comply with regulations and voluntary commitments

Commitment to unrestricted compliance with current legislation and especially ILO Convention 169 on the Rights of Indigenous Peoples. It also voluntarily commits to comply with the FSC and CERTFOR Responsible Forest Management[17], standards, specifically Principles No. 3 and No. 6, respectively.

[17]FSC Forest Management and Chain of Custody Certificate: FSC-C006246; FSC Forest Management and Chain of Custody Certificate for Aysen Project: FSC-C107775; FSC Forest Management and Chain of Custody Certificate for CMPC Celulose Riograndense Ltda; FSC Forest Management and Chain of Custody Certificate for CMPC Celulose Riograndense Ltda.

Other projects of note:

PIUTRIL POTTERY

In 2021, the work carried out with the group of women pottery entrepreneurs of "Santa Ema, Piutril, Collipulli" focused on the dissemination, promotion and value enhancement of traditional Mapuche pottery. The exhibition of 32 pieces, pottery replicas from Pitren and El Vergel, as well as contemporary manufactured pieces in the Fibra Local space in Temuco and in other sales spaces, stand out among them.

Investment in USD	Beneficiaries
5,141	15 entrepreneurs

ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE

1.a

MAPU HUAPITRIO COOPERATIVE

Cooperative of farmers from the Huapitrio Collipulli sector, dedicated mainly to the cultivation of berries. The actions developed in the Mapu Huapitrio Cooperative focused on training related to entrepreneurship management, which will provide them with basic knowledge to manage a business, through Desafío Levantemos Chile, as well as monthly support from an advisor on the technical aspects of berry growing.

Investment in USD	Beneficiaries
27,472	19 partners

CULTURE AND INTEGRATION

ENTREPRENEURSHIP AND PRODUCTIVE COEXISTENCE

8.3



ENGAGEMENT WITH TRADITIONAL PEOPLES

In 2021, CMPC Brazil worked on the development of an engagement strategy with traditional communities, which seeks to implement transversal and fundamental mechanisms for the prevention and mitigation of potential impacts, as well as compliance with regulatory requirements.

With this orientation, it will be possible to better characterize the traditional communities located in the municipalities of operations.

Culture and Integration and trustworthy work

INDIGENOUS EDUCATION IN THE CLASSROOM

Project to bring indigenous culture closer to the students of the public school network in the municipality of Guaiba, Porto Alegre, through the Tape Porã community.

MEETING WITH THE TAPE PORÃ PEOPLE

Photographic exhibition sharing moments of indigenous culture, bringing the experience of non-indigenous communities closer to this culture.

MBA Y POPORÃ - LOCAL VALUE FUND

Financial donation for the implementation of an internet access system and the acquisition of computer equipment for better printing of materials that contribute to the elaboration of the handcrafts that they market.

WOOD FOR BRIDGE RENOVATION

Wood donation for the construction of a bridge that gives access to the indigenous community, directly benefiting 26 families of the community.

OPERATIONS SUSTAINABILITY

The fundamental purpose of Operational Sustainability is to integrate the communities in Chile into the value chain of the forest operation, consolidating a way of operating that creates value for all people, both collaborators and local service companies, the community in the area of influence, clients, among others, and ensures process excellence through innovation and continuous improvement.

To achieve this, three dimensions aligned with the corporate community engagement framework are defined:

Operational impact prevention

Promote processes to prevent and mitigate, in a timely manner, the impacts generated by forest operations on the environment.

Promote local development

Create local development through the shared value generated by forest operations.

Comprehensive culture

Generate a cultural change regarding awareness and way of working both internally and in service companies - Mapuche Culture and Empathy.

How do we do it?

Zero faults

Impact **prevention**

Mitigation actions

From and with **the community**

Improving the quality of life of neighbors

Strengthen CMPC's presence and relationship with neighbors

Empathy with the territory

Culture of **respect for communities** and their culture

Adjust processes and budgets **from planning**

Adjust processes and budgets from planning:

Somos Dos (We Are Two) Program (S2)

Every day more than 900 forest trucks circulate on the public roads between the municipalities of Talca and Valdivia in Chile, causing complaints from neighbors and neighboring communities due to noise, truck flow, among other nuisances. Due to this increase in the number of vehicles, the interaction between transportation and the community has been increasing, generating a negative impact that must be addressed.

"No estamos solos, Somos Dos" (We are not alone, we are two), is the name of the project whose purpose is to transmit to internal collaborators and service companies that there is a social and environmental surrounding that is linked to the forest operation. To this end, timely action plans are defined to address the impacts of operations in a preventive rather than reactive manner.

EThe project is supported by a communications campaign with 120 signs in areas where the main impacts have been identified, such as: herbicides on beekeepers, impact of transportation in rural villages and towns, behavior of forest drivers on the road, impact of noise from work sites, among others.

The S2 signs, through GPS, send messages to a virtual co-driver to remind the importance of a culture of respect for the communities and empathy on the road, both day and night. Also, a summer plan was developed that includes meetings with the service companies in the areas with the most complaints to promote the preventive plan.

A multidisciplinary work team was formed for this project, understanding that there are many teams involved in a community engagement. The working group is made up of the areas of Asset Management, Transportation, Planning and Operational Sustainability.

The program also monitors the community's complaints through the Reporting Line, which already shows reductions compared to the 2019 measurement.

Investment in USD	Beneficiaries
60,000	10,000

Tierras Verdes (Green Lands) Program

This is a program to generate forest plantation agreements on community lands, with the aim of generating economic income and producing fiber for CMPC. The project provides a comprehensive approach to the development and management of natural resources owned by the communities, mainly Mapuche.

The program seeks to enhance land use based on its economic, cultural and environmental aptitudes, where the forest industry, the agricultural industry and the cultural values characteristic of each territory coexist.

Tierras Verdes has invested a total of USD 960,000 since its inception, incorporating the community in the life cycle of the forest industry, to provide economic, social and environmental sustainability to their properties, increasing the availability of high quality fiber for CMPC, without land ownership, transferring the technical and operational experience to the communities.

Investment in USD	Beneficiaries
90,350	50

FOREST AND ECOSYSTEM SERVICES | LOCAL SUPPLY CHAIN | 1.4

Fundación CMPC (CMPC Foundation)

For 21 years, the CMPC Foundation has aimed to stimulate the early education of children from neighboring communities of CMPC's operations, as well as to promote care for the environment, culture and outdoor life.

The CMPC Foundation's programs currently have an **impact on 23 municipalities in Chile.**

4 QUALITY EDUCATION

4.1

EDUCATION AREA

Acompañamiento a Escuelas (School Accompaniment)

ACOMPAÑAMIENTO A ESCUELAS

Program that seeks to improve learning in language and mathematics of students from pre-kindergarten to 2nd grade.

To this end, the program strengthens the tools and skills of teachers, educators, parents, principals and sponsors based on a comprehensive training and counseling model that promotes the installation of learning at the classroom, school and community levels.

SCHOOL ACCOMPANIMENT
https://www.fundacioncmpc.cl/programas/acompanamiento-escuelas

Results 2021

100%

Consolidation of the Committees for the Professional Development of Teachers (CDPD, for its acronym in Spanish), comprised of professionals with the objective of having an impact on student learning. 100% of the CDPD members stated that they were satisfied with the learnings acquired.

90%

Of the teachers achieved the complete implementation of the curricular program, which translates into learning achievements in language and mathematics in the implementation of the Learning Progress Evaluation System (SEPA, for its acronym in Spanish) in a sample of five schools.

94%

Of the parents expressed a high appreciation for the parental support program.

No. of educational establishments	No. of children benefited	No. of children benefited	No. of books distributed to families
33	2,931	200	15,906

One of the main challenges of the period was to position socioemotional learning in educational units and families. This was achieved through practices that have an impact on the culture of schools, involving teachers and parents as the main mediators of their children's learning.

Criando y Creciendo (Raising and Growing) Program

RAISING AND GROWING
https://www.fundacioncmpc.cl/programas/criando-y-creciendo

Seeks to strengthen the socio-affective and language development of children from 0 to 6 years of age through the strengthening of effective early stimulation practices in families and educational centers, reinforcing bonding and educational parental competencies in mothers, fathers and/or caregivers.

Criando y Creciendo has a virtual format of seven content workshops and one practical workshop for individual feedback. These workshops provide simple and concrete strategies that have a significant impact on children's development and learning.

Results 2021

692
Families participated in the Criando y Creciendo workshop cycle.

94%
Satisfaction of beneficiaries with the Criando y Creciendo program.

82%
Loyalty of attendance to six or more sessions.

26%
Of the families, participating in the Criando y Creciendo workshop cycle showed an increase in their overall parenting competencies.

No. of educational establishments	No. of children benefited	No. of other beneficiaries	No. of books distributed to families
37	2,046	401	625

HIPPY Program

HIPPY
https://www.hippychile.cl/

Launched in 2018, HIPPY -Home Instruction for Parents of Preschool Youngsters- is a program of home visits that seeks to empower fathers, mothers and caregivers of children aged 2 to 4 years as the first educators of their children, through the development of activities that promote language, mathematical thinking, motor skills and exploration of the environment, among others. Using play as the main tool to stimulate learning, with the mediation of community tutors, trained by the CMPC Foundation, who teach them through the teaching-learning strategy (Role Play) to carry out the activities in weekly home visits.

In 2021, more than 40 tutors were trained who worked with more than 700 families. Eight workshops were held, highlighting the talk on positive parenting with nearly 200 participants, in which topics related to parenting, recreation, self-care and exchange of parental and cultural experiences were presented.



Mayralejandra García and Antonella Flores García, Hippy Program.

Results 2021

20,390
Home visits, both in person and virtual.

100%
Of families received educational material, including booklets and story books.

92%
Of the families, perceive that HIPPY helps them to get to know their children, to trust in their abilities as parents, to learn new forms of stimulation and to install a support routine for the children's development.

2
Participation in international meetings of Spanish-speaking HIPPY LatAm USA Coordinators and tutors.

No. of tutors	No. of children benefited	No. of other beneficiaries	No. of books distributed to families
42	886	886	6,937

CULTURAL AREA

Alessandri Park, Coronel

ALESSANDRI PARK, CORONEL
https://web.facebook.com/parque.alessandri

It is a park that has an area of eleven hectares, open and free to the community. It has educational spaces such as: Tree Room, Artequin Museum, Educational Nursery, Forest Trail, Native Forest Trail and Cultural Amphitheater.

Alessandri Park, Coronel, receives visits from the general public and educational visits from students of different ages. It also has environmental education workshops, art workshops and artistic shows. The annual program of activities includes Cultural Saturdays, Astronomical Observation Night, Night Walks, School and Family Art Contests, among others.

Since its reopening in July 2021, received:

People who visited the park	Online workshops held	Children participating in online workshops	People benefiting from workshops and activities
64,788	**326**	**7,840**	**1,534**

Parque Alessandri Nacimiento

ALESSANDRI PARK, NACIMIENTO
https://www.youtube.com/watch?v=Nf2ah8jlgzI

It is an urban park of approximately five hectares. It was inaugurated in August 2021 and has trails, playgrounds, a system of three ornamental lagoons and an amphitheater for 1,500 people.

The main activities carried out in Alessandri Park, Nacimiento, included workshops and exhibitions of local artisans and entrepreneurs, folkloric and classical galas, musicals, entertaining dances and a Christmas concert.

People who visited the park	Number of activities carried out
56,978	**14**

Artequin Museum, Los Ángeles

It is a space dedicated to learning art through experience. It allows for the observation of reproductions of famous works of Western art, as well as the development of spaces for workshops with students and families.

Since its reopening in November 2021, Artequin Museum of Los Angeles:

People who visited the Museum	Workshops held	Participating educational establishments	Children who participated in the workshops
578	**57**	**14**	**1,435**



Alessandri Park, Nacimiento, Biobio region, Chile.

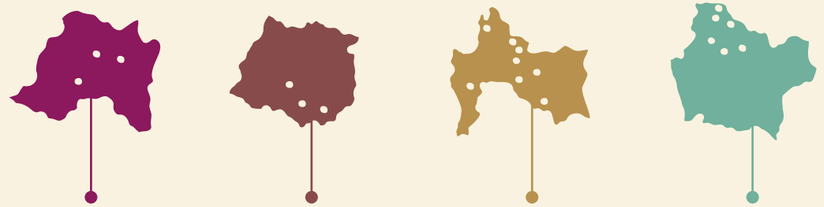


Entrance to Alessandri Park, Coronel, Biobio region, Chile.

CMPC FOUNDATION
in figures

CATEGORY	2019	2020	2021
No. of establishments that have benefited	58	58	70
Number of communities impacted	20	19	23
Investment in Foundation programs in USD	2,848,097	2,003,697	2,248,520
Administrative expenses	818,362	701,065	945,083

Source: CMPC Foundation.



Metropolitana
- Santiago
- Puente Alto
- Talagante

Maule
- San Javier
- Villa Alegre
- Yerbas Buenas

Biobio
- Laja
- Mulchén
- San Rosendo
- Nacimiento
- Negrete
- Cañete
- Coronel
- Los Ángeles
- Contulmo

La Araucania
- Victoria
- Lumaco
- Traiguén
- Angol
- Collipulli
- Renaico
- Ercilla



In relation to the developed programs display, 2021 brought about **the Intensification of the use of technological tools**, that enabled to expand the scope of the programs' beneficiaries.

Social contributions

A. CORPORATE CITIZENSHIP AND PHILANTHROPY

In 2021, community investment increased by around 150% compared to the previous year, due to the start of construction of the CMPC DuocUC Nacimiento Campus, with an investment of USD 20,000,000 in the year, a contribution made to the DuocUC Professional Institute Foundation.

Among the largest charitable donations made by the Company in the year were to the Sociedad de Instrucción Primaria de Santiago-SIP (Primary Education Association of Santiago) (USD 812,371) and Corporación María Ayuda (USD 203,767) in Chile, and Fundo dos Direitos da Criança e do Adolescente (USD 203,767) in Brazil. These contributions fall within two key focuses: the social wellbeing of boys, girls and adolescents, and education.

Philanthropic contribution by type of activity (USD)

Activity type	2019	2020	2021
Community investment	14,322,466	16,424,998	41,568,197
Charitable donations	6,681,929	16,400,359	14,816,569
Business initiatives	-	-	449,892
Total	**21,004,395**	**32,825,357**	**56,834,658**

Source: Sustainability Management. Multiple areas.
Note 1: In 2021, a change was made to the methodology for calculating the organization's philanthropic contributions.
Note 2: The 2021 information includes operations in: Chile southern zone and Metropolitan region, CMPC Brazil, CMPC Foundation and the subsidiary Softys.

Philanthropic contribution by type of donation (USD)

Citizenship	Cash	Time	In-kind	Grand Total
Community investment	41,568,197	0	0	41,568,197
Charitable donations	14,332,200	0	484,370	14,816,569
Business initiatives	449,892	0	0	449,892
Total	**56,350,289**	**0**	**484,370**	**56,834,658**

Source: Sustainability Management. Multiple areas.
Note 1: In 2021, a change was made to the methodology for calculating the organization's philanthropic contributions.
Note 2: The 2021 information includes operations in: Chile southern zone and Metropolitan region, CMPC Brazil, CMPC Foundation and the subsidiary Softys.

Among the in-kind donations, CMPC made a donation of diapers to the Red de Alimentos (Food Network) and Cottolengo and delivered hygiene and personal care products to the Municipality of Puente Alto and Talagante and to the Fundación Damas del Ejército de Chile (Ladies of the Chilean Army Foundation).

B. CONTRIBUTION TO PUBLIC POLICY

[GRI 415-1]

CMPC was part of numerous associations and business organizations in 2021. The Company seeks to boost organizations that promote the forest industry, such as Corma, Corporación Chilena de la Madera, contributing USD 861,874. The Company also encourages study, innovation and research related to projects that develop the forest industry and all its participants, such as the Universidad Católica de Chile. These contributions amounted to USD 538,544.

The three largest contributions were made to Corma (USD 861,874), Universidad Católica de Chile (USD 538,544) and the Chilean Energy Efficiency Agency (USD 404,215).

CMPC nor any of its subsidiaries have contributed to: lobbying, interest representation or similar, political campaigns, candidates or others.

Contribution to public policy (USD)

Category	2019	2020	2021
Trade associations and other institutions	-	-	1,572,570
Think tanks and universities	-	-	4,801,526
Total	**2,224,294**	**1,638,764**	**6,374,096**

Source: Tax Management and Sustainability Management.



Inauguration of Santo Cristo Sanctuary, municipality of Mulchen, Biobio region, Chile.

CHAPTER FIVE

Conserve

What will you find in this chapter?

1 min.

- CMPC's forest assets amount to 1,307,351 hectares.
- CMPC has sustainable forest management certifications for its forest assets in Brazil and Chile, representing a coverage of 90.2% under these certifications.
- It has High Conservation Value Areas (HCVAs), both biological and socio-cultural.
- In 2019, it announced four sustainability goals linked to its environmental performance, reduction in water use and zero waste by 2025, and emission reductions and conservation of 100,000 hectares by 2030.
- These are supplemented by the ambition to achieve a balance between emissions and captures by 2050, i.e., net zero emissions.

RELATED STAKEHOLDER GROUPS

- **Communities, NGOs and foundations**
- **Academy**
- **Associations, unions and the business world**
- **Evaluators and certifiers**



Soap bark tree seed gathering, Nonguen, Biobio region, Chile.

5.1 FOREST CYCLE

Everything starts with a seed

Forest cycle

01

Forest production begins in the nurseries, starting with pine, and eucaliptus, and native species plantations.

CMPC has 4 nurseries:

- El Pindo, located in the city of Posadas, province of Misiones (Argentina).
- Barba Negra, in the state of Rio Grande do Sul (Brazil).
- Carlos Douglas, in the Biobio region (Chile).
- Mañihuales, in the region of Aysen (Chile).

02

The function of the nurseries is to supply plants in quantity, quality and timeliness to meet the Company's operational forestation and reforestation programs, as well as restoration programs.

Commercial plantation plants are selected to provide ideal characteristics for the generation of quality raw material and to be able to withstand the weather conditions of the places of operation.

03

Once the species reach a certain height, they are established in the forests lands.

Sustainable forest management begins there, which, depending on the species, may include thinning and pruning in the case of pine, making it possible to obtain wood for industrial use, which is certified.

04

In thinning, tree density is reduced. By creating more space for the residual trees, they have more space and light, which allows them to increase their development. Pruning removes lower branches, ensuring knot-free wood.

05

Also, in these processes, weed control is carried out, which today in a significant proportion is done with drones.

At all times, the forest assets are protected from pests and diseases, as well as preventing and fighting any wildfires that may occur.

06

Once the forest has been managed and the necessary time for growth has elapsed, the plantation is harvested and the wood is transferred to storage yards.

Subsequently, the same land is reforested, thus giving birth to a new forest cycle.

Plantations 2.0

CMPC is working on a conservation strategy that includes key definitions of biodiversity, ecosystem services, nature-based solutions and territoriality.

Within this framework, it developed a plantation 2.0 project with the objective that plantations include economic, cultural, social and environmental aspects in forest management.

In this way, the Company defines a new forest planning strategy, whose establishment and management favors productive, ecosystemic and landscape balance. This involves establishing standards for plantations considering a spatial structure that ensures the adequate management of the urban-rural interface, respect for the communities, recognition of the ecological functionality that these have for the areas in which they are established and appropriate management to protect the quality and quantity of the water generated by the basins.

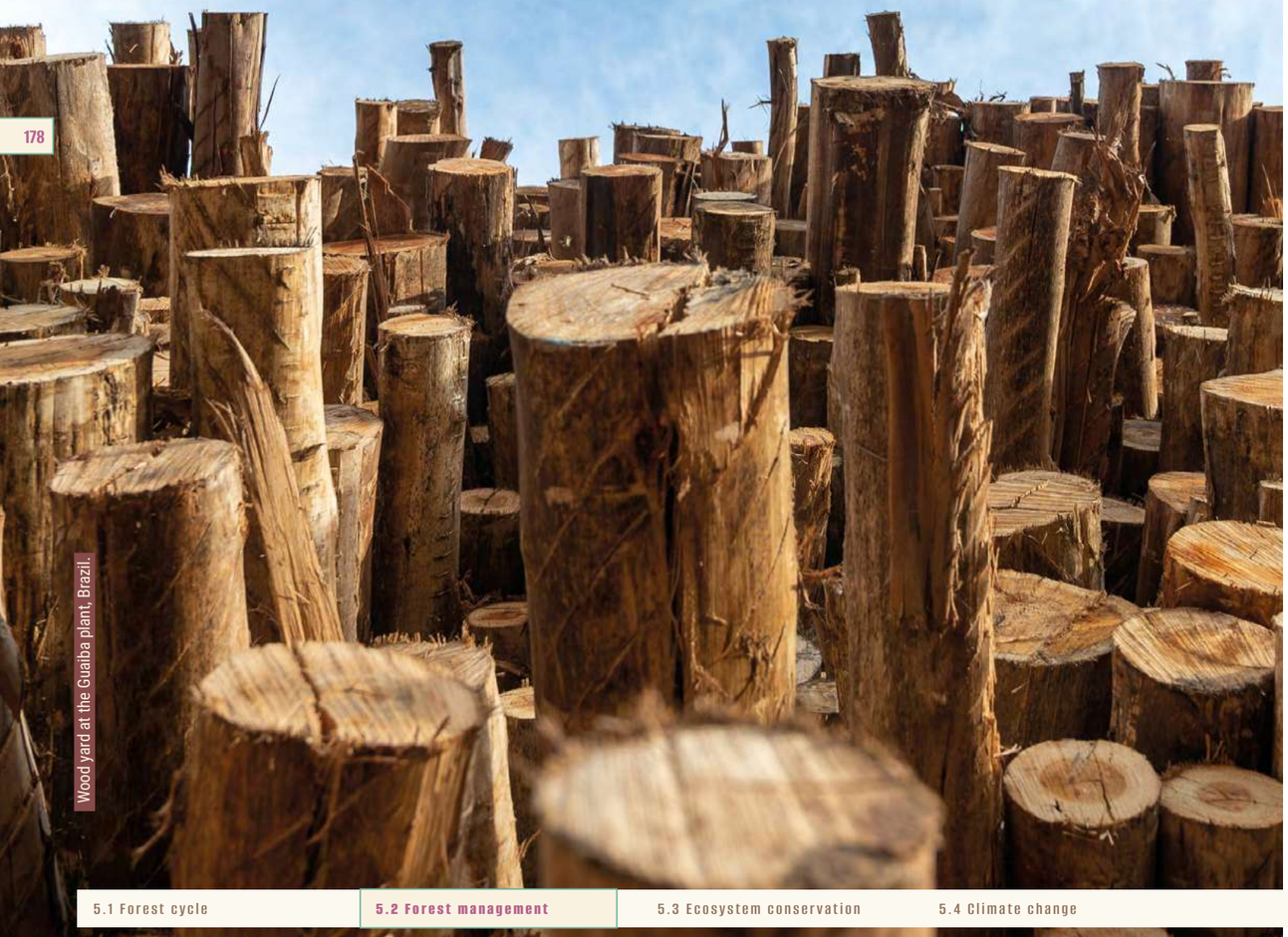
This strategy allows the Company to create a comprehensive view of the land where the forest plantation is established.

15.1

5.2 SUSTAINABLE FOREST MANAGEMENT

Our fiber

The forest assets **total 1,307,351 hectares**, of which approximately **70% corresponds to productive land**, for the production of pulpwood, wood products and other products made from its fiber. **The remaining 30% is for protection, conservation** and other non forest-agricultural land uses.



Wood yard at the Guaiba plant, Brazil.

Ecosystem conservation MAT 1
Forest management MAT 2

Why is it relevant?

According to the United Nations Economic Commission for Europe (UNECE)[18], the certified forest area, which ensures sustainable management worldwide, is 435.5 million hectares in 2021, an increase of 0.8% over 2020.

Adequate forest management allows maintaining the availability of wood fiber for the company's own production as well as for sale to third parties. Also, maintaining conservation areas in the forest assets allows us to improve the biodiversity of species and ecosystems.

Identified economic, social, environmental or human rights impact

On the one hand, not providing adequate protection to socio-cultural areas can generate environmental and social impacts on the community. On the other hand, maintaining conservation areas brings benefits to the biodiversity of the territories.

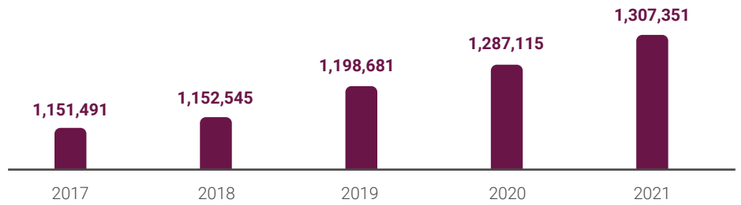
Our regulatory framework in this matter

- Sustainable Forest Management FSC and PEFC
- Chain of Custody and Controlled Woods

What is the challenge?

Incorporate economic, cultural, social and environmental aspects in forest management, with a view that integrates ecosystem services. To this end, a Conservation Strategy will be developed.

Annual forest assets (hectares)



Source: Celulosa.

Forest assets area (hectares)

[SASB RR-FM-000.A]

Category	2020	2021
Own assets	1,081,471	1,087,372
Assets under agreement	205,645	219,979
Assets under administration	0	0
Total	**1,287,116**	**1,307,351**

Source: Celulosa
Note: Since 2021, the classification has been modified to meet the SASB standard. Own assets include land and forest cover; leased assets include usufruct and agreements; administered assets include land owned by a third party and managed by CMPC.

[18] https://unece.org/sites/default/files/2021-11/2114516E_Inside_Final_web.pdf

Fiber production

[SASB RR-FM-000.B; RR-FM-000.C]

Category	2020			2021		
	Argentina	Brazil	Chile	Argentina	Brazil	Chile
Amount of fiber produced (mm^3) Total annual growth of wood (stem) of forest plantations	1.1	7.20	9.80	1.26	7.63	9.67
Total number of trees planted (MMplants)	1.67	19.54	34.60	1.94	20.5	37.79
Average fiber volume per tree at current age (m^3/tree)	0.66	0.30	0.26	0.64	0.30	0.29
Average fiber volume per tree at harvest age (m^3/tree)	0.97	0.43	0.84	1.02	0.45	0.77
Fiber yield produced (m^3/ha) Amount of fiber produced per hectare in the year	397	445	453	408	437	438
Total standing forest stem biomass inventory (MMm^3)	-	-	-	2.59	75.65	102
Annual volume of wood harvested (MMm^3) Annual stem biomass growth	-	-	-	1.26	7.59	9.67

Source: Celulosa.

Certified assets

Sustainable forest management aims to maintain and increase the economic, social and environmental value of the forest, thereby benefiting present and future ecosystems. Forest management certifications have social, environmental and economic requirements established in forestry principles and criteria that ensure sustainable management of plantations and forests.

Dimensiones de las certificaciones de manejo forestal

ENVIRONMENTAL

Within the environmental requirements, appropriate forest management ensures that the way in which wood and non-wood products are harvested contributes to maintaining the forest's biodiversity, productivity and ecological processes.

SOCIAL

From a social point of view, it contributes to the generation of community engagement in the operation sites, providing incentives for the communities to manage their resources and incorporate sustainable forest management practices in the long term.

ECONOMIC

From an economic perspective, it implies that forest operations are structured and managed in a sufficiently profitable way, without generating economic gains at the expense of the forest resource, the ecosystem or the affected communities.

The certification is voluntary, however, the companies that obtain it are obliged to undergo annual audits to certify -quantitatively and qualitatively- their compliance with these requirements. This allows clients and consumers to know the traceability of the fiber purchased and companies to ensure that their products are not obtained from controversial sources.

CMPC's forest assets are **89.3%** certified by **FSC** and **90.7%** by **PEFC.**

Bosques del Plata, in Argentina, is certified under the ISO 14001 Environmental Management System and began the process of certifying its forest assets in 2021, which will allow CMPC to achieve almost 100% of its own forest assets certified.

FSC
https://fsc.org/en

PEFC
https://www.pefc.org

Own certified forest assets in 2021 (hectares)

[SASB RR-FM-160a.1, CMPC 5]

Forest assets	FSC	PEFC
Certified	971,532	986,037
Total	**1,087,376**	**1,087,376**
Certified percentage	89.3	90.7

Source: Sustainability Management.
Note 1: The Company's own forest assets in Argentina will obtain FSC certification in 2022.
Note 2: The third-party forest assets correspond to the leased segment.

Certified raw material

To ensure that products come from a sustainably managed forest, the entire supply chain must be certified, ensuring the traceability of the fiber.

CMPC purchases fiber from certified suppliers. However, there is a proportion of suppliers that are not certified in sustainable forest management.

Opting for sustainable forest management certifications helps all players in the wood supply chain to adopt responsible procurement.

Given this, the Company generates instances that promote forest certification through the Responsible Procurement Program. In this program, raw material suppliers must comply with a due diligence process that certifies the legality of forest ownership, management and harvesting plans submitted by the forest authority, and compliance with product safety and quality protocols.

Raw material produced by a third party and covered by a certification in 2021 (m³)

[SASB RR-PP-430a.1; CMPC 6]

Category		Brazil		Chile	
		FSC	PEFC	FSC	PEFC
Own	Certified raw material	6,405,957	6,405,957	9,756,836	8,752,284
	Percentage of certified raw material	100%	100%	99%	89%
Third-party	Certified raw material	459,261	459,261	2,752,669	6,984
	Percentage of certified raw material	100%	100%	100%	0.3%

Source: Sustainability Management.
Note 1: Raw materials produced by third parties in assets classified as leased.
Note 2: The information includes Celulosa and Biopackaging. For Argentina, the raw material is not certified.
Note 3: Certified raw material includes controlled woods, which have a certification due diligence process, which are different in Brazil and Chile.

CERTIFICATIONS
https://www.cmpc.com/certificaciones/

Also, the Company ensures that certified fiber is not mixed with fiber from non-certified sources. To this end, it has Chain of Custody (CoC) certification of forest products for all its business areas to ensure that the fiber is produced and marketed under this criterion.

This certification is also extended to fiber suppliers, to ensure the traceability of their products. For those suppliers that do not have certification, the company encourages them to obtain it.

The Chain of Custody (CoC) of forest products establishes their monitoring throughout the different stages of the production process and their subsequent marketing, to **ensure their traceability from the forest to the end consumer.**

Coverage of own chain-of-custody certified raw material and controlled wood.

[SASB RT-CP-430a.1]

99.8% Pulp **100%** Maderas

Note 1: Virgin fiber, short and long, certified CoC and CW (Controlled Wood) of the total consumed in Celulosa.

Unloading of timber at the port of the Guaiba plant, Brazil.

5.3 ECOSYSTEM CONSERVATION

Preserve + Protect + Restore

[GRI 304-1, 304-3, 304-4]

In Chile, since 2003, the cutting of native forest has been classified as illegal. All native forest substitution since 1994 is now under restoration plans.

We will add 100,000 hectares of conservation, protection and/or restoration by 2030

Target performance conservation, protection and/or restoration

[CMPC 1]

Category	Baseline 2018	2019	2020	2021	Goal 2030 (31%)
Performance (ha)	321,529.0	325,995.0	385,725.6	389,376	421,529.0
Yearly change (ha)	--	4,466.0	64,196.6	67,847	100,000
Progress (%)	--	4.5%	64.2%	67.8%	100%

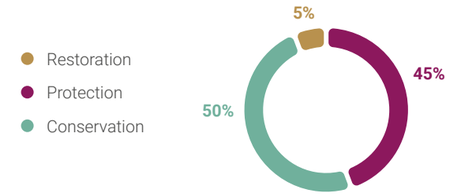
Source: Sustainability Management.
Note: The corporate target includes Argentina, Brazil and Chile, countries where the forest assets are located.

13.1-13.3

15.1

We contribute to the conservation of everyone's assets

2021 showed progress of 67.8% towards meeting the corporate goal from the baseline in 2018, this means that CMPC maintains under conservation, protection or has restored 389,376 hectares of native forest.



In Chile, the **forest assets are monitored with satellite** images to detect damage to conserved areas such as illegal logging or fires.

The corporate conservation goal is supplementary to the Commitment to Restore degraded sites established for 2026 in the central-south zone of Chile and 2028 in Coyhaique, Chile. To date, the restoration of 3,381 hectares has begun, equivalent to 38.1% and 4.2% of the targets respectively.

Restoration commitment (hectares)

Zone	Cumulative 2010-2018	2019	2020	2021	Progress (%)	Commitment
Central South Chile (2026)	1,890	398	430	613	38.1	8,738
Coyhaique Chile (2028)	50	0	0	0	4.2	1,181
Total	**1,940**	**398**	**430**	**613**	**19.6**	**9,919**

Source: Celulosa.
Note: These restoration commitments were made with FSC at the time of certification. The table presented in the previous period's report is modified, as the commitments were only made in Chile.

RESTORATION AT EMPEDRADO

Fondo Maule (Maule Fund) is a program under development, whose objective is the restoration of the landscape in the municipality of Empedrado, in Chile, after it was almost completely affected by the fires of 2017.

For the development of this project, CMPC is working with New Generation Plantations Technical Assistance, Diálogo Forestal Chile (Forestry Dialogue Chile) and Arauco, together with an external financial partner. This 5-year program, with a budget of USD 6.8 million, has the following targets:

- Restoration of 2,000 ha of native forest for conservation and protection.
- 1,500 ha of productive forest-agricultural projects.
- Sequestration of 1 million tons of CO_2.

High Conservation Value Areas (HCVAs)

CMPC has conservation programs in these areas that are home to protected species and particular natural ecosystems. The objective is to conserve their value and improve them if they have been damaged. Their identification and adequate protection corresponds to a commitment associated with sustainable forest management certifications.

There are three types of HCVAs:

BIOLOGICAL

Areas where the vulnerable flora and fauna of the territories are protected (e.g. endemic, threatened or endangered species).

SERVICES

Natural areas that provide basic services in critical situations and meet the needs of local communities (e.g., water catchment or supply areas).

SOCIOCULTURAL

Areas critical to the cultural identity of communities (e.g., areas of religious or cultural significance).

For this purpose, a three-stage work is carried out, comprising:

1.Identification: information is collected on the three possible types of HCVAs, for which the community and academia are consulted for review within the assets.
2. Monitoring: process by which a review of the area is generated to know what actions should be taken depending on whether its current condition will be preserved or improved, or if it has any damage.
3. Management: implement the measures detected in the monitoring to mitigate or eliminate threats to HCVAs.

High Conservation Value Areas (HCVAs) present **relevant, unique and significant attributes to the natural environment.**

Number and area of HCVAs (hectares)

Category	2018		2019		2020		2021	
	Number	Area	Number	Area	Number	Area	Number	Area
Biological	26	22,589	26	24,482	26	24,481	30	24,711
Services	364	3,662	378	3,621	392	3,595	408	3,034
Sociocultural	28	211	28	215	28	215	32	265
Total	**418**	**26,462**	**432**	**28,318**	**446**	**28,291**	**470**	**28,010**

Source: Bosques.



Guanandi (*Calophyllum Braziliense*).

In Argentina, two biological areas were added when the presence of Arary (*Calophyllum Braziliense*), a forest species associated with flooding sites, was identified, and four sociocultural areas, due to identification work with neighbors and studies of the sector. Brazil included two sites corresponding to biological HCVAs and Chile included 26 service areas associated with water catchment areas.

Species at risk

IUCN
https://www.iucn.org/

Flora and fauna species coexist with the forest assets and, in some cases, may be at risk. CMPC monitors and manages its forest assets to conserve and protect the existing surface of flora species, in some of which specific programs are carried out to restore, improve or increase the existing surface of these species. In the case of native fauna, the areas where these species are present are conserved.

WHAT DOES IT MEAN THAT A SPECIES IS AT RISK?

According to the Red List of the International Union for Conservation of Nature (IUCN), an organism is at risk when all members of that species are in danger of disappearing. This can be due either to direct predation or to the disappearance of a resource on which its life depends (due to human action, changes in its habitat or climate, or repercussions of natural disasters).

Flora and fauna species by risk level by country

Category	Argentina	Brazil	Chile	Total
Critically endangered	1	1	1	3
Endangered	8	5	9	22
Vulnerable	12	12	11	35
Near Threatened	7	8	12	27
Least concern	9	4	16	29
Total	**37**	**30**	**49**	**116**

Source: Bosques.

Critically endangered flora and fauna species by country



ARGENTINA

Saffron-cowled blackbird
(*Xanthopsar flavus*)
Critically endangered



BRAZIL

Rapids frog
(*Limnomedusa macroglossa*)
Critically endangered



CHILE

Adesmia
(*Adesmia bijuga*)
Critically endangered

A species is considered endangered (EN) when it faces a very high risk of extinction in the region. It includes the IUCN categories "critically endangered" and "endangered". **CMPC has identified three critically endangered species and 22 endangered species.**

Saffron-cowled blackbird

"We will take joint action to conserve the Saffron-cowled blackbird, thanks to different opportunities to work together with CMPC"

Andrés Bosso, Adrián Digiacomo and Florencia Pucheta.
NEA Program of Aves Argentinas NGO

15.5



The Saffron-cowled blackbird (*Xanthopsar flavus*) is a bird exclusive to the grasslands of southern South America. **Today there are only four small isolated populations in Brazil, Uruguay, Paraguay and Argentina.** The species is categorized as globally "endangered" with a declining population trend[19].

In Argentina, 100 years ago it was distributed from the province of Misiones to the center of the province of Buenos Aires. However, today there are between 600 and 1,000 individuals confined to two isolated sites, one in the southeast of the province of Entre Rios and the other in the northeast of Corrientes-south in Misiones. **In 2005, the sites inhabited by the Saffron-cowled blackbird were categorized as Important Bird and Biodiversity Areas (IBA) by Aves Argentinas (Birds of Argentina) and BirdLife International.**

The sites where these birds choose to breed or feed are refuges where grasslands are still preserved in a natural state and that is why the Saffron-cowled blackbird is an indicator species of the good health of these and their associated environments.

Since 2021, Bosques del Plata has been monitoring and protecting this species together with the NGO Aves Argentinas.

[19]UICN and Birdlife International.

"The work with CMPC aims to take joint actions to conserve the Saffron-cowled blackbird, in that sense we see several opportunities for work, such as knowing the population situation and distribution of the bird within the company's HCVAs and developing a management plan focused on the grasslands where they breed.

The way of working includes actions for the protection of this species: monitoring its population, increasing reproductive success, for which we will work on the search and monitoring of reproductive sites and the implementation of colony guardians to protect reproduction against the different threats and thus increase the number of individuals that are added to the population. We will also protect key areas, empower local stakeholders through awareness raising on the subject, among others.

We believe it is important for companies to commit to the environmental challenges that their productive activities bring with them and, of course, to recognize the ecological value of grasslands by creating conservation spaces for them. We recognize CMPC's openness to dialogue, good communication and willingness to build a collaborative working relationship".

Andrés Bosso, Adrián Digiacomo and Florencia Pucheta
NEA Program of Aves Argentinas NGO

Araucaria bonsai, Nahuelbuta mountain range, in the municipality of Santa Juana. Chile.

Forest area in endangered species habitat

[SASB RR-FM-160a.3]

Category	Argentina	Brazil	Chile
Critically endangered	5,310	1,387	3,018

Source: Bosques
Note: There is no exact way to measure the area of forest in the habitat of endangered species, so the proxy is to measure the properties where the species are found.

In 2021, Chile restored two areas: **20 hectares of Pewen trees** (*Araucaria araucana*) **and 49.8 hectares of Ruil trees** (*Nothofagus alessandrii*). In Brazil **20 hectares were restored through the planting and enrichment of native seedlings**



Ruiles at Empedrado, High Conservation Value Area (HCVA), Maule Region, Chile.

Biological corridor of Maule

"I believe that it is always possible to reach a consensus between the development of productive activities and biodiversity conservation"

Pedro Garrido, Académico de la Universidad de Talca

15.1

Biological corridors are a way of connecting natural areas to increase the area inhabitable by different species, improving the biodiversity of these places.

The development of the biological corridor in the Maule region was initially thought of as a way to connect the areas with the presence of Ruil, but was eventually transformed into a corridor that allows the movement or dispersion of other species of flora and fauna, increasing the diversity of the area.

The 49.8-hectare corridor is 100 meters wide and is associated with a watercourse that connects Conaf's Los Ruiles National Reserve with CMPC's Los Ruiles de Empedrado HCVA in the Maule region.

This project seeks to improve the living space of species that are threatened or have very specific habitats that have been reduced by productive areas.

"We have been working with CMPC for several years in the conservation of its HCVAs, since these areas are relevant for the presence of endangered and endemic species, or because they function as a refuge for biodiversity. Our research group is linked to this purpose and we have included other colleagues, teachers, students and even volunteers to participate in conservation through different projects.

As a group, we have supported from the beginning the monitoring of the HCVAs, which has allowed knowing the biological dimension of each one and their real contribution to biodiversity, and has even made it possible to detect species recently described by science, as well as others that were thought to be extinct in the coastal mountain range. Complementarily, the joint work has facilitated the development of ecological restoration, enrichment and repopulation projects with native species, precisely in places where there are endangered species.

I see that CMPC really manages its HCVAs through concrete actions such as the control of exotic or invasive species, exclusion of livestock entry, ecological restoration of degraded areas, among others. Their challenge was to take a wider view of the territory, not only to maintain the areas they own, but also to see how it is possible to connect the few habitats that persist as remaining natural areas in the landscape of the coastal mountain range. This biological corridor project is expected to contribute to improve the flow of species, give more surface area to those that have seen their natural habitat reduced and improve connectivity between habitats, reducing, at least in part, their fragmentation, especially in the context of climate change.

Finally, I believe that it is always possible to reach a consensus on the development of productive activities and the conservation of biodiversity, since the landscape is enough for everyone. This is the professional challenge not only for those of us who are involved in this, but also for our society, since we depend for our wellbeing on the services provided by ecosystems, the maintenance of biodiversity, soil conservation, the availability of water, clean air, flora and fauna."

Pedro Garrido
scholar at the Universidad de Talca



5.4 CLIMATE CHANGE

Action in response to the emergency

Climate change MAT 1

Why is it relevant?

Climate change should imply a greater frequency of acute natural events, which may have a significant impact on business continuity. To this end, CMPC is working on both **mitigation** and **adaptation**. In the first aspect, it seeks to reduce its emissions through, for example, waste reduction, energy efficiency, technology replacement, less carbon emission-intensive fuels and the use of renewable energies. In the second, it adapts its forest plantations to more extreme weather conditions and its operations to a decrease in water availability.

Identified economic, social, environmental or human rights impact

The impacts of climate change are felt in the economic sphere due to the possibility of restricting operations to reduce emissions, for example with carbon taxes on emissions or fuels. In the social and human rights sphere, climate change generates extreme events that affect the population, public health issues are affected, the proliferation of new diseases and pandemics, and reduced availability of water resources can impact people's right to life.

Our regulatory framework in this matter

- Environmental Policy
- Climate Change Policy

What is the challenge?

There are multiple challenges, the main one being to uncouple the curves of greenhouse gas production and emissions:

1. Water: reduce the use of water in operations, providing greater availability to communities with a comprehensive view of the river basin.

2. Emissions: decrease greenhouse gas emissions in all scopes to contribute to climate action.

3. Waste: increase recovery and decrease waste generation.



From left to right: Francisco García-Huidobro, CEO Boxboard; Rodrigo Rojas, Plant Manager Valdivia; Carmen Díaz, Head of Services Department Valdivia; Susan Flores, Municipal Delegate of Valdivia; Luis Felipe Gazitúa A., Chairman of Empresas CMPC; Jorge Navarrete, CEO Biopackaging, at the plant's 70th anniversary event in Valdivia, Chile.

"We understand that a planet under the most severe impacts of climate change is one with fewer opportunities, greater risks and inequality, and therefore this commitment is more of a responsibility"

Interview with **Nicolás Gordon**, Sustainability Manager at CMPC

13.1-13.3

How do you define climate change?

Climate change is a tremendously complex phenomenon of global scope. Part of the challenge is that it is difficult to perceive because it cannot be seen, it is intangible. Increased variability of rainfall, floods, droughts, higher or lower temperatures than we are used to are some of the most evident consequences of climate change, which ultimately translate into impacts on people, their activities and the ability to aspire to better lives.

Specifically, how does climate change affect CMPC's business?

CMPC has identified an impact on forest plantations in southern Brazil and northern Argentina, where climate scenarios indicate that in some cases there will even be an increase in temperatures and rainfall, which could be favorable for plantations. However, Chile meets seven of the nine criteria for vulnerability to climate change and the scenarios show an increase in drought and a decrease in rainfall, which poses a significant challenge to the adaptation of our forest operations. These negative impacts associated with the new climate conditions, which also modify other aspects of biodiversity and ecosystems, could also affect part of our industrial operations.

Thinking about a company like CMPC, how can it contribute to this challenge?

First, we have the context that we belong to the forest and paper sector, and that we are a vertically semi-integrated company. Given this, the way to move towards zero emissions is through:

- Reducing greenhouse gas emissions in our own operations and promoting mitigation throughout the value chain.
- Increasing carbon sequestration through our forests and plantations under sustainable forest management and then storing carbon in our products.
- Promoting the circular bioeconomy by substituting non-renewable and fossil-based materials with forest products.

CMPC is particularly well positioned to tackle climate change; plantations and native forests first capture CO_2 from the atmosphere and the products we produce that sequester this CO_2 substitute materials that come from fossil fuels, generating a double impact. The role of forest plantations and their products are widely recognized in mitigating and adapting to climate change.

Why is it urgent to manage this issue?

To date, the planet's temperature has risen by 1.1ºC above the average temperature of pre-industrial times. Science has been warning us for many years that the problem is real; of great magnitude and that, we have to act. Furthermore, we know that around 70% of global emissions come from the private sector.

Given this, as CMPC we have joined in 2021 the Business Ambition for 1.5ºC initiative and the global Race to Zero campaign, through which we have committed to establish medium-term goals -aligned to science- in all relevant scopes (direct and indirect) of greenhouse gas emissions, seeking as a result not to exceed the 1.5ºC threshold by 2050. We are also committed through this initiative to achieve net zero emissions by 2050, which in simple terms is a balance between emissions and our company's capacity to remove carbon through forest plantations and native ecosystems.

Finally, how will you achieve the proposed goals?

Innovation will also play a central role in achieving the goal, seeking alternatives and solutions that are not currently available, such as replacing fossil fuels or promoting the development of products that replace others that are manufactured with higher emissions. Integrating sustainability aspects into CMPC's development and growth, and further driving the solid track record in green finance. We will also make use of all the knowledge and experience of our people, seeking, through operational excellence, to contribute to these goals on a daily basis.

It is also important to highlight the role of new collaborative models, whether in the value chain, new strategic partnerships, in the relationship with neighboring communities and work with the academia. We seek to do our part as a private sector, listening to science to guide our decisions and acting based on internationally recognized standards.

We understand that a planet under the most severe impacts of climate change is one with fewer opportunities, greater risks and inequality, and therefore this commitment is more of a responsibility.

The achievement of not exceeding 1.5°C is attainable only through collaboration between companies, sectors, states, organizations and other members of society, so we hope that being part of this initiative early on will motivate other companies to do the same.



Mitigation: GHG emissions management

(GRI 305-1, 305-2, 305-3, RR-PP-110a.2, RT-CP-110a.1, RT-CP-110a.2)

Standing forests make a crucial contribution to addressing the impacts of climate change not only by absorbing and capturing greenhouse gases, but also by building landscapes that are more resilient. They do this primarily through water flow regulation and soil improvement (World Bank).

CMPC contributes to climate change mitigation through its work in operational efficiency, sustainable forest management, restoration and reforestation for productive and/or native forest conservation purposes.

We will reduce our absolute greenhouse gas emissions (direct and indirect) by **50%** by **2030.**

Target performance emission reduction

Category	Baseline 2018	2019	2020	2021	Goal 2030 (-50%)	13 CLIMATE ACTION
Performance ($ktCO_2e$)	2,396	2,451	2,144	2,023	1,198	13.3
Yearly change ($ktCO_2e$)		55	-252	-373	-1,198	
Progress (%)		-4.6%	21.0%	31.1%	100%	

Source: Sustainability Management.

In 2021, CMPC, together with the Universidad de Chile, estimated the carbon sequestration of pine (19.3 tCO_2e/ha/year) and eucalyptus (44.5 tCO_2e/ha/year) plantations.

CARBON FOOTPRINT

GHG PROTOOL
https://ghgprotocol.org/

To monitor its emissions year by year according to scope, CMPC measures its carbon footprint for the three scopes: Scope 1 (direct emissions), Scope 2 (indirect emissions from energy purchases) and Scope 3 (other indirect emissions in the supply chain), according to the GHG Protocol methodology. Carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O) are included in the calculation.

The Company measures emissions from its corporate offices and industrial operations separately. In the corporate offices, there was an increase with respect to the previous year, especially in Scope 2, due to higher electricity consumption with the implementation of CMPC Flex, a flexible work modality that establishes mixed working hours with in-person and teleworking.

Emissions from corporate offices ($ktCO_2e$)

Category	2018	2019	2020	2021
Scope 1	0.33	0.53	0.74	0.93
Scope 2	1.84	2.18	1.13	2.10
Scope 3	4.66	6.91	3.14	2.50
Total emissions	**6.83**	**9.62**	**5.00**	**5.53**

Source: Sustainability Management.

In 2021, it presented a decrease in emissions in all three business areas.

At Celulosa, the reductions are explained by operating results. At Santa Fe, general plant shutdowns were carried out, which resulted in a lower consumption of fuel oil 6 compared to 2020. At Guaiba, operational continuity and efficiency made it possible to use less diesel and fuel oil 6, and natural gas consumption was also reduced. Finally, at Pacifico, fuel oil 6 consumption was reduced due to the burning of hydrogen in the lime kiln.

Biopackaging also showed significant reductions, which is related to the start-up of the biomass boiler and the transformation of the oil 6 boiler to natural gas at the Boxboard Valdivia plant. Additionally, the Sack Kraft Peru plant in 2021 operated under a 100% NCRE contract, which led to zero emissions in Scope 2. This effect was slightly offset by the increase at Corrugados Cordillera, a plant that had to increase cogeneration by burning more natural gas at the request of the National Electric Coordinator (CNE, for its acronym in Spanish) in Chile[20] and at Boxboard Maule, a greater amount of fuel oil 6 (fuel derived from petroleum for heating) was burned due to the maintenance of the EISA supplier company's biomass boilers.

At Softys, reductions were represented by lower electricity consumption, efficiencies at the Talagante plant in Chile, production shutdowns at Santa Anita in Peru, and implementation of process improvements such as biomass boilers and reduction of liquefied petroleum gas forklifts at the Caieiras plant in Brazil. Finally, Scope 2 emissions decreased due to the purchase of NCRE energy contracts in Peru.

As of January 2021, the 100% NCRE electricity supply contract in Peru came into effect **enabling Biopackaging's Sack Kraft Peru and Softys' Cañete, Santa Rosa and Rosales plants to achieve zero Scope 2 emissions.**

Emissions in industrial operations ($ktCO_2e$)

Category	2018	2019	2020	2021
Scope 1	1,954	2,003	1,966	1,875
Scope 2	442	448	178	148
Scope 3	4,214	8,380	8,540	8,194
Total emissions	**6,610**	**10,831**	**10,684**	**10,217**

Source: Sustainability Management
Note 1: The calculation of emissions in 2019 and 2020 was modified; adding LPG from mobile sources and methanol in fixed sources for the Guaiba plant, and the Santa Fe plant corrected some fuels in 2020 for biomass, generating a small reduction. At the same time, some densities of sawn timber products are corrected, showing a decrease in Scope 3 emissions associated with upstream and downstream transportation and end of life of products sold.
Note 2: The Scope 3 measurement exercise was retroactive to 2019.

In 2021, CMPC showed a **decrease in all its emissions in all three business areas.**

[20]An autonomous, technical and independent body under public law, responsible for coordinating the operation of Chile's electricity system.

The calculation of Scope 3 considers the 15 analysis categories established and recommended by the GHG Protocol. In 2020, CMPC conducted a study to validate the methodology and assumptions used in the calculation of scope 3, allowing it to have a panoramic view of its emissions, ensuring that there are no relevant exclusions.

Scope 3 represents **80.2% of the carbon footprint** of CMPC's industrial operations.

A decrease of 4.05% is observed in Scope 3. The category that showed the most relevant decrease was the processing of sold products (-33%), as the Company's average emission factor decreased (-33%)[21].

On the other hand, the categories that showed a significant increase were:

- **"Waste generated in operations"** (+249%), by improving the accuracy and characterization of waste and its treatment methods.

This led to a better allocation of emission factors, which also increased its intensity compared to the previous year.

- **"Capital Goods"** (+83%) as greater investments were made and the emission factors for each asset were better specified.

Scope 3 categories recommended by the GHG Protocol

Category	2020		2021	
	$ktCO_2e$	% of scope 3	$ktCO_2e$	% of scope 3
1. Purchased Goods and Services	1,451	17%	1,427	17%
2. Capital Goods	287	3%	523	6%
3. Fuel -and Energy- Related Activities	393	5%	382	5%
4. Upstream Transportation and Distribution	1,290	15%	1,217	15%
5. Waste Generated in Operations	62	1%	215	3%
6. Business Travel	0.53	0%	0.70	0%
7. Employee Commuting	18	0%	18	0%
8. Upstream Leased Assets	Not relevant	Not relevant	Not relevant	Not relevant
9. Downstream Transportation and Distribution	1,271	15%	1,356	17%
10. Processing of Sold Products	2,104	25%	1,411	17%
11. Use of Sold Products	0	0%	0	0%
12. End-of-Life of Sold Products	1,663	19%	1,644	20%
13. Downstream Leased Assets	Not relevant	Not relevant	Not relevant	Not relevant
14. Franchises	N/A	N/A	N/A	N/A
15. Investments	N/A	N/A	N/A	N/A
Total	**8,540**	**100%**	**8,194**	**100%**

Source: Sustainability Management
Note 1: "Franchises" and "Investments" categories do not apply, since CMPC has no franchises and no financial interests in other companies.
Note 2: "Upstream leased assets" and "Downstream leased assets" categories are considered not relevant since it was determined through an estimate that they represent less than 1% of emissions, and asset leasing is not part of CMPC's business model.
Note 3: "Use of sold products" corresponds to zero, since the products sold to end clients do not generate emissions in their use phase, as they do not require the burning of fuels or electricity for their operation.
Note 4: There were changes in the emissions of the categories "Transportation and distribution upstream", "Transportation and distribution downstream" and "End of life of products sold" in 2020 due to correction and update of the densities of the products of the plants. of Woods. This re-expression of production led to a 2% decrease in emissions, since they were overestimated.

[21] CMPC uses assumptions for the calculation of its emissions, within average emission factors of its industrial operations, considering that the company is integrated and therefore "B2B products" will be processed in a similar way to its own operations.

Other atmospheric emissions

(GRI 305-7 SASB RR-PP-120a.1, RT-CP-120a.1

In relation to the emission of pollutants into the air and their limits for each source, CMPC is governed by the regulations in force in each country of operation.

