

# CORPORATE PRESENTATION Q3 2024

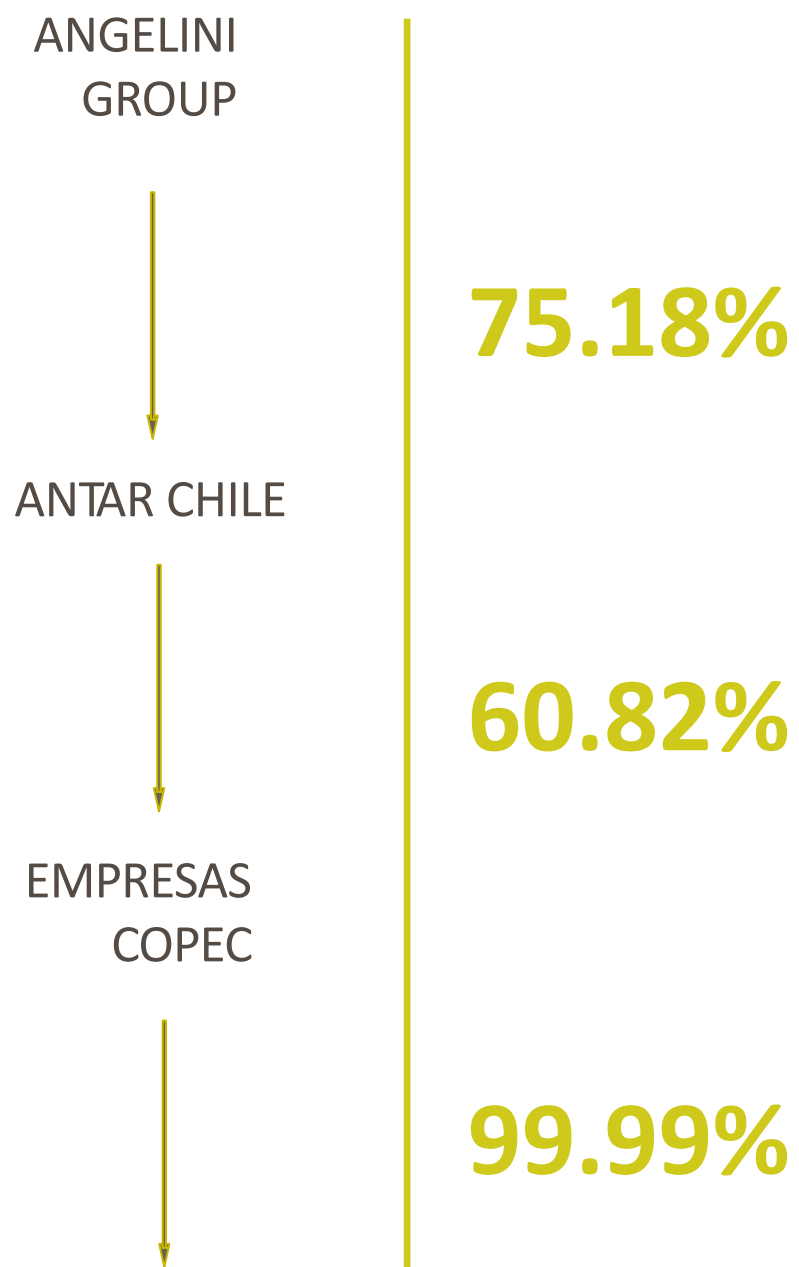
renewables  
for a  
better life

**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 September 2024, LTM

Adj. EBITDA	1,976	Net Income	287
EBITDA Margin	30.6%	CAPEX	1,038
Net Debt / EBITDA	2.78x	Revenues	6,453



# REVENUES MUS\$6,453

PULP 52%      WOOD 48%

# Adjusted EBITDA MUS\$1,976

PULP 65%      WOOD 26%  
OTHERS 9%



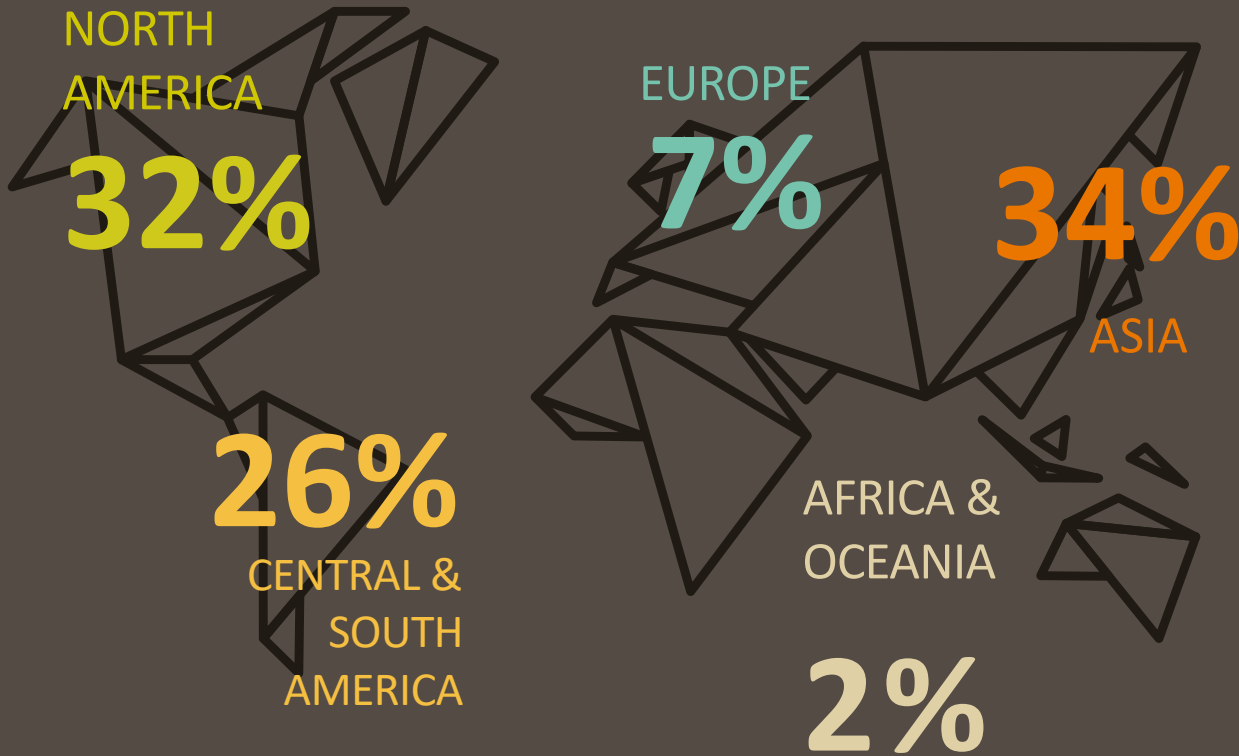
DIVERSIFIED  
SALES  
AROUND  
THE WORLD



As of September 2024, LTM

# 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
	596 th. ha	5 Mills (5) 4,205 th. t	10 Power plants 904 mw Surplus: 371 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
	129 th. ha	1 Mill 350 th. t	2 Power plants 82 mw Surplus: 15 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
	161 th. ha		1 Power plant 1 mw	4 Mills PB: 450 th. m <sup>3</sup> MDF: 1,520 th. m <sup>3</sup>	
<b>Total</b>	<b>1.0 million ha</b>	<b>5.3 million t.</b>	<b>779 mw</b> <b>Surplus: 436 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>
			<sup>(3)</sup>		
			<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, elliotii) 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.

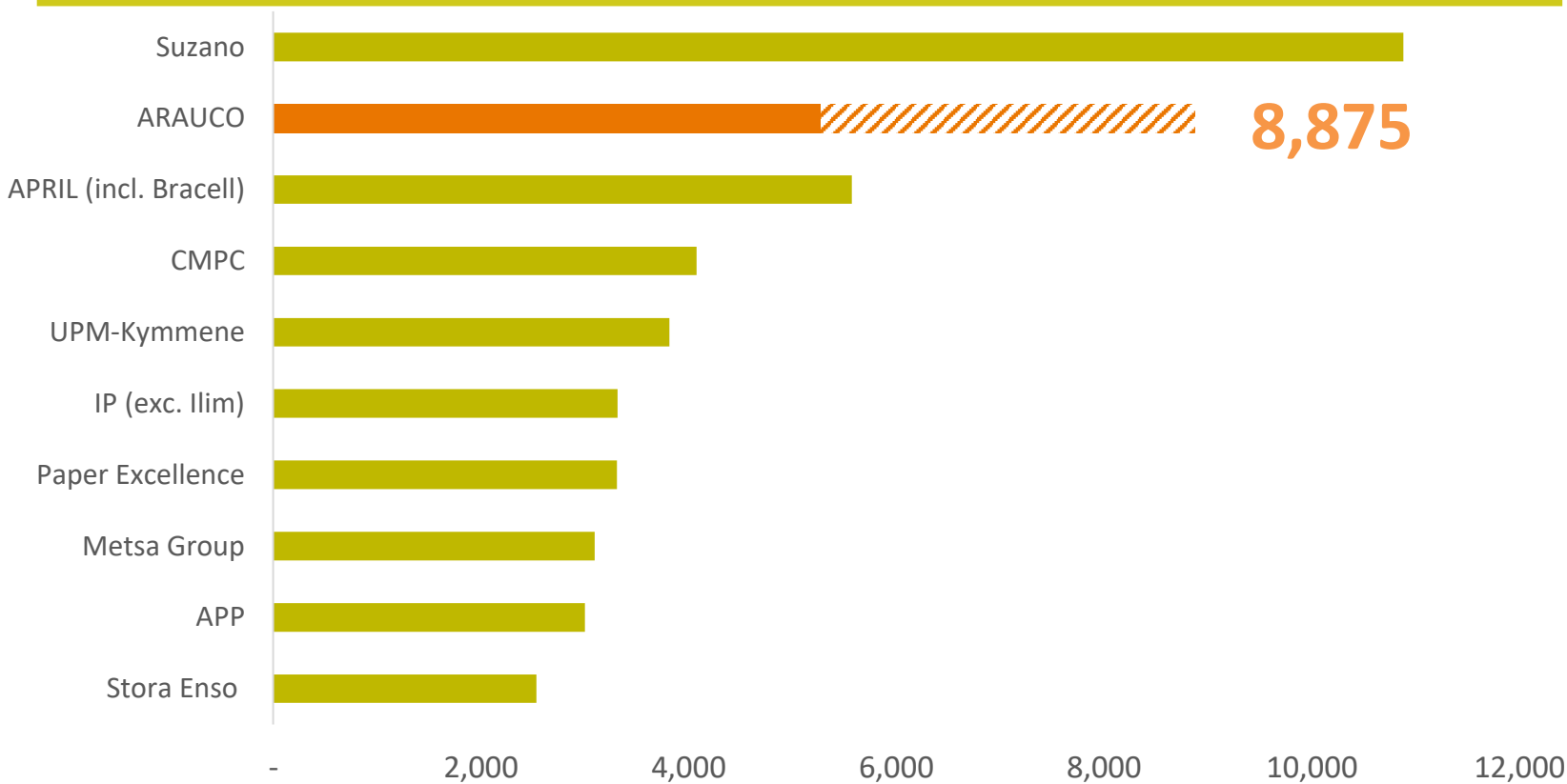
\*\* Panels refers to Composite Panels, which corresponds to MDF, PB and OSB.

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

#3

**IN MARKET  
PULP CAPACITY  
IN THE WORLD**

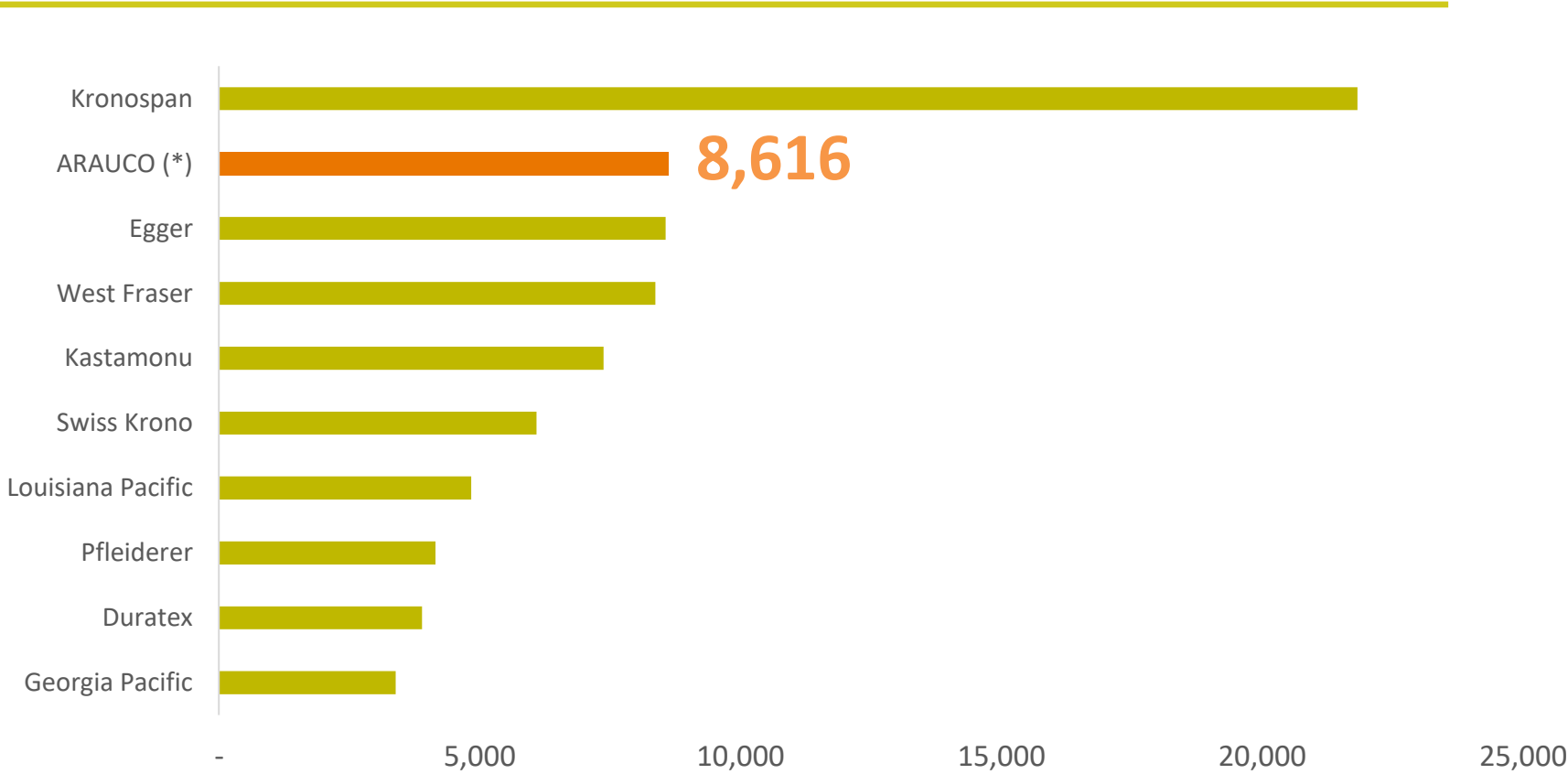
**MARKET PULP CAPACITY (THOUSAND TONNES)**



