



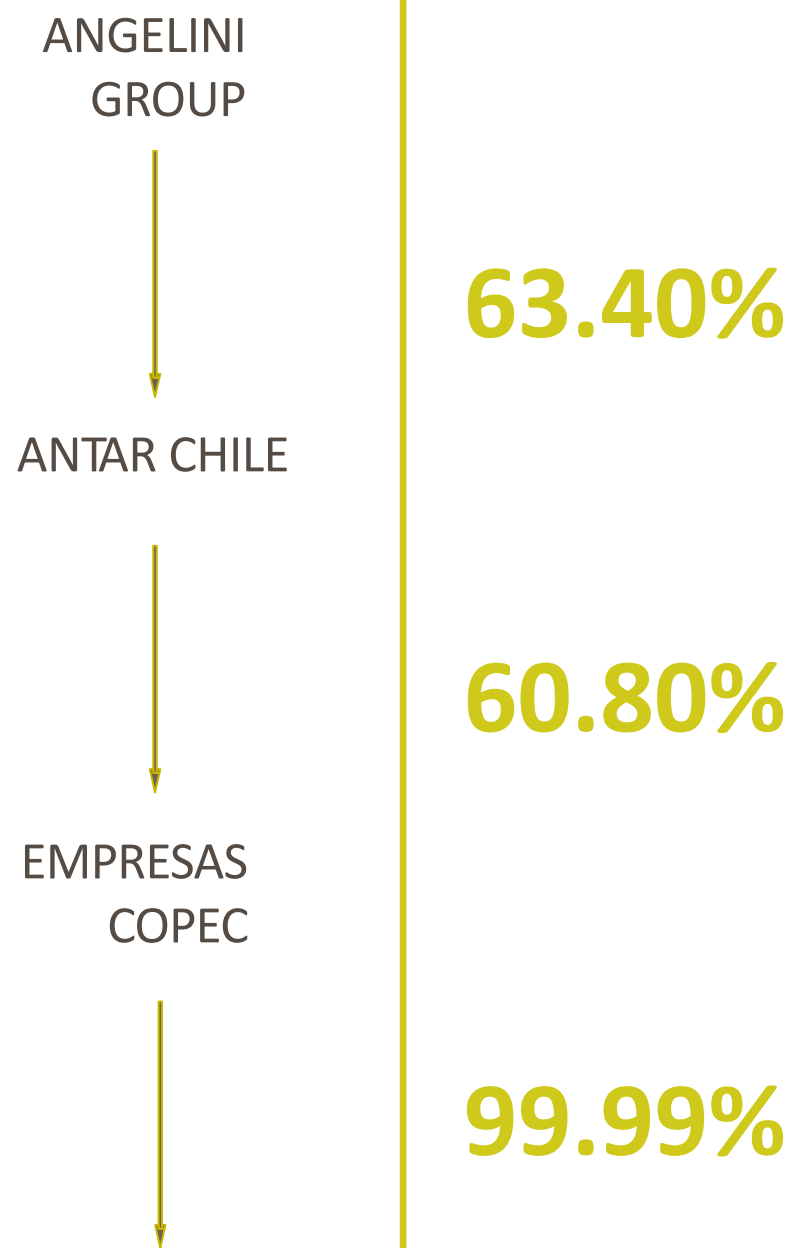
**CORPORATE  
PRESENTATION  
Q4 2022**

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

**FINANCIAL HIGHLIGHTS**

In US\$ million, last twelve months

EBITDA	2,167	Net Income	704
EBITDA Margin	31%	CAPEX	1,588
Net Debt / EBITDA	2.33x	Revenues	7,102

