

# CORPORATE PRESENTATION

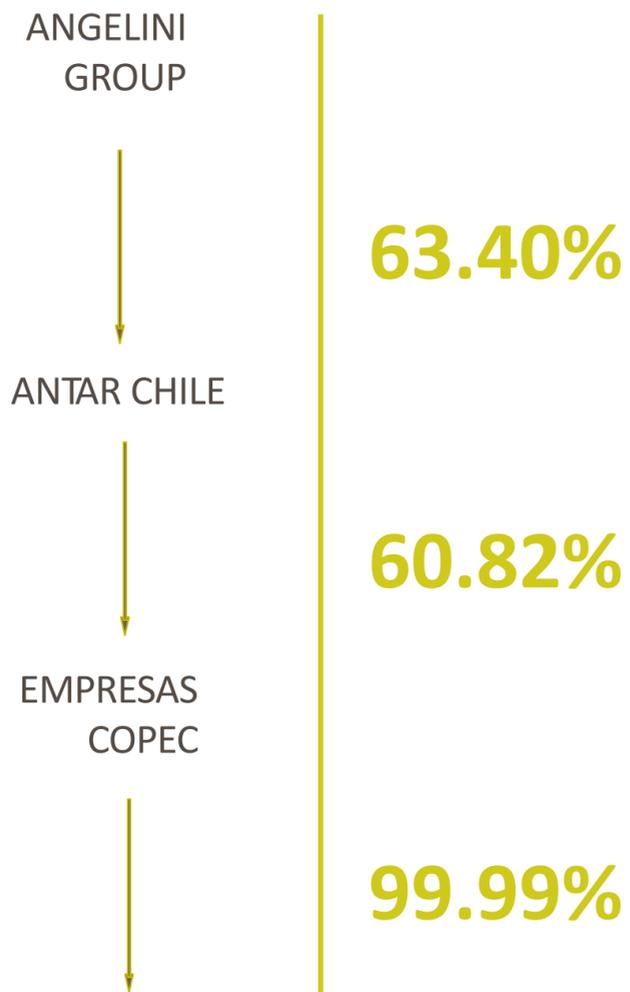
Q1  
2024

renewables  
for a  
better life

**arauco**

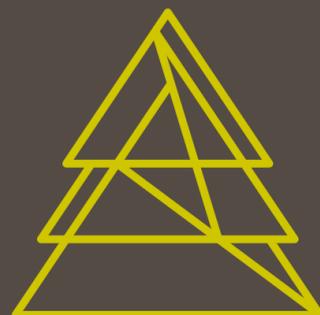


**SHAREHOLDER STRUCTURE**



**arauco**

**ARAUCO  
AT A  
GLANCE**



**CREDIT RATINGS**

**INTERNATIONAL SCALE**

FITCH RATINGS	BBB ✓
S&P	BBB- ✓
MOODY'S	Baa3 ✗

**NATIONAL SCALE**

FITCH RATINGS	AA ✓
FELLER RATE	AA ✓

- ✓ Outlook: stable
- ✗ Outlook: negative

**FINANCIAL HIGHLIGHTS**

In US\$ million, as of March 2024, LTM

Adj. EBITDA	1,283	Net Income	(204)
EBITDA Margin	20.6%	CAPEX	1,263
Net Debt / EBITDA	4.87x	Revenues	6,227

# REVENUES MUS\$6,227

PULP 51%      WOOD 49%

DIVERSIFIED  
SALES  
AROUND  
THE WORLD



As of March 2024, LTM

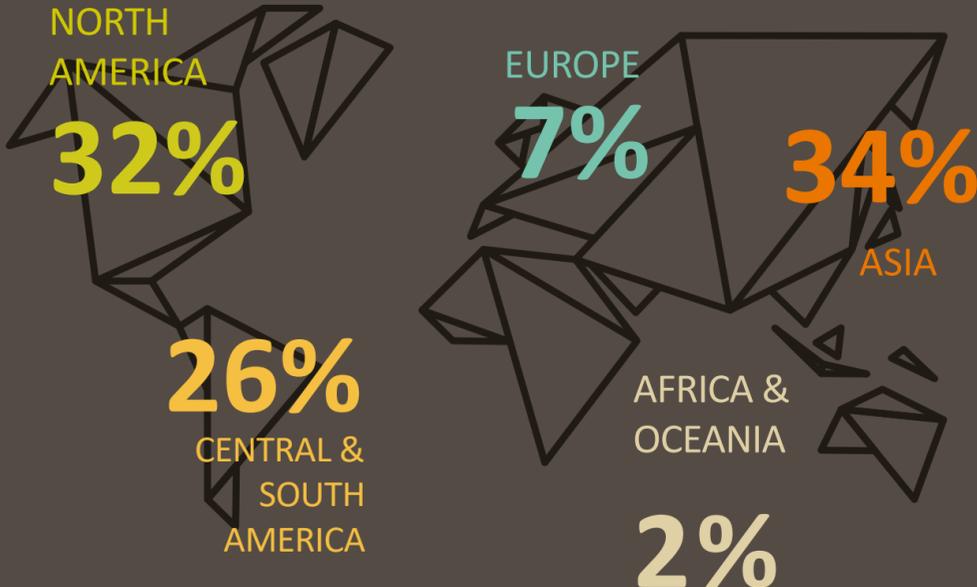
# Adjusted EBITDA MUS\$1,283

PULP 68%      WOOD 42%  
OTHERS -10%



# REVENUES BY REGION

As of December 2023



**TWO STRATEGIC BUSINESS SEGMENTS**



**Forestry and Pulp Business**

**Wood Products Business**

	Forest Plantations <sup>(1)</sup>	Pulp Mills	Energy Operations	Panels	Solid Wood
	649 th. ha	5 Mills (5) 4,205 th. t	10 Power plants 606 mw Surplus: 219 mw	2 Mills PB: 340 th. m <sup>3</sup> MDF: 500 th. m <sup>3</sup>	2 Mills Sawn Timber: 2,398 th. m <sup>3</sup> Plywood : 710 th. m <sup>3</sup> 4 Remanufacturing Facilities
	115 th. ha	1 Mill 350 th. t	2 Power plants 82 mw Surplus: 13 mw	2 Mills PB: 260 th. m <sup>3</sup> MDF: 300 th. m <sup>3</sup>	1 Mill Sawn Timber: 318 th. m <sup>3</sup> 1 Remanufacturing Facility
	170 th. ha			4 Mills PB: 450 th. m <sup>3</sup> MDF: 1,520 th. m <sup>3</sup>	
(2)	127 th. ha	1 Mill 720 th. t	1 Power plant 91 mw Surplus: 52 mw		
<b>Total</b>	<b>1.1 million ha</b>	<b>5.3 million t.</b>	<b>779 mw</b> <b>Surplus: 284 mw</b>	7 Mills PB: 1,630 th. m <sup>3</sup> MDF: 1,015 th. m <sup>3</sup>	
				2 Mills PB: 315 th. m <sup>3</sup> MDF: 250 th. m <sup>3</sup>	
				9 Mills (4) PB : 1,191 th. m <sup>3</sup> MDF: 615 th. m <sup>3</sup> OSB : 230 th. m <sup>3</sup>	1 Mill Sawn Timber: 35 th. m <sup>3</sup>
			(3)		
			<b>Total</b>	<b>8.6 million m<sup>3</sup></b>	<b>3.8 million m<sup>3</sup></b>

1) Considers hectares planted mainly with eucalyptus (globulus, nitens), pine (radiata, taeda, elliottii) and others.

2) Considers 50% of Montes del Plata.

3) Considers 50% of Sonae Arauco.

4) One PB mill in South Africa is currently shut down.

5) Licancel mill indefinitely suspended operations in August 2023

**WE ARE A  
MAIN PLAYER  
IN THE GLOBAL  
MARKET**

World market pulp and panel competitors capacity as of December 2023.

\* Arauco capacity includes 50% of Montes del Plata and 50% of Sonae Arauco.

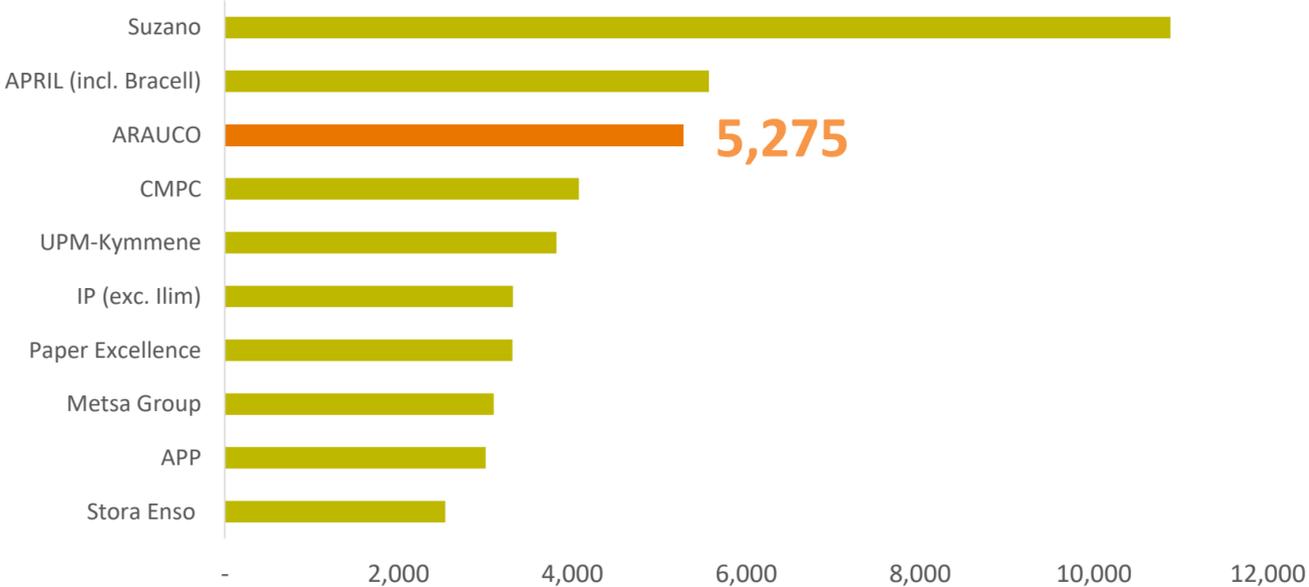
\*\* Panels refers to Composite Panels, which corresponds to MDF, PB and OSB.