At Celulosa, the Guaiba plant (Brazil) recorded a reduction in SO_2 and NO_x due to operational stability of the plant, Santa Fe (Chile) due to greater stability of the boilers, and Pacifico (Chile) due to lower consumption of Fuel Oil N°6 since it was replaced by hydrogen in the lime kiln.

At Biopackaging, the Valdivia plant had a reduction due to the start-up of the Biomass plant and at the Cordillera plant, it was due to the replacement of a natural gas boiler.

Finally, at Softys, at the Zarate plant, the number of fixed sources was reduced by reducing the number of machines and boilers in operation, and at the Caierias plant, a reduction was generated because of the replacement by a more efficient boiler.

Other air emissions (tons)

Gases	2018	2019	2020	2021
Nitrogen oxides (NO_x)	8,235	8,743	9,177	8,086
Sulfur dioxide (SO_2)	1,508	2,248	1,915	1,448
Particulate matter (PM)	1,556	1,236	1,672	1,531

Source: Sustainability Management
Note: No NO_x measurements were taken at the Maule plant in 2021.

Energy management

(SASB RR-PP-130a.1, RT-CP-130a.1; GRI 302-1, 302-3, 302-4)

Energy efficiency MAT 2

Our regulatory framework in this matter

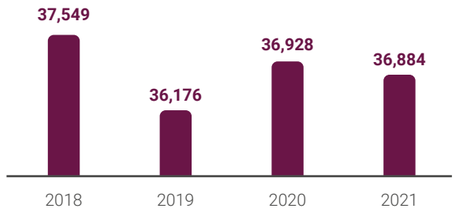
- Energy Management System under the framework of ISO 50001:2018

Identified economic, social, environmental or human rights impact.

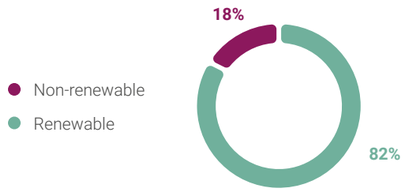
Industrial plants require different types of energy and their restriction can negatively affect operational continuity and/or production costs. Likewise, energy from fossil fuels has a significant impact on global warming, which is why CMPC is exploring renewable energy projects.

The forest sector is an energy-intensive industry, which is a relevant factor in terms of costs and operational continuity. However, it is also an important producer of renewable energy, especially based on biomass.

Energy consumption (GWh)



Type of source (%)



Energy consumption by type of source (GWh)

Source	Type of fuel	2020	2021
Renewable energy	Black liquor	22,378	22,902
	Biomass	5,180	5,215
	Electricity (purchased)	1,370	1,567
	Steam (purchased)	1,032	547
	Methanol	185	142
	Hydrogen	0	13
Non-renewable energy	Natural Gas	3,156	3,109
	Oil #6	1,584	1,440
	Coal	1,064	1,043
	Electricity (purchased)	805	723
	LPG	128	124
	Diesel	47	59
	Total	**36,928**	**36,884**

Source: Bioenergías Forestales (Forest Bioenergy) SpA.

85% of CMPC's energy consumption comes from the Celulosa business unit, which consumes 100% of the black liquor, a residual substance from the pulp production process, which in turn produces steam that generates electricity.

TYPES OF RENEWABLE ENERGY

PHOTOVOLTAIC ENERGY

The Company's Strategic Photovoltaic Portfolio was determined, identifying all the potential photovoltaic plants to be installed in Chile.

WIND ENERGY

The wind portfolio was generated in Brazil with seven projects (~1.600 MW) and in Chile with six projects (~1,200 MW).

Also, in 2019 the Company started the El Almendro Wind Farm project (120 MW) and in 2021 completed the process of Early Citizen Participation (PACA, for its acronym in Spanish) with the participation of neighborhood councils, mayors, municipal councils, indigenous communities and local authorities of the town located on the border of the regions of Biobio and La Araucania.

HYDROGEN

The Company started studies in the year to evaluate the technical and economic feasibility of replacing one of the existing auxiliary boilers at the Pacifico plant with a mixed boiler that consumes surplus hydrogen.

CMPC participates in the Green Hydrogen Strategic Partnership for Biobio (Chile), promoted by the Universidad de Concepción, which seeks to accelerate the energy transition in this region of the country.

In 2021, a reduction of 34.20 GWh was achieved due to initiatives developed by the plants in all countries. The implementation of the reuse of hot air in the kiln dryers of the Mulchen plant, which saved 12.43 GWh of electricity and steam by drying in less time, is highlighted.

Towards Zero Emissions Forest Operations

CMPC is currently working on a Road Map (HdR, for its acronym in Spanish) to advance in the decarbonization of its forest operations, contributing to the corporate strategy of reducing emissions through technological change in forest and wood transportation equipment. The HdR is expected to be completed in the first half of 2022.

This project is part of Beyond, so it has a company-wide team to evaluate the cost of green hydrogen production to contribute to independence from fossil fuels.

7 AFFORDABLE AND CLEAN ENERGY

7.2

Fibralab space, Los Angeles corporate building, Biobío region, Chile.

ENERGY MANAGEMENT SYSTEM

CMPC achieved **22 plants certified** under the ISO 50001:2018 framework, which translates into **95% of its energy consumption being efficiently managed** through an Energy Management System.

7.1

Three more plants were certified, added to those already certified in previous years[22]: Zarate plant, Softys Argentina; Cañete plant, Softys Peru; and Pando plant, Softys Uruguay. Also, in accordance with the Electrical Installation Safety Regulations, the implementation of Electrical Installation Integrity Management Systems (SGIIE, for its acronym in Spanish) began at Pulp Chile's plants, and Softys Talagante and Corrugados Cordillera in Biopackaging will be added in 2022.

The EE Seal is the highest recognition awarded by the Ministry of Energy of Chile together with the Energy Sustainability Agency. CMPC has 12 Gold Seals, recognition for the Energy Trajectory for the three Pulp plants in Chile and a recognition for Efficient Transportation and Electromobility awarded at the beginning of the year 2021.

[22]Celulosa: Guaiba (Brazil), Santa Fe, Pacifico, Laja, Bucalemu, Mulchen, Nacimiento, Coronel, Los Angeles and Plywood Plant (Chile) / Biopackaging: Corrugados Cordillera, Boxboard Maule, Boxboard Valdivia, Sack Kraft Chillan (Chile) / Softys: Mogi, Caieiras (Brazil), Talagante, Puente Alto (Chile) and Santa Anita (Peru).

Waste MAT 1

(SASB RT-CP-150a.1; GRI 306-1, 306-2, 306-3, 306-4, 306-5)

We will be a **zero waste**-to-landfill company by **2025.**

Target performance zero waste

Category	Baseline 2018	2019	2020	2021	Goal 2025 (-90%)
Performance (t)	714,299	622,245	509,843	427,798	71,430
Yearly change (t)		-92,054	-204,457	-286,501	-642,869
Progress (%)		14.3%	31.8%	44.6%	100%

12.4
12.5

Source: Sustainability Management
Note 1: With the definition of zero waste to landfill, the way to quantify progress was updated.

How does Empresas CMPC define being a zero waste to landfill company?

According to international guidelines and consensus (Zero Waste International Alliance, EPA, WRI, Europe Zero Waste, among others), the concept of "zero waste to landfill" refers to a deviation towards recovery treatments of at least 90% of the waste sent to landfills, controlled disposal areas or dumps with respect to a baseline. Therefore, it is expected to reduce by at least 90% the amount of solid waste sent to any of these disposal facilities with respect to the established base year.

All waste generated is regulated according to the regulations of each country. However, they require different treatments depending on the type, material and technological availability on the market.

Type of waste (tons)

Category	2018	2019	2020	2021
Hazardous	3,638	3,424	3,765	4,064
Non-hazardous	2,302,513	2,396,819	2,407,682	2,227,836
Total	**2,306,151**	**2,400,243**	**2,411,447**	**2,231,900**

Source: Sustainability Management.
Note: The increase in hazardous waste in 2021 was due to the decommissioning of a fuel tank at Softys' Talagante plant.

The main wastes generated by CMPC are **sludge** (37%) and **wood by-products** (33%).



From left to right: Paula Aguirre, CMPC Industry Environmental Manager; Katherinne Salazar, Director of Environment, Municipality of Nacimiento; Camilo Acuña of Kyklos; Didier Cares, Head of Corporate Affairs, CMPC Nacimiento; Carlos Toloza, Mayor of the Municipality of Nacimiento; Mar a Jiménez and Cristian Gutiérrez, community leaders and grassroots recyclers of the "Comuna sin Basura" program, in Nacimiento, Chile.

Waste generation (tons)

Hazardous waste	Total
Chemicals	1,410
Hydrocarbons	1,403
Mixtures	777
Solvents	271
Others	203
Grand Total	**4,064**

Source: Sustainability Management.

Non-hazardous waste	Total
Sludge	824,805
Wood by-products	744,373
Causticizing wastes	242,962
Wood	143,761
Combustion wastes	110,888
Paper and cardboard	58,942
Pulper rejects	48,628
Similar to household	15,363
Metal	7,201
Plastics	5,802
Personal care waste	5,056
Other	20,055
Grand Total	**2,227,836**

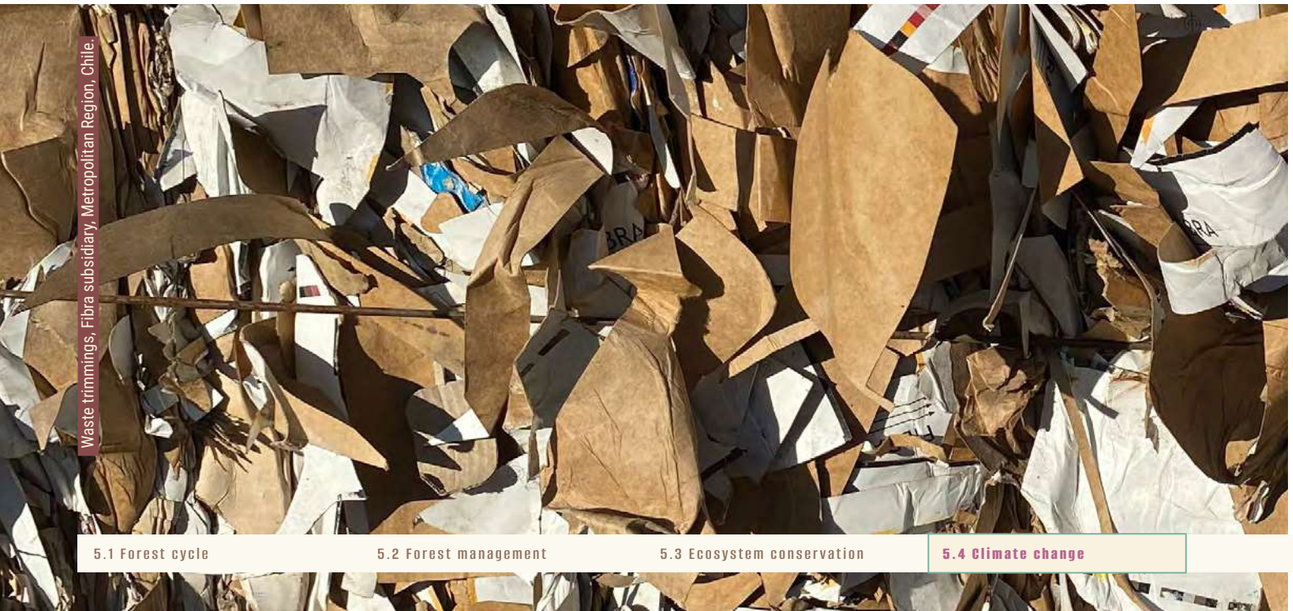
CMPC **recovers 81% of its total non-hazardous** waste.

The main recovery method is energy recovery, which is considered in this category when the calorific value of the waste is used. The waste that is recovered as energy corresponds mainly to biomass, a non-conventional renewable energy source.

Hazardous waste treatment method (tons)

Category	Tons	Percentage
Recovery	1,340	32.9%
Disposal	2,724	67.1%
Total	**4,064**	**100%**

Source: Sustainability Management.
Note: For this fiscal year, there is no internal/external segregation for hazardous waste.



Waste trimmings, Fibra subsidiary, Metropolitan Region, Chile.

Non-hazardous waste treatment method (tons)

Non-hazardous waste	Internal	External	Total
Recovery			
Reuse	0	4,664	4,664
Recycling	43,241	135,638	178,879
Composting	175,022	180,197	355,219
Soil application	75,873	290,006	365,879
Energy recovery	648,374	246,872	895,246
Total	**942,510**	**857,377**	**1,799,887**
Disposal			
Incineration	0	151	151
Landfill	0	392,566	392,566
On-site disposal	35,231	0	35,231
Total	**35,231**	**392,717**	**427,948**
Total			
Total non-hazardous	**977,741**	**1,250,094**	**2,227,835**

Source: Sustainability Management.
Note 1: CMPC's zero waste goal includes only waste to landfill/dump and on-site disposal or ADC (Pulp plants).

In 2021, there was a 16.09% reduction in waste to landfill or on-site disposal compared to the previous year due to issues of continuity and operational efficiency, as well as the use of a larger fraction of virgin fiber, which implies less generation of sludge waste, fiber losses and rejects. This variation is mainly due to the actions promoted largely by Celulosa and in Softys.

The most important variations in Celulosa happen at the Pacifico plant with the implementation of the zero waste plan, where recovery has been increased through improvements in the segregation of sludge, dregs and grits, because of the improved performance of the lime kilns. A fraction of storage yard sweeping waste was also recovered for energy purposes during the period. Finally, at the end of 2020, contracts with local suppliers and recipients were updated to allow better and greater options for soil applications of waste as soil property improvers. At the Nacimiento sawmill, there was an increase in waste to final disposal, since the ashes are currently taken to a landfill.

At Biopackaging, there was an increase in waste, because the Papeles de Corrugados plant had a higher generation of sludge in the Effluent Treatment Plant (ETP). On the other hand, the Valdivia plant is recovering waste that was previously sent to landfill due to better internal segregation.

At Softys, the reduction is due to measures such as the composting plant at Pando, which has been receiving 100% of the sludge generated since April. Also in Talagante, a larger fraction is being sent for composting and using virgin fiber. At Zarate, the sludge sent to the stabilization facility for final disposal has been reduced by sending it to brick manufacturers. At Caieiras, improvements have been made to the effluent treatment plant, sludge is being sent for energy recovery, and waste is being better separated at source. At Santa Anita there has been a reduction in generation as a result of the shutdown of a paper machine; there has also been less production and greater use of virgin fiber rather than recycled fiber. At Cañete, generation has been reduced because with the implementation of the domestic water treatment plant, the internal gardens are irrigated. At Sepac, the centrifuge has improved its operation, reducing the humidity of the sludge and thus its energy recovery, avoiding sending it to landfill.

Adaptation

(SASB RR-FM-450a.1)

RISK MANAGEMENT

For more information on the risks and opportunities associated with climate change, review Chapter 6 Sustainable Culture, in section 6.2 Risk management

Pág. 258

Due to the consequences of climate change, both physical and transitional, such as droughts, increase in average temperature, variations in precipitation, among others, CMPC's activities could be affected negatively in the case of the main risks and positively in relation to the opportunities that may arise for its forest operations, production processes and supply chain.

In this regard, the Company is working on two lines of action to adapt to climate change in its forest operations:

Climate change adaptation plan → **Genetics**

Silvicultural development

Genetics

Focused on generating greater adaptability of species to climatic conditions. For example, greater resistance to frost, drought and even to the attack of insects and fungi that may proliferate due to changing environmental conditions.

CMPC uses genetic improvement techniques (selection and cloning) and traditional techniques (without the use of genetic engineering) and does not work with genetically modified organisms.

It has a Genetic Improvement Program for pine trees to increase the productivity of the plantations, in which tests are carried out with different families of individuals to determine which are the most suitable species for the climatic conditions of the region.

The Improvement Program is focused on obtaining species or varieties adapted to local conditions through strategies aimed at the formation of interspecific hybrids, which combine factors such as resistance and/or tolerance to changes in climate with gains in forest productivity.
CMPC has an extensive experimental network and aims the new trials to cover all the existing variability at the site.

The Improvement Program calculated a drought index for the genetic trials, identifying radiata Pine families with greater tolerance to water restriction conditions. By calculating genetic values (heritability and dominance), a ranking of individuals was developed and the genotypes best adapted to areas with water risk were propagated.

Silvicultural development

Updates silvicultural management to respond to changes in environmental conditions and optimize the resources used. A study is carried out to estimate new productivity curves that consider the effects of climate change, mainly temperature increase, precipitation decrease and CO_2 increase.

Includes a specialized technical area to carry out studies and trials aimed at optimizing the use of resources for silvicultural development by reducing, for example: fertilizers, herbicides, insecticides, or improving processes such as reducing soil removal, reducing the use of machinery and fossil fuels.

It has new procedures that, thanks to the use of drones in silvicultural management, improve ant control by up to 30% compared to manual applications, which also contributes to reducing water use by 251,000 liters.

Development of silvicultural productivity models for each of the proposed scenarios with a climate horizon to 2070[23], These inventory projection models allow optimizing different management schemes for current and projected climatic conditions.



CMPC Biotechnology Laboratory Culture Room, Los Angeles, Chile.

[23] Study "Adaptation to climate change in forest activities, productivity and impact reduction" (O'Higgins Region to Los Lagos Region, Chile).

Study **"Adaptation to climate change in forest activities, productivity and impact reduction"**

Corfo Project[24] in collaboration with Universidad Austral de Chile (UACH) and other members.

CMPC participates in this project that seeks to use historical data to develop simulation models of future conditions resulting from climate change up to the year 2070 in the territory between the O'Higgins and Los Lagos regions (Chile).

This will make it possible to estimate the gaps in the environmental resources and forest plantation productivity to propose mitigation and adaptation actions that can be economically evaluated and thus be able to reduce the negative impacts and take advantage of the opportunities expected from climate change in forest activities.

The project considers the RCP 4.5 and RCP 8.5 climate scenarios and has seven lines of work:

Site productivity
Estimate changes in plantation productivity and, therefore, in site indices compared to the current scenario and, in this way, establish management suggestions.

Water safeguard
Elaboration of current aridity indexes and estimation of their effects at the micro-basin level. Based on this, proposals for water safeguarding measures are prepared.

Phytosanitary risk
Guidelines for pathogen damage categorization and pest damage probability mapping.

Adaptive silvicultural actions
Proposal of adaptive silvicultural measures to address changes in productivity.

Genotype development
Genetic material selection better adapted to water risk conditions.

Wildfires
Development of models of probability of occurrence and risk of wildfires and proposal of prevention measures according to the area. Interface analysis is performed.

Economic evaluation
Evaluation and proposal of new management schemes, with estimates of the present value of the soil.

13 CLIMATE ACTION
13.1

RISK MANAGEMENT
For more information on the risks and opportunities associated with climate change, review Chapter 6 Sustainable Culture, in section 6.2 Risk Management.
Pág. 250

Also, CMPC has begun to evaluate climate scenarios and their potential impact, under the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in order to generate adaptation plans for these new scenarios and ensure its future operational continuity.

To this end, the Company formed a working group with the participation of the Risk, Finance and Sustainability areas, which carried out an initial assessment of the main risks - transitional and physical - and opportunities related to climate change.

Water stress MAT 1

The consequences of climate change in the water context are visible in various territories. According to FAO, the growing trend in global water stress over the last twenty years reflects increasing stress in different areas of the world, with decreases in other areas of the planet that cannot compensate for such increases, where climate change plays an important role.

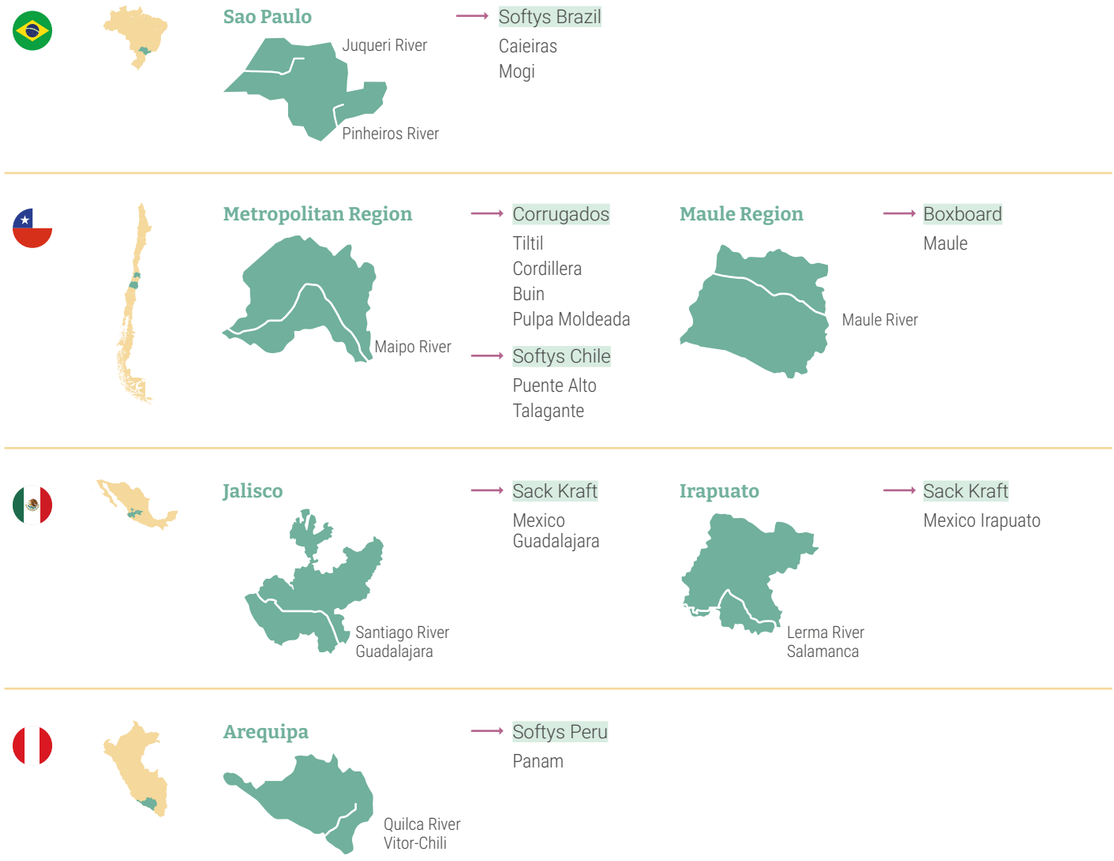
By 2025, an estimated 1.9 billion people are expected to live in areas facing water scarcity and two-thirds of the world's population could be water-stressed.

In terms of its impacts, water stress causes a deterioration of freshwater resources in terms of quantity (overexploited basins, dry rivers, etc.) and quality (organic matter contamination, among others).

Water availability is essential for human life and for the growth of forests and plantations. CMPC uses water for the operation of its production plants, so future availability is essential for manufacturing its products.

For this reason, it uses the Aqueduct Water Risk Atlas tool of the World Resource Institute (WRI) to analyze its level of exposure to water risks for all its production plants, including both physical and transitional risks, such as: risk of stress, drought, depletion, annual and seasonal variability of water, as well as risks related to water quality and exposure to legislative and reputational risks, among others.

Considering this analysis, the following are declared as plants under water stress:



Celulosa's plants in 2021 were not in areas with high or critical water stress for the company according to the results from the Aqueduct tool. However, conditions may change because of the climatic emergency, which is why this **monitoring is annual.**

[24]Corfo finances the project, its client institution is Conaf and the executing institution is Universidad Austral in conjunction with other members. Its duration is 3 years and it is multisectoral, involving more than 15 dedicated researchers.

Shadow Price of Water

The project is part of Beyond's work and seeks to raise awareness of water use in operations and quantify its fair price.

Ecolab's Water Risk Monetizer tool was selected to calculate the shadow price of water, which considers water availability factors of the basins (water stress, water quality and domestic consumption) and social aspects (reputation, legislation and stakeholders), to be added to the operational or traditional cost of water. In this way, it takes into account the risk of water quality and quantity in the assessment and its social impacts.

This exercise was carried out to include these variables in economic evaluations of strategic projects, site evaluations for operations and water consumption reduction projects to increase the visibility of water performance.

The first project evaluated with this methodology was carried out at the Corrugados subsidiary's paper plant in the Metropolitan Region in Chile, whose Maipo River basin has been declared a water stress zone. For that purpose, a water resource reduction analysis was included in the economic evaluation.

When evaluated with the conventional price of water, the project was not economically favorable, which made its approval difficult as it competed with other profitable initiatives. However, by including the shadow price of water, the project changes in terms of its indicators, making its implementation favorable and profitable. Therefore, including this information in the evaluations is a fundamental support for decision making.

Given the success of the shadow price implementation, the Company used this model to evaluate other projects such as BioCMPC and the acquisition of machines and other Softys investments.

Considering these factors allows generating an evaluation according to the future water stress scenarios of the locations where CMPC's operations are located, allowing to anticipate and take the appropriate measures to mitigate and control these risks, being a fundamental support for decision making.

6 CLEAN WATER AND SANITATION

6.4

WATER RESOURCE MANAGEMENT

We will reduce industrial water use per ton of product by **25%** by **2025**

Target performance water use reduction

[CMPC 9]

Category	Baseline 2018	2019	2020	2021	Goal 2025 (-25%)
Performance (m^3/t)	31.51	32.11	31.07	29.96	23.63
Yearly change (m^3/t)	-	0.59	-0.44	-1.56	-7.88
Progress (%)	-	-7.5	5.6	19.8	100%

6 CLEAN WATER AND SANITATION

6.4

Source: Sustainability Management

Note: a correction was made to the productions of previous years and the 2018 baseline, showing variations in water use intensities.

In 2021, a methodological change and a correction of calculation factors was made for the water use reduction target. Specifically, the density data for wood products in sawmills (Nacimiento, Mulchen and Bucalemu) was corrected. This led to a modification of the 2018 baseline and the results in the following years.

The density values used were verified in an external assurance process by KPMG of the content CMPC 9. The densities are corrected by 0.476 t/m^3 for dry wood and 0.786 t/m^3 for wet wood, representing a variation of -12% and -28%, respectively, compared to previously used values.

The impact of this modification is not significant for Maderas' water use as it represents an average of 0.55% of CMPC's total. However, production is more relevant as it represents an average of 10.07% of the plants that use industrial water for their production processes.

Maderas' production and sales are calculated in m^3, which have not changed. However, CMPC's goal, as well as other indicators require the mass production; therefore, the weight/volume ratio generated this modification by updating the density and the consequent restatement of data, performance and target.

Thus, the reduction of 25% of m^3 per ton of product is established in a final value of 23.63 m^3/t and not the initial 23.13 m^3/t.

In 2021, the **Water Resources and Effluents assistant management was created and the Water Resources Strategy was approved.**

Assistant Management is responsible for the efficient use of water, its ecosystem management, compliance with industrial water use reduction per ton of product and the search for new sources of supply to minimize operations' vulnerability to climate change.

The Water Resources Strategy, which has four main lines of action:

1.To ensure supply: By deepening the knowledge of current sources, their availability in the medium and long term and the knowledge of the other players that participate in the consumption of the resource at the basin level.

2.Anticipating water scarcity scenarios: Defining simulation scenarios that take into account climate variability and efficient water resource management.

3.Responsible use: Developing knowledge of water uses in each production process, operating under the concept of zero loss, flawless operations in the use and reuse of water, and advancing in the planning of short, medium and long term production, considering water balances (supply/demand).

4.Minimize and control liquid effluents: Identifying opportunities in water reuse, developing projects to increase recirculation and improve the quality of effluents that return to the natural environment.

In September 2021, the Water Management Committee was created to ensure a global vision for the Company, follow up on the Water Resources Strategy, and make decisions regarding water-related projects.

The committee is led by the Environmental Manager and is comprised of the General Managers of Celulosa, Biopackaging and Softys, the Sustainability Manager, the Innovation and Technology Manager, and the Chief Legal Officer.

To follow up on the actions carried out in 2022, an Operating Water Technical Committee will begin to operate, which will focus efforts on 3 areas of work: a) Technological measures for water reduction based on investments; b) Operational measures; and c) Disruptive measures.

ANNUAL PERFORMANCE

In 2021, catchment decreased by 3.67%, while production remained the same (+0.3%) compared to 2020, reflecting progress towards the corporate goal.

Celulosa showed a reduction at the Pacifico plant thanks to its mechanical and chemical water filter recovery project.

Biopackaging showed a decrease in the Corrugated plant due to: 1) the replacement of a meter, 2) greater efficiency of the paper machine (MP20), and 3) an improvement in the water use control standard. Boxboard Valdivia also contributed to the reduction through operational efficiency projects.

Softys' decrease is explained by water efficiency projects, such as: 1) circuit closure, 2) recirculation projects and, 3) leak repairs at the Zarate (Argentina) Mogi (Brazil), Puente Alto and Talagante (Chile) plants. At Pando plant of Softys Uruguay, training was provided to operators to maximize recirculation time and a reverse osmosis plant will be installed in 2022.

Water catchment (m^3)

[SASB RR-PP-140a.1, RT-CP-140a.1; GRI 303-1,303-3]

Category	2018	2019	2020	2021
Surface water	-	-	191,180,087	185,915,903
Groundwater	-	-	16,862,386	15,568,787
Third party water	-	-	2,836,926	2,451,078
Total	**208,981,540**	**209,696,499**	**210,879,399**	**203,935,768**
Total with water stress	-	-	16,983,282	19,773,542
Total without water stress	-	-	193,896,117	184,162,226

Source: Sustainability Management
Note: Does not include the forest operations, nor the Los Angeles and Coronel plants, since their productive processes do not involve the use of water.
Note: Edipac and Fibras plants are not considered, since their productive processes do not use water.

Water discharge (m^3)

[303-2; 303-4]

Category	2018	2019	2020	2021
Surface water	174,586,665	170,927,800	170,774,578	164,561,087
Groundwater	26,153	6,619	6,761	7,567
Third party water	188,661	301,567	153,254	147,705
Total	4,154,022	4,089,475	3,417,807	3,128,893
Total with water stress	**178,955,501**	**175,325,461**	**174,352,400**	**167,845,252**
Total without water stress	0	0	15,442,755	16,799,083
Surface water	0	0	158,909,645	151,046,169

Source: Sustainability Management.

Water consumption (m^3)

[303-5]

Category	2018	2019	2020	2021
Water consumption	30,026,040	34,371,038	36,371,038	36,090,516
Water consumption in water-stressed areas	0	0	1,540,527	2,974,459
Water consumption in non water-stressed areas	0	0	34,986,472	33,116,057

Source: Sustainability Management.

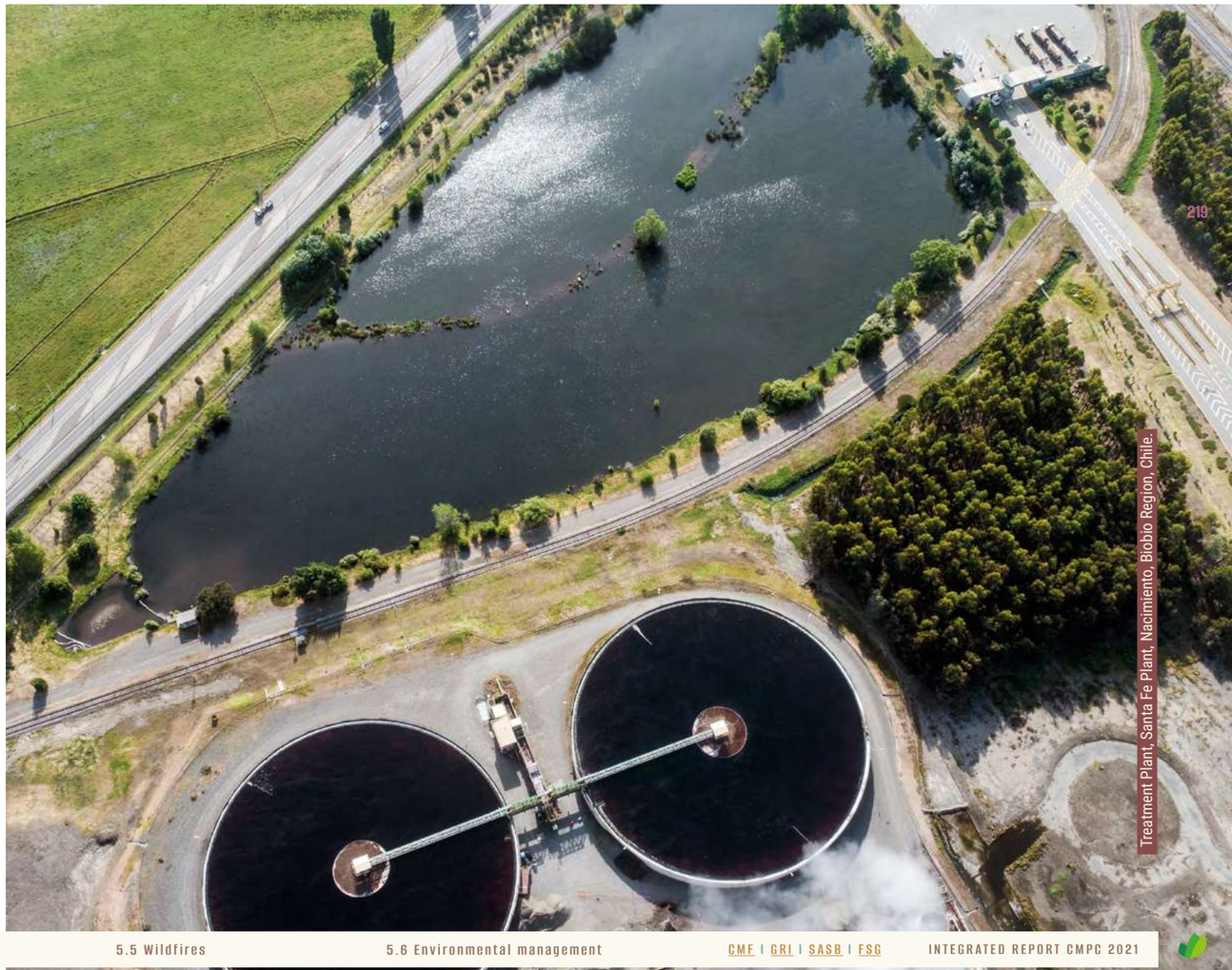
Water quality parameter (tons)

Substance	2018	2019	2020	2021
COD	41,799	35,699	39,014	30,557
BOD	5,024	3,578	2,562	1,655
TSS	4,833	2,958	2,981	2,135
AOx	389	400	444	380

Source: Sustainability Management.

The most important variations are explained by the Pulp and Softys businesses. The four Pulp plants achieved their reduction through continuous improvement processes, resource optimization and process control in effluent treatment plants.

At Softys, the reduction was achieved through continuous improvement projects, consolidating operational maintenance processes, equipment renewal and chemical suppliers were added.



Treatment Plant, Santa Fe Plant, Nacimiento, Biobio Region, Chile.

5.5 WILDFIRES

Protecting everyone is the most important thing



María Dolores' 314 Brigade, Los Angeles, Biobio Region, Chile.

Combating wildfires MAT 2

Our regulatory framework in this matter

Its management is framed in initiatives to prevent and combat wildfires with the support of internal manuals and documents.

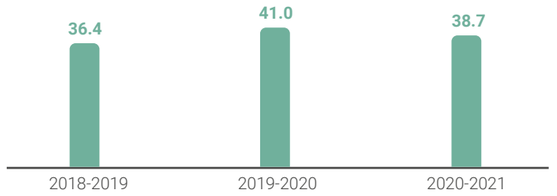
Identified economic, social, environmental or human rights impact.

Wildfires can directly affect the population near the forest lands and it is therefore important to have a fire prevention and early detection plan with the neighbors. Additionally, wildfires can cause forest plantation losses, affect biodiversity and are also a source of GHG emissions into the atmosphere, which are devastating in environmental terms.

CMPC carries out a comprehensive work against wildfires, which consists of three stages:

PREVENTION > COMBAT > POST-FIRE

Prevention and combat investment (USD millions)



For the 2020-2021 period, the investment in wildfire prevention and combat was **USD 38.7 million.**

Prevention

Within prevention, the company develops different actions such as:

1. Social prevention

It carries out educational campaigns in rural schools and community information campaigns, installing prevention posters in high-risk areas. It also works together with the forest companies in the region to form a prevention network.

Conducts fire prevention campaigns in nearby communities and preventive actions at times of risk, such as a ban on smoking, restriction of operations, among others.

It provides fire prevention training to 65 committees of the Community Prevention Network and provides support to the community watch committees, which are community organizations that work in fire prevention.

Community Prevention Network

The Community Prevention Network is an organization that, through a management model, addresses fire prevention with local stakeholders, i.e. organizations, institutions and companies that share a territory, where the local community plays a leading role.

CMPC participates in prevention campaigns and operations together with the Community Prevention Network. The network develops three lines of action:

1. Preventive actions: construction and maintenance of firebreaks, cleaning of roads, installing preventive signage, collaborative waste collection with the municipality, companies and the community, among others.
2. Education: training, workshops and educational activities at the local (door-to-door), municipal, provincial and regional levels (with the implementation of stands at thematic fairs).
3. Coordinated response: fire drills with communities.

"The Prevention Network started four years ago, following the 2017 fires. Since then we have been working with a methodology that allows us to plan annual activities with the community with physical actions, such as firebreaks and other educational ones such as agricultural burns. Throughout the pandemic, it has been more difficult to maintain the planned activities, but we have achieved other ways to keep this work active.

Today we have 64 committees in 25 municipalities, most of them in the Biobio region, which is a large territorial extension.

CMPC is willing to participate in our activities; they have supported us in highway campaigns where we provide preventive recommendations and emergency numbers in case they see a fire outbreak. We invite asset administrators to participate in risk surveys, and in some cases, they have given talks to the community, so their expert opinion on preventive silviculture is a great contribution.

Our community work is ongoing and it is possible to expand it. An issue we have to address has to do with the change in the causes of fire. Every year the intentionality is increasing and we have to look together with different players to find a way to address it in a coordinated manner.

The challenge is how to expand the work with local organizations, not only to limit it to the world of fire prevention, but also to community work and local development, to be able to explore developments in water issues, for example, rather than from a comprehensive view of the fire problem. Also waste management, which is one of the secondary causes of fires. Finally, everything goes in the same line of taking care of the planet and having a safer place to live."

Paola Méndez
Fire Prevention
Network Coordinator



People trained in wildfires (No.)

	Collaborators and contractors		Neighboring communities	
Country	2019-2020	2020-2021	2019-2020	2020-2021
Argentina	11	15	52	52
Brazil	266	565	312	1,316
Chile	1,850	375	12,900	1,400
Total	**2,127**	**955**	**13,264**	**2,768**

Source: Bosques
Note: In Chile, community training was provided to the Prevention Committees that are part of the Community Prevention Network. In 2020, the number is higher since the neighboring communities of the forest assets were trained, a program that is carried out every two years.

2. Preventive silviculture

Corresponds to activities that reduce the spread of fires in forest plantations. Depending on the context, three defensive levels are applied in Argentina, Brazil and Chile:

1 Perimeter firebreaks using physical and chemical mechanisms.

2 Fuel reduction areas to contain the spread of fire.

3 Preventive silvicultural management rings (thinning or pruning).

Estates near the communities are identified and preventive silviculture is prioritized.
• Argentina carried out controlled perimeter burns with neighboring cattle ranchers.
• Brazil maintained 2,498 km of firebreaks.
• Chile built 1,200 km of firebreaks and maintained 6,950 km. Also, fuel management was carried out on 1,900 km (pre-combat burning).

3. Predictive models

In the three countries of forest operation, technology was integrated to improve the prediction of climate projections and the identification of fire risk to estimate the probability of occurrence. This makes it possible to propose better prevention and mitigation measures depending on the area being evaluated.

Drones and satellite imagery are also used to assess fuel models.

FIRE CONTROL UNIT

In Chile, together with the Universidad de Concepción, GesFire 1.0, a command and control system that allows efficient and effective firefighting, standardizing processes and improving decision making, was launched.

The technological platform, developed for CMPC, is an organized and systematized solution by workflow, information query tools (resources, fires, outbreaks) that integrates data from the Company's forest assets, allowing it to optimize firefighting resources.

Combat

COMBAT EQUIPMENT

- 2 tanker aircrafts
- 4 brigades
- 13 water trucks
- 5 water tank pickups
- 16 detection towers

- 4 helicopters
- 7 Brigades
- 13 water trucks
- 17 detection towers
- 11 towers with detection cameras
- 24 pickups with combat kit

Also, 3 heliports were built, allowing for more efficient and safer takeoffs and landings.

- 21 aircrafts: including the two heavy mega helicopters (Chinook)
- 42 brigades plus variable support brigades with 1,300 personnel
- 8 detection cameras
- 57 detection towers.

Work was carried out to identify and improve water sources for different types of aircraft.

MAIN BRIGADE

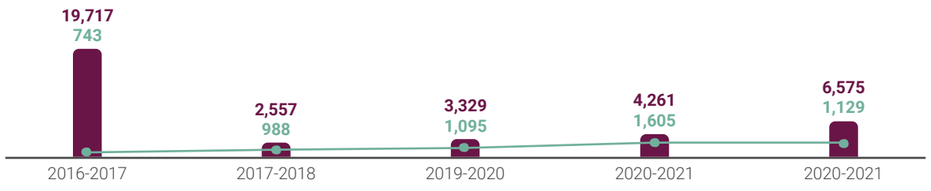
The Main Brigade is a group whose objective is to work together with Conaf and local organizations in fire prevention and firefighting in the north-central zone of Chile.

The brigade has a ground team of 10 people, mobilized by fire truck with 2,000 liters of water. In 2021, it participated in the launching of prevention campaigns, construction of interface firebreaks and firefighting.

FEMALE BRIGADES

In 2021, **two female interface brigades** were added in the Biobio and La Araucania regions of Chile. These brigades are led by a female brigade chief and two female brigade members in each unit.

Wildfire damage



Note: Information includes Argentina, Brazil and Chile. Fire outbreaks in Chile correspond to more than 70% in each period and in the case of hectares affected, more than 40%.



Yesenia Valenzuela, Claudio Paredes (Brigade Leader), Consuelo Vallejos and Claudia Suazo, CMPC 811 Brigade team.

Post-fire work

Conservation work also involves the recovery of hectares that have been affected by wildfires. Where appropriate, support is provided to the affected communities and the damaged fiber is recovered for use in consumption centers. Finally, a native forest monitoring plan is carried out to determine a restoration plan for the areas that require it.

Restoration program for the Empedrado municipality (Maule, Chile)

Fondo Maule is a program that aims to restore the landscape in the municipality of Empedrado, after it was almost completely affected by the fires of 2017. In this initiative, CMPC is working with New Generation Plantations Technical Assistance, Diálogo Forestal Chile and Arauco in the development of a five-year program whose goal is to restore 2,000 hectares of native forest and 1,500 hectares of productive forest-agricultural projects. It is estimated that this project will sequester 1,000,000 tCO_2e.

Brazil Farm, located in Millantu, municipality of Laja, Biobio region, Chile.

5.6 ENVIRONMENTAL MANAGEMENT

Operaciones eficientes

Environmental events MAT 2

Our regulatory framework in this matter

- Local regulations for the operation of industrial plants.

Identified economic, social, environmental or human rights impact.

The operation of industrial plants is not exempt from the risk of producing operational incidents that may have an environmental and/or community impact, for example, if the operating parameters go out of the established ranges.

The challenge of the new Environmental Management is to achieve efficient operations, which implies complying with legal and regulatory obligations, but also preventing and managing socio-environmental risks and impacts. To this end, it seeks to generate value in the territory through community engagement, impact management and trustworthy work with the neighbors of the facilities.

The Environmental Management monitors environmental performance factors (air, water, soil, among others), with the aim of supporting the achievement of the required goals for the ecosystem. These factors respond to environmental compliance indicators: general operating permits, regulatory frameworks, specific environmental permits, among others.

To this end, the following departments were created: (1) Department of Water Resources and Effluents (2) Department of Waste, Emissions and Environmental Obligations (3) Department of Environmental Management in Projects and New Businesses.

Risk control associated with operational vulnerabilities and the follow-up of incidents with environmental consequences are the framework for the immediate identification of gaps and opportunities for improvement with respect to operating environmental performance and their respective action plans.

In 2021, the **new standard for operational incidents with environmental consequences**, which seeks to incorporate criteria of magnitude and environmental consequence with respect to unwanted operational events, was developed and its trial phase began. This standard came into effect in January 2022.

Environmental management indicators (No.)

Complaints and incidents	Celulosa		Biopackaging		Total	
	2020	2021	2020	2021	2020	2021
Complaints	38	42	96	73	**134**	**115**
Incidents	57	71	22	91	**79**	**162**
Incidents with public connotation	12	6	0	0	**12**	**6**

Source: Environmental Management
Note 1: The increase in incidents is due to a methodological change at Celulosa and Biopackaging by including TRS vents. Chilean law authorizes TRS vents with limitations, which are duly notified to the environmental authority.
Note 2: The subsidiary Softys is excluded from this evaluation.

Throughout the year, different actions were carried out to reduce incidents, which are part of preventive work plans associated with the environmental risk of each plant. The monitoring of critical variables is critical in each operation and in the case of Celulosa, High Performance Teams (EAD, for its acronym in Spanish) Roundtables are held to analyze, plan and review the daily focuses in operations equipment with respect to environmental performance.

Actions

NOISE MITIGATION

Depending on the plant, adjustments were made to operating schedules, daily follow-up of noise monitoring stations, training of employees in mitigation practices, implementation of engineering actions such as mufflers, etc.

ODOR MITIGATION

Specifically in pulp mills, preventive controls are carried out, incorporating the best inerting practices in gas circuits.

COMMUNITY COMMUNICATION

Actions were carried out with the community, such as invitations to tour the plants, informative meetings and defining the flow of complaints.

In 2020, the Superintendency for the Environment (SMA, for its acronym in Spanish) initiated a sanctioning procedure[25] against the Santa Fe plant for two odor events. Given this, CMPC presented a Compliance Program, which aims to comply with environmental obligations, including those related to the need to take responsibility for the effects caused by the violation.

In 2021, CMPC carried out 100% of the actions committed to in the Compliance Program 2021.

Additional preventive measures are implemented at the Santa Fe plant:

1. Environmental Monitoring Center: These are professionals who monitor trends in variables that provide early warning of deviations in operational parameters that could lead to incidents.

2. Environmental dissemination: Distribution of graphic and audiovisual material to reinforce good environmental performance.

Incidents with a public connotation at Celulosa

Country	Description	Control Measures
Guaiba Plant (Air)	Fire in the bark residue treatment station, where aerobic composting is carried out, in the Boa Vista forest building, 20 km from the Guaiba plant.	The event was immediately contained, then investigated and preventive measures were implemented, along with a complete review of the waste control system and fire control systems.
Guaiba Plant (Air)	Nine complaints were received from the community due to the perception of nuisance odors, which were caused by a TRS gas emission from the sump seal tank of recovery boiler 2.	4 actions were carried out to contain the causes of the odors and an analysis of all the valves involved in the event was performed, as well as changes and repairs. Also, all gas piping circuits were checked to proactively identify any conditions that could cause the same event.
Project (Flora and Fauna)	In the course of the demolition work at the BioCMPC project, two trees were cut down, both of which are protected species under environmental legislation. A self-report was filed with the State Environmental Protection Foundation (FEPAM, for its acronym in Portuguese), who visited the area of the incident and will decide whether there will be a violation. As of the date of this report, the company is still awaiting a pronouncement from FEPAM.	Personnel were trained and improvements were made to demolition procedures, including environmental aspects that must be reviewed in advance.
Pacifico Plant (Air)	Non-condensable gases are emitted due to high temperature in the chip hopper of the digester. Although there were no complaints from the community, the event was reported to the Superintendency for the Environment as a contingency.	1. The temperature of the hopper and the working pressure of the high pressure feeder are normalized. 2. Perimeter patrol is carried out without perception of unpleasant odors. As action plans associated with the investigation of the incident, differentiated alarms are implemented to allow an immediate and precise response to the different alerts.
Pacifico Plant (Air)	Increase in noise from the plant caused by the resumption of operations after a partial shutdown. The event had complaints from community members to the Tripartite Board of the Villa Mininco, which was answered promptly by the community engagement officer.	The community of Villa Mininco was informed through a formal communication of the reasons for the increase in noise and immediate measures were taken to reduce the noise and normalize the situation quickly.
Laja Plant (Air)	Increased odor perception due to pressurization of the methanol burner circuit in the biomass boiler during the plant's normalization process. As a result of this event, three associated complaints were registered, as well as a formal request for information from the environmental team of the Mayor's Office of Laja.	Measures associated with preventive operational controls were developed.

[25]The entire sanctioning procedure is public and the file can be reviewed on the web page of the National System of Environmental Compliance Information (SNIFA, for its acronym in Spanish), where access to the documents submitted by CMPC and the SMA can be obtained.



Wood yard at the Guaiba plant, Brazil.

CHAPTER SIX

Sustainable culture



What will you find in this chapter?

1 min.

• CMPC has an Integrity and Compliance Program that gives life to its Compliance Strategy, whose objective is to articulate and systematize efforts in matters of prevention, detection and response to acts or conduct contrary to its values, internal policies and current laws.
• The Company has a Risk Management Program based on the ISO 31000 standard and considers other standards such as COSO ERM and international best practices.
• This Program establishes the risk management principles, governance and methodology for the Company. It has a company-wide scope, applied to all business areas and subsidiaries, and includes any type of risk that is material to CMPC.
• Just as in 2017 with the issuance of the first green bond by a Chilean company in international markets, in 2021 CMPC will once again become the first Chilean-owned company to issue a bond linked to sustainability.
• Given its global nature, in 2021 the Company worked on a Tax Strategy, along with renewed tax compliance governance.

RELATED STAKEHOLDER GROUPS

- **Directory**
- **Senior Executives**
- **Collaborators**
- **Contractors**
- **Suppliers**
- **Shareholders**
- **Investors**

6.1 OUR VALUES

Ethics and integrity

Ethics and integrity as central elements of our employees' daily actions have been reified in **corporate values and rules embodied in internal** policies and regulations.



Papeles Cordillera Warehouse, Metropolitan Region, Chile.

Ethics and Compliance MAT 2

Identified economic, social, environmental or human rights impact

Risks associated with the ability to comply with legal, regulatory, contractual obligations and self-imposed standards. It also includes corruption events, infringements to free competition, conflicts of interest, business with sanctioned parties and events that violate human rights, among others.

Our regulatory framework in this matter

- Code of Ethics
- Integrity Policy
- Crime Prevention Model
- Free Competition Manual
- Reporting Hotline Practical Guide
- Human Rights Policy

For CMPC, **an integrity culture is reflected on the daily actions of each one of its employees**, who embrace our corporate values. This attitude is a result of internal policies, training processes, open communication, and constant monitoring and evaluation, to outline the distinctive mark and identity of the Company in each person.

Compliance Strategy

INTEGRITY & COMPLIANCE

16.5

Within the framework of promoting a corporate culture based on ethics and integrity, CMPC has a Compliance Strategy that translates into the implementation of the **Integrity and Compliance Program. This program aims to articulate and systematize efforts in matters of prevention, detection and response to acts or conducts contrary to its values, internal policies and current laws**.

The program, which has been in place for three years, is applicable to all of the Company's subsidiaries.

GOVERNANCE STRUCTURE AND FRAMEWORK

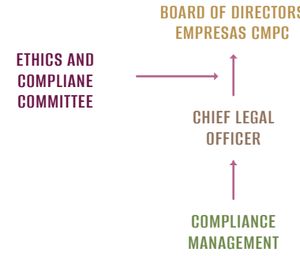
Ethics and Compliance Governance

Ethics and Compliance Committee: supervises the correct implementation of the Compliance Strategy, as well as knowing the internal investigation processes carried out, to determine the adoption of disciplinary and/or corrective measures as appropriate.

This committee meets quarterly.

In 2021, the Ethics and Compliance Committee met 4 times, with attendance of 100% of its members. In these sessions, the following, among others, were reviewed:

- Training and dissemination activities.
- Reporting hotline: system improvements, indicators, control panel, internal investigations and corrective and/or disciplinary measures.
- Conflict of interest management.
- Certification of the Crime Prevention Model.
- Strategic assessment of the Integrity Program.



Compliance Management: headed by Mr. Carlos Villagrán Muñoz and under the direction of the Chief Legal Officer, this area is responsible for designing, implementing and updating the Integrity Program through its different work lines, including permanent support to the Crime Prevention Officer.

Board of Directors: Senior body responsible for compliance with the Compliance Strategy.

Corporate Legal Department: This area, among other functions, provides support to employees in ethical and legal matters.

The Chief Legal Officer, Mr. Rafael Cox Montt, is in charge of Crime Prevention in accordance with Chilean Law No. 20,393.

In 2021, there are four main lines of action related to the Integrity Program:

Dissemination and training: implementation of an updated training plan that includes general introductory courses and specific practical training workshops for risk areas, exposed positions and organization leaders, including the active dissemination of Compliance standards and practices in all subsidiaries.

Technological infrastructure: improvements to the system for declaring conflicts of interest and to the reporting hotline, including the creation of a control panel with its main indicators, thus allowing for better management and reporting.

Continuous monitoring and internal investigations: se controls and due diligence activities of suppliers and clients were increased, as well as strengthening the technical and methodological support of the investigations of claims received through the hotline, including follow-up and compliance verification of the corrective and/or disciplinary measures defined in each case.

Independent assessment: the Crime Prevention Model of CMPC and its subsidiaries in Chile was certified by Feller Rate[26] for two years[27], demonstrating the Company's effective compliance with the duties of management and supervision.

Also noteworthy in this area is the partnership established with LRN, a global firm specializing in Ethics and Compliance, which conducted a strategic assessment of CMPC's Integrity Program. This activity also considers, in 2022, the implementation of a survey to employees on ethical culture and integrity, an initiative that will allow updating the Compliance Strategy for the next period.





[26] Entity registered with the Financial Market Commission (CMF, for its acronym in Spanish).
[27] Two years is the maximum period allowed for the certification of the Crime Prevention Model under Chilean Law No. 20,393.

Doing the right thing is part of our fiber: **Reporting Hotline**

[CMF 3.2; CMF 8.1; GRI 2-26]

Interview with **Rafael Cox**,
CMPC Chief Legal Officer

To achieve a sustainable culture based on ethics, integrity and transparency, it is essential to promote the tools available to report practices contrary to corporate values. For this reason, CMPC has delve deep into promoting and encouraging the use of the Reporting Hotline.

In this context, we spoke with Rafael Cox, CMPC's Chief Legal Officer, who told us more about the operation and relevance of the Reporting Hotline, its use, dissemination and the improvements it received during 2021.

How does the Reporting Hotline work and who can access it?

It is an online reporting channel, anonymous if desired and confidential, available to any person, both employees and people outside CMPC, through which they can report facts or behaviors that constitute or may constitute a violation of the values, corporate policies or laws in force, in any relationship with the company or with any of our employees.

It is very important to note that as a Company, we are open to receive all types of queries and claims in matters of Ethics and Compliance and we will not retaliate or tolerate retaliation against people who make claims in good faith. In fact, we conduct communication campaigns to promote awareness of the channel and encourage its use.

How are claims managed and followed up?