REVENUES

MUS\$7,102

PULP	WOOD
<b>42%</b>	<b>58%</b>

DIVERSIFIED SALES AROUND THE WORLD



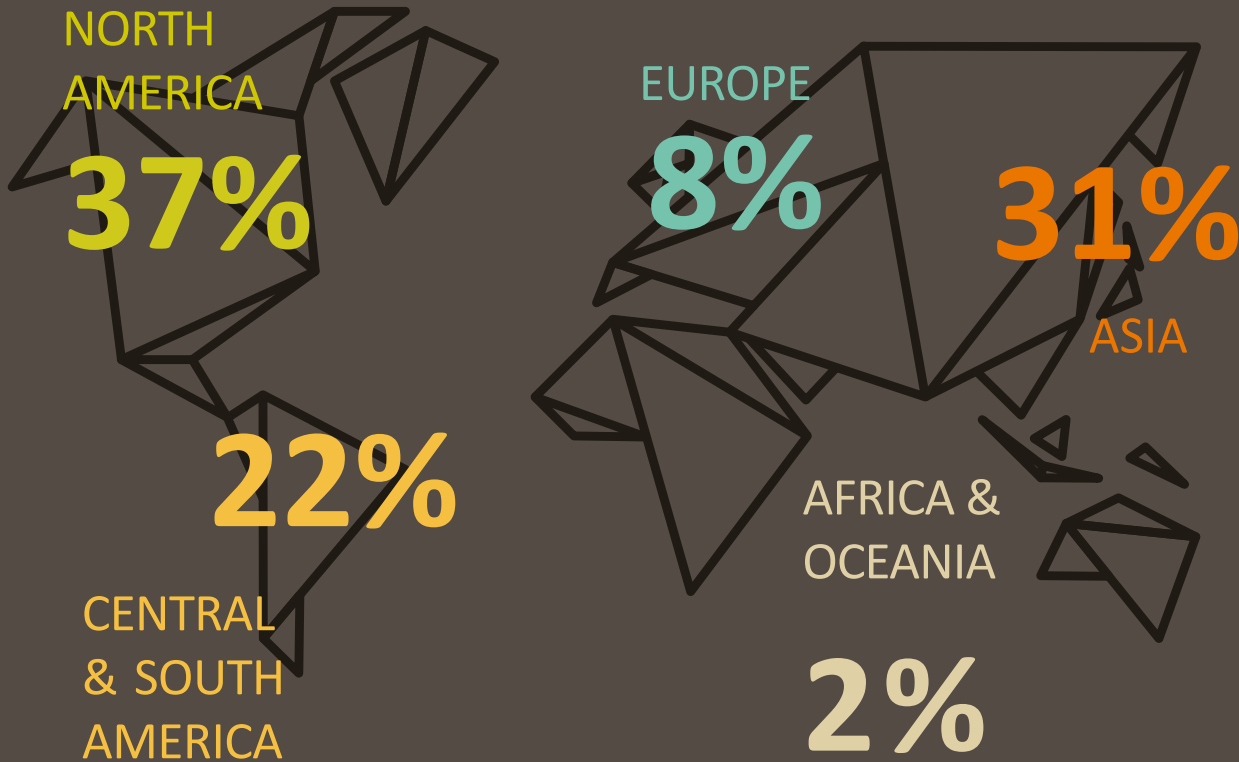
As of December 2022

Adjusted EBITDA  
MUS\$2,167

PULP	WOOD
<b>52%</b>	<b>55%</b>
OTHERS	
<b>-7%</b>	



REVENUES BY REGION


























## 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, 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.

**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.

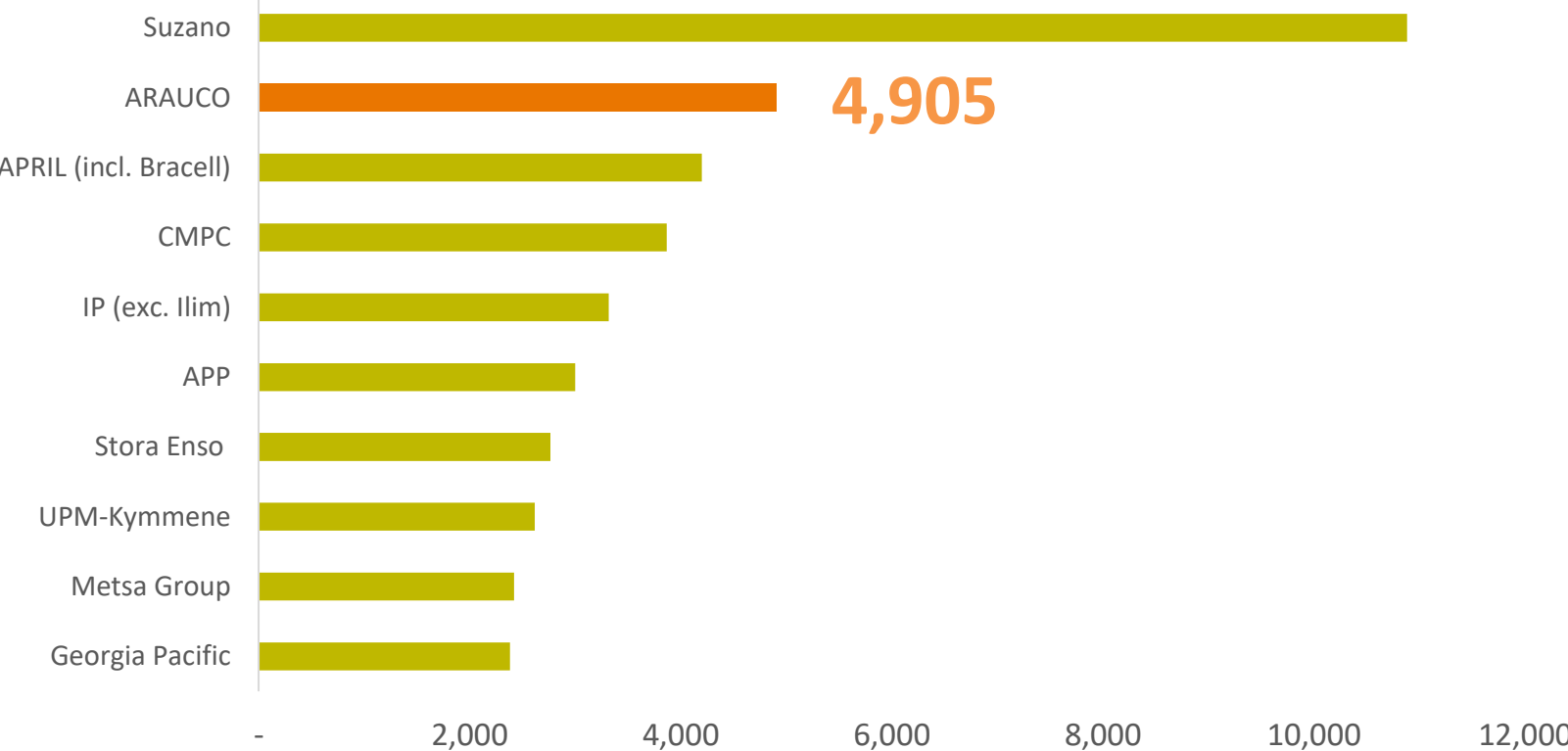
\*\* Panels refers to Composite Panels, which corresponds to MDF, PB and OSB.

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

**#2**

**IN MARKET  
PULP CAPACITY  
IN THE WORLD**

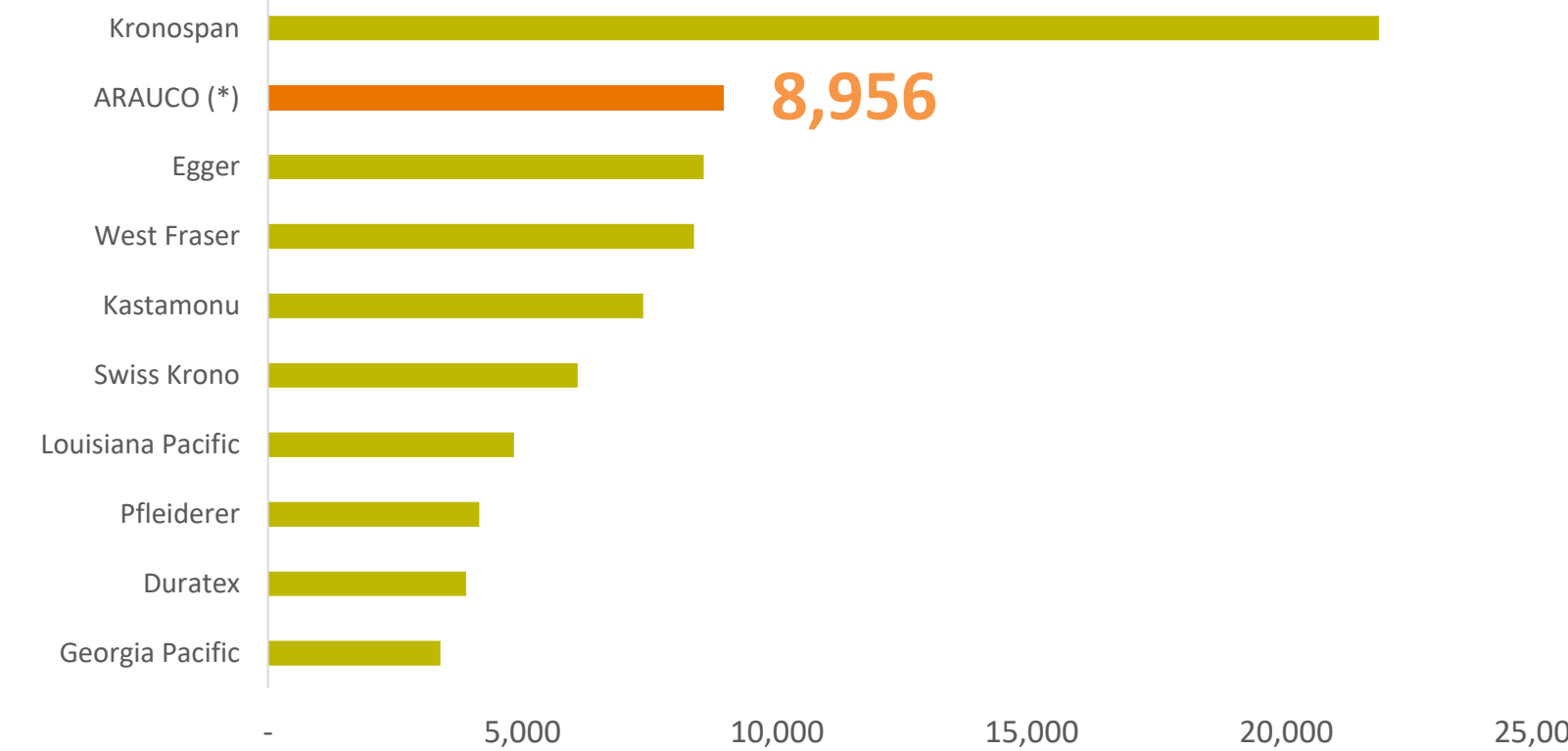
**MARKET PULP CAPACITY (THOUSAND TONNES)**