**Source:** Hawkins Wright, public fillings, Arauco's estimations, information and fillings.

#3

**IN MARKET  
PULP CAPACITY  
IN THE WORLD**

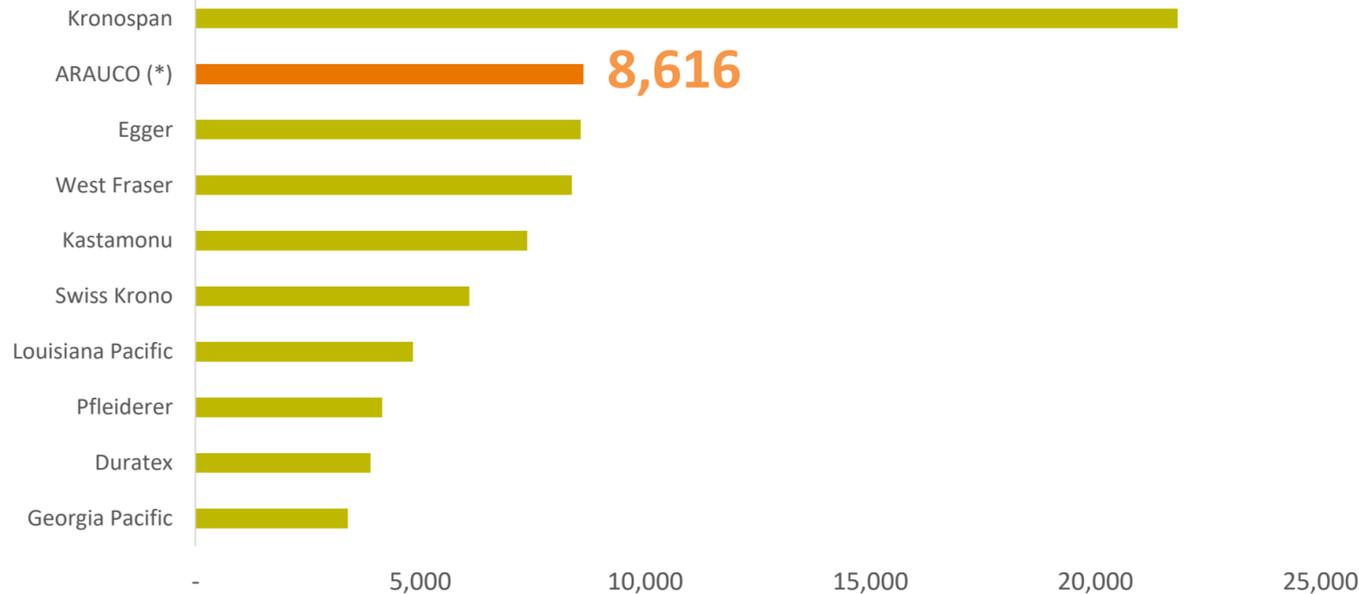
**MARKET PULP CAPACITY (THOUSAND TONNES)**

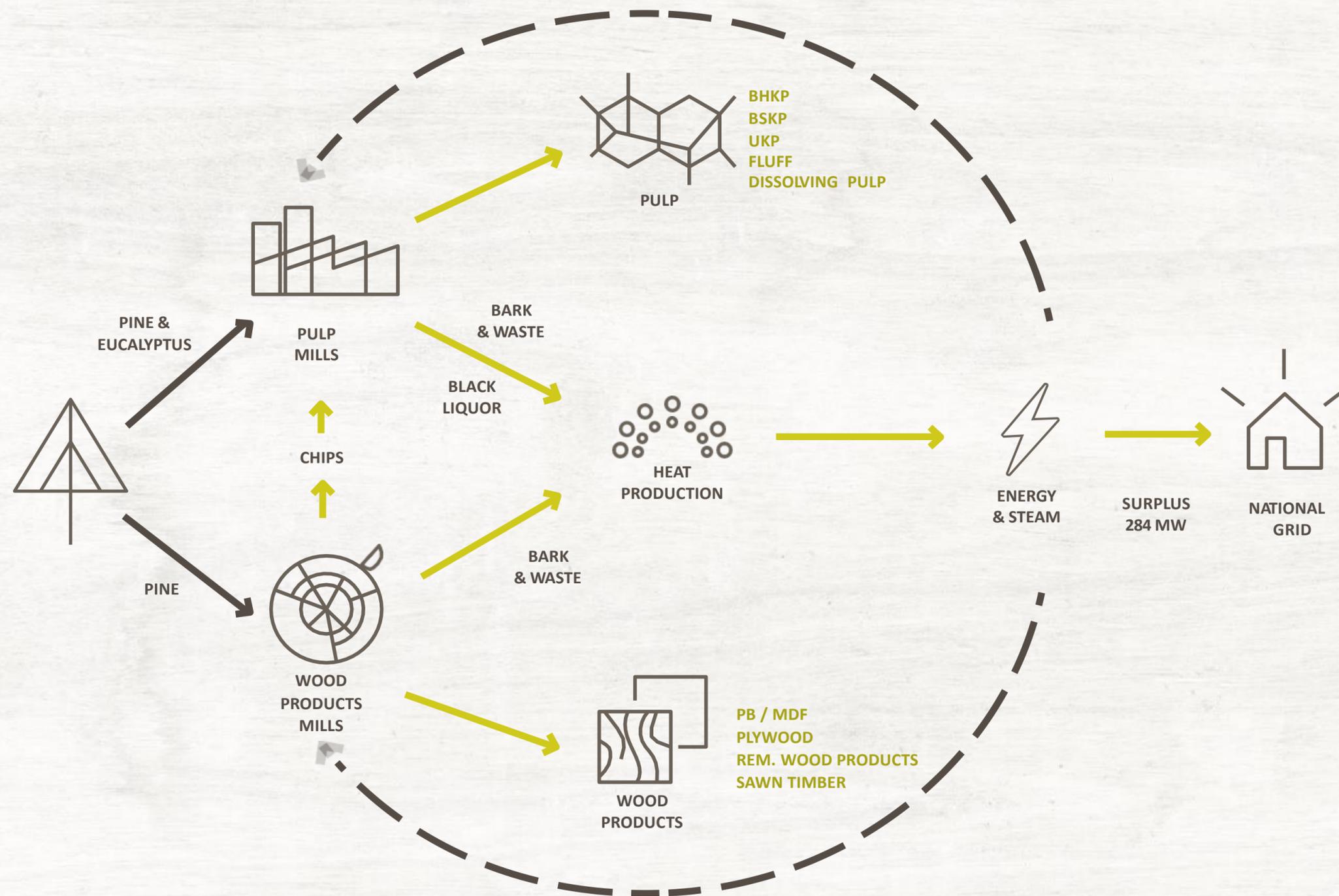


#2

**IN PANEL  
CAPACITY IN  
THE WORLD**

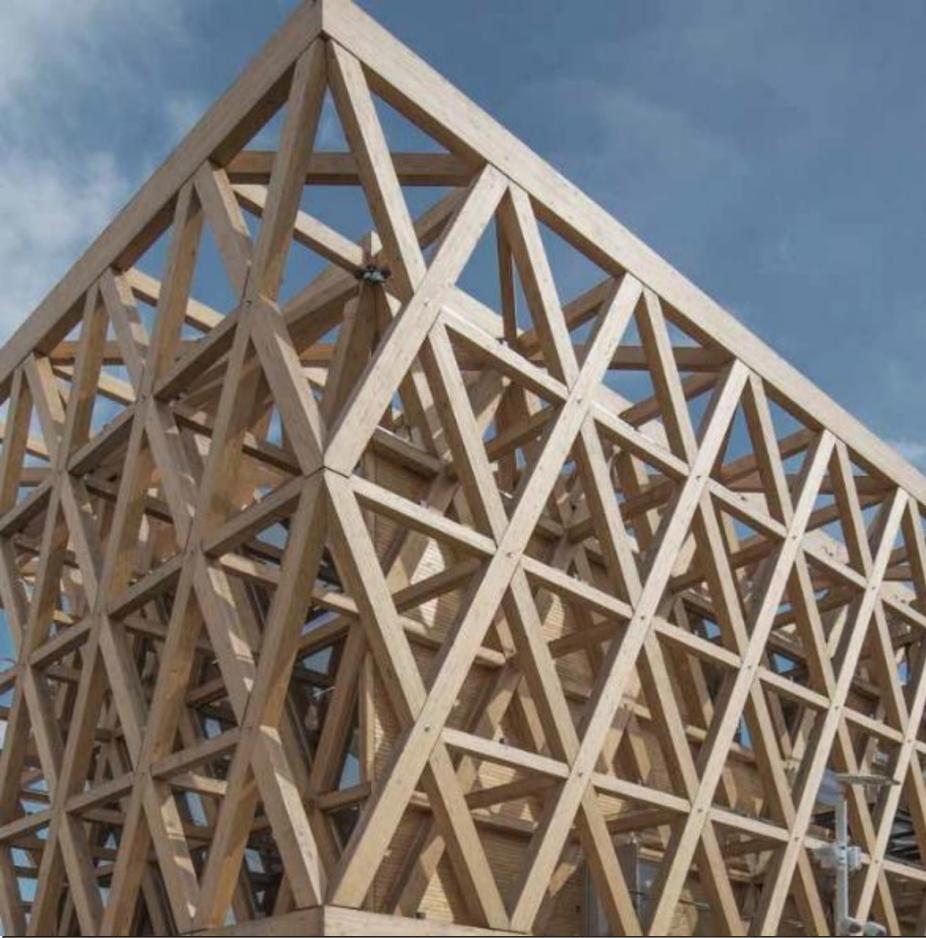
**WORLD PANELS\*\* CAPACITY (THOUSAND m³)**