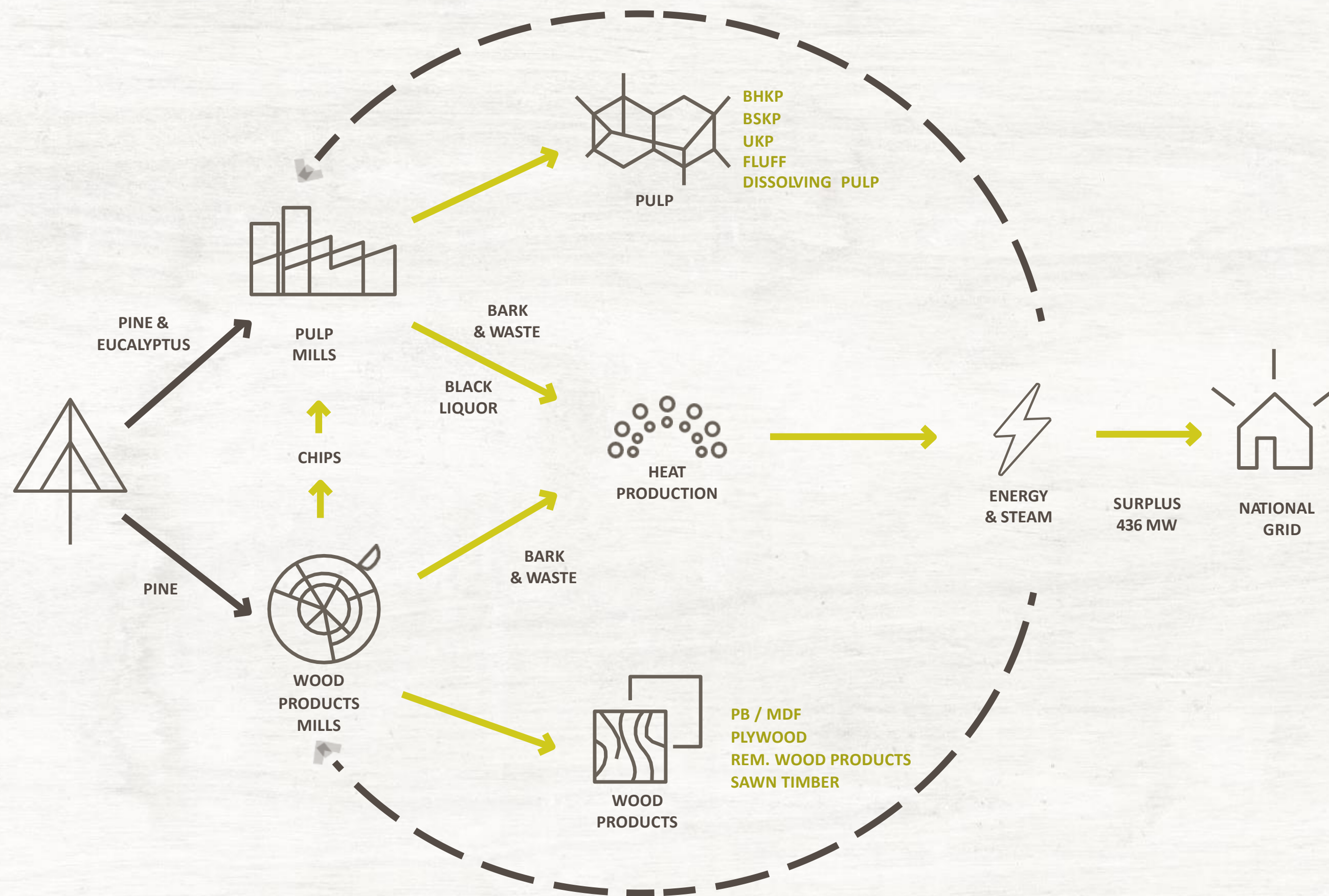
#2

**IN PANEL  
CAPACITY IN  
THE WORLD**

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







MAXIMIZING  
THE VALUE  
OF OUR FOREST







**BUSINESS  
SEGMENTS**





# PULP BUSINESS

## PULP SALES



# MUS

# \$3,215

Energy sales not included

As of September 2024 LTM

### BHKP

Bleached Hardwood Kraft Pulp

### BSKP

Bleached Softwood Kraft Pulp

### UKP

Unbleached Kraft Pulp

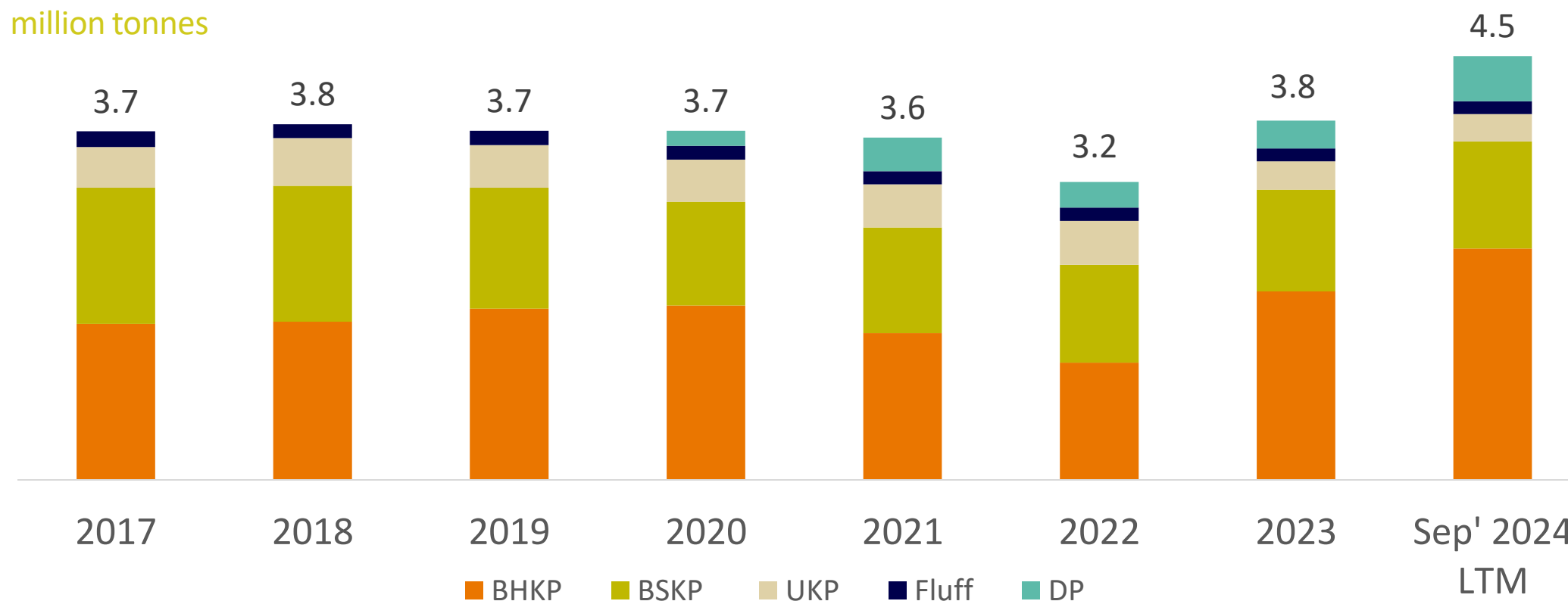
### FLUFF

### DP

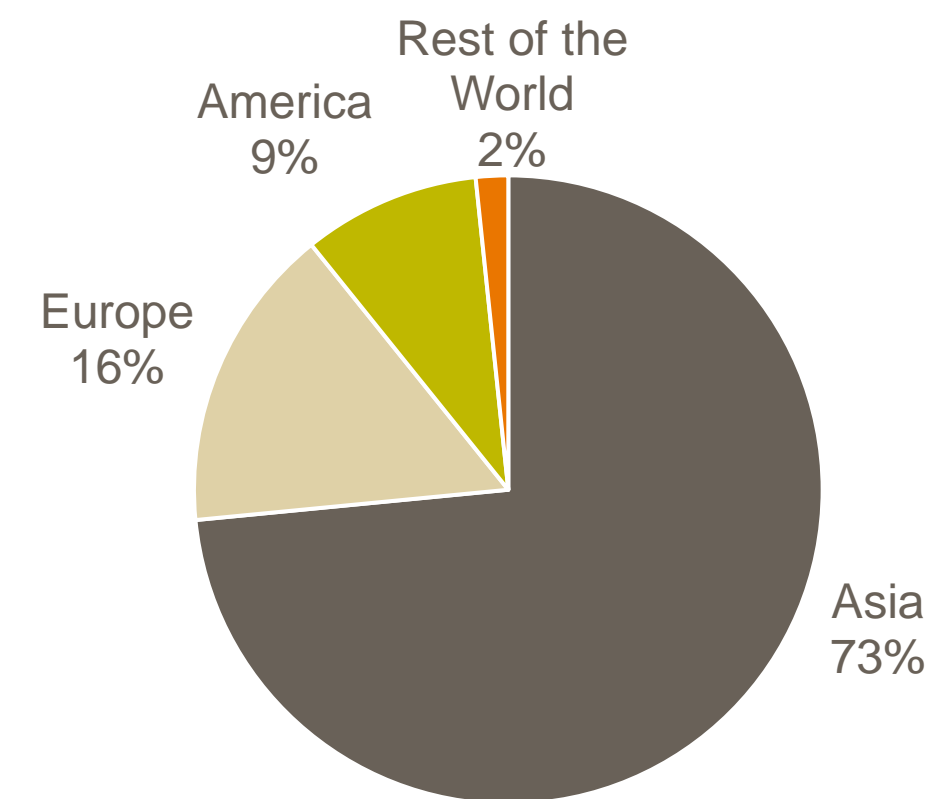
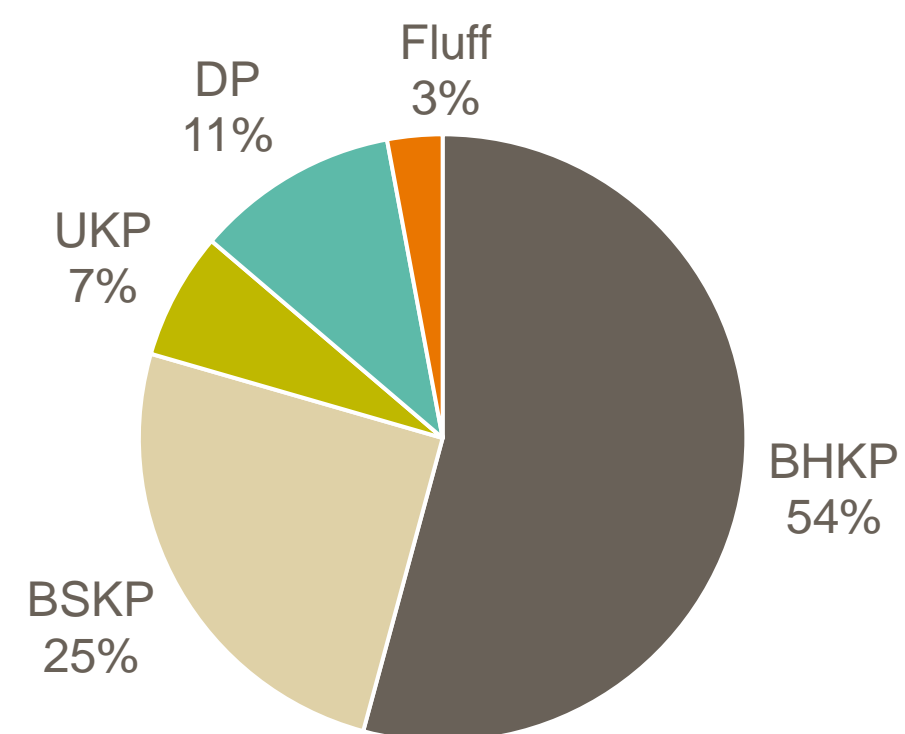
Dissolving Pulp