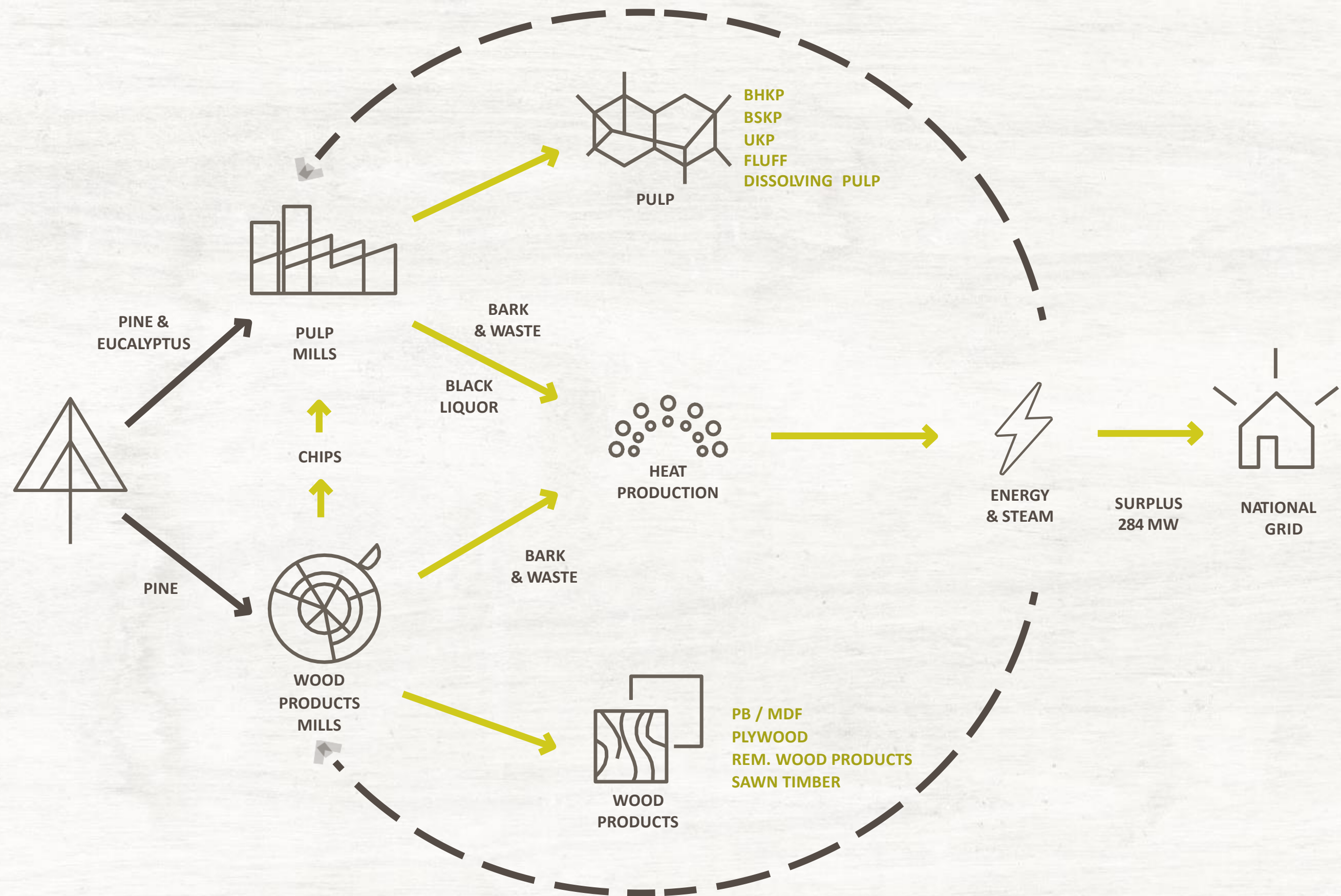


**#2**

**IN PANEL  
CAPACITY IN  
THE WORLD**

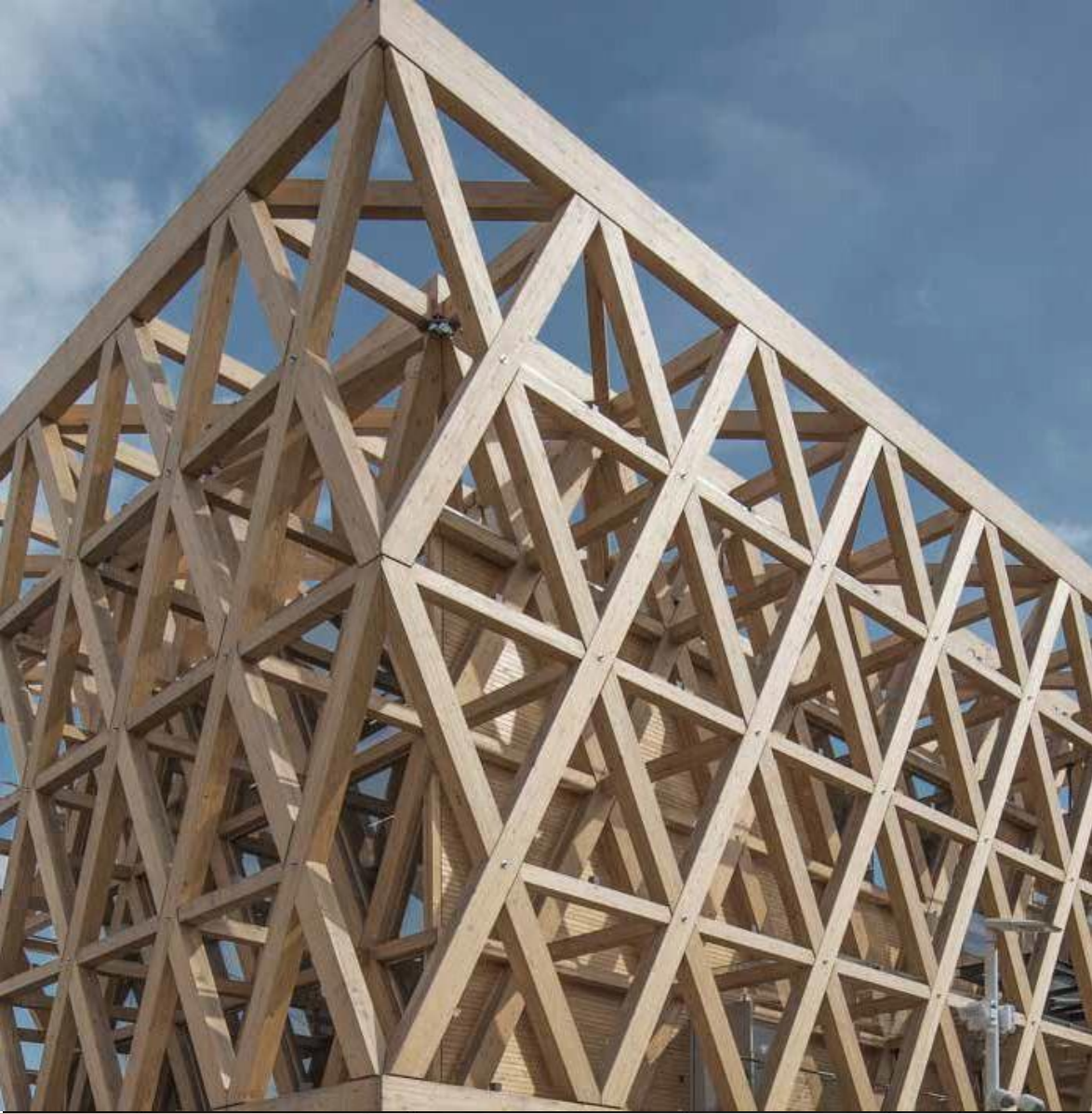
**WORLD PANELS\*\* CAPACITY (THOUSAND m<sup>3</sup>)**





