

# CORPORATE PRESENTATION

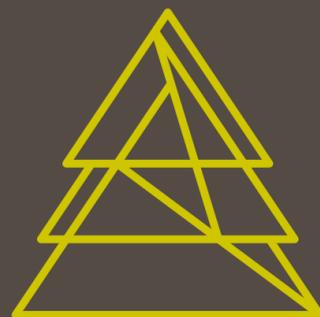
Q3  
2023

renewables  
for a  
better life

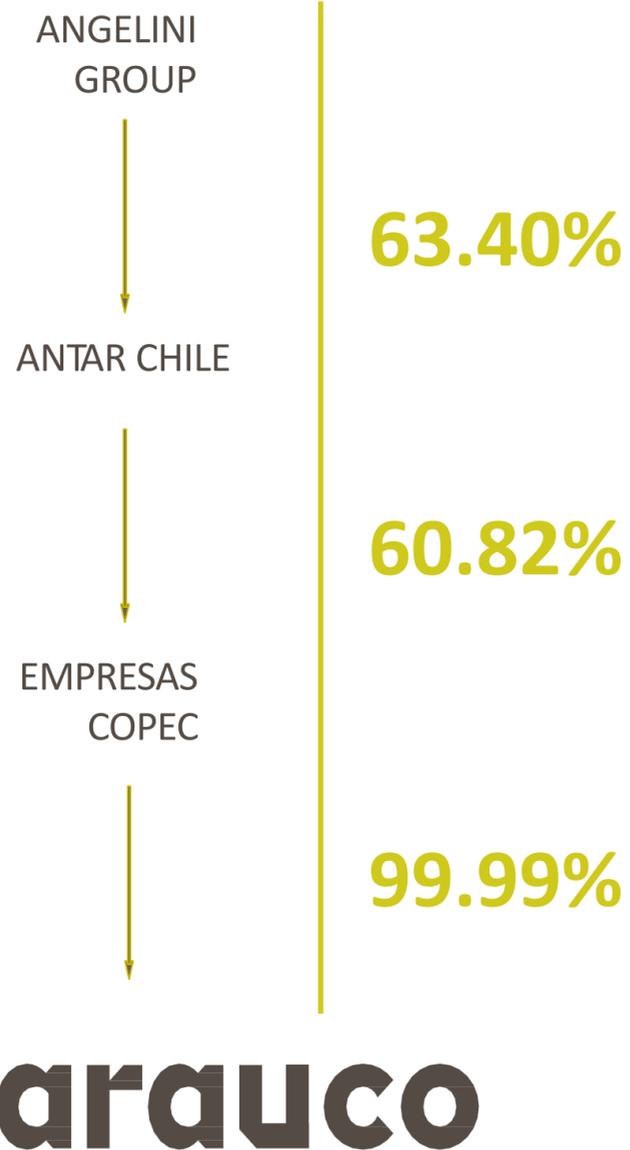
**arauco**



**ARAUCO  
AT A  
GLANCE**



**SHAREHOLDER STRUCTURE**



**CREDIT RATINGS**

**INTERNATIONAL SCALE**

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

**NATIONAL SCALE**

FITCH RATINGS	AA ✓
FELLER RATE	AA ✓

✓ Outlook: stable

**FINANCIAL HIGHLIGHTS**

In US\$ million, as of September 2023, LTM

EBITDA	1,045	Net Income	(452)
EBITDA Margin	17.3%	CAPEX	1,402
Net Debt / EBITDA	6.00x	Revenues	6,037

# REVENUES MUS\$6,037

PULP 45%      WOOD 55%

# Adjusted EBITDA MUS\$1,045

PULP 58%      WOOD 55%  
OTHERS -13%



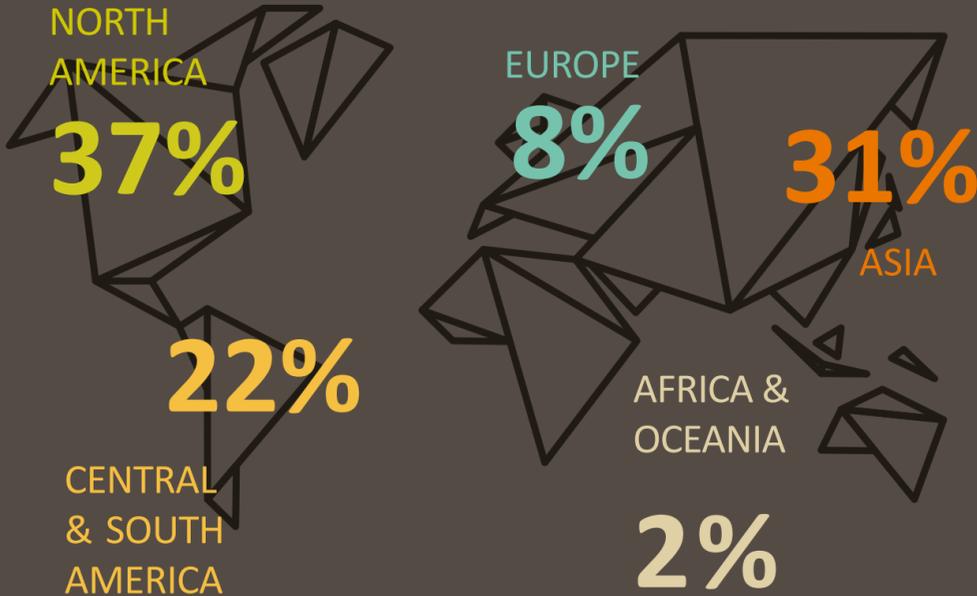
DIVERSIFIED  
SALES  
AROUND  
THE WORLD



As of September 2023, LTM

# REVENUES BY REGION

As of December 2022



## Pulp

## Wood products

## Complementary energy operations

### TWO STRATEGIC BUSINESS SEGMENTS

	Forest Plantations <sup>(1)</sup>	Mills	Panels	Solid Wood	
	606 th. ha	5 Mills 4,175 th. t	2 Mills PB: 340 th. m <sup>3</sup> MDF: 500 th. m <sup>3</sup>	9 Mills Sawn Timber: 2,703 th. m <sup>3</sup> Plywood: 710 th. m <sup>3</sup> 4 Rem. Facilities	10 Power plants 606 mw Surplus: 219 mw
	129 th. ha	1 Mill 350 th. t	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 Rem. Facility	2 Power plants 82 mw Surplus: 13 mw
	129 th. ha		4 Mills PB: 450 th. m <sup>3</sup> MDF: 1,520 th. m <sup>3</sup>		
 (2)	88 th. ha	1 Mill 710 th. t			1 Power plant 91 mw Surplus: 52 mw
			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>		
 (3)			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>	
<b>Total</b>	<b>1.0 million ha</b>	<b>5.2 million t</b>	<b>8.6 million m<sup>3</sup></b>	<b>3.8 million m<sup>3</sup></b>	<b>779 mw Surplus: 284 mw</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.

As of December 2022

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

World market pulp and panel competitors capacity as of December 2022

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

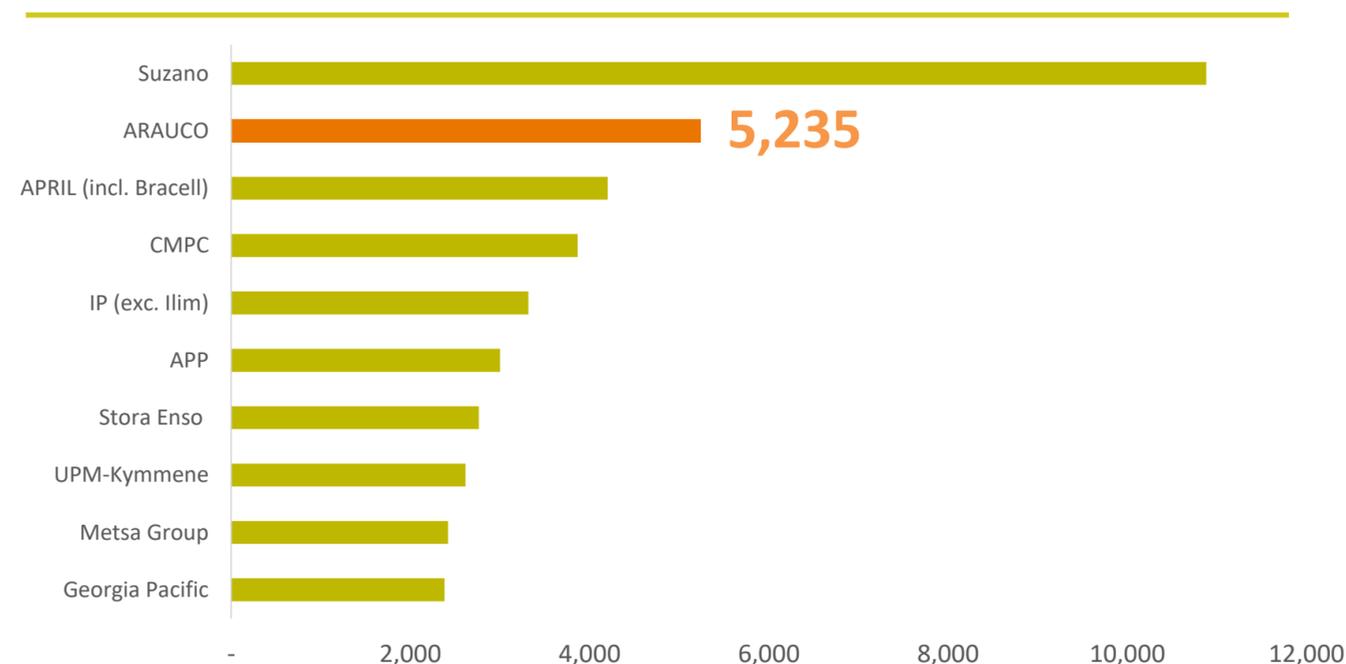
\*\* Panels refers to Composite Panels, which corresponds to MDF, PB and OSB.