Our Company manages the reporting channel internally. The investigation of claims is conducted by lawyers from the legal and Compliance areas, with a periodic status report to the Ethics and Compliance Committee, as established in our Integrity Policy and Reporting Hotline Practical Guide, both available on the Company's website.

The flow of a claim in the platform operates as follows: first, select the option «submitting new report», and then select the subject or matter of the claim from the list available. Next, general information about the claims must be entered, and documents or files may be attached in case there are files or material that may be useful to better understand the case and proceed to its proper investigation.

Finally, the claims are sent, time at which the complainant can choose to identify itself or keep the complaint anonymous. Once this process has been completed, the complainant receives a code and a secret password provided by the system, which will allow tracking the status of the complaint, communicating with the investigator and providing additional background information on the case.

Once the claims have been received, an «admissibility analysis» is carried out to determine whether or not to proceed with an investigation, depending on whether or not the matter is open to investigation and if there is enough information available. In case of opening, an investigator in charge is appointed to carry out all investigative procedures, who finally submits a report with his conclusions and recommendations, which is submitted to the Ethics and Compliance Committee, where the adoption of corrective and/or disciplinary measures, as appropriate, is determined.

How is the use of the platform disseminated?

Annually we do an important job in active dissemination to collaborators, through different activities that include: annual communication campaign, sending internal messages via e-mail and intranet, delivery of guides and material, e-learning courses and workshops and talks where its importance is emphasized, among others.

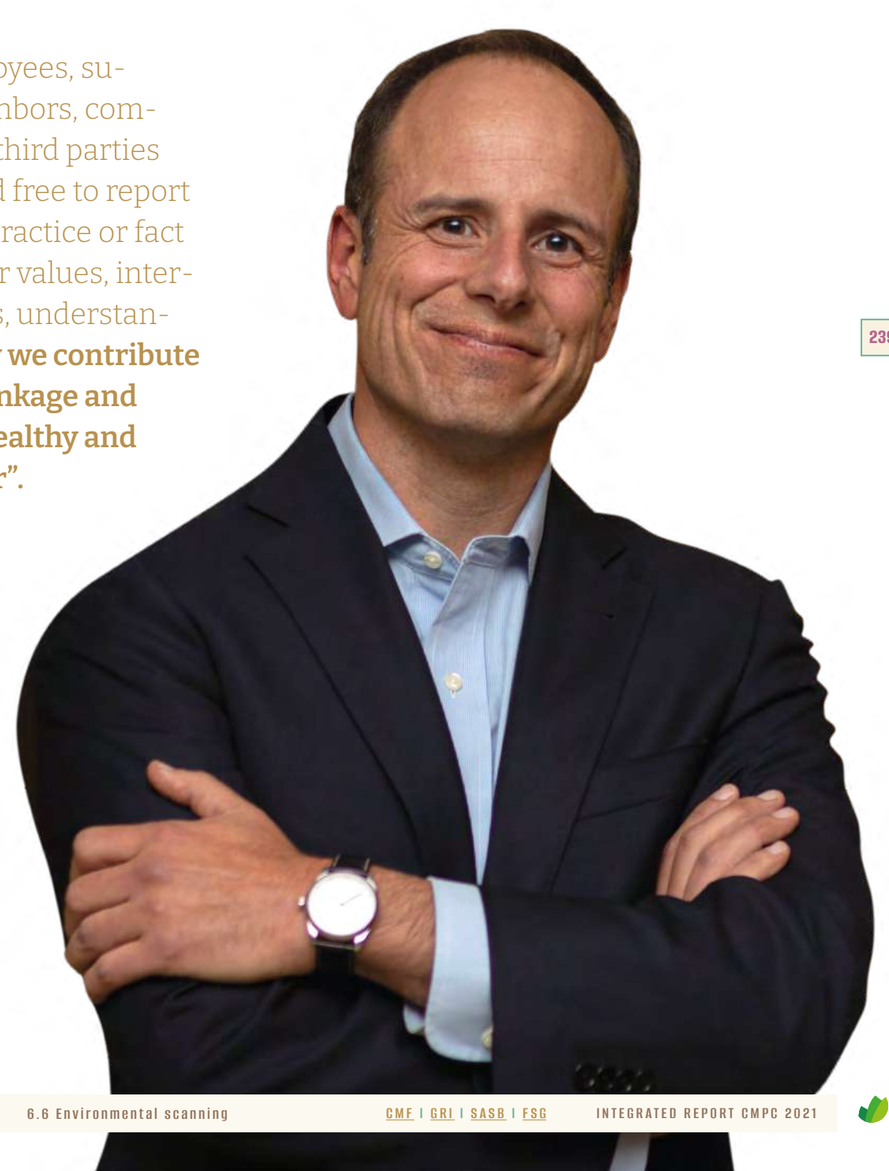
What progress did the Reporting Hotline make in 2021?

Over the course of the last three years, the number of claims received has increased considerably, which we attribute to the active dissemination of the platform, its operation, features and results.

Improvements were made to the system during the year for managing corrective and/or disciplinary actions, as well as developing a control panel with the system's main indicators, thus allowing for better management and reporting.

By 2022 and within the framework of our partnership with the international firm LRN, we will develop a survey on ethics and integrity culture that will provide us with valuable information to continue improving in this and other related matters.

"We expect all employees, suppliers, clients, neighbors, communities and other third parties to feel confident and free to report and denounce any practice or fact that goes against our values, internal policies and laws, understanding that in **this way we contribute to strengthen our linkage and relationships in a healthy and sustainable manner**".



REPORTING HOTLINE IN FIGURES

[GRI 205-3]

Claims received per year (No.)

Claims according to anonymity	2018	2019	2020	2021
Anonymous	83	117	215	263
Not anonymous	68	85	141	144
Total claims	**151**	**202**	**356**	**407**
Claims according to status				
Open (under investigation)	0	0	13	15
Closed	151	202	343	392
Total claims	**151**	**202**	**356**	**407**
Claims according to status				
Open (under investigation)	85	110	213	252
Closed	66	92	130	140
Total claims	**151**	**202**	**343**	**392**
No. of claims with corrective actions	**35**	**60**	**67**	**67**

Source: Compliance Management.

Claims received according to type in 2021 (No.)

Claims category	Total claims	Not admissible	Admissible not proven	Admissible resolved
Workplace or sexual harassment	71	33	13	20
Affecting neighbors and/or communities	25	16	3	5
Conflict of interest / incompatible negotiation	47	26	10	10
Corruption	31	14	8	7
Damage to the environment / violation of environmental regulations	4	3	1	0
Discrimination / threats, mistreatment, violence or retaliation / inappropriate behavior	127	87	14	23
Fraud	37	25	4	8
Money laundering / financing of terrorism / receiving of stolen goods	3	1	0	2
Anti-competitive practices	4	2	1	1
Risk to health and/or safety	47	37	5	3
Misuse and/or unauthorized disclosure of confidential or privileged information	5	2	1	1
Other (not reporting line)	6	6	0	0
Total	**407**	**252**	**60**	**80**

Source: Compliance Management.

[GRI 205-1, CMPC 9]

It is important to note that the complainant when submitting the report through the system chooses the category of the claims. This matter can be modified internally if an error in the categorization is detected after the investigation.

The claims received in 2021 under the categories of «corruption» and «free competition» that were closed as «admissible/resolved» do not correspond to legal violations in the strict sense of the word. Although these claims did not result in legal action, they did lead to corrective actions in processes and controls, as well as the implementation of disciplinary measures for violations of internal regulations with respect to the employees involved.

WORKPLACE AND SEXUAL HARASSMENT

[CMF 5.5]

A special focus of the year was the development of training programs to educate and emphasize the identification and proactivity of sexual and workplace harassment claims within the organization. Given this, in 2021 CMPC conducted virtual talks and a course on Prevention of Sexual Harassment in the Workplace, available to the entire Company, through Mi Fibra.

This course -within the framework of the application of CMPC's D&I Policy and Code of Ethics- establishes a cultural and legal perspective regarding harassment situations in the work context and enhances the Reporting Hotline to resolve these possible situations. Also, throughout the year, meetings were held with leaders of the organization, to strengthen the preventive role.

In 2021, 18% of the total number of employees were trained on sexual and workplace harassment issues, while a total of 34 incidents with remediation plans were identified in the last two years.

D&I POLICY
https://www.cmpc.com/pdf/Pol%C3%ADtica-de-Diversidad-e-Inclusi%C3%B3n-2021.pdf

CODE OF ETHICS
https://www.cmpc.com/pdf/C%C3%B3digo-de-Etica-2021.pdf

Collaborators trained and claims for labor and sexual harassment (No.)

Category	2020	2021
Collaborators trained	80	3,569
Harassment claims (sexual and workplace) received by CMPC	46	71

Source: Corporate Legal Department.

In Chile, the Labor Office has **not received claims of workplace and/or sexual harassment from employees.** CMPC refers to the Labor Office those claims that proceed according to the protocols established in the regulations.

Integrity and Compliance training and education

In accordance with the Compliance Strategy, in 2021 the deployment of the Integrity and Compliance Program continued, with emphasis on both general initiatives, through e-learning courses, and specific initiatives through practical workshops.

The annual training plan considered:

General training
E-learning courses through the Mi Fibra platform. These address issues of free competition, crime prevention model and a new course on corporate probity and anti-corruption.

Specific training
Practical in-depth workshops, whose contents are updated year after year, which were carried out virtually or in person and focused on risk areas, exposed positions and leaders of the organization.

Both activities consider the delivery of practical support guides, as well as the application of knowledge tests, assessment of the activity and attendance report (in the case of workshops).

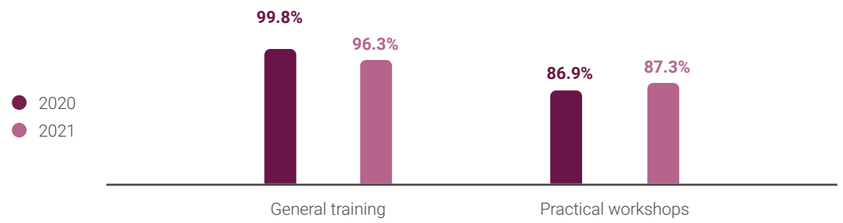
In 2021, training was provided in the following areas:

CRIME PREVENTION COURSES

[GRI 205-2]

Collaborators	General training (e-learning courses)		Specific training (practical workshop)	
	2020	2021	2020	2021
Subject to training	2,336	3,211	1,134	1,398
Passed/attendees	2,331	3,093	985	1,221
Pending	5	118	149	177

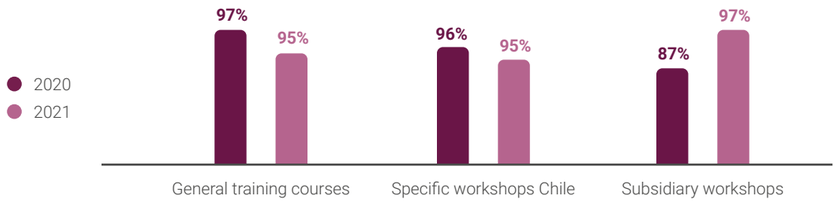
Collaborators who completed the crime prevention model course (percentage)



FREE COMPETITION COURSES

Collaborators	General training (e-learning courses)		Specific training (practical workshop)		Specific training (other countries workshops)	
	2020	2021	2020	2021	2020	2021
Subject to training	4,055	5,304	555	545	747	520
Passed/attendees	3,922	5.016	532	518	652	506
Pending	133	288	23	27	95	14

Collaborators who completed the course on free competition (percentage)



Source: Compliance Management
Note 1: The "pending" collaborators (including justified and not justified) are considered as priority in the 2022 training plan.
Note 2: 2021 data for e-learning courses "Crime Prevention Model" and "Free Competition" are "cumulative" (considers total number of collaborators assigned since the launching of the courses).

CORPORATE PROBITY COURSE

Specific education (practical workshops, except Chile)

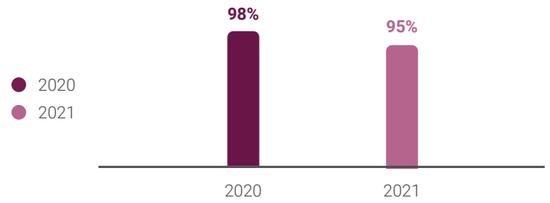
Collaborators	2020	2021
Subject to training	1,387	1,102
Passed/attendees	1,356	1,041
Pending	31	61

In 2021, a new e-learning course on general training in corporate probity (anti-corruption) was added.

General training (e-learning course)

Collaborators	Nº	%
Subject to training	4,533	100%
Passed/attendees	4,165	92%
Pending	368	8%

Collaborators who completed the corporate probity course (percentage)



Source: Compliance Management
Note 1: The "pending" collaborators (including justified and not justified) are considered as priority in the 2022 training plan.
Note 2: In the case of subsidiaries in Chile, the contents of the practical workshops on «Corporate Probity» (designed for subsidiaries located abroad) are included in the workshops on the «Crime Prevention Model».

LEADERSHIP AND CULTURE

In 2021, a new workshop for leadership positions was added to promote an active role of these collaborators in the effective management of the corporate culture.

94% of those attending the leadership and culture course completed the training.

Collaborators trained in leadership and culture

Category	Nº	%
Subject to training	207	100%
Passed/attendees	195	94%
Pending	12	6%

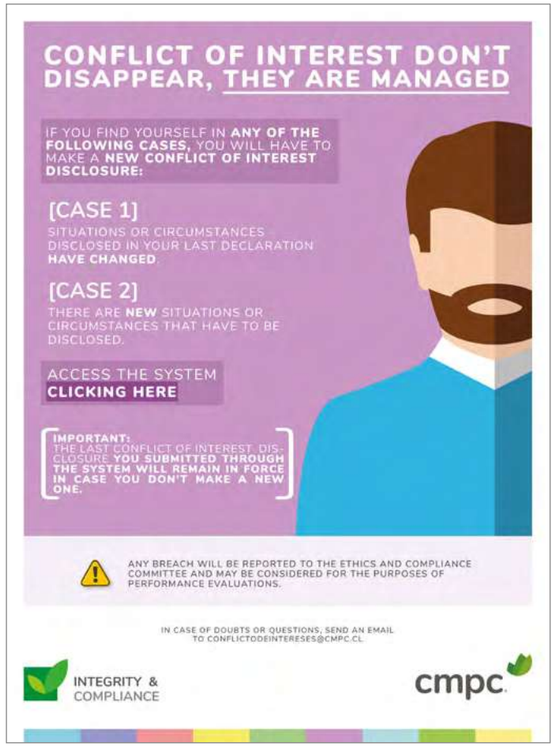
Other training included in the education plan

[GRI 406-1]

	Drug and alcohol prevention		Workplace and sexual harassment	
Workshop topics	Nº of attendees	%	Nº of attendees	%
No. subject to training	2,597	13%	3,569	18%

Source: Corporate Legal Department
Note: The percentages of those trained are in relation to the total number of CMPC employees (20,092).

An annual communication campaign is carried out to emphasize the duty to declare and manage employees' conflicts of interest correctly and in a timely manner.





Regulatory compliance

[GRI 2-27, 206-1; CMPC 3; CMF 8.1]

During the last four years, CMPC **has not been fined** any free competition related fines.

Enforced fines (USD)

Category of fine	2018	2019	2020	2021
Free competition	-	-	16,392,197	0
Tax	327,046	589,767	1,184,979	785,452
Environmental	-	57,871	16,870	26,131
Labor	-	23,746	30,000	37,705
Sanitary	-	-	-	-
Other	25,993	-	-	-
Total	**353,039**	**671,384**	**17,624,046**	**849,288**

Source: Corporate Legal Department.
Note 1: Significant fines are reported, which are those paid during the year and which had an amount greater than USD 10 thousand. Fines of less than USD 10 thousand, in total, do not exceed USD 252.086.
Note 2: Tax fines were issued in Argentina, Brazil, Chile and Peru. Labor fines were issued in Brazil, Chile, Peru and Mexico.
Note 3: Environmental fines correspond to fines issued in Brazil and Chile.

The payment made for free competition in 2020 corresponds to the collusion case sanctioned in 2017 and enforced in January 2020. This case was extensively discussed in previous Integrated Reports.

Supplier and client compliance

With the aim of identifying material risks present in the value chain, CMPC conducts periodic reviews of suppliers and clients with the support of technological due diligence tools. This process considers, among others, information from restrictive or sanction lists, criminal activity information and other risk factors.

This supplements the control and review activities that are carried out at the beginning of business relationships with such counterparties, as well as other periodic evaluations carried out by CMPC. All alerts are reviewed and managed in accordance with the Company's internal regulations.

Human Rights

Aware of the potential impacts, positive and negative, that the Company's own operations may have on the human rights of employees, business partners and all those directly linked to its activities, products and services, CMPC established a Human Rights Policy in 2021, a public commitment to respect human rights and whose scope applies to all its business areas and subsidiaries.

The Human Rights Policy establishes the commitment, scope and actions with respect to the conduct of business or activities where human rights may be affected or at risk. It also provides the core elements for acting in accordance with the regulations in force in each country of operation, the internal codes and policies established by CMPC, and internationally recognized human rights standards.

Among the actions developed for the development of this policy, the following are mentioned:

- Survey of internationally recognized documents and frameworks
- Identification of human rights particularly relevant to the forest and paper industry.
- Identification of stakeholder groups and stakeholders with a focus on the most vulnerable ones
- Survey of existing internal codes and policies to ensure adequate coverage
- Sectorial and regional benchmarking
- Internal and external consultation during the process
- Involvement of collaborators from transversal areas and the company's business areas.

Since 2018, CMPC has adhered to the principles of the Global Compact, an organization that promotes the incorporation of mechanisms to ensure respect for human rights. In turn, **since 2011, it has been a member of WBCSD**, a business organization that promotes the exchange of good practices in this and other matters related to responsible corporate conduct.



Cristina Reyes, General Plant Assistant, Molded Pulp plant, Biopackaging, Puente Alto, Chile.

Human Rights Policy

Introduction

Empresas CMPC S.A. and all its subsidiaries ("CMPC" hereinafter) are committed to conduct their business activities with the highest level of ethics and integrity, in accordance with the laws in force in the countries where it carries out its economic activities, with a broad approach to its value chain.

In this sense, respect for human rights takes on special relevance, which inspires this Human Rights Policy ("Policy" hereinafter), through which CMPC seeks to express its commitment to the matter, placing it at the core of its value creation strategy, both in the short and long term, with which it seeks to further consolidate its vision of sustainability, aligning this new Policy to CMPC's corporate purpose - Create, Coexist and Conserve.

CCMPC recognizes that human rights are relevant to responsible business conduct. Through the Policy, CMPC seeks to reflect its commitment to respect human rights. The above is framed in compliance with the United Nations Guiding Principles on Business and Human Rights, which through the **"protect, respect and remedy"** framework establishes the guidelines that companies must comply with for the adequate protection, guarantee and restoration of people's rights in relation to business activities.

This Policy is also inspired by the OECD Guidelines on Multinational Enterprises and Due Diligence Guidance, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy of the ILO, among other internationally recognized guiding frameworks in this area.

Objectives

The objective of this Policy is to declare CMPC's commitment to respect the protection of internationally proclaimed human rights. It also establishes the fundamental definitions, scope of application and specific mechanisms to implement this respect, as well as for the identification, management and remediation of any violation of human rights that may occur, from a prevention and mitigation of potential risks approach.

Fundamental definitions

For CMPC, human rights are those inherent to all human beings, regardless of their nationality, place of residence, sex, origin, ethnicity, color, religion, language or any other condition, and arise from the fact that every individual has the right to life, liberty and security of person, as well as the right to be treated with dignity and without discrimination.

According to the United Nations Guiding Principles, human rights have three basic characteristics: they are interrelated, interdependent and indivisible. It is the responsibility of States to protect them, and of companies to respect them, acting in accordance with due diligence, to avoid infringements on the rights of others, and establishing mechanisms of redress for those who have suffered a negative impact on their rights because of corporate action.

Thus, for CMPC, human rights are a fundamental responsibility and a core element of our way of doing business, reflecting the Principles of the United Nations Global Compact.

Scope of application

CMPC extends this policy to all persons or stakeholder groups exposed to actual or potential impacts on their human rights because of the actions of its business activities, with special care for the most vulnerable groups, such as women, children, older adults, indigenous peoples, migrants and local communities.

Compliance with the Policy is mandatory for all persons working within CMPC, without distinction. Likewise, we expect third parties with whom we have a business relationship to share the same principles that inspire this Policy.

In view of the above, at CMPC:

- We respect human rights, which govern the global conduct that applies to all companies, encompassing not only our own operations, but also our business relationships and thus stipulating a co-responsibility with all those companies or institutions that are part of CMPC's value chain.
- We seek ways to prevent negative impacts on human rights that are directly related to our operations, products or services, and we encourage this preventive approach to permeate to the different players with whom we interact.
- We act according to a continuous process of due diligence, from a preventive approach and identifying risks before they materialize, according to the nature and context of our operations, and addressing the adverse impacts that could be generated.
- We establish legitimate grievance procedures, corrective measures and redress mechanisms to which people can have access in the event of a negative impact on their human rights. To this end, CMPC makes available its Reporting Hotline, a confidential and open channel for anyone who wishes to report this type of impacts or potential risks.
- We seek to ensure that we are not indifferent to human rights abuses, either directly or by omission.
- We promote an internal culture of respect for human rights, based on the continued promotion of this policy and its principles, a systemic vision that includes different control mechanisms in processes, practices and decision making, and supported by education and training tools.

Specifically, at CMPC we assume a commitment of special consideration with the following human rights:

- We reject child labor and any other form of forced labor.
- We protect the health and safety of our direct and indirect collaborators, applying the highest standards in this matter.
- We defend diversity and reproach any abuse or arbitrary discrimination against any employee inside or outside the company.
- We offer equal opportunities, safe jobs with fair remuneration, considering gender equity, ensuring the freedom of association of our workers and providing training that allows the development of our employees.
- We express our absolute respect for the culture and traditions of indigenous peoples and their local development options.
- We seek to prevent, minimize and remediate impacts on the environment, striving for the efficient use of natural resources, as detailed in our Environmental Policy.

Boxboard Plant, Maule region, Chile.

6.2 RISK MANAGEMENT

Identify and manage

[CMF 3.6, RR-PP-140a.2, RT-CP-140a.2]

All company areas are responsible for identifying and managing the **risks inherent** to their functions and activities.



Part of a culture of sustainability involves, among other things, continuous risk management, which contributes to better decision making and the achievement of the objectives of the Company's strategic plan. Including environmental, social and governance (ESG) risks is a crucial element for operations' sustainability.

CMPC has a Risk Management Program based on the ISO 31000 standard, the COSO ERM standard and international best practices.

Our two-cycle risk identification

First cycle

The Program began in 2019 with its first risk assessment cycle. Under a top-down approach 20 main macro risks approved by the Board of Directors were prioritized covering all subsidiaries. In 2021, the assessment process was completed, through the identification of specific risks associated with the 20 main risks, including an analysis and evaluation of all those identified.

Second cycle

Subsequently, a second cycle was initiated that sought to improve the risk culture through greater accountability. This meant a closer approach to each subsidiary, to facilitate the process of identifying specific risks, which must meet the condition of "materiality" to be included in the Program.

To achieve this approach, risk workshops were held with the teams of the industrial plants and with the functional areas, so as to supplement the work of the first cycle, directly incorporating the view of the operations and functions. To classify the work, 15 risk categories were created, which cover all the risk sources and, being broader than the 20 macro risks, allow all types of material risk to be classified.

By the end of 2021, 200 collaborators in the eight countries of industrial operation had already participated. The plan includes closing this first round of workshops during 2022. These workshops, as well as capturing a complementary vision, allow us to review and update the risks identified in the previous cycles, given that risks are dynamic. The workshops were led by each manager responsible for the risk topic under analysis, together with Risk Management.

Thus, **15 risk categories** were defined to classify and add the material risks identified giving the Program a greater degree of detail for the management of operational risks.

Currently, CMPC identifies that in **four categories there is a greater potential for climate change-related risks**. Additionally, at least three **categories include human capital risks.**

a

• The category **"Pandemics, natural disasters and climate change"** allows classifying the so-called physical risks of climate change, especially acute ones.

b

• The category **"Fiber, forest assets and forest operations"** allows including risk factors associated with the chronic physical effects of climate change.

c

• The categories **"Regulatory changes" and "Innovation, market and competitive advantages"** allow classifying and including transition risks associated with climate change.

d

• Categories such as **"People development, diversity and inclusion and culture», «Health, safety and security» and «Environmental management and compliance"** allow including important human rights issues.

15 main risk categories

Management and industrial asset continuity	Capital allocation, investment projects and M&A	Geopolitical and social-political changes	**Fiber, forest assets and forest operations**
Pandemics, natural disasters and climate change	**Environmental management and compliance**	**Health, safety and security**	**People development, diversity and inclusion and culture**
Company and industry positioning and social license to operate	**Technologies, systems and information security**	**Innovation, market and competitive advantages**	Critical supplies and services, energy and supply chains
Ethics and Compliance	**Regulatory changes**	Financial management	

Among the **emerging risks** identified by CMPC are wildfires, forest industry positioning, cyber risk and natural disasters.

For more details on CMPC's work in managing each of these risks, please refer to the Annexes of chapter 6 ❊.

Risk Program
Governance structure and framework

CMPC RISK PROGRAM

CMPC Corporate Risk Policy → **Corporate Risk Procedure** → **Risk appetite statement**

Its objective is to establish the principles and governance of risks, together with the roles and responsibilities of the different players in relation to the Program. The Policy applies to all CMPC business units and subsidiaries and includes all risks regardless of their origin or source.

Corporate risk governance



Chief Executive Officer and Senior Executives:
Are the first responsible for risk management and are the sponsors of the risk categories defined by the Company.

Board of directors Empresas CMPC:
Its responsibilities include supervising the implementation of the Risk Management Program, knowing the most important risks, promoting their management and considering them in investment projects and corporate strategy.

Risk and Audit Committee:
The Board of Directors delegates a higher level of oversight to this specific Committee. The Committee reports to the Board of Directors.

Internal Audit
Its function is to provide reasonable and independent assurance on the quality and degree of implementation of critical controls and management measures associated with the company's risks. It is an area independent from Administration, reporting directly to the Risk and Audit Committee of the Board of Directors.

Risk Management:
Is responsible for designing and updating the Risk Management Program, under best practices and standards.

It must promote and guide its implementation, conveying its importance, communicating roles and responsibilities and the methodology to drive a better risk management culture. It also prepares the reporting that allows visibility of the implementation of the Program to senior executives and the Board of Directors, reporting at least three times during the year to the Risk and Audit Committee of the Board of Directors and at least once to the Board of Directors.

Strategic Risk Committee:
The Chief Executive Officer and senior executives are the first responsible for the Company's risk management and are in turn sponsors of the risk categories.

They must ensure that risks are managed within the risk appetite and establish risk indicators, with tolerance thresholds, to monitor that risks are managed within the established levels.

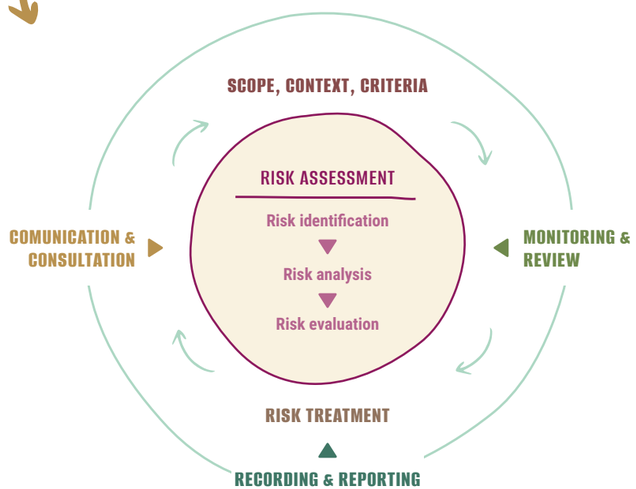
All company areas, whether administrative, functional or operational, are responsible for identifying and managing the risks inherent to their functions and activities, through the Program's guidelines; therefore, they are the owners of the risks.

Firefighters at the Metropolitan Park, Cerro San Cristobal, Metropolitan Region, Chile.

RISK PROGRAM

CMPC Corporate Risk Policy → **Corporate Risk Procedure** → **Risk appetite statement**

The development of the methodology is structured based on **6 stages** that are applied iteratively for a correct execution of the Program. These stages are based on the ISO 31000 standard on risk management.



Source: from ISO 31000, 2018

The stages are:

1) Communication and consultation:
Stage that helps to better understand the risks from the point of view of all those involved and experts. It also helps to raise awareness of existing risks and to build a risk culture.

2) Scope, context and criteria:
To determine the risk profile of a company it is important to consider the context of the organization, the nature of the business, the type of company, the type of operation, the location, the environment, among other characteristics. The risk profile of a company is unique and specific to that organization. Therefore, for a good risk process, it is important to understand the internal and external context that helps to determine it.

3) Risk assessment:
The assessment considers:
a) Identification: The objective is to identify and prioritize material risks. To this end, risk workshops are held in the operations and functional areas.

b) Analysis: The purpose is to understand the nature of the risk and its characteristics, its causes and consequences, as well as maximum loss scenarios and the level of each risk, which is weighed through severity and probability criteria. As part of the analysis, critical controls and measures are identified to prevent and/or mitigate the material risk.

c) Evaluation: For each material risk, evaluate whether or not the resulting level of risk is acceptable to the Company, taking into consideration the risk appetite.

4) Risk treatment:
Material risks that have an unacceptable residual level must be treated.

The purpose of risk treatment is to select and implement options for addressing risk, improving the Company's risk-return profile.

5) Monitoring and review:
Risk Management continuously monitors and reviews the components of the Program, both in terms of quality and effectiveness in its design and implementation, allowing for continuous improvement of the process and a risk culture in the organization.

6) Recording and reporting:
The data recorded by the Risk Management Program is a fundamental input for risk management and monitoring.

In 2021, a risk report was created which, through indicators that are contrasted with tolerance thresholds, makes it possible to evaluate the Company's management in this area and its exposure to risks.

Organizations, even in the same industry, are not necessarily exposed to the same risks, or even for the same risk, the exposure and vulnerability may be different. This can also happen between different operations or business areas of the same company. Therefore, the implementation of the Program must be granular enough to allow these differences to be included into the assessment outcomes and treatment measures.

It is very important to consider that a risk that may be very specific, such as the "failure of critical equipment", may not have the same evaluation in different plants or operations. This is because the people in charge, the environment, the level of control and, in general, the characteristics of one industrial plant compared to another, for example, its size, technology or age, are not exactly the same. **The Program must be able to capture these differences and include them in management.**

DID YOU KNOW?

What is the definition of materiality?
To define whether a risk is material, a severity table is used that defines 6 degrees or thresholds of severity or impact from (1) «very low» to (6) «catastrophic». These impacts are defined for several different types of consequences.

A maximum possible loss scenario is established. If the impact, in at least one of the consequences, can be "High", "Very High" or "Catastrophic", the risk is considered material and must comply with all the requirements for analysis, evaluation, treatment, monitoring and reporting, as established in the Risk Management Program.

What are workshops held for?
The workshops seek to identify, in a comprehensive and participatory manner, the material risks from each area of the organization.

These have helped to establish and define risk leaders and to progress towards a better risk culture.

RISK PROGRAM

CMPC Corporate Risk Policy → **Corporate Risk Procedure** → **Risk appetite statement**

In 2021, CMPC formalized a **Risk Appetite Statement**. The document qualitatively establishes the appetite for each risk category. Additionally, for better monitoring and measurement, indicators were established for each category, which allow quantitatively monitoring the appetite through a target and tolerance thresholds. These indicators are known as Key Risk Indicators (KRIs).

This work began in 2020 and lasted for more than a year, to incorporate the views of different areas of the Company, both administrative, functional and operational, and with the review and approval of the sponsors of each category. It was also reviewed and approved by the Risk and Audit Committee.

Along with the above, in 2021, the indicators were measured and a first version of the CMPC Risk Management Report was developed, built through different dashboards that make it possible to visualize and monitor the indicators against objectives and tolerance thresholds.

This first version of the report was presented to the Risk and Audit Committee in the fourth quarter.

Identification of climate change-related risks (TCFD)

[GRI 201-2]

With climate change, a number of risk factors have emerged that may affect the Company's strategy and the achievement of its objectives. **Identifying, analyzing and incorporating these factors is fundamental to improve adaptation**. Climate change can also translate into opportunity factors that the company can leverage.

Along these lines, in 2019, CMPC created a multidisciplinary work team between Sustainability, Risk and Finance management, with the aim of advancing in a better understanding of these factors.

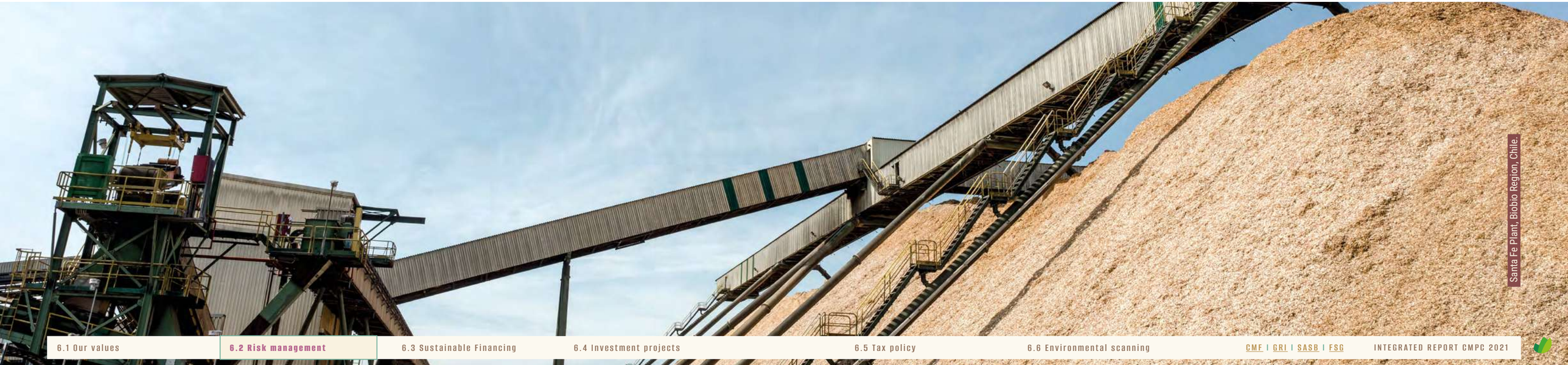
As established by the TCFD, these factors are classified into physical risks, either acute and/or chronic, or transitional risks (or opportunities). As part of the work carried out at CMPC, to date, risk and opportunity factors related to 9 of the 15 categories of the Program have been identified.



Climate change related risks and opportunities

15 risk category defined by CMPC	Physical risks		Transitional risk	Transition opportunity
	Acute	Chronic		
1. Ethics and Compliance				
2. Regulatory changes			Regulatory and legal	
3. Financial management				Markets
4. People development, diversity and inclusion and culture				
5. Technologies, systems and information security				Resource efficiency
6. Capital allocation, investment projects and M&A				
7. Geopolitical and social-political changes				
8. Innovation, market and competitive advantages				Products, services / Markets
9. Company and industry positioning and social license to operate			Reputation	Markets / Products, services
10. Fiber, forest assets and forest operations	✔	✔	Market	Resilience / Markets
11. Environmental management and compliance				
12. Pandemics, natural disasters and climate change	✔			
13. Management and industrial asset continuity		✔		
14. Health, safety and security				
15. Critical supplies and services, energy and supply chains	✔	✔		Energy source

Risks in green indicate that they are associated at some level with climate change, be it risk -physical or transitional- or opportunity. For more details please refer to the Annexes of Chapter.



Santa Fe Plant, Biobio Region, Chile.

6.3 SUSTAINABLE FINANCING

Number one

CMPC is the first company in Chile to issue a bond linked to sustainability

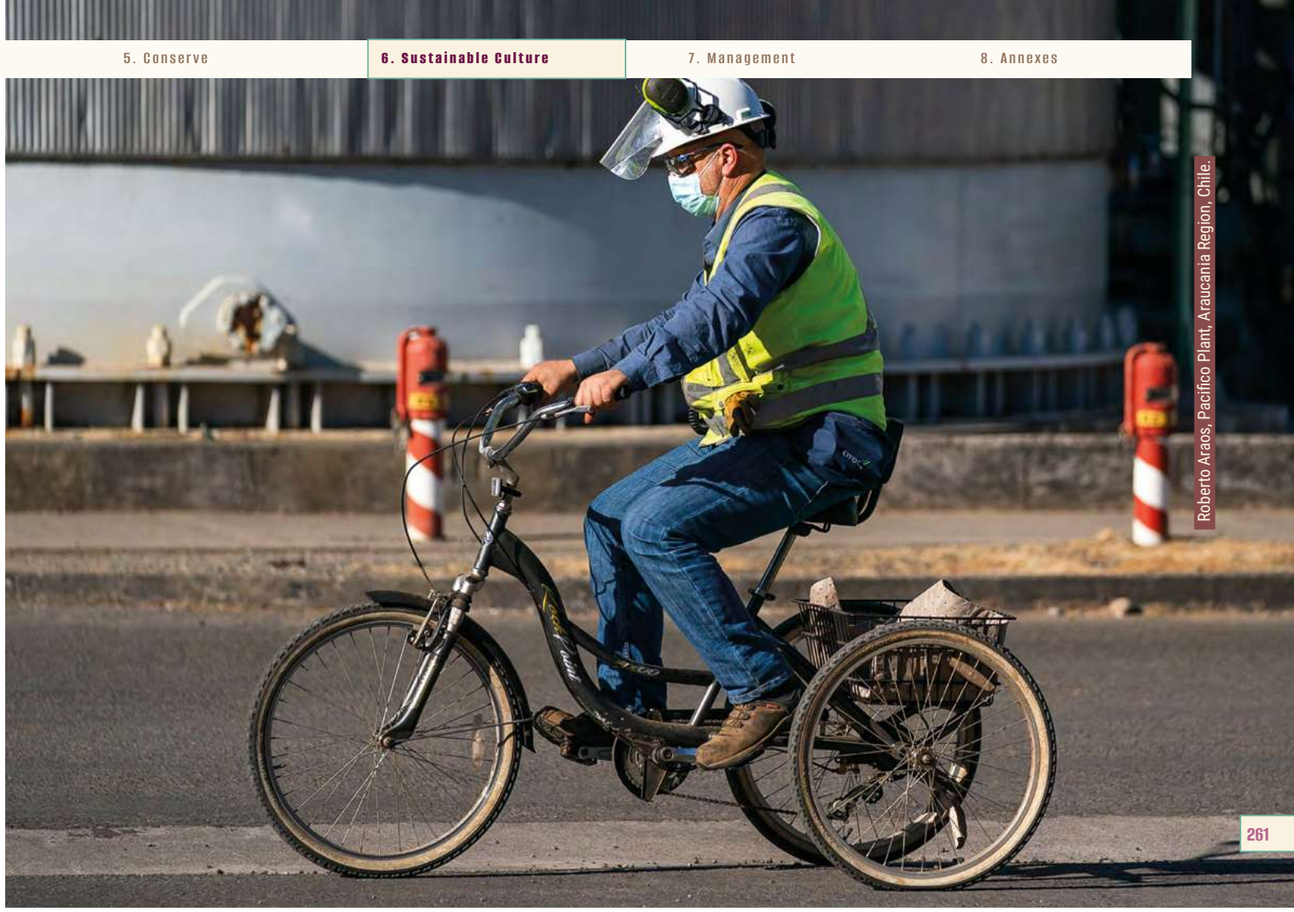
Sustainable financing MAT 2

Identified economic, social, environmental or human rights impact.

In 2019, the Company announced specific environmental commitments. These efforts seek to contribute to the mitigation of climate change effects and to anticipate regulatory changes that could have adverse consequences on business and corporate finances, as well as to identify and take advantage of opportunities.

Our regulatory framework in this matter

- There is no specific internal regulatory framework on this matter.
- However, the Company bases its green financing and loans, as well as sustainability-linked bonds and loans, on the principles of the International Capital Markets Association.



Roberto Araos, Pacífico Plant, Araucanía Region, Chile.

Sustainable economic performance

In 2017, CMPC began a journey of sustainable financing with **the issuance of the first green bond of a Chilean company in international markets**. Thus, in 2021 and deepening in the matter, **it is once again the first Chilean capital company to issue a bond linked to sustainability.**

The diversification of CMPC's forms of financing, through new sustainable instruments such as green bonds and credits, as well as bonds and credits linked to sustainability, has made CMPC a **pioneering company that contributes to climate change mitigation and adaptation.**

DID YOU KNOW?

What is green financing?
They are a type of financing whose funds are used exclusively to finance or refinance, in part or in full, projects with **environmental benefits**, whether new and/or existing, according to the International Capital Markets Association's green bond principles.

What is sustainability-linked financing?
It is any type of **debt instrument that incentivizes the debtor to achieve ambitious sustainable performance objectives**.

Sustainability performance is measured using pre-agreed performance indicators, which determine the price level of the instrument.

Unlike green financing, the use of funds is not limited to environmental categories.

INTERNATIONAL CAPITAL MARKETS ASSOCIATION'S
https://www.icmagroup.org/



Wood transportation for the Guaiba plant, Brazil.

ISSUANCE OF SUSTAINABILITY-LINKED FINANCING 2021

March

- **Sustainability-linked bond (SLB) issuance:** USD 500 million in the US market.
- **Bond term:** 10 years.
- **Interest rate:** 3.0%. The effective placement rate was 3.085%.
- **Coordinators and brokers:** BNP Paribas, Bank of America, Goldman Sachs and JP Morgan, together with Banco Santander Chile and MUGF
- **Performance indicators:** greenhouse gas emissions (scope 1 and 2) and intensity of industrial water use both aligned with corporate goals.

December

- **Sustainability-linked loan (SLL)** through a committed line of USD 300 million.
- **Term:** three-year term.
- **Transaction:** This transaction replaced two lines totaling USD 300 million, which matured in September 2022.
- **Performance indicators:** Greenhouse gas emissions, intensity of industrial water use, waste to landfill, and conservation, restoration and/or protection areas, aligned with corporate goals.

Sustainable financing, in short:

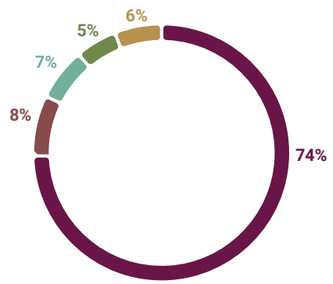
Financing	2017	2018	2019		2020	2021	
Type	Green bond	Green bond	Green bond	Green loan	Sustainability-linked committed line	Sustainability-linked bond	Sustainability-linked committed line
Country of issuance	USA	Peru	Chile	Japan	--	USA	--
Payment term	10 years	6 years	10 years	5 years	2 years	10 years	3 years
Amount in thousands of USD	500,000	30,000	93,000	100,000	100,000	500,000	300,000
Allocated funds	100%	100%	100%	100%	--	--	--

Source: Investor Relations Management.
Note: The committed lines do not have a specific country, nor do they require allocated funds.

GREEN FINANCING

Use of green finance funds

- Sustainable land use management
- Pollution prevention and control
- Sustainable water and effluent
- Energy efficiency
- Others



These types of financing contribute to increasing CMPC's shareholder and investor base, interested in acting in a conscious, socially and environmentally responsible manner.



Girls visiting CMPC's Fibra Lab in Los Angeles, Biobio region, Chile.

6.4 INVESTMENT PROJECTS

Sustainable future

[GRI 203-1, CMF 4.1, 4.3]

To further align sustainability with short-, medium- and long-term investment project decision-making, in 2020, CMPC worked on an internal project evaluation methodology that defined three key criteria when selecting an investment project.

The criteria defined for decision making include: 1) economic, 2) strategic and 3) socio-environmental variables, with the latter being assigned a score of 25% of the total weight of the evaluation.

In 2021, CMPC **refined these criteria** by assigning specific scores to the variables considered within the criteria, and integrating the perspective of the projects' contribution to the Sustainable Development Goals (SDGs).

Project decision making process

PROJECT SELECTION AND PRIORITIZATION

- Sustainability elements included in the selection of projects.
- Assignment of a social and environmental score in prioritization.

PROJECT EVALUATION AND DESIGN

- In the evaluation stage, impact assessments related to corporate goals are integrated.

PROJECT IMPLEMENTATION

- Monitoring of sustainability aspects in the execution of the project.

Environmental project investments in recent years (USD)

Category	2017	2018	2019	2020	2021
Total investment	358,708,347	159,363,416	102,983,864	103,643,681	207,186,000

Source: Investor Relations Management.
Note: The following investments include projects related to energy, raw material efficiency, waste, water, emissions, transportation, product life cycle, environmental management systems, environmental regulatory compliance and sustainable forest management, among others.

In short:

If a project has a good profitability margin, is strategic, but does not contribute to environmental care or, in other words, has a «zero" score in the evaluation of socio-environmental criteria, it will have a lower score than a project that does have environmental or social benefits, falling further behind in the Company's prioritization of projects.

This distinction seeks to highlight the selection of projects in line with corporate goals and that contribute to the SDGs. The score allows encouraging the development of more integral projects, in line with CMPC's vision and sustainability.

The following projects correspond to investments that CMPC will make in the coming years that contribute to sustainable development:

Project	Description	Term	Investment in thousands of USD
BioCMPC	Increase in the capacity of line 2 at the Guaiba plant by 350 thousand tons per year, reaching 1,850 thousand tons per year. To learn more about BioCMPC.	Q4 2023	532,000
Guaiba's environmental improvements	Improved environmental conditions at Guaiba plant in Brazil.	Q4 2023	39,100
Niuform	Joint Venture with Cortelima, for the manufacture of glulam and CLT (cross-laminated timber). For more details on Niuform see the introduction.	2023	5,000
TMT	Obtaining higher value-added products through the installation of a TMT (thermally-modified wood) chamber, where a high temperature thermal shock (160 to 230°C) is applied to the wood to obtain products that are more resistant to weathering and water.	Q1 2022	2,000
Impregnator	Project to add value to products: greater durability and resistance to fungi and termite attack.	Q1 2022	3,000
Structural wood	Installation of an X-ray sorter, which classifies the green core wood by density before the kiln drying stage, thus reducing the rejection of out-of-grade wood, which allows the salvaging of wood with structural potential.	Q4 2021	1,015
Energy Efficiency	Implementation of 17 initiatives to reduce energy consumption, mainly in motors and pumps in pulp and plywood plants. To this end, 13 variable frequency drives were installed and 4 insulation systems were installed to prevent thermal energy loss in steam circuits. This is expected to result in energy savings of 12.6 GWh/year.	2022	1,448
Hydrogen use	Implementation of a system to burn H_2 in the lime kiln, replacing natural gas. It is important to note that H_2 is produced in the Guaiba plant's own production process.	2022	886
Corrugated converter replacement	To fulfill Corrugados' strategic plan for 2024, the Buin Sur plant is proposing the replacement of the current old converter with a Flexo Folder Gluer, which together with the new machine in Buin Norte will make the boxes recyclable and more sustainable. The project considers additional sales of 9 million m^2 by 2025 and an EBITDA of USD 1.9 million per year on average.	Q1 2024	6,289
Water consumption reduction at paper machine 20 and flow measurement at Corrugados Papeles complex	CMPC worked on two projects that seek to reduce water consumption at the Puente Alto complex (Chile) by 33% and to obtain on-line measurement of water consumption. To comply with the proposals, equipment will be installed that will have the following functions: 1. Reduce water consumption in the machine's cleaning showers by incorporating water from the «Super Clarified» process into the water circuit. 2. Decrease fresh cooling water consumption in the hydraulic unit, through a closed circuit with a cooling tower. 3. An ultrasonic sensor with telemetry data transmission is considered for measuring water entering the complex. Water savings are estimated at 927,000 m^3 per year; the benefit would be USD 186,000 per year (water savings and effluent treatment).	Q2 2023	3,759

BioCMPC

To reduce greenhouse gas emissions by 60% at CMPC Brazil's Guaiba pulp mill

On December 22, 2021, work began on BioCMPC, a project that aims to increase the production capacity of line 2 of the Celulosa Riograndense plant in Guaiba, Brazil, where sustainability is central, resulting in better environmental results.

The project, which foresees an **investment of approximately USD 530 million, includes 31 initiatives** divided into:
- 14 actions related to the installation of new and modern equipment, such as additional chipping lines and wood yard, improvements in the digester, bleaching system, pulp drying and causticizing.
- 9 related to the implementation of new environmental control equipment and improvements to existing systems.
- 8 new environmental management initiatives.

BioCMPC's environmental benefits include stopping the use of the plant's coal-fired boiler, which will reduce up to 473 thousand tons of CO_2, equivalent to approximately 60% less, and the overhaul of the gas capture system, making it even more effective. As a result, the CMPC Brazil plant will have the best gas treatment system in the industry in the country and one of the best in the world.

Also, the project considers a continuous odor monitoring system on lines 1 and 2 (electronic noses), an expansion of noise monitoring, a new air quality monitoring station, a total suspended particulate matter (TSP) monitoring network, the implementation of the online emissions assessment system, and the deployment of the effluent dispersion assessment system.

For communication, CMPC Brazil holds meetings with the neighbors of the local communities and has set up a channel to allow them to report any concerns and resolve them as soon as possible. For example, a private access was created for vehicle traffic to avoid the flow of vehicles within the city of Guaiba.

The project also includes the construction of a park with areas for sports, walking, bicycle paths and green areas, with direct benefits for more than 20,000 people.

Finally, and as another of the contributions of this project to the revitalization of the local economy, it is expected to create approximately 2,500 direct jobs and 1,200 indirect jobs, where an effort will be made to hire local labor and training processes will be carried out for their qualification.

BioCMPC will bring great contributions to sustainability, not only to the Guaiba plant, but also to the pulp industry, as the plant will become a global environmental benchmark.

"We will install a new recovery boiler to produce **100% clean energy**, which will allow us to eliminate coal, a non-renewable energy source. This will further **contribute to reducing the company's greenhouse gas emissions** and slowing the impacts of climate change".

Mauricio Harger
General Manager of CMPC in Brazil



Main indicators

Term	2023
Approximate investment	USD 530 million
Pulp production	350 thousand tons more in short fiber pulp production per year.
Reduction of emissions (tCO_2e)	473 thousand tons of CO_2 reduced
Employment generation	2,500 direct employees and 1,200 indirect employees

15.9

6.5 TAX POLICY

Strategic tax approach

[GRI 207-1; 207-2, 207-4]

Compliance with local regulations, as well as the Organization for Economic Cooperation and Development (OECD) regulations, is the core of CMPC's Tax Compliance Strategy, which allows it to face the constant changes and tax reforms in each country of operation.



Los Angeles corporate building, Biobio region, Chile.

In 2021, **swork was carried out on the development of the General Principles of Tax Management protocol**, which covers all taxes, tax collections, amounts, charges, payments and withholdings applicable to CMPC and its subsidiaries in all countries of operation.

These Principles allow it to align the performance of all operations and regulate intercompany transactions. Also, they establish as a base guideline the support of its operations through an economic fund. In this sense, operations carried out with subsidiaries located in jurisdictions with low tax rates, whose main purpose is to reduce the tax burden, are not accepted.

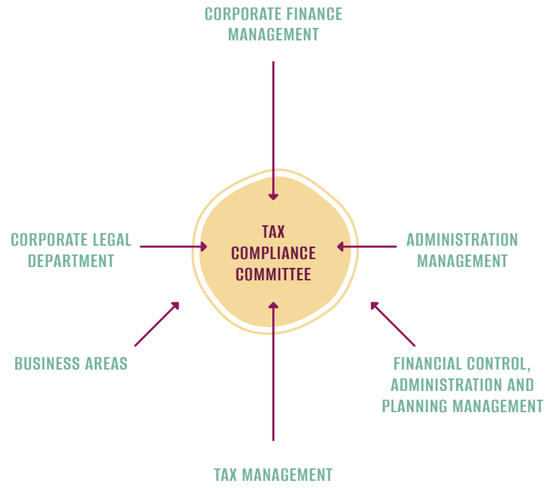
TAX COMPLIANCE GOVERNANCE

In view of the previous work, the governance structure was redefined and a **Tax Compliance Committee** was formed.

- Coordinates and monitors tax compliance throughout the Company.
- Reviews changes in current legislation and strategies to deal with them efficiently.

Tax Management:
The area in charge is Tax Management, which is **responsible for the corporate tax areas** of the countries and must report regularly to Administration Management.

External advisors role:
The external advisor verifies local compliance with tax obligations.



Implementation 2021
To align tax work, CMPC's Tax Management implemented a software to centrally manage tax data, standardizing its use throughout the organization. This software has already been implemented in Chile and is expected to be expanded to the other countries of operation in 2022.

Taxes paid (thousands of USD)

Category	2018	2019	2020	2021
Sales to third parties	6,274,472	5,670,277	5,286,927	6,323,022
Income before taxes	880,197	221,262	51,656	874,828
Income taxes paid during the year	-115,043	-340,496	-114,953	-137,873
Taxes assessed	-361,195	-100,187	-114,483	-267,011
Effective tax rate	43%	62%	154%	38%
Rate reconciliation	-107,748	-62,315	-64,322	-76,333

Source: Tax Management.
Note: This information is detailed in the Notes to the Financial Statements presented at the 2021 annual closing.

Taxes by country (thousands of USD)

Category	Argentina	Brazil	Chile	Colombia	Ecuador	Mexico	Peru	Uruguay	USA
Income	388,971	1,465,475	5,383,502	133,957	46,149	408,511	459,625	343,445	79,077
Operating profit	-27,950	771,041	448,274	-759	-73	16,256	-8,895	15,500	3,619
Taxes paid	361	60,197	62,110	0	0	3,845	2,243	8,993	124

Source: Tax Management.
Note: The total amount of income and operating profit by country does not correspond to the totals reported in the Financial Statements, since this table shows the values after elimination of transactions between related companies.

Green tax

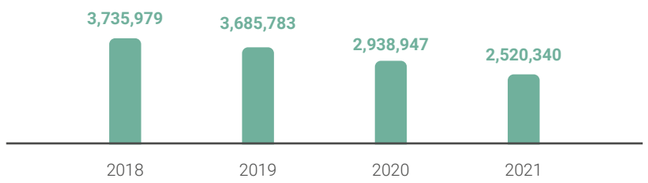
[CMPC 4]

Since 2017, Chile's Law No. 20,780 on the Green Tax on Emissions from Fixed Sources began to be applied.

The law determines an annual tax benefit charge for air emissions of particulate matter (PM), nitrogen oxide (NO_x), sulfur dioxide (SO_2) and carbon dioxide (CO_2), produced by facilities whose fixed sources, made up of boilers or turbines, individually or as a whole, add up to a power greater than or equal to 50 MWt.

In 2021, the Company paid for the 2020 period an amount of USD 2,520,340, 14% less than in the previous period and 33% less than the year in which the application of this law began.

Taxes paid by year (USD)



Source: Tax Management.
Note 1: The amounts correspond to cash flows.
Note 2: The amounts paid in a year correspond to the taxes of the previous year.



Carlos Diaz, Santa Fe plant in Nacimiento, Chile.