## PRODUCTION

million tonnes



SALES VOLUME: 4.3 million tonnes





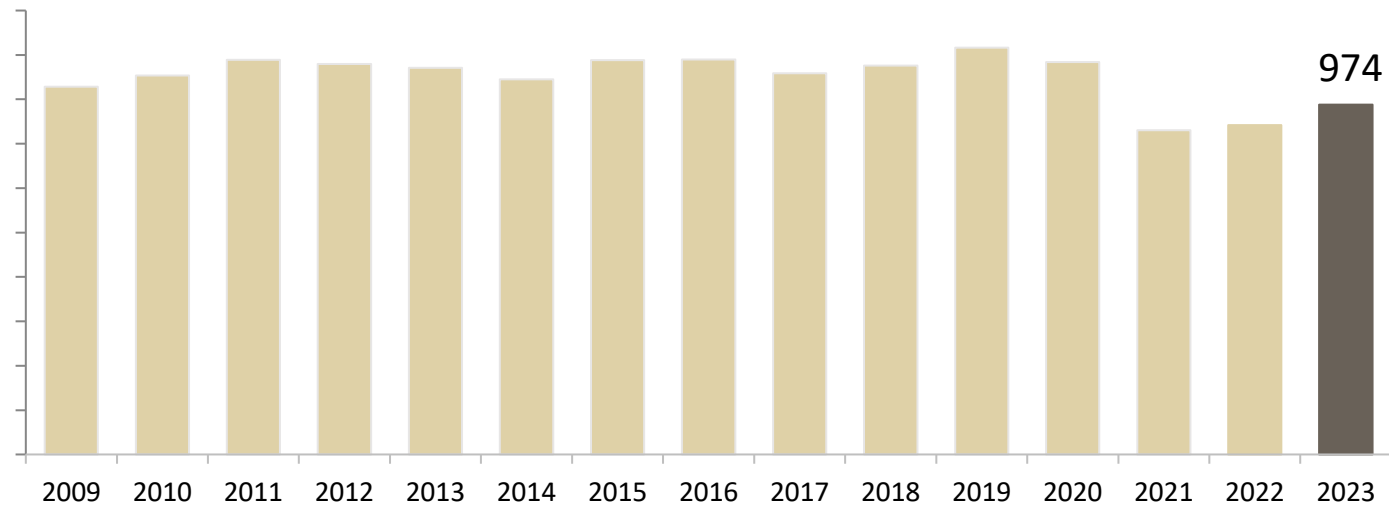
**PULP  
BUSINESS**

**FORESTRY  
OPERATIONS**

**TOTAL PLANTATIONS**

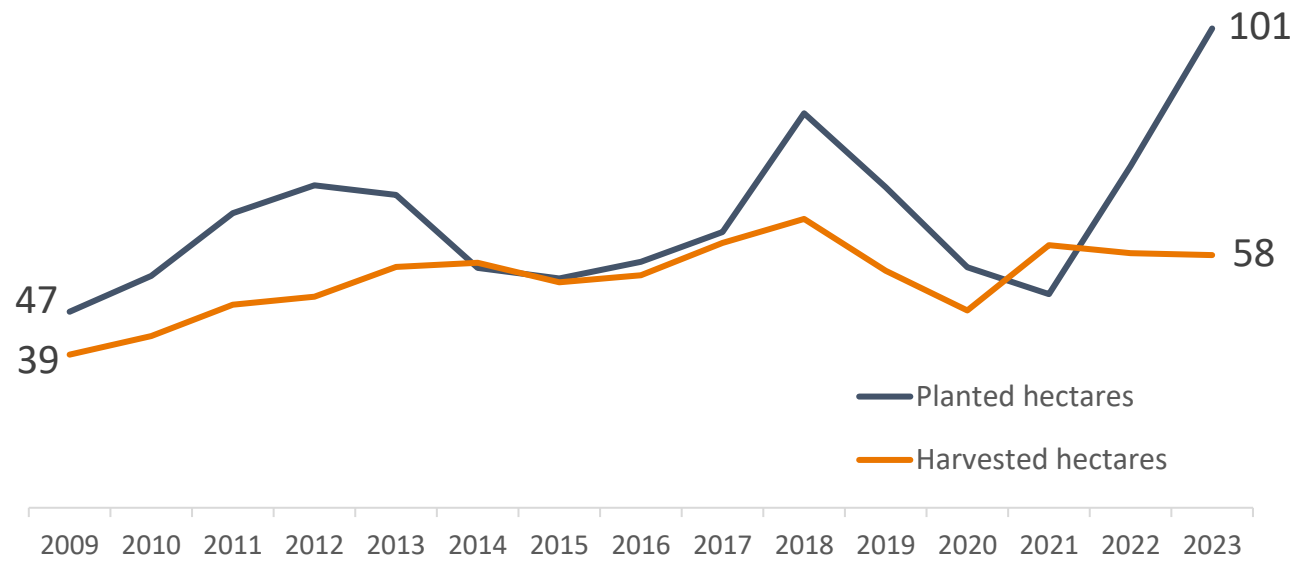
Includes plantations in Chile, Argentina, Brazil and Uruguay

In thousand hectares



**PLANTING AND HARVESTING**

In thousand hectares



**1.8** MILLION HECTARES OWNED

**974** THOUSAND HECTARES PLANTED

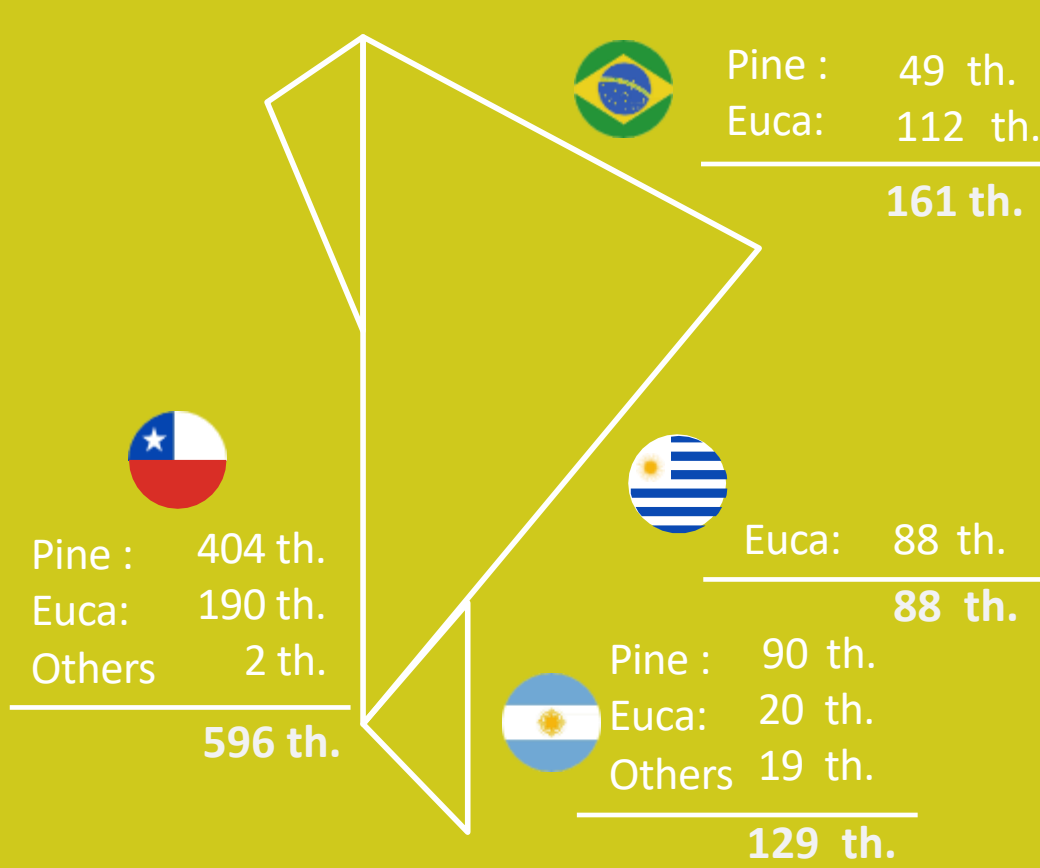
**544** TH OF PINE

**409** TH OF EUCA

**21** TH OTHERS

**509** TH OF NATIVE FOREST

**HECTARES PLANTED**

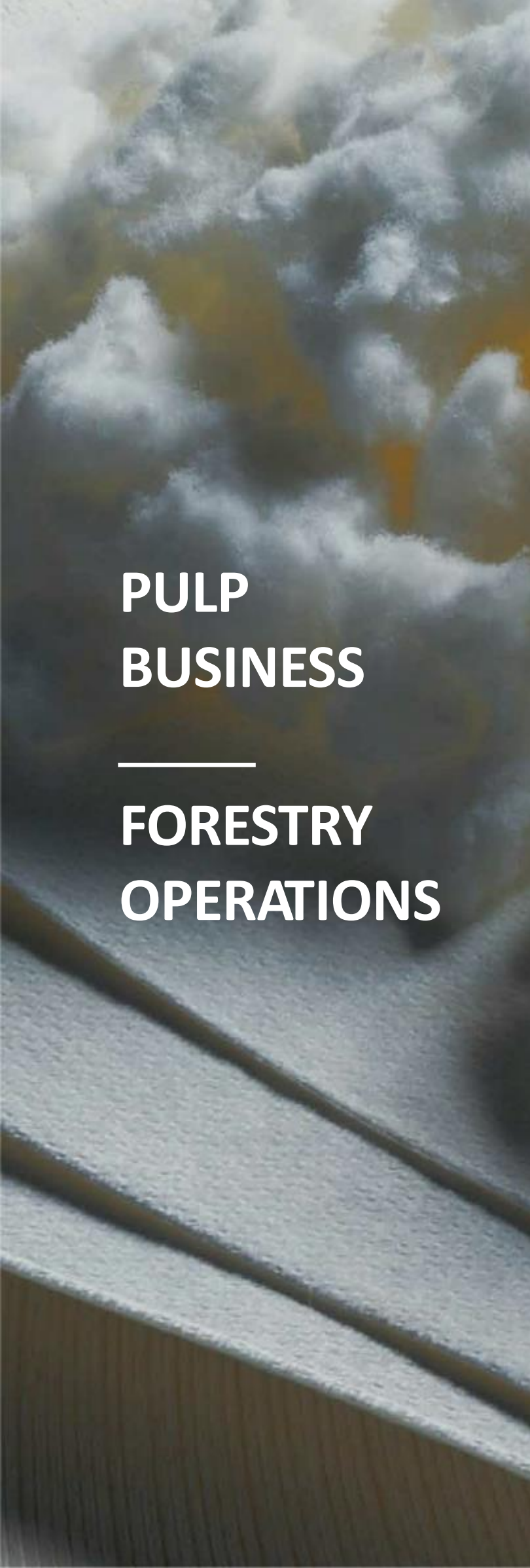


**ENVIROMENTAL CERTIFICATIONS**

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**

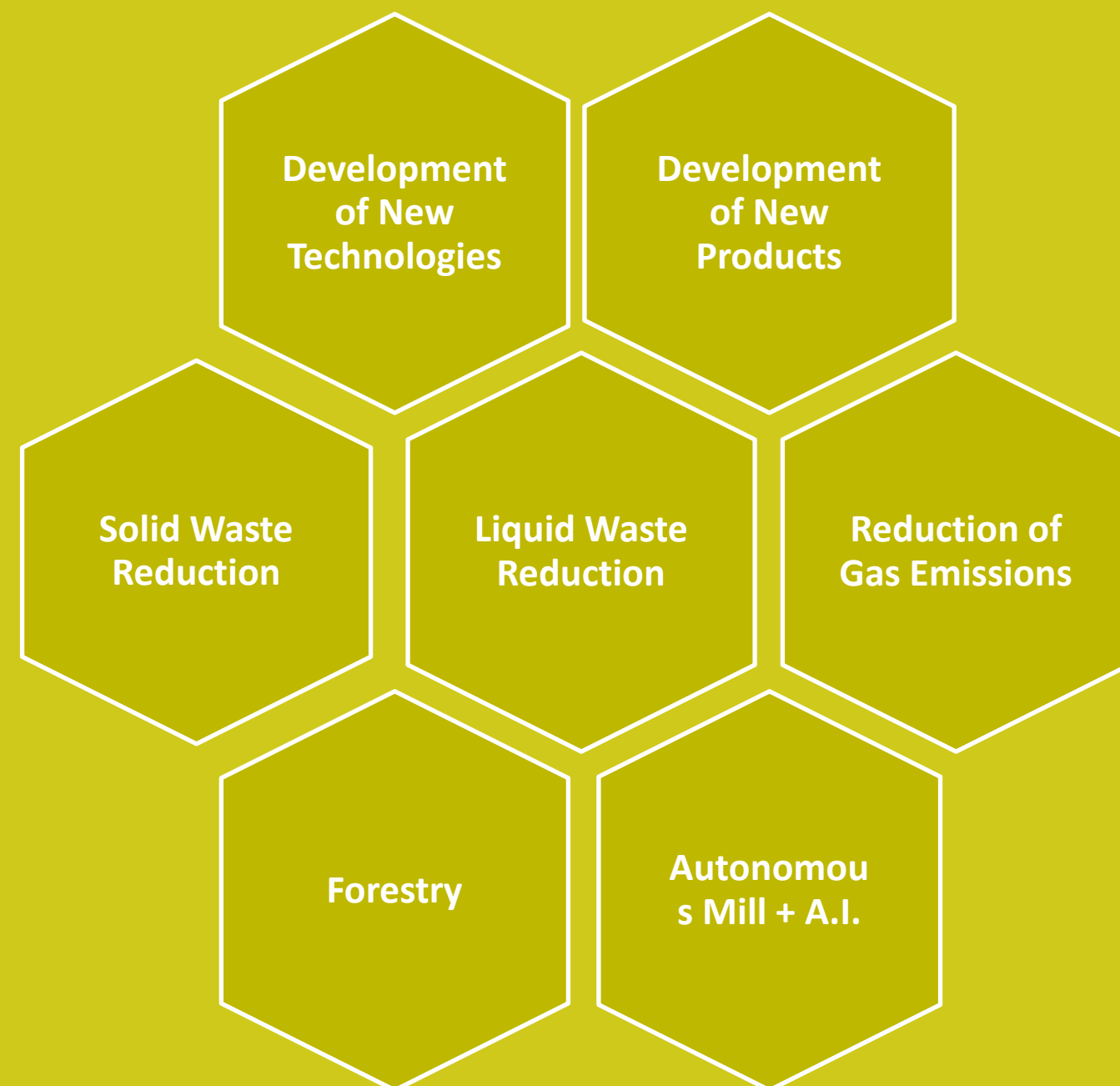
---

**FORESTRY  
OPERATIONS**

## BIOFOREST RESEARCH AND DEVELOPMENT

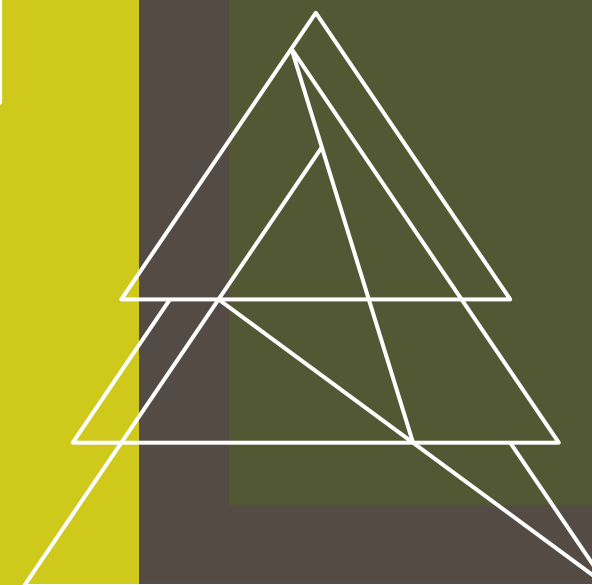
**+30** years researching, developing, and applying innovative technologies to enhance the productivity of our forest and industrial resources.