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

#2

**IN MARKET  
PULP CAPACITY  
IN THE WORLD**

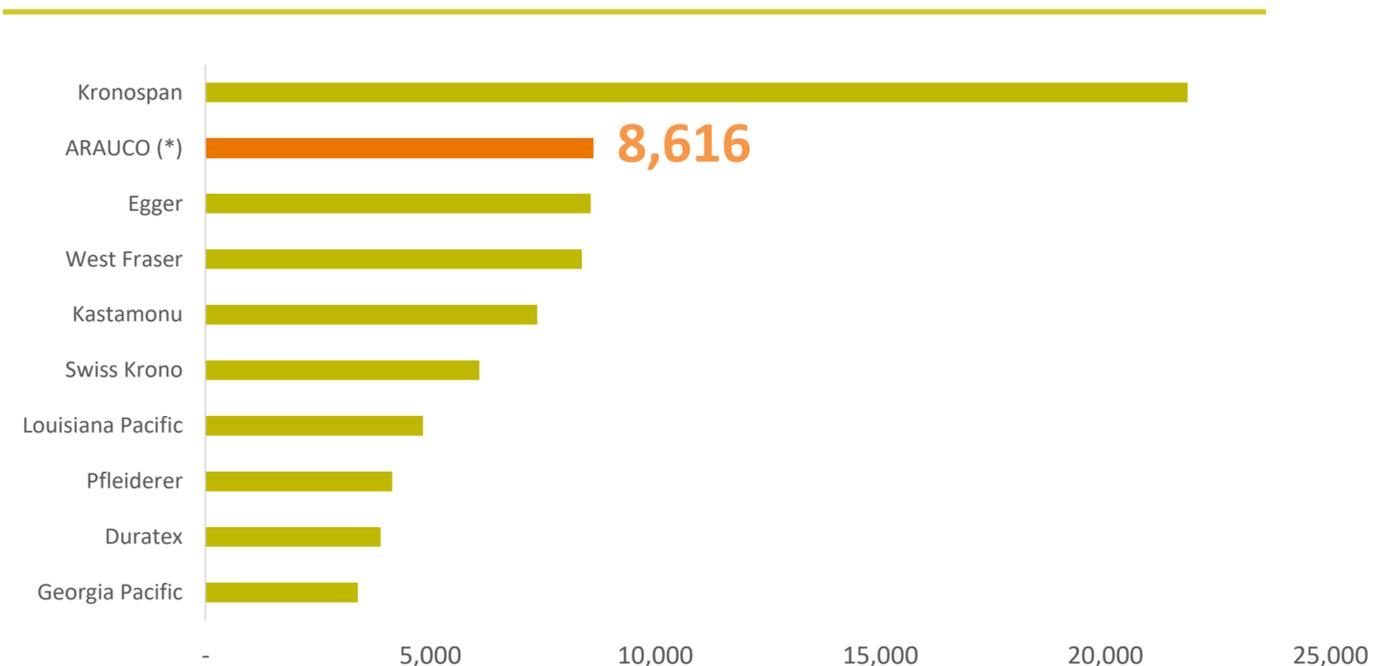
**MARKET PULP CAPACITY (THOUSAND TONNES)**

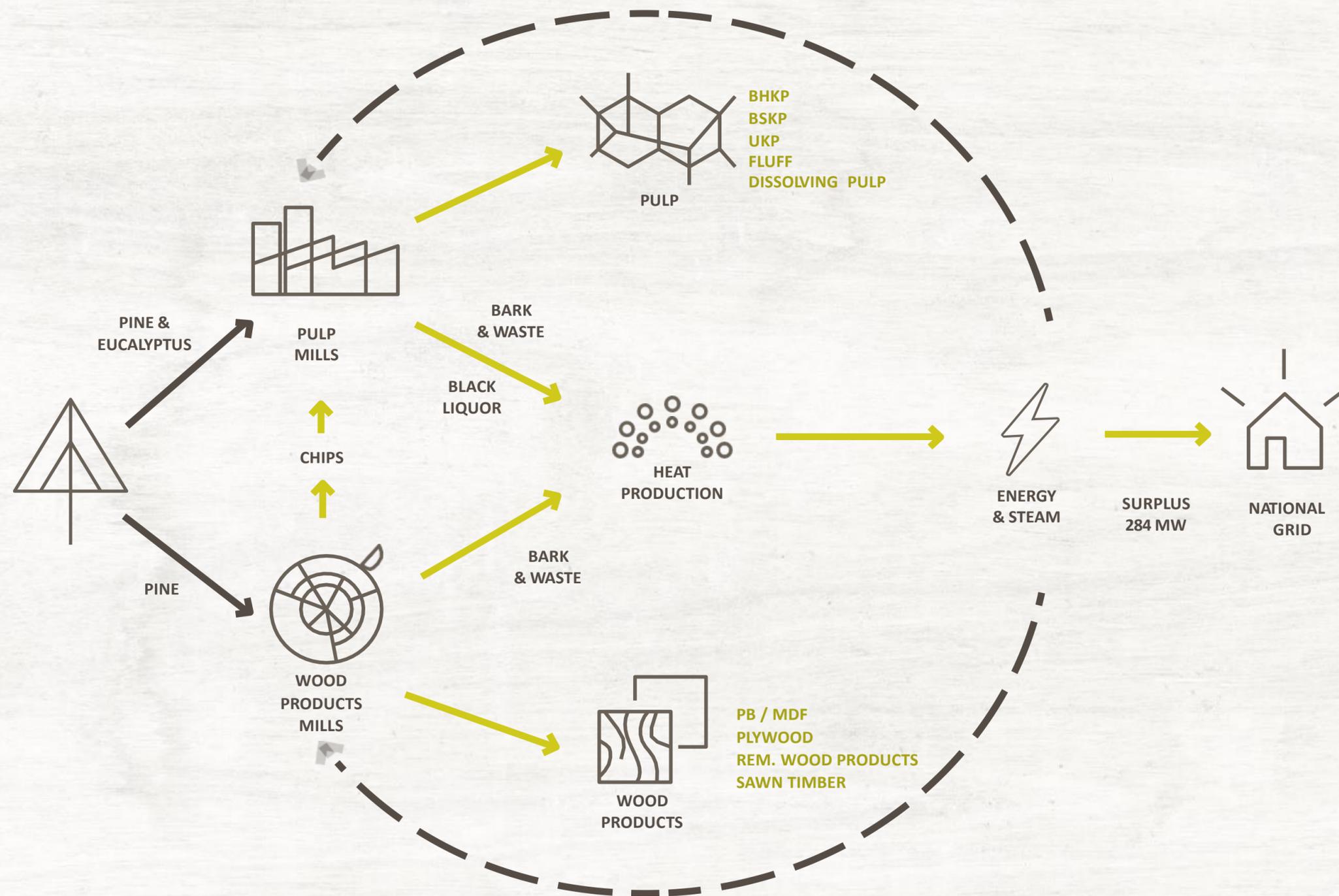


#2

**IN PANEL  
CAPACITY IN  
THE WORLD**

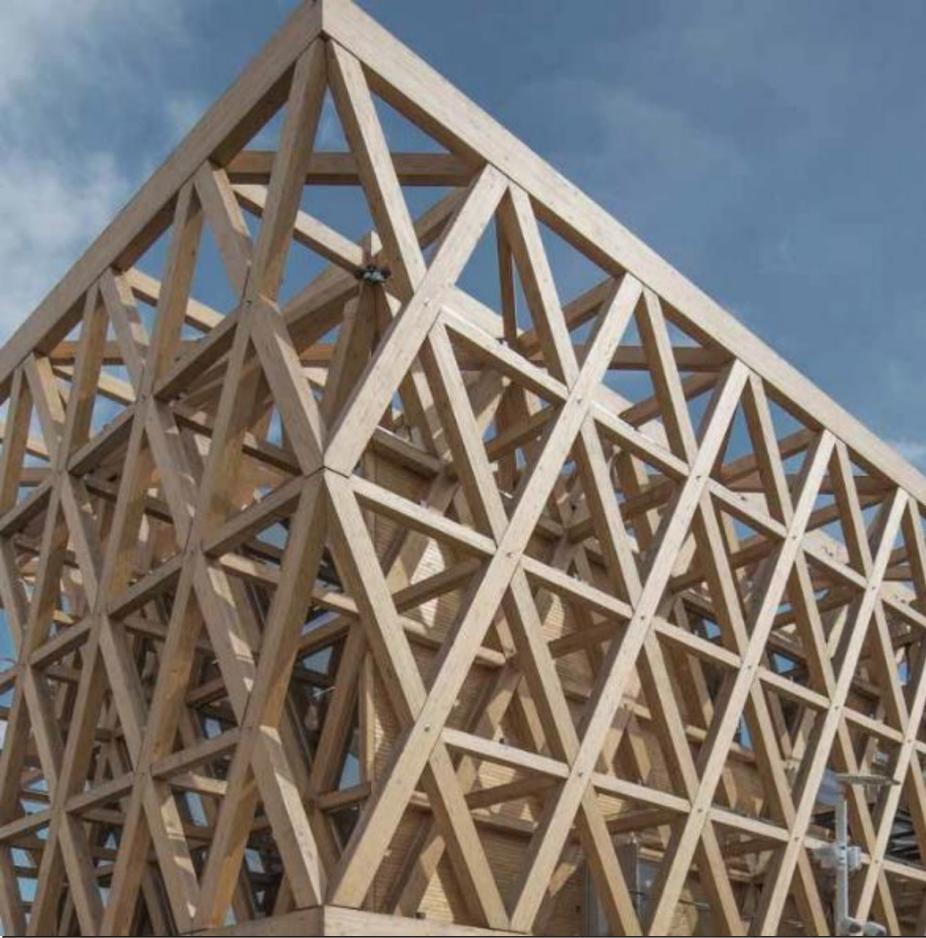
**WORLD PANELS\*\* CAPACITY (THOUSAND m<sup>3</sup>)**