6.6 ENVIRONMENTAL SCANNING

CMPC's new century

The new Delta variant of Covid-19 caused a wave of infections, which pushed the critical bed occupancy rate around the world to the limit. As vaccination levels increased, the rate was reduced incidentally and, although there have been new mutations, these did not impact the ecosystem in the same way as the first ones, showing the effectiveness of the inoculations.

On the other hand, restrictions, confinements, the stuck of the Ever Given ship and China's «Zero Covid» policy, coupled with the situation at ports around the world were the catalysts for a problem in global supply chains, which put pressure on the weakest links resulting in port bottlenecks, delays in the supply of raw materials and increases in the prices of goods.

Economically, the fiscal stimulus, which began as a temporary measure, continued throughout the year and resulted in an increase in the consumption of durable goods, which generated growth. However, this variable also led to a deterioration of fiscal coffers, a historic increase in inflation levels and global financing rates.

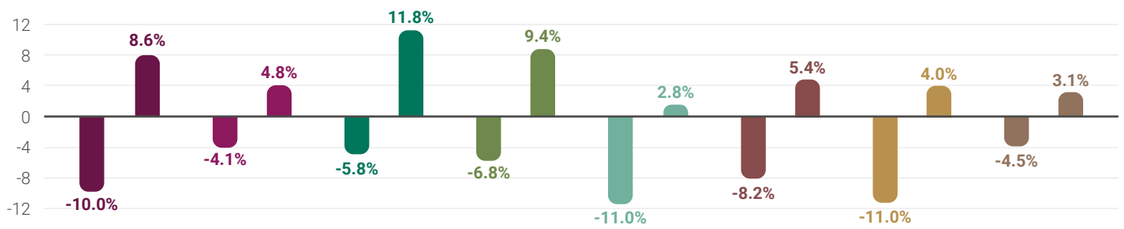
Central banks took different positions, where, in emerging countries, they proceeded to raise rates, while the FED and the ECB remained with a more expansive stance.

By 2022, **the scenario is expected to change and end with asset buybacks**, which will set the pace with a rise in interest rates.

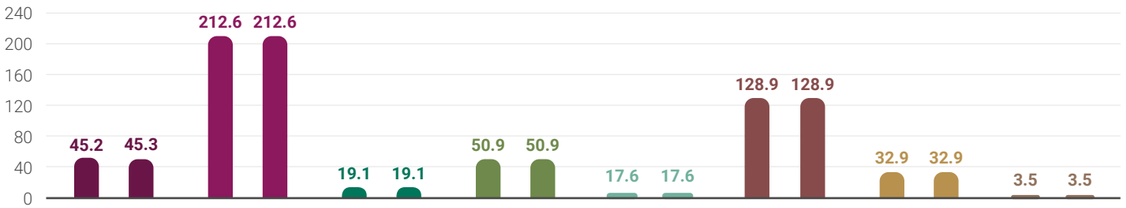
Main economic indicators 2020-2021



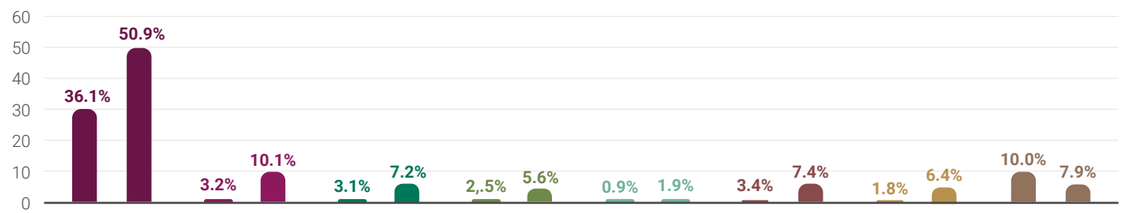
GDP



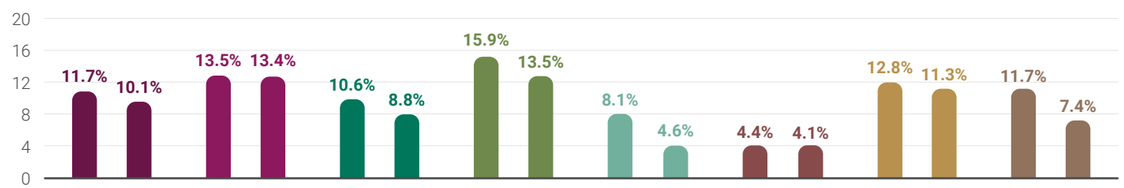
Population (in millions)



Inflation



Unemployment



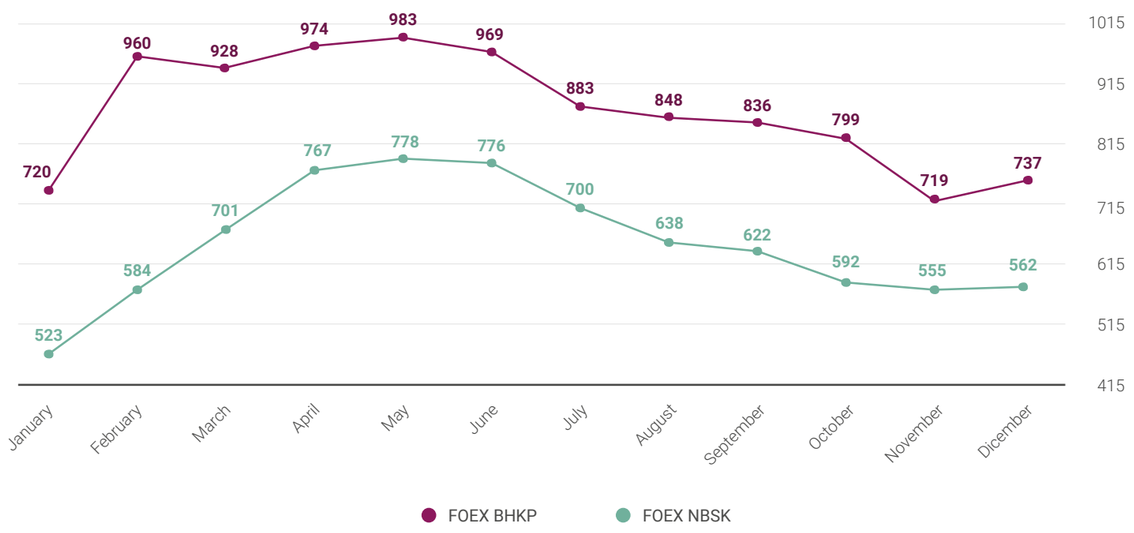
The global pulp market showed a recovery trend during the first quarter of the year, reaching record prices during the second quarter for short and long fiber, especially in China. This was largely due to the macroeconomic recovery and the release of Covid-19 restrictions in European markets, which were later joined by other markets at a slower pace. The main indicator of China's economic rebound has been the strengthening of the RMB and, in turn, the monthly consumption index together with the industrial activity index (PMI), both of which showed a significant improvement.

Despite this favorable scenario, the global logistics problem that originated in 2020 affected part of the global supply chain. This situation started with container shortages and increased with port congestion due to the pandemic's effect on productivity.

Given the above, in the second half of 2021, the difficulty in exporting final paper products remained, so this industry faced an oversupply, which added to the inability to increase their prices at the same speed as pulp, forced them to reduce their production and therefore pulp consumption. The energy problem in China, the Dual Energy Control Program and other parts of the world, which deepened this effect and reduced the price of pulp, also added to the above.

In November 2021 the market improved when paper demand recovered, due to different factors such as the easing of pandemic restrictions in different markets, but mainly in Europe, the interruption of pulp supply due to the floods in the Canadian province of British Columbia (BC) and the restrictions imposed by China on Russian imports coming by rail from Mongolia. Additionally, logistical problems did not allow pulp shipments to be sent with the speed required by the markets. All this led to a price recovery at the end of the year.

China Net Prices BHKP/NBSK (USD/Tonne, c.i.f.) 2021



Consolidated results

Profitability **is one of the focuses of CMPC's corporate strategy**. Not only from the point of view of quantitative growth, but also from the point of view of productive, competitive and efficient development that generates positive results with a clear focus on sustainability.

Consolidated results (millions of USD)

Category	2016	2017	2018	2019	2020	2021
Sales to third parties	4,866	5,143	6,274	5,670	5,287	6,323
EBITDA	970	1,078	1,816	1,169	990	1,695
Income	-18	103	502	84.4	-27.7	538
Net debt	3,573	3,198	2,853	3,283	3,094	3,179
Free cash flow	39	384	341	-417	249	51
Capital (Shareholders' equity)	7,976	8,084	8,242	8,118	7,866	7,546

Source: Investor Relations Management.

Financial ratios

Category	2016	2017	2018	2019	2020	2021
Net debt/ EBITDA	3.7x	3.0x	1.6x	2.81x	3.13x	1.87
Financial debt/Tangible equity	0.53x	0.51x	0.47x	0.50x	0.53x	0.60
Liquidity ratio	2.47x	1.1x	2.17x	1.29x	1.16x	1.02x
Cobertura de interés neto	4.60x	4.98x	8.50x	6.09x	4.98x	7.87

Source: Investor Relations Management.

ECONOMIC VALUE GENERATED AND DISTRIBUTED

(201-1)

69.3%
of income is used for operating costs

9.9%
goes to collaborators' salaries and benefits payments

10.91%
goes to investors

0.67%
community investment

Economic values (thousands of USD)

Category	2019		2020		2021	
	Nº	%	Nº	%	Nº	%
Operating income	5,670,277	100.00%	5,286,927	99.81%	6,323,022	99.87%
Financial income	20,703	0.37%	10,270	0.19%	8,448	0.13%
Income from sales of non-current assets	243	0.00%	-	0.00%	-	0.00%
Economic Value Generated	5,670,277	100%	5,297,197	100%	6,331,470	100%
Operating costs	4,233,153	74.38%	4,053,540	76.37%	4,307,167	69.30%
Salaries and employee benefits	591,225	10.39%	559,482	10.54%	615,323	9.90%
Payments to capital providers	368,967	6.48%	191,616	3.61%	678,281	10.91%
Payments to government	340,496	5.98%	114,953	2.17%	137,873	2.22%
Community Investments	14,322	0.25%	16,425	0.31%	41,568	0.67%
Economic Value Distributed	5,548,163	97%	4,936,016	93%	5,780,212	93%
Economic Value Retained	143,060	3%	361,181	7%	550,917	7%

Source: Investor Relations Management.
Note: Community investment does not include amounts from charitable donations, business initiatives, trade associations, think tanks and universities. For more details, see chapter 4, Social contributions section of this Integrated Report.



Larissa Gressler Garcia, Environmental Specialist, CMPC Brazil.

CHAPTER SEVEN

Management

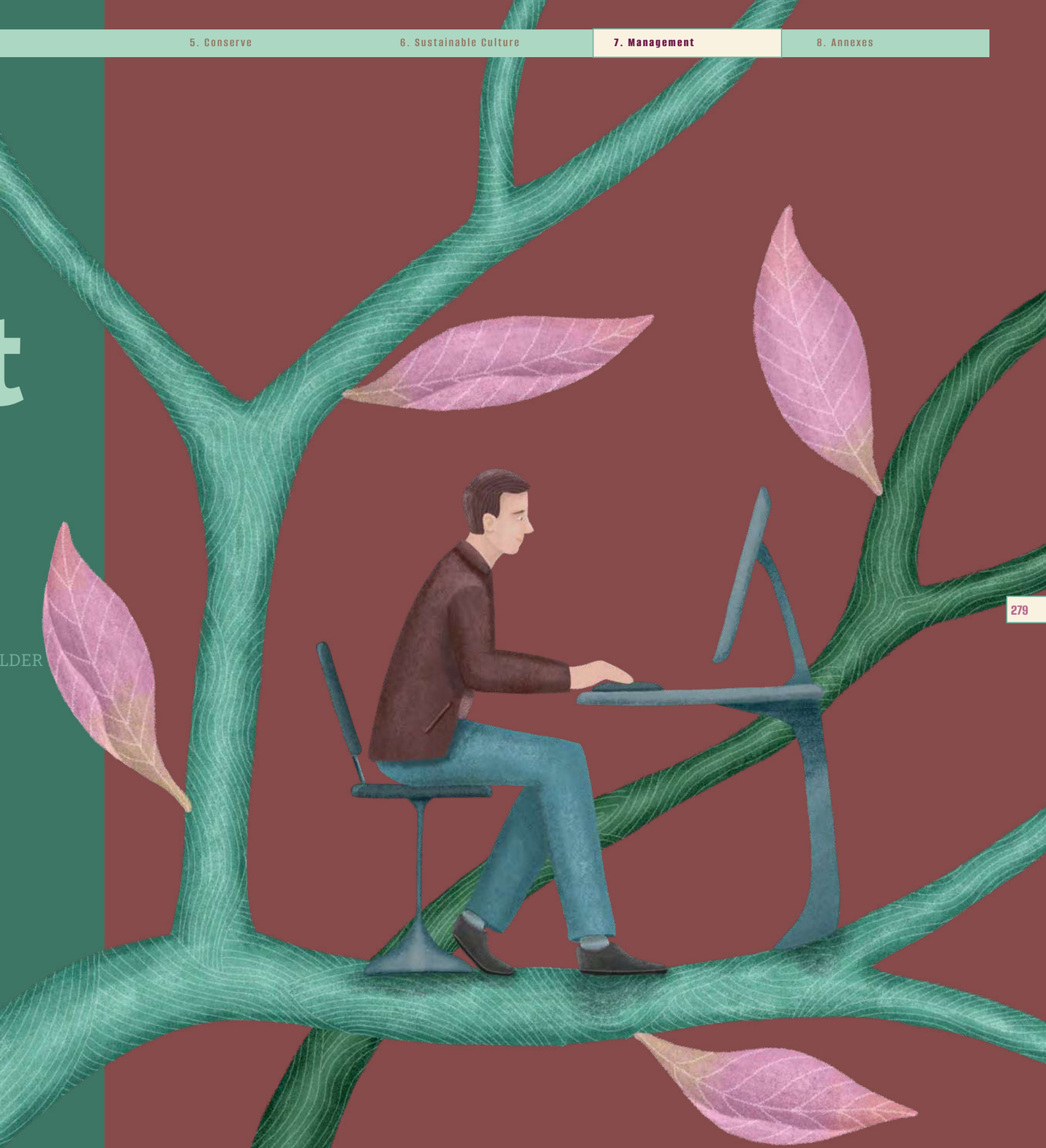
What will you find in this chapter?

1 min.

• CMPC is a publicly traded corporation controlled by the Larraín Matte, Matte Capdevilla and Matte Izquierdo families.
• The Board of Directors is composed of nine members, two of whom are independent according to the criteria established by Chilean Law No. 18,046 on Publicly Traded Corporations.
• Due to the good performance of operations and the Company's strong liquidity position, the Board of Directors approved the distribution of 100% of the distributable net income for the year 2021 as a dividend.
• The Company updated its Corporate Governance policies, enhancing the guidelines to ensure its proper operation.
• To monitor and address environmental, social and governance (ESG) issues, the Board of Directors is supported by Board of Directors committees and executive committees, which follow up on the issues and report on their progress.
• CMPC provides information to the market through different channels and on a regular basis. Additionally, it holds an annual Investor Day, a meeting where the Company's main advances, its medium and long-term growth strategy, market forecasts for different businesses, sustainability, innovation, among other topics, are presented.

RELATED STAKEHOLDER GROUPS

- **Directory**
- **Senior Executives**
- **Shareholders**
- **Investors**



7.1 OWNERSHIP STRUCTURE

Shareholders and controllers

CMPC is a **publicly traded**, privately held corporation, which as of December 31, 2021 had **2,500,000,000 shares and 20,534 shareholders.**

Control situation

[CMF 2.3]

Control of CMPC is exercised by virtue of a control and joint action agreement formalized between Forestal O'Higgins S.A. and other companies, which includes limitations on the free disposition of shares, which is expressly stated in this Integrated Report. Behind the controller are the following members of the Larraín Matte, Matte Capdevila and Matte Izquierdo families, in the form and proportions indicated below:

Control of CMPC

6.49%

PATRICIA MATTE LARRAÍN AND FAMILY
RUT: 4.333.299-6

- 2.56% MARÍA PATRICIA LARRAÍN MATTE — RUT: 9.000.338-0
- 2.56% MARÍA MAGDALENA LARRAÍN MATTE — RUT: 6.376.977-0
- 2.56% JORGE BERNARDO LARRAÍN MATTE — RUT: 7.025.583-9
- 2.56% JORGE GABRIEL LARRAÍN MATTE — RUT: 10.031.620-K

7.22%

ELIODORO MATTE LARRAÍN AND FAMILY
RUT: 4.436.502-2

- 3.26% ELIODORO MATTE CAPDEVILA — RUT: 13.921.597-4
- 3.26% JORGE MATTE CAPDEVILA — RUT: 14.169.037-K
- 3.26% MARÍA DEL PILAR MATTE CAPDEVILA — RUT: 15.959.356-8

8.05%

BERNARDO MATTE LARRAÍN AND FAMILY
RUT: 6.598.728-7

- 3.35% BERNARDO MATTE IZQUIERDO — RUT: 15.637.711-2
- 3.35% SOFÍA MATTE IZQUIERDO — RUT: 16.095.796-4
- 3.35% FRANCISCO MATTE IZQUIERDO — RUT: 16.612.252-K

Note: The individuals identified above are related to the same corporate group.
Source: CMPC Shareholder Register.

Controlling and majority shareholders

In 2021, there were no significant changes in relation to the ownership and control of the Company. As a result, the controlling shareholders during the last three years correspond to:

Controlling stockholders and number of shares by year

	Name	RUT	2019	2020	2021
1	Forestal Cominco S.A.	79.621.850-9	487,492,057	487,492,057	487,492,057
2	Forestal, Const. y Com. del Pacífico Sur S.A.	91.553.000-1	478,715,048	478,715,048	478,715,048
3	Forestal O'Higgins S.A.	95.980.000-6	229,954,793	229,954,793	229,954,793
4	Forestal Bureo S.A.	87.014.900-K	106,457,955	106,457,955	106,457,955
5	Inmobiliaria Nague S.A.	94.645.000-6	2,504,340	2,504,340	2,504,340
6	Coindustria LTDA.	80.231.700-K	46,575,370	46,575,370	46,575,370
7	Forestal y Minera Ebro LTDA.	77.868.100-5	14,408,280	14,408,280	14,408,280
8	Forestal y Minera Volga LTDA.	77.868.050-5	8,823,060	8,823,060	8,823,060
9	Viecal S.A.	81.280.300-K	6,501,641	6,501,641	6,501,641
10	Forestal Peumo S.A.	87.014.500-4	5,141,294	5,141,294	5,141,294
11	Forestal Calle Las Agustinas S.A.	87.014.600-0	3,863,334	3,863,334	3,863,334
12	Forestal Choapa S.A.	87.014.700-7	2,332,209	2,332,209	2,332,209
13	Matte Larraín Eliodoro	4.436.502-2	1,187,078	1,187,078	1,187,078
14	Matte de Larraín Patricia	4.333.299-6	961,342	961,342	961,342
15	Agrícola e Inmobiliaria Rapel LTDA.	87.014.800-3	617,993	617,993	617,993
16	Larraín Bunster Jorge Gabriel	4.102.581-6	134,844	134,844	158,712
	Total controlling group shares		**1.395.670.638**	**1,395,670,638**	**1,395,694,614**
	% of ownership		**55,83%**	**55.83%**	**55.83%**

Source: CMPC Shareholder Register.

Number of shares of the twelve main shareholders in 2021

	Name	RUT	No. of shares
1	Forestal Cominco S.A.	79.621.850-9	487,492,057
2	Forestal Const. y Com. del Pacífico Sur S.A.	91.553.000-1	478,715,048
3	Forestal O'Higgins S.A.	95.980.000-6	229,954,793
4	Banco de Chile on behalf of third parties	97.004.000-5	216,605,699
5	Forestal Bureo S.A.	87.014.900-K	106,457,955
6	Banco Santander–JP Morgan	33.003.217-0	94,904,540
7	A.F.P. Habitat S.A for pension funds	98.000.100-8	84,634,612
8	Banchile corredores de bolsa S.A.	96.571.220-8	68,497,023
9	A.F.P. Cuprum S.A. for pension funds	76.240.079-0	57,785,139
10	A.F.P. Provida S.A. for pension funds	76.265.736-8	56,967,266
11	A.F.P. Capital S.A. for pension funds	98.000.000-K	46,653,112
12	Coindustria LTDA.	80.231.700-K	46,575,370
			1,975,242,614
			79.01%

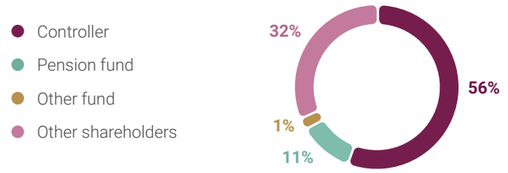
Source: CMPC Shareholder Register.

Shares related to state entities or Chilean state-owned companies and number of shares by year

Name	2019	2020	2021
School of Legal Sciences of the Universidad de Chile	713,940	713,940	713.940
Chilean Treasury	20,500	20,500	20.500

Source: Empresas CMPC Shareholder Register.
Note 1: The shares of the School of Legal Sciences of the Universidad de Chile were acquired in 1942.
Note 2: The shares of the Chilean Treasury correspond to vacant inheritances and transitory balances.

Percentage of ownership by type of shareholder



Source: CMPC Shareholder Register.

Dividend and transaction policy

[CMF 2.3.4; 2.3.5]

At the Ordinary Shareholders' Meeting held on April 29, 2021, the Board of Directors of CMPC approved the payment of (i) a final dividend out of distributable net income for the year ended December 31, 2020, in the amount of CLP 3 (three Chilean pesos) per share and (ii) the payment of a contingent dividend out of retained earnings of prior years in the amount of CLP 9 (nine Chilean pesos) per share. Both dividends were paid as of May 12, 2021.

On July 9, the Board of Directors approved a modification to the Dividend Policy approved at the Shareholders' Meeting, which indicates to increase the amount to be distributed as dividend from 30% to 100% of the distributable net income for the year 2021.

This modification is supported by the positive evolution of the Company's business areas, which is explained by a greater dynamism in the pulp and paper markets, the good performance of its operations and its strong liquidity position.

It also agreed to pay three interim dividends, for July, September and December 2021, and a final dividend to be approved at the 2022 Shareholders' Meeting for the 2021 fiscal year.

It was agreed that the July dividend would be USD 0.032 per share, the September dividend would be USD 0.1 per share and the December dividend would be USD 0.053 per share. It was also agreed that dividends could be paid in Chilean pesos (CLP) or in US dollars (USD) for those shareholders who so require.

In 2021, CMPC distributed 100% of its profits, because of the positive evolution resulting from greater dynamism in the pulp and paper markets, its operations' good performance and the solid liquidity position.

Dividends per share, paid in the last 3 years

Type	No. of dividends	Payment Date	Amount per Share
Final	270	07-05-19	CLP 34.00
Interim	271	26-09-19	CLP 8.00
Final	272	13-05-20	CLP 5.50
Definitive	273	12-05-21	CLP 3.00
Contingent	274	12-05-21	CLP 9.00
Interim	275	30-07-21	USD 0.032
Interim	276	30-09-21	USD 0.100
Interim	277	29-12-21	USD 0.053

Source: Public information, provided by the Stock Department.

Stock Exchange Trading: Quarterly statistics of share transactions in CLP

Quarter	Year	Number of Shares	Traded Amount (CLP)	Average Price (CLP/ share)	Market Presence (%)	Stock Exchange Trading
1º	2017	99,171,433	147,535,308,210	1,487.6795	100%	BCS; BECH
2º	2017	91,867,785	147,696,473,980	1,607.7069	100%	BCS; BECH; BC
3º	2017	95,451,523	155,009,124,500	1,623.9565	100%	BCS; BECH
4º	2017	144,206,068	280,056,823,353	1,942.0599	100%	BCS; BECH; BC
1º	2018	111,582,133	254,059,544,955	2,276.8837	100%	BCS; BECH
2º	2018	107,705,995	261,103,102,977	2,424.2207	100%	BCS; BECH; BC
3º	2018	90,757,426	235,533,936,050	2,595.2029	100%	BCS; BECH; BC
4º	2018	101,780,769	244,833,261,165	2,405.4963	100%	BCS; BECH
1º	2019	95,624,399	220,592,464,326	2,306.8638	100%	BCS; BECH
2º	2019	158,142,923	310,874,191,338	1,965.7800	100%	BCS; BECH
3º	2019	179,662,992	306,101,024,103	1,703.7511	100%	BCS; BECH
4º	2019	156,219,250	282,581,705,265	1,808.8789	100%	BCS; BECH
1º	2020	168,866,226	290,691,543,100	1,721.4309	100%	BCS; BECH
2º	2020	176,200,353	302,880,343,809	1,718.9542	100%	BCS; BECH
3º	2020	121,035,725	200,569,199,518	1,657.1074	100%	BCS; BECH
4º	2020	136,614,732	234,573,151,038	1,717.0414	100%	BCS; BECH
1º	2021	153,398,479	332,082,634,236	2,164.8366	100%	BCS; BECH
2º	2021	171,934,081	336,669,657,480	1,958.1322	100%	BCS; BECH
3º	2021	131,003,780	215,016,747,689	1,641.3019	100%	BCS; BECH
4º	2021	192,526,006	274,485,703,696	1,425.7072	100%	BCS; BECH

Source: Santiago Stock Exchange (BCS), Chilean Electronic Stock Exchange (BECH) and Valparaiso Stock Exchange (BC).

In 2021, no share transactions (CLP) were recorded in accordance with Article 20 of Chilean Law No. 18,045 (NCG 269, 2009).



Sawmill in the municipality of Mulchen, Biobio region, Chile.

7.2 CORPORATE GOVERNANCE

Governance framework

[CMF 3.1]

As a way of **guaranteeing the correct functioning of corporate governance**, CMPC establishes policies, procedures, control and monitoring structures, support committees, audits and permanent reviews.

CORPORATE POLICIES AND REGULATION
https://www.cmpc.com/nosotros/gobierno-corporativo/politicas-y-normas-corporativas/

CORPORATE GOVERNANCE HANDBOOK
https://www.cmpc.com/pdf/Manual-de-Gobierno-Corporativo-2021.pdf

COMPENDIUM OF CORPORATE GOVERNANCE POLICIES AND PROCEDURES
https://www.cmpc.com/pdf/Compendio-de-Pol%C3%ADticas-y-Procedimientos-de-Gobierno-Corporativo-2021.pdf

All of them are established as Corporate Policies and Regulations, available on its website for access by all its stakeholder groups. It also has a Corporate Governance Handbook that seeks to promote a culture of integrity, honesty and responsibility, as well as the corporate governance structures and procedures that have been implemented to achieve this objective, and a a Compendium of Corporate Governance Policies and Procedures, updated in 2021, which structures and defines the mandatory conduct and standards for CMPC directors, executives and employees, as appropriate.

Part of the above includes:
- Induction procedure for new directors.
- Procedure in the event of conflicts of interest with related parties.
- Board of directors training.
- Board of directors continuity in crisis situations.
- Field visit procedure.
- Procedure for operational continuous improvement.
- Board of directors access to information.
- Information procedure for applicants to directors positions.
- Procedure for public disclosure.
- Continuous improvement procedure for market disclosures.
- Risk management and control procedures.
- Channelling procedure of claims.
- People development and succession procedure.
- Policy on compensation, indemnities and incentives for managers and senior executives.

The highest corporate governance body of CMPC is the Board of Directors. Its purpose is to achieve the Company's mission, through the organizational strategy, maximizing the performance of its businesses. in accordance with its stakeholders' expectations.

Along with this, it has a Strategic Sustainability Approach focused on the Company's main processes, activities, products and by-products, whose basis originates in its corporate purpose (3Cs), clear governance at Board of Directors level and with strong information flows in each business unit, the management of material issues and the identification of business risks.

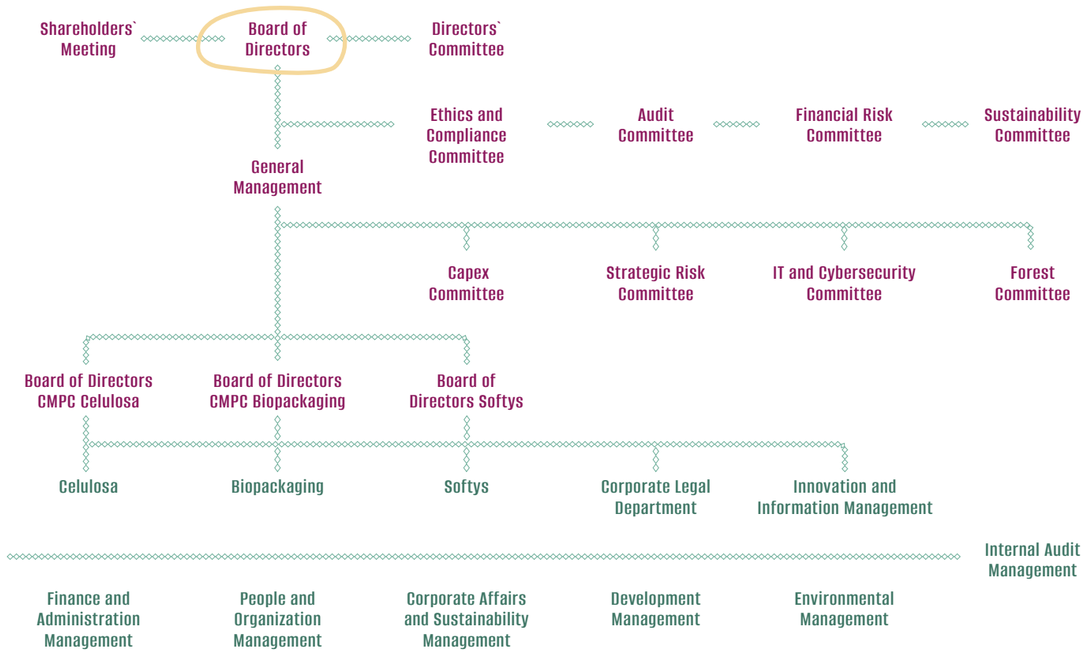
This is supplemented by corporate goals that focus on those areas of action that are crucial to contribute to sustainable development and provide operational continuity in the short, medium and long term. These goals focus on environmental issues, with special emphasis on climate change, innovation and digitalization, occupational health and safety, and diversity & inclusion.

The Company also has a Compliance Strategy, which is materialized in the design and implementation of an Integrity and Compliance Program, whose objective is to articulate and systematize efforts in prevention, detection and response to any act or conduct that undermines its values, internal policies and current laws, which is supplemented by a Crime Prevention Model that helps to manage and monitor the processes and behaviors exposed to the crimes outlined in Chilean Law No. 20,393, which establishes criminal liability for legal entities.

STRATEGIC SUSTAINABILITY APPROACH p. 59
CORPORATE GOALS p. 72
CLIMATE CHANGE p. 194
INNOVATION AND DIGITALIZATION p. 84
OCCUPATIONAL HEALTH AND SAFETY p. 138
DIVERSITY & INCLUSION. p. 127
COMPLIANCE STRATEGY p. 236

CMPC GOVERNANCE STRUCTURE

[GRI 2-9]



Inauguration Ceremony of Alessandri Park, Nacimiento, Biobio region, Chile.

CMPC Board of Directors

[CMF 3.2; GRI 2-7]

The members of CMPC Board of Directors are elected by shareholders at Annual Shareholders' Meetings. Since 2016, it is composed of nine directors, **two of whom are independent** and seven of whom are related to controlling company.

They may remain in office for three years and are entitled to be reelected in accordance with the provisions of Chilean Law No. 18,046 on Corporations. They meet ordinarily once a month and extraordinarily when appropriate, as summoned in accordance with the applicable regulatory law and the bylaws.

ROLE OF THE BOARD OF DIRECTORS

[GRI 2-12; GRI 2-14; GRI 2-15]

The main role is to manage the Company as a whole, as well as to carry out strategic planning, in terms of reviewing, correcting, validating and monitoring its execution, as well as the annual business plan and the budget for its achievement.

Meets at least once every six months with partners responsible for the financial statements audit firm to discuss the audit plan and other relevant aspects of the matter.

INDEPENDENT DIRECTOR

in accordance with Article 50 Bis of Chilean Law No. 18,046 on Publicly Held Corporations, at least one independent director must be appointed when the Company's stockholders' equity is equal to or greater than the equivalent of 1,500,000 UF and at least 12.5% of its issued voting shares are held by shareholders who individually control or own less than 10% of such shares.

An independent director is one who does not have any of the ties or relationships with the controlling shareholder described in Article 50 Bis.

Additionally, the Board of Directors must:

- Outline the company's **strategy.**
- Approve **business goals.**
- Establish **management policies.**
- **Evaluate the performance** of executives.
- Define the **development or cessation** of activities.
- Propose to the Shareholders' Meeting an independent **auditing firm.**
- Decide on making relevant **investments or divestments.**
- **Monitor** the Company's progress with respect to the achievement of business, economic, social and environmental objectives.
- Maintain and study systems for **talent selection** and adequate succession of **executive functions.**
- Approve the **risk matrix**, its policies and its administration.
- Review and approve the **integrated report** corresponding to each year of management.
- Conduct **internal audits** through the Audit Committee

According to Chilean Law No. 18,046, , if a director has a conflict of interest or as a representative of another person in an agreement, act or contract, the Directors' Committee must previously approve it. Only with such authorization may the agreement be executed.

HOW IS THE BOARD OF DIRECTORS NOMINATED AND SELECTED?

[GRI 2-10]

At CMPC, a director may be any natural person who meets the requirements established by the Company's bylaws and complies with the respective legal regulations, which indicate the following:

1

That is free administrator of its assets and is not included in any of the cases expressly indicated in Articles Nº 35 and Nº 36 of Chilean Law Nº 18,046.

2

Additionally, must own a minimum of 500 shares of the Company.

3

In order to be an independent director, the conditions set forth in Article 50 bis of Chilean Law No. 18,046 must also be met.

The Board of Directors ensures that the information provided to shareholders is timely and adequate with respect to the manner in which the nomination process is carried out, the characteristics of the applicants and the election of directors.

It also promotes that in the election made by the shareholders, preference is given to candidates that ensure a clear diversity among its members, both in terms of gender and in terms of education and experience, to optimize the functioning of the Board of Directors as an expert and diverse body. To this end, the following information is made available to shareholders:

(i) All documents and information on persons applying for the position of director, including those relating to their experience, Profession and trade, and whether they have had contractual, commercial or other relationships with the controller or its main competitors or suppliers.

(ii) The list of candidates for director who accepted their nomination and declared that they are not disqualified from holding the position.

(iii) In the case of independent director candidates, the sworn statement required in accordance with the fifth paragraph of Article 50 bis of Chilean Law No. 18,046.

MOST RELEVANT:

A. Who can participate and how?

Any natural person who meets the requirements established by the Company's bylaws. They are elected at the Ordinary Shareholders' Meeting, which seeks a combination of directors appointed by the controller and independent directors, whether or not they are appointed with the vote of the controller.

B. Who participates in the election?

The holders of shares registered in the Shareholders Register may participate in the election by exercising the right to speak and vote. This is provided that they have registered their shares five business days prior to the Ordinary Shareholders' Meeting.

C. How is it informed about the people who apply?

At these meetings, the Chief Executive Officer makes available to the shareholders and the general public at least two days in advance, the information of the persons applying for the position of directors, nominees and independent directors through the company's website.

MEMBERS OF THE BOARD OF DIRECTORS

[GRI 2-9; GRI 2-11]



LUIS FELIPE GAZITÚA
Chairman since 2016
RUT: 6.069.087-1



VIVIANNE BLANLOT
Director since 2016
RUT: 6.964.638-7



RAFAEL FERNÁNDEZ M.
Independent Director since 2016
RUT: 6.429.250-1



BERNARDO LARRAÍN M.
Director since 2021
RUT: 7.025.583-9



JORGE LARRAÍN M.
Director since 2016
RUT: 10.031.620-K



JORGE MATTE C.
Director since 2016
RUT: 14.169.037-K



JORGE MARÍN C.
Independent Director since 1996
RUT: 7.639.707-4



RAMIRO MENDOZA Z.
Director since 2016
RUT: 7.578.740-5



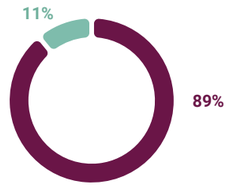
PABLO TURNER G.
Director since 2016
RUT: 7.056.349-5

Note: The biography of each of the directors can be found at CMPC's Investor Relations website in the Corporate Governance section.

On May 6, 2021, the Board of Directors was informed of the resignation of Mr. Bernardo Matte L. as a director. The Board of Directors took the opportunity to thank Mr. Matte for his valuable work as a director of CMPC during the time he held that position and agreed to appoint Mr. Bernardo Larraín M. as his replacement, effective May 7, 2021, as informed through an essential fact.

Directors by gender (percentage)

- Men
- Women



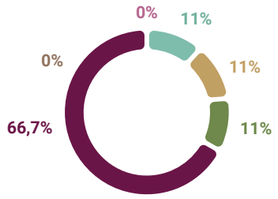
Directors by nationality (percentage)

- Chileans
- Other nationalities



Age range of senior executives (Percentage)

- Under 30
- Between 30 and 40
- Between 41 and 50
- Between 51 and 60
- Between 61 and 70
- More than 70



Directors with disabilities (percentage)

- No disability
- Disability





Note: Director Vivianne Blanlot and directors Bernardo Larraín M. and Jorge Matte C. were not present at the time this photograph was taken.

Skills and knowledge matrix of the Board of Directors

[GRI 2-17]

Name	Position	Year of entry to the Board of Directors	Profession	Attendance at board meetings	Committees in which it participates	CMPC key competencies			Relevant experience	
						Experience in:				
						Forestry / paper sector	Risk management	IT and cyber security		
Luis Felipe Gazitúa A.	Chairman	2016	Business Administration, Universidad de Chile	100%	• Compliance • Audit • Financial Risks • Sustainability	●	●	●	Extensive **knowledge of the pulp and paper industry**. Chairman of Celulosa, Biopackaging and Softys. Chairman of Almendral S.A. and director of Minera Valparaíso S.A. Extensive **experience in risk management** as Chairman of the Audit Committee	and member of the Financial Risk Committee of CMPC. He is also a member of the Risk Committee of another company. Director for 16 years of the **telecommunications company ENTEL S.A., which has cybersecurity as one of its lines of business.**
Vivianne Blanlot S.	Director	2016	Economist, Pontificia Universidad Católica de Chile	100%	• Directors • Audit • Sustainability	●	●	●	She was **Executive Director of the National Environmental Commission** (Conama, for its acronym in Spanish); in 2000, she became the **Executive Secretary of the National Energy Commission** (CNE, for its acronym in Spanish). She is Chairwoman of the Chilean Chapter of the Regional Energy Integration Commission. Participation in the **definition of Risk Management policies and models** cas a member of the Board of Directors of: Antofagasta Minerals, Banco del Estado,	Econssa and Consejo para la Transparencia (Transparency Council). She participated in the definition of cybersecurity policy as a member of the board of directors of the following companies: Antofagasta Minerals, Banco del Estado, Consejo para la Transparencia. Also as Minister of Defense between 2006-2007, she participated in the assessment and approval of the design of the **cybersecurity policy of the National Defense sector.**
Rafael Fernández M.	Independent Director	2016	Industrial Civil Engineer, Pontificia Universidad Católica de Chile	100%	• Directors	●	●	●	**Executive Director of gas and energy business**, Petrobras Energia-Argentina, chairman of Edesur, Transener, Transba and TGS, among others. Director of Petrobras Chile Petrolera Ltda. and director of Enersis. He participated in the development of a **new strategy for CMPC**, analyzing its annual investment and M&A programs, improving the quality of the information disclosed to the market and periodically reviewing the **identification of risks**, as well as research on the state of the forest and cellulose industry in Chile.	35 years of experience linked to continuous industrial production processes. This productive activity requires **mitigating and in many cases eliminating risks**, which requires a high ability to identify, analyze and manage them. As well as forecasting different scenarios and contingencies to manage and mitigate them. Director and executive of companies with modern plants with complex continuous processes that require operating software, robotized areas, automated processes; and that require **cybersecurity.**
Jorge Larraín M.	Director	2016	Business Administration, Pontificia Universidad Católica de Chile	100%	• Does not participate	●	●		He was coordinator of public policies at the National Council for Culture and the Arts. He currently serves as director of Celulosa and Softys. **Professional experience linked to the forest sector** working in financial advisory projects from the investment bank ASSET-Chile and directly in CMPC, in its	Corporate Finance Management. Participated in the design and implementation of the Company's risk management system. **He has no experience in cybersecurity.**
Jorge Matte C.	Director	2016	Business Administration, Universidad de los Andes	92%	• Does not participate	●	●	●	He is a director of Celulosa, Biopackaging, Softys and Inversiones Portoseguro S.P.A., as well as president of the Amulén Foundation. **He worked in Corporate Finance at Empresas CMPC**. Then **he was a director of Celulosa. Between 2012 and 2014, he was chairman of CMPC Forestal.** In CMPC and in other companies in which he participates in management posi-	tions, he has been part of the development of risk management models and their integral incorporation into the Company's management. **Experience in cybersecurity as part of the controlling group**, as well as participation in the board of directors of several institutions where this is a primary risk, such as Banks.
Jorge Marín C.	Independent Director	1996	Business Administration IPEVE	100%	• Directors • Financial Risks	●	●	●	Serves as Vice Chairman of Detroit Chile S.A. and is director of Grupo Security S.A. and Banco Security S.A. He is a member of the Advisory Committee of Universidad del Desarrollo, the Business School of Universidad de los Andes and the Centro de Estudios Públicos. Member **responsible for the globalization and growth of CMPC** and has also served as	Chairman of the Board. Also, he worked in the CGE Group from 2006 to 2014. **Extensive experience in risk management, especially in the Financial Services sector**, as part of Security Bank. **Constantly monitors cybersecurity risks** and ways to mitigate them through Security Board of Directors.
Ramiro Mendoza Z.	Director	2016	Lawyer, Universidad de Chile	100%	• Compliance • Audit	●	●	●	Since 1992, he has been a member of the Master in Public Law program at Universidad Católica de Chile. Former **Comptroller General of the Republic of Chile. Extensive experience in country risks**. He is also a **member of the Risk Committee of Consorcio Financiero** and is also a member and **chairman of the Audit**	**and Compliance Committee of the Central Bank of Chile.** In his role as Comptroller General of the Republic of Chile, he **defined, implemented and executed cybersecurity measures and policies.**
Pablo Turner G.	Director	2016	Business Administration, Pontificia Universidad Católica de Chile	100%	• Does not participate	●	●	●	Former Chief Executive Officer of Falabella, Almacenes París and Viña San Pedro, between 2000 and 2007. He is currently a director of AD Retail, director of Watts S.A., Moneda S.A. Administradora General de Fondos, Holding Gastronomía y Negocios, Grupo Interbank in Peru and the companies of the Intercorp Retail group in that country and Softys.	**Experience in financial risk management, credit risk, compliance and regulatory** risks in highly regulated industries such as retail and financial services. He worked in the mitigation of these risks during his 20 years of experience in Falabella and also as a member of several **Risk and IT committees.**
Bernardo Larraín M[28].	Director	2021	Business Administration, Pontificia Universidad Católica de Chile	100%	• Financial Risks	●	●	●	He was a director of its products subsidiary Softys, in the 2000, as well as of Celulosa and Forestal. **He was Chief Executive Officer between 2005 and 2011 and Chairman of the Board between 2011 and 2017 of Colbún S.A.**, ea power generation company that is a supplier of CMPC and is now Vice-Chairman of the Board. He was also a director of the port and logistics company Puertos y Logística S.A. (PULOGSA) until 2019. He was chairman of Sofofa between 2017 and 2021.	As Chief Executive Officer and Chairman of Colbún S.A. he implemented the **Risk Management Model and was a member of the Risk Committee** for approximately 7 years since it was formed. **Cybersecurity has been a recurring theme in the boards of directors** in which he participates and all these companies have adopted prevention and mitigation models.

Note: For more information visit https://ir.cmpc.com/Spanish/inicio/

[28]On May 6, 2021, the Board of Directors was informed of the resignation of Mr. Bernardo Matte L. from his position as director, who had a 92% attendance rate.

ATTENDANCE AT MEETINGS

The compendium of Corporate Governance Policies and Procedures does not state a minimum attendance requirement for Board or Directors' Committee meetings. However, during 2021, 12 meetings were held.

Also, 12 meetings of the Directors' Committee were held, with 100% attendance.

INDUCTION TO NEW MEMBERS

For new Board members, the Company establishes an induction procedure, whose objective is to facilitate the new member's knowledge and understanding of the Company's relevant matters, which include fundamental aspects of the Company, its business and the functioning of the Board of Directors, among others.

The Chairman of the Board of Directors, who is in charge of implementing this process, provides the new director with a folder containing information on the mission, vision, corporate purpose, strategic objectives, principles and values, as well as the sustainability information contained in the integrated reports and risk management, a description of the business areas, matters and risks, including sustainability risks, that are considered to be the most relevant.

Along with this, the Company has an Information Access Policy that allows a director to access relevant information remotely and securely, in relation to matters to be discussed at a Board of Directors' meeting. For this purpose, it uses the Minutes Remote Access System, where the Chief Executive Officer sends to the directors the minutes or documents summarizing the matters to be discussed at the meeting, the background information to be presented and additional information necessary to prepare for the meeting, at least 5 days prior to the respective meeting.

The relevant stakeholder groups that CMPC has identified, as well as the main mechanisms used to know their expectations and maintain a stable and lasting relationship with them. These and other contents are provided through the following material:

Bylaws	**Proxy regime**	**Integrated Report**	Consolidated **Financial Statements** for the last year	**Report to Management,** submitted by the external auditing firm for the last year
Crime Prevention Model	**Internal Rules**	**Investor presentations during** the last year	**Main products,** their current prices, volumes and market share	**Internal Order,** Hygiene and Safety Regulations
Main clients, markets, competitors and suppliers	**Integrity Policy**	**Code of Ethics**	**Corporate Governance Handbook**	**Corporate Governance Procedures**
Handbook for Handling Information of Interest to the Market	General Policy on Ordinary and Regular **Ordinary Operations** of the Company's Line of Business with Related Parties	**Free Competition Handbook**		

Also, meetings are held between the new director, the Chairman of the Board of Directors, the Chief Executive Officer and senior executives, to try to approach certain relevant issues of the Company.

COMPENDIUM OF CORPORATE GOVERNANCE POLICIES AND PROCEDURES

For more details on the induction process for Board members at CMPC, please review the Compendium of Corporate Governance Policies and Procedures available at:

https://www.cmpc.com/pdf/Compendio-de-Pol%C3%ADticas-y-Procedimientos-de-Gobierno-Corporativo-2021.pdf

BOARD MEMBER TRAINING

The Board of Directors receives training on the best corporate governance practices adopted by companies of a similar nature, as well as on progress in sustainability and risk management issues, to provide them with the best tools to perform their duties based on updated information and skills. These areas are contained in the Board of Directors Training Procedure.

Once a year, they receive a presentation on best practices where the chief legal officer, in charge of the Board's training procedure, informs its members about the most relevant rulings and sanctions or pronouncements associated with compliance with the legal duties of directors, as well as situations that may constitute conflicts of interest, with the purpose of analyzing possible solutions to such cases.

In 2021, **the Board of Directors received lectures** on topics such as corporate reputation, community engagement and criminal liability of legal entities.

FIELD WORK

To better understand the main functions and concerns of the employees in each country of operation, the condition and operation of the facilities, to promote the flow of information from the operation to the directors, and to have a better knowledge and understanding of relevant matters, the Board of Directors makes annual field visits.

For planning, regulation and compliance, there is a procedure for conducting field visits where at least one meeting is held at a plant.

Also, on a regular basis, the members of the Board of Directors and senior executives visit the different facilities.

In 2021, due to the pandemic situation, the Board of Directors did not make in-person visits. However, senior executives developed both in-person meetings in plants and virtual instances to monitor the progress of each plant according to their objectives and communication associated with CMPC's strategic planning.

The fieldwork carried out by the company's main executives **seeks to discover the main concerns and recommendations** that arise from the meetings with the people responsible for each industrial facility.



Luis Felipe Gazitúa at the groundbreaking ceremony of the CMPC Duoc UC Nacimiento Campus, Chile.

BOARD OF DIRECTORS PROCEDURE IN THE EVENT OF A CRISIS

It sets out a procedure and guidelines for contingency situations that must be implemented in the event of a critical event materializing in the Company.

The Board of Directors is responsible for determining the materialization of a critical event as indicated in the risk matrix. Once the risk or critical event has been defined, the members of the Board of Directors will immediately set up a Crisis Committee, which must appoint a chairman and define how it will operate in order to address the critical event.

After each meeting, the chairman of the Crisis Committee will report to the Chairman of the Board of Directors and will provide him with a copy of the minutes, which must be kept by the secretary appointed by the Committee.

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PERFORMANCE EVALUATION

[GRI 2-18]

As a way of **guaranteeing the functioning of corporate governance**, the members of the Board of Directors of CMPC have an annual performance self-evaluation process.

The process consists of each director confidentially and individually answering a questionnaire with defined topics. These self-evaluations are submitted to the Chairman of the Board of Directors, who consolidates and presents the results at the following meeting.

In 2021, the members of the Board of Directors developed this evaluation to review their performance from the previous year, which includes a review of the contribution to the development of the corporate strategy, understanding of relevant competitive trends, definition of corporate goals and monitoring of their performance, risk matrix review, ensuring compliance with regulations, approval of budgets and investments, policies, analysis of the integrated report, among other topics.

BOARD OF DIRECTORS SUPPORT COMMITTEES

[CMF 3.3]

DIRECTORS' COMMITTEE

It is responsible for examining background information on transactions with related parties; examining reports prepared by external and internal auditors; and examining employee compensation systems and plans, among other matters.

It meets at least three times a year with an external auditor -without the presence of the Chief Executive Officer- to report any findings, relevant facts or adverse situations detected, among other functions.

The members of the Directors' Committee received a remuneration equivalent to 1/3 of that received by a director.

Vivianne Blanlot S.
Rafael Fernández M. (independent)
Jorge Marín C. (independent)

ACTIVITIES OF THE DIRECTORS' COMMITTEE

The activities developed by the Committee are detailed in its Annual Management Report, the text of which can be found in the annexes of this Integrated Report.

p. 362

Environmental, Social and Governance committees

[GRI 2-12; GRI 2-13; GRI 2-16]

To monitor and manage environmental, social and governance (ESG) issues, the Board of Directors is supported by the Board of Directors Committees and senior executives, who monitor the issues and report on their progress.

The identification and management of ESG matters, as well as critical concerns, are carried out through four committees -Sustainability Committee, Financial Risk Committee, Risk and Audit Committee and Ethics and Compliance Committee- in which members of the Board of Directors, the Chief Executive Officer and the main executives of the areas related to these matters participate. In these committees, the aforementioned areas are analyzed, managed and resolved, which are reported to the Board of Directors, according to the corresponding meetings.

Board of Directors Committees

ETHICS AND COMPLIANCE COMMITTEE

Monitoring and progress in matters of ethics and compliance with internal regulations and policies.

The committee meets monthly.

Issues covered in 2021

- Compliance strategy.
- Execution of the strategy.
- Monitoring of defined training plans.
- Knowledge, monitoring, resolution and recommendation of measures taken as a result of the Reporting Hotline.

Members:

Luis Felipe Gazitúa A.
Ramiro Mendoza Z.
Chief Executive Officer
Chief Legal Officer

RISK AND AUDIT COMMITTEE

It supervises and coordinates actions aimed at identifying, reporting and preventing risks inherent to the Company's business.

The committee meets monthly.

Issues covered in 2021

- Monitoring the implementation of the Risk Program.
- Identification and weighing of priority risks.
- Definition of the internal audit strategy.
- Follow-up on the results of audits and assessments.

Members:

Luis Felipe Gazitúa A.
Vivianne Blanlot S.
Ramiro Mendoza Z.
Chief Legal Officer
Administration Manager

FINANCIAL RISK COMMITTEE

It analyzes risks in this area, with special attention to the contracting of derivatives and other financial operations.

The committee meets quarterly.

Issues covered in 2021

- Investment guidelines.
- Hedging definitions.

Members:

Luis Felipe Gazitúa A.
Jorge Marín C.
Chief Executive Officer
Corporate Finance Manager
An external advisor appointed by the Board of Directors

SUSTAINABILITY COMMITTEE

It oversees the implementation of the sustainability strategy in its economic/governance, social and environmental areas; and verifies the effective compliance with corporate goals.

The committee meets bimonthly.

Issues covered in 2021

- Monitoring and compliance with sustainability goals and targets.
- Review of sustainability indicators with third party assurance.
- Progress in social impact assessment.
- Reporting of operational incidents with environmental consequences.

Members:

Luis Felipe Gazitúa A.
Vivianne Blanlot S.
Bernardo Matte I.
(member of the board of directors of the three business areas)
Chief Executive Officer
Corporate Affairs Manager
Environmental Manager
Sustainability Manager

REMUNERATION OF THE BOARD OF DIRECTORS

[GRI 2-19; GRI 2-20]

In the 2020 and 2021 periods, the members of the Board of Directors and participants of the Directors' Committee received the following remuneration:

Remuneration of the Board of Directors (thousands of USD)[29]

Name	Fixed income		Directors' Committee 2020	Directors' Committee 2021
	2020	2021		
Luis Felipe Gazitúa A.	150	160	--	27
Vivianne Blanlot S.	75	80	25	27
Rafael Fernández M.	75	80	25	27
Jorge Larraín M.	75	80	--	--
Jorge Matte C.	75	80	--	--
Bernardo Matte L.	75	33	--	--
Bernardo Larraín M.	NA	47	NA	--
Jorge Marín C.	75	80	25	25
Ramiro Mendoza Z.	75	80	--	--
Pablo Turner G.	75	80	--	--

Note 1: The differences between the amounts of remuneration to the Board of Directors and the expense indicated in the Financial Statements are due to the exchange rate, since the remuneration is paid in Chilean pesos and not in US dollars.
Note 2: The fixed income for 2020 was agreed at the 2021 Shareholders' Meeting, the Board of Directors does not receive variable income.

In compliance with the final paragraph of Article 39 of the Chilean Corporations Law, it was reported that in 2021 the Board of Directors did not incur in other expenses, such as advisories, consultancies and others.

By statute, directors must hold at least 500 shares; notwithstanding that, some may hold shares of the Company in brokerage firms or other similar external registries.

Directors' shares

Name	Position	2020	2021
Luis Felipe Gazitúa A.	Chairman	500	500
Jorge Matte C.	Director	-	-
Jorge Larraín M.	Director	148,688	148,688
Bernardo Larraín M.	Director	-	148,688
Vivianne Blanlot S.	Director	500	500
Jorge Marín C.	Director	5,631	5,631
Ramiro Mendoza Z.	Director	500	500
Pablo Turner G.	Director	-	-
Rafael Fernández M.	Director	-	-
Bernardo Matte L.	Director	-	-

Source: Empresas CMPC S.A. Shareholder Register.

[29]The Board of Directors' allowance was approved at the Ordinary Shareholders' Meeting held on April 26, 2020.