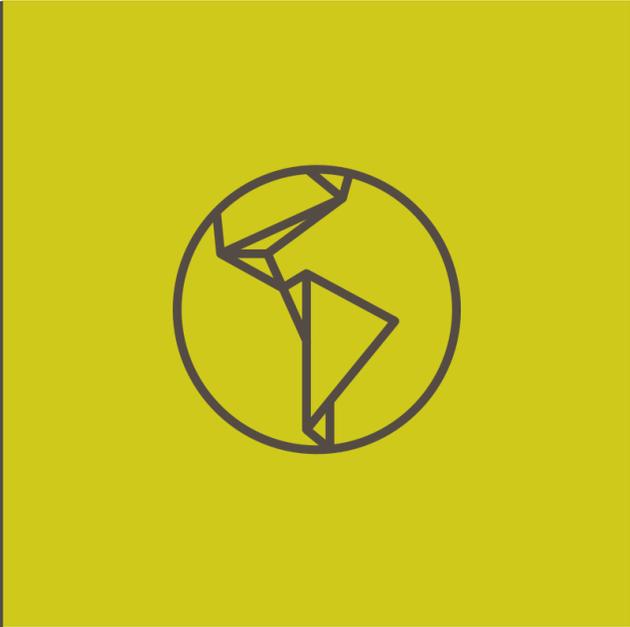


**MAXIMIZING THE VALUE OF OUR FOREST**





**BUSINESS  
SEGMENTS**



# PULP BUSINESS

## PULP SALES



# MUS

# \$2,928

Energy sales not included  
As of March 2024

**BHKP**  
Bleached Hardwood Kraft Pulp

**BSKP**  
Bleached Softwood Kraft Pulp

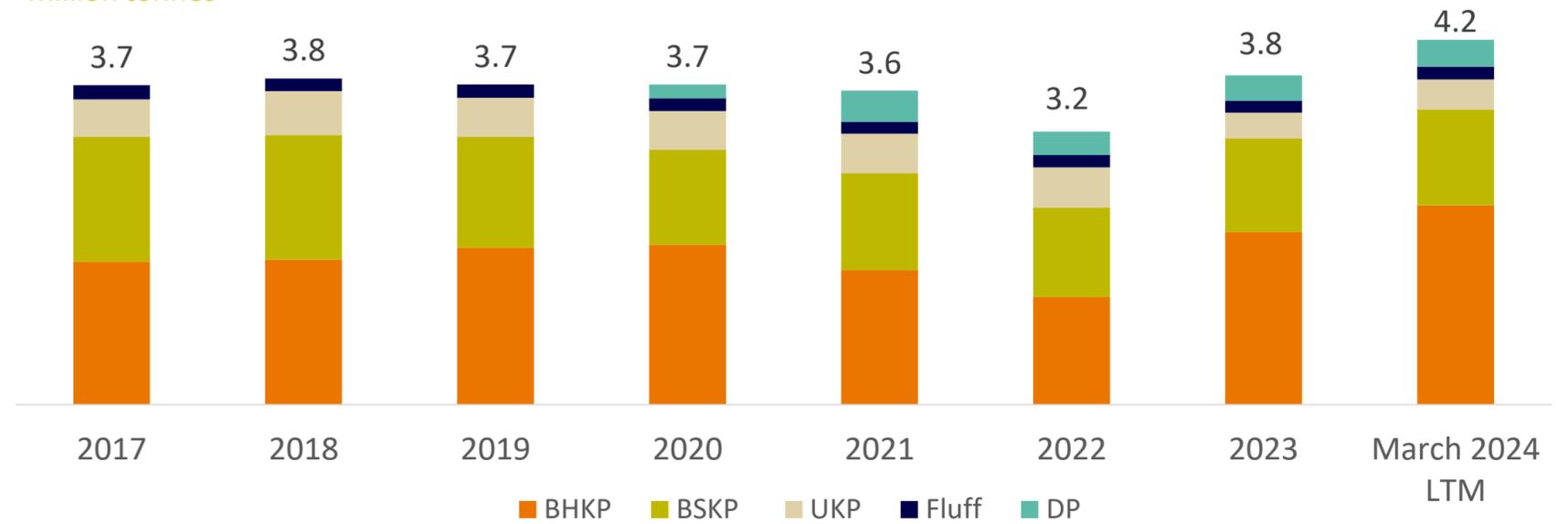
**UKP**  
Unbleached Kraft Pulp

**FLUFF**

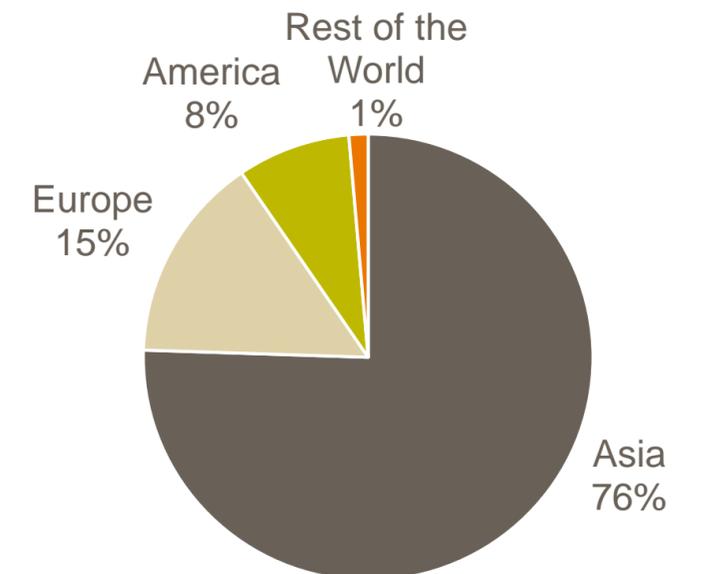
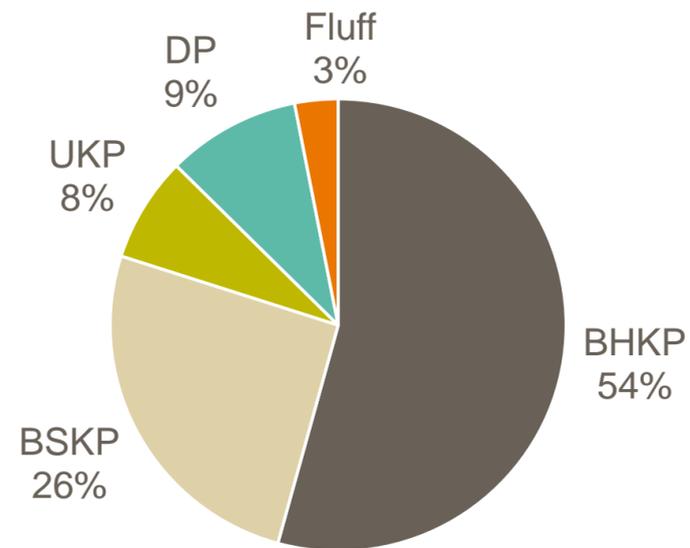
**DP**  
Dissolving Pulp

## PRODUCTION

million tonnes



**SALES VOLUME: 4.2 million tonnes**



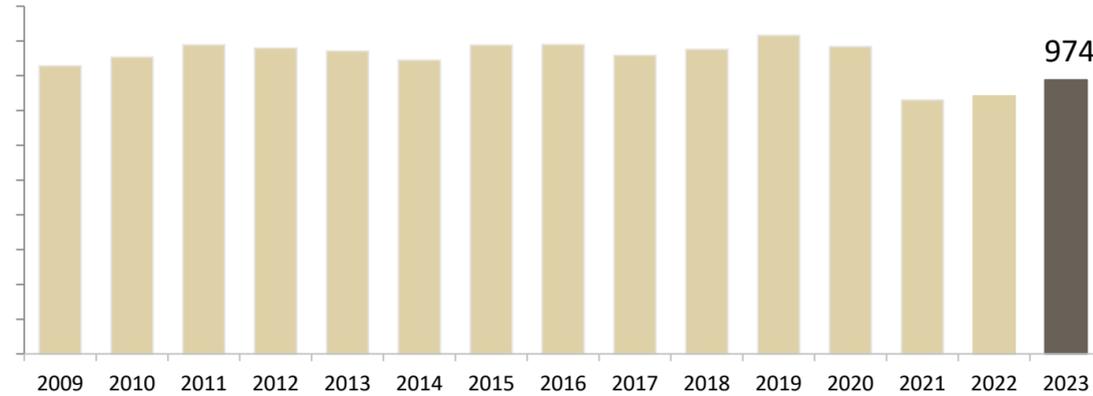
**PULP  
BUSINESS**

**FORESTRY  
OPERATIONS**

**TOTAL PLANTATIONS**

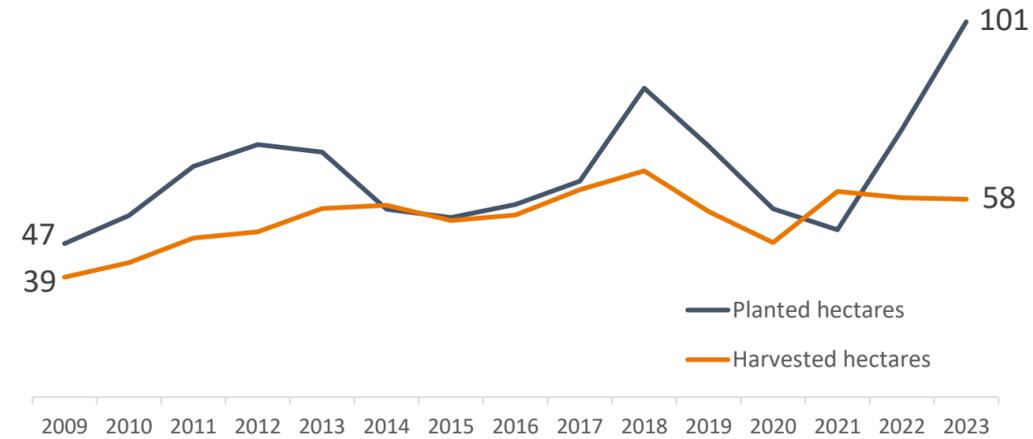
Includes plantations in Chile, Argentina, Brazil and Uruguay

In thousand hectares



**PLANTING AND HARVESTING**

In thousand hectares



**1.8** MILLION HECTARES OWNED

**974** THOUSAND HECTARES PLANTED

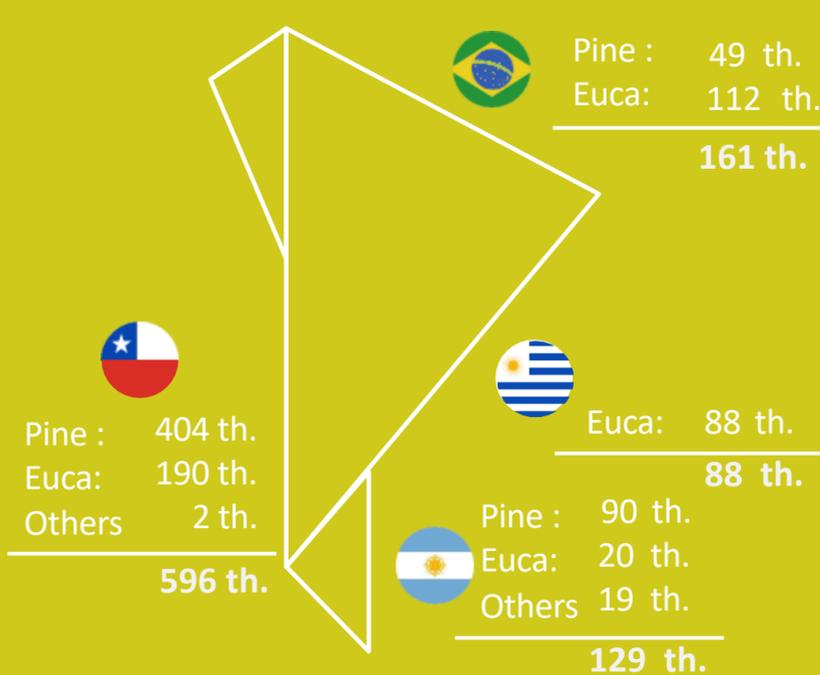
**544** TH OF PINE

**409** TH OF EUCA

**21** TH OTHERS

**509** TH OF NATIVE FOREST

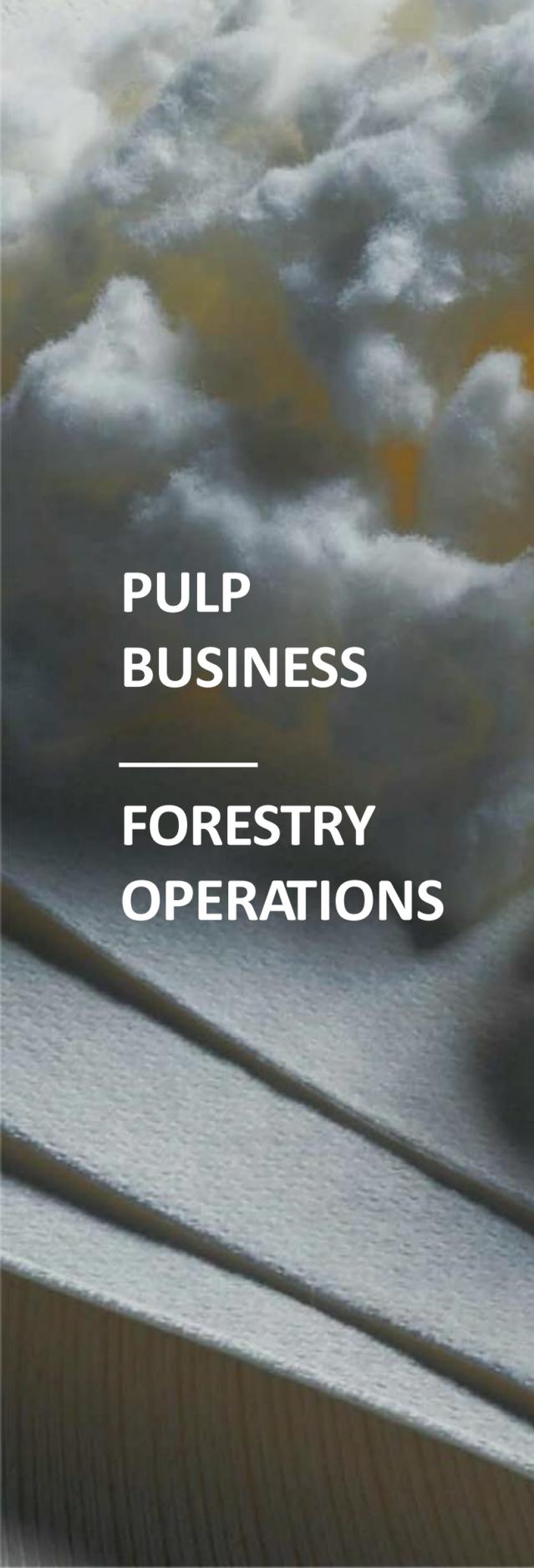
**HECTARES PLANTED**



**ENVIROMENTAL CERTIFICATIONS**

Our forests plantations have international certification in Forestry Management and Chain of Custody

For detailed information about each certification, you can visit our web site [www.arauco.com](http://www.arauco.com)



**PULP  
BUSINESS**

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**FORESTRY  
OPERATIONS**

## BIOFOREST RESEARCH AND DEVELOPMENT

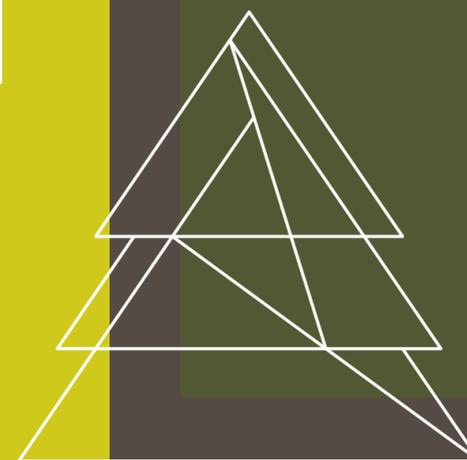
**+30** years researching, developing, and applying innovative technologies to enhance the productivity of our forest and industrial resources.