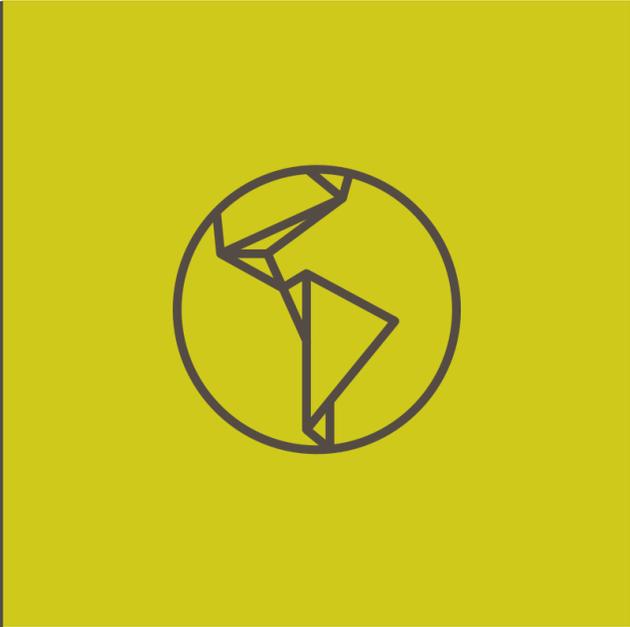


MAXIMIZING  
THE VALUE  
OF OUR FOREST





**BUSINESS  
SEGMENTS**



# PULP BUSINESS

## PULP SALES



# MUS

# \$2,628

Energy sales not included

As of September 2023, LTM

### BHKP

Bleached Hardwood Kraft Pulp

### BSKP

Bleached Softwood Kraft Pulp

### UKP

Unbleached Kraft Pulp

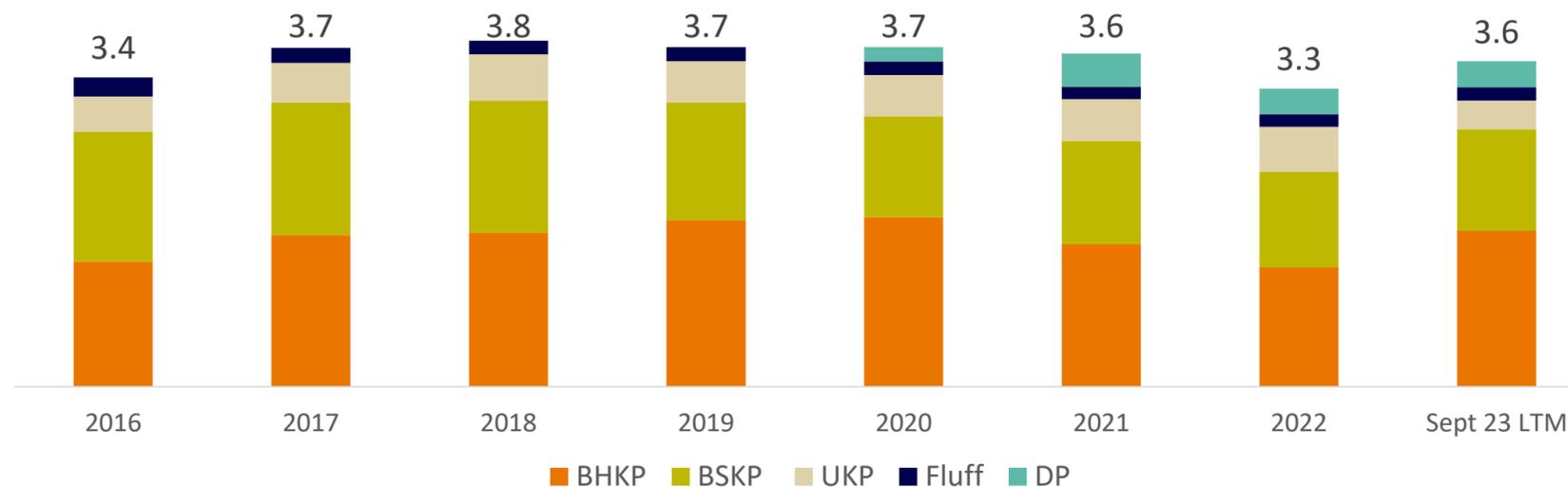
### FLUFF

### DP

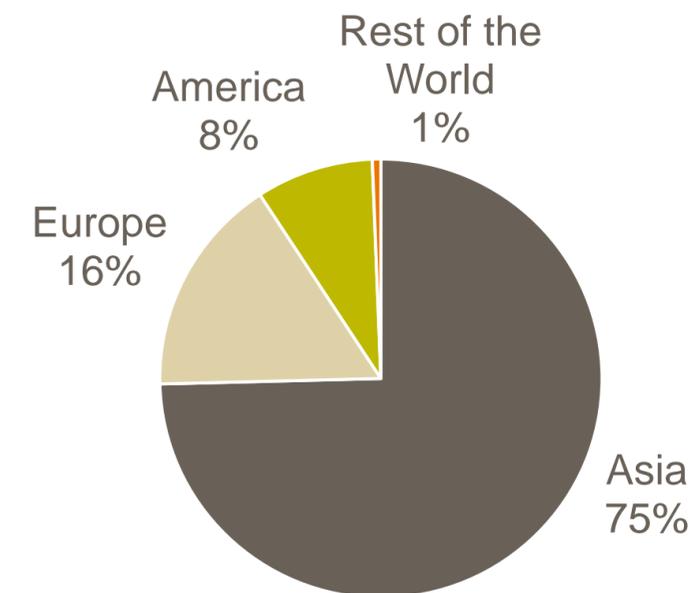
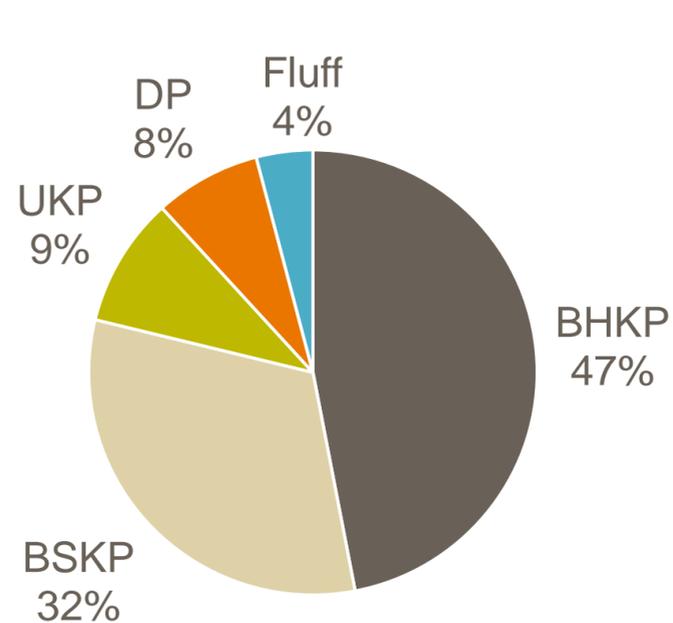
Dissolving Pulp

## PRODUCTION

million tonnes



SALES VOLUME: 3.6 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

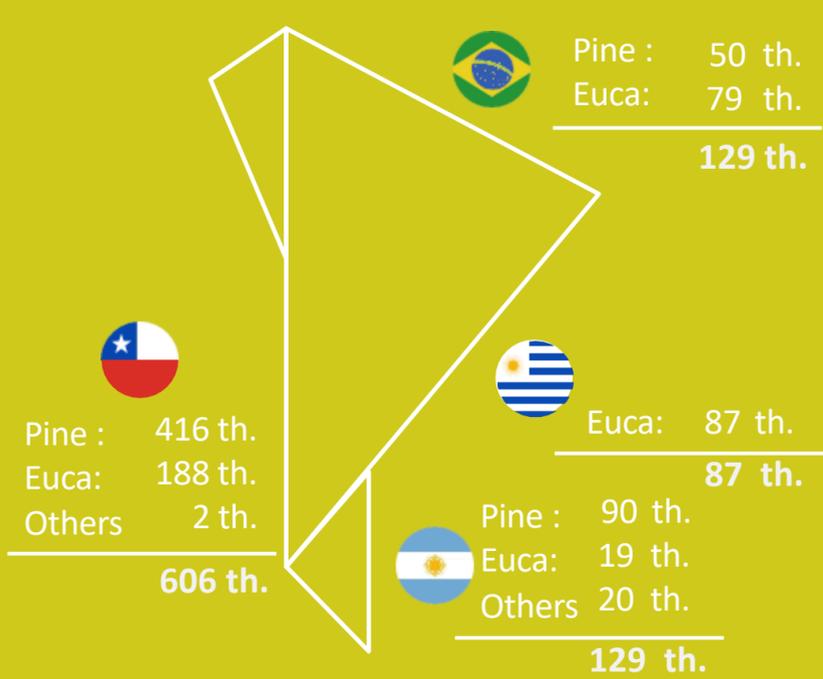


**1.7** MILLION HECTARES OWNED  
**951** THOUSAND HECTARES PLANTED

**556** TH OF PINE  
**373** TH OF EUCA  
**22** TH OTHERS

**492** TH OF NATIVE FOREST

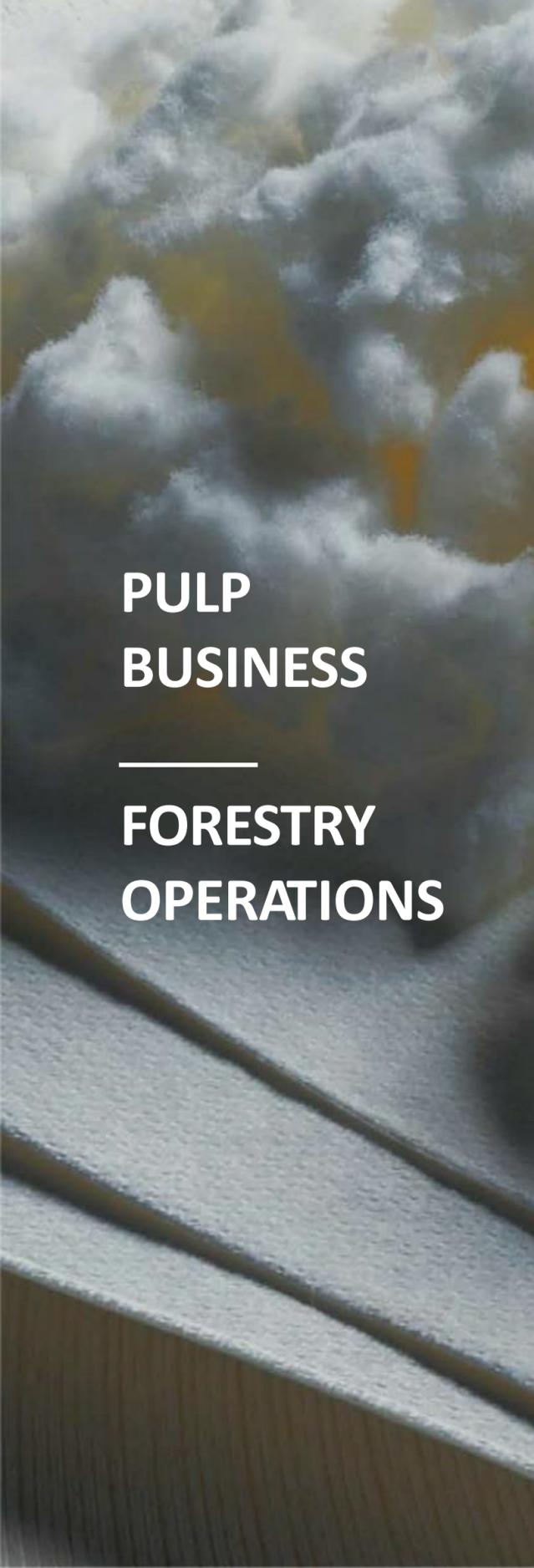
**HECTARES PLANTED**



**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**

**FORESTRY  
OPERATIONS**

## BIOFOREST RESEARCH AND DEVELOPMENT

Bioforest was formed in 1990 by ARAUCO and one of the achievements has been the increase in the plantation yields by 40%.



**50+**  
**RESEARCHERS**

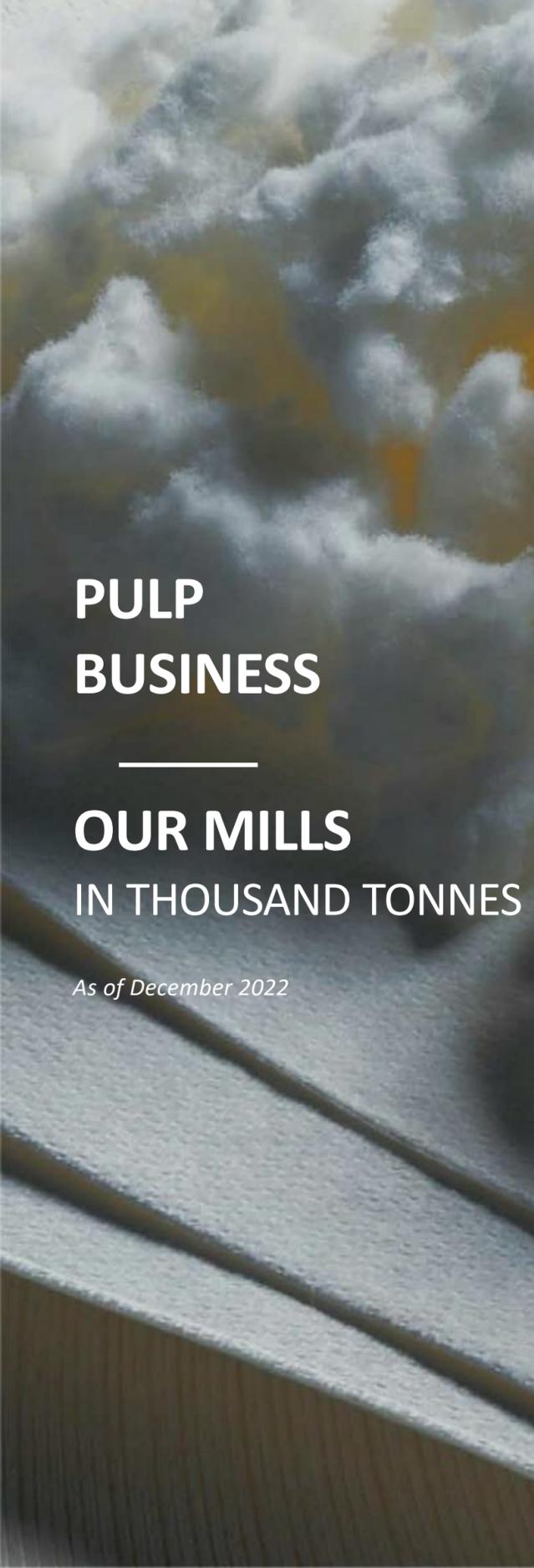
work in order to develop and apply the best technologies, maximizing our forestry and industrial resources.