Senior Executives

[CMF 3.4]



Francisco Ruiz-Tagle Edwards
Chief Executive Officer
Age: 58
Business Administration
Rut: 7.052.877-0
Date of appointment: 01/08/2018

He joined CMPC in 1991, and has served as manager of Financial Operations of Empresas CMPC and chief executive officer of Celulosa Pacifico and Papelera del Plata. In 2007, he was appointed Chief Executive Officer of Paper Products, now merged with Biopackaging. In 2011, he was appointed chief executive officer of Forestal, a position he held until January 2016 when he assumed in the same position for the merger of the business units Forestal and Celulosa. As of 2018, he assumed as Chief Executive Officer at CMPC.

Felipe Alcalde Arrau
Innovation and Information Manager
Age: 38
Lawyer
Rut: 15.644.559-2
Date of appointment: 04/03/2019

José Antonio Correa García
Development Manager
Age: 41
Business Administration
Rut: 13.882.533-7
Date of appointment: 01/12/2018

Rafael Cox Montt
Chief Legal Officer
Age: 47
Lawyer
Rut: 12.797.047-5
Date of appointment: 01/01/2010

Gonzalo Darraidou Díaz
Softys Manager
Age: 60
Business Administration
Rut: 8.808.724-0
Date of appointment: 01/12/2015

María Inés Garrido
Internal Audit Manager
Age: 58
Business Administration
Rut: 9.277.163-6
Date of appointment: 01/02/2016

Fernando Hasenberg
Finance and Administration Manager
Age: 45
Business Administration
Rut: 13.066.442-3
Date of appointment: 02/01/2022

María Florencia Iglesias
People and Organization Manager
Age: 48
Psychologist
Rut: 23.850.638-7
Date of appointment: 21/06/2021

Jorge Navarrete García
Biopackaging Manager
Age: 62
Industrial Civil Engineer
Rut: 7.013.024-6
Date of appointment: 01/02/2020

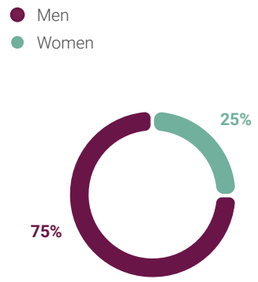
Sandra Riquelme Polanco
Environmental Manager
Age: 55
Geographer
Rut: 10.407.913-K
Date of appointment: 18/01/2021

Guillermo Turner Olea
Corporate Affairs and Sustainability Manager
Age: 51
Journalist
Rut: 10.800.982-9
Date of appointment: 02/05/2016

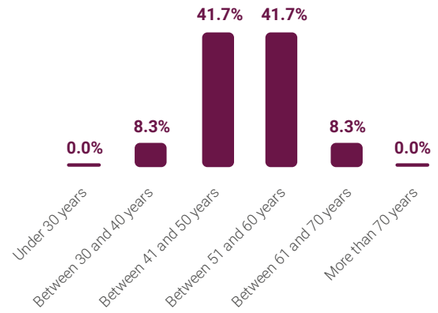
Raimundo Varela Labbé
Celulosa Manager
Age: 48
Industrial Civil Engineer
Rut: 12.454.686-9
Date of appointment: 15/09/2020

Note: On January 2, 2022, Mr. Ignacio Goldsack left the position of Finance and Administration Manager, being replaced in his position by Mr. Fernando Hasenberg L.

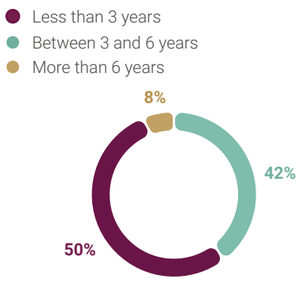
percentage by gender



percentage by age range



Percentage by seniority



EXECUTIVES REMUNERATION

[GRI 2-19]

The Company has a compensation indemnity and incentive policy, which establishes the remuneration for the Chief Executive Officer and main executives. This document is available at cmpc.com website.

Its objective is to promote the quality of management, manage risk exposure and align the priorities and incentives of the Company's senior executives[30] with the short, medium and long term objectives in strategic planning, to protect the Company's interests.

The compensation of the Chief Executive Officer and main executives must be fundamentally governed by market criteria and may have a fixed and a variable component. Variable income should seek to encourage executives to obtain relevant achievements that meet the Board's expectations and, therefore, aligned with the social interest, associated with sustainability criteria and the accomplishment of long-term strategic objectives.

Likewise, remuneration is commensurate with the Company's performance, i.e., a performance that translates into reasonably satisfactory achievements in terms of both profitability and long-term sustainability.

INDEMNITY AND INCENTIVE POLICY
https://www.cmpc.com/nosotros/gobierno-corporativo/politicas-y-normas-corporativas/

Main executive remuneration (thousands of USD)

2018	2019	2020	2021
4,893	5,835	6,687	5,604

Source: Administration Management.
Note: Remuneration is presented in aggregate and corresponds to the annual amount.

The main executives do **not register shares** at the Empresas CMPC S.A. Shareholder Register; however, they may be registered in the portfolios of external brokerage firms.

[30] The remuneration information of each of CMPC's executives is confidential.

7.3 INVESTOR RELATIONS

Permanent and transparent information

[CMF 3.7]

CMPC periodically provides information to its investors to maintain a relationship based on transparency. To this end, it has different channels that keep them updated on changes and progress in the company, its subsidiaries and the industry.

INVESTOR RELATIONS WEBSITE

https://ir.cmpc.com/Spanish/inicio/

Communication channels include e-mails, phone calls, conferences and online digital meetings with investors and analysts. Also, in-person meetings are held, which are expected to be resumed once Covid-19 contagion levels stabilize in the future.

Investors can review the public information at the investor relations website and/or consult the area specialized and dedicated exclusively to this matter.



Colomba Henríquez
Investor Relations Manager



Paola Figueira
Investor Relations Analyst



Juan José Ossul
Investor Relations Analyst

CMPC has a **direct and timely communication channel** with shareholders, creditors, analysts or market agents in general, in order to quickly respond to their enquiries and requirements.

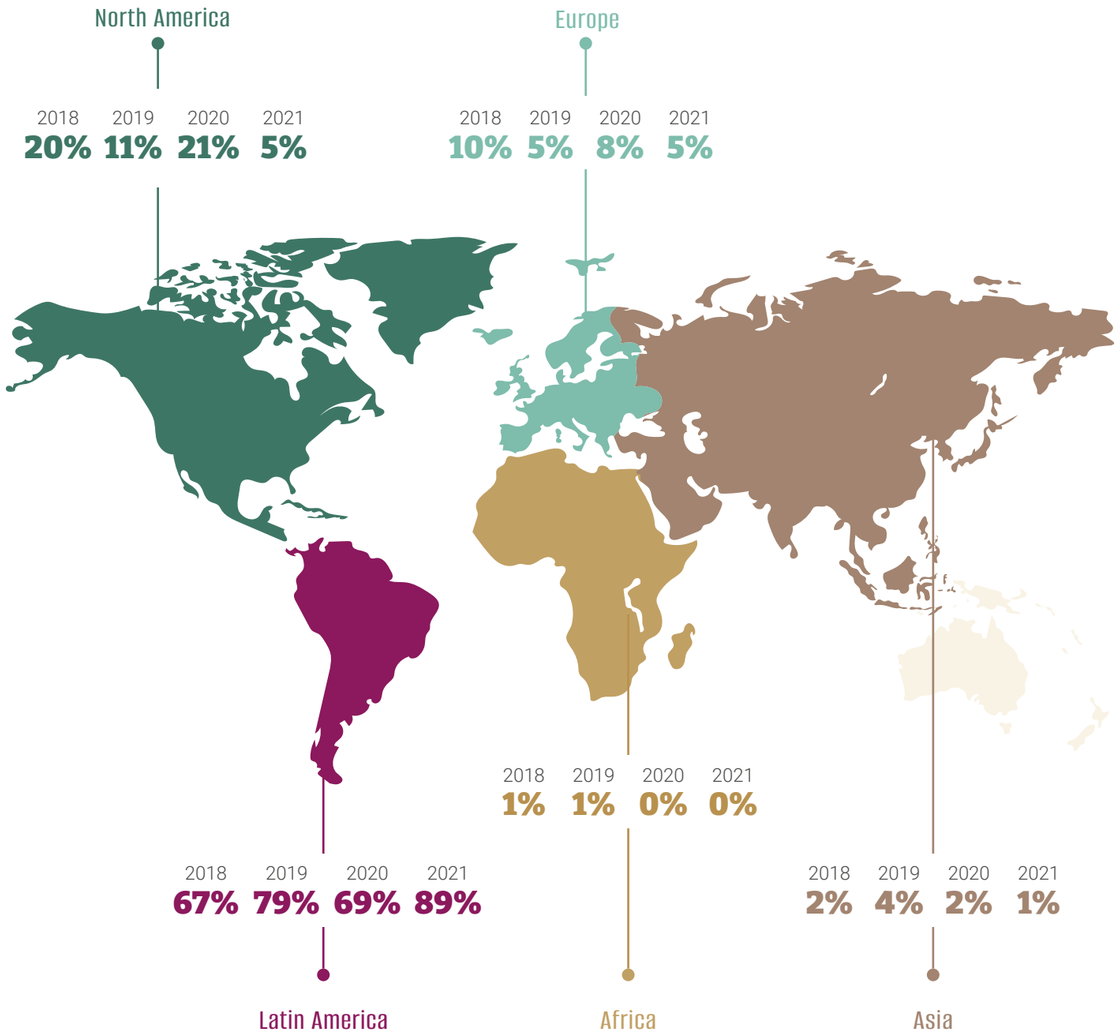


Roberto Quintana, Mayor of the municipality of Laja; Luis Felipe Gazitúa, Chairman of Empresas CMPC; Guillermo Turner, Corporate Affairs and Sustainability Manager of Empresas CMPC; and Monsignor Felipe Bacarreza, Bishop of the Diocese of Santa María de Los Angeles. (Handing over San Jorge School, Laja).

The Investor Relations Management prepares and publishes quarterly information, including: financial statements, fiscal year results and impacts in each business area, bond brochures, share price, news and relevant facts, corporate presentations, information from risk rating agencies, among others.

It also periodically conducts benchmarking studies, where it compares CMPC's reporting with global companies in the pulp and paper industry. This allows CMPC to adopt best practices at a global level and thus maintain a process of continuous improvement of the information that CMPC discloses to the market.

Distribution by region of meetings held with investors



Source: Investor Relations Management.

CMPC Investor Day



Since 2015 CMPC has held an *Investor Day* once a year **to present the Company's progress, business perspectives and strategy to shareholders, investors and financial analysts.**

The seventh edition of this activity was held on November 19, 2021. The event was held virtually and brought together approximately 100 participants from different parts of the world, including representatives of banks, funds, among others.

The meeting presented the annual account of each business unit in which CMPC operates, also showing strategies and future perspectives for each market.

At the same time, it presented the progress to date of the corporate goals set, as well as those corresponding to sustainability and innovation issues.

«I think CMPC's Investor Day is always very complete and this year was no exception, with the main managers always giving a complete update on their divisions.

I would like to highlight that they gave us information about their expansion plans in the Celulosa & Forestal business and the intention of its management to start developing wood products. Also, to hear about the initiatives they are undertaking to address the complex scenario facing the Softys business. Finally, it was very positive to learn about progress in sustainability.

On the other hand, I would also like to highlight the Investor Relations area, because they always respond with agility when one needs help and, as I have been there for a long time, I have seen the improvements implemented in the different work fronts. I would also like to point out the fantastic work that CMPC has done in efficiencies and automation on the Biopackaging side.

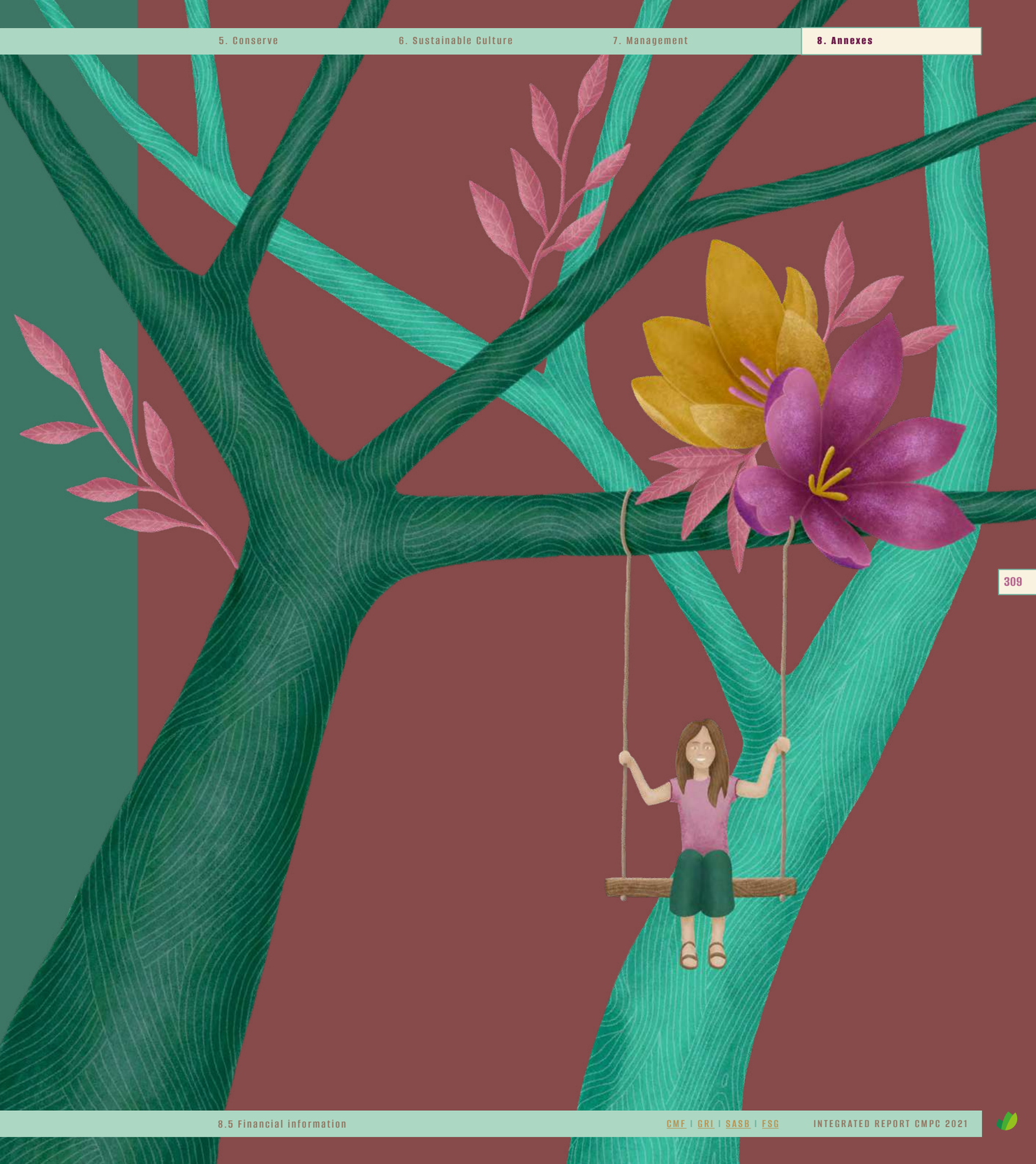
In terms of opportunities, I believe they should continue to diversify the business, with the objective of generating increasingly stable cash flows.

Finally, I think it would be useful to have management's view on the expectations for the pulp market on a quarterly basis, as they are a company with a strong exposure to a commodity».

Andrés Cereceda
Senior Variable Income Associate
of Credicorp Capital,
Investor Day Participant

CHAPTER EIGHT

Annexes



8.1 PRINCIPLES AND STANDARDS

Global compact

Global compact principle

	Principles	Page
	Human Rights	
Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	246
Principle 2:	Businesses should make sure that their partners and employees are not complicit in Human Rights abuses.	246
	Labor Relations	
Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	124
Principle 4:	Businesses should uphold the elimination of all forms of forced and compulsory labor.	246
Principle 5:	Businesses should uphold the abolition of child labor.	246
Principle 6:	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	126
	Environment	
Principle 7:	Businesses should support a precautionary approach to environmental challenges.	31, 194
Principle 8:	Businesses should undertake initiatives to promote greater environmental responsibility.	194, 228
Principle 9:	Businesses should encourage the development and diffusion of environmentally friendly technologies.	194, 266
	Anticorruption	
Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.	234

CMPC's contribution to the Sustainable Development Goals index

Objective	Goal	Page
1 NO POVERTY	1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.	162, 184
3 GOOD HEALTH AND WELL-BEING	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	150
4 QUALITY EDUCATION	4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and Goal-4 effective learning outcomes.	165
	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	18
5 GENDER EQUALITY	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels.	130
6 CLEAN WATER AND SANITATION	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all.	158
	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.	216
7 AFFORDABLE AND CLEAN ENERGY	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.	203
	7.3 By 2030, double the global rate of improvement in energy efficiency.	206
8 DECENT WORK AND ECONOMIC GROWTH	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.	85
	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.	108, 154, 155, 162
	8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	139
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	14, 85, 95
	9.c Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.	156
10 REDUCED INEQUALITIES	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.	135

Objective	Goal	Page
11 SUSTAINABLE CITIES AND COMMUNITIES	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	18
	11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.	151
	11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials.	18
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.	152, 153,207
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	15, 207
13 CLIMATE ACTION	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	184
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	10, 184, 198
15 LIFE ON LAND	15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.	157, 177, 184, 193, 196
	15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.	189
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.5 Substantially reduce corruption and bribery in all their forms.	238
17 PARTNERSHIPS FOR THE GOALS	17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.	10, 88

Forest Sector SDG Roadmap (FSG)

Impact opportunities for the forest sector	Page
I. Working forests	
1. Implement and promote Sustainable Forest Management practices and expand productive forests, while protecting and enhancing biodiversity and ecosystem services (SS EE).	178 184
2. Counter deforestation and forest degradation, promoting sustainable forest management models and wood fiber procurement.	178 220
3. Promote landscape management approaches, II FF prevention and watershed management, to enhance SS EE, improve resilience and help sustain forest production.	194
II. Bioeconomy	
1. Invest in innovation and the widespread adoption of low-carbon and circular wood fiber products that store carbon and substitute non-renewable and fossil-based materials, particularly in the packaging, construction, energy, chemical and textile sectors.	86
2. Accelerate research and science to better understand the carbon impacts of forests and wood fiber products to build a clear, consistent, science-based narrative to inform customer procurement decisions, raise consumer awareness of carbon storage and the end-of-life benefits of wood fiber products over fossil-based and non-renewable alternatives.	86
III. Climate	
1. Support and invest in forestation, reforestation, wider land restoration and conservation efforts, especially of unique forest values, in order to advance carbon dioxide removals to meet global climate goals and enhance resilience to a changing climate.	184 194
2. Reduce Scope 1 and 2 GHG emissions across operations, for example, by improving manufacturing technology or increasing production and efficient use of renewable energy resources.	194
3. Achieve Scope 3 GHG emissions reductions across the supply chain, by working with suppliers and contractors.	194
4. Support the development and implementation of new approaches and tools to measure, value and manage GHG emissions avoidance through the substitution of fossil-based and other non-renewable materials with wood fiber products.	86
IV. Water	
1. Identify and implement water use reductions, wastewater treatment and circular water management practices in manufacturing operations, with a particular focus on water stressed regions.	214
2. Contribute to water management and stewardship science and research where forests are a key land use, and scale-up collaborative action through local multi-stakeholder initiatives, e.g., around watershed management.	214
3. Support the development and implementation of effective tools to value and manage water risks, impacts and dependencies along the entire spectrum of the forest products value chain.	214
V. Circularity	
1. Innovate to enable effective and efficient recycling of waste streams and processing residues within the value chain for energy generation and as raw material for other industries, such as the chemical and cement sectors.	86 201 207
2. Further increase the global recovery rate of wood fiber products.	113
3. Improve and innovate business models and product design to provide end-of-life solutions for single-use fiber products such as composite packaging, diapers, personal care.	86
VI. Communities	
1. Scale shared-value business models that provide services, infrastructure, business support, skills development opportunities and other livelihood benefits to communities and enable improved governance.	146
2. Respect the access and tenure rights of indigenous peoples and communities directly affected by forest operations.	160
VII. People	
1. Enhance the quality and integrity of jobs through continuous improvements in health, safety (including road safety), and well-being of employees and contractors.	138
2. Invest in human and social capital to attract and retain talent and improve workforce diversity.	116 126
VIII. Procurement	
1. Scale up the use of best practices to increase the percentage of wood fiber products purchased from legal, controlled and environmentally and socially responsible sources (which includes respecting the rights of affected communities and indigenous peoples) by implementing a risk-based approach addressing traceability, and supply chain risk-based assessment.	104
2. Enhance sustainable and responsible global procurement practices for key non-wood fiber raw materials and services such as chemicals and minerals through supplier collaboration, promotion and enforcement of supplier codes and other measures.	104

CMPC reporting overview

[GRI 1: 2-1; 2-2; 2-3; 2-4; 2-5]

VALUE REPORTING FOUNDATION

https://www.valuereporting-foundation.org/

CMPC's Integrated Report is prepared under the recommendations of the Value Value Reporting Foundation (VRF), an organization that, as of 2021, officially merged two organizations that contributed to the corporate reporting and value creation overview: the International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB).

This integrated report is prepared in accordance with GRI, according to the updated Universal Standards (2021), using its latest indicators and changes that can be seen in the annexes of this document. Additionally, it uses the SASB guidelines according to its industries, thus deepening in specific indicators for the sector: Forest Management, Pulp and Paper Products.

Along with the above, and in line with its commitment to the Forestry Sector Roadmap, the WBCSD's Forest Solutions Group reports on key performance indicators and progress towards the Roadmap that contribute to the Sustainable Development Goals.

Finally, in accordance with Chilean legislation, the mandatory criteria for annual reports expressed by the Financial Market Commission (CMF) are applied, specifically General Standards No. 30, No. 386 and No. 385 for the disclosure of good corporate governance practices. However, as a way of advancing in ESG reporting, it incorporates the guidelines of the recently published NCG 461 of the same entity, including an index in the annexes, as expressed in the regulation, which will be in force as from 2023.

It is worth mentioning that CMPC has configured its sustainability objectives in line with the Sustainable Development Goals (SDGs). Additionally, this document is a Communication on Progress (CoP) for the United Nations Compact, an organization of which CMPC has been a member since 2018. In January, CMPC confirmed its participation in the UN Compact's Early adopters program, which changes the way progress is communicated. It will now be through a letter signed by the Chief Executive Officer and an online questionnaire that covers best practices in reporting.

The external audit firm KPMG, which reviewed 27 sustainability indicators, both GRI, SASB and the Company's own, verified this report. The external company Deuman verified the carbon footprint data for 2021.

Any restatement of information or change in methodology is duly indicated as a footnote to each indicator, for a better understanding of the information.

This integrated report was published on 11 April 2022.

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	CMPC 8	Investments in USD as a contribution to the development of indigenous communities	160
	CMPC 9	Intensity of production/water withdrawal	241

Note (*): During the verification process of this Integrated Report, GRI 2016 was maintained for these Profile indicators.
Note: Indicator 2-21 is not reported since the information is confidential.

SASB Contents

[CMF 8.2]

Indicator classification	Indicator		Page
	Code	Name	
Forest Management	RR-FM-160a.1	Area of forestland certified to a third-party forest management standard, percentage certified to each standard.	181
	RR-FM-450a.1	Description of strategy to manage opportunities for and risks to forest management and timber production presented by climate change.	212
	RR-FM-000.A	Area of forestland owned, leased, and/or managed by the entity.	179
	RR-FM-000.B	Aggregate standing timber inventory (m^3).	180
	RR-FM-000.C	Timber harvest volume (m^3).	180

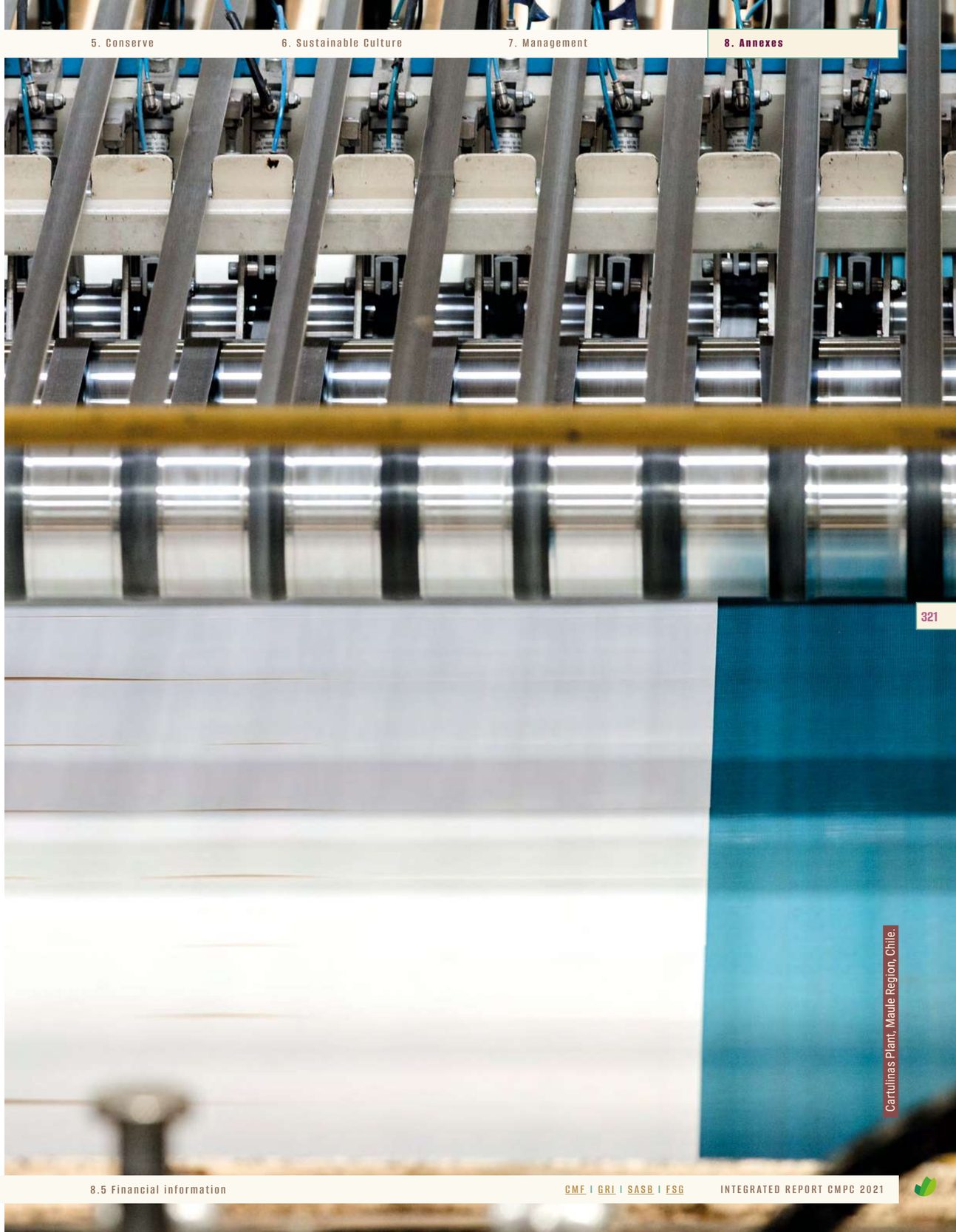
Indicator classification	Indicator		Page
	Code	Name	
Pulp & Paper Products	RR-PP-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	198
	RR-PP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SO2, (3) Volatile organic compounds (VOCs), (4) Particulate matter (PM).	201
	RR-PP-130a.1	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage from biomass, (4) Percentage from other renewable energy.	201
	RR-PP-140a.1	(1) Total water withdrawn, (2) total water consumption, percentage of each in regions with high or extremely high baseline water stress.	218
	RR-PP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks.	250
	RR-PP-430a.1	Percentage of wood fiber sourced from (1) third-party certified forestlands and percentage to each standard and (2) meeting other fiber sourcing standards and percentage to each standard	182
	RR-PP-430a.2	Amount of recycled and recovered fiber procured.	112
Packaging	RT-CP-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.	198
	RT-CP-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	198
	RT-CP-120a.1	Air emissions of the following pollutants: (1) NO_X (excluding N_2O), (2) SO_X, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	120
	RT-CP-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy.	201
	RT-CP-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.	218
	RT-CP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks.	250
	RT-CP-150a.1	Amount of hazardous waste generated, percentage recycled.	207
	RT-CP-410a.1	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content.	111
Productos de cuidado personal y para el hogar	CG-HP-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable.	111

Forest Solutions Group (FSG) Contents

Indicator classification	Indicator	Page
Forest Management	Proportion of all certified owned, leased, and managed forests (%)	180
	Total number of smallholders reached through support programs	NI
	Proportion of total land owned, leased, or managed that is designated for restoration or conservation (%)	184
	Total hectares of land (not owned, leased, or managed) restored or conserved	184
	Engagement in long-term context-based landscape management approaches (Y/N)	178
Bioeconomy	Percentage of total revenues invested in R&D (%)	NI
Circularity	Percentage of waste and process waste reused of total waste generated (%)	207
	Percentage of recycled fiber of total fiber used (%)	112
	Application of circular design principles or guidance to maximize product recovery potential (Y/N)	86
	Collaborations to increase recovery of wood fiber products (Y/N)	113
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	Total number of trees planted	180
	Participation in long-term conservation and restoration efforts (Y/N)	184
	Verified and time-bound CO_2 reduction targets aligned with climate science (Y/N)	198
	Renewable energy share of total energy consumed (%)	202
	GHG emission intensity per ton of saleable production (m CO_2eq)	NI
	Quantification and reduction of Scope 3 emissions (Y/N)	200
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	Share of water returned per ton of saleable production (%)	NI
	Chemical oxygen demand (COD) per ton of saleable production (kg)	219
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	Percentage of manufacturing in high water stress regions with a water consumption reduction plan (%)	218
People	Proportion of female employees (%)	130
	Proportion of female employees in senior management (%)	130
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	Average training per employee (hours per year)	119
	Total Recordable Incident Rate (TRIR)	142
Communities	Investment in community initiatives (USD millions)	148
	Supplier's code of conduct includes a minimum wage provision (Y/N)	234
	Policies/practices on community engagement with indigenous peoples are in place (Y/N)	160
	Remedy for human rights abuses in place (Y/N)	246
Suppliers	Percentage of suppliers assessed based on code of conduct (%)	NI
	Proportion of certified wood / fiber purchased (%)	181
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Cartulinas Plant, Maule Region, Chile.

8.2 ANNEXES BY CHAPTER

Chapter 3: Create

SUPPLIERS

Micro and SME suppliers by country (No.)

Country	2019	2020	2021
Argentina	767	670	822
Brazil	NI	458	401
Chile	4,593	4,689	4,410
Colombia	115	764	415
Ecuador	47	65	47
Mexico	424	367	281
Peru	552	302	271
Uruguay	317	248	179
United States	N/A	N/A	N/A
Total	**6,815**	**7,563**	**6,826**

Micro and SME suppliersby country business (No.)

Business area	2019	2020	2021
Celulosa	2,354	2,934	2,800
Biopackaging	2,399	2,131	2,155
Softys	2,790	3,105	2,376
Corporate offices	478	448	418
Total	**6,815**	**7,563**	**6,826**

Note: CMPC's total suppliers are counted at the aggregate level, regardless of whether the supplier provided services in more than one business unit.

Average days of payment to micro and SME suppliers by country

Country	2019	2020	2021
Argentina	40	30	31
Brazil	0	28	36
Chile	15	10	6
Colombia	13	39	49
Ecuador	55	49	45
Mexico	44	41	34
Peru	39	33	36
Uruguay	43	45	45
United States	0	0	0
Total	**25**	**19**	**12**

Average days of payment to micro and SME suppliers by business

Business area	2019	2020	2021
Celulosa	13	10	7
Biopackaging	24	13	8
Softys	37	31	24
Corporate offices	20	16	6
Total	**25**	**19**	**12**

Average days of payment to suppliers by country

Country	2019	2020	2021
Argentina	45	43	43
Brazil	31	33	40
Chile	31	25	22
Colombia	46	70	54
Ecuador	63	46	57
Mexico	50	53	55
Peru	50	53	55
Uruguay	40	42	39
United States	33	22	25
Total	**34**	**32**	**31**



Papeles Cordillera plant, Metropolitan region, Chile.

Average days of payment to suppliers by business

Business area	2019	2020	2021
Celulosa	20	18	18
Biopackaging	54	41	36
Softys	50	50	49
Corporate offices	30	27	22
Total	**34**	**32**	**31**

Definition of Mipymes by country

- **Argentina:** Definition according to industry (Construction: Sales MM ARS 568.3 and 590 workers, Services: Sales MM ARS 412.8 and 535 workers, Commerce: Sales MM ARS 1,431.2 and 345 workers, Industry and mining: Sales MM ARS 1,212.8 and 655 workers, Agriculture and Livestock: Sales MM ARS 363.1 and 215 workers).
- **Brazil:** Annual sales up to MM R$ 4.8.
- **Chile:** Companies with annual sales up to UF 100,000.
- **Colombia:** Total assets up to 610,000 UVT (UVT 2019 $34,270) and maximum 200 employees.
- **Ecuador:** Annual sales up to MM USD 5.0; and maximum 199 workers.
- **Mexico:** Annual sales up to MXN 1,250 million and up to 250 workers.
- **Peru:** Net income up to 1700 UIT (Taxation Unit) in the taxable year.
- **Uruguay:** Annual income up to 305,000 UI (UI value = 4.0275 UYU).

Invoice payment to Chilean company suppliers

[CMF 7.1]

Payment to suppliers	Domestic				Foreign			
Category	Up to 30 days	31 to 60 days	More than 60 days	Total	Up to 30 days	31 to 60 days	More than 60 days	Total
N° Invoices paid	283,109	36,114	6,685	**325,908**	4,382	6,657	5,113	**16,152**
Total Amount (MM CLP)	2,115	198	19	**2,331**	207	63	168	**437**
Interest on late payment of invoices	0	0	0	**0**	0	0	0	**0**
N° of suppliers	9,943	714	630	**10,206**	361	495	510	**742**
N° of registered agreements	343	275	131	**432**	0	0	0	**0**

Note: The number of agreements recorded is the number of agreements related to paid documents in each of the segments.

Materials (tons)

Business area	Renewable	Non-renewable	Total
Celulosa	18,533,978	628,211	**19,162,190**
Biopackaging	1,369,256	100,728	**1,469,984**
Softys	1,122,648	169,110	**1,291,758**
Total	**20,569,909**	**898,049**	**21,467,958**

Business area	Recycled	Recovered
Celulosa	7,308	0
Biopackaging	783	385,219
Softys	19,434	409,110
Total	**27,525**	**794,329**

Chapter 4: Coexist

COLLABORATORS (CMF SEGREGATION - NCG 461)

[GRI 405-1]

Employees by position and sex (No.)

[CMF 5.1.1]

Position	Women	Men	Total
Executives, managers and heads	315	1,048	1,363
Professionals and technicians	1,782	3,610	5,392
Operators	1,526	11,787	13,313
Total	**3,623**	**16,445**	**20,068**

Employees by position, sex and nationality (No.)

[CMF 5.1.2]

Nacionality	Executives, managers and heads			Professionals and technicians			Operators			Total		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Argentina	17	82	99	116	249	365	76	945	1,021	209	1,259	1,468
Bolivia	0	0	0	2	0	2	2	4	6	4	4	8
Brazil	31	157	188	314	625	939	390	2,033	2,423	735	2,784	3,519
Chile	160	817	977	763	1,867	2,630	519	5,610	6,129	1,442	8,134	9,576
Colombia	32	70	102	91	82	173	49	291	340	172	411	583
Cuba	0	0	0	0	2	2	0	2	2	0	4	4
Ecuador	7	14	21	63	49	112	23	126	149	93	182	275
Spain	0	2	2	0	0	0	1	0	1	1	2	3
United States	0	2	2	5	1	6	0	0	0	5	3	8
Finland	1	2	3	0	0	0	0	0	0	1	1	2
Haiti	0	0	0	0	0	0	0	14	14	0	14	14
Mexico	25	81	106	176	316	492	366	1,346	1,712	567	1,718	2,285
Nepal	0	0	0	0	0	0	1	1	2	1	1	2
Paraguay	1	1	2	1	0	1	0	0	0	2	0	2
Peru	24	87	111	169	297	466	69	1,136	1,205	262	1,496	1,758
Dominican Republic	0	0	0	0	0	0	2	1	3	2	1	3
Uruguay	8	26	34	35	54	89	14	192	206	57	264	321
Venezuela	7	17	24	44	68	112	14	85	99	65	163	228
Other countries	2	5	7	3	0	3	0	1	1	5	4	9
Total	**315**	**1,363**	**1,678**	**1,782**	**3,610**	**5,392**	**1,526**	**11,787**	**13,313**	**3,623**	**16,445**	**20,068**

Note: Other countries include people from: Belgium, Cambodia, China, El Salvador, Estonia, Germany, Italy, Japan and Portugal.

Employees by position, sex and age range (No.)

[CMF 5.1.3]

Age range	Executives, managers and heads		Professionals and technicians		Operators		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Under 30 years old	13	27	499	508	454	2,625	966	3,160
Between 30 and 40	158	307	804	1,349	635	4,237	1,597	5,893
Between 41 and 50	100	337	341	900	321	2,762	762	3,999
Between 51 and 60	38	292	122	647	112	1,718	272	2,657
Between 61 and 70	6	84	16	203	4	437	26	724
More than 70 years old	0	1	0	3	0	8	0	12
Total	**315**	**1,048**	**1,782**	**3,610**	**1,526**	**11,787**	**3,623**	**16,445**

Employees by position, sex and seniority (No.)

[CMF 5.1.4]

Seniority	Executives, managers and heads		Professionals and technicians		Operators		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Less than 3 years	128	290	749	1,040	689	3,042	1,566	4,372
Between 3 and 6 years	58	159	350	646	276	2,093	684	2,898
Between 6 and 9	34	71	143	314	225	1,448	402	1,833
Between 9 and 12	21	73	135	701	100	632	256	1,406
More than 12 years	74	455	405	1,330	236	4,151	715	5,936
Total	**315**	**1,048**	**1,782**	**4,031**	**1,526**	**11,366**	**3,623**	**16,445**

Employees by position, sex and disability (No.)

[CMF 5.1.5]

Payroll	Executives, managers and heads	Professionals and technicians	Operators	Total
Women	3	15	36	54
Men	3	48	174	225
Total	**6**	**63**	**210**	**279**

Employees by sex and labor formality (No.)

[CMF 5.2]

Labor Formality	Men	Women	Total	Percentage
Indefinite-term contract	15,369	3,322	18,691	93
Fixed-term contract	1,037	294	1,331	7
Contract for work or works	39	7	46	0
Fee contract	0	0	0	0
Total	**16,445**	**3,623**	**20,068**	**100**

Employees by sex and labor adaptability (No.)

[CMF 5.3]

Work adaptability	Men	Women	Total	Percentage
Full-time	16,426	3,592	20,018	100
Part-time	19	31	50	0
Total	**16,445**	**3,623**	**20,068**	**100**
Under work adaptability	4,946	1,794	6,740	70
Under teleworking	2,549	981	3,530	30
Total	**7,495**	**2,775**	**10,270**	**100**

COLLABORATORS (HISTORICAL SEGREGATION)

Employees by year and category (No.)

[102-8]

Category		2018	2019	2020	2021
Country	Argentina	1,498	1,526	1,659	1,461
	Brazil	2,391	2,387	3,445	3,525
	Chile	9,352	9,634	9,729	9,888
	Colombia	448	518	543	546
	Ecuador	250	262	229	281
	Mexico	1,556	1,738	2,125	2,284
	Peru	1,388	1,435	1,554	1,740
	Uruguay	364	345	340	322
	United States	n/a	14	17	21
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Business area	Celulosa	5,019	5,070	5,105	5,247
	Biopackaging	3,417	3,387	3,653	3,638
	Softys	8,402	8,960	10,470	10,581
	Corporate offices	409	442	413	602

Category		2018	2019	2020	2021
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Position	Executives, managers and heads	1,001	1,088	1,310	1,363
	Professionals and technicians	5,933	5,517	5,715	5,392
	Operators	10,313	11,254	12,616	13,313
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Gender	Women	2,473	2,740	3,304	3,623
	Men	14,774	15,119	16,337	16,445
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Age range	Under 30 years old	3,935	3,922	3,867	4,126
	Between 30 and 40			7,438	7,490
	Between 41 and 50	12,784	13,176	4,716	4,761
	Between 51 and 60			2,866	2,929
	Between 61 and 70			743	750
	More than 70 years old	528	761	11	12
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Seniority	Less than 3 years	NI	NI	6,379	5,938
	Between 3 and 6 years	NI	NI	3,662	3,582
	Between 6 and 9	NI	NI	2,748	2,235
	Between 9 and 12	NI	NI	2,009	1,662
	More than 12 years	NI	NI	4,842	6,651
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Employment contract	Indefinite	NI	16,458	18,205	18,691
	Part-time and works contract	NI	1,401	1,436	1,377
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Workday	Full-time	NI	17,850	19,595	20,018
	Part-time	NI	9	46	50
	Total	**17,247**	**17,859**	**19,641**	**20,068**
Work adaptability	Work adaptability	NI	NI	NI	6,740
	Teleworking	NI	NI	NI	3,530
	No work adaptability	NI	NI	NI	9,798
	Total	**17,247**	**17,859**	**19,641**	**20,068**

Note: Part-time contract includes fixed-term and construction or works contract.

Women in the organization (No.)

Category		2018	2019	2020	2021
Country	Argentina	185	184	215	204
	Brazil	335	335	670	735
	Chile	1,194	1,330	1,420	1,544
	Colombia	129	147	151	160
	Ecuador	75	75	67	94
	Mexico	355	413	502	542
	Peru	155	195	214	258
	Uruguay	45	55	57	54
	United States	n/a	6	8	12
	Total	**2,473**	**2,740**	**3,304**	**3,623**
Business area	Celulosa	545	590	624	674
	Biopackaging	403	428	513	514
	Softys	1,344	1,529	1,998	2,164
	Corporate offices	181	193	169	271
	Total	**2,473**	**2,740**	**3,304**	**3,623**
Position	Executives, managers and heads	181	228	266	315
	Professionals and technicians	1,512	1,499	1,670	1,782
	Operators	780	1,013	1,368	1,526
	Total	**2,473**	**2,740**	**3,304**	**3,623**
Percentage of women in the organization		14.3%	15.3%	16.8%	18.1%
Percentage of women in leadership positions		NI	20.0%	20.3%	23.1%
Women promoted to leadership positions		35	54	47	43

Employees by nationality (No.)

Category		2018	2019	2020	2021
Nationality breakdown	Chile	NI	9,388	9,434	9,576
	Brazil	NI	2,387	3,450	3,519
	Mexico	NI	1,741	2,127	2,285
	Argentina	NI	1,534	1,659	1,468
	Peru	NI	1,457	1,579	1,758
	Colombia	NI	542	568	583
	Uruguay	NI	340	336	321
	Ecuador	NI	253	222	275
	Venezuela	NI	165	209	228
	Haiti	NI	20	20	14
	Bolivia	NI	6	6	8
	United States	NI	5	5	8
	Cuba	NI	1	2	4
	Dominican Republic	NI	2	3	3
	Spain	NI	3	2	3
	Paraguay	NI	2	2	2
	Nepal	NI	2	2	2
	Finland	NI	1	1	2
	Other	NI	9	11	9
	Total	**NI**	**17,859**	**19,641**	**20,068**

Note: Other countries include: Belgium, Cambodia, China, El Salvador, Estonia, Germany, Italy, Japan and Portugal.

Employees with disabilities (%)

Category		2018	2019	2020	2021
Country	Argentina	0.0%	0.0%	0.0%	0.7%
	Brazil	2.9%	2.5%	3.2%	3.6%
	Chile	1.1%	1.1%	1.0%	1.0%
	Colombia	0.0%	0.0%	0.2%	0.9%
	Ecuador	2.4%	2.3%	4.4%	4.4%
	Mexico	0.2%	0.0%	0.0%	0.2%
	Peru	0.0%	0.0%	0.0%	0.2%
	Uruguay	0.6%	0.3%	0.6%	4.7%
	United States	N/A	0.0%	0.0%	0.0%
	Total	**1.1%**	**1.0%**	**1.1%**	**1.4%**
Position	Executives	0.1%	0.6%	0.5%	0.4%
	Professionals and technicians	1.0%	0.6%	0.7%	1.2%
	Operators	1.2%	1.2%	1.4%	1.6%
	Total	**1.1%**	**1.0%**	**1.1%**	**1.4%**
Business area	Celulosa	1.9%	1.9%	1.8%	1.7%
	Biopackaging	1.1%	0.8%	0.7%	0.6%
	Softys	0.6%	0.5%	0.9%	1.5%
	Corporate offices	0.5%	0.7%	0.7%	1.3%
	Total	**1.1%**	**1.0%**	**1.1%**	**1.4%**

Turnover (No. and %)

[GRI 401-1]

Category		2018	2019	2020	2021
Income by gender	Women	715	640	498	1.177
	Men	3,109	2,767	2,441	3,093
	Total	**3,824**	**3,407**	**2,939**	**4,270**
Turnover by gender	Women	20.4%	23.3%	15.1%	25.0%
	Men	18.6%	18.3%	14.9%	18.9%
	Total	**18.8%**	**19.1%**	**15.0%**	**20.0%**
Income by age range	Under 30	1,900	1,259	1,180	1,944
	Between 30 and 60	1,913	2,046	1,671	2,299
	More than 60	11	102	88	28
	Total	**3,824**	**3,407**	**2,939**	**4,270**
Turnover by age range	Under 30	32.4%	31.6%	30.5%	35.7%
	Between 30 and 60	39.6%	15.4%	11.1%	16.1%
	More than 60	50.7%	17.6%	11.7%	13.6%
	Total	**18.8%**	**19.1%**	**15.0%**	**20.0%**

Training (No.)

Category		2018	2019	2020	2021
Number of trained by gender	Women	NI	13,507	14,281	2,956
	Men	NI	2,589	3,029	11,983
	Total	**14,749**	**16,096**	**17,310**	**14,939**
Total training hours by gender	Women	NI	235,130	311,765	189,905
	Men	NI	42,083	62,712	525,372
	Total	**319,946**	**277,213**	**374,476**	**715,277**
Number of trainees by category	Executives	733	912	838	1,414
	Professionals and technicians	4,949	4,659	6,684	5,272
	Operators	9,067	10,525	9,788	8,253
	Total	**14,749**	**16,096**	**17,310**	**14,939**
Total training hours by category	Executives	21,025	19,392	17,702	50,492
	Professionals and technicians	124,530	85,329	184,963	293,149
	Operators	174,392	172,492	171,811	371,636
	Total	**319,946**	**277,213**	**374,476**	**715,277**

Performance evaluation (No. and %)

[GRI 404-3]

Category		2018	2019	2020	2021
No. of evaluated by gender	Women	NI	1,725	2,018	2,300
	Men	NI	5,386	6,323	7,303
	Total	**10,441**	**7,111**	**8,341**	**9,603**
% of evaluated by gender	Women	NI	62.75%	61.15%	63.19%
	Men	NI	35.65%	38.69%	44.39%
	Total	**59.0%**	**39.82%**	**42.47%**	**47.80%**
No. of evaluated by category	Executives, Professionals and technicians	4,745	5,280	5,869	6,236
	Operators	5,696	1,831	2,472	3,367
	Total	**10,441**	**7,111**	**8,341**	**9,693**
% of evaluated by category	Executives, Professionals and technicians	70.0%	79.93%	83.54%	92.23%
	Operators	53.0%	16.27%	19.59%	25.26%
	Total	**59.0%**	**52.83%**	**42.47%**	**47.80%**

Employee satisfaction by business (%)

Category	Percentage
Celulosa	82%
Biopackaging	81%
Softys	82%
Corporate offices	83%
Total	**82%**

Note: 2018 and 2019 are not comparable, change from GPTW to internal methodology.