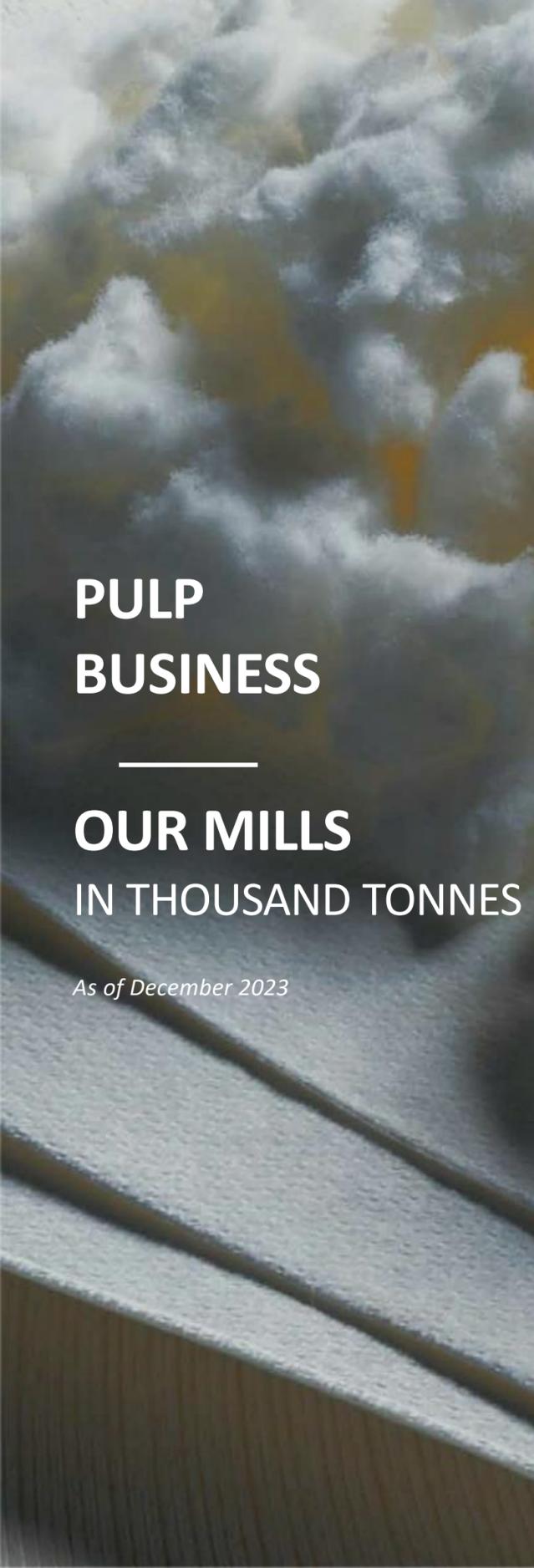
Our strategic focus points are:



Bioforest is structured to focus on disruptive research and delivering greater value to our businesses.

- More than 30 people dedicated to research new technologies and products derived from the pulp process and forest improvements.
- Collaboration with a broad network to improve our industrial and forestry management based on empirical evidence and transferring knowledge.
- Committed to the surrounding environment of our operations and to build trust with adjacent communities.





# PULP BUSINESS

## OUR MILLS IN THOUSAND TONNES

As of December 2023

**arauco**

**NUEVA ALDEA**  
520 BHKP  
520 BSKP



**MONTES DEL PLATA**  
1,420 BHKP

ARAUCO owns 50%



**CONSTITUCIÓN**  
355 UKP



**ESPERANZA**  
350 FLUFF or BSKP  
Swing mill



**ARAUCO MILL**  
1,560 BHKP  
540 BSKP



**VALDIVIA**  
550 DP or BHKP  
Swing mill



**1. LOGISTIC EFFICIENCY**



AVERAGE DISTANCES (km) FROM

FORESTS TO MILLS

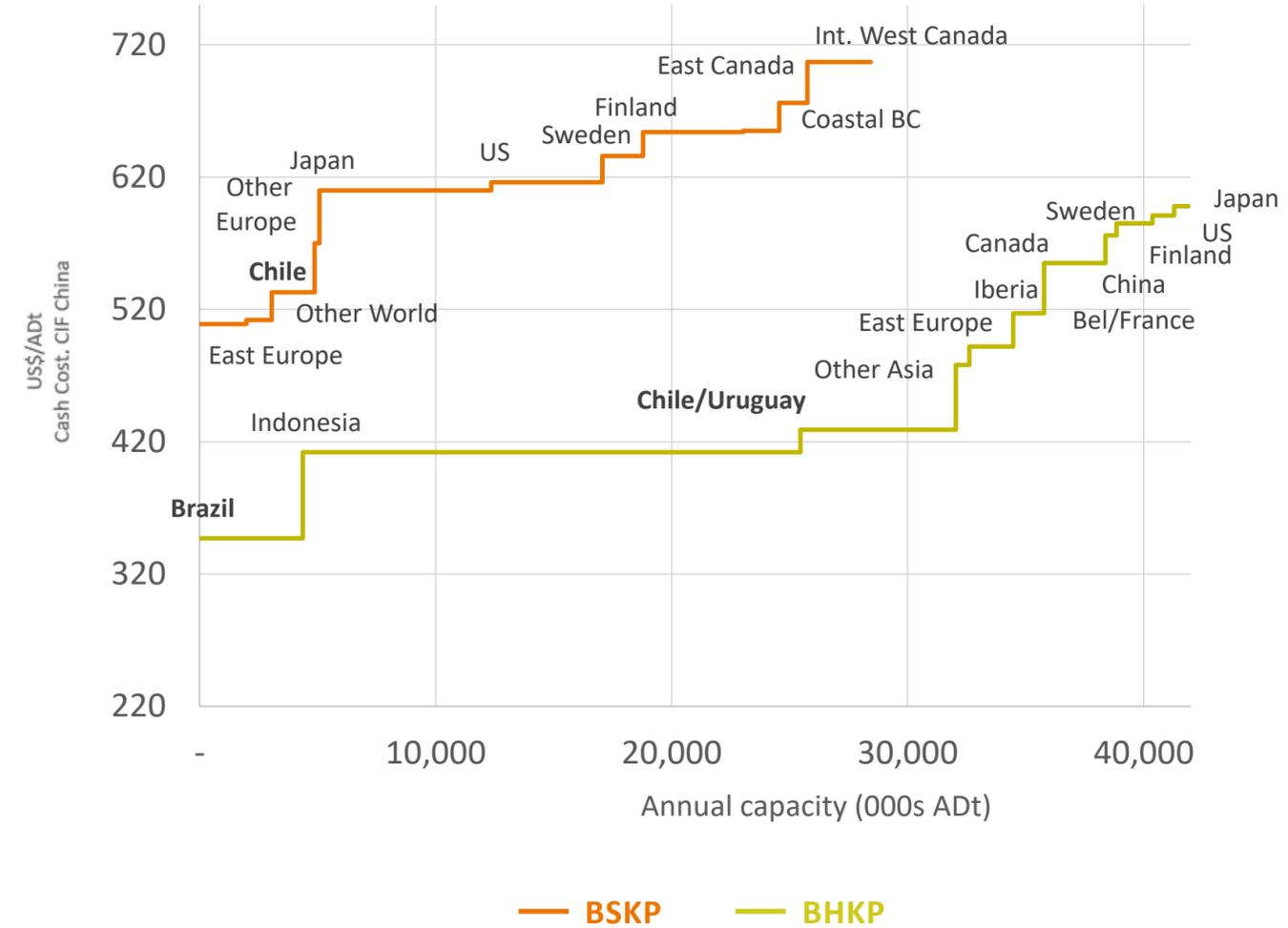
CHILE	>	<b>85</b>
ARGENTINA	>	<b>80</b>
URUGUAY	>	<b>282</b>

MILLS TO PORTS

CONSTITUCIÓN	>	<b>316</b>
NUEVA ALDEA	>	<b>63</b>
ARAUCO	>	<b>35</b>
VALDIVIA	>	<b>301</b>
ALTO PARANÁ	>	<b>1.200</b>
MONTES DEL PLATA	>	<b>0</b>
<b>WEIGHTED AVG.</b>	<b>&gt;</b>	<b>152 <sup>(1)</sup></b>

Source: ARAUCO.  
 (1) Calculated using sales volume for 2023.

**2. COST ADVANTAGES**



Source: Hawkins Wright.  
 Other world includes Argentina, China and Oceania.