MAXIMIZING  
THE VALUE  
OF OUR FOREST



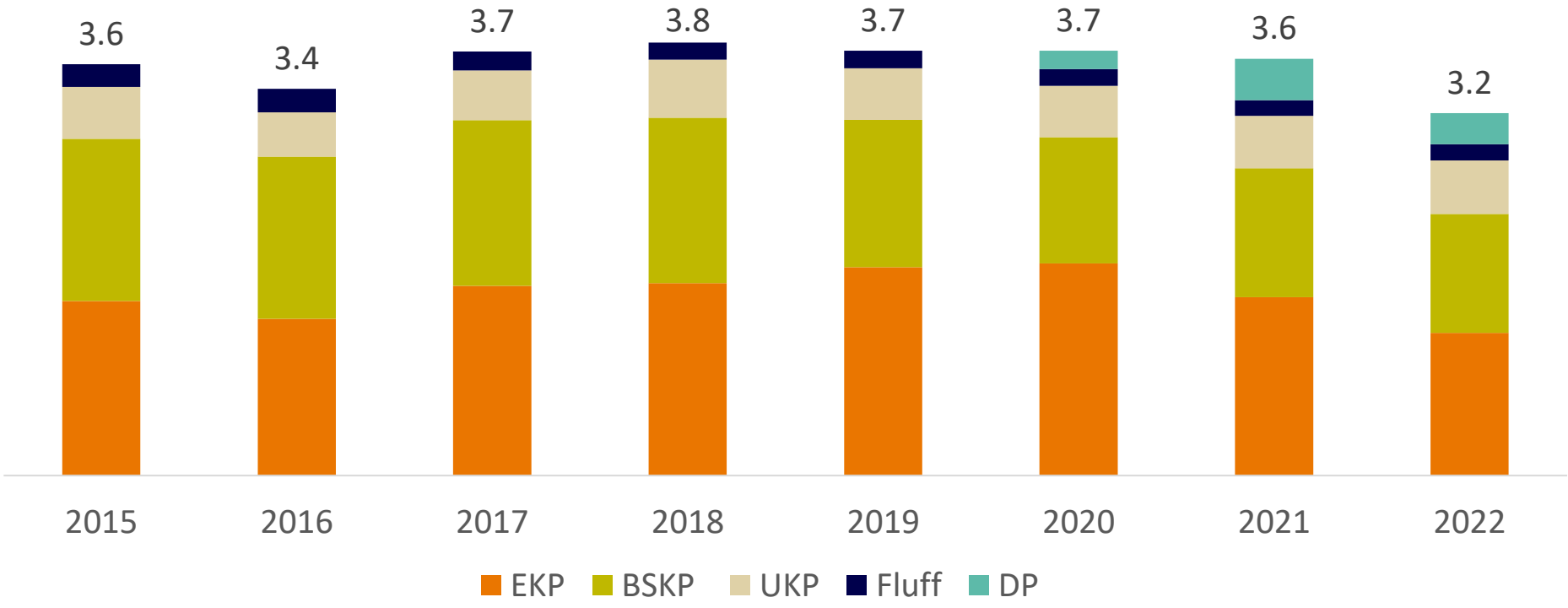


**BUSINESS  
SEGMENTS**

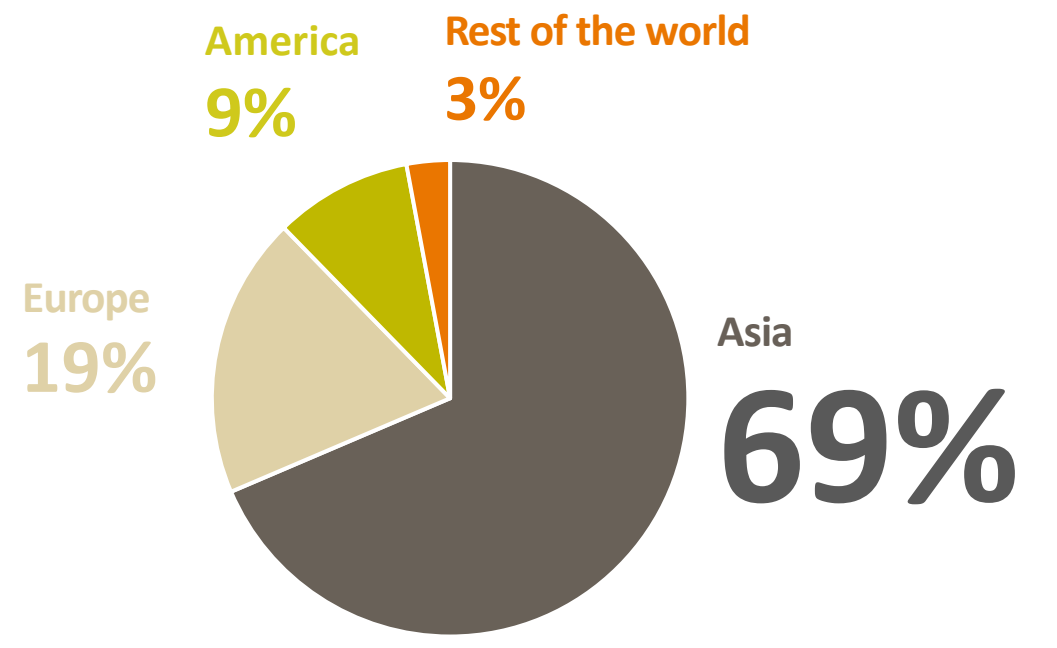
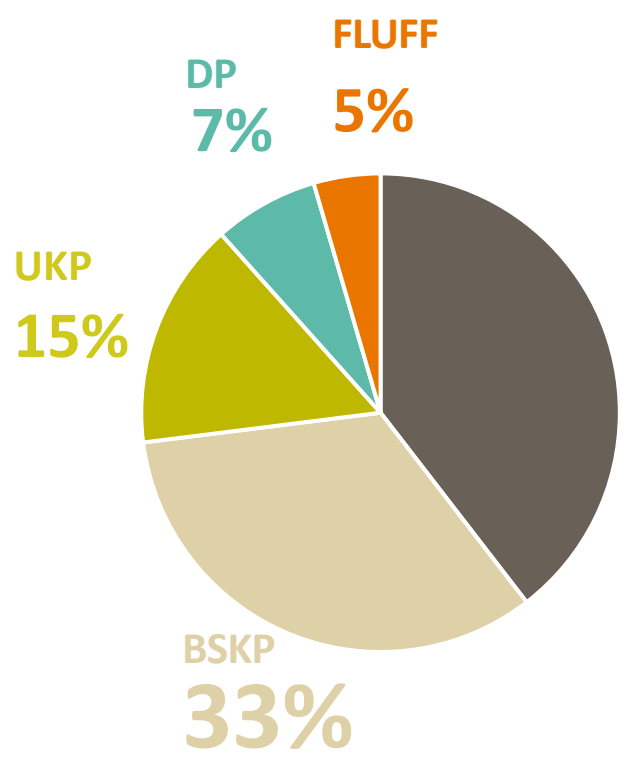