**arauco**

Bioforest has a wide participation in local and international organizations that are leaders in the forestry-industrial scientific knowledge.

In addition, Bioforest aims to fulfill the environmental objectives for the protection and conservation of biodiversity present in our native forests.





# PULP BUSINESS

## OUR MILLS IN THOUSAND TONNES

As of December 2022

LICANCEL  
160  
UKP



NUEVA  
ALDEA

520 BHKP  
520 BSKP



**arauco**

MONTES DEL PLATA  
1,420 BHKP

ARAUCO owns 50%



CONSTITUCIÓN  
355  
UKP



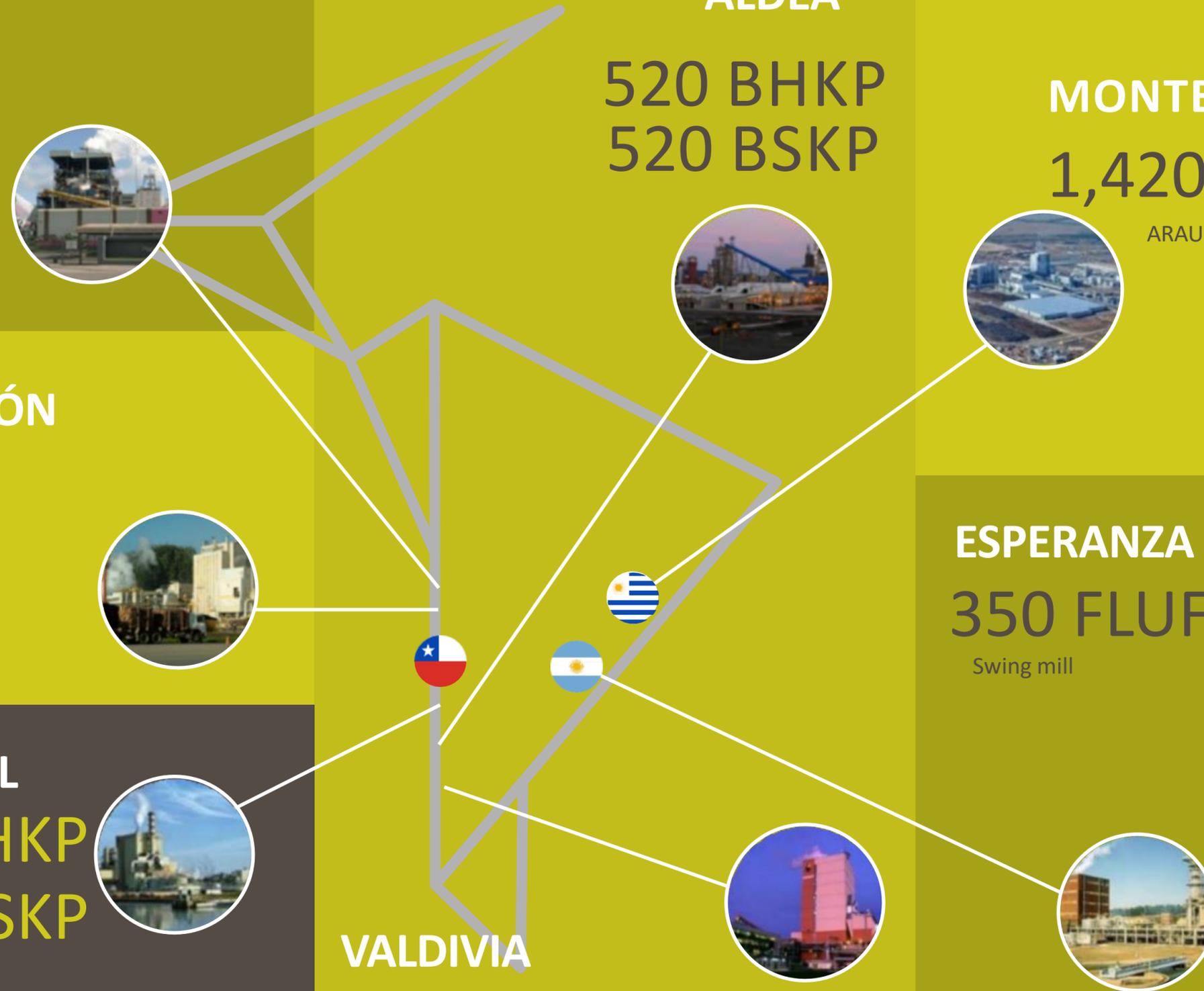
ESPERANZA  
350 FLUFF or BSKP  
Swing mill



ARAUCO MILL  
1,560 BHKP  
510 BSKP



VALDIVIA  
550 DP or BHKP  
Swing mill



1. LOGISTIC EFFICIENCY

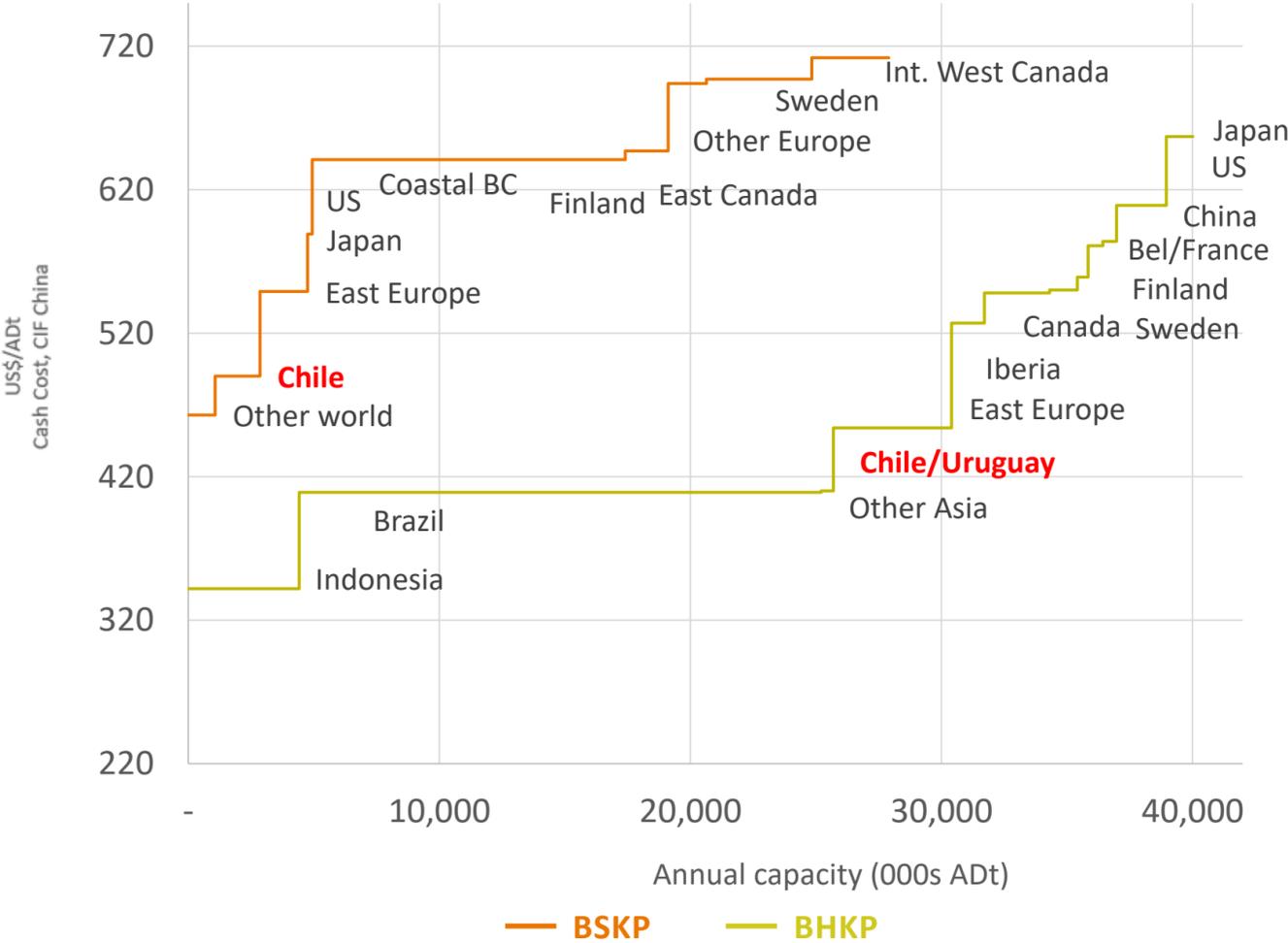


AVERAGE DISTANCES (km) FROM

FORESTS TO MILLS		MILLS TO PORTS	
CHILE	> 85	LICANCEL	> 420
ARGENTINA	> 80	CONSTITUCIÓN	> 316
URUGUAY	> 282	NUEVA ALDEA	> 63
		ARAUCO	> 35
		VALDIVIA	> 301
		ALTO PARANÁ	> 1.200
		MONTES DEL PLATA	> 0
		<b>WEIGHTED AVG.</b>	<b>&gt; 149<sup>(1)</sup></b>

Source: ARAUCO.  
 (1) Calculated using sales volume for 2022.