Our strategic focus points are:

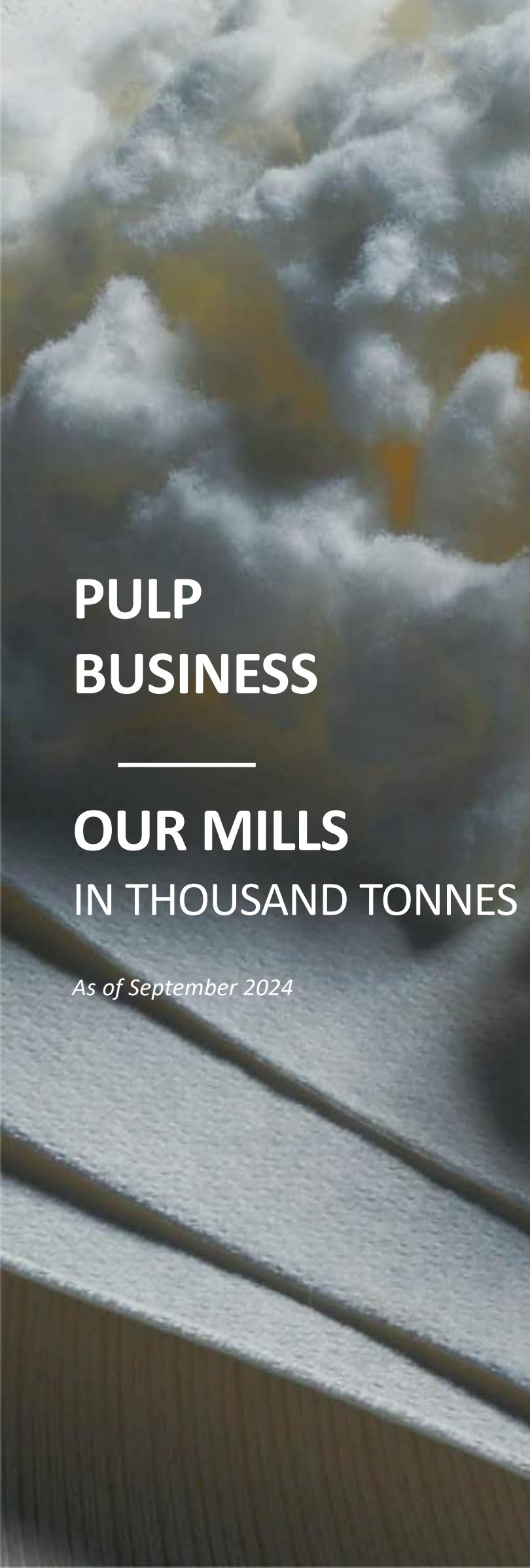


Bioforest is structured to focus on disruptive research and delivering greater value to our businesses.

- 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 September 2024

**arauco**

**NUEVA ALDEA**  
520 BHKP  
520 BSKP



**MONTES DEL PLATA**  
1,420 BHKP

ARAUCO owns 50%



**CONSTITUCIÓN**  
355  
UKP



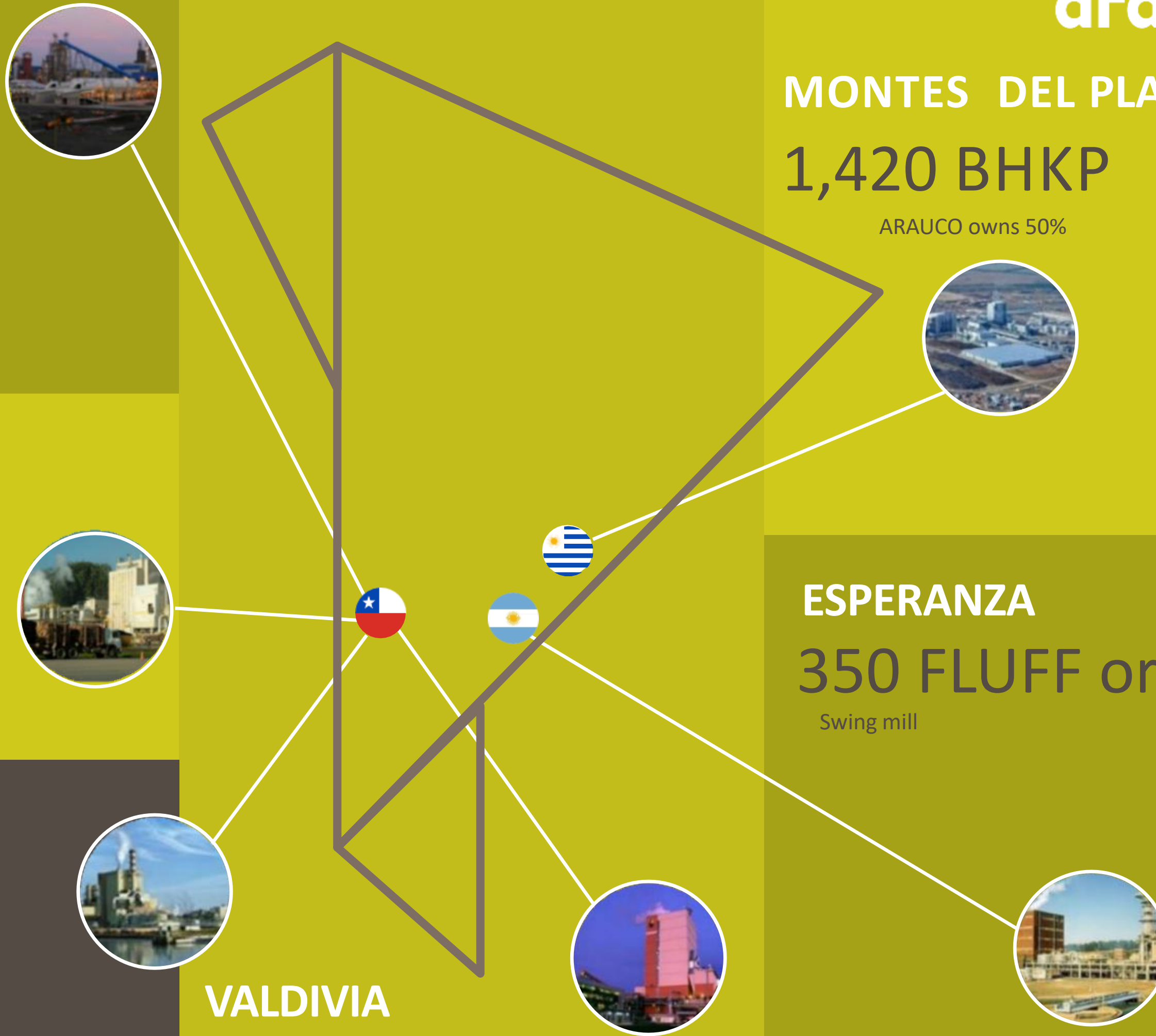
**ESPERANZA**  
350 FLUFF or BSKP  
Swing mill



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



**VALDIVIA**  
550 DP or BHKP  
Swing mill





1. LOGISTIC EFFICIENCY



AVERAGE DISTANCES (km) FROM

FORESTS TO MILLS

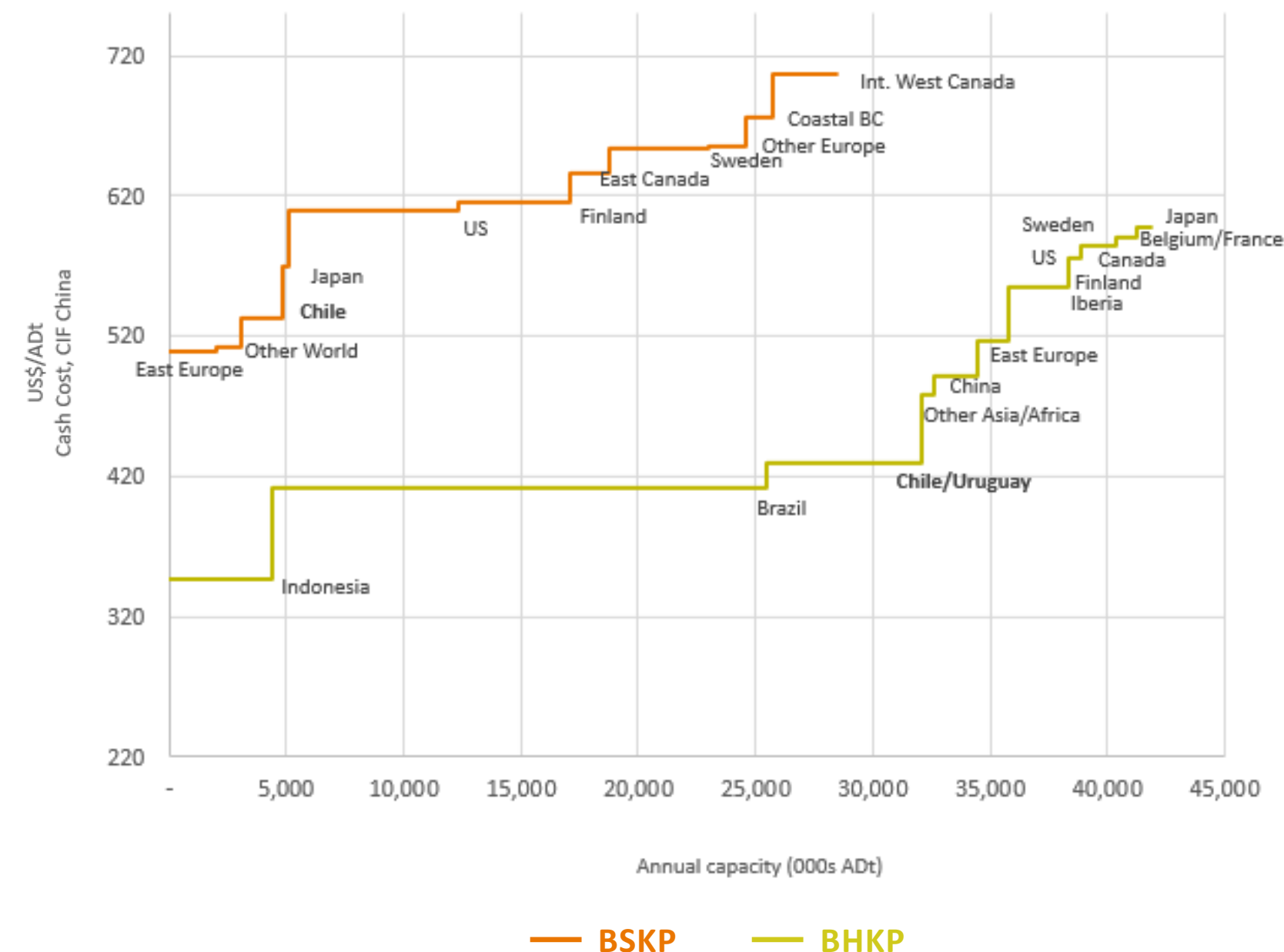
CHILE	>	<b>85</b>
ARGENTINA	>	<b>80</b>
URUGUAY	>	<b>282</b>

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>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