**PRODUCTION**

million tonnes



**SALES VOLUME: 3.2 million tonnes**



**PULP BUSINESS**

**PULP SALES**



**MUS**

**\$2,888**

Energy sales not included  
As of December 2022

**BHKP**  
Bleached Hardwood Kraft Pulp

**BSKP**  
Bleached Softwood Kraft Pulp

**UKP**  
Unbleached Kraft Pulp

**FLUFF**

**DP**  
Dissolving Pulp



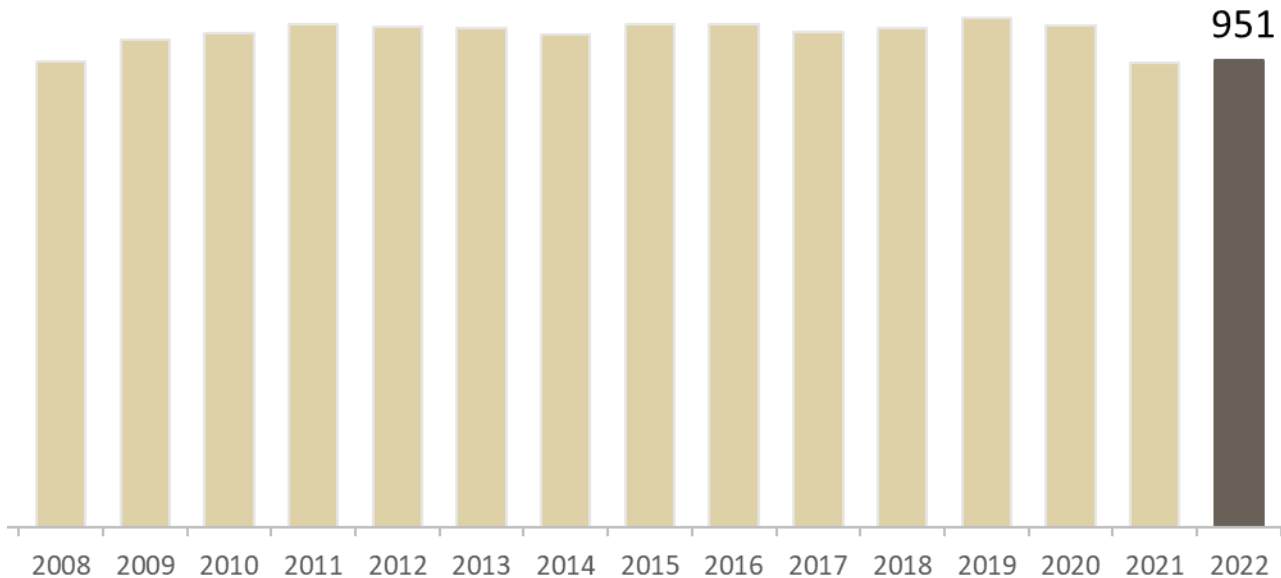
**PULP  
BUSINESS**

**FORESTRY  
OPERATIONS**

**TOTAL PLANTATIONS**

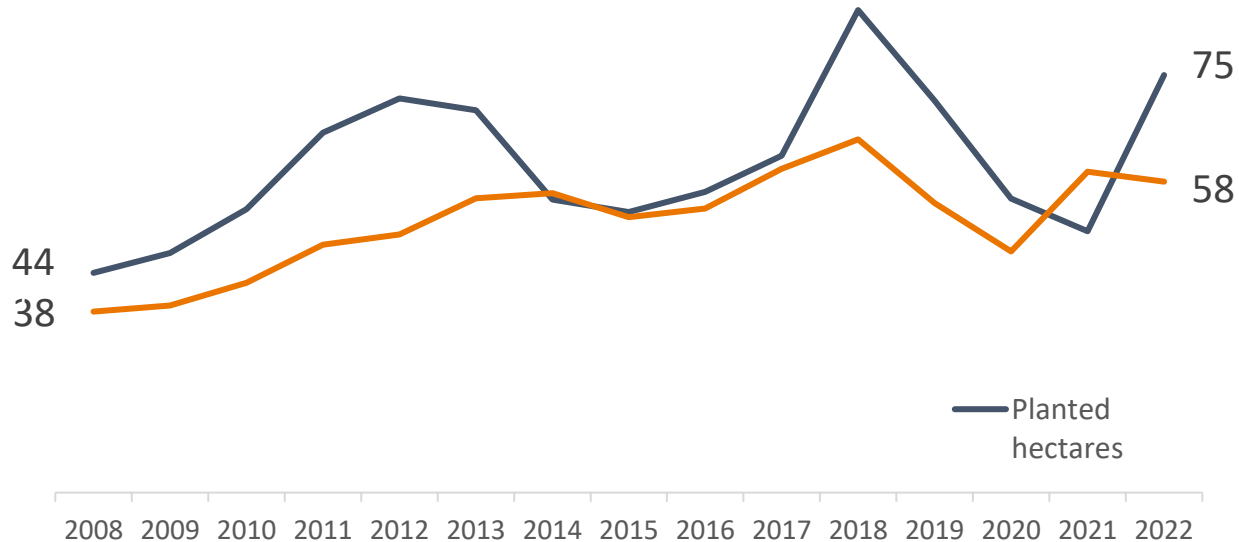
Includes plantations in Chile, Argentina, Brazil and Uruguay