2. COST ADVANTAGES



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

PULP BUSINESS

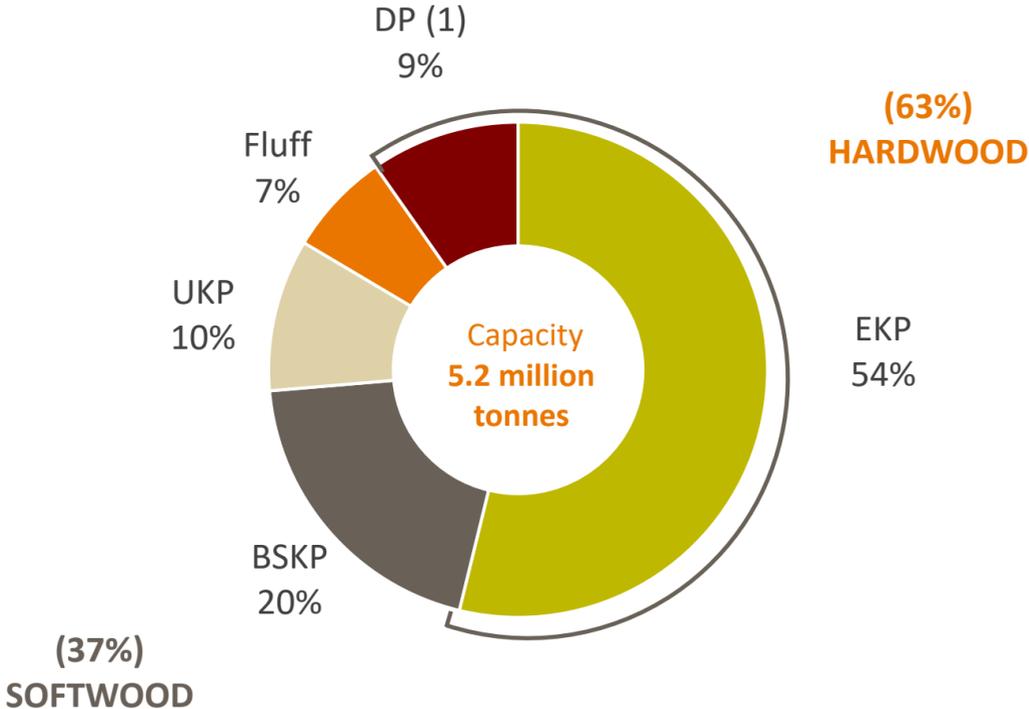
COMPETITIVE ADVANTAGES

As of December 2022

3. PRODUCT DIVERSIFICATION

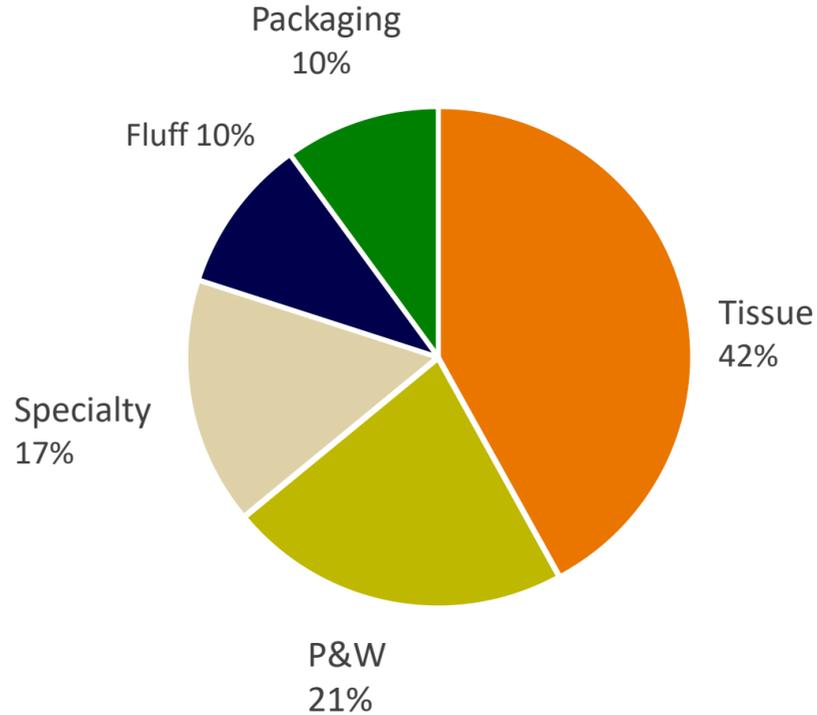
PULP BUSINESS  
COMPETITIVE ADVANTAGES

As of December 2022



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

BCP SHIPMENT BY END-USE, 2022 ESTIMATE (2)



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



REVENUES

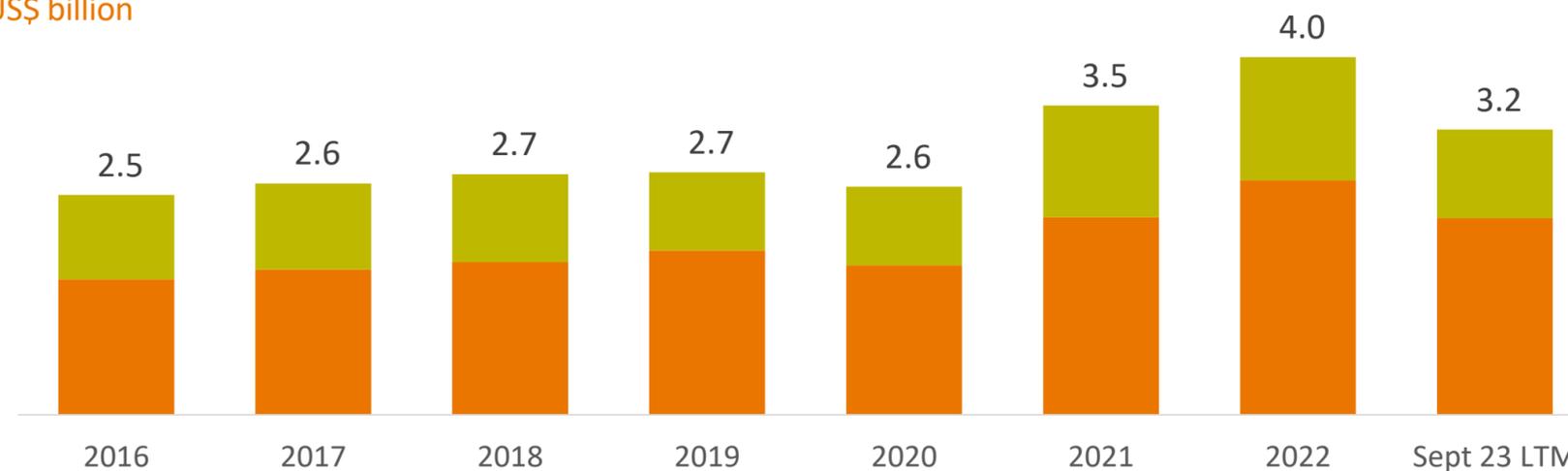
MUS  
\$3,226

Energy sales not included  
As of September 2023 LTM



SALES  
EVOLUTION

US\$ billion



SUBDIVISIONS

■ Panels ■ Solid wood

PANELS



SOLID  
WOOD



WOOD  
PRODUCTS  
BUSINESS:  
PANELS

**PANELS  
SALES**

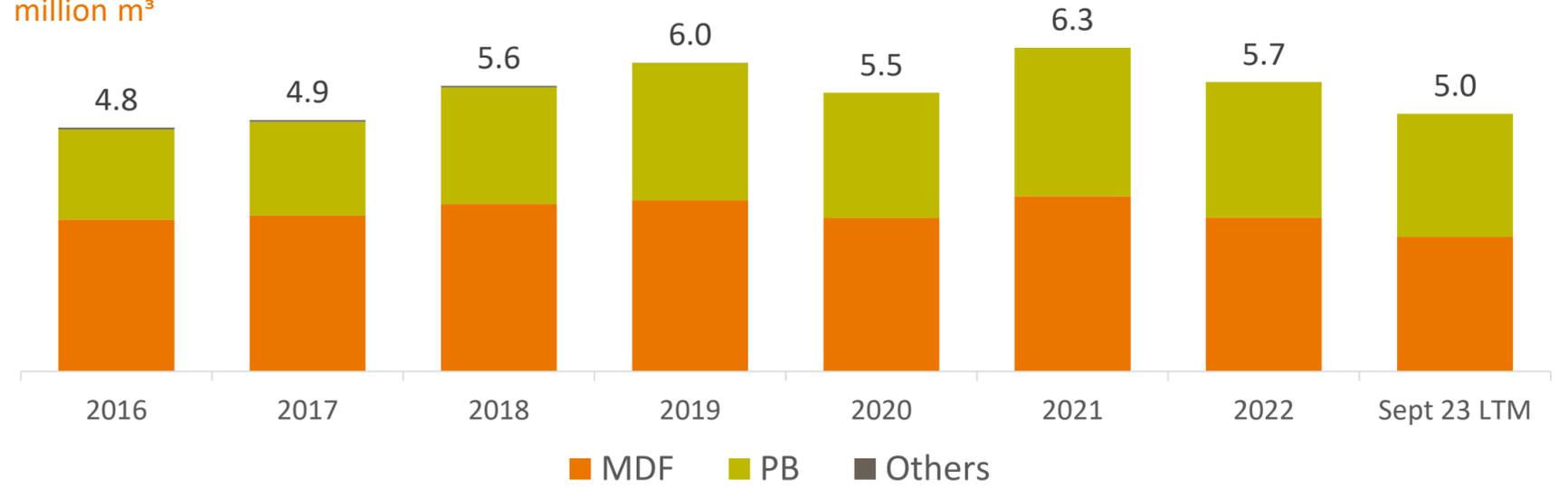
**MUS**  
**\$2,222**

Energy sales not included  
As of September 2023.

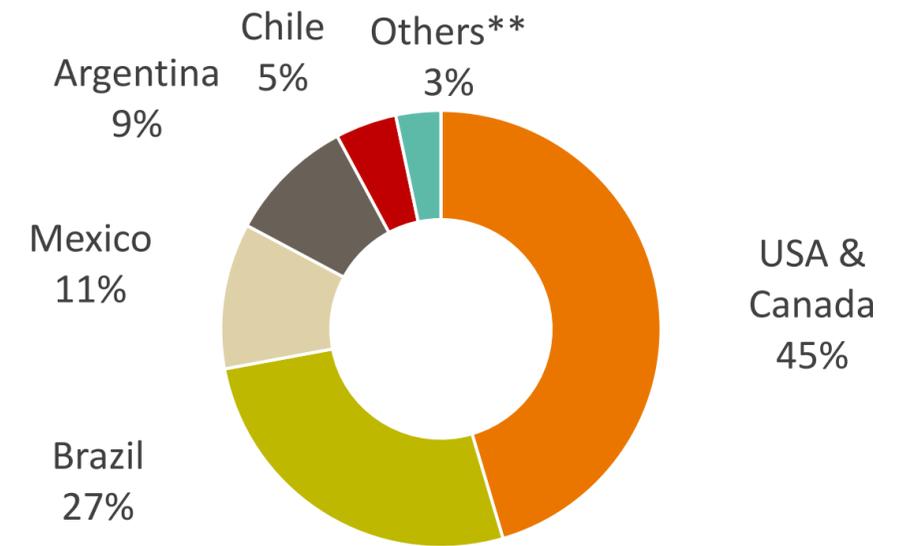
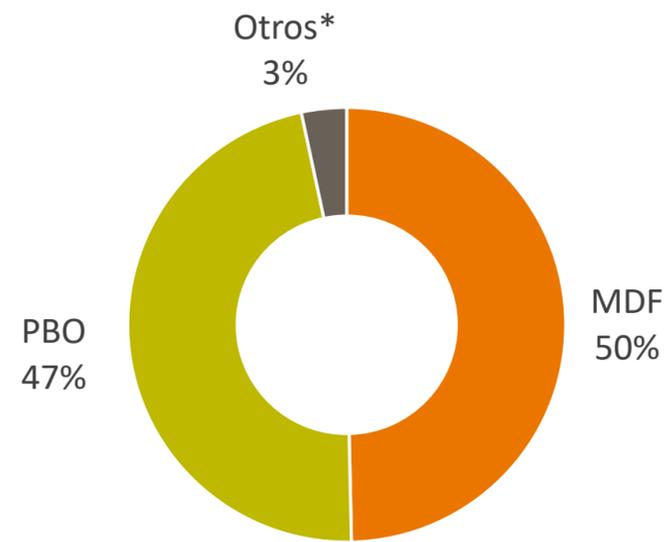
Does not include Sonae Arauco volumes  
\*OSB, HB, Retail and Composite panels  
\*\* EMEA, Asia, Oceania and Rest of Latam