**PULP  
BUSINESS**

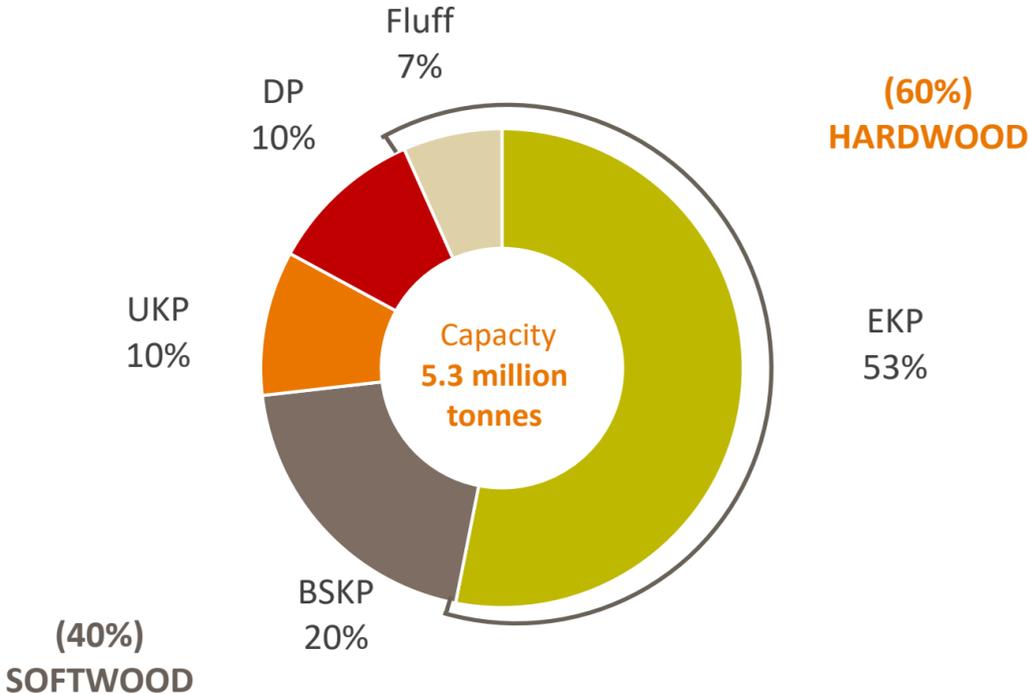
**COMPETITIVE  
ADVANTAGES**

As of December 2023

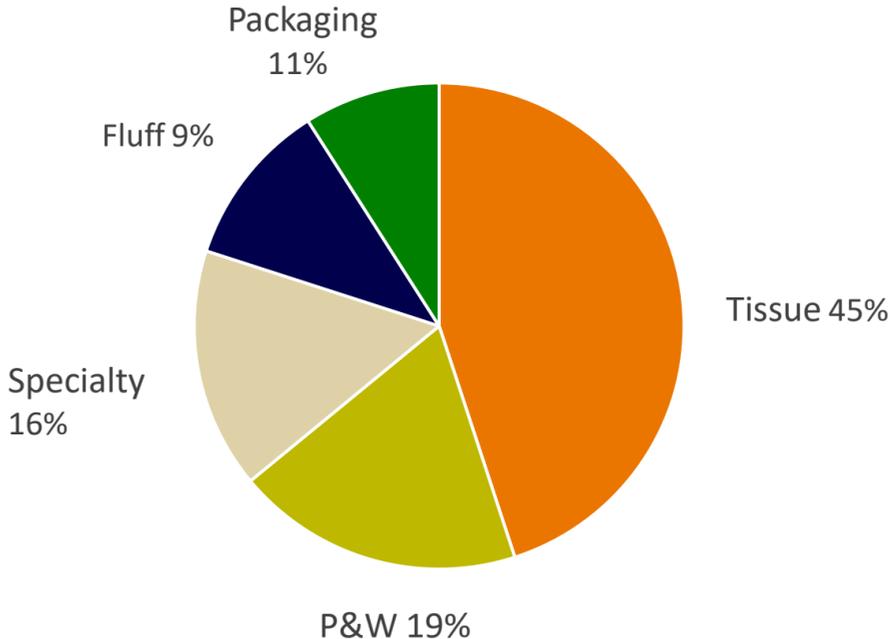
3. PRODUCT DIVERSIFICATION

PULP BUSINESS  
 COMPETITIVE ADVANTAGES

As of December 2023



BCP SHIPMENT BY END-USE, 2023 ESTIMATE <sup>(2)</sup>



Source: ARAUCO.  
 (1) Dissolving Pulp  
 The Valdivia mill will keep the ability to switch from producing dissolving pulp to paper grade (BHKP).

(2) Source: Hawkins Wright.  
 BCP: Bleached Chemical Pulp, which includes all bleached kraft pulp (and not unbleached) and sulphite Pulp.

REVENUES

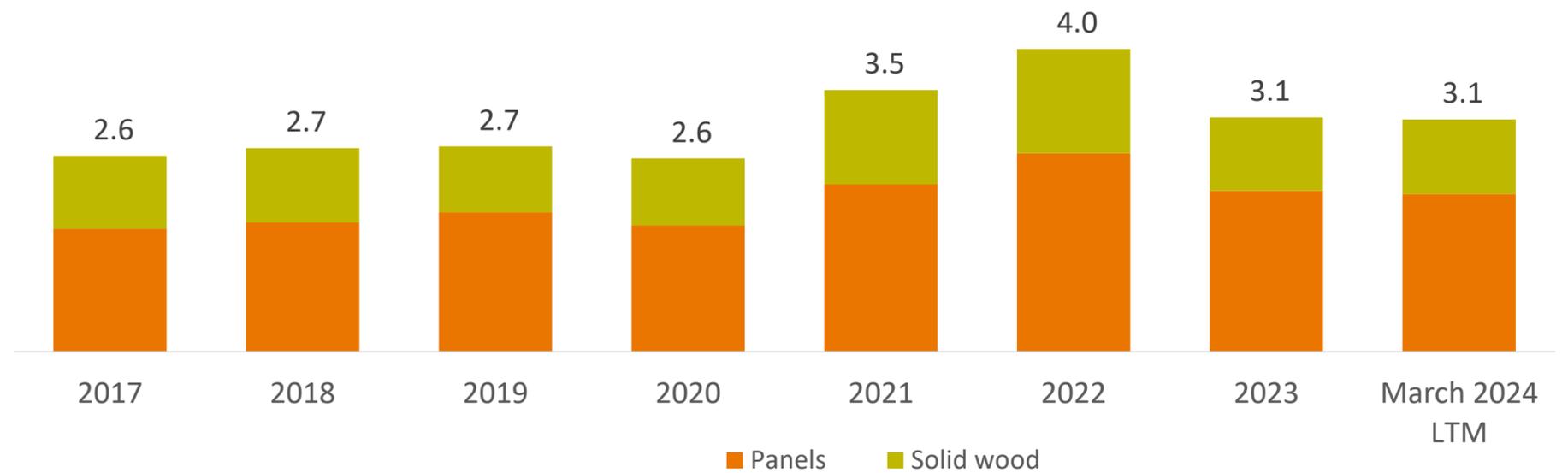
MUS  
\$3,105

Energy sales not included  
As of March 2024 LTM



SALES  
EVOLUTION

US\$ billion

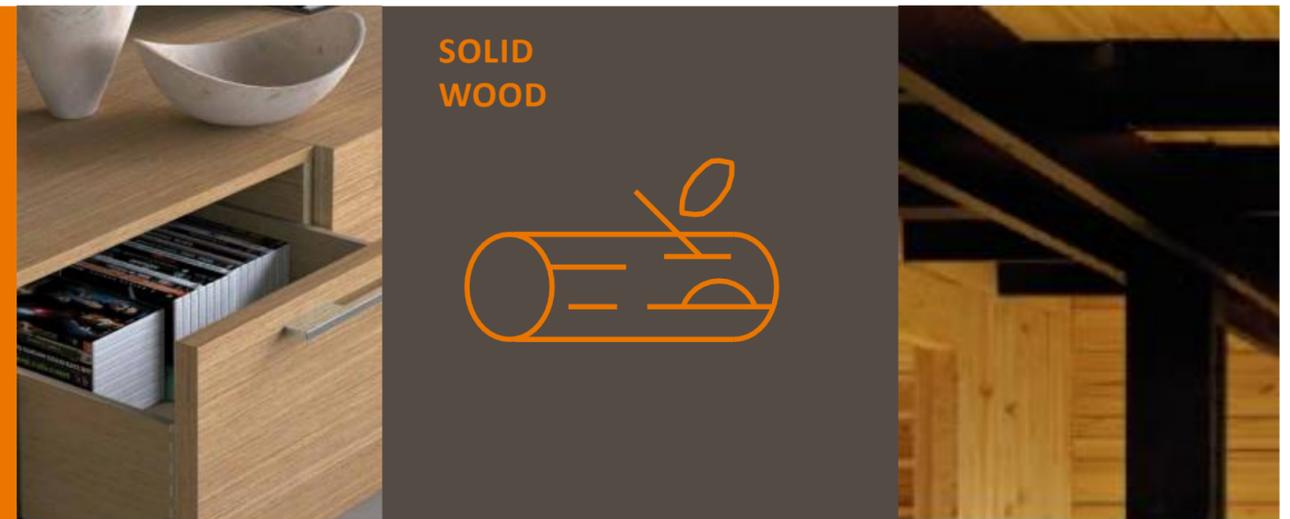


SUBDIVISIONS

PANELS



SOLID  
WOOD



WOOD PRODUCTS BUSINESS: PANELS

**PANELS SALES**

**MUS \$2,107**

Energy sales not included  
As of March 2024.

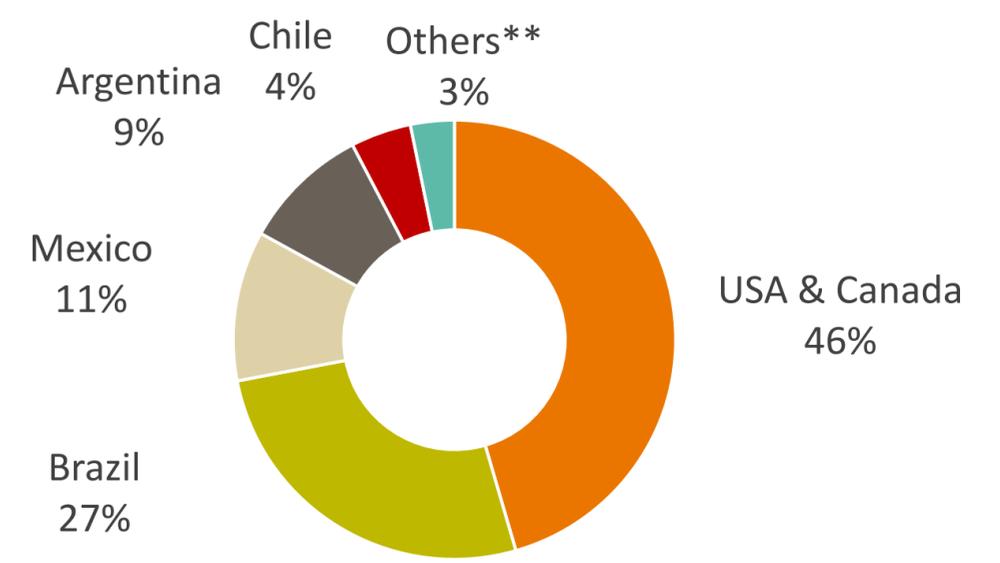
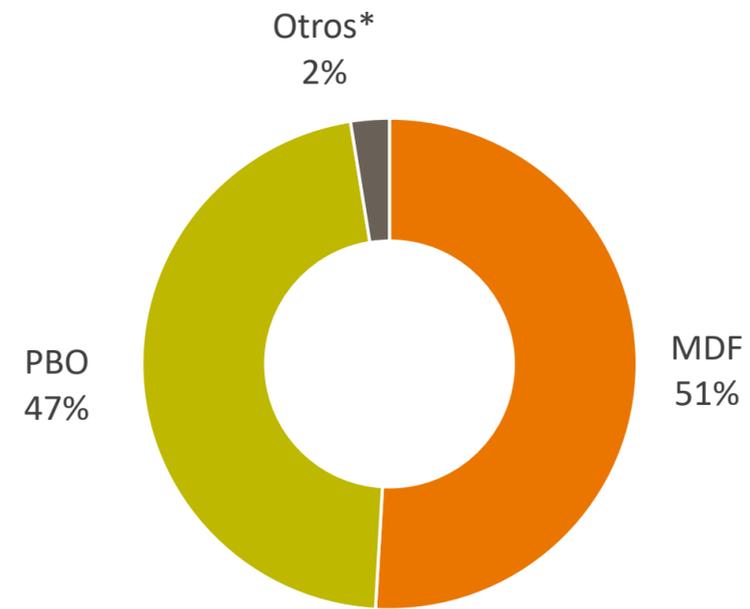
Does not include Sonae Arauco volumes  
\*OSB, HB, Retail and Composite panels  
\*\* EMEA, Asia, Oceania and Rest of Latam