In thousand hectares



**PLANTING AND HARVESTING**

In thousand hectares

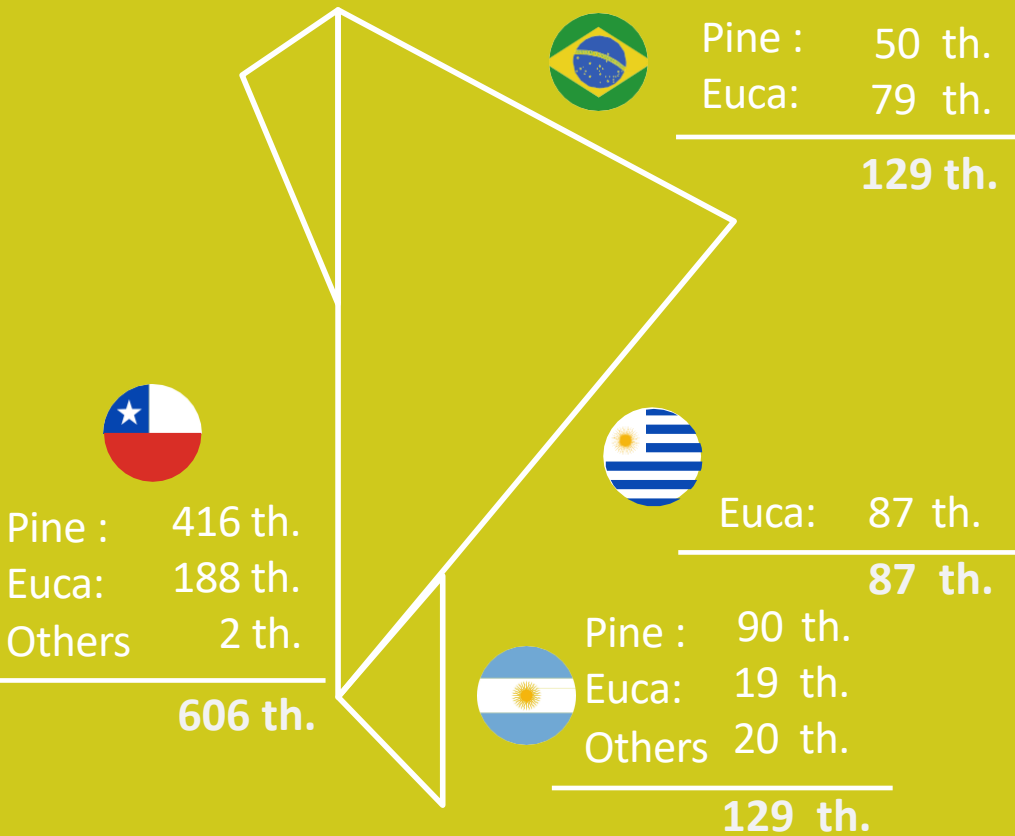


**1.7\*** MILLION HECTARES OWNED  
**951** THOUSAND HECTARES PLANTED

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

(\*) includes 492 th. hectares of native forest plantations. As of December 2022

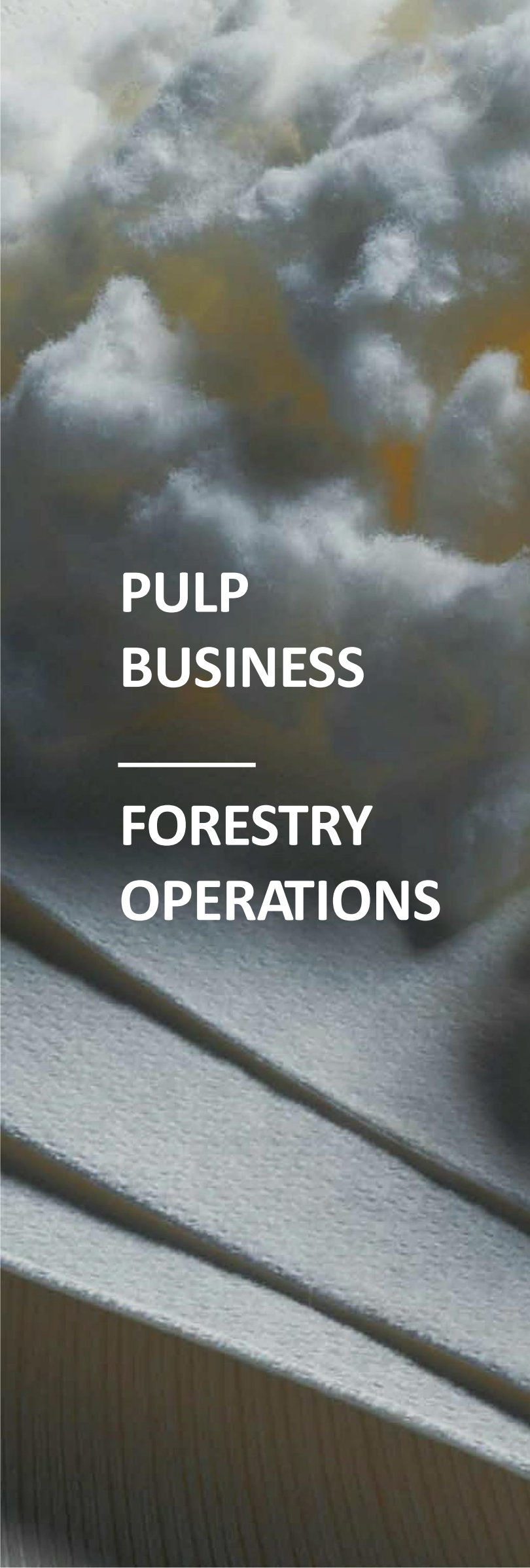
**HECTARES PLANTED**



**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**

**arauco**

## 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%.



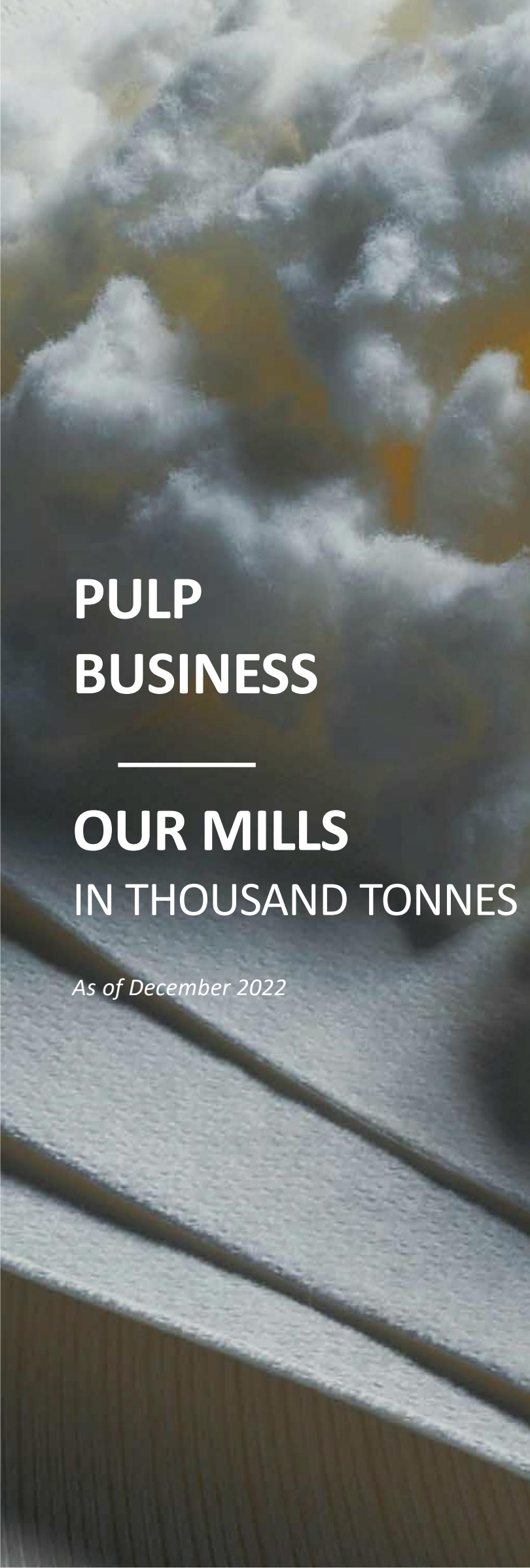