Labor relations (No. and %)

[102-41; 407-1; 2-30]

Category		2018	2019	2020	2021
No. of unionized workers		10,206	10,887	11,448	11,305
Percentage of unionized workers		58.0%	60.4%	58.29%	56.33%
No. of employees covered by unions		12,004	11,436	12,753	12,108
Total percentage of employees covered by collective bargaining agreements		66.0%	63.4%	64.80%	60.33%
Number of unions		53	55	58	56
No. of unions by country	Argentina	3	4	3	3
	Brazil	6	5	7	4
	Chile	39	38	39	39
	Colombia	1	1	1	1
	Ecuador	0	0	0	0
	Mexico	2	3	4	4
	Peru	3	3	3	4
	Uruguay	1	1	1	1
	United States	n/a	0	0	0
	Total	**53**	**55**	**58**	**56**

Contractors (No. and rates)

Category	Pulp	Celulosa	Maderas	Bosques	Biopackaging	Softys	Corporate	CMPC
Accident fatalities	0	0	0	1	0	0	0	1
Number of work accidents with time lost	15	8	22	21	28	23	0	117
Average staffing	9,198	2,024	2,217	10,949	5,345	4,799	0	34,532
Hours effectively worked	11,795,136	3,494,031	3,977,819	22,914,407	6,318,889	10,086,059	0	58,586,341
Lost days due to accidents	678	305	537	2,003	1,648	624	0	5,795
Average lost days due to accidents	45.2	38.12	24.41	95.38	58.85	27.13	0	49.53
Employee fatality rate	0	0	0	91.3	0	0	0	2.90
Accident rate	0.16	0.4	0.99	0.19	0.52	0.48	0	0.34
Lost work rate	7.37	15.07	24.22	18.29	30.83	13	0	16.78
Frequency rate	1.27	2.29	5.53	0.92	4.43	2.28	0	2.00
Severity rate	57.48	87.29	135	87.41	260.80	61.87	0	98.91

HEALTH AND SAFETY

Direct collaborators (No. and rates)

[GRI 403-9]

Category	Pulp	Celulosa	Maderas	Bosques	Biopackaging	Softys	Corporate	CMPC
Accident fatalities	0	0	0	0	1	0	0	1
Number of work accidents with time lost	7	1	18	0	37	79	1	143
Average staffing	2,212	400	1,991	450	3,770	10,522	473	19,819
Hours effectively worked	4,857,470	789,840	4,002,300	906,739	8,224,143	23,773,562	1,021,680	43,575,734
Lost days due to accidents	885	2	455	0	1,446	2,625	3	5,416
Average lost days due to accidents	126.43	2	25.28	0	39.08	33.23	3	37.87
Employee fatality rate	0	0	0	0	26.5	0	0	5.05
Accident rate	0.32	0.25	0.90	0	0.98	0.75	0.21	0.72
Lost work rate	40.01	0.5	22.8	0	38.35	24.95	0.63	27.33
Frequency rate	1.44	1.27	4.50	0	4.49	3.32	0.98	3.28
Severity rate	182.19	2.53	113.68	0	175.82	110.42	2.94	124.29
Occupational diseases	1	0	15	0	5.00	9.00	0	30
Occupational disease rate	0.05	0	0.75	0	0.05	0.09	0	0.15

Preventive indicators in direct collaborators (No. y %)

[GRI 403-5]

Category	Pulp	Celulosa	Maderas	Bosques	Biopackaging	Softys	Corporate	CMPC
Number of people trained	28,180	0	13,066	331	0	9,250	0	50.827
Percentage of staffing trained (%)	100	0	197	222	0	85	0	N/A
Average hours of training per person	42.3	0	6.9	1	46,625	8.1	0	N/A
Number of safety standards	14	0	52	0	12	18	0	N/A
Number of preventive observations	36,203	1,581	25,871	300	150,961	66,080	0	280,996

FORMULAS:

Fatality rate: Number of fatalities due to occupational accidents/average staffing *100.000
Occupational disease rate: Number of occupational diseases/average staffing *100
Average lost days due to accidents: lost days due to accidents/number of accidents.
Accident rate: Number of lost time accidents *100/Average staffing level
Lost work rate: Days lost due to accidents/Average staffing level x 100
Frequency rate: Number of lost time accidents *1,000,000/effective hours worked
Severity rate: Lost das due to accidents *1,000,000/ effective hours worked

INVESTMENT PROJECTS AND TRUSTWORTHY WORKS

Social investment projects Chile southern zone

ACV or Trustworthy work	Name	Description	USD	Beneficiaries
· Culture and Integration · Entrepreneurship and productive coexistence	Fibra Local (Local Fiber)	The Fibra Local project aims to enhance local entrepreneurship close to the company's forest and industrial operations by improving and standardizing the current supply of the products they produce, expanding marketing opportunities with physical and digital sales points. A pioneering initiative and with 2 years of operation under the fair trade business model, Fibra Local seeks to position itself as a linking point with the entrepreneurial ecosystem, public and private institutions, productive development agencies, the tourism industry, foundations, among others. In 2021, Fibra Local reached $76 million in sales, 7,000 visits to the Temuco store, 40 ventures entered and 3,176 followers on its official Instagram.	352,941	40 ventures
· Culture and Integration · Entrepreneurship and productive coexistence	Kiufy Kimun - Mapuche Textiles	The project seeks to train women loom weavers in textile and business techniques for 4 years, to achieve associativity and create high quality products that are representative of the Mapuche culture to supply a latent demand that exists in the country and abroad, thus overcoming the subsistence economy and creating a sustainable business model over time.	26,262	40 craftswomen
· Education and Skills Development	Construye Futuro (Build Future)	The program consists of supporting students from the territories throughout their higher education, so that they remain in higher education, graduate in a timely manner, are inserted into the labor market, and along this path, build a life project aligned with their meaning and purpose. From March to December, a financial contribution of $200,000 per month is provided, added to soft skills workshops held three times per semester and monthly socio-emotional support.	1,505,882	400
· Entrepreneurship and productive coexistence · Forest and ecosystem services	Mulchen Firewood gatherers	The objective of the project is to Contribute to the sustainable development of wood residue collectors in the commune of Mulchen, through an associative project for the production and sale of dry firewood, consolidating the association through the establishment of a Bioenergy Cooperative of Mulchen.	420,000	250
· Entrepreneurship and productive coexistence · Forest and ecosystem services	El Canelo - Certified Firewood	Support the Sustainable Management of Plantations and Forests owned by Mapuche communities near the Lleu-Lleu Lake. To this end, it is proposed to encourage and promote the sustainable development of a certified dry firewood business for home use as an alternative to diversify income generation for the beneficiaries of the program, through the introduction of drying technologies and the certification of their eucalyptus firewood production in order to link them to target markets.	294,316	100
· Education and Skills Development	Neighborhood Training Course (CFO)	Trade training program for neighbors of forest operations, a total of 42 courses were held in different municipalities in the regions of Biobio, Araucania and Los Rios.	114,000	475
· Trustworthy work	Academic Excellence Scholarships	Economic scholarship program for high school students who are neighbors of the forest operations and have a high level of academic excellence. A total of 150 scholarships were awarded, 3 El Vergel scholarships of $195,700 and 147 Rural scholarships of $252,350.	43,642	150
· Entrepreneurship and productive coexistence	Ayelen Cooperative	Group of women from the Collipulli municipality, who have created a cooperative dedicated to the manufacture of safety clothing and other items of clothing. The 2021 Program for Ayelen Cooperative was based on training related to digital marketing, with the aim of making the cooperative more competitive in business terms.	7,059	10 female entrepreneurs
· Entrepreneurship and productive coexistence	Mapu Huapitrio Cooperative	Cooperative of farmers in the Huapitrio Collipulli sector, dedicated mainly to the cultivation of berries. The actions developed in the Mapu Huapitrio Cooperative focused on support through two lines: Training: Training related to entrepreneurship management, which will provide them with basic knowledge to manage a business, through Desafío Levantemos Chile, as well as monthly work with an advisor on the technical aspects of berry cultivation.	27,472	19 Partners
· Entrepreneurship and productive coexistence	Malleco Tourism Training Program	Diploma course designed for the training of "Tourist Guides for the Malleco Route", which allowed participants to develop skills for planning and executing tourism-related projects. The participants had an 11-day course with the consulting firm Vertical, an expert in the field, where they had theoretical classes and practical field trips.	41,177	17
· Entrepreneurship and productive coexistence · Forest and ecosystem services	Lumaco Charcoal Burners	Small farmers' cooperative in the municipality of Lumaco, dedicated to the production of charcoal from firewood residues obtained from neighboring farms. Execute a work plan that will enable the beneficiary group to strengthen itself organizationally, make critical investments for its development, and establish commercial links with potential clients.	35,294	40
· Entrepreneurship and productive coexistence	Yo Emprendo (I Venture) Tourism	Non-reimbursable competitive financing fund provided by CMPC to promote and finance entrepreneurs domiciled in the municipalities of Cañete, Contulmo and Tirua who submit applications for the best initiatives or projects for entrepreneurship and strengthening of tourism micro-enterprises. Cidere Biobío and the Municipalities of Cañete and Contulmo execute the fund.	41,176	90
· Sustainable cities and quality of life	Digital Literacy for Leaders and Entrepreneurs	Program that seeks to strengthen the digital tools of social leaders of industrial communities, for the optimal development of their leadership functions.	104,483	154 people
· Education and Skills Development · Entrepreneurship and productive coexistence	Complementary Education	This program develops two lines of training: the first is "Complementary training in technical-professional education" where we work with the technical-professional high schools of Nacimiento (11th and 12th grade) through the Duoc UC line of complementary training and the second corresponds to the " Trade Training Courses" where support is given to entrepreneurs, neighborhood councils and other similar organizations, providing training in different areas from security services to digital literacy techniques.	94,118	150
· Trustworthy work	Sumando Empleo (Adding Employment)	Program designed to generate jobs in times of pandemic, helping families to earn an economic income. Work was carried out in different Social Centers and sports facilities, contributing with personnel for cleaning and painting. Also, fire prevention crews worked in the main farms.	318,992	58
· Entrepreneurship and productive coexistence · Culture and Integration	Waterways of the Araucania	This project seeks to position the Imperial and Tolten rivers (La Araucania, Chile) as high-level tourist destinations, highlighting their history, cultural diversity, and scenic and environmental richness.	220,221	50

ACV or Trustworthy work	Name	Description	USD	Beneficiaries
· Forest and ecosystem services · Entrepreneurship and productive coexistence	Mapuche (Aniceto Norín)	Program that seeks to generate a Productive coexistence model with our neighbors to the forest assets, through the generation of multiple use agreements of third party lands, where native forest restoration projects, agricultural projects, generation of water and irrigation solutions, forest projects, among others, are implemented. In this particular case, the plantation of an area under agreement, training, improvement of the irrigation system of the orchard and of the water supply system for human consumption of local families were carried out.	25,978	15
· Forest and ecosystem services	Non-timber Forest Products Program	This program seeks to strengthen the work of gatherers who enter farms either to extract non-timber forest products, for personal consumption or to generate income through the commercialization of these products. This year a Virtual Seminar was held on this activity, as well as the delivery of equipment for gatherers. The equipment was delivered to 400 gatherers.	4,705	400
· Forest and ecosystem services	Bosque Vivo (Living Forest): Pumalal Park	The first of these parks will be in the city of Temuco and is the Pumalal Park, which is currently under construction and will open to the public during the first half of 2022.	440,516	236,000 (Temuco city inhabitants)
· Forest and ecosystem services	Bosque Vivo (Living Forest): Junquillar Park	The Bosque Vivo program seeks to formalize and promote the use of certain CMPC properties by the community, which are frequently visited for recreational and sports purposes, to convert them into parks to bring the forest sector closer to the community. The 2021 program to enhance the "Bosque Vivo in Junquillar" space focused on supporting the development of four national sporting events, corresponding to "Desafío Acequias Trail" (Acequias Trail Challenge), "Copa Chile MTB (Chile MTB Cup), Acequias, Angol", "Nacional de XCM (XCM National), Mountanbike Angol" and Nahuelbuta Trail All In".	33,260	55,761 inhabitants of the Angol municipality
· Water to water and sanitation	Desafío Agua (Water Challenge)	The Water Challenge is a program that seeks to address the reality of the Araucania and Biobio regions, which are among the regions with the highest percentage of their population lacking access to water and at the same time are among the regions that spend the most resources on distributing water through water trucks to their inhabitants. Desafío Agua is a program that seeks to address availability and accessibility problems of the essential commodity "water", for human consumption and irrigation. In 2021, it focused especially on the construction of water supplies for human consumption and the implementation and improvement of irrigation systems.	705,353	502 families
· Sustainable cities and quality of life	Chile Sin Basura (Chile Without Waste)	This program seeks to strengthen the environmental management capacity of the municipalities, specifically in the area of waste management. Among its specific objectives are: 1. To build a common purpose among the municipalities, CMPC and the inhabitants of the municipalities with which it is engaged. 2. Reduce the amount of waste to landfills 3. Position CMPC as a committed player in environmental issues.	225,191	1,277 houses
· Entrepreneurship and productive coexistence	Multiferia (Farmers Market) Lumaco	The project seeks to strengthen the entrepreneurship of the Lumaco municipality through the creation of a high standard commercialization space that will accommodate a variety of merchants in the municipality. The construction of a 166 square meter farmers market that includes two Cocinerías (simple small restaurants), five local SME businesses, a warehouse, a showroom for local products and two restrooms with universal accessibility.	82,352	10
· Sustainable cities and quality of life	Housing Improvements and Community Infrastructure Contulmo	Support the housing improvement of vulnerable senior citizens, infrastructure for the marketing of local products, as well as the construction of community spaces such as social centers.	155,000	500
· Trustworthy work	Cecof Selva Oscura	Implementation and installation of an office container for a health care unit in the rural community of Selva Oscura, Victoria.	22,400	3,000 inhabitants
· Trustworthy work	Hogar María Ayuda Los Ángeles	Construction of a new, modern, ad hoc home for minors in Los Angeles, according to the needs of the children.	375,000	16 children in rotation
· Sustainable cities and quality of life	CMPC 2021 Competitive Funds	An initiative that since 2016 has contributed to improving the quality of life of neighbors near the company's industrial plants and forest operations, training and providing support to community organizations that submit projects that directly benefit their members, neighbors and the community in general. Its objective is to promote the sustainable development of rural and urban communities by supporting innovative projects created by community organizations that are of common interest and that will last over time. The 2021 version was carried out for 35 municipalities (from the regions of Maule to Los Rios).	422,989	394
· Sustainable cities and quality of life · Education and Skills Development · Entrepreneurship and productive coexistence	CMPC Conecta (Connect)	Project To reduce the digital divide in the locality of Mininco, promoting digital culture and community participation. Installation of 9 free Wi-Fi antennas (infrastructure provided by ENTEL) in main community spaces. Implementation of initiatives to teach programming and digital skills to students. SME digitization program Community-based smartcities solutions.	352,941	3,000 people
· Education and Skills Development · Sustainable cities and quality of life	Duoc UC Nacimiento Campus	Construction of the Duoc UC Nacimiento, which will have a space of more than 3,500 m^2 that will include classrooms, laboratories, library, multi-court areas, mobile panels, among others. The objective of the project is to create opportunities for technical-professional studies for young people of the municipality of Nacimiento and those close to it, enhancing the educational offer and strengthening the welfare and meeting with the community.	20,000,000	200 enrollees
· Sustainable cities and quality of life	Alessandri Park Nacimiento	To build and maintain a private park (green area) for the inhabitants of the municipality of Nacimiento and its visitors, where they can develop social, cultural, sports and recreational activities especially focused on improving their quality of life. This park would be managed by CMPC, and its access would be free and regulated with schedules.	42,353	25,000 people
· Culture and Integration	Mapuche Medicine	Program that seeks to conserve, promote and enhance the knowledge of machis and other ancient authorities of the Mapuche people, related to the use of native species for medicinal purposes. There is a formal agreement with the Intercultural Mapuche Hospital of Nueva Imperial, where a significant number of machis interact, with whom work has been done on the installation of greenhouses, reproduction of species, construction of infrastructure, among other work lines.	3,951	20,000
· Forest and ecosystem services	Aniceto Norín	Formal agreement with Ionco Aniceto Norín, CMPC plantation area under agreement, technical support for strawberry orchard.	25,978	15

ACV or Trustworthy work	Name	Description	USD	Beneficiaries
· Entrepreneurship and productive coexistence · Culture and Integration	Viveros Comunitarios (Community Nurseries) Lleu Lleu	Program to set up nurseries dedicated mainly to the production of native spices, which are managed and operated by the communities themselves, boosting local employment, mainly female. These species produced are then used in native forest restoration programs to be implemented on the shores of Lake Lleu Lleu.	3,453,536	13 Mapuche Communities
· Forest and ecosystem services · Entrepreneurship and productive coexistence	Certified Firewood El Canelo Farm	Support the Sustainable Management of Plantations and Forests owned by Mapuche communities near the Lleu-Lleu Lake. To this end, it is proposed to encourage and promote the sustainable development of a certified dry firewood business for home use as an alternative to diversify income generation for the beneficiaries of the program, through the introduction of drying technologies and the certification of their eucalyptus firewood production in order to link them to target markets.	294,316	100
· Entrepreneurship and productive coexistence · Culture and Integration	Piutril Pottery	In 2021, the work carried out with the group of women pottery entrepreneurs of "Santa Ema, Piutril, Collipulli" focused on the dissemination, promotion and value enhancement of traditional Mapuche pottery, highlighting among them, the exhibition of a total of 32 pieces, pottery replicas from Pitren and El Vergel, as well as contemporary manufactured pieces in the Fibra Local space in Temuco and in other sales spaces, stand out among them.	5,141	15 female entrepreneurs
· Sustainable cities and quality of life · Forest and ecosystem services	Somos Dos (We Are Two) (S2)	The S2 Somos Dos Program is an essential concept of Operational Sustainability that aims to raise awareness among internal and external collaborators regarding our actions and the impact of our operations on the community, taking responsibility for them, and addresses two dimensions: •Neighbors: awareness and empathy. •Internally: collaborative work.	60,000	10,000
· Local supply chain · Forest and ecosystem services	Tierras Verdes (Green Lands)	The purpose of this program is to develop forest plantation agreements on land owned by the communities to contribute to the economic development of the territories, the generation of fiber for CMPC and a positive impact on the environment by recovering degraded soils and restoring the native forest, as appropriate. It also considers the cultural rescue of the Mapuche worldview of the land.	90,350	50
· Forest and ecosystem services	Effects of herbicides on beehives	Research and community collaboration program implemented by the Faculty of Agronomy and Forest Engineering of the Pontificia Universidad Católica de Chile with the objective of scientifically supporting the impact of herbicides on beehives neighboring CMPC's farms and adding value to the business.	17,000	1,000
· Local supply chain · Education and Skills Development	Education, support, training and maturity of Local Service Enterprises (EESS, for its acronym in Spanish) formed	A support program was implemented for service companies or local suppliers that seeks to reduce the gaps in technical, safety and management issues, promoting their development. This program is part of the priority neighborhoods established by CMPC and involves the neighboring communities of the forest properties.	150,000	4,500
· Culture and Integration	Mapuche culture course	Program that seeks to strengthen the capabilities of internal collaborators in indigenous issues. Know, understand and learn about the Mapuche worldview, culture and language with special focus on those who have a relationship with the Mapuche communities located in territories where CMPC has operations. It is incorporated as a requirement in the job description in coordination with the people area of CMPC.	100,000	100
· Culture and Integration	Cultural rescue of forest jobs	Training workshop on Mapuche worldview, legislation and language for forest workers belonging to Mapuche EESS trained by CMPC.	27,879	100
· Local supply chain	Community infrastructure	Improvement of sanitary services of a food supplier that provides services to Forestal AMISUR SpA in the Calcoy sector in the municipality of Lumaco.	1,430	60
· Local supply chain	Local supplier development	Implementation of equipment for a food supplier that provides services to Forestal Rere in the Quetrahue sector in the municipality of Lumaco.	1,530	60
· Local supply chain · Education and Skills Development · Culture and Integration	Boosting employment	Establishment of 17 Mapuche forest service companies located in highly complex neighborhoods (rural violence), generating 590 jobs. The work of these service companies is focused on plant production, silviculture, clearing and planting, harvesting and asset management.	500,000	2,360
· Sustainable cities and quality of life	Ecosystem Services	Restoration project of the edge of the Lleu Lleu lake in the municipality of Tirua, where native plants are established in the basins that supply water to the families of the sector and the shore of the lake. The objective is to protect water resources and landscaping. This process includes plant production in community nurseries (19 nurseries) and the restoration process with local service companies.	3,453,536	-
· Forest and ecosystem services	Honey in the Biobio	Research and community collaboration program executed by the Faculty of Agronomy and Forest Engineering of the Pontificia Universidad Católica de Chile with the objective of scientifically supporting the impact of herbicides on the beehives neighboring the CMPC farms and adding value to honey production, supporting the floral composition, antibiotic properties and verifying the innocuousness of the honey.	17,000	1,000
· Trustworthy work	Prevention of the impact of Forest Transportation	Engagement project with neighbors impacted by Forest transportation, in different identified sectors, working group formed by Asset, Transportation, Planning and Operational Sustainability; the action plan includes: on-site diagnostic evaluation, S2 implementation, virtual co-pilot messages, signs, geofence speed adjustment, summer plan, etc.	15,000	2,000
· Trustworthy work	Impact management and use of public roads	Project to improve the management of the use of resources allocated for the maintenance of public roads.	30,000	2,000

Social investment projects Chile Metropolitan Region

Social investment projects Chile Metropolitan Region

ACV or Trustworthy work	Name	Description	USD	Beneficiaries
· Education and Skills Development	Formando Chile (Training Chile) Puente Alto	Strengthen and support 10th and 12th grade students in the educational system through a comprehensive and free pre-university program for students, which provides support in studies and soft skills to enhance their chances of entering higher education.	44,250	120
· Trustworthy work	Mobile clinics	Support and care for the older adults in our direct area of influence, through the Mobile Clinic that seeks to perform the prevention test for the older adult. This aims to improve their quality of life and wellbeing.	45,900	-
· Sustainable cities and quality of life	Makerspace: Casa Papelera (Paper Mill House)	To create a space that responds to the needs of the community and brings people together in actions that enhance development. It focuses on: Citizen Participation, by creating initiatives, community participation methods and collaborative project formulation; Entrepreneurship, which seeks to boost and impact the local economy, creating spaces for the development of entrepreneurship and capacity building and Innovation with a focus on providing 21st century skills to boys, girls and young people through training and technological innovation space.	383,000	-
· Trustworthy work	For the greater good	The objective is to improve the living conditions and wellbeing of dependent and vulnerable older adults residing in Establecimientos de Larga Estadía para Adultos Mayores - ELEAMs (Long-stay Facilities for the Older Adults) through assistance and specific help in order to put them on the path to formalization. This project will be implemented in 2022.	24,567	18
· Trustworthy work	Youth soccer in Bajos de Mena	To create a soccer team that through sports and follow-up will get young people off the streets.	-	50



Drying of round logs, Pacífico mill, Chile.

Social investment projects Brazil

ACV or Trustworthy work	Name	Description	USD	Beneficiaries
· Education and Skills Development · Forest and ecosystem services	Floresta é Vida	Transformation of the school environment, generating spaces for learning, wellbeing and socialization through the dissemination of sustainable practices with the participation of the entire school community.	16,287	3,990
· Trustworthy work	FibraLab Offices	Creativity expression workshops.	18,807	9,017
· Sustainable cities and quality of life · Education and Skills Development · Entrepreneurship and productive coexistence	CMPC Institute	Implementation of a space for education, professional training, entrepreneurship, income generation, social technologies and sports.	740,688	100,000
· Trustworthy work	Canoagem Guaiba	Canoeing workshops that, as well as sport, develop actions aimed at sustainability, education and citizenship.	47,017	240
· Trustworthy work	Volei Guaiba	Volleyball classes for children and youth in the city of Guaiba.	45,208	140
· Trustworthy work	ABC Bolas para meninas	Girls' soccer classes for girls from local communities.	54,250	120
· Trustworthy work	Surf praia for everybody	Surfing classrooms for children and adolescents from vulnerable communities in the municipality of Rio Grande.	74,142	1,350
· Trustworthy work	SOGIPA	Provide opportunities for the development and improvement of the athletes' skills.	14,467	35
· Trustworthy work	Construção de estufas	Building two greenhouses for the production of healthy food, contributing to the improvement of the quality of life. Leftover food is sold at a municipal fair, with the aim of raising money to increase income.	2,816	20
· Entrepreneurship and productive coexistence	Fundo Valor Local (Local Value Fund)	Financial support fund for initiatives that have a positive impact on local communities in the economic, environmental, social and educational fields.	36,167	9,302
· Local supply chain · Education and Skills Development	Capacitação de mão de obra	Training of labor in the field of civil construction, with potential for use in an improvement project in the industrial unit.	21,700	28
· Forest and ecosystem services	Favos do Sul	Availability of forest areas for beekeeping activities, ensuring income generation for beekeepers and ecosystem services for pollination.	-	89
· Water to water and sanitation	Proteção de fonte na comunidade Cerro do Roque	Protection of the water source and installation of storage and distribution structures to allow access to water for the school community and families of the Quilombola community.	-	15
· Water to water and sanitation	Acesso a água na comunidade Sul Pinus	Drilling of an artesian well, ensuring better quality water for the inhabitants of the Sul Pinus community.	7,452	100
· Water to water and sanitation	Proteção de fonte na comunidade Faxinal	Protection of a water source located on a neighbor's property, benefiting families in the Faxinal community.	-	120
· Trustworthy work*	Mba e Poporã - Fundo Valor Local	Donation of economic resources for the implementation of an internet access system and the acquisition of computer equipment for better printing of materials that contribute to the production of the handicrafts they sell. Help increase family income.	1,808	63
· Trustworthy work*	Madeira para reforma de ponte	Donation of wood for the construction of a bridge that gives access to the indigenous community, directly benefiting 26 families of the community.	1,085	130
· Trustworthy work*	Encontro com a aldeia Tape Porã	Photographic exhibition sharing moments of indigenous culture, bringing the experience of non-indigenous communities closer to this culture.	181	5,000
· Trustworthy work*	Educação indígena na sala de aula	Project to bring indigenous culture closer, through the Tape Porã community, to the students of the public school network in the municipality of Guaiba.	5,198	5,000

Note (*): These programs are not part of the 2021 verification scope.

Social investment projects Argentina

ACV or Trustworthy work	Name	Description	USD	Beneficiaries
· Sustainable cities and quality of life	Environmental education and sustainable forest management.	Activities related to the articulation with educational institutions, municipalities and other social actors, in which topics related to environmental education, dissemination, communication and training of stakeholders in the sustainable forest management strategy are addressed. The activities were: Native Species Production Program, Collaborative Project with the neighbors of the Rincón del Ombu Club for waste segregation, and the Garupa Creek Basin Project.	-	-
· Forest and ecosystem services	Sports and cultural activities support	Participation and logistical support in the "Santotrail" marathon: marathon held in the areas of La Gabina and Itacua in the municipality of Santo Tome. August 22, 2021.	82.59	-
· Trustworthy work	Fundación la Misión (Mission Foundation) Program	Donation of whole milk to Asociación Civil La Misión (La Misión Civil Association), located in Santo Toe. 80 cans of Nestle Nido whole milk x 800 g were donated. September 30, 2021.	422.51	-

Chapter 5: Conserve

FOREST ASSETS

Assets (ha)

Year		2020				2021			
Category	Argentina	Brazil	Chile	Total	Argentina	Brazil	Chile	Total
Own assets	94,298	282,341	704,832	**1,081,471**	94,297	282,330	710,745	**1,087,372**
Assets under lease	0	180,606	25,039	**205,645**	0	189,747	30,232	**219,979**
Assets under administration	0	0	0	**0**	0	0	0	**0**
Total	**94,298**	**462,947**	**729,871**	**1,287,116**	**94,297**	**472,077**	**740,977**	**1,307,351**

Certified assets (ha and %)

Category		2018	2019	2020	2021
Own certified forest assets by country	Argentina	0 (0%)	0 (0%)	0 (0%)	0 (0%)
	Brazil	278,757 (98.7%)	279,813 (99.1%)	279,915 (99.1%)	280,943 (99.5%)
	Chile	698,173 (98.8%)	696,836 (98.8%)	694,524 (98.5%)	700,217 (98.5%)
	Total	**976,930 (90.2%)**	**976,649 (90.3%)**	**974,433 (90.1%)**	**981,160 (90.2%)**
Third-party certified forest assets by country	Argentina	0 (0%)	0 (0%)	0 (0%)	0 (0%)
	Brazil	40,996 (100%)	40,768 (30%)	100,678 (55.7%)	103,416 (54.5%)
	Chile	23,724 (100%)	25,117 (100%)	25,038 (100%)	30,232 (100%)
		64,720 (100%)	**65,885 (41%)**	**125,716 (61.1%)**	**133,648 (60.8%)**

Note: The percentages represent the certified proportion with respect to the forest assets of each country in the respective year.
The total certified forest heritage presented in this table differs from the percentage of forest heritage certified by each certifying house (page 181), because it can have two certifications at the same time, and includes the three countries.

Certified raw material (thousand of m³ and %)

Category		2018	2019	2020	2021
Certified raw material by country	Argentina	0 (0%)	0 (0%)	0 (0%)	0 (0%)
	Brazil	7,311 (100%)	6,955 (100%)	7,056 (100%)	6,865 (100%)
	Chile	12,906 (100%)	13,883 (100%)	13,010 (99.9%)	12,510 (99.5%)
	Total	**20,217 (97%)**	**20,838 (97%)**	**20,066 (95%)**	**19,375 (95%)**

Note: The percentages represent the certified proportion with respect to the forest assets of each country in the respective year.

Conservation area (ha)

Category		2018	2019	2020	2021
Conservation by country	Argentina	18,861	18,865	19,057	19,057
	Brazil	136,657	139,599	197,465	199,168
	Chile	166,010	167,531	169,204	171,151
	Total	**321,529**	**325,995**	**385,726**	**389,376**

HCVAs (No.)

Category		2018	2019	2020	2021
HCVAs by country	Argentina	6	6	6	12
	Brazil	14	14	18	20
	Chile	398	412	422	438
	Total	**418**	**432**	**446**	**470**

HCVAs (ha)

Category		2018	2019	2020	2021
HCVAs by country	Argentina	9,430	9,430	9,430	9,502
	Brazil	3,128	4,272	4,273	4,446
	Chile	13,904	14,616	14,588	14,061
	Total	**26,462**	**28,318**	**28,291**	**28,009**

Wildfires (No. and ha)

Category		2018	2019	2020	2021
No. of fire outbreaks	Argentina	46	22	77	80
	Brazil	230	153	336	154
	Chile	712	920	1,192	895
	Total	**988**	**1,095**	**1,605**	**1,129**
Hectares affected	Argentina	19	3	2	3,378
	Brazil	1,339	111	118	1,941
	Chile	1,199	3,215	4,141	1,256
	Total	**5,113**	**3,329**	**4,261**	**6,575**

Water (m^3)

Category		2018	2019	2020	2021
Extracción por negocio	Celulosa	171,881,537	173,184,916	177,041,664	172,833,089
	Biopackaging	14,346,408	14,655,464	15,487,567	14,932,572
	Softys	22,753,595	21,856,119	18,350,168	16,170,107
	Total	**208,981,540**	**209,696,499**	**210,879,399**	**203,935,768**
Discharge by business	Celulosa	145,038,693	143,591,597	145,354,138	141,722,747
	Biopackaging	13,415,391	13,341,182	14,127,274	13,487,942
	Softys	20,501,417	18,392,682	14,870,988	12,634,563
	Total	**178,955,501**	**175,325,461**	**174,352,400**	**167,845,252**
Consumption by business	Celulosa	26,842,844	29,593,319	31,687,526	31,110,342
	Biopackaging	931,018	1,314,283	1,360,293	1,444,630
	Softys	2,252,178	3,463,437	3,479,181	3,535,544
	Total	**30,026,040**	**34,371,038**	**36,527,000**	**36,090,516**

Water quality (tons)

Category		2018	2019	2020	2021
COD by business	Celulosa	34,524	27,853	31,483	24,458
	Biopackaging	2,774	2,380	2,367	2,407
	Softys	4,501	5,466	5,164	3,692
	Total	**41,799**	**35,699**	**39,014**	**30,557**
BOD by business	Celulosa	3,735	1,895	1,238	721
	Biopackaging	456	622	461	379
	Softys	833	1,061	863	555
	Total	**5,024**	**3,578**	**2,562**	**1,655**
TSS by business	Celulosa	4,235	2,413	2,360	1,675
	Biopackaging	359	235	244	207
	Softys	239	310	377	253
	Total	**4,833**	**2,958**	**2,981**	**2,135**
AO_x by business	Celulosa	389	400	444	380
	Total	**389**	**400**	**444**	**380**

Energy (GWh)

Category		2018	2019	2020	2021
Energy consumption by business	Celulosa	32,083	30,431	31,331	31,329
	Biopackaging	2,308	2,127	2,173	2,192
	Softys	3,156	3,616	3,424	3,356
	Corporate	NI	2	1	8
	Total	**37,547**	**36,176**	**36,929**	**36,884**

Carbon emissions ($ktCO_2e$)

Category		2018	2019	2020	2021
Scope 1 by business	Celulosa	1,316	1,438	1,378	1,306
	Biopackaging	232	169	192	186
	Softys	406	396	396	383
	Total	**1,954**	**2,003**	**1,966**	**1,875**
Scope 2 by business	Celulosa	80	89	6	6
	Biopackaging	124	167	12	11
	Softys	238	192	160	131
	Total	**442**	**448**	**178**	**148**
Scope 3 by business	Celulosa	2,327	5,272	5,398	4,782
	Biopackaging	666	892	975	1,077
	Softys	1,221	2,215	2,167	2,335
	Total	**4,214**	**8,380**	**8,540**	**8,194**
Total emissions by business	Celulosa	3,723	6,799	6,782	6,094
	Biopackaging	1,022	1,228	1,179	1,274
	Softys	1,865	2,803	2,723	2.849
	Total	**6,610**	**10,830**	**10,684**	**10,217**

Other emissions (tons)

Category		2018	2019	2020	2021
NO_x by business	Celulosa	7,821	7,691	8,141	7,777
	Biopackaging	293	284	497	122
	Softys	121	159	539	187
	Total	**8,235**	**8,134**	**9,177**	**8,086**
SO_2 by business	Celulosa	871	1,044	897	758
	Biopackaging	628	737	1,004	688
	Softys	8.7	0.1	14	2
	Total	**1,508**	**1,781**	**1,915**	**1,448**
MP by business	Celulosa	1,209	898	1,160	1,264
	Biopackaging	172	100	128	78
	Softys	175	215	384	189
	Total	**1,556**	**1,213**	**1,672**	**1,531**

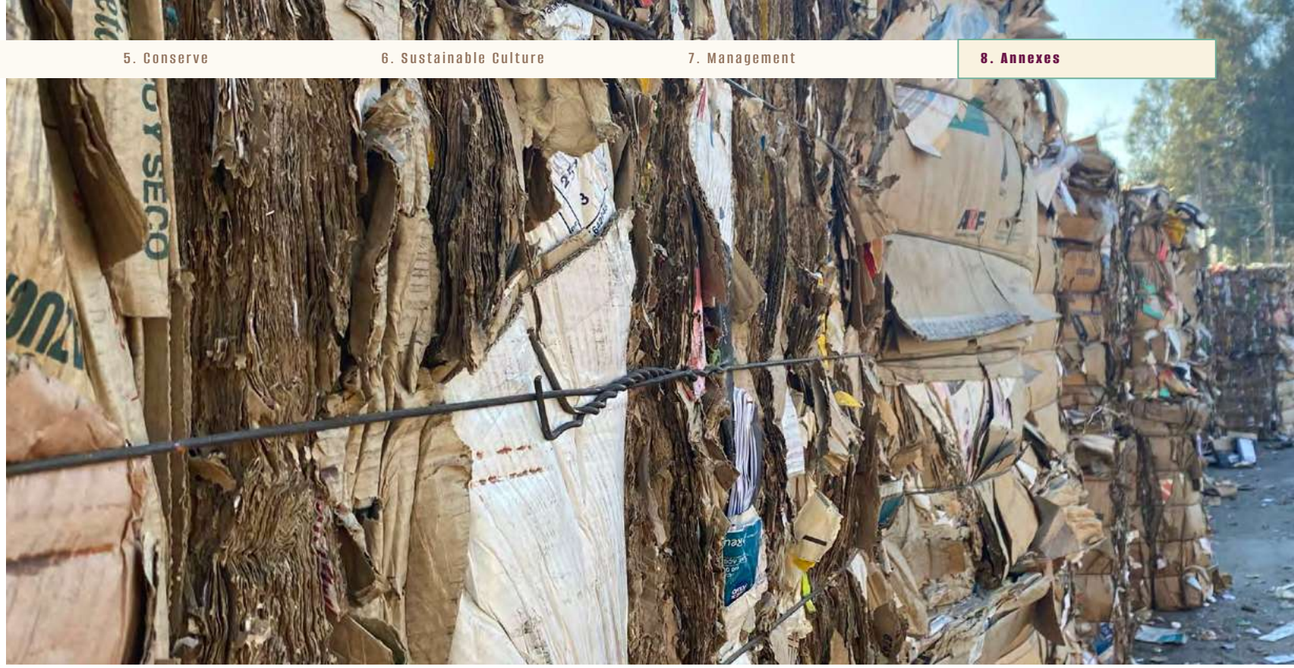
Waste (tons)

Category		2018	2019	2020	2021
Non-hazardous waste by business	Celulosa	1,647,177	1,668,966	1,746,602	1,593,524
	Biopackaging	196,021	186,443	184,063	172,367
	Softys	459,315	541,410	477,017	461,945
	Total	**2,302,513**	**2,396,819**	**2,407,682**	**2,227,836**
Hazardous waste by business	Celulosa	2,359	2,048	2,387	2,091
	Biopackaging	516	315	370	492
	Softys	764	1,061	1,008	1,481
	Total	**3,639**	**3,424**	**3,765**	**4,064**
Recovery of non-hazardous waste by business	Celulosa	1,409,484	1,561,572	1,663,004	1,557,061
	Biopackaging	116,174	127,118	143,008	130,085
	Softys	62,557	85,883	91,828	112,742
	Total	**1,588,214**	**1,774,573**	**1,897,839**	**1,799,888**
Disposal of non-hazardous waste by business	Celulosa	237,694	107,394	83,598	36,462
	Biopackaging	79,848	59.,325	41,055	42,283
	Softys	396,758	455,526	385,189	349,203
	Total	**714,299**	**622,245**	**509,843**	**427,948**
Total waste by business	Celulosa	1,649,536	1,671,015	1,748,989	1,595,614
	Biopackaging	196,537	186,758	184,433	172,860
	Softys	460,078	542,470	478,025	463,426
	Total	**2,306,152**	**2,400,242**	**2,411,447**	**2,231,900**

Note: Disposal considers incineration treatment. CMPC's target is on landfill disposal and only considers landfill and on-site disposal. Therefore, the 2021 disposal value shows a variation with respect to the target's performance.

CMPC has two projects in environmental proceedings with EIS and one project approved.

Processing stage		Approved
Reman plant modernization Los Ángeles (Maderas).	Expansion and new connection at Celulosa Laja Substation (Pulp).	Planta de Tratamiento de Residuos Líquidos Sack Kraft Chillán (Biopackaging).



Chapter 6: Sustainable Culture

RISK MANAGEMENT

[CMF 3.6]

Category	Description and impacts	Risk management
Ethics and compliance	Associated with the company's ability to comply with legal, regulatory, contractual obligations and self-imposed standards. Includes events of corruption, bribery, conflicts of interest, non-compliance with free competition, business with sanctioned parties, and events that violate human rights. Any situation that may affect compliance with anti-corruption or free competition laws is considered to be of high impact, including both financial and reputational impacts.	CMPC permanently strengthens control processes and systems to prevent the occurrence of acts of corruption, as well as to protect free competition. To this end, CMPC has adopted the best practices worldwide and has modified its corporate governance structures. The bodies in charge periodically review their operation and management processes, to ensure adequate compliance with the applicable laws and regulations of each country of operation. Along with the existence of Board of Directors committees, which oversee the correct identification and mitigation of these risks, there are corporate areas with a high level of independence, which interact transversally in these processes to make the controls and preventive actions defined more efficient.
Regulatory changes	Legislative changes that may affect the company, especially environmental regulatory changes. This category includes climate change transition risks (according to the TCFD), such as regulations that may arise or change because of climate change mitigation or adaptation efforts. Failure to comply with these or other environmental regulations may result in costs that could affect the profitability of the business.	CMPC has voluntarily adopted more demanding compliance standards than those established in local regulations, which has allowed it to adapt and comply in time to changes in regulations. In 2019, the company announced specific environmental commitments. These efforts seek to contribute to the mitigation of the effects of climate change and to anticipate regulatory changes that could have adverse consequences on business and corporate finances, as well as to identify and take advantage of opportunities.

Category	Description and impacts	Risk management
Financial management	**Currency fluctuations:** expressed in three ways: 1) Revenues, costs and expenses of the Company, which are directly or indirectly denominated in currencies other than the functional currency. 2) Exchange differences arising from a possible accounting mismatch between assets and liabilities denominated in currencies other than the functional currency of the respective subsidiary. 3) Provision for deferred taxes, mainly in Brazil, for those companies that use a functional currency other than the tax currency; current, mainly in Softys Chile, for its investments abroad. On the other hand, it is estimated that revenues in U.S. dollars or indexed to this currency reach a percentage of approximately 66% of the Company's total sales. On the expenditure side, raw materials, materials and spare parts required for production processes, as well as investments in property, plant and equipment, are mostly denominated in dollars or indexed to that currency. **Liquidity risk:** refers to the company's eventual inability to meet its obligations as a result of insufficient liquidity. **Financing risk:** refers to the restriction of access to credit in local or international capital markets, for exogenous reasons. This could cause material adverse effects on the flexibility to react to different economic and market conditions. **Credit risk:** arises mainly from the eventual insolvency of certain clients of CMPC's subsidiaries and, therefore, from the inability to collect outstanding accounts receivable and complete committed transactions. On the other hand, the company's financial results are highly sensitive to variations in commodity prices, specifically pulp prices. A substantial percentage of CMPC's sales come from products whose prices depend on the prevailing conditions in international markets, in which the company has no control over the factors that affect them. These factors include fluctuations in world demand (determined mainly by the economic conditions of the economies relevant to CMPC, such as China, North America, Europe and Latin America); variations in installed capacity and actual production in the industry; inventory levels; the business strategies and competitive advantages of the major players in the forest industry, together with the availability of substitute products, the stage in the life cycle of the products and shipping logistics.	**To mitigate currency-related risks**, hedging transactions are carried out through derivatives to fix the exchange rates involved. Considering that CMPC's revenue structure is highly indexed to the U.S. dollar, liabilities have been incurred mainly in this currency. In the case of Softys' subsidiaries, since they receive revenues in local currency, part of their debt has been structured in the same currency, with the objective to reduce economic and accounting mismatches. Other mechanisms used to mitigate foreign exchange risk are: managing the currency denomination of the financial investment portfolio, the occasional contracting of short-term forward transactions and, in some cases, subscribing to option structures subject to limits previously authorized by the Board of Directors, which, in any case, represent a minor amount in relation to the Company's total sales. **Liquidity and financing risk**, are managed through an appropriate distribution, extension of maturities and limitation of the amount of debt, as well as the maintenance of a liquidity reserve and the management of its operating and investment cash flows. **Credit risk** is managed mainly through the Corporate Credit Committee, which is in charge of supervising and evaluating clients' payment capacity on an ongoing basis, as well as managing the granting, rejection or modification of credit lines. For such purposes, CMPC has a Credit Policy, applicable to all its subsidiaries, which allows the control and management of the credit risk of forward sales. On the other hand, CMPC has contracted, through its subsidiaries, credit insurance policies to cover a significant portion of sales, both export and local. Financial investments are preferably remunerated at fixed interest rates, eliminating the risk of variations in market interest rates. Financial liabilities are also mostly at fixed interest rates. For those debts with floating interest rates, CMPC mitigates the risk by contracting derivatives. With respect to pulp price variations, CMPC benefits partially from the diversification of its businesses and vertical integration of its operations, having some flexibility to manage its exposure to price variations. The impact of a possible decrease in pulp prices is partially offset by a reduction in the cost of more highly processed products, especially tissue and boxboard. It is worth mentioning that the ability to redistribute the export of our products to different markets in response to any adverse circumstances may be limited.

Category	Description and impacts	Risk management
People development, diversity & inclusion and culture	Part of the company's competitive advantages and its future prospects depend on knowledge management and talent retention and attraction. For CMPC this is strategic, so it has identified this issue as one of the main risks. Added to the above are the risks related to labor conflicts with its own or third party workers. Additionally, the company is being proactive in promoting greater diversity and inclusion; therefore, although it is an opportunity, any situation that could affect this process is also considered a risk.	Proper talent and knowledge management not only avoids the risk of knowledge loss and the inability to retain or attract talent, but also allows being proactive, capturing the different associated opportunities. The company implements a series of initiatives led by the People Management to attract, retain and develop talent in the organization.
Technologies, systems and information security	The increase in cybersecurity breaches and cybercrime represents a potential risk to the security of IT systems, including those of production plants and service providers, as well as to the confidentiality, integrity and availability of stored data, some of which depend on services provided by third parties. If these risks materialize, they can have a significant impact on the continuity of operations, as well as having significant consequences on the occupational health and safety of employees, the environment, communities and the company's reputation. Also, they can force unscheduled expenditures on asset maintenance and recovery, all of which can adversely affect financial results. The new teleworking model resulting from the pandemic means increased exposure to this risk.	CMPC and its main IT service providers have contingency plans and have adopted measures to prevent or mitigate the impact of events such as interruptions, failures or non-compliance due to causes such as natural disasters, power outages, security breaches, computer viruses or cybersecurity attacks.
Capital allocation, investment projects and M&A	Investments, projects and acquisitions of businesses or companies imply significant disbursements for the Company, which have a risk of not being correctly evaluated or that the assumptions and scenarios considered in the evaluations do not occur as budgeted.	CMPC has defined and implemented a project evaluation methodology and different levels of review and approval of investment projects and acquisitions.
Geopolitical and social-political changes	Changes in political or economic conditions in the countries where CMPC has industrial operations could affect its financial results as well as the development of its business plan. This may include public policies that affect companies, such as tax reforms or labor reforms, as well as social conflicts or outbursts, acts of violence, armed conflicts, and economic crises, among others. Operations are concentrated in Chile, with 59% of total assets and 51% of sales, and in Brazil, with 31% of total assets.	The company has no control over variables involving political and social changes in the countries where it operates. However, it periodically analyzes changes in conditions that could affect it, establishing action plans.
Innovation, market and competitive advantages	CMPC identifies as critical the risk associated with not innovating in relation to the competition, not anticipating market needs in a timely manner or the appearance of substitutes that offer a better alternative to our products.	CMPC implemented Beyond, a program that is giving innovation a big push and importance. This macro-project is expected to improve capabilities and culture in this area, as well as the need to have a special focus on the market and clients.
Company and industry positioning and social license to operate	The company identifies the risk of not being able to position in society the importance of the forest industry for the environment, due to its capacity to capture greenhouse gases, generate biofuels or bioproducts. Additionally, CMPC has forest and industrial operations in different geographical locations, including municipalities in the Biobio and Araucania regions of Chile, which are adjacent to local communities and considers its relationship with the communities to be highly relevant; therefore, it is a risk for the company if these relationships deteriorate.	There are significant opportunities in the positioning of the forest and wood industry, for example, wood in its role in carbon sequestration and in housing construction. Likewise, bioproducts are renewable alternatives that replace options based on non-renewable fossil products. Also, CMPC has a Community Engagement Policy, which aims to contribute to the environmental and social sustainability of its surroundings, creating entrepreneurship, education and outdoor life programs, including support for local micro-enterprise initiatives, among other actions.

Category	Description and impacts	Risk management
Fiber, forest assets and forest operations	Fiber is a fundamental input for CMPC, so any condition that could affect its availability is a risk for the company. For example, lower rainfall, strong winds or phytosanitary pests. Also, wildfires and wood theft can affect the availability of fiber. Depending on the intensity of these events, a loss of forest assets may be generated, which could impact the availability of wood fiber for own pulp production, as well as for the sale of wood to third parties.	The company has developed programs and invests a significant budget in wildfire prevention and firefighting. In this area, the engagement plan with neighboring communities for the prevention and early detection of wildfires is especially relevant. On the other hand, the company, through management and genetic improvements, has been able to increase plantation yields, but is not free from risks due to significant changes in environmental conditions. Additionally, it implements actions that contribute to the prevention of wood theft. Some of these potential events have partial insurance coverage, with limitations on deductibles and maximum indemnifiable amounts, determined in accordance with historical losses and the established levels of prevention and protection.
Environmental management and compliance	The operation of industrial plants is not exempt from the risk of producing operational incidents that may have an environmental and/or community impact, for example if the operating parameters go out of the established ranges. The potential occurrence of operational incidents or accidents with environmental consequences may result in sanctions, shutdown of the operation and damage to the company's reputation.	CMPC continuously manages people, processes and facilities to prevent the occurrence of operational incidents that may have an environmental consequence, and to identify opportunities for improvement. At the same time, CMPC has methods to address an emergency situation in a timely and effective manner, and processes to track the causes to their origin and implement corrective actions to minimize the impact and contribute to prevent recurrence. The company's guidelines also ensure the use and care of renewable natural resources. The company has contracted insurance coverage that transfers a substantial portion of its civil and environmental liability risk.
Pandemics, natural disasters and climate change	The causes of natural disasters and pandemics are not manageable by companies. Global warming should imply a greater frequency of acute natural events, and globalization should facilitate the spread of viral outbreaks, or epidemics. If they materialize, they can have a significant impact on the continuity of operations. Also, they may force unscheduled expenditures in maintenance and asset recovery, all of which may adversely affect CMPC's financial results.	The consequences of these risks are managed through controls and mitigating measures, including emergency plans that apply to the facilities to protect people, operational continuity plans, and occupational health and safety plans to address possible epidemics or pandemics. The company maintains insurance coverage through which a substantial portion of its industrial risk is transferred.
Management and industrial asset continuity	There are certain equipment that due to their level of criticality are essential for the production of the company's goods, and if they fail, the operational continuity of the industrial plants would be affected. Under certain conditions, the failure of a critical equipment could lead to an incident or operational accident, and could significantly affect the health and safety of workers and/or the environment. Although internal failures could lead to explosions or industrial fires, there are also external causes, such as natural phenomena or human intentionality. Risks that, if they materialize, could have serious consequences for operational continuity, the environment, the health and safety of collaborators, as well as affecting the community and the company's reputation.	CMPC has maintenance standards and objectives to avoid equipment obsolescence to manage the risk of failure. Additionally, the management of this risk considers the implementation of emergency plans focused on workers and operational continuity plans to mitigate the impact on assets and operations. The company has contracted insurance coverage through which a substantial part of its industrial risk is transferred.
Health, safety and security	In the operation of forests and industrial plants there is a risk of high consequence accidents occurring, in which a direct or indirect worker may be irreparably injured or even fatally injured. Any situation that could involve an accident or serious illness for a worker is considered a major risk for the company. The company is also not exempt from the risk of suffering an attack that could have serious consequences for the health and safety of a worker, either direct or indirect.	The company has risk prevention processes and methodologies to identify situations or potential causes that could lead to accidents or illnesses for employees, and implements measures and controls to prevent such events. Occupational health and safety specialists in the different production plants and forest operations carry this out. Also, to prevent and mitigate any attack that could cause harm to workers, the company has conducted different analyses to determine the risk profile of all industrial plants, facilities and forest assets, and to keep an updated record of their level of exposure. To this end, it has defined warning criteria and safety measures to help protect people and assets. The company has contracted insurance coverage through which a substantial part of the economic impacts of this risk could be transferred.
Critical supplies and services, energy and supply chains	The company manufactures goods that are marketed in many countries, for which it depends on supply chains, both domestic and foreign. Therefore, any interruption could affect the level of stocks in warehouses and, in the event of a very prolonged interruption, could even jeopardize the supply to clients. Supply chains include trucks, trains, barges, ships, among others, which may present availability problems due to different causes, such as strikes, stoppages, operational failures, among others. Additionally, the production of pulp and its derivatives requires inputs, in addition to fiber, which are essential. Thus, CMPC is not exempt from the risk of a stock out. Industrial plants require different types of energy, both self-generated and externally generated. Any situation that may generate restrictions on the use or availability of energy can negatively affect operational continuity and/or production costs.	With respect to supply chains, the company has alternatives that increase flexibility and options in certain scenarios. Also, the company establishes continuity plans for breaks in the supply chains, which include, among other things, keeping stock in the different parts of the chain, including warehouses close to clients. Also, the company identifies critical supplies, for which it has a degree of autonomy that would mitigate the risk of stock out. Finally, the company has an area that participates in and monitors the electric energy market, as well as exploring new renewable energy projects. The company is also ISO 50001 certified, which ensures continuous improvement in the efficient use of energy.

CLIMATE CHANGE-RELATED RISKS AND OPPORTUNITIES (DETAIL)

[GRI 201-2]

Risk Category	Impact Category (TCFD)	Type	Risk / Opportunity Factor	Impact description for CMPC
Regulatory changes	Transitional, Regulatory and Legal	Risk	Increased taxes associated with GHG and other air emissions and requirements to comply with new environmental regulations.	It is feasible to expect that taxes on GHG and other atmospheric emissions will be introduced or increased in the different countries of operation, which would impact CMPC, given that there is a level of emissions generated for the operation.
		Risk	Requirement for more information on environmental impacts of products (carbon footprint, water, waste, emissions, etc.).	CMPC markets its products in more than 45 countries around the world. If some of these countries introduce legal obligations on environmental impact information for each imported product, it would have an impact on the ability to generate additional information.
		Risk	Reduced availability of wood fiber due to greater restrictions on land use.	CMPC would be affected by the eventual approval of regulations that restrict plantations by increasing protection zones, resulting in a higher cost of raw material for its operations.
		Risk	Regulatory changes that imply less availability of water for production processes.	In Chile, CMPC has water rights for supplying its industrial operations. However, regulatory changes could restrict its access to water, increasing its cost by having to seek other sources or develop technologies to reduce its dependence.
Financial management	Transitional, Markets	Opportunity	Diversification of financing methods through new sustainable instruments (green bonds, green loans, green credit lines and sustainability-linked bonds).	CMPC has been a pioneer in obtaining sustainable financing methods. Given the nature of its business, it has the opportunity to continue to opt for these and new financing methods, which have better rates in the markets.
Technologies, systems and information security	Transitional, Resource efficiency	Opportunity	Technological developments that allow an efficient use of resources.	By adopting modern and innovative technologies and processes, CMPC could benefit economically from a reduction in the use of energy, water, chemicals, and others, as well as a reduction in the loss of raw material and the recovery of by-products.
Innovation, market and competitive advantages	Transitional, Markets	Opportunity	Development of new products or by-products that allow for greater presence in the energy, construction, packaging sector.	CMPC has the opportunity, through its current and future products, to enter new markets such as wood construction, containers and packaging (dominated by plastic) or the energy market through the generation of NCRE with by-products.
	Transitional, Products and Services	Opportunity	Generate innovation in new low-carbon or carbon-storing products and in alternatives to fossil fuel-based products	Using fiber from renewable plantations that is natural and biodegradable can innovate products that replace containers and packaging that are currently manufactured from plastic. In this way, CMPC could increase its sales and capture new markets.
	Transitional, Products and Services	Opportunity	Increased demand for products perceived as "beneficial" to the environment, promoting carbon storage and replacing fossil fuel derivatives.	Since more than 90% of its products are based on natural and renewable fiber, CMPC has the opportunity to position them as sustainable products and thus gain market share or new markets where there is consumer awareness to prefer products with perceived sustainable benefits.
Company and industry positioning and social license to operate	Transitional, Reputation	Risk	Loss of stakeholder groups due to the company's inability to meet their expectations regarding climate change management.	Depending on the handling of the issue and communication with stakeholder groups, there is a risk of not being positioned among the most prepared to tackle and mitigate climate change, which would be a risk for the continuity of its operations.
	Transitional, Reputation	Risk	Potential loss of social license to operate due to decisions that negatively affect neighboring communities.	The risk of deterioration of the relationship with the communities surrounding the organization's operations due to the perception of poor resource management practices and environmental pollution could affect the company's sales in all the countries where it operates.
	Transitional, Products and Services	Opportunity	Stakeholder gains due to good perception of CMPC's ability to transition to a low-carbon economy.	Depending on its climate change mitigation and adaptation management and communication to stakeholder groups, the company has the opportunity to position itself as one of the most prepared to tackle and mitigate climate change.
	Transitional, Markets	Opportunity	Increased requirement for information on environmental impact in general, and on the carbon capture benefits of our products.	It presents an opportunity to gain competitiveness by showing its products' positive environmental attributes, being among the first companies to adopt the necessary measures and thus gain market share.
	Transitional, Markets	Opportunity	Positioning of the forest industry for its role in carbon capture and sequestration, allowing it to participate in carbon markets.	CMPC could sell carbon offsets taking advantage of the capacity of its forest plantations and native forests, creating a new source of income generation, adding value to its forest assets.

Risk Category	Impact Category (TCFD)	Type	Risk / Opportunity Factor	Impact description for CMPC
Fiber, forest assets and forest operations	Acute Physical	Risk	Increases in extreme temperatures, wind conditions and decreases in precipitation.	These factors can contribute to larger wildfires causing losses in forest plantations, which can have an impact on production costs and profitability.
	Acute Physical	Risk	Occasional extreme temperature events, extremely hot or extremely cold days.	Extreme heat events could affect the performance and operation of certain industrial equipment, decreasing their production. Low temperature events could affect forest plantations, leading to losses in fiber availability.
	Chronic Physical	Risk	Lower plantation yields, due to the permanent decrease in rainfall.	CMPC's production and competitive advantage depends in large part on the performance and low cost of its forest plantations, which use only rainwater for their growth. This would be affected if rainfall patterns change.
	Chronic Physical	Risk	Increased incidence or appearance of new plagues and pests.	New climatic conditions may be conducive to existing pests and plagues or to the migration of new ones into the forest plantation areas, which could lead to losses of forest assets.
	Chronic Physical	Risk	Increase in the average temperature of the water withdrawal bodies used for cooling.	The average increase in the temperature of water bodies from which water is withdrawn for cooling may lead to a higher water requirement for these processes and, due to the future scarcity of this resource, may affect the viability of certain operations or increase cooling infrastructure costs.
	Transitional, Market	Risk	Food and bioenergy shortages due to world population growth.	Changes in land use due to agricultural needs may affect the availability of land for forest use. This could increase the production cost due to the need to purchase raw material from third parties or due to higher land costs.
	Transitional, Markets	Opportunity	Policies that promote reforestation or restoration of degraded lands, payment for ecosystem services or carbon sequestration.	CMPC has the opportunity that public policies or incentives to promote reforestation on degraded lands or payment for ecosystem services such as carbon sequestration are promoted, and can generate profits or obtain incentives that contribute to this process.
	Transitional, Resilience	Opportunity	Increasing the resilience of forest plantations to the new environmental conditions caused by climate change.	CMPC has the opportunity, through research and biotechnology, to develop pine and eucalyptus phenotypes better adapted to future climatic conditions such as extreme temperatures and reduced rainfall, improving the performance of its plantations, obtaining a greater amount of fiber per hectare planted, increasing production capacity.
Pandemics, natural disasters and climate change	Acute Physical	Risks	Increased incidence of natural disasters, such as waterspouts, cyclones, hurricanes, heavy rains, floods or landslides.	Beyond the existence of insurance, these factors can translate into events that cause significant damage to facilities and fixed assets, which would have equipment and infrastructure restitution costs. Also, it could impact the ability to supply clients on time and the health and safety of workers.
Management and industrial asset continuity	Chronic Physical	Risks	Reduced water availability for production processes.	The scarcity of water for production processes could result in the need to spend on the purchase of water from other sources or for technologies to reduce water use in the processes.
Critical supplies and services, energy and supply chains	Acute Physical	Risks	More intense rainfall events.	CMPC has more than one million hectares of forest assets, the accessibility of which depends on road conditions. Unexpected heavy rainfall could make this access more difficult or result in the need to build new paved roads.
	Chronic Physical	Risks	Increased sea level rise.	The sea level could affect the route of barges used for transportation in Guaiba in Brazil, as well as facilities, forest properties or homes of CMPC employees in the same city due to its proximity and connectivity to the sea. This can also occur in Altamira, Mexico or the Bucalemu sawmill in Chile. On the other hand, it may also affect the main ports that CMPC uses for exports.
	Transitional Energy source	Opportunity	Regulatory changes that promote derivatives from production processes (biomass, black liquor, sludge) for power generation and wood products for green buildings.	CMPC has the opportunity to position its products and by-products for the construction and power generation industries to increase sales. To achieve this, it will need additional investment in research into possible innovative technological solutions such as the use of lignin or the design of wood products that are resistant to earthquakes.



Warehouses, Papeles Cordillera plant, Metropolitan region, Chile.

RESULTS BY BUSINESS

Celulosa	2017	2018	2019	2020	2021
Short Fiber Pulp Average Prices (USD/Ton CIF)	596	746	574	463	648
Long Fiber Pulp Average Pulp Prices (USD/Ton CIF)	652	838	603	563	792
Pulp production (Mton)	3,339	4,115	3,979	4,076	4,140
Wood Products Sales Volumes (Mm^3)	1,191	1,398	3,631	4,194	4,074
Market Pulp Sales Volumes (Mton)	3,005	3,558	3,641	3,667	3,631
Celulosa Sales (MMUSD)	2,406	3,377	2,686	2,348	3,108
Celulosa EBITDA (MMUSD)	798	1,616	929	640	1,388

Biopackaging	2017	2018	2019	2020	2021
Biopackaging Volume (Mton)	780	839	843	853	876
Biopackaging Sales (MMUSD)	814	924	890	872	1.020
Biopackaging EBITDA (MMUSD)	86	81	70	112	176

Softys	2017	2018	2019	2020	2021
Tissue paper (Mton)	671	682	726	820	819
Sanitary products (Mm of units)	5,241	5,497	6,337	7,303	7,738
Softys Sales (MMUSD)	1,923	1,974	2,094	2,068	2,195
Softys EBITDA (MMUSD)	215	153	201	277	181

Chapter 7: Management

MANAGEMENT OF THE DIRECTORS' COMMITTEE OF EMPRESAS CMPC S.A.