**PRODUCTION**

million m<sup>3</sup>



**SALES VOLUME: 5.0 MILLION M<sup>3</sup>**



WOOD  
PRODUCTS  
BUSINESS :  
SOLID WOOD

SOLID  
WOOD  
SALES

MUS  
\$998

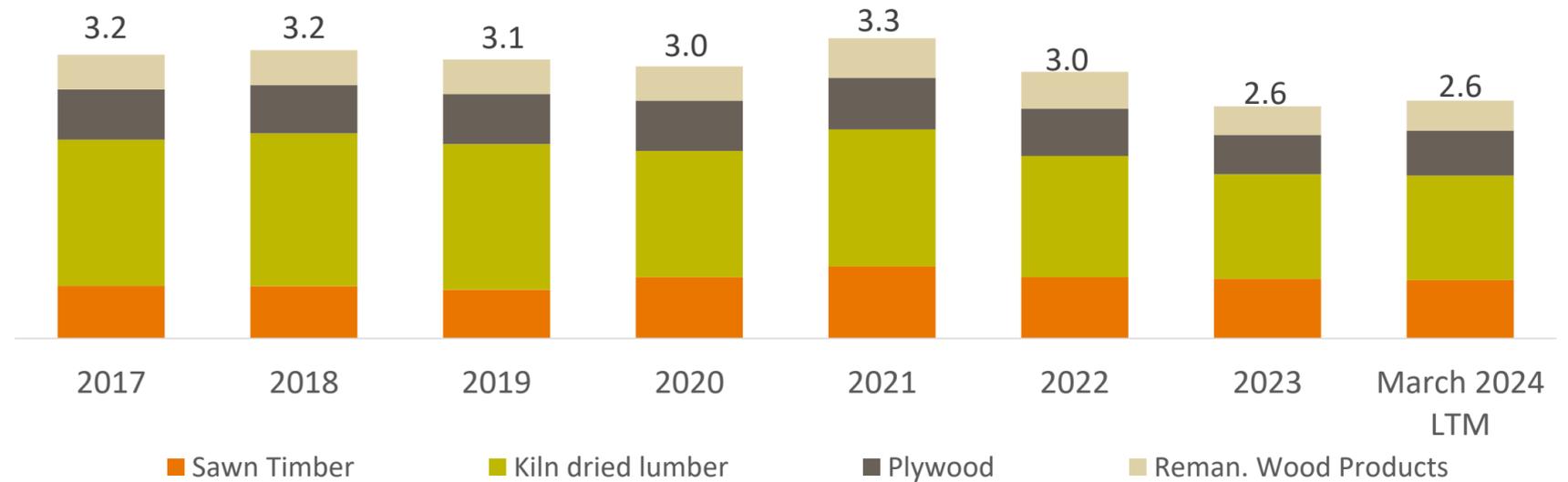
Energy sales not included  
As of March 2024



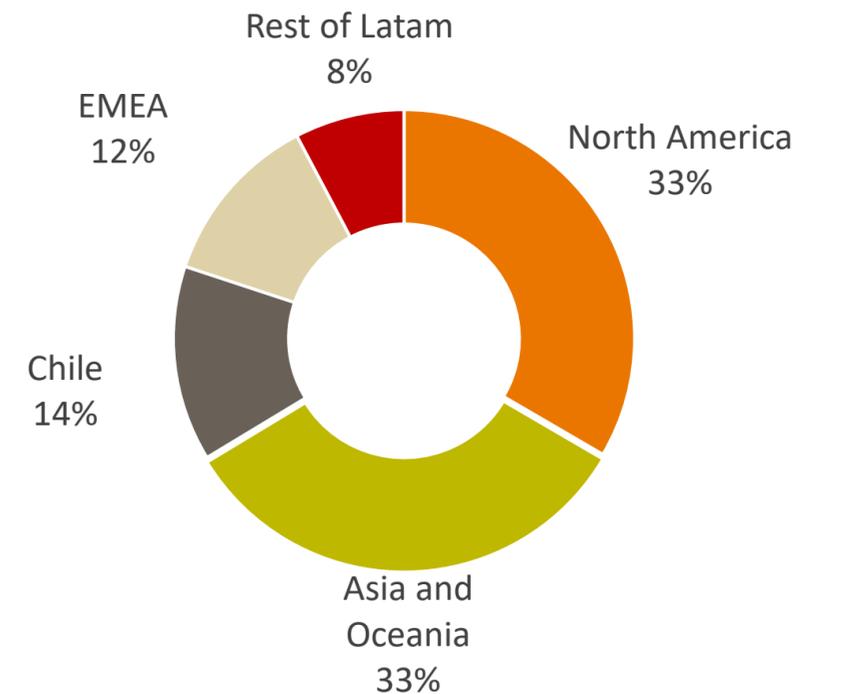
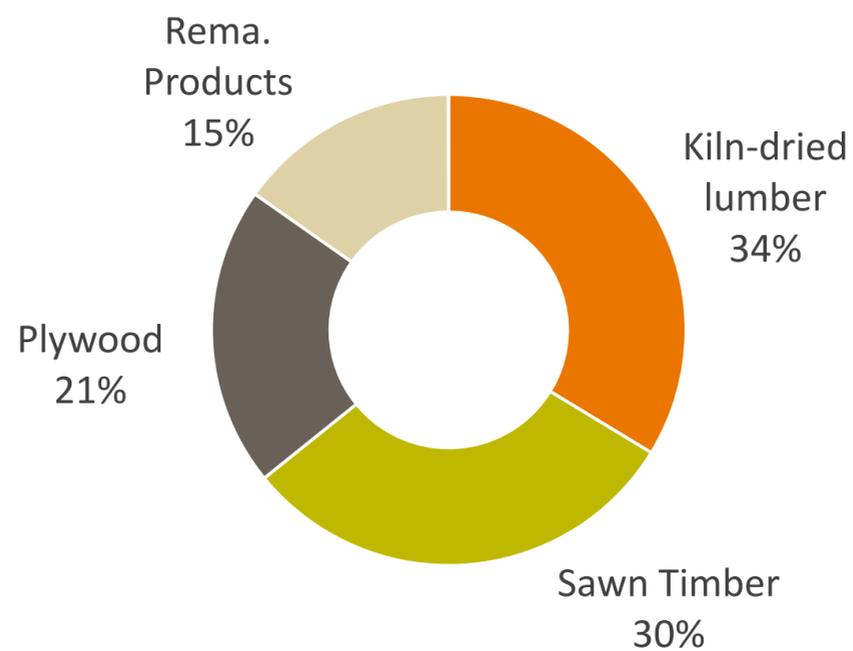
Sonae Arauco's volume not included.

PRODUCTION

million m<sup>3</sup>

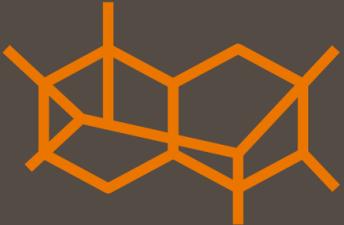
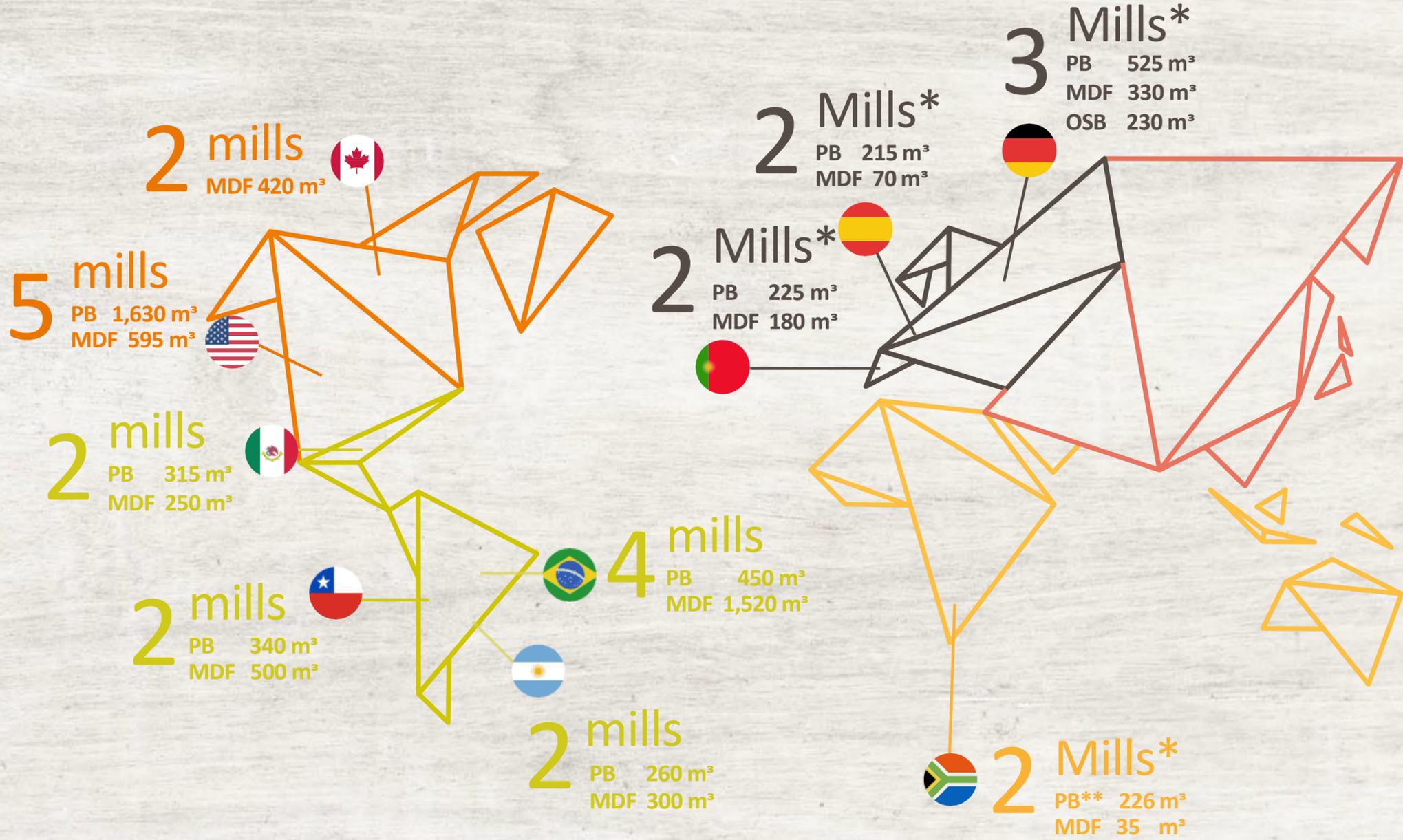