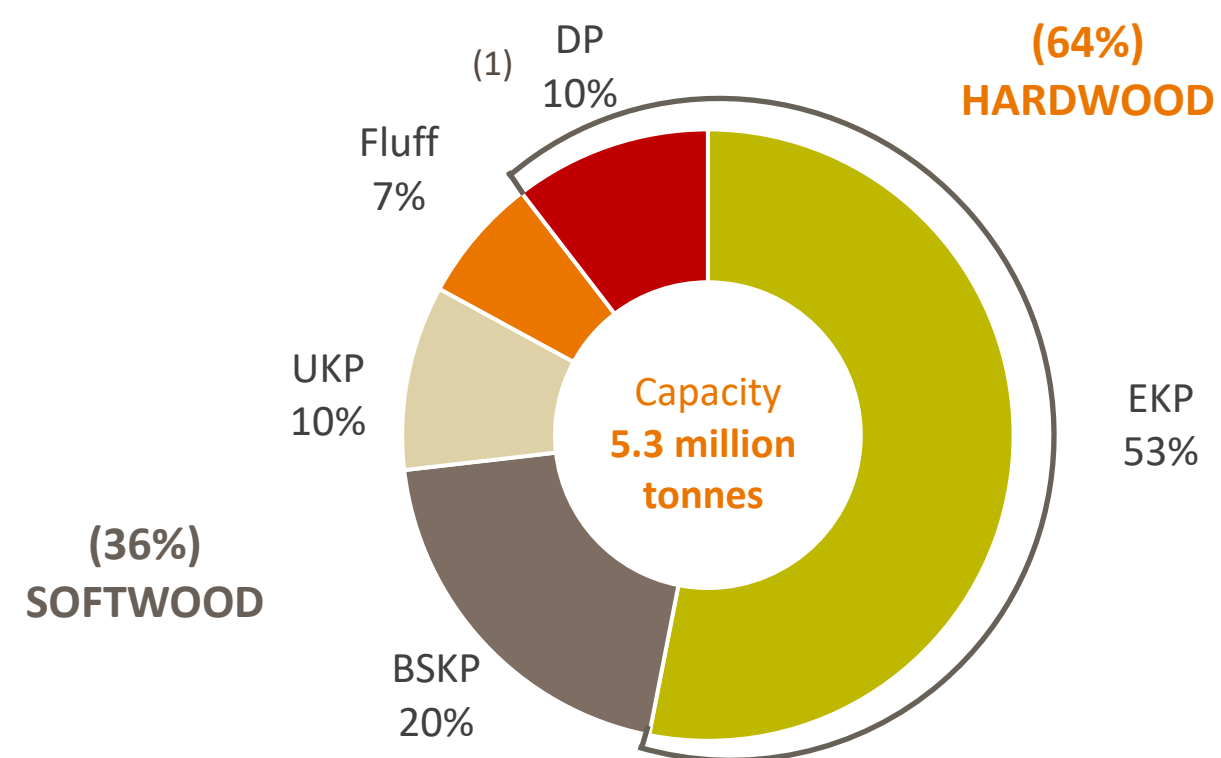


3. PRODUCT DIVERSIFICATION

PULP BUSINESS

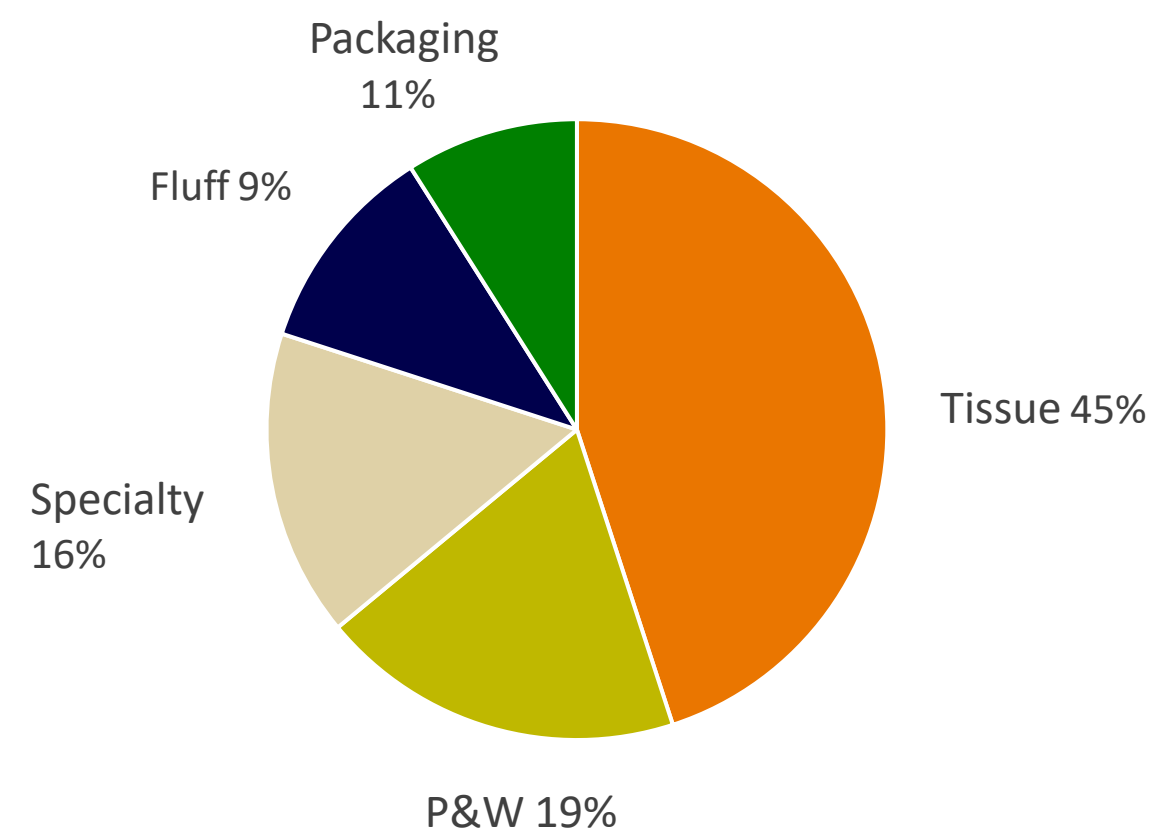
COMPETITIVE ADVANTAGES

As of December 2024



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, 2023 ESTIMATE (2)