**PRODUCTION**

million m<sup>3</sup>



**SALES VOLUME: 5.1 MILLION M<sup>3</sup>**



WOOD  
PRODUCTS  
BUSINESS :  
SOLID WOOD

SOLID  
WOOD  
SALES

MUS  
\$1,004

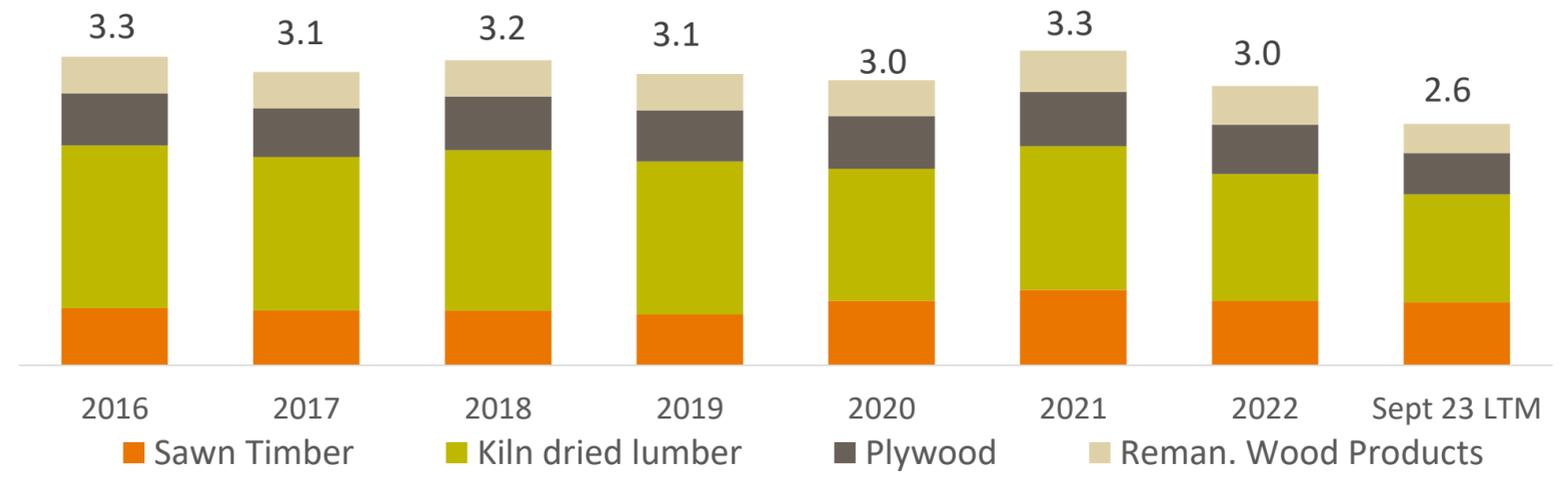
Energy sales not included  
As of September 2023



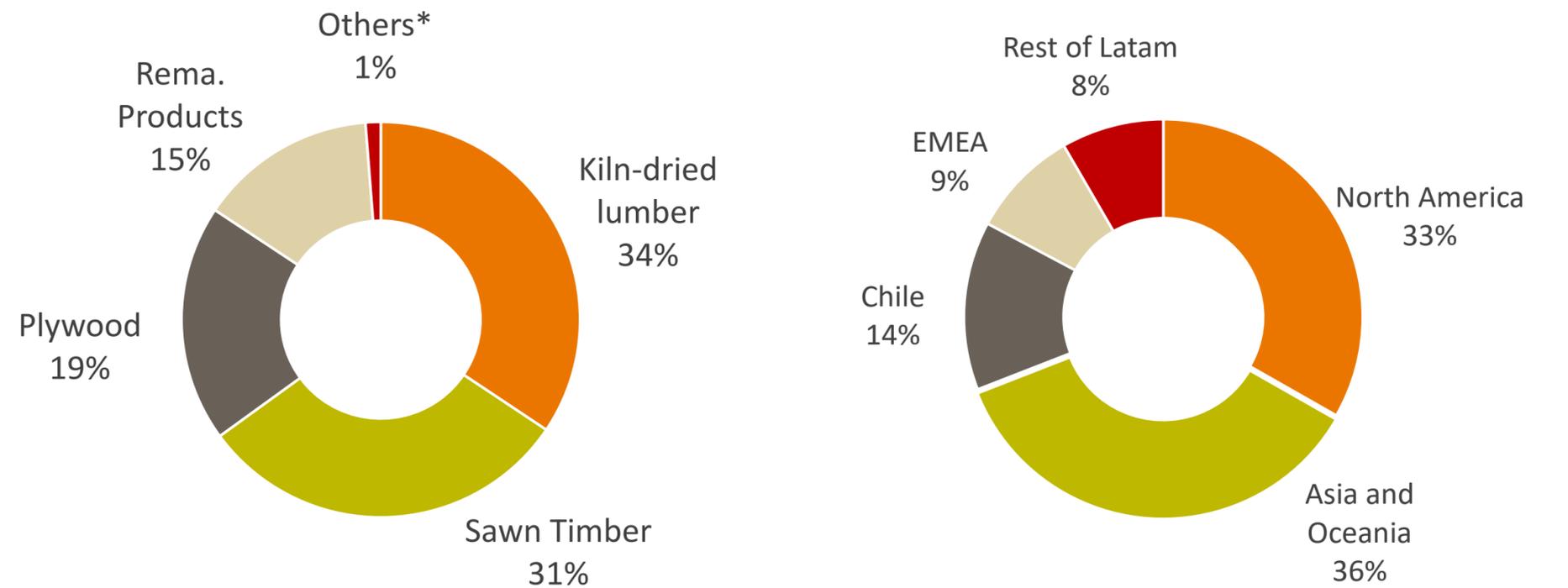
Sonae Arauco's volume not included

PRODUCTION

million m³

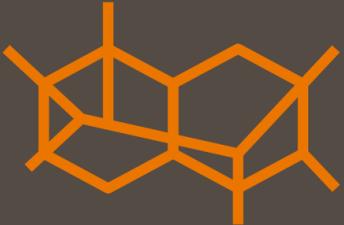
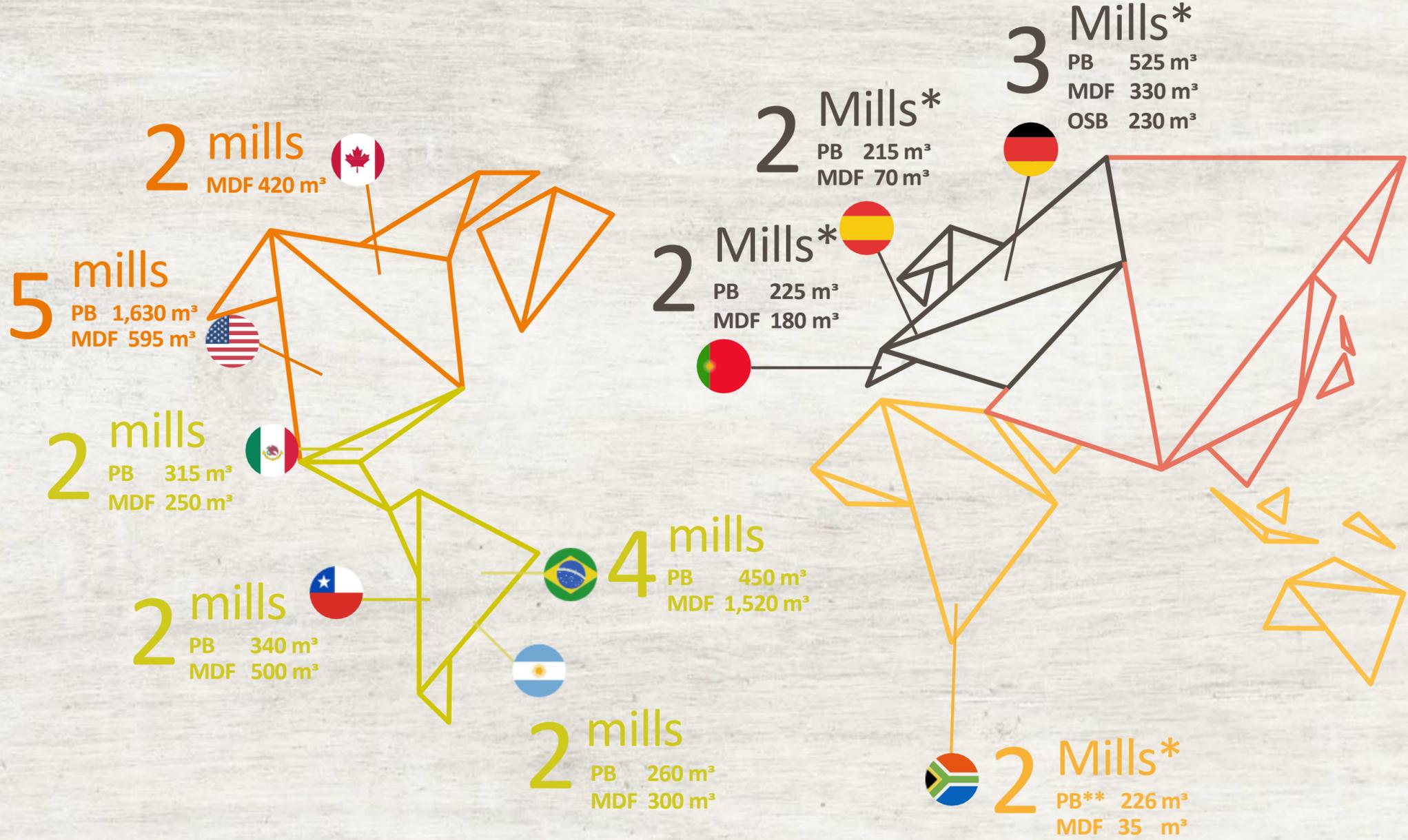