In 2021, the Directors' Committee formally met on 12 occasions to review and address the matters that, in accordance with Article 50 bis of Law 18,046 on Publicly Held Corporations, corresponds to it. The activities carried out by the Committee are detailed in its Annual Management Report, the text of which states the following:

The Committee reviewed the reports of the external auditors, the balance sheet and other financial statements presented by the Company's management prior to the Board meetings at which the approval of such reports was discussed, giving its opinion thereon.

The Committee analyzed the Consolidated Statement of Financial Position of the Company and its affiliated companies as of December 31, 2020. The Committee also reviewed the report on these financial statements prepared by KPMG, External Audit Firm appointed by the shareholders for the 2020 fiscal year, which did not present any observations. All of the above was reported at the ordinary shareholders' meeting held on April 29, 2021.

The Committee also reviewed the consolidated interim financial statements of the Company and its subsidiaries as of March 31, 2021 and September 30, 2021, prior to the Board meetings at which these financial statements were reviewed and approved.

The Committee was also responsible for proposing to the Board of Directors names for the appointment of the External Auditing Firm and private risk classifiers. For this purpose, the Directors' Committee supervised the progress of the bidding process for both services for CMPC.

The Directors' Committee began the process of selecting the Company's external audit firm in January 2021. For this purpose, it invited bids from E&Y, KPMG, BDO, Deloitte and PwC. The selection of external audit firms involved, among other activities, the presentation of proposals and getting to know the professional teams potentially involved. The evaluation process considered several criteria, among which we can mention the qualification and structure of the audit team; the total audit hours considered and their distribution by professional level category; the presence and knowledge of local realities; the work experience in the industry and large corporations; and the transition plan and experience of the firm in previous work with CMPC.

After conducting the corresponding analysis, the Committee considered that the most convenient proposals for the Company were those made by KPMG and EY, which stood out not only for their experience in the industry, in addition to the qualifications and experience of the proposed teams and the partners in charge, but also for their ability to provide a global service to CMPC due to their presence in all the countries where the Company operates. Therefore, the Directors' Committee agreed to propose these firms to the Board of Directors as options to be suggested to the shareholders, giving priority to KPMG, in consideration of the positive evaluation of its work and the convenience of continuing with the review process started in the previous year. The Board of Directors accepted the recommendation and presented these options to the shareholders, who elected KPMG as the External Audit Firm for the 2021 fiscal year at the Ordinary Shareholders' Meeting on April 29.

Regarding the monitoring of the work of the Company's external auditors, the Committee held meetings with the External Auditing Firm, which were held in March, June, August and November 2021. The audit plan for the year was reviewed, including the scope of the annual services, the work team, the audit approach, the analysis of internal control, considerations on fraud risk factors and the activity program of the audit plan for the year. Also, the key reporting dates and considerations regarding independence and compliance with law 20,382 were presented. Also, during the meetings described above, the progress of the audit and compliance with the plan presented were reviewed, as well as the internal control recommendations report prepared by the auditor.

The Committee also complied with its obligation to analyze and inform the Board of Directors regarding the convenience of hiring or not the External Auditing Firm appointed for the fiscal year, for the eventual rendering of services that are not part of said audit, provided that they are not prohibited in accordance with the provisions of article 242 of law No. 18,045, considering whether the nature of such services could generate a risk of loss of independence of the auditor in accordance with the aforementioned standards.

In the September meeting, the risk rating company Fitch Clasificadores de Riesgo made a presentation to the Committee, which reviewed the rating procedures of this company; the vision it has of CMPC and the rationale for granting the rating and the basis for the same. In the October meeting, a similar presentation was made to Humphreys Clasificadores de Riesgo, addressing the issues mentioned above, with a special focus on the Company's payment capacity, a fundamental element on which its rating is based. At the November meeting, *S&P Global Ratings'* analysis was reviewed.

In relation to transactions with related parties, at all the meetings held during the year the Committee analyzed the transactions referred to in Title XVI of Law No. 18,046 of the Corporations Law.

In this regard, with respect to the operations of the subsidiaries of Empresas CMPC that are exempt because they are customary and ordinary to the Company's line of business, as established in the regularity policy approved by the Company's Board of Directors, the Committee took note of the approval and annual budget made by each of these subsidiaries, verifying that they comply with the defined parameters and recommending their approval to the Board of Directors. During the year, the Committee in accordance with the above mentioned annual budget reviewed the aforementioned transactions periodically.

Likewise, the Committee took notice of, verified and recommended approval to the Board of Directors of all other related party transactions that were presented to them and were exempt from the ordinary approval procedure in accordance with the provisions of the aforementioned legal regulations.

Regarding transactions with related parties that must be submitted to the ordinary approval procedure established in the aforementioned Title XVI, the Committee reviewed and recommended the execution of the following transactions:

At the January 26th meeting, the Committee was informed of a proposed modification to the 1998 Maipo substation transformation capacity reserve contract between Colbun and Cartulinas CMPC S.A., now with Papeles Cordillera. Because of regulatory changes, the way of calculating the contract price became obsolete and needs to be updated. The agreement that was presented involves the application of a new formula for determining the price, which is in line with the market standard and implies a 25% reduction of the amount that CMPC should pay according to those rules. Also, the contract will be modified by eliminating the guarantee of the parent company established therein and, in accordance with the Committee's suggestion, reducing the original term, which was perpetual, to 40 years. Finally, the outstanding debts between the parties arising from the application of the previous calculation criteria will be settled. From the analysis carried out and with the abstention of Director Vivianne Blanlot, the operation was approved in the terms known at the meeting, as it was deemed beneficial to the social interest, especially considering the reduction of the rate to be paid by CMPC and the reduction of the term of the contract, also considering that since the line in question is dedicated and used for distribution to a residential area, the existing legal regime, the supervision and sanctions in case of eventual non-compliance, constitute a sufficient guarantee to ensure its correct operation.

In the April meeting, the Committee reviewed the bidding process for lubrication services to Biopackaging subsidiaries in Chile. From this analysis, the assignment of the lubrication service for the Maule, Valdivia and Puente Alto plants to CSI Company, owned by Copec, was approved, as it is beneficial to the social interest considering the quality of the service provided in the plants where it currently operates, the poor evaluation of the service provided by the current supplier and the fact that it is the most economically attractive offer.

In the July meeting, the Committee authorized a contribution to the Amulen Foundation, which is part *of the commitments assumed by the subsidiary Softys with its community engagement program called Softys Water Challenge, to support and manage the implementation of innovation solutions in drinking water in vulnerable communities in Chile, under the aforementioned project. The contribution is for the implementation of the solutions of one of the winning projects of that contest, in this case "Isla Urbana" (Urban Island), and consists of providing a solution to 16 houses on Caucahue Island, in Chiloe. Considering the nature of the requested contribution and the fact that it was made in the framework of a public contest award, the donation was authorized as it was considered beneficial to the social interest.*

At the August meeting, the request to renew the contract for the supply of high density wood chips that is in force with Forestal Arauco was authorized. This company, by changing production at its Valdivia plant from pine to eucalyptus, creates the opportunity to supply high-density dry pine chips, which due to the distance to the Pacifico plant, makes it convenient compared to the available supply alternative, which is thin sawn roundwood. The authorization considers a volume of 17,000 cubic meters per month at a plant price that represents a saving with respect to the comparable alternative, which is thin sawn roundwood, and is valid until December 2021, at which time it should be reviewed again.

At the October meeting, the renewal of the current contract with Nexos SpA was approved, for strategic communications consulting to the Corporate Affairs Management. This contract has been in force since 2014 and has had 2 renewals. The services provided refer to media monitoring, reports on CMPC press appearances, support in press management and support in the development of journalistic content.

At the November meeting, a donation to the Sociedad de Instrucción Primaria was reviewed and approved, equivalent to the amount of 1 UF for each student effectively enrolled in that institution, which was reported to be equivalent to UF 21,145. This donation is part of a commitment made by CMPC's Board of Directors several years ago, and it is considered beneficial to the social interest to support the work of the institution.

On the same occasion, the bidding process for the supply of lubricants for the 3 business units in Chile was analyzed. From the application of the bidding structure designed, the 3-year contracting of 70% of the supply to Copec was authorized, as this option represents a cost saving for CMPC and is therefore beneficial to the social interest.

Details of the transactions referred to in this report are presented in Note No. 36 to the Company's consolidated financial statements.

With respect to compensation and remuneration systems, the Committee reviewed the remuneration systems and compensation plans for the Company's managers, executives and employees. In particular, during the March meeting, the Committee learned in detail about the plans, systems and changes in assessment, salary structure, talent attraction and development, which are being promoted by the Corporate People Management.

In this instance, it reviewed the fundamental characteristics of the design of the variable remuneration system for executives and supervisors, whose objective is to achieve a greater alignment of personal objectives with those of the business, together with simplifying the current scheme and making it compatible with the performance assessment methodologies implemented by CMPC. The Committee analyzed and made recommendations on the aforementioned structures for their correct alignment with the Company's long-term objectives.

In fiscal 2021, the Committee did not make any recommendations other than those already presented to the Board of Directors and shareholders in this report. The approved expense budget for the Committee of USD 100,000 was not used.

MATERIAL FACTS

[CMF 9]

On January 7, by virtue of the provisions of Article 9 and the second paragraph of Article 10 of the Securities Market Law, I hereby communicate the following as essential information:

1) As duly and timely reported, in 2017 the Company reported the shutdown and repair of the recovery boiler at the Guaiba 2 pulp mill in the Estado de Rio Grande do Sul, Brazil, which was damaged earlier that year. Subsequently, in October 2017, it was also reported that the insurer Mapfre Seguros Gerais S/A had denied coverage for the indicated claim, being instructed at that time by the Board of Directors to exercise the necessary legal actions for the collection of the indemnities of the contracted policies. As a result, the Company filed an arbitration claim under the rules of the Brazil-Canada Chamber of Commerce, based in Sao Paulo, Brazil.

2) On that date, the Board of Directors learned of the partial decision of that Arbitral Tribunal, which, hearing the claim filed by CMPC against the insurer, ruled that the indicated loss was covered by the policy in force at the time.

Considering that the Arbitral Tribunal left for a later discussion the definition of the extent and valuation of the damages associated with the loss that should be compensated to CMPC, it is not possible at this time to estimate the financial effects that such decision will generate.

On March 31, by virtue of the provisions of Articles 9 and 10 of the Securities Market Law and the provisions of General Rule No. 30 of the Superintendency, duly authorized, I hereby inform you that Inversiones CMPC S.A. has issued a bond in the United States of America today.

The issuance was under Rule 144A, Regulation S of the United States Securities Act of 1933 and amounted to USD 500 million. The term of the bond is 10 years. The bond will pay an interest rate of 3.0%. The effective placement rate is 3.085%, with a spread over the 10-year U.S. Treasury bond of 135bps. Interest will be paid semiannually and principal will be amortized in one installment at maturity. The issuer's parent company, Empresas CMPC, is the guarantor and joint and several co-debtor of this issuance.

The described issuance is made within the framework of the Sustainability-Linked Bond Principles, which means that the issuer must comply within the agreed terms with certain sustainability objectives, monitored by means of Key Performance Indicators and Sustainability Performance Objectives, among others, this being the first issuance of a Chilean company that meets these conditions.

We also attach for your information, the Form established in Circular 1,072 of the Superintendency. BNP Paribas Securities Corp., BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, MUFG Securities Americas Inc. and Santander Investment Securities Inc. acted as placement banks.

On March 31, by virtue of the provisions of Articles 9 and 10 of the Securities Market Law and the provisions of General Rule No. 30 of the Financial Market Commission, duly authorized, I hereby inform you that Empresas CMPC S.A. has become guarantor and joint and several co-debtor of its subsidiary Inversiones CMPC S.A., in connection with the issuance of a bond that the latter has made in the United States of America today. The issue was under Rule 144A, Regulation S of the United States Securities Act of 1933 and amounted to USD 500 million. The term of the bond is 10 years. The bond will pay an interest rate of 3.0%. The effective placement rate is 3.085%, with a spread over the 10-year US Treasury bond of 135bps. Interest will be paid semiannually and principal will be amortized in one installment at maturity. The described issuance is made within the framework of the Sustainability-Linked Bond Principles, which means that the issuer must comply within the agreed terms with certain sustainability objectives, monitored by means of Key Performance Indicators and Sustainability Performance Objectives, among others, this being the first issuance of a Chilean company that meets these conditions. The placement banks were BNP Paribas Securities Corp., BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, MUFG Securities Americas Inc. and Santander Investment Securities Inc. acted as placement.

On April 8, By virtue of the provisions of Article 9 and Article 10, second paragraph, of the Securities Market Law, in accordance with the provisions of Article 63 of the Publicly Held Corporations Law and the instructions contained in General Standard No. 30, being duly authorized, I hereby inform you of the following as essential information:

On the same date, the Board of Directors of Empresas CMPC S.A. (the "Company") adopted, among others, the following agreements:

1) To call an Ordinary Shareholders' Meeting (the "Meeting"), to be held on April 29, 2021, at 11:00 a.m., at No. 1343 Agustinas Street, in the city and municipality of Santiago, to submit the following matters to the consideration of the Company's shareholders:

a. To pronounce on the Integrated Report, Annual Financial Statements and Report of the External Auditing Firm, all corresponding to the fiscal year ended December 31, 2020;

b. To decide on the distribution of dividends;

c. To report on the Board of Directors' agreements related to the operations referred to in Title XVI of Law 18,046;

d. Appoint the External Audit Firm and the Risk Classifiers;

e. To fix the remuneration of the Board of Directors, together with the remuneration and budget of the Directors' Committee for the 2021 fiscal year;

f. To report policies and procedures on dividends; and

g. To hear and resolve on any other matter within the competence of the Ordinary Shareholders' Meeting, in accordance with the Law and the Company's Bylaws.

2) At the same meeting, the Board of Directors agreed to propose to the Ordinary Shareholders' Meeting the payment of (i) a final dividend out of distributable net income for the year ended December 31, 2020, in the amount of CLP 3 (three pesos) per share and (ii) the payment of a contingent dividend out of retained earnings from previous years in the amount of $9 (nine pesos) per share. The payment of both dividends, subject to the approval of the Shareholders' Meeting, will be made as of May 12, 2021. Those shareholders registered in the Shareholders Register at midnight on May 6, 2021 will be entitled to both dividends. It is hereby informed that the Company's Consolidated Financial Statements and the corresponding report of the External Auditing Firm are published on the Company's website www.cmpc.cl, and this information can be accessed directly through the hyperlink:https://s23.q4cdn.com/927837516/files/doc_financials/quarterly/2020/q4/Estados-Financieros-CMPC-Diciembre-2020.pdf

Form of Participation in the Board

In consideration of the movement and maximum possible capacity restrictions established by the Authority and which are in force at the time of the Meeting, the Company will make available to the shareholders technological means that will allow them to participate in the Meeting remotely. Such mechanisms will be informed to the shareholders by means of the corresponding notices and summons letters.

On April 29, In compliance with the provisions of Articles 9 and 10 of the Securities Market Law and Section II of General Rule No. 30 of this Commission, I hereby inform as an Essential Fact regarding Empresas CMPC S.A. that at the 102nd Ordinary Shareholders' Meeting of this Company, held today, the following resolutions, among others, were adopted:

1) Approve the Balance Sheet, Financial Statements and Integrated Report for 2020.

2) To distribute (i) a final dividend No. 273 against distributable net income for the fiscal year 2020, in the amount of CLP 3 (three pesos) per share and (ii) a contingent dividend against retained earnings from prior years, in the amount of CLP 9 (nine pesos) per share, which will be paid as of May 12, 2021, to the holders of shares registered in the Shareholders Register at midnight on May 6, 2021;

3) To take note of the dividend policy set by the Board of Directors for the year 2021, which consists of distributing 30% of the Distributable Net Income for the year ending December 31, 2021, through the distribution of an interim dividend payable in the month of December 2021 or January 2022 and a final dividend, to be agreed upon by the Ordinary Shareholders' Meeting that will decide on the financial statements for the year 2021, payable on the date agreed upon by said Meeting; and

4) To appoint as external auditors of the Company for the fiscal year 2021 the external audit firm KPMG Auditores Consultores SpA.

On May 7, By virtue of the provisions of Article 9 and Article 10, second paragraph, of the Securities Market Law, I hereby inform you as essential information that at its ordinary meeting yesterday, the Board of Directors was informed of the resignation of Mr. Bernardo Matte L. from his position as Director. The Board of Directors took the opportunity to thank Mr. Matte for his valuable work as a Director of CMPC during his tenure as such and agreed to appoint Mr. Bernardo Larraín M. as his replacement as of this date.

On July 9, By virtue of the provisions of Article 9 and Article 10, second paragraph of the Securities Market Law, I hereby inform you as essential information that at its ordinary meeting yesterday, the Board of Directors of Empresas CMPC approved the necessary contribution for the construction of the future CMPC - DuocUC Campus in the municipality of Nacimiento, Biobio Region. The approved project integrates undergraduate technical and professional education, as well as dual education with CMPC's plants in Nacimiento, Laja and Collipulli. It also includes support for entrepreneurship and ongoing training for collaborators, supplier companies and the community in general, including the construction of the main building with a total surface area of 3,500 m^2, which will be located on a 17,900-m^2 plot of land adjacent to the Santa Fe plant. The project involves an estimated investment of USD 20 million. In line with the Company's sustainability strategy, the impact that

the CMPC - Duoc UC Campus will have on educational and entrepreneurial development in the communities of the provinces of Biobío and Malleco was considered. The Campus will have 700 undergraduate students in technical careers in Engineering, Administration, Health and IT. The approved initiative is also part of the Company's business development plan, as it includes wood construction, in addition to the construction of the CMPC Corporate Building in Los Angeles and the start-up of the wood building development company Niuform.

On July 9, By virtue of the provisions of Article 9 and Article 10, second paragraph of the Securities Market Law, I hereby inform you as essential information that in yesterday's meeting, the Board of Directors of Empresas CMPC S.A. ("the Company") agreed to modify the Dividend Policy that was approved at the Board meeting held on April 8, 2021 and reported to the General Ordinary Shareholders' Meeting held on April 29, 2021.

Taking into consideration the positive evolution of the Company's businesses this year, explained by a greater dynamism in the pulp and paper markets, the good performance of its operations and its strong liquidity position, the Board of Directors agreed to (i) increase the amount to be distributed as dividends from 30% to 100% of the Net Distributable Profit for the year 2021, (ii) to incorporate the distribution of 2 additional interim dividends to the aforementioned Policy with respect to the 2021 fiscal year, being the first payable in July and the second in September, which will be added to the interim dividend payable in December 2021 or January 2022 and to the final dividend, which must be approved by the Ordinary Shareholders' Meeting that will decide on the financial statements for the year 2021 and (iii) that dividends may be paid in Chilean pesos or in U.S. dollars, for those shareholders who so require.

Regarding the interim dividend approved for the month of July, the Board of Directors also agreed to distribute the amount of USD 0.032 (zero point zero thirty-two United States dollars) per share, as of July 30, 2021, charged to the Distributable Net Income for the year 2021, corresponding to dividend No. 275.

This interim dividend will be paid in Chilean pesos or in U.S. dollars, at the election of the shareholders, according to the procedure indicated below:

a. Those shareholders who choose to receive the interim dividend payment in U.S. dollars must expressly request it to the Company through a request sent to the Company's stock department, no later than the fifth business day prior to the dividend payment date, by e-mail to acciones@cmpc.cl. In this request, the shareholder must indicate the details of the current bank account in dollars into which the deposit is to be made, through which the dividend will be paid.

Shareholders who do not request payment of the dividend in dollars in the manner and at the time indicated above will be deemed to have chosen to receive payment of the dividend in Chilean pesos.

b. Those shareholders who have not requested payment in U.S. dollars will receive the payment according to its equivalent in Chilean pesos, at the Observed Dollar exchange rate reported by the Central Bank for the fifth business day prior to the dividend payment date, which will be duly informed by the Company through a publication that will be made on the same day on its website www.cmpc.com. Such payment may be made by deposit in a current bank account in pesos or by a nominative check, not crossed in the name of the holder of the shares, sent by mail to the address that the shareholder keeps informed in the Company's Shareholders Register, at the shareholder's choice, which must be communicated to the Company's share department at acciones@cmpc.cl.

In case the shareholder has not instructed the Company any form of payment as indicated above, the dividend will be available to be paid in Chilean pesos as of the date informed for the payment of the dividend in question, in which case the shareholder must contact the Company's stock department to inform the form of payment in Chilean pesos that the shareholder chooses in accordance with the provisions of letter b) above.

On July 14, the shareholders of Empresas CMPC S.A. (the "Company") were informed that at the Ordinary Board of Directors' Meeting held on July 8, 2021, it was agreed to distribute an interim dividend of USD 0.032 (zero point zero thirty-two United States dollars) per share, to be charged against the Distributable Net Income for the year 2021, which will be paid as of July 30, 2021.

METHOD OF PAYMENT

It is informed that, in consideration of the current scenario due to the sanitary contingency, on this occasion there will be no payment of dividends in person at the Company's offices.

Consequently, the referred dividend will be paid in Chilean pesos or in United States dollars ("Dollars") at the election of the shareholders, by means of one of the following two mechanisms, as instructed by the shareholders to the Company by means of an e-mail sent to acciones@cmpc.cl no later than July 24, 2021:

(i) Those shareholders who choose to receive payment of the dividend in U.S. dollars must expressly request it to the Company by e-mail and within the aforementioned period, indicating the details of the current bank account in U.S. dollars into which they wish to make the deposit, through which the dividend will be paid to them. It will be understood that those shareholders who do not request payment of the dividend in dollars in the manner and at the time indicated above, have opted to receive payment of the dividend in Chilean pesos.

(ii) Those shareholders who have not requested payment in U.S. Dollars will receive the dividend payment according to its equivalent in pesos at the Observed Dollar exchange rate reported by the Central Bank on the fifth business day prior to the dividend distribution date, which will in any case be informed through a publication on the Company's web page www.cmpc.com. Payment may be made by deposit in a current bank account in pesos or by a nominative check, not crossed, made payable to the holder of the shares, sent by mail to the address that the shareholder keeps informed in the Company's Shareholders Register, at the shareholder's choice, which must be expressly communicated to the Company by e-mail and within the aforementioned term.

In case the shareholder has not instructed the Company any form of payment as indicated above, the dividend will be available to be paid in Chilean pesos as of the date informed for the payment of the dividend in question, in which case the shareholder must contact the Company's stock department to inform the form of payment in Chilean pesos that the shareholder chooses in accordance with the provisions of letter (ii) above.

TAX CATEGORY

In accordance with current tax regulations, the tax category of this dividend is as follows:

Amount per Share	Tax Category
0.032 Dollars	Constitutes income and provides a 27% credit, subject to restitution, if applicable.

SHAREHOLDERS REGISTER - PROXIES

Holders of shares registered in the Shareholders Register at midnight on July 24, 2021 will be entitled to the aforementioned dividend.

On August 5, By virtue of the provisions of Article 9 and Article 10, second paragraph of the Securities Market Law, I hereby inform you as essential information that at its ordinary meeting held today, the Board of Directors of Empresas CMPC approved the execution of the BioCMPC project.

The approved initiative considers an investment of USD 530 million for the expansion and modernization of its pulp plant in Guaiba, Porto Alegre, Brazil, which will increase the capacity of the current Line 2 by 350,000 tons per year, simultaneously reducing production costs and consolidating this unit as one of the most efficient in the world.

BioCMPC also includes important improvements in the plant's environmental performance, reducing the water use in the industrial process, greenhouse gas emissions, as well as effluents, odors and noise, aligning these results with the Company's sustainability commitments. The project, which already has all the necessary authorizations, will begin construction work in September and is expected to take 26 months to complete.

On September 9, By virtue of the provisions of Article 9 and Article 10, paragraph two of the Securities Market Law, I hereby inform you as essential information that in today's meeting, the Board of Directors of Empresas CMPC S.A. ("the Company") agreed to distribute an interim dividend N°276 of USD 0.1 (zero point one United States dollars) per share, effective September 30, 2021, charged against the Distributable Net Income for the fiscal year 2021.

This dividend may be paid in Chilean pesos or in U.S. dollars, for those shareholders who so require, according to the procedure indicated below:

a. Those shareholders who choose to receive the interim dividend payment in U.S. dollars must expressly request it to the Company through a request sent to the Company's stock department, no later than the fifth business day prior to the dividend payment date, by e-mail to acciones@cmpc.cl. In this request, the shareholder must indicate the details of the current bank account in dollars into which they wish the deposit to be made, through which the dividend will be paid.

Shareholders who do not request payment of the dividend in U.S. dollars in the manner and at the time indicated above will be deemed to have elected to receive payment of the dividend in Chilean pesos.

b. Those shareholders who have not requested payment in U.S. dollars will receive the payment according to its equivalent in Chilean pesos, at the Observed Dollar exchange rate published by the Central Bank for the fifth business day prior to the dividend payment date, which will be duly informed by the Company through a publication that will be made on the same day on its website www.cmpc.com. Such payment may be made by deposit in a current bank account in pesos or by a nominative check, not crossed in the name of the holder of the shares, sent by mail to the address that the shareholder keeps informed in the Company's Shareholders Register, at the shareholder's choice, which must be communicated to the Company's share department at acciones@cmpc.cl.

In case the shareholder has not instructed the Company any form of payment as indicated above, the dividend will be available to be paid in Chilean pesos as of the date informed for the payment of the dividend in question, in which case the shareholder must contact the Company's stock department to inform the form of payment in Chilean pesos that the shareholder chooses in accordance with the provisions of letter (b) above.

On October 29, by virtue of the provisions of Article 9 and Article 10, second paragraph of the Securities Market Law, I hereby inform you as a Material Fact of Empresas CMPC S.A. ("CMPC"), that on this date the subsidiary Melhoramentos Ltda. ("Softys Brazil") agreed to purchase all of the shares of Carta Fabril S.A. ("Carta Fabril") from the Coutinho family, hereinafter the "Transaction".

Carta Fabril was established in 1991 and currently has two plants located in the states of Goias and Rio de Janeiro, with the capacity to produce 100 thousand tons of Tissue paper per year and 9 Personal Care lines, including children's diapers, adult diapers, feminine care and wet wipes. It is a leading company in the commercialization

of Tissue paper in the southeast of Brazil, under recognized brands such as Cotton. In the event of the Transaction, Softys Brazil would consolidate an installed production capacity of 380 thousand tons of Tissue paper per year, by adding its existing operations, located both in the State of Sao Paulo and in the State of Parana.

The materialization of the Transaction is subject to a series of conditions precedent that are customary in this type of operation, including authorization by the Conselho Administrativo de Defesa Econômica (Administrative Council for Economic Defense), as required by Brazilian law.

The price agreed for the Carta Fabril shares is 1,138 million Reais, which will be paid to the sellers upon closing of the Transaction, which is expected to occur within the next 150 days, after compliance with the conditions precedent agreed upon. CMPC's strong financial position allows it to have the necessary resources to make the payment of the aforementioned amount.

It is estimated that this acquisition will have positive effects on the Company's results, although it is not possible to quantify them at this time.

On December 2, By virtue of the provisions of Article 9 and Article 10, paragraph two of the Securities Market Law, I hereby inform you as essential information that at today's meeting, the Board of Directors of Empresas CMPC S.A. ("the Company") agreed to distribute an interim dividend No. 277 of USD 0.053 (zero point zero fifty-three United States dollars) per share, effective December 29, charged against the Distributable Net Income for the year 2021.

This dividend may be paid in Chilean pesos or in U.S. dollars, for those shareholders who so require, according to the procedure indicated below:

a. Those shareholders who choose to receive the interim dividend payment in U.S. dollars must expressly request it to the Company through a request sent to the Company's stock department, no later than the fifth business day prior to the dividend payment date, by e-mail to acciones@cmcpc.cl. In this request, the shareholder must indicate the details of the current bank account in dollars into which the deposit is to be made, through which the dividend will be paid.

Shareholders who do not request payment of the dividend in dollars in the manner and at the time indicated above will be deemed to have chosen to receive payment of the dividend in Chilean pesos.

b. Those shareholders who have not requested payment in U.S. dollars will receive the payment according to its equivalent in Chilean pesos, at the Observed Dollar exchange rate published by the Central Bank for the fifth business day prior to the dividend payment date, which will be duly informed by the Company through a publication that will be made on the same day on its website www.cmpc.com. Such payment may be made by deposit in a current bank account in pesos or by a nominative check, not crossed in the name of the holder of the shares, sent by mail to the address that the shareholder keeps informed in the Company's Shareholders Register, at the shareholder's choice, which must be communicated to the Company's share department at acciones@cmpc.cl.

In case the shareholder has not instructed the Company any form of payment as indicated above, the dividend will be available to be paid in Chilean pesos as of the date informed for the payment of the dividend in question, in which case the shareholder must contact the Company's stock department to inform the form of payment in Chilean pesos that the shareholder chooses in accordance with the provisions of letter b) above.

On December 8, In accordance with the provisions of Articles 9 and 10 paragraph three of Law 18,045 on the Securities Market and General Rule number 30 of this Commission, duly authorized, I hereby inform you that on this date CMPC agreed to acquire the forest and industrial assets of the pulp, paper and paper sacks business of the company Iguaçu Celulose, Papel S.A., located in the states of Parana and Santa Catarina, Brazil, hereinafter "the Transaction".

The Transaction includes: i) Three production units with aggregate annual manufacturing capacities of 105 thousand tons of pulp; 120 thousand tons of Sack-Kraft paper; 21 thousand tons of specialty papers, as well as conversion lines to produce 500 million units of paper sacks per year; ii) All the assets and services necessary for the proper operation of the aforementioned assets, as a going concern and autonomous company; and iii) Pine plantations for approximately 1.9 million cubic meters.

The materialization of the Transaction is subject to a series of conditions precedent that are customary in this type of operation, including authorization by the Conselho Administrativo de Defesa Econômica (Administrative Council for Economic Defense), as required by Brazilian law.

The agreed value for the Transaction is 945.7 million Reais, amount that considers both the price that will be paid to the sellers at closing, as well as the payment of the currently existing debt. It is expected that the materialization of the Transaction may occur within the next 90 days, after the fulfillment of the conditions precedent agreed upon.

It is estimated that this acquisition will have positive effects on the Company's results, although it is not possible to quantify them at this time.

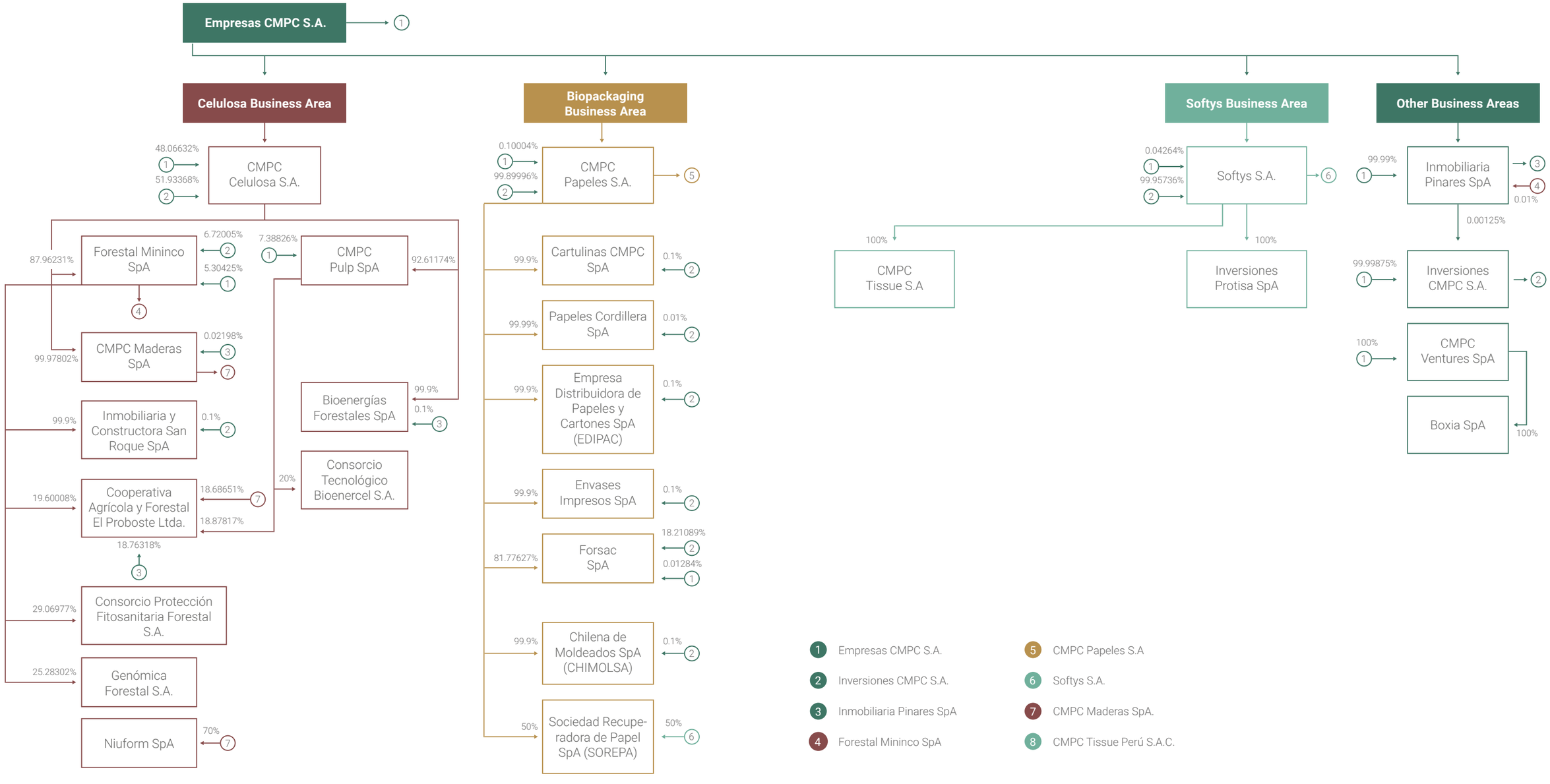


Carlos Douglas Nursery, CMPC.

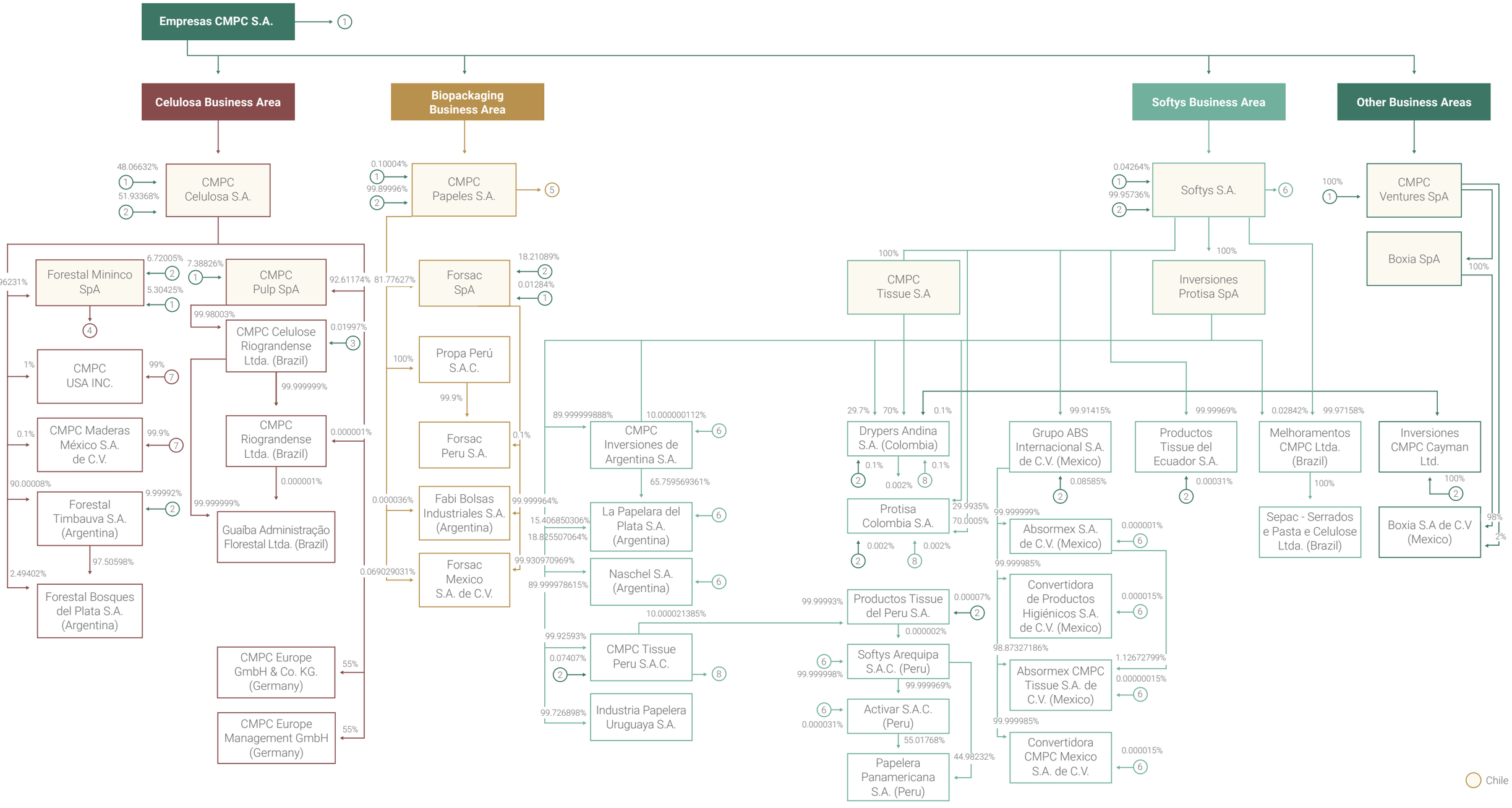
8.3 OWNERSHIP AND EQUITY

Ownership Chart

CHILE



GLOBAL


Empresas CMPC S.A.
Celulosa Business Area
Biopackaging Business Area
Softys Business Area
Other Business Areas
48.06632%
51.93368%
CMPC Celulosa S.A.
0.10004%
99.89996%
CMPC Papeles S.A.
0.04264%
99.95736%
Softys S.A.
100%
CMPC Ventures SpA
Boxia SpA
100%
87.96231%
Forestal Mininco SpA
6.72005%
5.30425%
7.38826%
CMPC Pulp SpA
92.61174%
81.77627%
Forsac SpA
18.21089%
0.01284%
99.98003%
CMPC Celulose Riograndense Ltda. (Brazil)
0.01997%
100%
Propa Perú S.A.C.
99.9%
Forsac Peru S.A.
0.1%
1%
CMPC USA INC.
99%
0.1%
CMPC Maderas México S.A. de C.V.
99.9%
90.00008%
Forestal Timbauva S.A. (Argentina)
9.99992%
97.50598%
2.49402%
Forestal Bosques del Plata S.A. (Argentina)
99.999999%
CMPC Riograndense Ltda. (Brazil)
0.000001%
0.000001%
99.999999%
Guaíba Administração Florestal Ltda. (Brazil)
0.000036%
Fabi Bolsas Industriales S.A. (Argentina)
99.999964%
0.069029031%
Forsac Mexico S.A. de C.V.
99.930970969%
55%
CMPC Europe GmbH & Co. KG. (Germany)
55%
CMPC Europe Management GmbH (Germany)
89.999999888%
10.0000000112%
CMPC Inversiones de Argentina S.A.
65.759569361%
15.406850306%
18.825507064%
La Papelara del Plata S.A. (Argentina)
89.999978615%
Naschel S.A. (Argentina)
10.000021385%
99.92593%
0.07407%
CMPC Tissue Peru S.A.C.
99.726898%
Industria Papelera Uruguaya S.A.
100%
CMPC Tissue S.A
29.7%
70%
0.1%
Drypers Andina S.A. (Colombia)
0.1%
0.002%
0.1%
Protisa Colombia S.A.
29.9935%
70.0005%
0.002%
0.002%
99.99993%
Productos Tissue del Peru S.A.
0.00007%
0.000002%
Softys Arequipa S.A.C. (Peru)
99.999998%
99.999969%
Activar S.A.C. (Peru)
0.000031%
55.01768%
Papelera Panamericana S.A. (Peru)
44.98232%
Inversiones Protisa SpA
99.91415%
Grupo ABS Internacional S.A. de C.V. (Mexico)
0.08585%
99.99969%
Productos Tissue del Ecuador S.A.
0.00031%
0.02842%
99.97158%
Melhoramentos CMPC Ltda. (Brazil)
100%
Sepac - Serrados e Pasta e Celulose Ltda. (Brazil)
Inversiones CMPC Cayman Ltd.
100%
Boxia S.A de C.V (Mexico)
98%
2%
99.999999%
Absormex S.A. de C.V. (Mexico)
0.000001%
99.999985%
Convertidora de Productos Higiénicos S.A. de C.V. (Mexico)
0.000015%
98.87327186%
Absormex CMPC Tissue S.A. de C.V. (Mexico)
1.12672799%
0.00000015%
99.999985%
Convertidora CMPC Mexico S.A. de C.V.
0.000015%
Chile

Equity chart

[CMF 6.5]

SUBSIDIARY COMPANIES OF CMPC, IN CHILE

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
Inversiones CMPC S,A,	The investment in the country and abroad of all kinds of movable intangible assets and, in particular, its participation as shareholder of any type of company and the investment within the country or abroad in immovable property.	Closed Stock Company, Registered in the Securities Registry under No, 672, Incorporated by public deed dated January 2, 1991, before Santiago Rubén Galecio G notary public of Santiago. Chilean Tax ID Number (R,U,T,) 96,596,540-8	4,693,663	294,502	100.00	Fernando José Hasenberg Larios	Francisco Ruiz-Tagle Edwards	Rafael Cox Montt Guillermo Turner Olea José Antonio Correa García Felipe Alcalde Arrau
Inmobiliaria Pinares SpA	The acquisition of land, its subdivision, lot division and urbanization, the construction of social housing, for its own account or for the account of others, and the sale thereof.	Joint-Stock Company, Incorporated by public deed as a limited liability company on April 23, 1990, before Humberto Faúndez R,, notary public of Concepcion, It was transformed into a closed stock company by public deed dated December 20, 2000 before the alternate notary public of Concepción, Mr, Waldo Otarola A,, whose extract was registered on January 24, 2001, This company was transformed into a Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to a public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 21, 2019. R,U,T 78,000,190-9	1,967	23	100.00	Jorge Alejandro Araya Yañez	Has no board of directors	
CMPC Celulosa S,A,	i) The making of all kinds of investments in all types of assets, whether tangible or intangible, real or personal, securities or commercial paper, including shares, bonds and debentures, rights, shares in mutual funds or participations in any type of company or association, being able to enter into all kinds of acts and contracts in Chile or abroad that lead to the fulfillment of this purpose, and may even purchase or acquire other companies or their assets, participate as a partner or shareholder of other companies of any nature, whether currently existing or to be formed in the future, or participate in the incorporation of such companies, manage them and receive the profits thereof; and ii) the provision of all kinds of services, advisory and consulting services, for a fee, in the areas of management, logistics and other support services.	Closed Stock Company, Incorporated by public deed dated May 16, 2016, before Mr, Eduardo Diez Morello, notary public of Santiago, as CMPC Sur S,A, On August 29, 2016, the minutes of the Extraordinary Shareholders' Meeting were reduced to a public deed before Eduardo Diez Morello, notary public of Santiago, where it was agreed to change the company's name to ""CMPC Celulosa S,A,"", The extract of said deed was published in the Official Gazette on September 22, 2016, R,U,T, 76,600,628-0	4,956,670	497,681	100.00	Raimundo José Varela Labbé	Luis Felipe Gazitúa Achondo	Francisco Ruiz-Tagle Edwards Osvaldo Burgos Schirmer Bernardo Matte Izquierdo Washington Williamson Benaprés Jorge Gabriel Larraín Matte Patricio Alejandro de Solminihac Tampier

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
CMPC Papeles S,A,	The production, import, export and general commercialization of paper, in its different forms.	Closed Stock Company, Incorporated by public deed dated April 20, 1988, before the notary Enrique Morgan T, The extract was published in the Official Gazette on May 4, 1988, under the name of CMPC Capital de Riesgo S,A, On July 7, 1998, the Extraordinary General Shareholders' Meeting was reduced to public deed before the notary Raúl I, Perry P,, where it was agreed to change the company's name to ""CMPC Papeles S,A,"", The extract of this deed was published in the Official Gazette on July 14, 1998. R,U,T, 79,818,600-0	914,773	64,106	100.00	Jorge Alberto Navarrete García	Luis Felipe Gazitúa Achondo	Washington Williamson Benaprés Bernardo Matte Izquierdo Francisco Ruiz-Tagle Edwards Patricio Alejandro de Solminihac Tampier Vivianne Blanlot Soza Andrés Eduardo Echeverría Salas
Softys S,A,	i) The making of all kinds of investments in all types of assets, whether tangible or intangible, real or personal, securities or commercial paper, including shares, bonds and debentures, rights, shares in mutual funds or participations in any type of company or association, may enter into all kinds of acts and contracts in Chile or abroad that lead to the fulfillment of this purpose, and may even purchase or acquire other companies or their assets, participate as a partner or shareholder of other companies of any nature, whether currently existing or to be formed in the future, or participate in the formation of such companies, manage them and receive their profits; and ii) the provision of supervision, control, administration and back-office services required by the group companies for their proper operation.	Closely-held corporation. Incorporated by public deed dated September 1, 2021, before the Notary Public of Santiago Mr. Luis Ignacio Manquehual Mery. RUT: 77.460.467-7	985,535	(8,771)	100.00	Gonzalo Hernán Darraidou Diaz	Luis Felipe Gazitúa Achondo	Francisco Ruiz-Tagle Edwards Bernardo Matte Izquierdo Jorge Larraín Matte Pablo Turner González Washington Williamson Benaprés Verónica Edwards Guzmán
Softys Chile SpA	The manufacture and/or conversion of hygiene products, diapers, towels, napkins, handkerchiefs and facial tissues, and other tissue or similar products, processed or semi-manufactured.	Joint-stock company. Incorporated as a corporation, by public deed dated February 24, 1988, before the Notary Public of Santiago, Mr. Sergio Rodríguez G., under the name "Forestal e Industrial Santa Fe S.A." On November 12, 2021, the Extraordinary Shareholders' Meeting of the company agreed to transform the company into a joint-stock company and change the corporate name to "Softys Chile SpA", which was reduced to public deed on November 16, 2021 before the Notary Public of San Miguel Mr. Jorge Reyes Bessone. RUT: 96.529.310-8	207,877	59,319	100.00	Sebastián Fernando Reyes Gazitúa	Has no board of directors	

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
CMPC Pulp SpA	a) The production, commercialization, import and export of pulp, paper and derivatives thereof, in their various forms, as well as all other operations related to this purpose; b) the purchase and sale of wood in any state, including standing forests; c) the participation or investment in companies whose purpose includes the aforementioned activities; d) the purchase and sale of power and electric energy.	Joint-Stock Company, Incorporated by public deed dated March 31, 1988, before Mr, Enrique Morgan T,, notary public of Santiago, under the name of ""Celulosa del Pacifico S,A,"", On December 31, 1998, the minutes of the Extraordinary General Shareholders' Meeting of the company were reduced to a public deed before the notary Iván Torrealba Acevedo, where it was agreed to change the company's name to ""CMPC Celulosa S,A,"", An extract of this deed was published in the Official Gazette on January 22, 1999. On August 29, 2016, the minutes of the Extraordinary Shareholders' Meeting were reduced to a public deed before the notary Eduardo Diez Morello, where it was agreed to change the company's name to ""CMPC Pulp S,A,"", The extract of said deed was published in the Official Gazette on September 22, 2016. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 21, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 96,532,330-9	2,535,557	586,837	100.00	Raimundo José Varela Labbé	Has no board of directors	
Forestal Mininco SpA	Forestation and reforestation, on its own and other people's land; the purchase, sale and marketing of land, forests, wood, seeds, plants and other related products; the marketing, export and import of wood products or their derivatives; and the provision of forest, management and other services.	Joint-Stock Company, Incorporated by public deed dated July 22, 1949, before the notary public of Valparaíso Mr, Ernesto Cuadra M,, modified by deed executed on September 20, 1949, before the same notary public, Authorized by Treasury Decree No, 8044, dated October 20, 1949. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 21, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette dated January 26, 2019. R,U,T, 91,440,000-7	2,554,763	(91,372)	99.99	Glen Rybertt Werth	Has no board of directors	
CMPC Maderas SpA	The exploitation of the sawmill industry, the commercialization, export and import of forest products, also being able to carry out any operation related to forests; the provision of forestry, management and other services; to give, take and deliver in lease or sublease all kinds of assets, whether real estate or movable.	Joint-Stock Company, Incorporated by public deed dated October 28, 1983, before the Notary Public of Santiago Mr, Enrique Morgan T, as Aserraderos Mininco S,A, On November 27, 2000, the Extraordinary Shareholders' Meeting that agreed to change the corporate name to ""CMPC Maderas S,A,"" was reduced to public deed, An extract of this deed was published in the Official Gazette on December 2, 2000. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 21, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette dated January 26, 2019. R,U,T, 95,304,000-K	418,176	64,742	100.00	Glen Rybertt Werth	Has no board of directors	

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
Cooperativa Agrícola y Forestal El Proboste Ltda,	To carry out on behalf of its associates the administration, management and maintenance of the Proboste and Galumavida ranches located in the municipalities of Empedrado, Chanco and Constitucion, especially with regard to works related to the care, forestation and pine forests or other forest species located on these properties.	Limited Liability Company, Authorized by Supreme Decree No, 971 of October 17, 1958, of the Ministry of Agriculture, The bylaws in force since April 28, 1990, were amended and approved at the General Shareholders' Meeting, whose minutes were reduced to public deed on April 6, 2004 at the Santiago Notary Office of Mr, René Benavente Cash, reduced to public deed on April 6, 2004 at the Santiago Notary Office of Mr, René Benavente Cash, extract of this deed was recorded in the Commercial Registry, year 2004, of the Santiago Real Estate Registry and was published in the Official Gazette of April 17, 2004, The Department of Cooperatives of the Ministry of Economy, Development and Reconstruction issued certificate No, 529, dated March 31, 2004, in which it certifies the incorporation Minutes of the General Shareholders' Meeting, constitutive, as well as the minutes modifying the bylaws. R,U,T 70,029,300-9	3,279	(1,502)	75.92	Currently in the process of liquidation, It is managed by a liquidation board composed of Víctor Fuentes, Hernán Fournies and Fernando Quezada,		
Bioenergías Forestales SpA	a) Production, transportation, distribution, supply and distribution of energy, b) Management and operation of power generation plants, c) Provision of services and performance of any activity related to the energy industry, d) Develop projects under the Kyoto agreement or other agreements; e) Buy and sell certified greenhouse gas emission reductions; and f) Participate in companies.	Joint-Stock Company, Company incorporated by public deed dated November 22, 2011 before Raúl Iván Pérez P,, notary public of Santiago. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 76,188,197-3	5,953	1,146	100.00	Enrique Edgardo Donoso Moscoso	Has no board of directors	
Inmobiliaria y Constructora San Roque SpA	a) The purchase, sale, lease, temporary assignment and, in general, the exploitation of all kinds of urban or rural real estate; b) The construction, either directly or by order of third parties, of all kinds of real estate, and c) in general, the execution of all kinds of acts and entering into all contracts that may be necessary for the fulfillment of the company's purpose or the development of its business.	Joint-Stock Company, Company incorporated by public deed dated November 4, 2014 before the Notary Public of Santiago Mr, Eduardo Diez Morello. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 76,395,604-0"	939	(3,330)	99.99	Pablo Smith Torres	Has no board of directors	
Cartulinas CMPC SpA	The production, import, export and, in general, the commercialization of paper in its different forms and its derivatives, the forest activity, the exploitation of forests, the acquisition or alienation in any title of agricultural real estate and the commercialization of wood, for which purpose it may carry out all acts, make all investments or businesses and enter into all necessary contracts.	Joint-Stock Company, Incorporated by public deed dated April 27, 1995, before the Notary Public of Santiago Mr, Raúl Perry P, The extract was published in the Official Gazette on May 16, 1995 and registered in the Commercial Registry of Puente Alto on May 22, 1995 at page 41 No, 41 under the name of ""CMPC PAPELES S,A,"", On June 24, 1998, the Extraordinary General Shareholders' Meeting that agreed to change the corporate name to ""CARTULINAS CMPC S,A,"" was reduced to a public deed before the same notary, An extract of this public deed was published in the Official Gazette on June 30, 1998, This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T 96,731,890-6"	508,884	29,811	100.00	Francisco Patricio García-Huidobro Morandé	Has no board of directors	

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
Papeles Cordillera SpA	The production, export, import and commercialization of paper or paper products and their derivatives, forest activities in any of its forms and the investment of resources in companies related to some of the aforementioned activities.	Joint-Stock Company, Incorporated by public deed dated March 9, 1998, before Gonzalo de la Cuadra F,, notary public of Santiago, Registered in the Commercial Registry of the Real Estate Registry of Santiago on March 13, 1998 at page 5993 No, 4812. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T 96,853,150 - 6	178,644	33,223	100.00	Alfredo Paulino Gili Canadell	Has no board of directors	
Forsac SpA	The manufacture of paper products or other materials for packaging, packing or other purposes, and paper-related items, as well as the purchase, sale, marketing, distribution, import or export of such products or other similar or related products.	Joint-Stock Company, Incorporated by public deed dated October 4, 1989, executed before the notary public of Santiago, Mr, Aliro Veloso M,, under the name of Forestal Angol Ltda, The extract of said deed was published in the Official Gazette on October 10 of the same year. On April 3, 1998, the resolutions adopted at the Extraordinary Shareholders' Meeting were reduced to a public deed before the Notary Public of Santiago, Mr, Jaime Morandé O,, which establishes the change of the Company's name to ""Papeles Angol S,A,"", The extract of said deed was published in the Official Gazette on April 20, 1998, On May 15, 1998, the resolutions adopted at the Extraordinary Shareholders' Meeting were reduced to a public deed before the Notary Office of Mr, Raúl Perry P,, in which the name of the Company was changed to ""Propa S,A,"", The extract of said deed was published in the Official Gazette on May 20, 1998. On March 10, 2010, the resolutions adopted at the Extraordinary Shareholders' Meeting were reduced to public deed at the Santiago Notary Office of Mr, Raúl Iván Perry P,, in which the name of the Company was changed to ""Forsac S,A,"", The extract of said deed was published in the Official Gazette on March 26, 2010. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 79,943,600-0	51,248	(351)	100.00	Fernando José Hasenberg Larios	Has no board of directors	
Empresa Distribuidora de Papeles y Cartones SpA (EDIPAC)	The purchase, sale, consignment, marketing and distribution, either for its own account or for the account of others, of paper, cardboard and other products derived from pulp and paper.	Joint-Stock Company, Incorporated by public deed dated December 24, 1981, before the notary public of Santiago Mr, Jorge Zañartu S, as a limited liability company, On October 25, 1993, the resolutions adopted at the Extraordinary Shareholders' Meeting were reduced to public deed, in which the transformation to Closed Stock Company was recorded, The extract of said deed was published in the Official Gazette on November 8, 1993. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 21, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 88,566,900-K	18,469	1,796	100.00	Nicolás Sergio Moreno López	Has no board of directors	

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
Envases Impresos SpA	The production of printed and die-cut corrugated cardboard packaging.	Joint-Stock Company, Incorporated by public deed dated December 28, 1982, before the notary public of Santiago Mr, Patricio Zaldivar Mackenna as a limited liability company. On October 25, 1993, the resolutions adopted at the Extraordinary Shareholders' Meeting were reduced to a public deed at the Santiago Notary Office of Mr, Raúl Perry Pefaur, in which the transformation of the Company into a Stock Corporation was recorded, The extract of said deed was published in the Official Gazette on November 8, 1993. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 21, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 89,201,400-0	92,928	(1,666)	100.00	Alfredo Paulino Gili Canadell	Has no board of directors	
Chilena de Moldeados SpA (CHIMOLSA)	The manufacture and wholesale and retail sale of export fruit trays, trays and cases for eggs and other products; in general, molded containers of different types, sizes and styles; the import, export, purchase and sale of these same items.	Joint-Stock Company, Incorporated by public deed dated March 31, 1976, before the Notary Public of Santiago, Mr, Enrique Zaldívar D. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 24, 2019. R,U,T, 93,658,000-9	35,850	(717)	100.00	Alfredo Paulino Gili Canadell	Has no board of directors	
Sociedad Recuperadora de Papel SpA (SOREPA)	The recovery of paper and cardboard and the purchase and sale of new or used paper, the export and import of the same and the recovery of metals, aluminum and bottles.	Joint-Stock Company, Incorporated by public deed dated October 1, 1979, before the notary public of Santiago Mr, Patricio Zaldívar M, as a limited liability company. On June 30, 1993, the resolutions adopted at the Extraordinary Shareholders' Meeting were reduced to a public deed before the Notary Public of Santiago, Mr, Raúl Perry Pefaur, in which the transformation of the Company to a Stock Corporation was recorded, The extract of said deed was published in the Official Gazette on July 8, 1993. This company was transformed to Joint-Stock Company in accordance with the resolutions adopted at the Extraordinary Shareholders' Meeting held on December 19, 2018, which was reduced to public deed at the Santiago Notary Office of Mr, Raúl Undurraga Laso on December 28, 2018, The extract of said deed was published in the Official Gazette on January 25, 2019. R,U,T, 86,359,300-K	21,456	2,401	100.00	Bernardo José Serrano Reyes	Has no board of directors	
Inversiones Protisa SpA	To make all kinds of investments, especially the purchase and sale of shares or debt securities, carry out operations in the capital market and apply its resources in all kinds of financial business proper to the company's line of business.	Joint-Stock Company, Incorporated by public deed dated March 4, 1998, before Gonzalo de la Cuadra F,, notary public of Santiago. R,U,T 96,859,760-5	291,496	(29,209)	100.00	Gonzalo Hernán Darraidou Diaz	Has no board of directors	
CMPC Ventures SpA	The making of all kinds of investments in all types of assets, tangible or intangible, movable or immovable, shares, rights, securities, fees, and in all types of commercial or financial instruments, The purpose of the company also includes the rendering of services or consultancy related to its objectives.	Stock Corporation, Incorporated by public deed dated March 5, 2020, executed before the notary public Mr, Roberto Antonio Cifuentes Allel.	10,064	(154)	100.00	Bernardita María Araya Kleinsteuber	Has no board of directors	

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
Boxia SpA	The business operation of technological platforms aimed at bringing together the supply of different products, including packaging, wood, pulp, paper and sanitary, and the demand for such products by consumers or users. II. Development and management of promotional systems for all kinds of products and/or services, provision of logistic, marketing, payment services, among others. III. Provision of warehousing services, logistics operator services and reverse logistics, among others. IV. The installation and operation of all types of establishments, products and services, through electronic commerce or internet sales. V. Purchase and sale, distribution, import, export and commercialization of all kinds of products, through conventional means, web platforms or mobile applications. VI. Provision of services to the aforementioned vendors or other third parties, such as logistic services, marketing, among others. VII. To make and develop all kinds of investments. VIII. Carrying out all kinds of promotional, advertising and marketing activities. IX. Provision of computer and IT services.	Joint-stock company. Incorporated by public deed dated January 25, 2021, executed at the Santiago Notary Office of Mr. Roberto Antonio Cifuentes Allel, whose extract is recorded on page 9,316, number 4,153 of the Commercial Registry of the Santiago Real Estate Registry corresponding to the year 2021 and was published in the Official Gazette on January 29 of the same year. RUT: 77.320.354-7	1,350	-	100.00	-	Has no board of directors	
Niuform SpA	The performance of all types of industrial activities related to the design, patenting, development, engineering, architecture, manufacturing, commercialization and assembly of wood products and construction solutions based on cross-laminated timber (CLT) products, glulam beams, among other equivalent technologies. Investments in all kinds of assets, especially those related to the design, development, patenting, licensing, purchase, sale, exchange, import and export, and commercialization under any title of all kinds of constructive solutions in wood, technology, software, equipment and machinery related to such activities, as well as the exploitation and management of these; the investment in all kinds of projects related to its corporate purpose, and in general, to carry out any other investment, business or project that may be agreed upon by the shareholders.	Joint-Stock Company. Incorporated by public deed dated June 17, 2021, executed at the Santiago Notary Office of Mr. Gino Beneventi Alfaro, whose extract is recorded on page 50,555, number 23,340 of the Commercial Registry of the Santiago Real Estate Registry corresponding to the year 2021 and was published in the Official Gazette on July 2 of the same year. RUT:77.419.232-8	5,310	10	70.00	Juan Pablo Pereira Sutil	Raimundo Varela Labbé	Juan Pablo Pereira Sutil José Antonio Correa García Pedro Alipio Rodríguez Ponce José Julián Cardona Jaramillo

Note: For the cases of CMPC Papeles Tissue S.A. (profit of MUSD 479) and CMPC Papeles Forestal S.A. (profit of - MUSD 174) on November 8, 2021, the Board of Directors declared the definitive dissolution of the companies, because their shares have been in the hands of a single shareholder for an uninterrupted period exceeding ten days. The foregoing is the result of the capital increase of Inversiones CMPC S.A., which is framed within the provisions of Article 103 N°2 of Law 18,045 on Corporations.