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





REVENUES

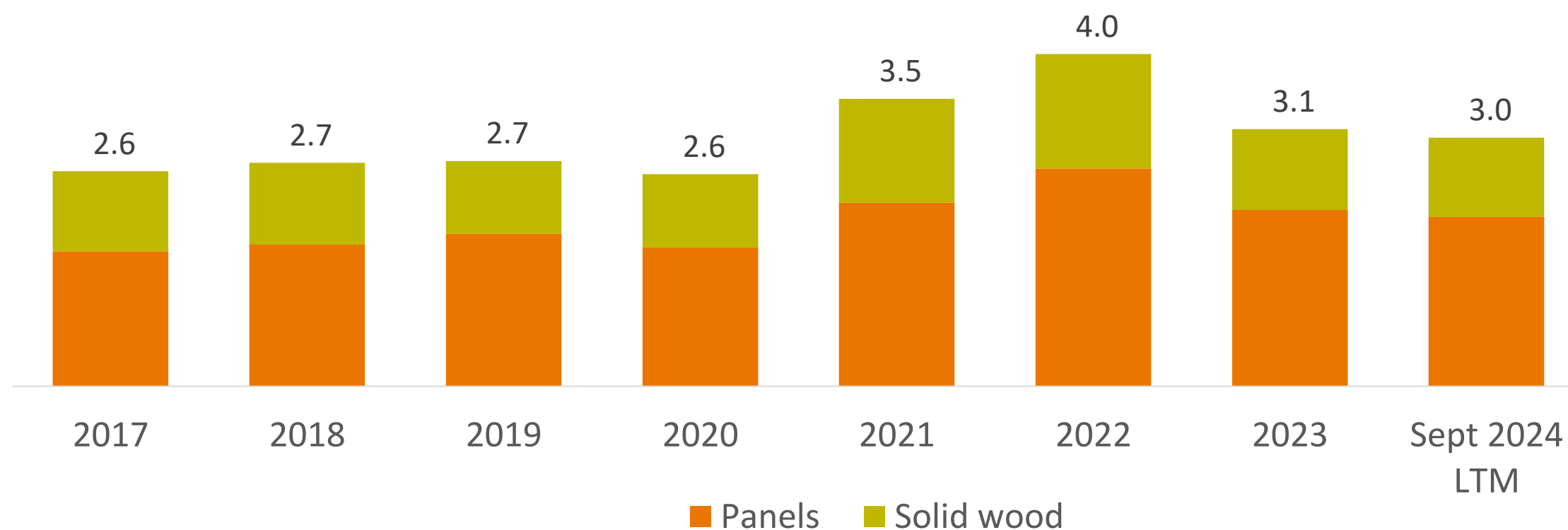
MUS  
\$3,026

Energy sales not included  
As of September 2024 LTM



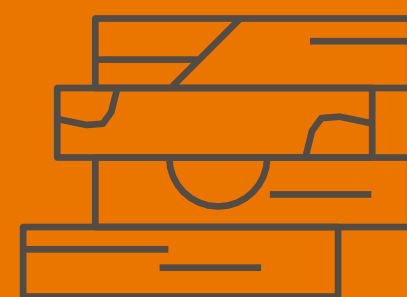
SALES  
EVOLUTION

US\$ billion

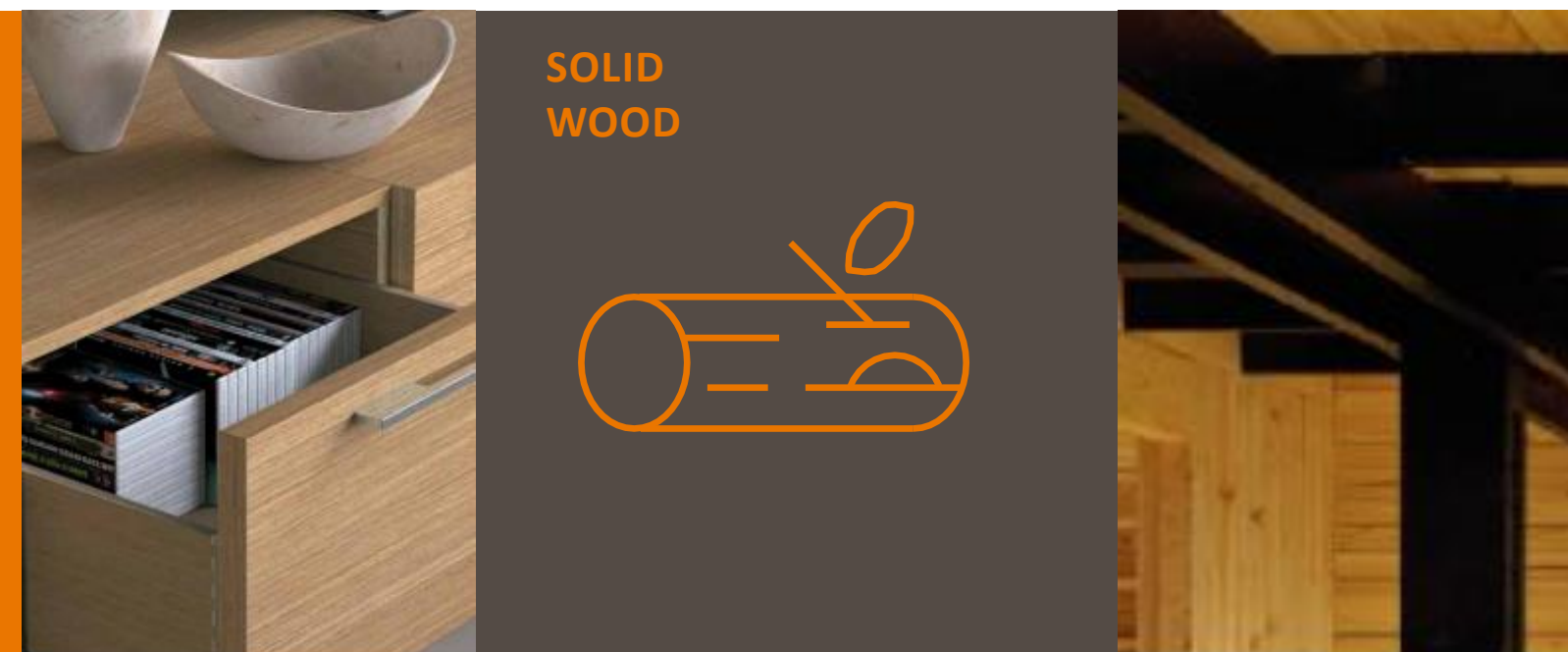


SUBDIVISIONS

PANELS



SOLID  
WOOD





WOOD PRODUCTS BUSINESS: PANELS

**PANELS SALES**

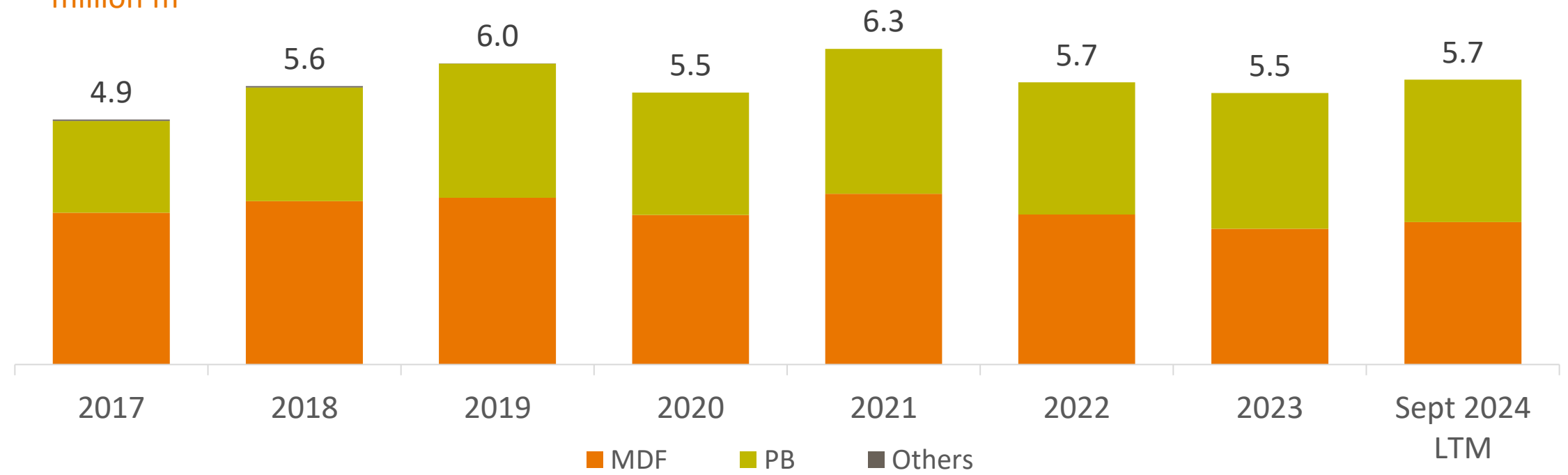
**MUS \$2,063**

Energy sales not included  
As of September 2024 LTM

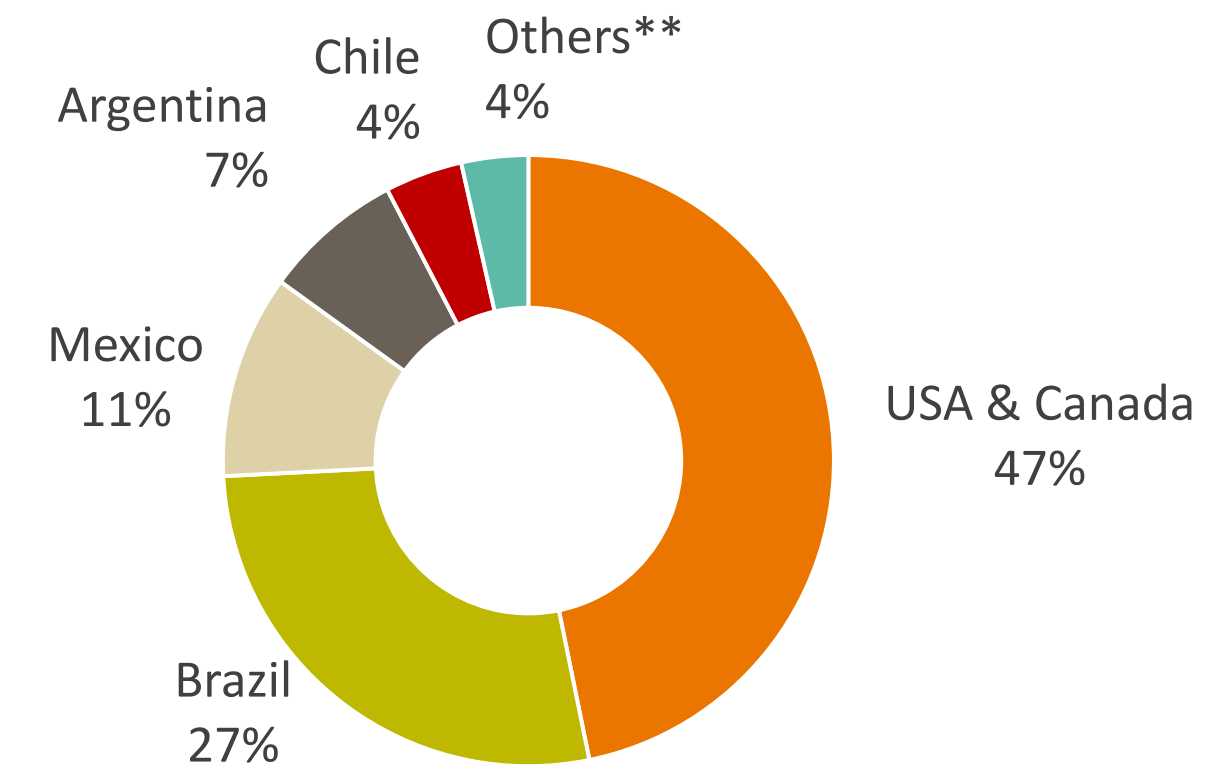
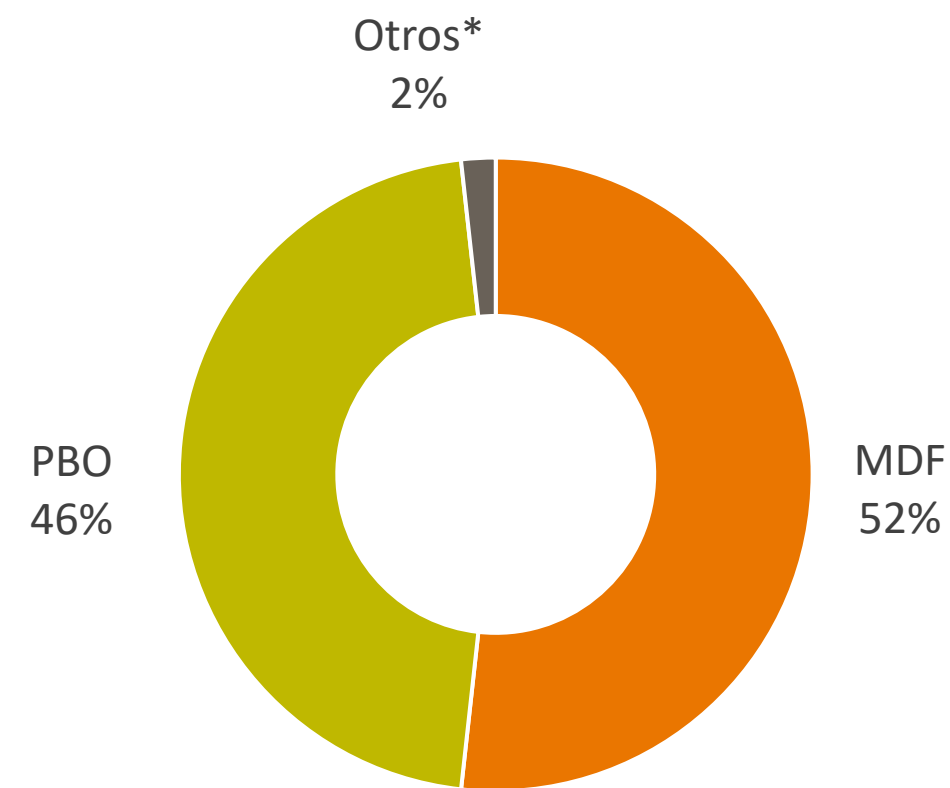
Does not include Sonae Arauco volumes  
\*OSB, HB, Retail and Composite panels  
\*\* EMEA, Asia, Oceania and Rest of Latam

**PRODUCTION**

million m<sup>3</sup>



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





WOOD  
PRODUCTS  
BUSINESS :  
SOLID WOOD

SOLID  
WOOD  
SALES

MUS  
\$963

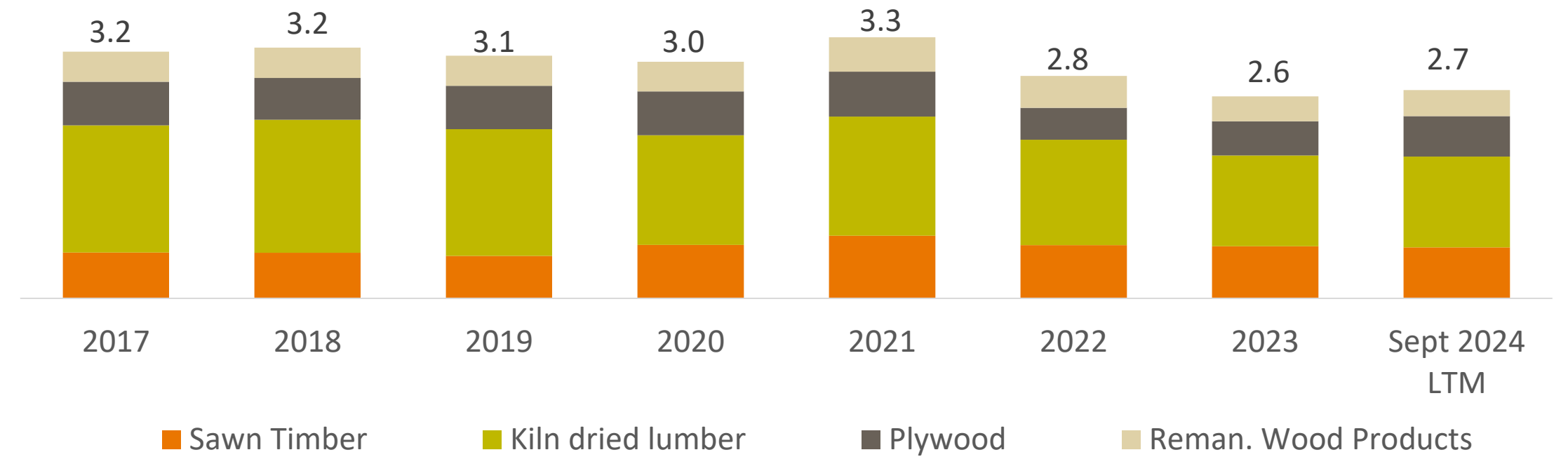
Energy sales not included  
As of September 2024 LTM



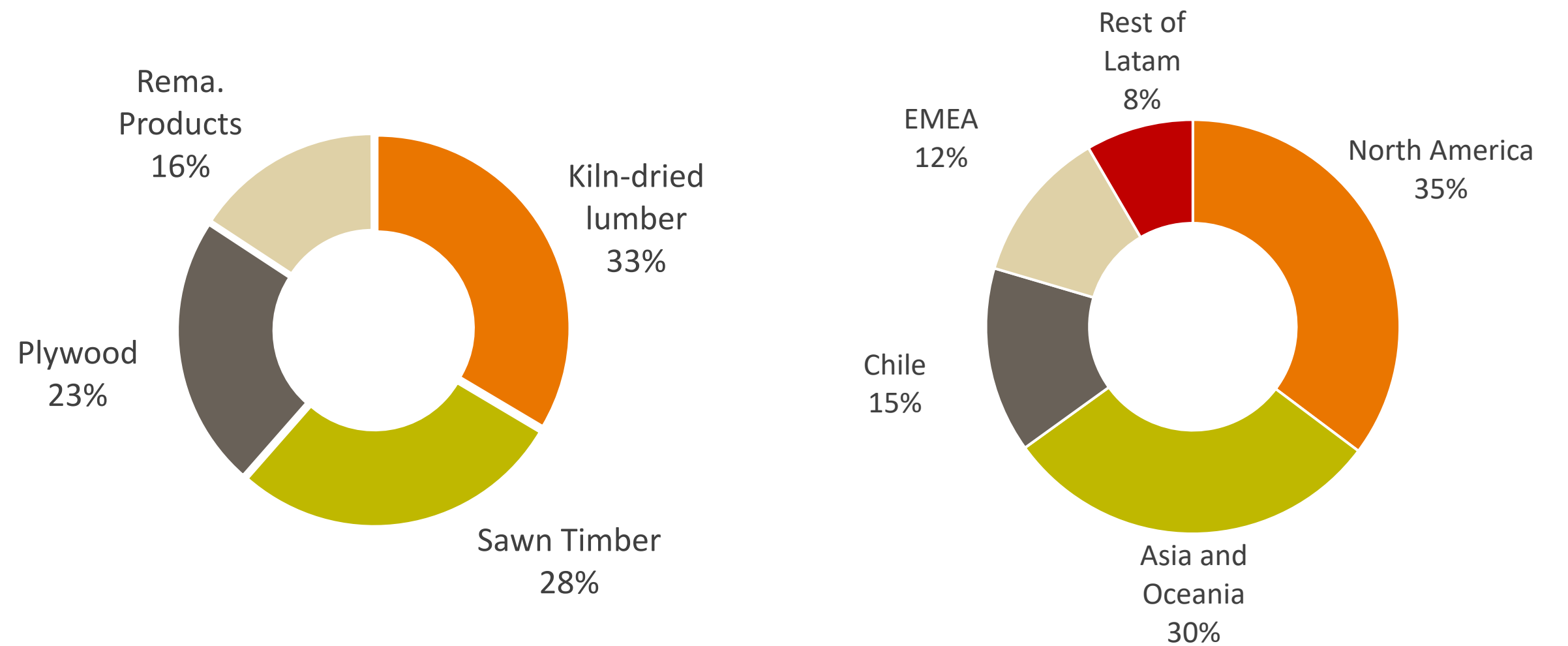
Sonae Arauco's volume not included.