SALES VOLUME: 2.3 MILLION M³



**PANELS  
OUR  
MILLS**

**IN  
THOUSANDS**  
As of December 2022

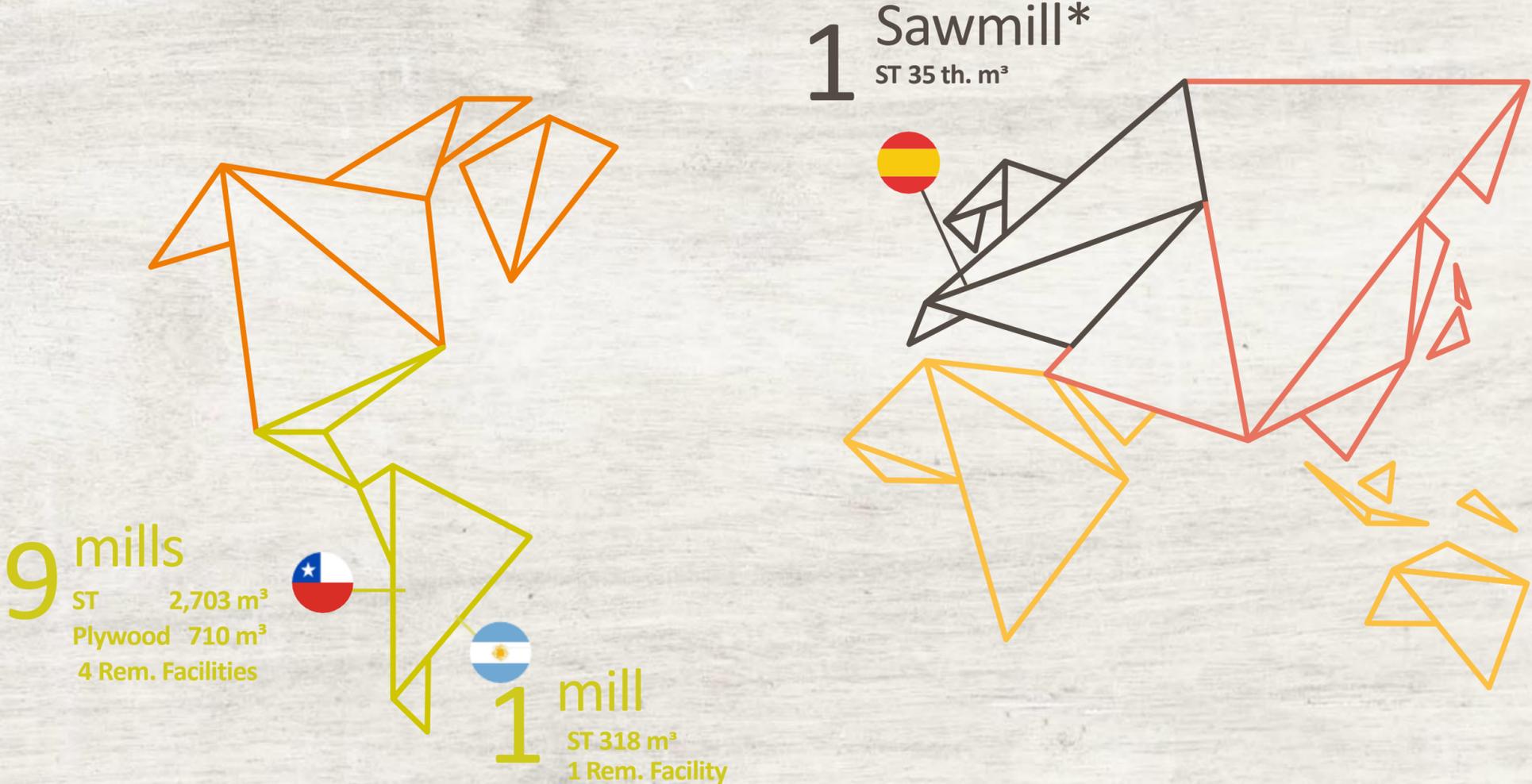
PB: Particle Board  
MDF: Medium Density Fiberboard  
OSB: Oriented Strand Board

\*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 2022



ST: Sawn Timber  
Rem: Remanufactured Wood Products

As of December 2022  
\*Arauco owns 50% of Sonae Arauco

# ENERGY COMPLEMENTARY OPERATIONS

## REVENUES

MUS  
\$92

As of September 2023 LTM



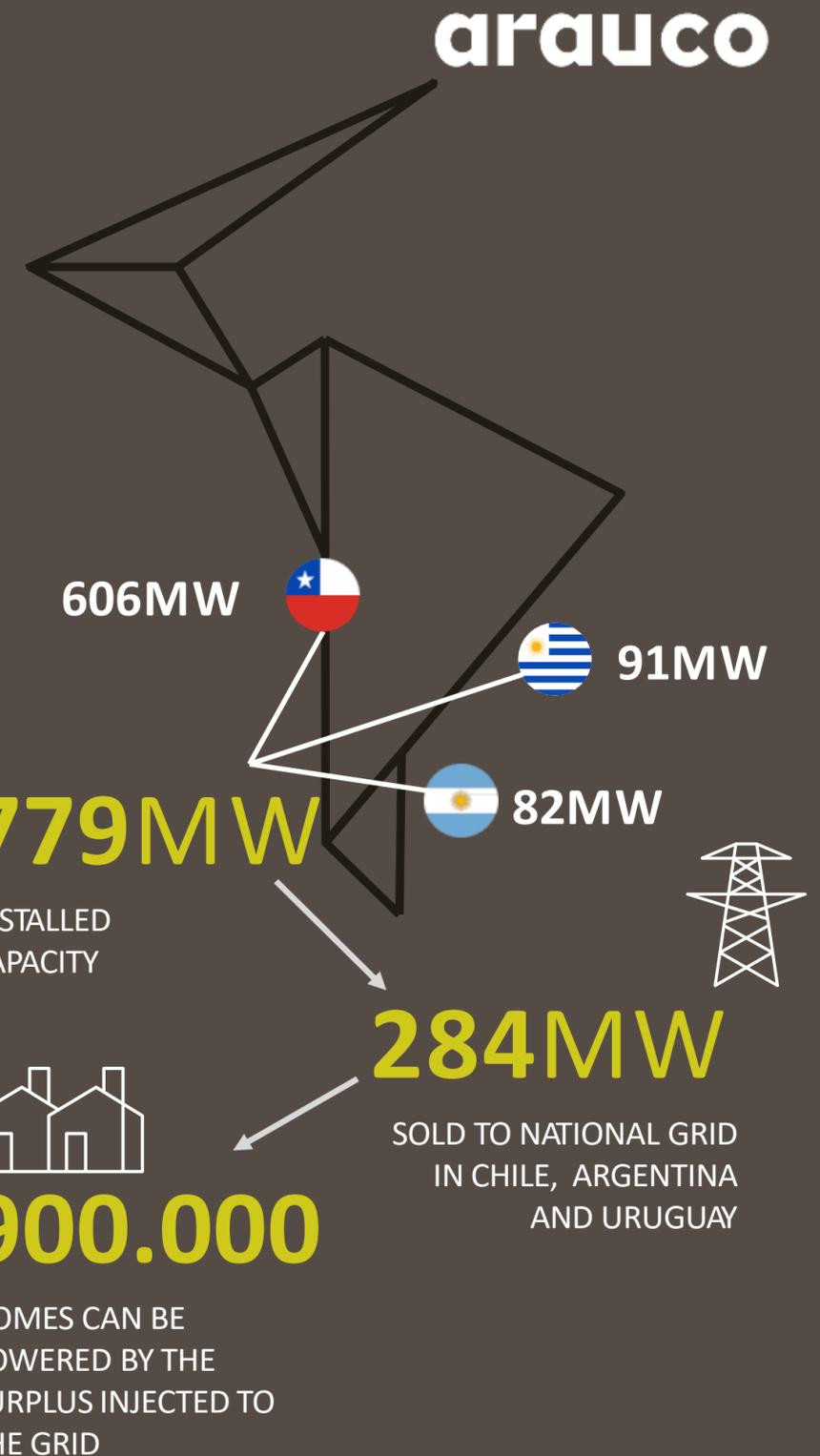
## HIGHLIGHTS

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).

We expect MAPA will generate an additional surplus of 142MW available for the national grid.