CMPC PARTNER COMPANIES, IN CHILE

Company Name	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
Consorcio Protección Fitosanitaria Forestal S,A,	The production, purchase and sale of elements, and the provision of services, aimed at protecting and improving the cultivation and development of tree species of any kind; the production, research and training in forest resources, and activities related to the above, being able to carry out all acts that directly or indirectly lead to the fulfillment of such purpose.	Closed Stock Company, Incorporated by public deed on November 12, 1992 before notary public Mr, Enrique Morgan T, R,U,T, 96,657,900-5, (*) Year 2014, the Third Extraordinary General Shareholders' Meeting was held on April 29, 2014, where it was decided to change the company name CPF S,A,, being constituted as: Consorcio Protección Fitosanitaria Forestal S,A,	369	(44)	29.01	Claudio Goycoolea Prado	Ricardo Austin Miller	Marcelo Vaccaro Bustos Miguel Castillo Salazar Rodrigo Ahumada Núñez James Smith Bloom
Genómica Forestal S,A,	The performance of all kinds of services and activities aimed at the development of forest genomics, through the use of biotechnological, molecular and bioinformatics tools; the provision of technology, engineering, biotechnology and bioinformatics services; the purchase, sale and marketing of seeds, tools and all kinds of tangible and intangible assets necessary for the fulfillment of the business; the management and implementation of projects in Forest Genomics.	Closed Stock Company, Incorporated by public deed dated October 26, 2006, at the Santiago Notary Office of Mr, Iván Torrealba Acevedo, Extract registered on page 2039 v, N°1705 of the 2006 Commercial Registry of the Concepción Real Estate Registry and published in the Official Gazette in the edition dated November 16, 2006, R,U,T 76,743,130-9	26	-	25.28	-	Eduardo Rodriguez Treskow	Jean Pierre Lasserre Andrea Rodríguez Sofía Grez Felipe Leiva
Consorcio Tecnológico Bioenercel S,A,	To develop, understand and obtain technologies that allow the implementation in Chile of a biofuel industry obtained from lignocellulosic materials, In addition to developing scientific and technological research for bioprocesses aimed at converting lignocellulosic biomass into biofuel.	Consorcio Tecnológico Bioenercel SA" was incorporated on August 21, 2009, through a public deed granted by the Santiago notary Mr, Félix Jara Cadot, whose extract was registered on page 1,560, No, 1572, of the Commercial Registry of the Concepción Real Estate Registry, 2009, and published in the Official Gazette of September 15, 2009, R,U,T, 76,077,468-5	2	(1)	20.00	-	Fernando Rioseco Schmidt	Eckart Eitner Delgado Eduardo Rodriguez Treskow Iván Rubio Huerta David Contreras Pérez Aldo Pesce Aron

SUBSIDIARY COMPANIES OF CMPC, ABROAD

Country	Company Name and Legal Nature	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
	CMPC Inversiones de Argentina S.A.	Financial activities on its own account or on behalf of third parties or associated with third parties.	Close Stock Company. Incorporated by deed dated June 29, 1992, Argentina. Single Taxpayer Identification Number (CUIT, for its acronym in Spanish) 30-65451689-4	87,622	(14,110)	100.00	Juan La Selva De Lisio	Juan La Selva De Lisio	Paula Jimena Cecchini
	Forestal Bosques del Plata S.A.	Agricultural and livestock forest exploitation of the real estate it owns. Purchase and sale of urban or rural real estate. Industrial exploitation of wood, its splitting, sawing, conditioning and preservation.	Close Stock Company. Incorporated by public deed dated August 30, 1993 and registered with the Inspección General de Justicia, IGJ (Public Registry of Commerce) on September 23, 1993, under the name of Proyectos Australes S.A. Changed its company name to Forestal Bosques del Plata S.A. by decision of the Extraordinary General Shareholders' Meeting of January 2, 2001, which was recorded in public deed dated May 9, 2001, registered with the Inspección General de Justicia on May 22, 2001, Argentina.	137,237	(83)	99.99	Raúl Vicente Pezzutti	Juan La Selva De Lisio	Paula Jimena Cecchini
	Forestal Timbauva S.A.	Financial and investment activities for its own account or for the account of third parties or associated with third parties.	Stock Corporation. Incorporated by public deed dated August 5, 2011 and registered with the Inspección General de Justicia on August 17, 2011. CUIT in process before the Administración Federal de Ingresos Públicos, AFIP (Federal Administration of Public Income)	133,283	(545)	99.99	Raúl Vicente Pezzutti	Juan La Selva De Lisio	Paula Jimena Cecchini
	Naschel S.A.	Printing of paper, polyethylene and polypropylene rolls.	Stock Corporation. The bylaws were approved by decree of the National Executive Power dated November 24, 1955, granting legal status, transcribed in the public deed of incorporation dated January 23, 1956, executed before the notary public Mr. Weinich Waisman, Buenos Aires, Argentina, and later modified by spin-off and reduction of capital by deed dated January 2, 1996, before the notary public Mr. Raúl Félix Vega Olmos, Buenos Aires, Argentina. CUIT 30-50164543-1	335	23	100.00	Juan La Selva De Lisio	Juan La Selva De Lisio	Paula Jimena Cecchini
	Fabi Bolsas Industriales S.A.	Manufacture of paper and cardboard bags.	Stock Corporation. Incorporated by public deed dated January 2, 1996, before the notary public Mr. Raúl Félix Vega O., Buenos Aires, Argentina.	8,118	562	100.00	Adrian Saj	Juan La Selva De Lisio	Paula Jimena Cecchini
	La Papelera del Plata S.A.	Manufacture, industrialization, processing and marketing of all types of paper, cardboard, boxboard, products and by-products thereof in all its branches and forms. Forest and wood exploitation, industrialization and commercialization of its products.	Stock Corporation. Approved by the Executive Power of the Province of Buenos Aires on September 2, 1929, Argentina. CUIT 30-50103667-2	133,355	(21,413)	99.99	Juan La Selva De Lisio	Juan La Selva De Lisio	Alfredo Bustos Azócar Paula Jimena Cecchini
	Melhoramentos CMPC Ltda.	The manufacture and/or conversion of hygiene products, diapers, towels, napkins, handkerchiefs and facial tissues and other tissue and similar products, processed or semi-manufactured. The purchase and sale, import, export, consignment, distribution, representation and commercialization, either on its own account and/or on behalf of third parties, of the aforementioned products, as well as spare parts, raw materials and materials. The manufacture, production, transformation and commercialization in any form of pulp and its derivatives.	Limited liability company incorporated and registered on August 29, 1974 under No. 35.200.929.860 with the Commercial Board of the State of Sao Paulo, Brazil; under the name of K.C. do Brazil Ltda. The name of the company was changed on September 22, 1994, to Melhoramientos Papéis Ltda. On June 1, 2009, the control of the company was transferred to CMPC Participações Ltda., which was incorporated to Melhoramientos Papeis in March 2010. In October 2019, the capital was increased by R$ 360,000.00. CNPJ (National Registry of Legal Entities) 44.145.845/ 0001-40	387,353	(19,696)	100.00	Luis Delfim de Oliveira	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada

Country	Company Name and Legal Nature	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
	CMPC Celulose Riograndense Ltda.	Forestation and reforestation; industrialization and commercialization of forest products, pulp, paper and their by-products; exploration of renewable energy sources; industrial, commercial and agricultural activities in general; the production, purchase, sale, import, export and commercialization of products made and derived from paper, cosmetic and hygiene products for adults and children, utensils and containers for daily use; the operation of the port terminal. Participation in other companies and enterprises as a partner, shareholder or member of the consortium, including investments in industry, trade and other areas of the economy.	Company incorporated on 10/15/2009 with its articles of incorporation filed at the Commercial Board of Rio Grande do Sul under number 43.206.502.899, in the session of 10/19/2009 under the name of CMPC Celulose do Brazil Ltda. The company name was changed on 06/12/2010 to CMPC Celulose Riograndense Ltda., being the minutes filed at the Commercial Board of Rio Grande do Sul under number 3332804 on 07/20/2010. After consecutive alterations to the capital stock, amendment number 4754659 dated 05/21/2018 changed the General Director and the Administrative Board of Directors. The last amendment to the Articles of Incorporation was filed under number 5233077 dated 12/20/2019.	2,770,005	353,983	100.00	-	Mauricio Harger	Juan Pablo Damián Errázuriz Guzmán
	CMPC Riograndense Ltda.	The production, purchase, sale, import, export and marketing of products made and derived from paper, cosmetic and hygiene products for adults and children, utensils and containers for daily use; forestation and reforestation; industrialization and marketing of forestry and pulp products; exploration of renewable energy sources; the exercise of industrial, commercial and agricultural activities in general; participation in other companies and enterprises as a partner, shareholder or member of the consortium, including investments in industry, trade and other areas of the economy.	Company incorporated on 05/03/1999 with its articles of incorporation filed at the Commercial Board of Sao Paulo under number 35.215.672.118, in session of 05/11/1999 under the name Boise Cascade do Brazil Ltda. The company's head office was changed on 09/01/2000 to Rio Grande do Sul, in session of 10/17/2000 under number 43.204.523.520. The company name was changed on 07/23/2008 to Aracruz Riograndense Ltda., and the minutes were filed at the Commercial Board of Rio Grande do Sul under number 3005323. Finally, the company name was changed to CMPC Riograndense Ltda. at a meeting held on January 20, 2010 under number 352959. The last amendment to the Articles of Incorporation was filed under number 4823934 on 08/20/2018.	18,996	(1,056)	100.00	-	Mauricio Harger	Juan Pablo Damián Errázuriz Guzmán
	Guaíba Administração Florestal Ltda.	Management company with a single objective of activity: research and management.	Company incorporated on 10/22/2009, with articles of incorporation registered at the State of Commerce of Rio Grande do Sul - JUCERGS (Board of Commerce) under number 43206511251, on 10/29/2009 and the last amendment to the Articles of Incorporation filed under number 4827456 on 08/23/2018. CNPJ: 11.308.600/0001-38	56,233	(1,524)	100.00	-	Mauricio Harger	Juan Pablo Damián Errázuriz Guzmán
	Sepac - Serrados e Pasta e Celulose Ltda.	Forestation and reforestation; industrialization and commercialization of forest products, pulp, paper and their by-products; exploration of renewable energy sources; industrial, commercial and agricultural activities in general; the production, purchase, sale, import, export and commercialization of products made and derived from paper, cosmetic and hygiene products for adults and children, utensils and containers for daily use; the operation of the port terminal. Participation in other companies and enterprises as a partner, shareholder or member of the consortium, including investments in industry, trade and other areas of the economy.	Limited liability company incorporated and registered on October 10, 1974 under No. 41201663639 with the Commercial Board of the State of Parana, Brazil. The capital is R$ 360,845,000.00 million. CNPJ 75.655.720/0001-94.	97,600	10,524	100.00	Renato Tyski Zapszalka	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Drypers Andina S.A.	The production, import, marketing, advertising, sale and export of disposable baby diapers and other related consumer products.	Close Stock Company. Incorporated by public deed number 0000374 of the forty-ninth notary office of Bogota on February 16, 1999. The legal entity Drypers Andina &Cias S.C.A. was incorporated. It was agreed to change from Limited Partnership by shares to Stock Corporation by public deed No. 0001598 of the fifteenth notary office of Cali on September 7, 2001. RUT 817.002.753-0	17,501	(971)	100.00	Eduardo Arcos Rodas	-	Gonzalo Darraidou Díaz Felipe Arancibia Silva Cristóbal Somarriva Quezada

Country	Company Name and Legal Nature	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
	Protisa Colombia S.A.	The production, import, marketing, advertising, sale and export of disposable baby diapers, paper products, as well as sanitary products, including but not limited to diapers, toilet paper, paper towels, napkins, sanitary ware in general (adult diapers, feminine pads, wet wipes, pads, etc.) and other related consumer products.	Close Stock Company. Incorporated by public deed number 0002539 of notary office 16 of Bogota on October 28, 2008. The legal entity Protisa Colombia S.A. was incorporated. RUT 900.251.415-4	50,195	(786)	100.00	Eduardo Arcos Rodas	-	Gonzalo Darraidou Díaz Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Productos Tissue del Ecuador S.A.	The manufacture, processing, sale, marketing in any form of all kinds of paper, including but not limited to: napkins, paper towels, paper tablecloths, disposable paper towels, and in general any kind, type or form of paper products or materials derived from paper or in which paper is a primary or secondary material.	Close Stock Company. Incorporated by public deed dated April 24, 2007, before the Fortieth Notary Public of the Metropolitan District of Quito. RUC 1792083354001	19,177	(907)	100.00	Eduardo Arcos Rodas	-	Gonzalo Darraidou Díaz Felipe Arancibia Silva Cristóbal Somarriva Quezada
	CMPC USA Inc.	Marketing and distribution of forest products, wood products, pulp, boxboard and multi-ply paper sacks; as well as any operation approved by the Board of Directors involving forest products, included in the Georgia Business Corporation Code.	Corporation incorporated on January 9, 2002, pursuant to the Georgia Business Corporation Code, under the laws of the State of Georgia, USA.	36,166	12,145	100.00	Joaquín Rojas Herrera	Raimundo Varela Labbé	Fernando José Hasenberg Larios Francisco García-Huidobro Morandé Juan Pablo Pereira Sutil María Constanza Arjona Moran José Ignacio Goldsack Trebilcock Felipe Alcalde Arrau
	Inversiones CMPC Cayman Ltd.	Making all kinds of commercial and financial investments and, in particular, its participation as a shareholder in any type of company.	Company incorporated under the laws of the Cayman Islands, pursuant to registration No. 77890 dated November 21, 1997, before the Cayman Islands Registrar of Companies.	496,688	2	100.00	-	Fernando José Hasenberg Larios	Rafael Cox Montt Andrés Parker Parada
	Grupo ABS Internacional S.A. de C.V.	Participate in the incorporation or investment in other commercial or civil companies, whether domestic or foreign. The acquisition, import, export and commercialization of all kinds of raw materials, parts and components to comply with its corporate purpose.	Stock Corporation of Variable Capital. Incorporated by public deed with policy number 1,802, on October 31, 1997, before Mr. Francisco Javier Lozano Medina, Notary Public No. 19, in the city of Monterrey, Nuevo Leon, Mexico. RFC. (Federal Taxpayer Registry) - GAI971031RD7	223,407	(9,101)	100.00	Gustavo Gerardo Schmidt Abreu	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Absormex S.A. de C.V.	"Manufacture of absorbent sanitary articles. The acquisition, sale, import and export of all kinds of equipment and materials related to its line of business. Representation in Mexico or abroad as agent, commission agent, intermediary, factor, representative and consignee or agent of all kinds of companies or persons."	Stock Corporation of Variable Capital. Incorporated in public deed with policy number 3,532, on November 19, 1981 before Mr. Mario Leija Arzave, Notary Public No. 25, in the city of Monterrey, Nuevo Leon, Mexico. Change of Stock Corporation to Stock Corporation of Variable Capital by public deed 1,582 dated May 12, 1982 before Mr. Abelardo Benito Rdz de Leon, Notary Public No. 13 RFC.- ABS811125L52	4,555	677	100.00	Gustavo Gerardo Schmidt Abreu	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Convertidora de Productos Higiénicos S.A. de C.V.	The manufacture of all kinds of hygienic products, as well as the import, export and commercialization of all kinds of products, on its own behalf or on behalf of third parties.	Stock Corporation of Variable Capital. Incorporated by public deed with policy number 4,131, on December 1, 1992 before Mr. Fernando Treviño Lozano, Notary Public No. 55, in the city of Monterrey, Nuevo Leon, Mexico, RFC: CPH921201LE6.	(2,163)	(122)	100.00	Gustavo Gerardo Schmidt Abreu	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Convertidora CMPC México S.A. de C.V.	The manufacture of all kinds of hygienic products, as well as the import, export and commercialization of all kinds of products, on its own behalf or on behalf of third parties.	Stock Corporation of Variable Capital. Incorporated in public deed with policy number 12,568 on December 28, 2012, before Carlos Montano Pedraza, Notary Public N° 130, in the city of Monterrey, Nuevo Leon, Mexico. RFCCM1212191KA.	2,364	26	100.00	Gustavo Gerardo Schmidt Abreu	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada

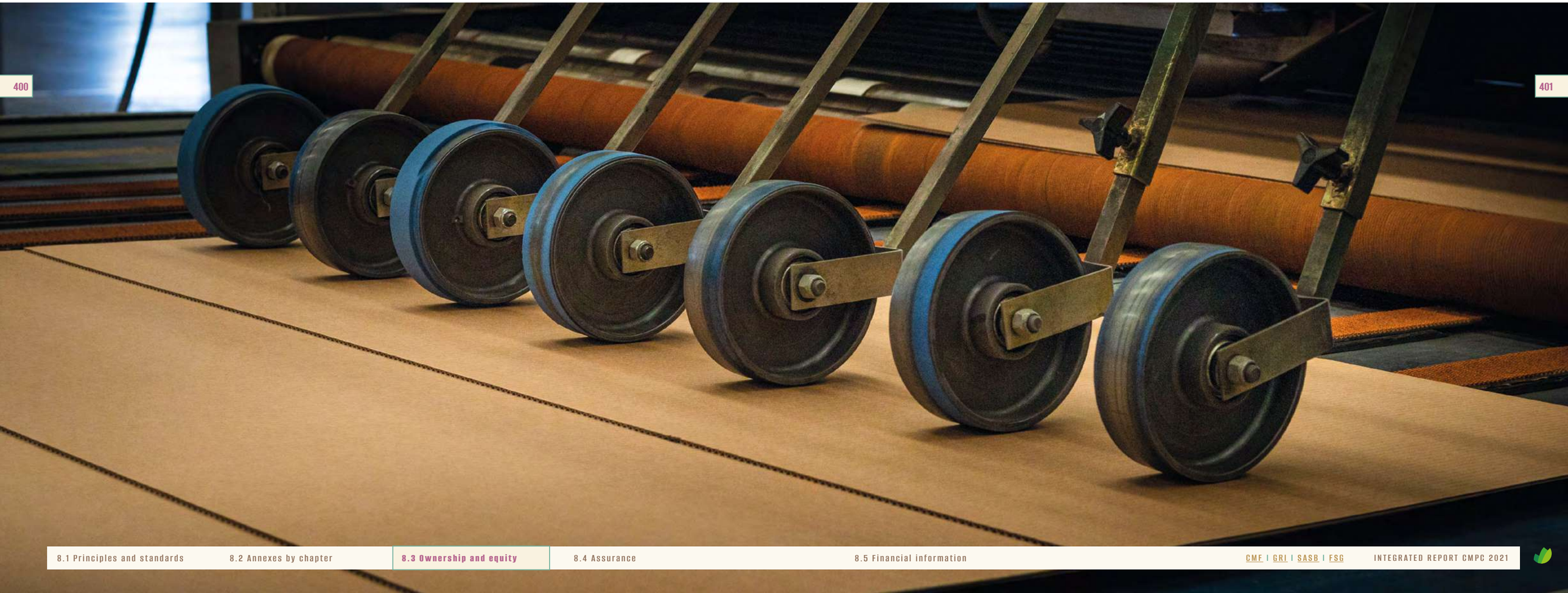
Country	Company Name and Legal Nature	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
	Absormex CMPC Tissue S.A. de C.V.	Manufacturing, converting, exporting, importing and commercializing hygienic products. Import, export and commercialize all types of raw materials, parts and components required to comply with the corporate purpose. Representing or acting as agent of all types of commercial and industrial companies and intervening in the sale and marketing of their products and services.	Stock Corporation of Variable Capital. Incorporated by public deed with policy number 1,552, on July 17, 1997 before Mr. Francisco Javier Lozano Medina, Notary Public No. 19, in the city of Monterrey, Nuevo Leon, Mexico. RFC.- IPG970717QU9	223,093	(9,801)	100.00	Gustavo Gerardo Schmidt Abreu	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Forsac México S.A. de C.V.	Purchase, sale, production and marketing of goods and products, including those related to the paper, wood and others in the forestry industry.	Commercial corporation, incorporated on January 10, 2008, under the laws of Mexico.	43,906	(2,437)	100.00	Francisco Javier Barrera González	Jorge Navarrete García	Cristian Barrera Almazán Fernando José Hasenberg Larios
	CMPC Maderas México S.A. de C.V.	The purpose of the company is "the purchase, sale, production, exchange, distribution, promotion and marketing of all kinds of goods and products, including, but not limited to, all goods and products related to the forest industry".	CMPC Maderas Mexico was incorporated on November 22, 2016, at Notary Public Office Vallarta and associates.	1,337	129	100.00	-	Fernando José Hasenberg Larios	Juan Pablo Pereira Sutil Raimundo Varela Labbé Rafael Cox Montt
	Boxia, S.A. de C.V.	Business operation of technological platforms aimed at gathering the supply of different products of all kinds, including packaging, wood, pulp, cardboard and paper, as well as the organization, implementation, development and management of promotional systems for all kinds of products, as well as to acquire, market, distribute and sell within or outside technological platforms any of said products to the Company's clients. It may also build, acquire shares in the capital or equity of, or operate all types of commercial or civil corporations, associations, joint ventures, trusts, funds or companies; both domestic and foreign. It may also accept, subscribe, endorse, issue and guarantee and deal in general with all kinds of negotiable instruments; open and close bank accounts, lend or borrow money and enter into any other credit transaction, and grant guarantees, either for its own benefit or to guarantee third party obligations.	A stock corporation with variable capital, incorporated on August 26, 2021.	552	-	100.00	Consejo de Administración	Bernardita Araya Kleinsteuber	Felipe Alcalde Arrau Fernando Jofré Alegría Rafael Cox Montt Andrés Parker Parada
	CMPC Tissue Perú S.A.C.	Making all kinds of commercial and financial investments and, in particular, its participation as a shareholder in any type of company.	Company incorporated under the laws of the Cayman Islands, pursuant to registration No. 92448 dated September 9, 1999, with the Cayman Islands Registrar of Companies.	190,585	2,529	100.00	Andrés Ortega Méndez	Gonzalo Darraidou Díaz	Felipe Arancibia Silva Cristóbal Somarriva Quezada
	Propa Perú S.A.C.	Making all kinds of commercial and financial investments and, in particular, its participation as a shareholder in any type of company.	Company incorporated under the laws of the Cayman Islands, pursuant to registration No. 92447 dated September 9, 1999, with the Cayman Islands Registrar of Companies.	48,258	6,233	100.00	Eduardo Nicolas Patow Nerny	Has no board of directors	-
	Productos Tissue del Perú S.A.	Manufacture, industrialization and processing of all types of paper, cardboard, boxboard, products and by-products thereof in all its branches and forms. Forest and wood exploitation, industrialization and commercialization of its products.	Close Stock Company. Incorporated by deed dated July 21, 1995, before the notary public Mr. Gustavo Correa M., Lima -Peru. Division of a patrimonial block of Forsac Peru S.A. by deed dated October 1, 2002. Single Taxpayer Registry (RUC) 20266352337	147,891	(1,051)	100.00	Andrés Ortega Méndez	-	-

Country	Company Name and Legal Nature	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
	Forsac Perú S.A.	Manufacture and provision of services for the manufacture of multi-ply paper sacks.	Stock Corporation. Incorporated by public deed dated June 5, 1996, under the name of Fabi Peru S.A., before the notary public Mr. Gustavo Correa M., Lima, Peru. This company merged with Forsac Peru S.A., the latter being absorbed, and Fabi Peru S.A. changed its name to ""Forsac Peru S.A."". This merger was constituted by public deed dated December 1, 2000, before the notary public Mr. Gustavo Correa M., Lima, Peru. A patrimonial block of Forsac Peru S.A. was divided according to the minutes of October 1, 2002. On April 17, 2019, the resolutions adopted at the General Shareholders' Meeting held on March 14, 2019 were reduced to public deed before the Notary Public of Lima, Mr. Eduardo Laos de Lama, in which the transformation of the Company to a Close Stock Company without a Board of Directors was recorded.	43,416	6,406	100.00	Eduardo Nicolas Patow Nerny	Has no board of directors	-
	Softys Arequipa S.A.C.	Manufacture, industrialization, processing and in general any form of commercialization of all types of paper, cardboard, boxboard, products and by-products thereof in all its branches and forms. Purchase, acquisition, transportation, collection, segregation, separation, processing, treatment, recycling, reuse and/or commercialization of all types of solid waste. Also, consulting, advising and rendering of senior management services to third parties engaged in the manufacture and/or marketing of paper products.	Close Stock Company. Incorporated by public deed dated February 9, 2019, before notary public Eduardo Laos de Lama. RUC 20604381011.	11,567	(986)	100.00	Pedro Alberto Muñoz Najar	Has no board of directors	-
	Activar S.A.C.	Purchase and sale of movable and immovable property, shares, participations, securities, credit documents, trademarks and patents, and deposit of movable property; its corporate purpose includes all acts that contribute to the realization of its purposes, even if not expressly indicated.	Close Stock Company. Incorporated by public deed dated July 10, 2000, before Carlos Gómez de la Torre Rivera, notary public of Arequipa. RUC 20497199221	4,355	(534)	100.00	Pedro Alberto Muñoz Najar	Has no board of directors	-
	Papelera Panamericana S.A.	Manufacture and sale of paper, cardboard, related products and/or derivatives. Likewise, the purchase and sale of goods and/or services related to the aforementioned activities, personal hygiene and any other industrial activity or lawful business agreed upon by the General Shareholders' Meeting.	Stock Corporation. Incorporated by public deed dated February 28, 1980 before Carlos Gomez de la Torre, notary public of Arequipa. RUC 20100189942.	7,915	(974)	100.00	Pedro Alberto Muñoz Najar	Has no board of directors	-
	Industria Papelera Uruguaya S.A. (IPUSA)	Manufacture, industrialization and commercialization in all its forms of papers and derivatives, as well as those related to graphic arts.	Close Stock Company. Incorporated by public deed dated January 14, 1937, Montevideo, Uruguay. On April 29, 1937 its by-laws were approved by the Executive Power, being registered in the Registry of Contracts on May 14, 1937. RUT 21 006645 0012	50,028	3,571	99.73	Mariano Paz	-	Gonzalo Darraidou Díaz Felipe Arancibia Silva Cristóbal Somarriva Quezada

Note: On September 29, 2021, confirmation of the final dissolution process of the subsidiary CMPC Europe Ltd. in England was received, which is effective as of that same date.

JOINT VENTURES OF CMPC, ABROAD

Country	Company Name and Legal Nature	Corporate Purpose	General Information	Equity MUSD	Profit (Loss) MUSD	% of direct and indirect shareholdings	Chief Executive Officer	Chairman of the Board	Directors
	CMPC Europe GmbH & Co. KG	Marketing and sales promotion of forest products.	Joint Venture formed between CMPC Celulosa S.A. and Gusco Handel G. Schürfeld + Co. GmbH. Dated July 11, 2019, registered and recorded in the Commercial Registry of Hamburg, Germany.	911	1,874	55.00	Hendrik Schürfeld (Gusco Handel G. Schürfeld + Co. GmbH.) - Raimundo Varela Labbé (CMPC Celulosa S.A.)	-	-
	CMPC Europe Management GmbH	Management of the company CMPC Europe Gmbh. KG, whose object is the marketing and sales promotion of forest products.	Joint Venture formed between CMPC Celulosa S.A. and Gusco Handel G. Schürfeld + Co. GmbH. Dated July 11, 2019, registered and recorded in the Commercial Registry of Hamburg, Germany.	25	-	55.00	Hendrik Schürfeld (Gusco Handel G. Schürfeld + Co. GmbH.) - Raimundo Varela Labbé (CMPC Celulosa S.A.)	-	-





Toromiro tree, species grown at the Carlos Douglas nursery, CMPC.

Statement of responsibility

[GRI 2-13]

The Directors and the Chief Executive Officer of Empresas CMPC S.A., hereinafter, and individually under oath, declare themselves responsible for the veracity of all the information in this 2021 Integrated Report, which complies with the standards required by the Financial Market Commission (CMF), the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and the principles of the Value Reporting Foundation, for the preparation of these documents.

CMF
https://www.cmfchile.cl

FRANCISCO RUIZ-TAGLE E.
Chief Executive Officer
7.052.877-0

LUIS FELIPE GAZITÚA
Chairman of the Board
6.069.087-1

VIVIANNE BLANLOT
Director
6.964.638-7

RAFAEL FERNÁNDEZ M.
Director
6.429.250-1

JORGE LARRAÍN M.
Director
10.031.620-K

JORGE MATTE C.
Director
14.169.037-K

BERNARDO LARRAÍN M.
Director
7.025.583-9

JORGE MARÍN C.
Director
7.639.707-4

RAMIRO MENDOZA Z.
Director
7.578.740-5

PABLO TURNER G.
Director
7.056.349-5

Santiago, April 08, 2022

Mr.
Nicolás Gordon Adam
Sustainability Director
Compañía Manufacturera de Papeles y Cartones

Present

At its request, DEUMAN has conducted a limited independent verification of the 2021 Greenhouse Gas Emissions Inventory of the Compañía Manufacturera de Papeles y Cartones (CMPC).

This inventory has been reported through spreadsheets and the SpheraCloud Corporate Sustainability platform, as well as a final report. DEUMAN's responsibility is to arrive to conclusions about the consistency and reliability of the information received.

Scope of verification

The calculated inventory corresponds to the emissions of the 47 industrial plants and 3 forest operations under the operational control of CMPC, located in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, and Uruguay. Quantification corresponds to the period from January 1 to December 31, 2021.

This verification considers scope 1, scope 2 - calculated by market and location-based approaches - and 11 categories of scope 3; Purchased Goods and Services Purchased, Capital Goods, Fuel and Energy Related Activities, Upstream Transportation and Distribution, Waste Generated, Business Travel, Employee Commuting, Downstream Transportation and Distribution, Processing of Sold Products, Use of Sold Products, and End of Life Treatment of Sold Products. Categories upstream leased assets, downstream leased assets, franchises, and investments are not reported in the 2021 carbon footprint because they were not found to be applicable to CMPC or are not material.

Verification Process

The objective of the process was to verify that the results presented in the final carbon footprint report for the year 2021 of the company CMPC are aligned with the Corporate Standard of Quantification and Reporting of the *GHG Protocol.*

The verification methodology consisted of the following activities:

- Interviews with those responsible for the delivery of the information to eight sites.
- Consistency check between activity level data - included in the SpheraCloud Corporate Sustainability platform and the spreadsheets provided - and corresponding backups.
- Review of additional documents such as green attribute purchase contracts.
- Review of the calculation methodology.
- Analysis of the accuracy of the emission factors used.

Disclaimer and Conflict of Interest Statement: *Deuman is not responsible for the accuracy of the information provided by third parties to CMPC. As the verifier, we consider that it has been provided in good faith, having clarified the inconsistencies identified. On this basis, we make the present declaration of independent verification, for which we express we have no conflict of interest related to the verification process or its final results with the company in question.*

Conclusions

In accordance with the above-mentioned scopes and limits, and based on the verification process described, no discrepancy has been identified in CMPC's statement that its Greenhouse Gas Inventory, attached to this document, meets the requirements of the GHG Protocol.



Jaime Parada Ibáñez

General Manager and Legal Representative

Engineering Services Deuman Ltda.

DEUMAN
soluciones innovadoras para un crecimiento sostenible

Greenhouse Gas Emissions by Scope and Business [t CO2e]

Scopes	Celulosa (Maderas/Pulp)	Forestal	Biopackaging	Softys
Scope 1	1.501.998	254.281	186.095	382.728
Scope 2 (market-based approach)	5.069	383	10.911	131.391
Scope 2 (location-based approach)	120.069	555	288.022	191.119
Scope 3	4.162.766	618.921	1.077.453	2.335.223
Total Emissions	**5.520.363**	**873.585**	**1.274.459**	**2.849.342**

Total CMPC Greenhouse Gas Emissions by Scope [t CO2e]

Scopes	CMPC
Scope 1	1.875.091
Scope 2 (market-based approach)	148.294
Scope 2 (location-based approach)	599.765
Scope 3	8.194.363
Total Emissions	**10.217.749**

KPMG

Independent Assurance Report
"Integrated Report CMPC 2021"

To the President and Directors of
Empresas CMPC S.A.

We have conducted a limited review of the content and data related to the GRI indicators 102-8, 102-41, 204-1, 205-2, 205-3, 306-4, 306-5, 401-1, 403-9, 404-3, 405-2, 407-1, 2-27, indicators CMPC 1, CMPC 4, CMPC 7, CMPC 8 and CMPC 9 and, finally, indicators SASB RR-PP-140a.1, RR-FM-000.A, RR-FM-000.B, RR-FM-000.C, RR-PP-430a.2, CG-HP-410a.1., RR-FM-160a.1, RR-PP-430a.1, RR-PP-130.a.1 (hereinafter "indicators to be reviewed") disclosed in the Empresas CMPC´s integrated Report 2021 for the year ended December 31, 2021.

Empresas CMPC's management is responsible for the preparation of the Integrated Report. Additionally, Empresas CMPC's management is responsible for the contents, affirmations, scope definition and the management and control of information systems which provided the information reported.

Our review was conducted in accordance with attestation engagement standards established by the Colegio de Contadores de Chile A.G. A review has substantially a lower scope rather than an examination, the objective of which is the expression of an opinion over the "Integrated Report CMPC 2021". Accordingly, we do not express such opinion.

Contents and data related to the "indicators to be reviewed" disclosed in the Empresas CMPC´s Integrated Report 2021 were also reviewed considering the criteria described within the Standard to elaborate the Global Reporting Initiative´s (GRI) Sustainability Reports, SASB as well as Empresas CMPC's internal guidelines, which are summarized as follows:

- To determine that contents and data related to the "indicators to be reviewed" disclosed in " Integrated Report CMPC 2021" are duly supported with sufficient evidence.
- To determine that Empresas CMPC has prepared the contents and data related to the "indicators to be reviewed", included in the Empresas CMPC´s Integrated Report 2021, in accordance with the Content and Quality Principles as established by the GRI Standard, SASB and Empresas CMPC´s internal guidelines.
- To confirm the "essential" conformity option stated by Empresas CMPC in its Integrated Report 2021, in accordance with the GRI Standard.

Our procedures considered conducting inquiries with Empresas CMPC's Board of Directors, Management and Business Units responsible for the preparation of the Report, as well as performing other analytical procedures and tests, described as follows:

- Interviews with Empresas CMPC's key personnel, in order to assess the preparation process of the contents and data related to the "indicators to be reviewed" disclosed in the Integrated Report 2021, content definition and information systems used.
- Verification of contents and data related to the "indicators to be reviewed" disclosed in the Integrated Report 2021 based on supporting documentation provided by Empresas CMPC.
- Analysis of the collection and internal control processes of contents and data related to the "indicators to be reviewed" disclosed in the Empresas CMPC´s Integrated Report 2021.
- Verification of data reliability using analytical procedures, testing on a sample basis and the review of recalculations.
- Interviews by videoconference with those responsible for the elaboration process of the Empresas CMPC´s Integrated Report 2021.

Based on our review, nothing came to our attention that caused us to believe that:

- Contents and data related to the "indicators to be reviewed" disclosed in the "Integrated Report CMPC 2021" are not duly supported with sufficient evidence.
- Contents and data related to the "indicators to be reviewed" disclosed in the Empresas CMPC's Integrated Report 2021 has not been prepared in accordance with the Content and Quality Principles as established by the GRI Standard, SASB and Empresas CMPC's internal guidelines.
- The Empresas CMPC´s Integrated Report 2021 does not comply with the "essential" conformity option stated by Empresas CMPC in accordance with the GRI Standard.

KPMG SpA



Karin Eggers G.
Managing Director

Santiago, April 11, 2022.

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8.5 FINANCIAL INFORMATION

Summarized Statements of Financial Position

	Inversiones CMPC S.A. and subsidiaries		CMPC Celulosa S.A. and Subsidiaries		CMPC Papeles S.A. and Subsidiaries		Softys S.A. and Subsidiaries		Inmobiliaria Pinares SPA		CMPC Ventures SPA and Subsidiaries		Inversiones CMPC Cayman LTD.	
	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD
ASSETS														
Current Assets	**4,222,517**	**3,565,480**	**2,007,990**	**1,584,156**	**596,006**	**669,127**	**832,088**	**-**	**1,472**	**1,477**	**10,284**	**10,217**	**113**	**113**
Property, Plant and Equipment	7,.090,244	7,245,392	5,038,767	5,145,167	824,251	816,766	1,198,914	-	277	277	-	-	-	-
Non-current Biological Assets	3,038,375	3,041,699	3,038,375	3,041,699	-	-	-	-	-	-	-	-	-	-
Intangible assets and other	938,913	938,236	337,523	257,493	51,463	63,920	386,451	-	2,090	3,228	66	-	497,655	497,659
Non-current assets	**11,067,532**	**11,225,327**	**8,414,665**	**8,444,359**	**875,714**	**880,686**	**1,585,365**	**-**	**2,367**	**3,505**	**66**	**-**	**497,655**	**497,659**
Total assets	**15,290,049**	**14,790,807**	**10,422,655**	**10,028,515**	**1,471,720**	**1,549,813**	**2,417,453**	**-**	**3,839**	**4,982**	**10,350**	**10,217**	**497,768**	**497,772**
Liabilities and shareholders' equity														
Current liabilities	**2,259,155**	**1,192,597**	**2,153,546**	**1,312,537**	**296,926**	**233,718**	**949,127**	**-**	**436**	**1,380**	**286**	**-**	**1,080**	**1,082**
Non-current liabilities	**5,626,417**	**5,666,753**	**2,800,593**	**3,121,039**	**239,279**	**247,696**	**482,274**	**-**	**1,437**	**1,654**	**-**	**-**	**-**	**-**
Shareholders' Equity attributable to owners of the parent company	4,693,663	5,156,881	4,956,670	5,065,844	914,773	1,048,630	985,535	-	1,966	1,948	10,064	10,217	496,688	496,690
Non-controlling interests	2,710,814	2,774,576	511,846	529,095	20,742	19,769	517	-	-	-	-	-	-	-
Shareholders' equity	**7,404,477**	**7,931,457**	**5,468,516**	**5,594,939**	**935,515**	**1,068,399**	**986,052**	**-**	**1,966**	**1,948**	**10,064**	**10,217**	**496,688**	**496,690**
Total shareholders' equity and liabilities	**15,290,049**	**14,790,807**	**10,422,655**	**10,028,515**	**1,471,720**	**1,549,813**	**2,417,453**	**-**	**3,839**	**4,982**	**10,350**	**10,217**	**497,768**	**497,772**

SUMMARIZED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

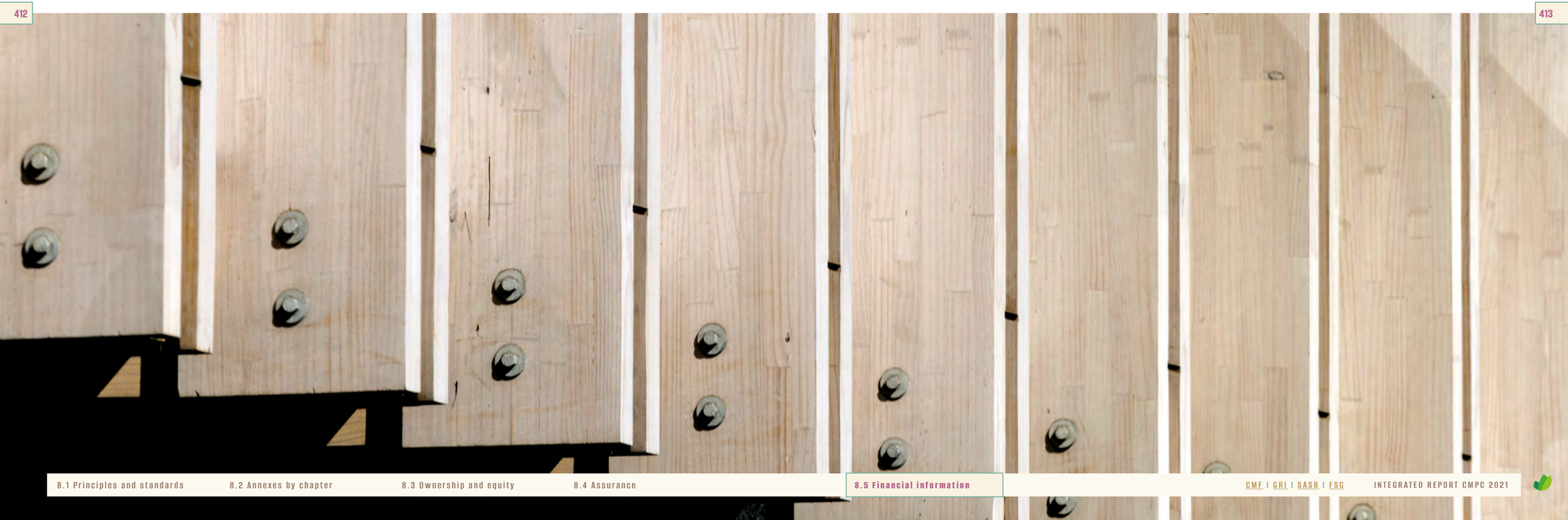
	Inversiones CMPC S.A. and subsidiaries		CMPC Celulosa S.A. and Subsidiaries		CMPC Papeles S.A. and Subsidiaries		Softys S.A. and Subsidiaries		Inmobiliaria Pinares SPA		CMPC Ventures SPA and Subsidiaries		Inversiones CMPC Cayman LTD.	
	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD
Issued capital	399,293	399,272	1,883,299	1,883,299	274,840	274,840	1,333,023	-	1,558	1,558	10,217	10,217	574,265	574,265
Currency translation differences reserve	(1,198,207)	(1,020,694)	(205)	103	(13,590)	(13,590)	(424,820)	-	32	37	1	-	(36)	(36)
Reserve for cash flow hedges	(62,252)	8,100	29,628	35,215	4,272	2,877	70	-	-	-	-	-	-	-
Reserve for actuarial gains or losses on defined benefit plans	(21,419)	(24,538)	(1,666)	(2,695)	(3,703)	(4,345)	(6,760)	-	-	-	-	-	-	-
Other miscellaneous reserves	301,642	294,998	3,001,608	3,001,597	4,367	3,264	92,793	-	-	-	-	-	(46,933)	(46,933)
Retained earnings (losses)	5,274,606	5,499,743	44,006	148,325	648.,587	785,584	(8.,771)	-	376	353	(154)	-	(30,608)	(30,606)
Equity attributable to owners of the parent company	**4,693,663**	**5,156,881**	**4,956,670**	**5,065,844**	**914,773**	**1,048,630**	**985,535**	**-**	**1,966**	**1,948**	**10,064**	**10,217**	**496,688**	**496,690**
Non-controlling interests	2,710,814	2,774,576	511,846	529,095	20,742	19,769	517	-	-	-	-	-	-	-
Total equity	**7,404,477**	**7,931,457**	**5,468,516**	**5,594,939**	**935,515**	**1,068,399**	**986,052**	**-**	**1,966**	**1,948**	**10,064**	**10,217**	**496,688**	**496,690**

SUMMARIZED STATEMENTS OF COMPREHENSIVE INCOME

	Inversiones CMPC S.A. and subsidiaries		CMPC Celulosa S.A. and Subsidiaries		CMPC Papeles S.A. and Subsidiaries		Softys S.A. and Subsidiaries		Inmobiliaria Pinares SPA		CMPC Ventures SPA and Subsidiaries		Inversiones CMPC Cayman LTD.	
	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD
Gross Profit	1,700,560	863,200	1,027,980	156,499	191,473	129,858	100,530	-	-	-	-	-	-	-
Other income (loss)	(786,742)	(771,229)	(191,342)	(186,599)	(99,085)	(93,006)	(117,284)	-	104	374	(215)	-	(2)	(1)
Profit (loss), before taxes	**913,818**	**91,971**	**836,638**	**(30,100)**	**92,388**	**36,852**	**(16,754)**	**-**	**104**	**374**	**(215)**	**-**	**(2)**	**(1)**
Income tax expense	(342,067)	(89,728)	(307,212)	(131,652)	(27,113)	(12,653)	7,969	-	(81)	46	61	-	-	-
Profit (loss)	**571,751**	**2,243**	**529,426**	**(161,752)**	**65,275**	**24,199**	**(8,785)**	**-**	**23**	**420**	**(154)**	**-**	**(2)**	**(1)**
Profit (loss), attributable to owners of the controlling company	294,502	80,278	497,681	(146,004)	64,106	24,786	(8,771)	-	23	420	(154)	-	(2)	(1)
Profit (loss), attributable to non-controlling interests	**277,249**	**(78,035)**	**31,745**	**(15,748)**	**1,169**	**(587)**	**14**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Profit (loss)	**571,751**	**2,243**	**529,426**	**(161,752)**	**65,275**	**24,199**	**(8,757)**	**-**	**23**	**420**	**(154)**	**-**	**(2)**	**(1)**
Comprehensive income statement														
Profit (loss)	571,751	2,243	529,426	(161,752)	65,275	24,199	(8,757)	-	23	420	(154)	-	(2)	(1)
Other comprehensive income (loss)	(247,403)	(250,840)	(4,855)	(844)	2,037	(641)	(47,818)	-	(5)	(87)	1	-	-	-
Comprehensive income (loss)	**324,348**	**(248,597)**	**524,571**	**(162,596)**	**67,312**	**23,558**	**(56,575)**	**-**	**18**	**333**	**(153)**	**-**	**(2)**	**(1)**
Comprehensive income (loss) attributable to owners of the parent company	49,761	(170,056)	492,826	(146,848)	66,143	24,145	(56,589)	-	18	333	(153)	-	(2)	(1)
Comprehensive income (loss) attributable to non-controlling interests	274,587	(78,541)	31,745	(15,748)	1,169	(587)	14	-	-	-	-	-	-	-
Comprehensive income (loss)	**324,348**	**(248,597)**	**524,571**	**(162,596)**	**67,312**	**23,558**	**(56,575)**	**-**	**18**	**333**	**(153)**	**-**	**(2)**	**(1)**

SUMMARIZED STATEMENTS OF CASH FLOWS

	Inversiones CMPC S.A. and subsidiaries		CMPC Celulosa S.A. and Subsidiaries		CMPC Papeles S.A. and Subsidiaries		Softys S.A. and Subsidiaries		Inmobiliaria Pinares SPA		CMPC Ventures SPA and Subsidiaries		Inversiones CMPC Cayman LTD.	
	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD	2021 MUSD	2020 MUSD
Net cash flows provided by (used in) operating activities	1,191,033	766,868	938,453	558,753	70,997	76,886	(7,464)	-	(45)	(82)	(106)	-	-	(1)
Net cash flows provided by (used in) investing activities	(418,144)	(137,612)	(313,397)	(317,888)	(36,483)	(103,388)	(26,217)	-	362	20	-	-	-	-
Net cash flows provided by (used in) financing activities	(485,142)	(357,067)	(578,223)	(269,362)	(31,415)	31,494	8,107	-	(328)	62	907	-	-	(115)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in the exchange rate	**287,747**	**272,189**	**46,833**	**(28,497)**	**3,099**	**4,992**	**(25,574)**	**-**	**(11)**	**-**	**801**	**-**	**-**	**(116)**
Effect of changes in the exchange rate on cash and cash equivalents	(24,511)	3,805	(5,699)	(3,058)	138	(752)	(3,849)	-	11	-	-	-	-	-
Cash and cash equivalents at the beginning of the period	891,027	615,033	13,126	44,681	11,094	6,854	102,845	-	-	-	-	-	-	116
Cash and cash equivalents at the end of the period	**1,154,263**	**891,027**	**54,260**	**13,126**	**14,331**	**11,094**	**73,422**	**-**	**-**	**-**	**801**	**-**	**-**	**-**



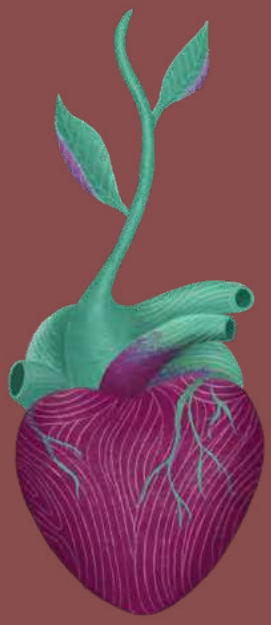
REASONED ANALYSIS
FOURTH QUARTER 2021:

FINANCIAL STATEMENTS
CONSOLIDATED 2021:

CONTENT DEVELOPMENT: **KELLUN**

DESIGN: **MANDARINA**

ILLUSTRATIONS: **CHRISTIAN KLOTZ** / **MANDARINA**



INTEGRATED REPORT 2021

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