**50+**  
**RESEARCHERS**

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

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

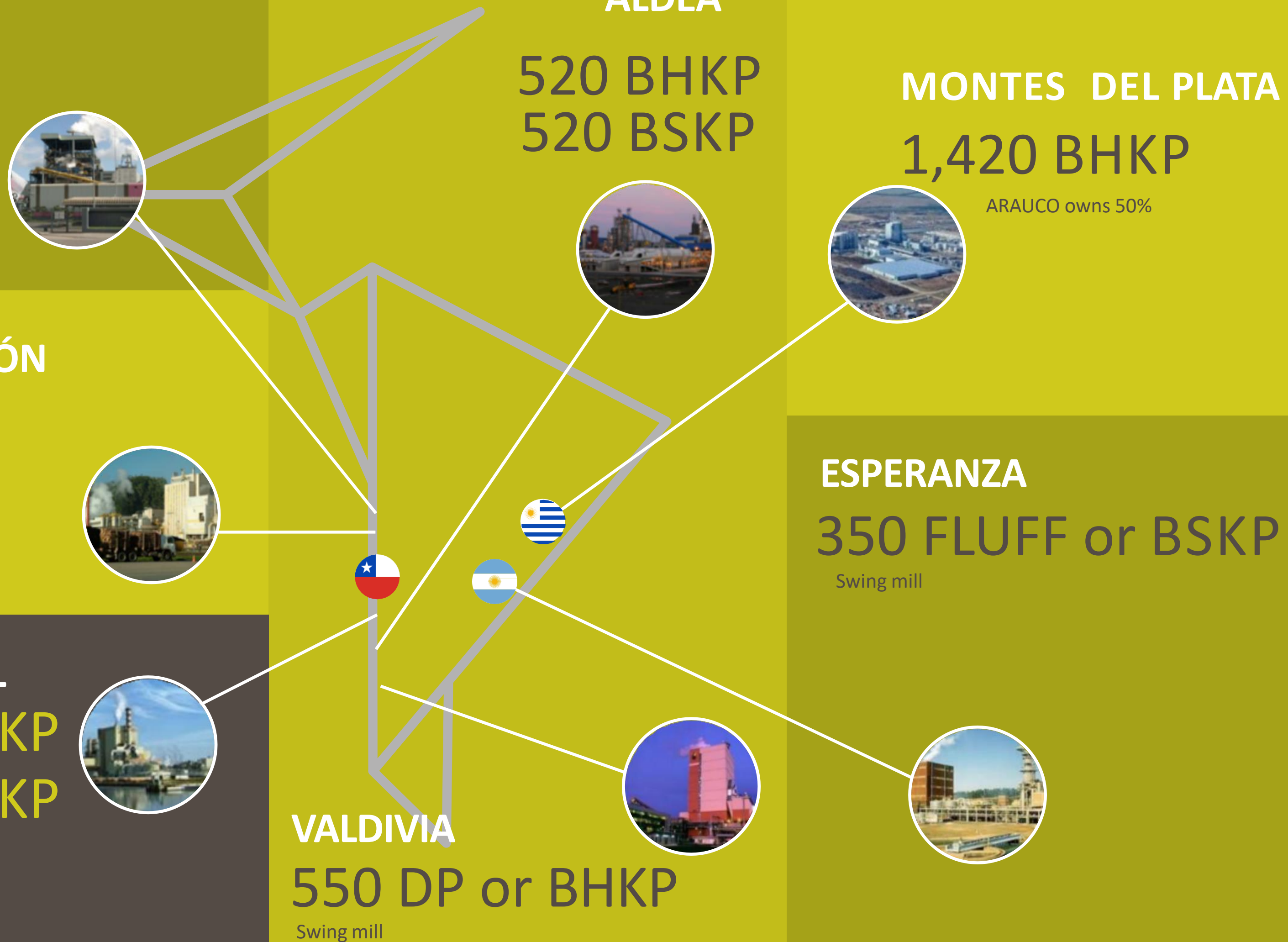
1,560 BHKP  
510 BHKP



VALDIVIA

550 DP or BHKP

Swing mill



**1. LOGISTIC EFFICIENCY**

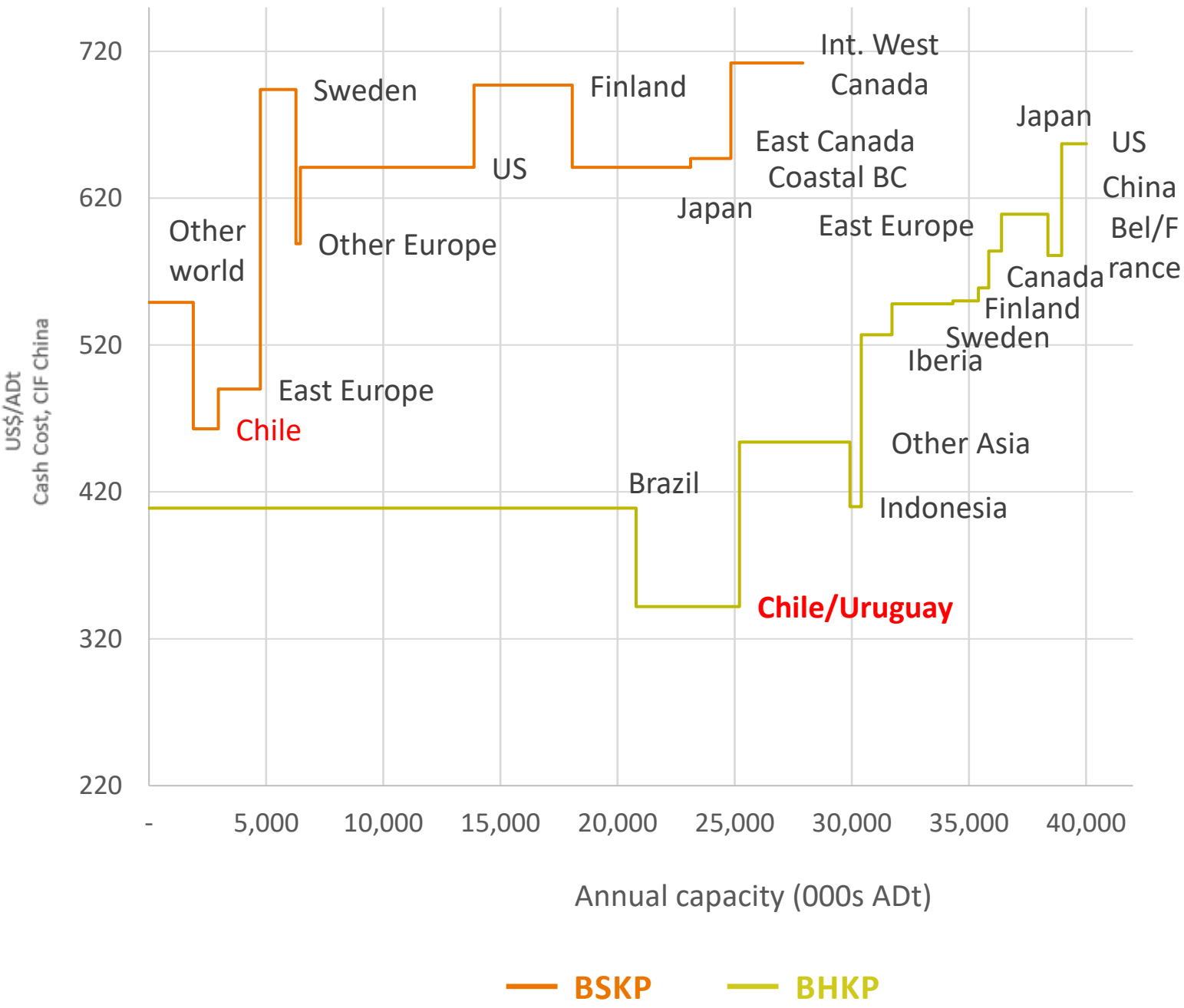


AVERAGE DISTANCES (km) FROM

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**

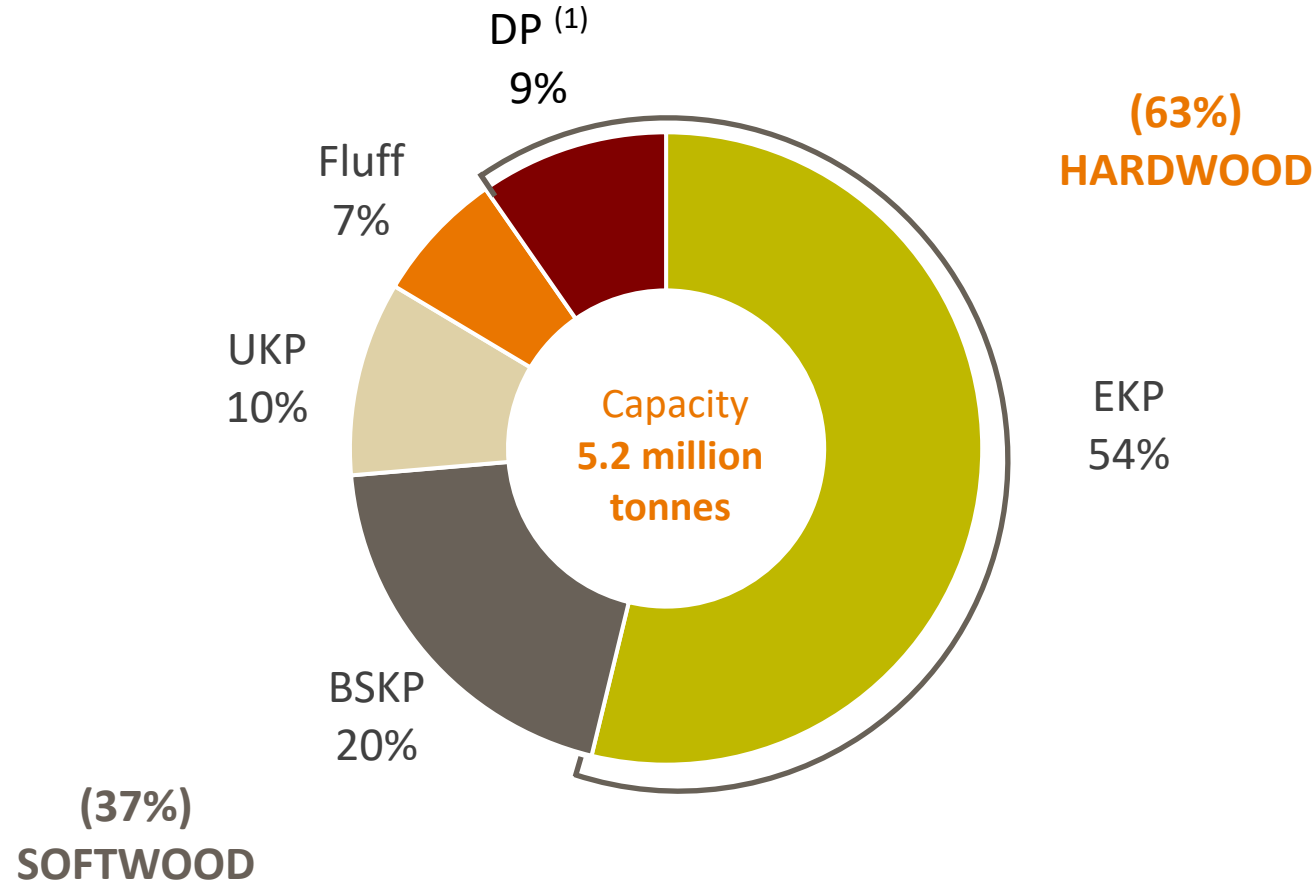
**COMPETITIVE ADVANTAGES**

As of December 2022

**3. PRODUCT DIVERSIFICATION**

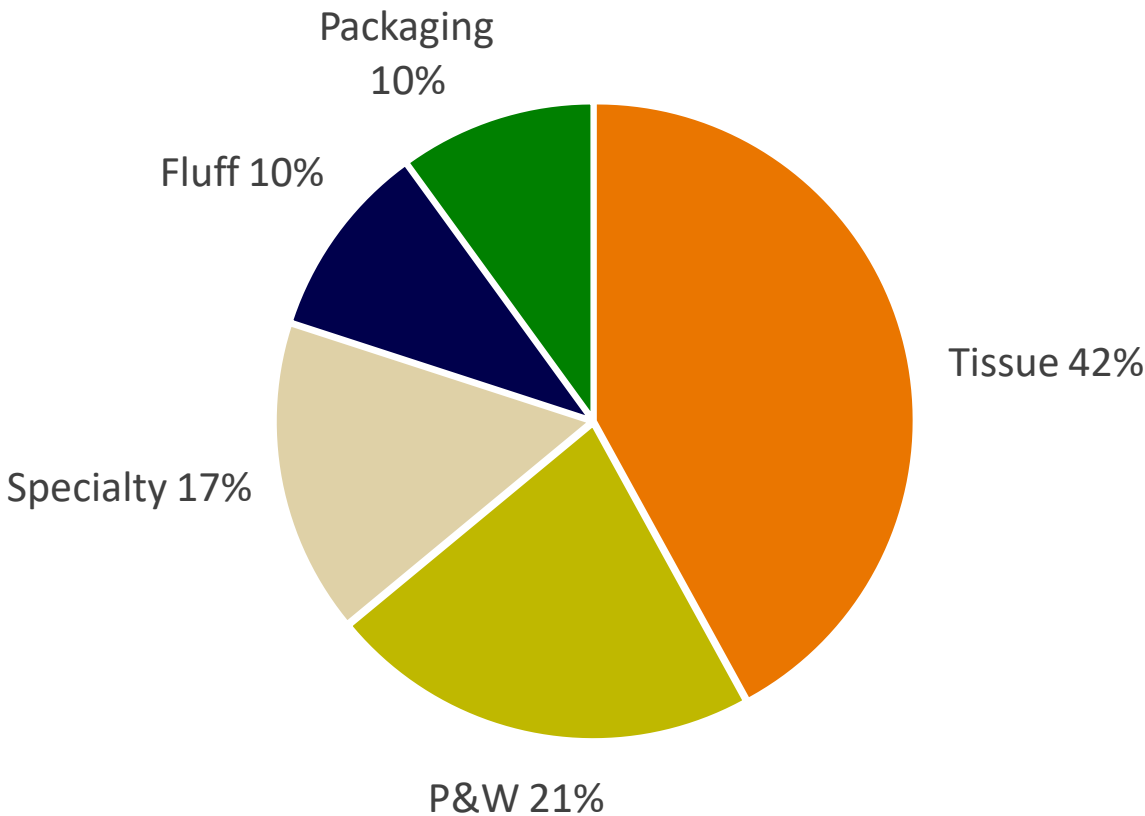
**PULP BUSINESS**  
**COMPETITIVE ADVANTAGES**