SALES VOLUME: 2.4 MILLION M<sup>3</sup>



**PANELS  
OUR  
MILLS**

**IN  
THOUSANDS**  
As of December 2022

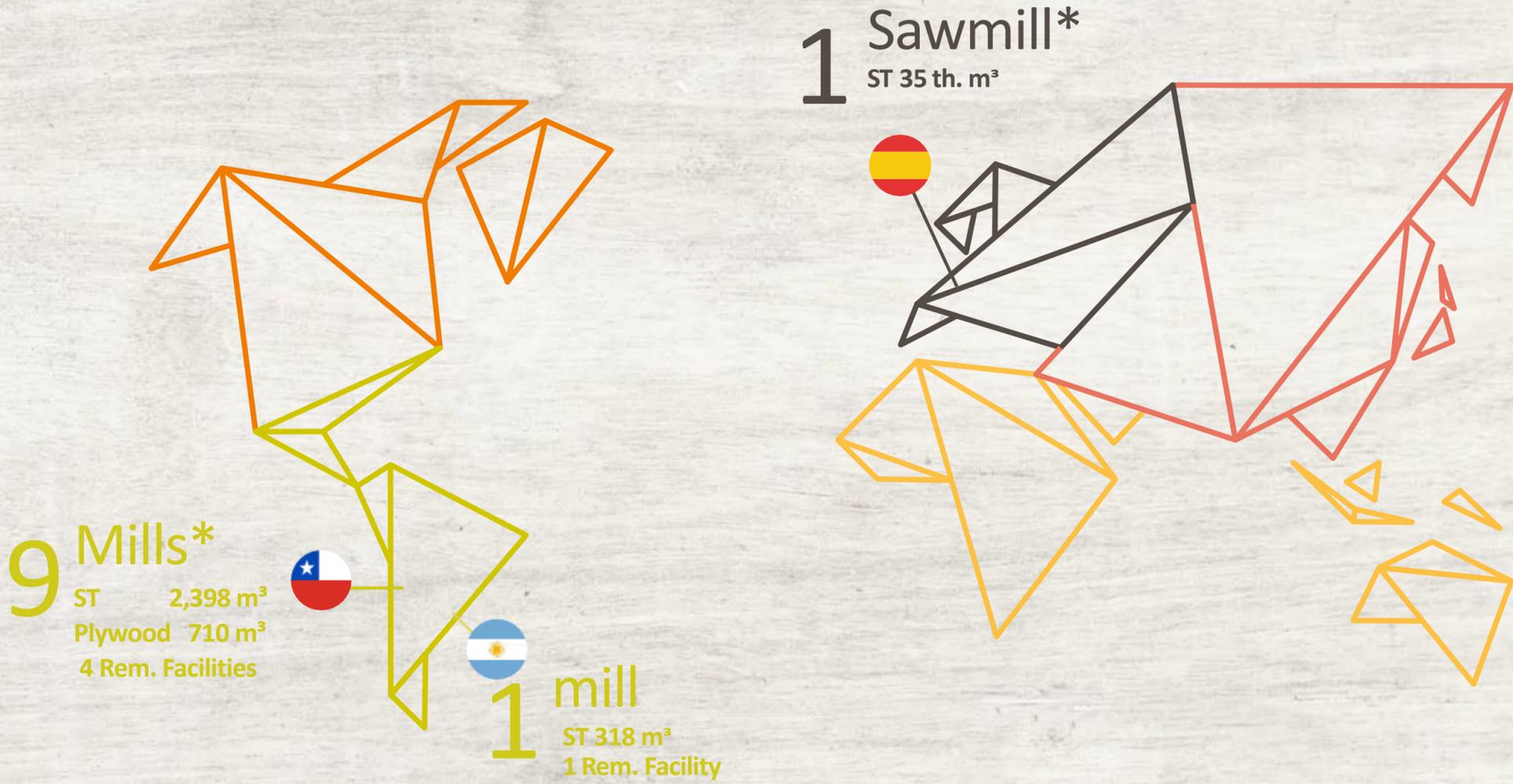



PB: Particle Board  
MDF: Medium Density Fiberboard  
OSB: Oriented Strand Board

\*Arauco owns 50% of Sonae Arauco  
\*\*One PB mill in South Africa is currently shut down

**SOLID  
WOOD  
OUR  
MILLS**

**IN  
THOUSANDS**  
As of December 2023

ST: Sawn Timber  
Rem: Remanufactured Wood Products

As of December 2023  
\*Arauco owns 50% of Sonae Arauco  
\*\*One mill in Chile (Horcones II) is currently shut down

# ENERGY COMPLEMENTARY OPERATIONS

## REVENUES

MUS  
\$89

As of March 2024 LTM



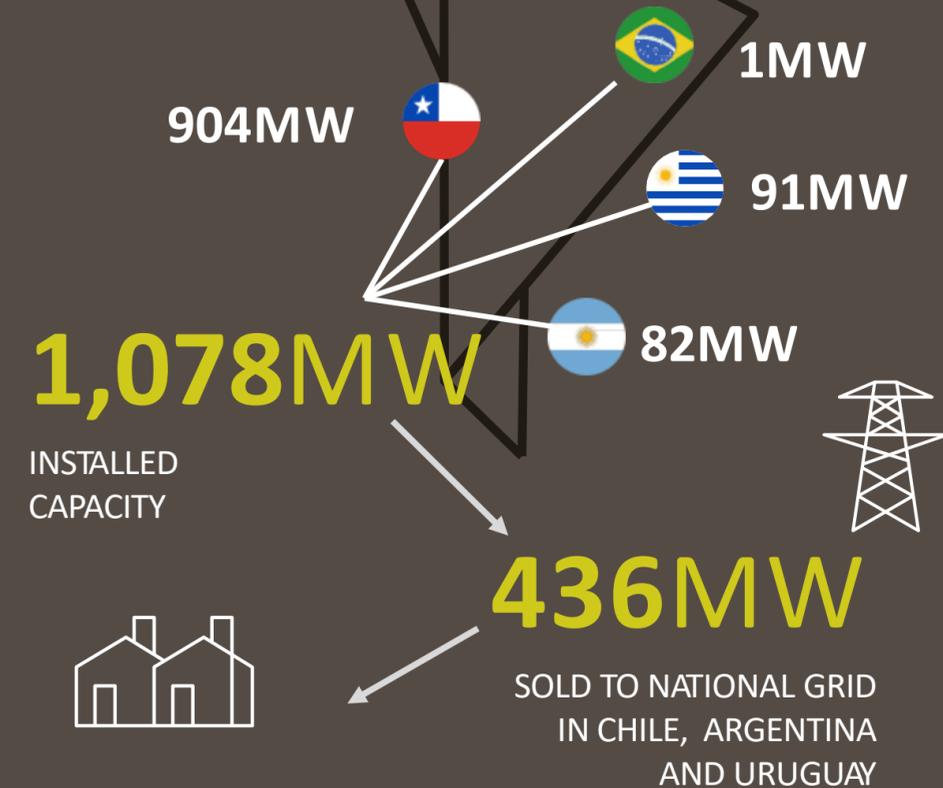
## HIGHLIGHTS

Arauco generates renewable energy from forestry biomass and uses it in the production processes.

In Chile, Argentina and Uruguay, we are self-sufficient in net electricity consumption and we sell the surplus to the local grid.

5 cogeneration plants in Chile and 1 plant in Uruguay are registered under the Kyoto Protocol Clean Development Mechanism (CDM).

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1,078 MW

INSTALLED CAPACITY

436 MW

SOLD TO NATIONAL GRID IN CHILE, ARGENTINA AND URUGUAY

1.380.000

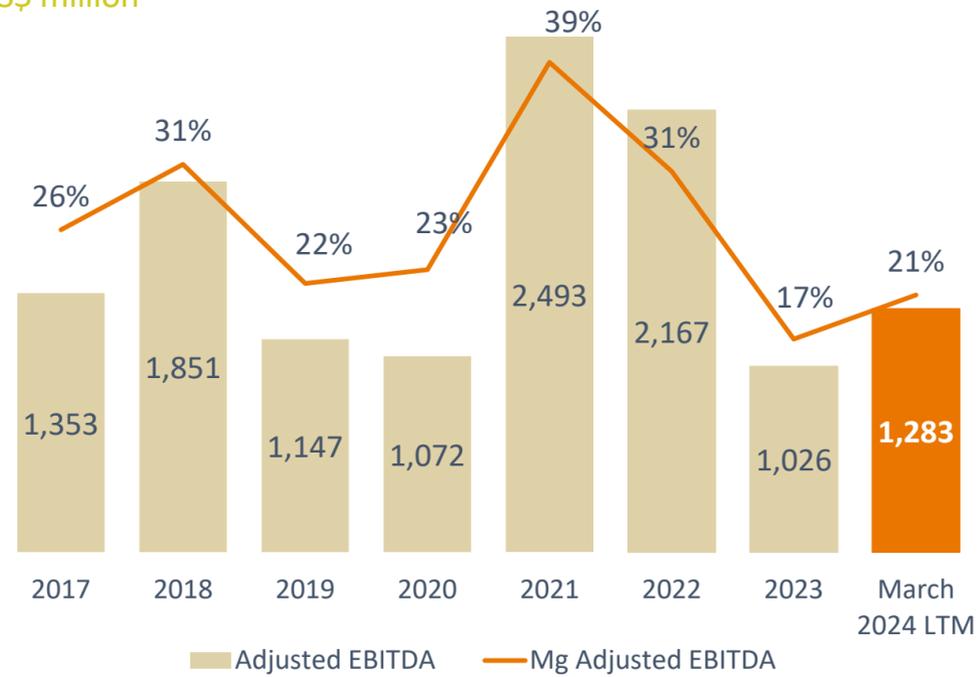
HOMES CAN BE POWERED BY THE SURPLUS INJECTED TO THE GRID

# MAIN FIGURES

As of March 2024 LTM

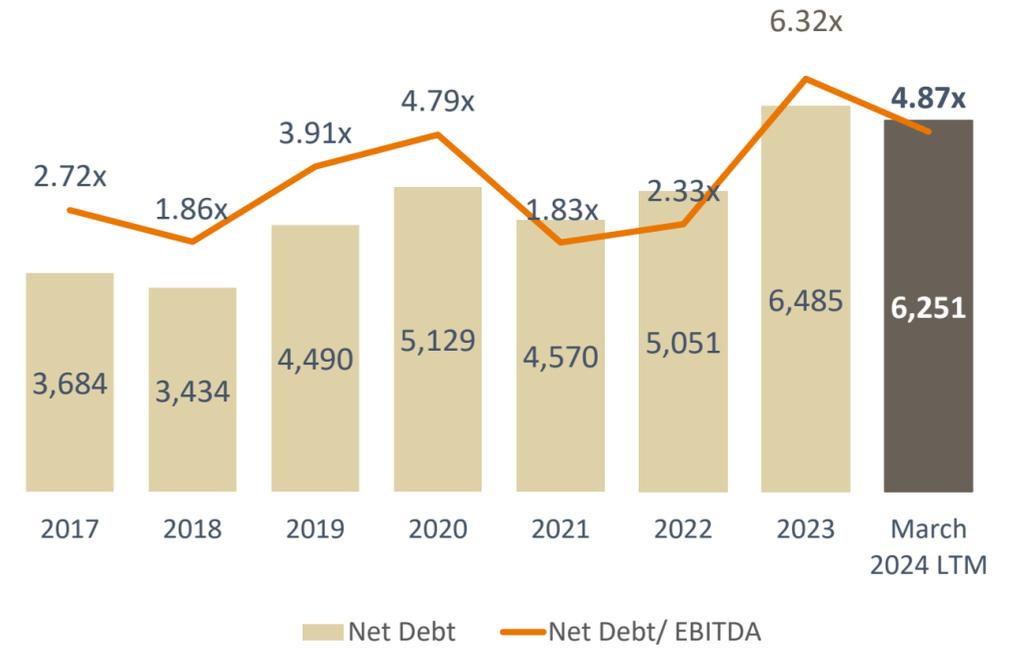
## ADJUSTED EBITDA

US\$ million



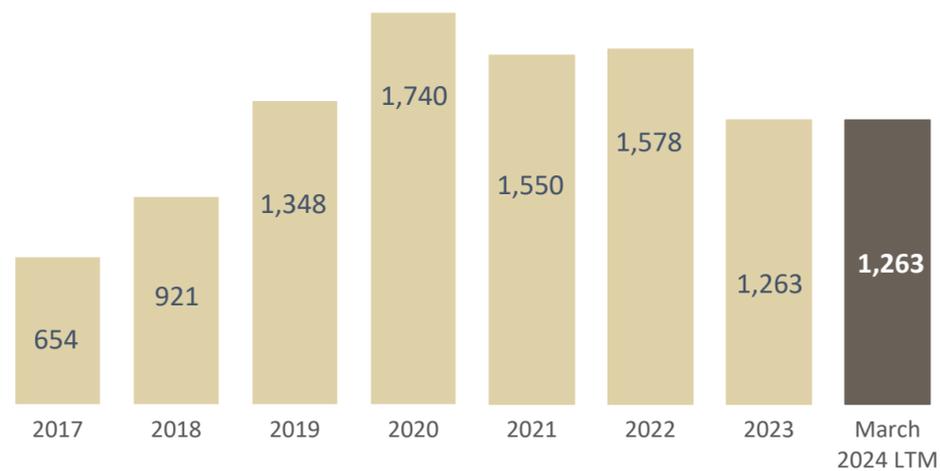
## NET DEBT

US\$ million



## CAPEX

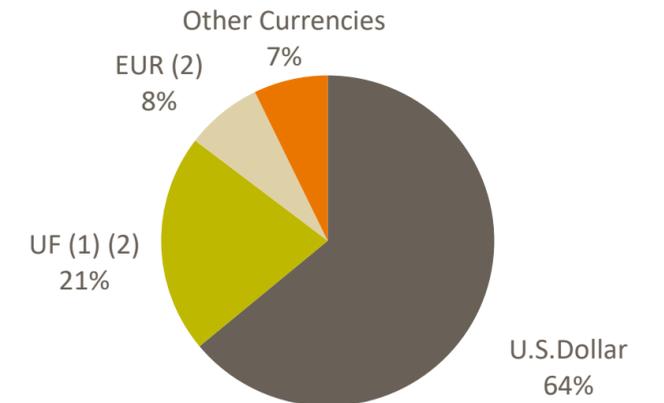
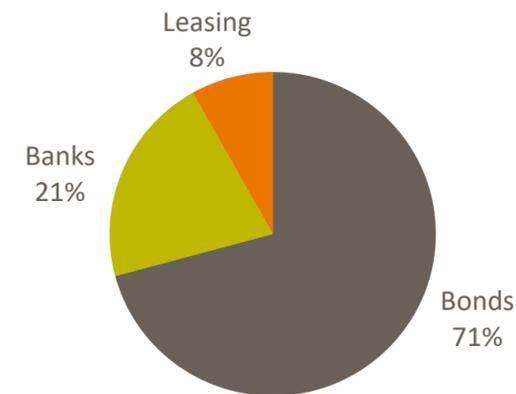
US\$ million