PRODUCTION

million m<sup>3</sup>



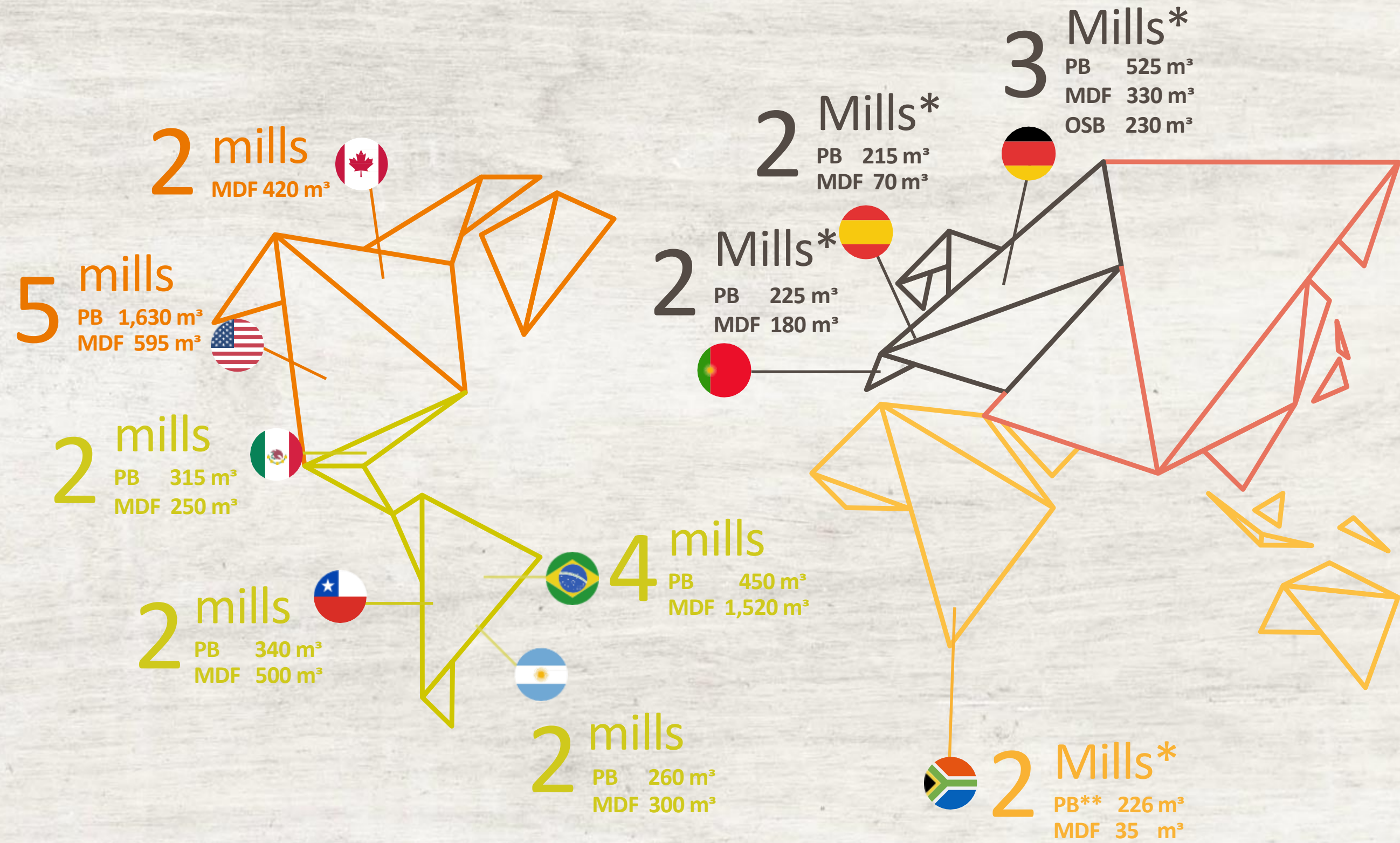
SALES VOLUME: 2.4 MILLION M<sup>3</sup>





**PANELS  
OUR  
MILLS**

**IN  
THOUSANDS**  
As of December 2023


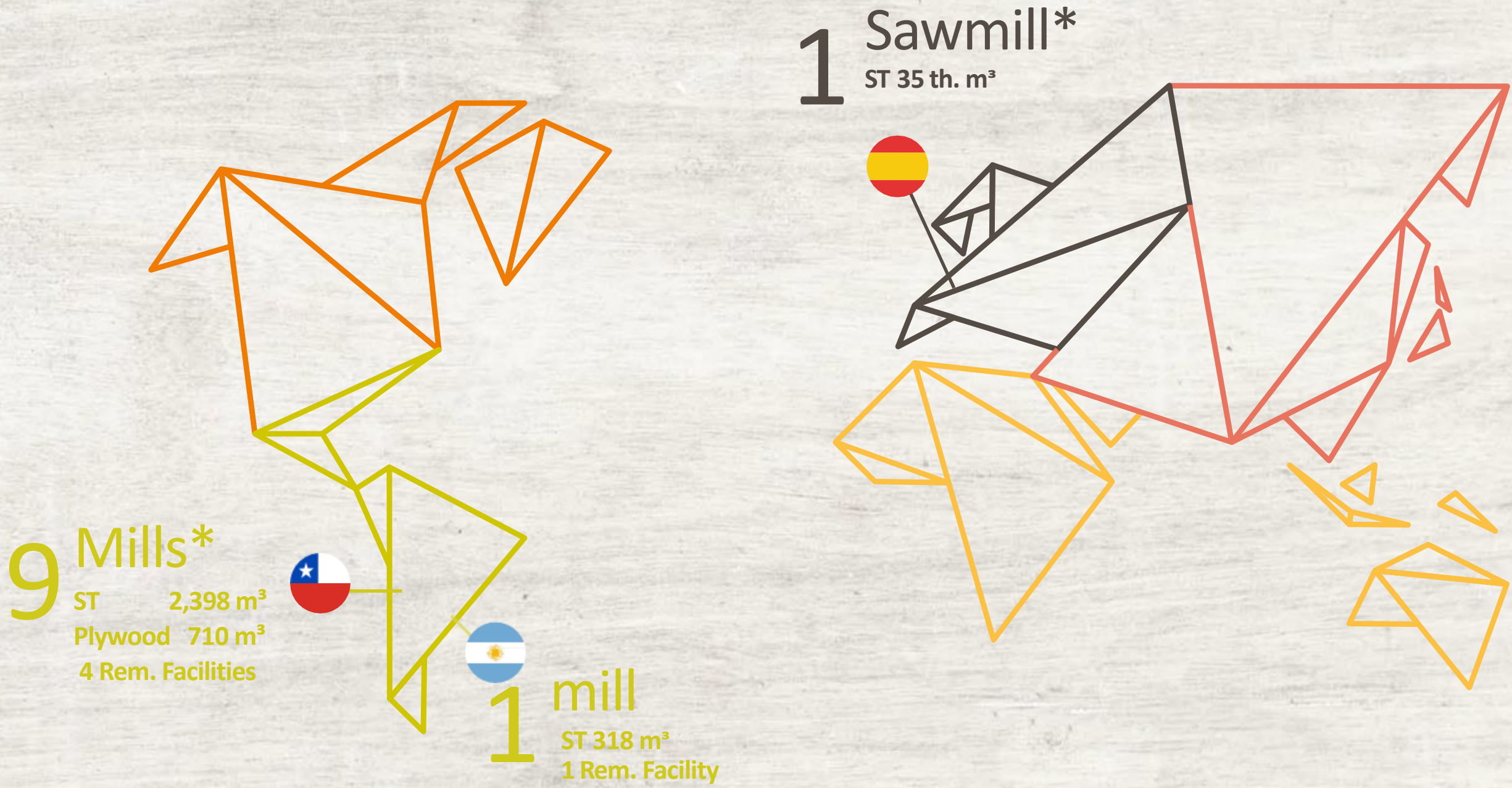
PB: Particle Board  
MDF: Medium Density Fiberboard  
OSB: Oriented Strand Board

\*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  
\$101

As of September 2024 LTM



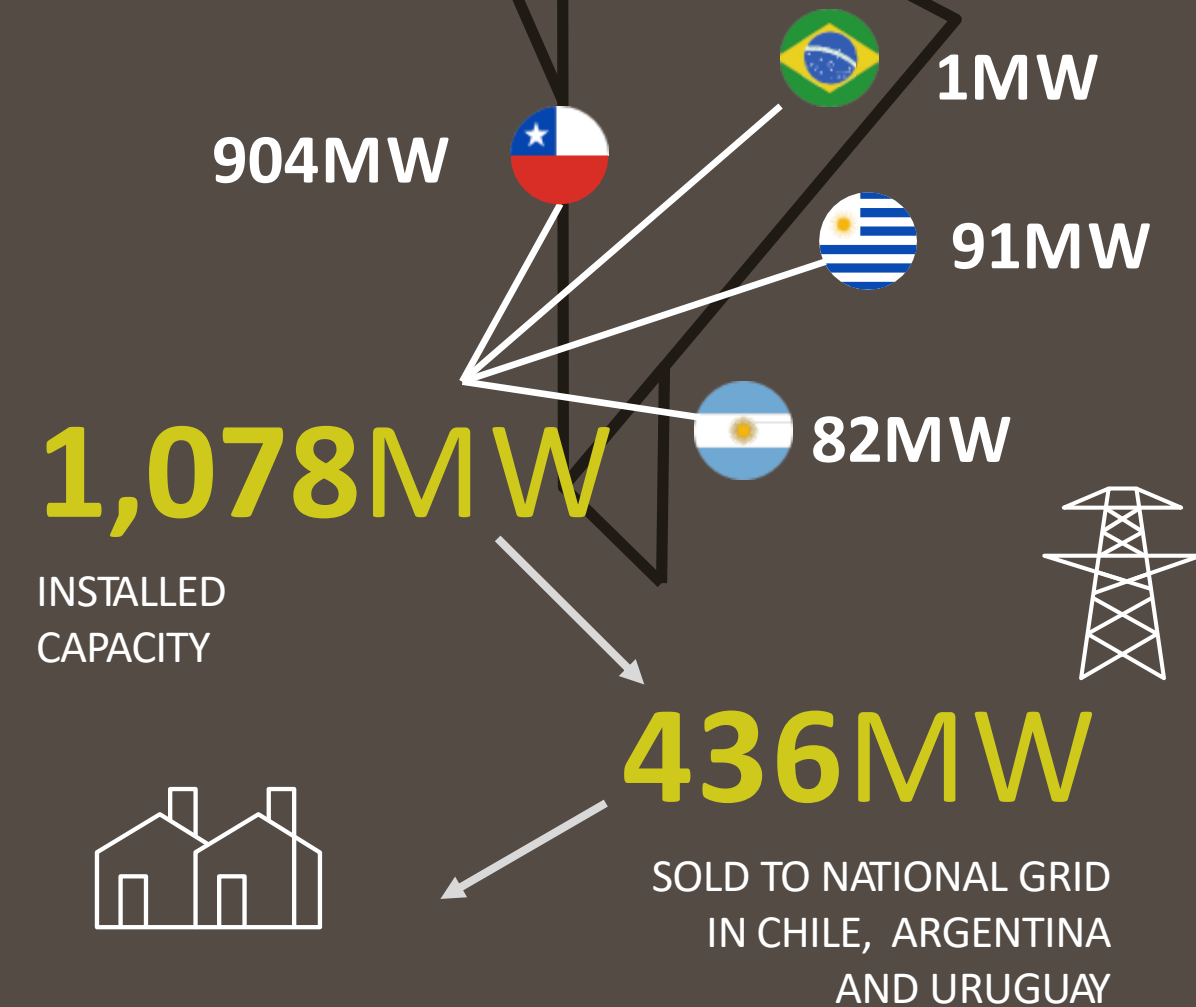
## HIGHLIGHTS

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

In Chile, Argentina, Brazil 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).

arauco



1,078MW

INSTALLED  
CAPACITY

436MW

SOLD TO NATIONAL GRID  
IN CHILE, ARGENTINA  
AND URUGUAY

1.380.000

HOMES CAN BE POWERED BY  
THE SURPLUS INJECTED TO THE  
GRID



# Our Sucuriú Project

Capacity of

**3,500,000**

ADt/year for BHKP pulp.

Forestry area of

**400.000** ha of  
eucalyptus plantation

Energy self-sufficiency

**400 MW**  
of clean energy

Surplus energy of

**220 MW**

to be sold in Brazil's  
interconnected system.

Investment

**US\$ 4.6** billion  
(BR\$ 25.3 billion)



Jobs in operation

**6.000**

(Forestry, Mill, and Logistics).

Jobs at the peak of  
construction

**14.000**

## Regarding the Mill

- 100% “PROVEN TECHNOLOGY,” featuring 2 Fiber Lines and 3 Drying Machines.
- A single Recovery Boiler (the largest in the world), 2 Lime Kilns, and 3 Turbogenerators.
- Lime Kilns that do not burn oil: Gasification based on chips, with oil and gas as options only. “Best in Class” plant in automation.
- No solid waste sent to landfill.
- With environmental parameters that allow access to “green” financing markets.

## Regarding the vendor

- The main islands of production were awarded to a single vendor (VALMET) to achieve a better partnership within the project, a better price, and the guarantee of production for the complete plant.
- It includes incentive/penalty bonuses in case of exceeding or failing to meet target productions.