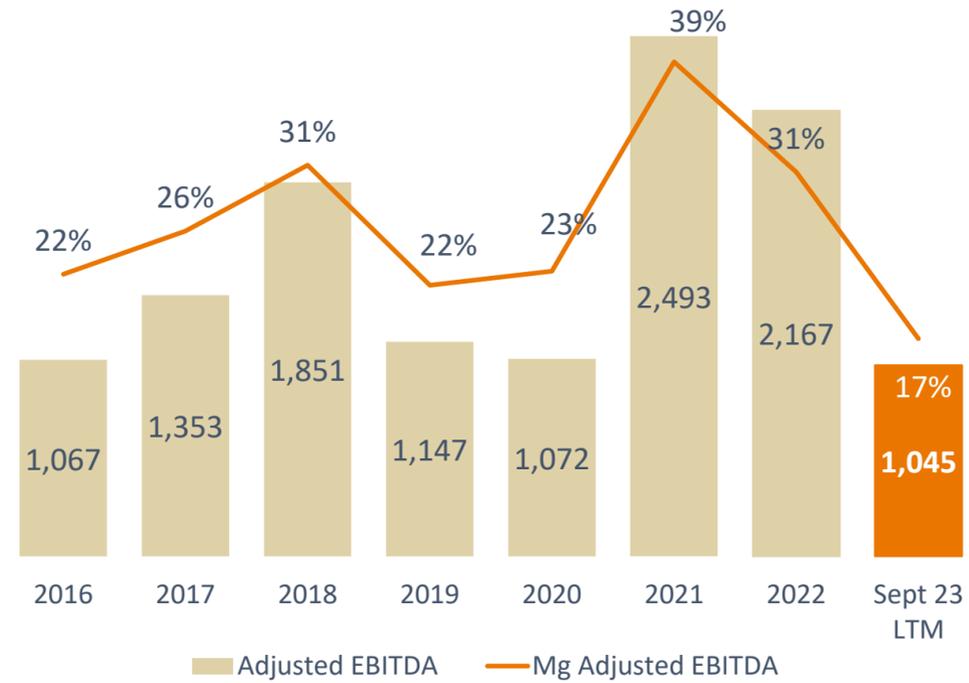


# MAIN FIGURES

As of September 2023 LTM

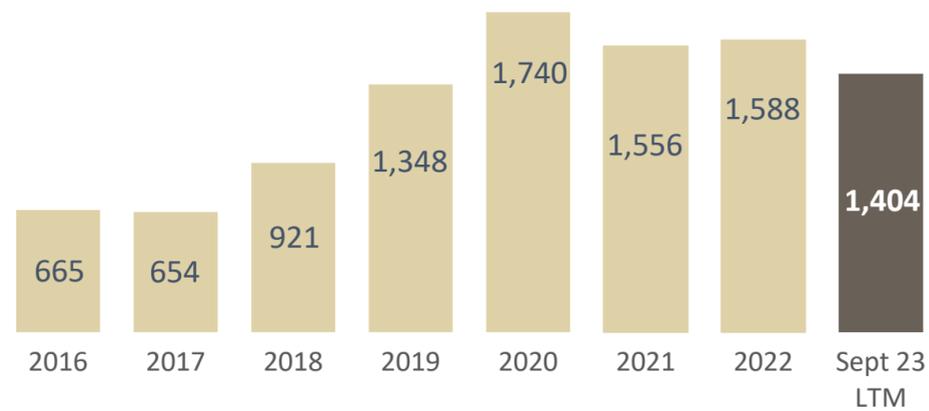
## ADJUSTED EBITDA

US\$ million



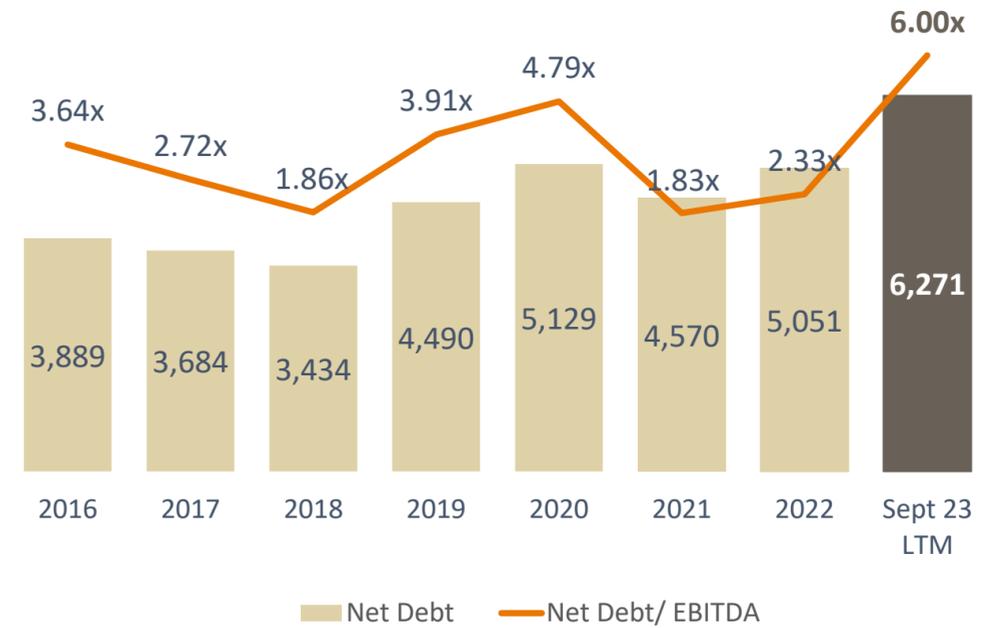
## CAPEX

US\$ million



## NET DEBT

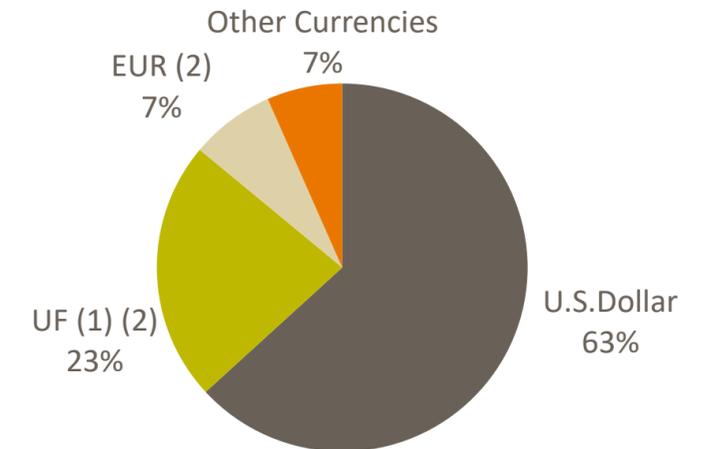
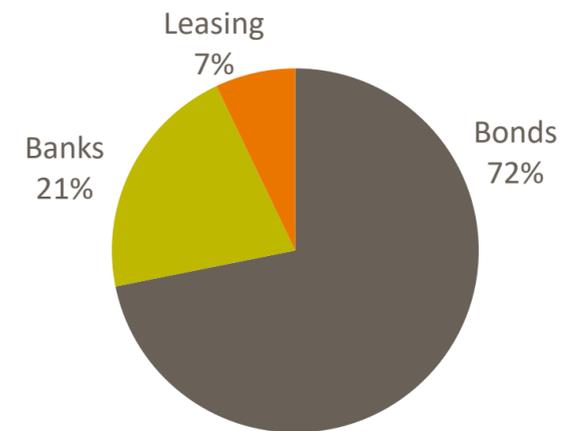
US\$ million



## DEBT BREAKDOWN

by Instrument

by Currency



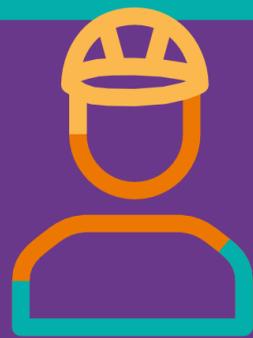
(1) UF is a Chilean monetary unit indexed to inflation.  
 (2) Swapped to USD

# line 3 | MAPA

Modernization and Expansion of the Arauco Mill

A graphic box on the left side of the slide, divided into two horizontal sections. The top section is teal and contains white text. The bottom section is purple and contains a white icon of a hard hat and a person's silhouette.

MAPA  
NEW PULP  
LINE &  
COGENERATION  
PLANT  
AT ARAUCO  
MILL



## 1.56 million tonnes

of short fiber production capacity and we expect Line 3 will generate an additional surplus of 142MW available for the national grid.

Arauco's line 3 is producing as expected with positive feedback from our clients and is expected to reach full capacity in the first quarter of 2024.

# ESG

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



ON APRIL 2023 (AND LATER  
ON JUNE), ARAUCO ISSUED  
ITS FIRST  
**SUSTAINABLE  
BOND**  
IN THE CHILEAN MARKET.



ARAUCO ATTENDED  
COP27 IN  
NOVEMBER 2022  
AND COMMITTED  
TO BEING

**NATURE  
NET  
POSITIVE.**

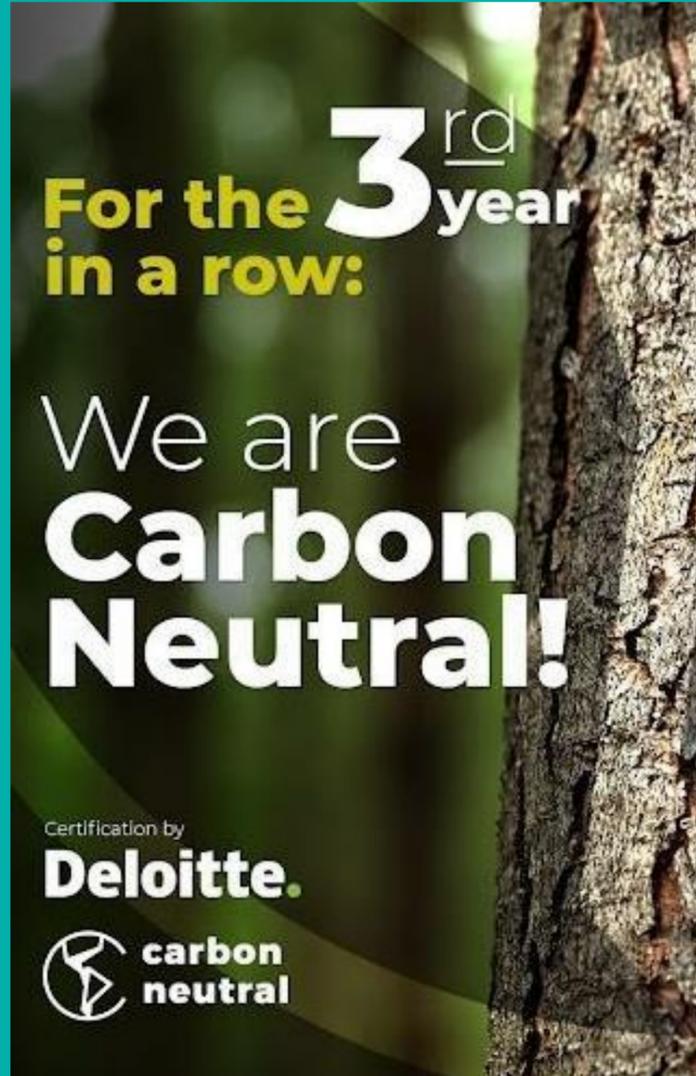
**arauco**

## INTEGRATED REPORT 2022

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



SUSTAINABILITY  
STRATEGY

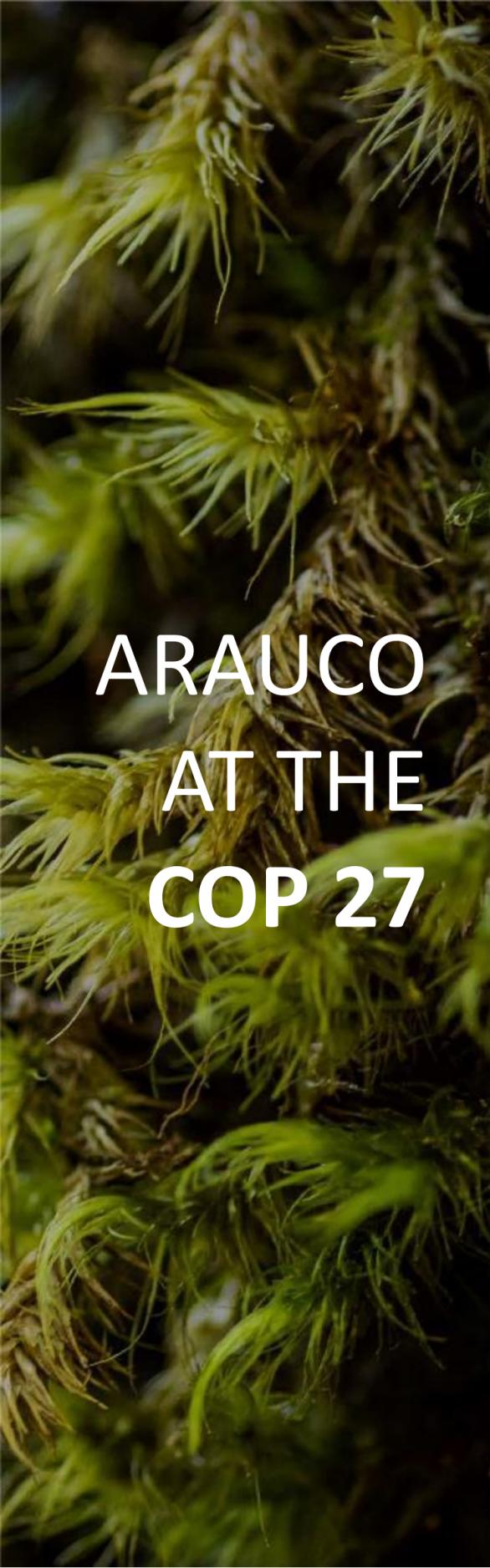


Deloitte officially validated our carbon neutrality in 2020 for 2018, in 2021 for 2019 and in 2022 for 2020 (Method applied in accordance with the Deloitte Neutrality Protocol guidelines).

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.





**ARAUCO  
AT THE  
COP 27**

**BECOMING  
NATURE  
NET**

**POSITIVE!**

Arauco is initiating an ambitious plan to measure the natural capital related to our operation, to become **NATURE NET POSITIVE**. Our approach on this matter is based on three key dimensions:

**1  
WATER  
MANAGEMENT**

**2  
BIODIVERSITY  
CONSERVATION**

**3  
CO<sub>2</sub> ATMOSPHERE  
REDUCTION**





# Prevention and Firefighting Strategy 2023-2024

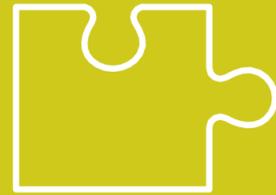
We have been preparing for the coming fire season with an in-depth fire prevention and firefighting strategy. The following are some of our resources:

- More than 119 professional land brigades.
- 16 high-performance heliborne professional brigades.
- 63 new professional forestry firefighting brigades.
- The Night Brigade: more than 264 professional members.
- 2 Air Crane Helicopters and a Super Puma Helicopter.
- Mobile-App designed to provide forestry brigades with the best route to fight fires in the shortest time possible.



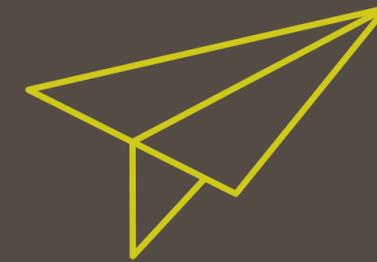
arauco

TAKEAWAYS



WE HAVE BEEN FACING A CHALLENGING PERIOD, AFFECTED SPECIALLY BY THE LAST FOREST FIRE SEASON, MARKET VOLATILITY AND ARAUCO'S LINE 3 RAMP UP.

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.

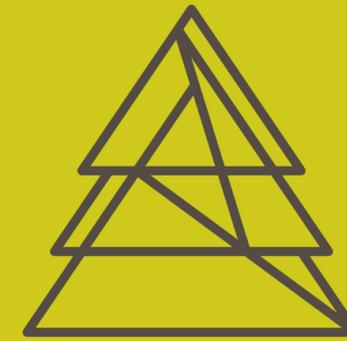
**FOR FURTHER INFORMATION,  
PLEASE CONTACT:**

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Phone: (562) 2461 7309

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[investor\\_relations@arauco.com](mailto:investor_relations@arauco.com)

For further information, please visit [www.arauco.com](http://www.arauco.com)



renewables  
for a  
better life

**arauco**