## DEBT BREAKDOWN

by Instrument

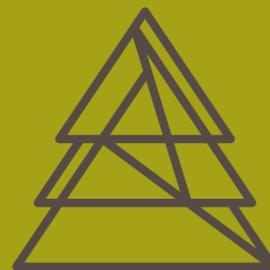
by Currency



(1) UF is a Chilean monetary unit indexed to inflation.  
 (2) Swapped to USD

# ESG

ARAUCO WAS THE  
FIRST LATIN  
AMERICAN  
FORESTRY COMPANY  
TO ISSUE SUSTAINABLE BONDS IN  
OCTOBER 2019



ON APRIL & JUNE 2023  
ARAUCO ISSUED ITS FIRST  
SUSTAINABLE  
BONDS  
IN THE CHILEAN DEBT  
MARKET.



ARAUCO ATTENDED  
COP27 IN  
NOVEMBER 2022  
AND COMMITTED  
TO BEING



## NATURE NET POSITIVE:

- 1  
WATER  
MANAGEMENT
- 2  
BIODIVERSITY  
CONSERVATION
- 3  
CO<sub>2</sub> ATMOSPHERE  
REDUCTION

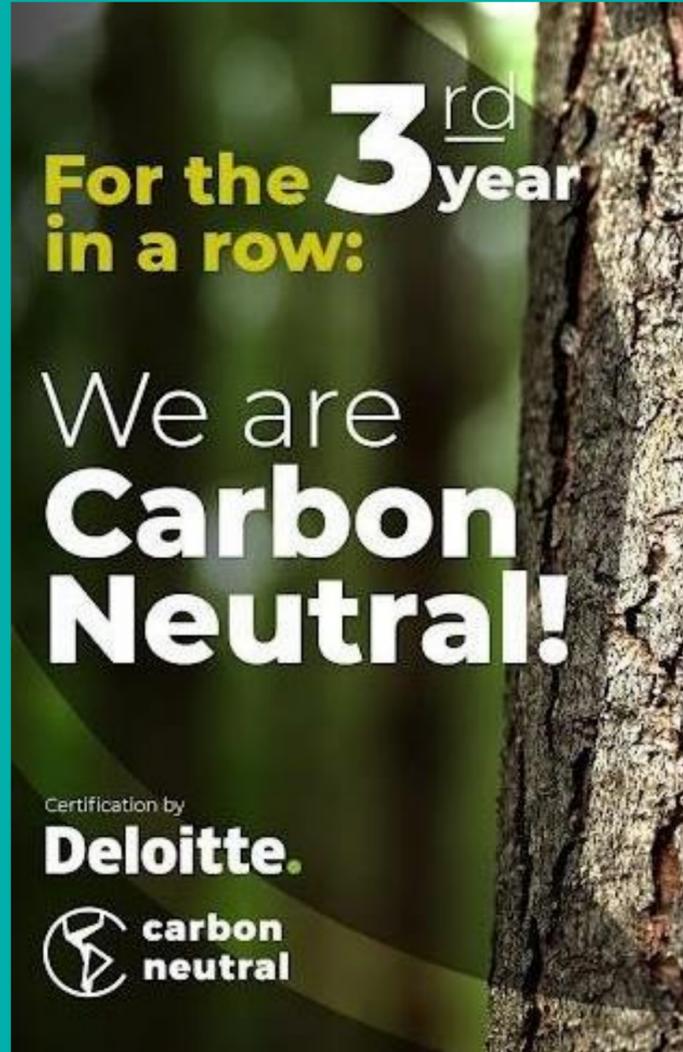
**arauco**

## INTEGRATED REPORT 2023

IN APRIL, WE  
PUBLISHED OUR INTEGRATED  
REPORT, AVAILABLE IN ENGLISH AND  
SPANISH.



SUSTAINABILITY  
STRATEGY



Deloitte officially validated our carbon neutrality in 2020 for 2018, in 2021 for 2019 and in 2022 for 2020 (Method applied in accordance with the Deloitte Neutrality Protocol guidelines).

Price Waterhouse Coopers audited the entire estimation process of captures and storage in forestry products.

ARAUCO was the first company to successfully apply this protocol.





araucó



OUR EMISSIONS ARE  
EQUIVALENTE TO

**4.4**

MILLION TONS OF CO<sub>2</sub>

SCIENCE BASED TARGETS (SBTi)  
HAS APPROVED OUR  
**COMMITMENT**  
TO THE PLANET

WE HAVE COMMITTED TO  
REDUCING OUR EMISSIONS BY

**1.5**

MILLION TONS BY 2030.

OUR PRODUCTS REPLACE  
FOSSIL-BASED ALTERNATIVES,  
SAVING

**10.5**

MILLION TONS OF CO<sub>2</sub>.

# SUSTAINABLE FORESTRY DEVELOPMENT ENABLES THE TRANSITION TOWARDS A BIOECONOMY



Economy based on the consumption and production of goods and services derived from **the direct use and sustainable transformation of biological resources.**

**IF IT IS NOT WOOD**

*It will be concrete and steel*

**IF IT IS NOT NATURAL FIBER**

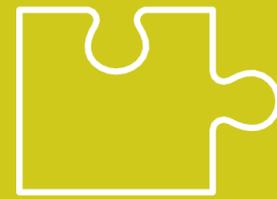
*It will be polyester*

**IF NOT PAPER**

*It will be plastic*

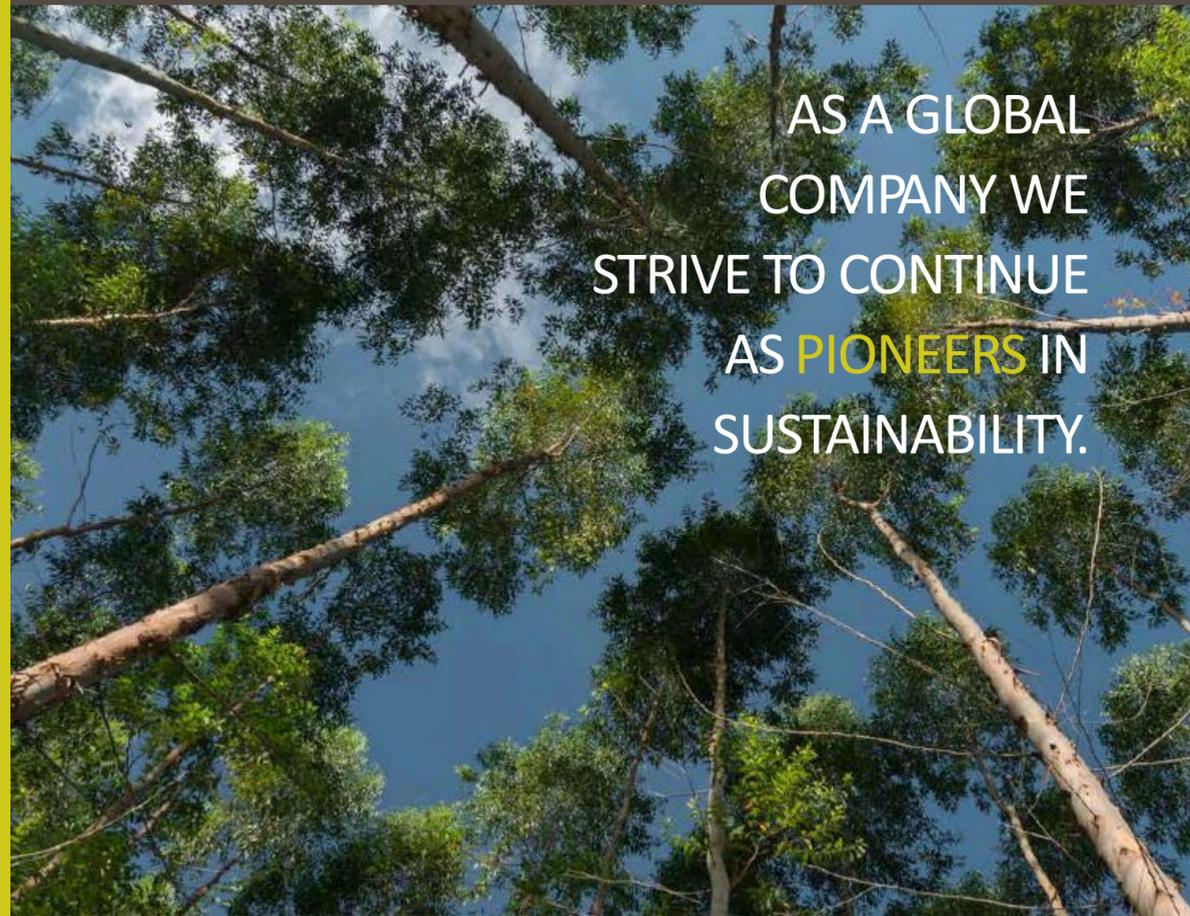
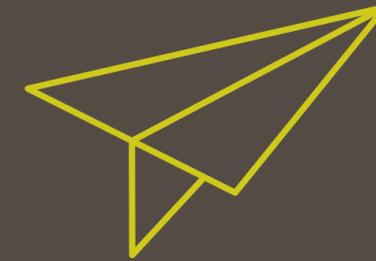
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TAKEAWAYS



WE EXPECT STABILIZED MARKETS, WITH OUR MILLS FUNCTIONING AS SCHEDULED ALONG WITH A BETTER LIQUIDITY POSITION DUE TO AN EFFICIENT MANAGEMENT OF OUR FORESTRY ASSETS.

WE CONTINUE TO EXPAND GLOBALLY, SEEKING NEW CHALLENGES TO MAXIMIZE THE COMPANY'S VALUE IN A SOCIAL, ENVIRONMENTAL, AND ECONOMICAL RESPONSIBLE WAY.



AS A GLOBAL COMPANY WE STRIVE TO CONTINUE AS PIONEERS IN SUSTAINABILITY.

**FOR FURTHER INFORMATION,  
PLEASE CONTACT:**

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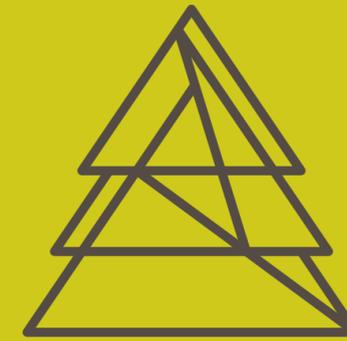
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renewables  
for a  
better life

**arauco**