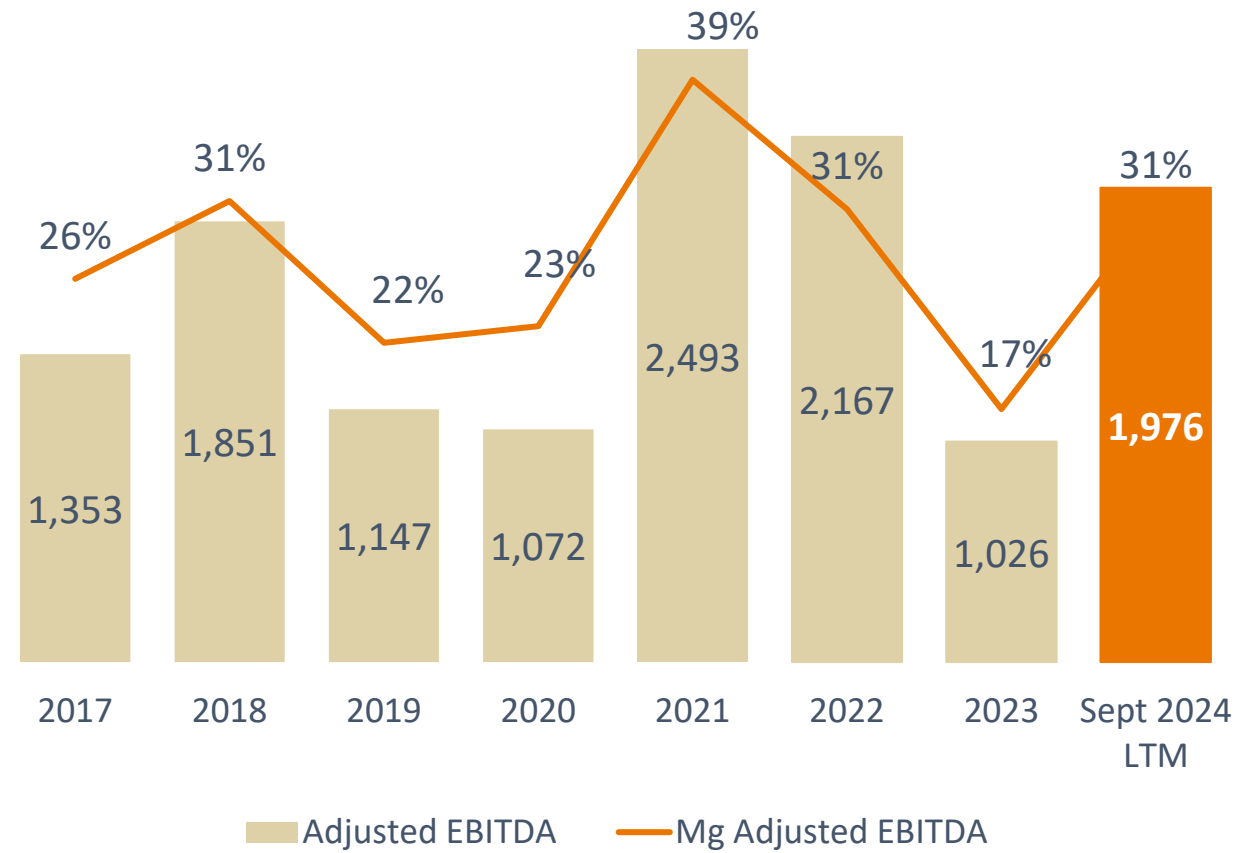


# MAIN FIGURES

As of Seotember 2024 LTM

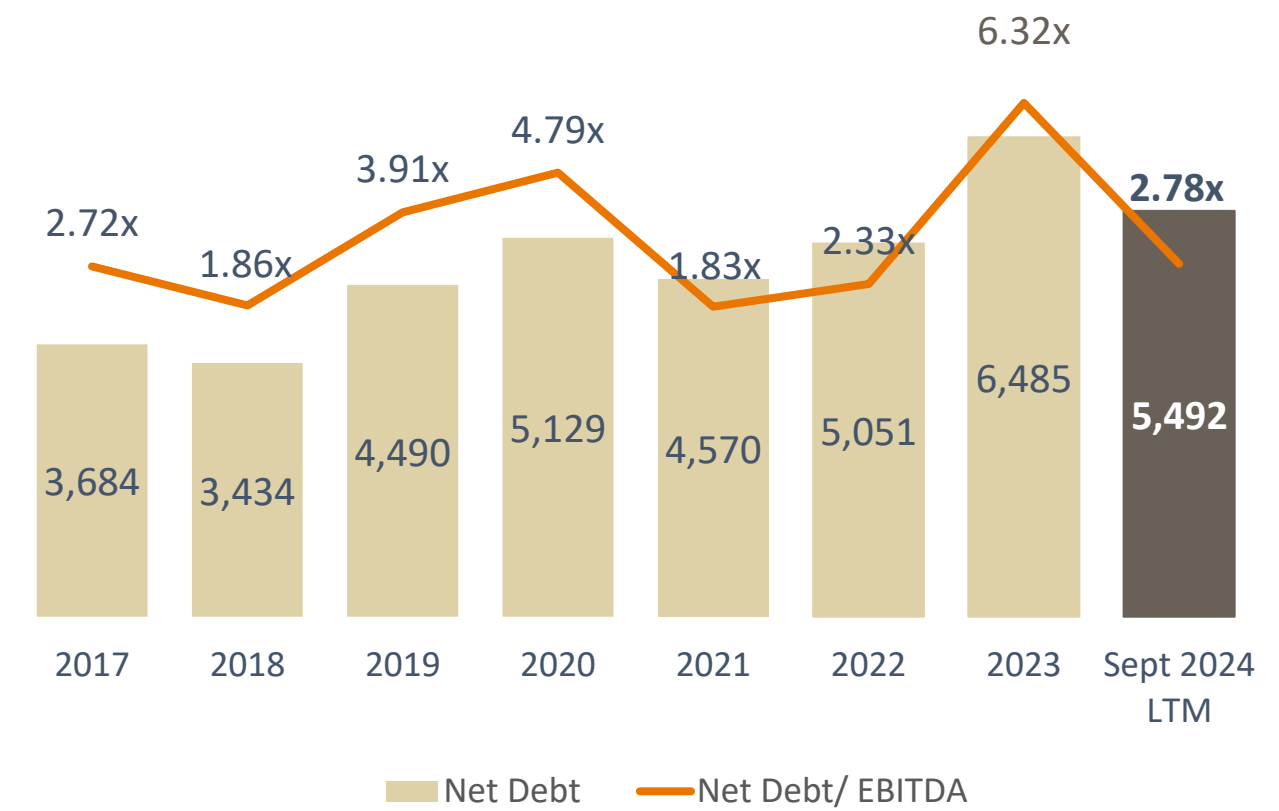
## ADJUSTED EBITDA

US\$ million



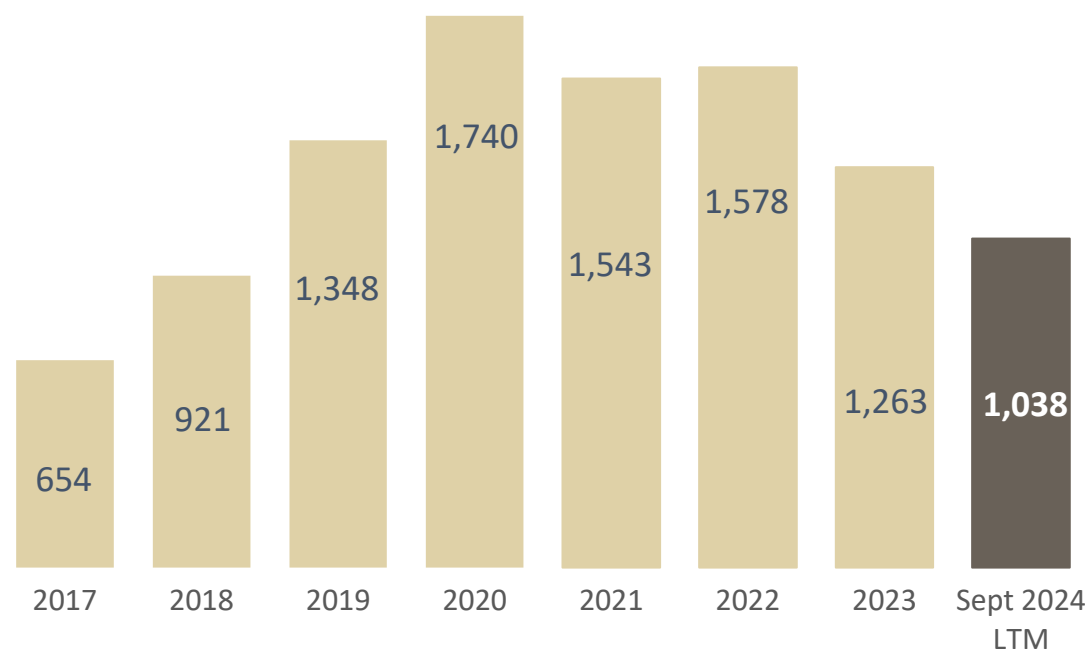
## NET DEBT

US\$ million



## CAPEX

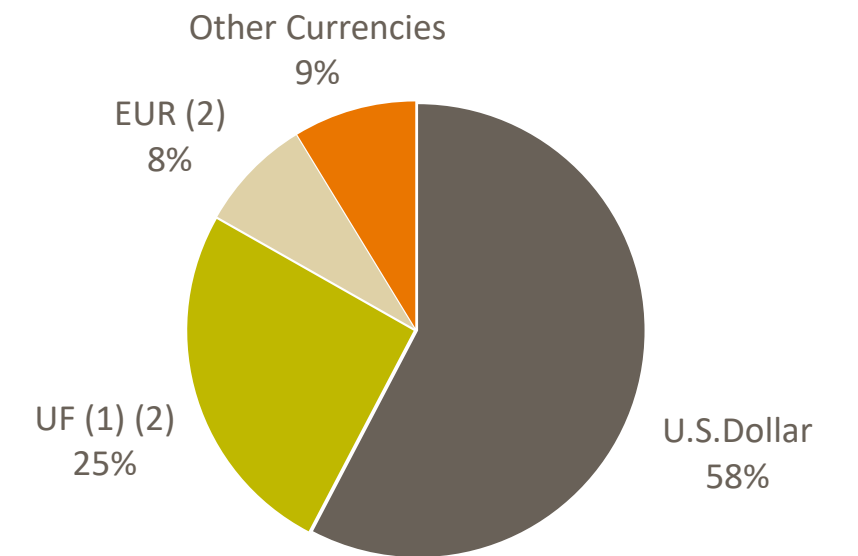
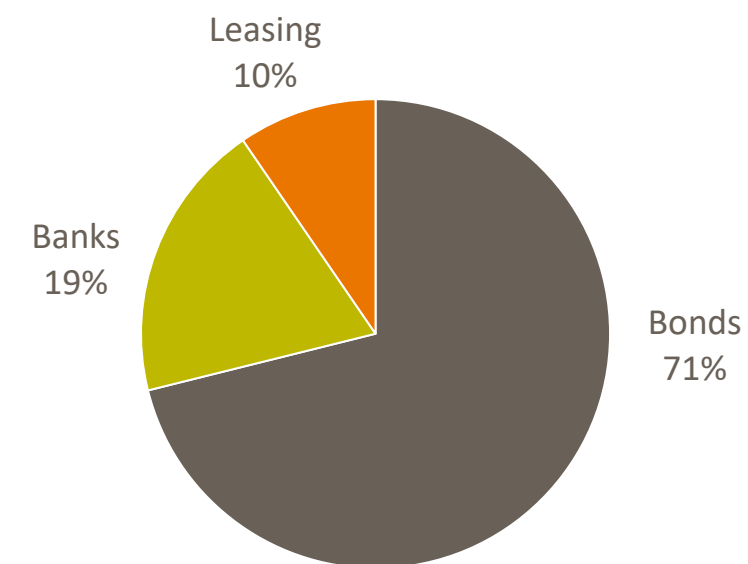
US\$ million



## 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:

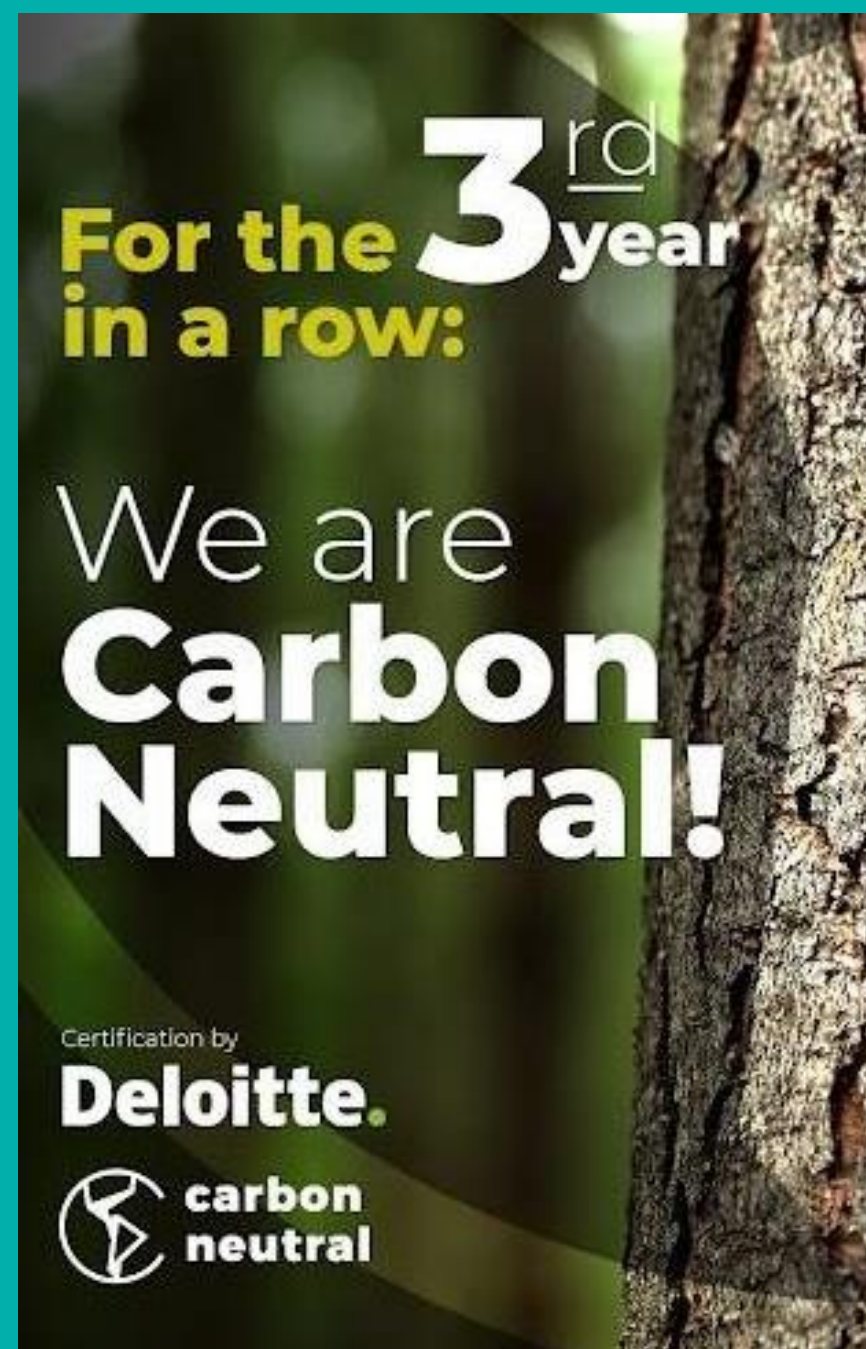
- 1  
WATER  
MANAGEMENT
- 2  
BIODIVERSITY  
CONSERVATION
- 3  
CO<sub>2</sub> ATMOSPHERE  
REDUCTION

**arauco**

## INTEGRATED REPORT 2023

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





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  
EQUIVALENT 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  
REDUCE 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>.



WE CONTINUE TO EXPAND GLOBALLY, SEEKING NEW CHALLENGES TO MAXIMIZE THE COMPANY'S VALUE IN A **SOCIAL, ENVIRONMENTAL, AND ECONOMICAL** RESPONSIBLE WAY, CONTINUING AS PIONEERS IN **SUSTAINABILITY**



**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*





**FOR FURTHER INFORMATION,  
PLEASE CONTACT:**

Marcelo Bennett, Treasurer  
[marcelo.bennett@arauco.com](mailto:marcelo.bennett@arauco.com)

Constanza Vásquez, Investor Relations  
[constanza.vasquez@arauco.com](mailto:constanza.vasquez@arauco.com)

José Manuel Guzmán, Finance Analyst  
[jose.guzman@arauco.com](mailto:jose.guzman@arauco.com)

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

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

Phone: (562) 2461 7438



renewables  
for a  
better life

**arauco**