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

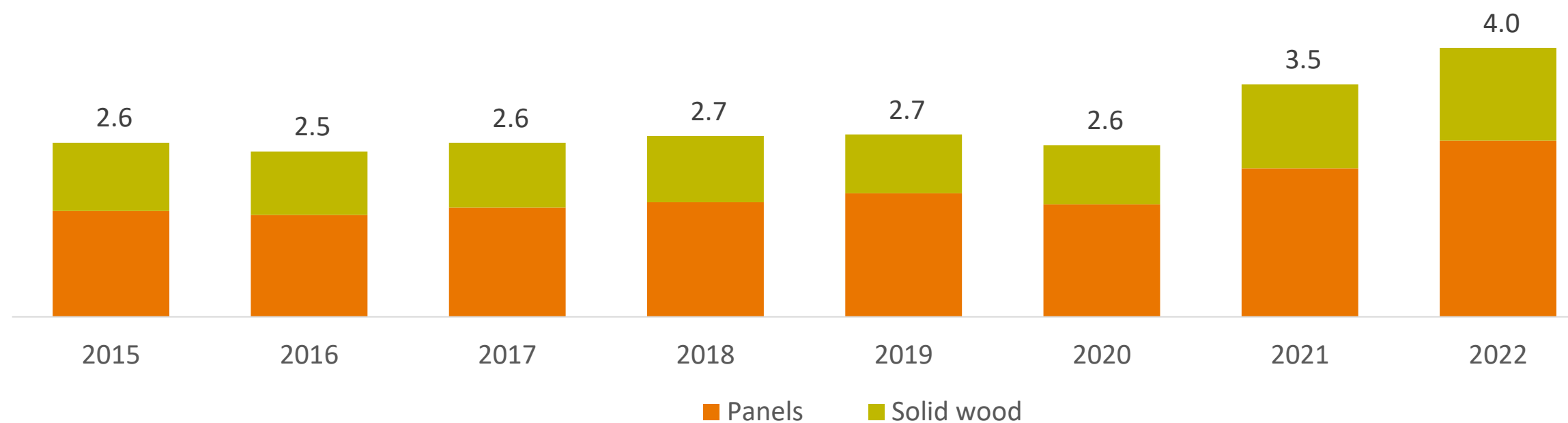
MUS  
\$4,044

Energy sales not included  
As of December 2022



SALES  
EVOLUTION

US\$ billion



SUBDIVISIONS

PANELS



SOLID  
WOOD



WOOD  
PRODUCTS  
BUSINESS:  
PANELS

PANELS  
SALES

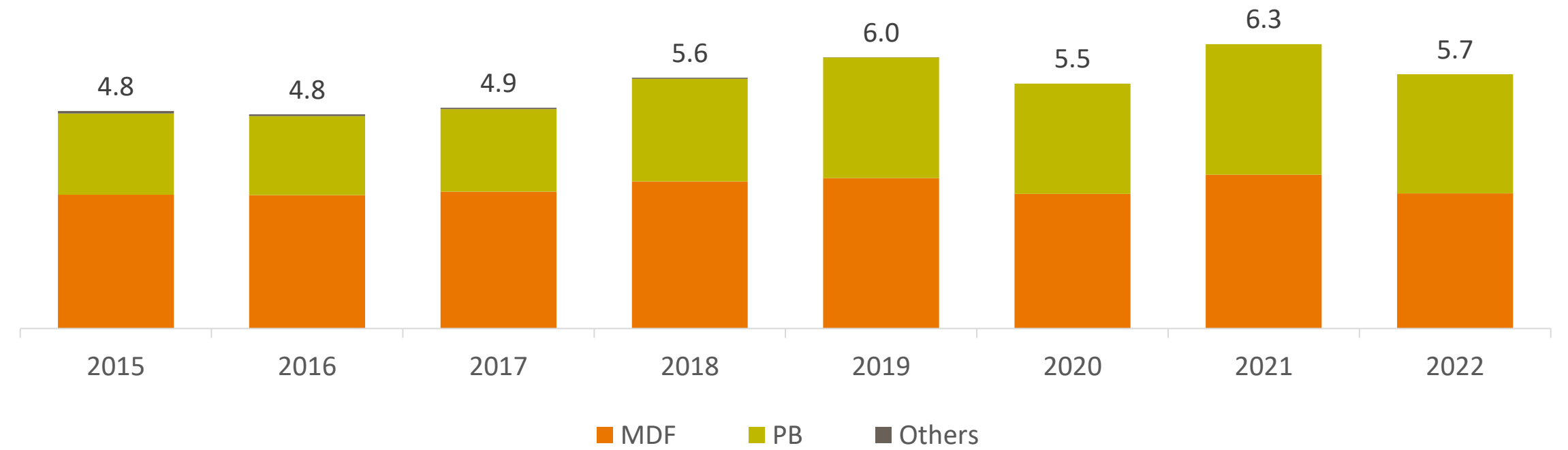
MUS  
\$2,651

Energy sales not included  
As of December 2022.

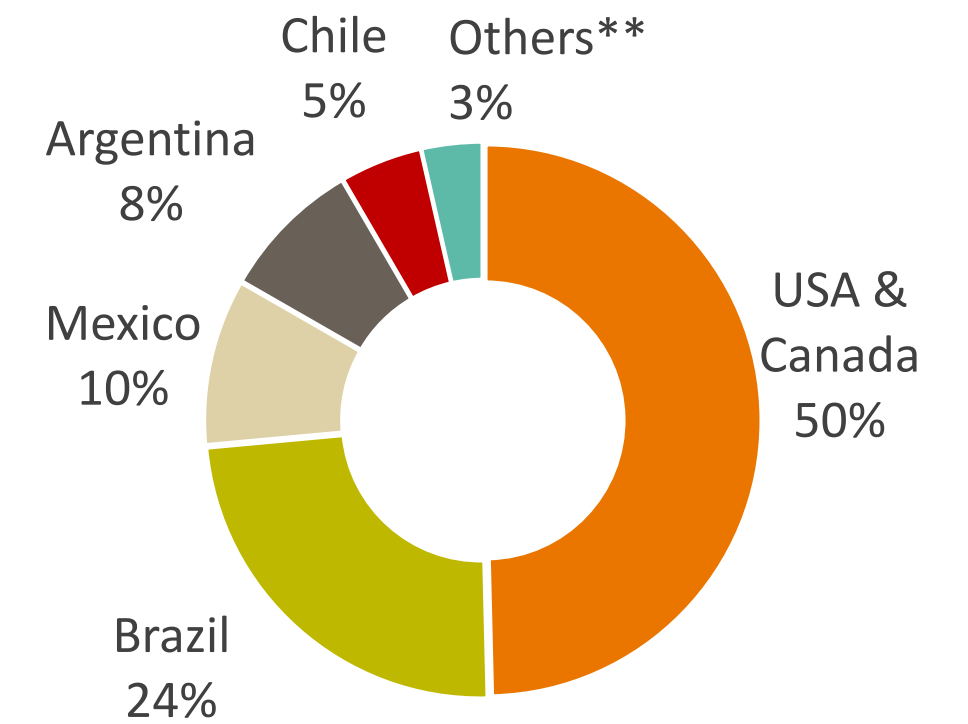
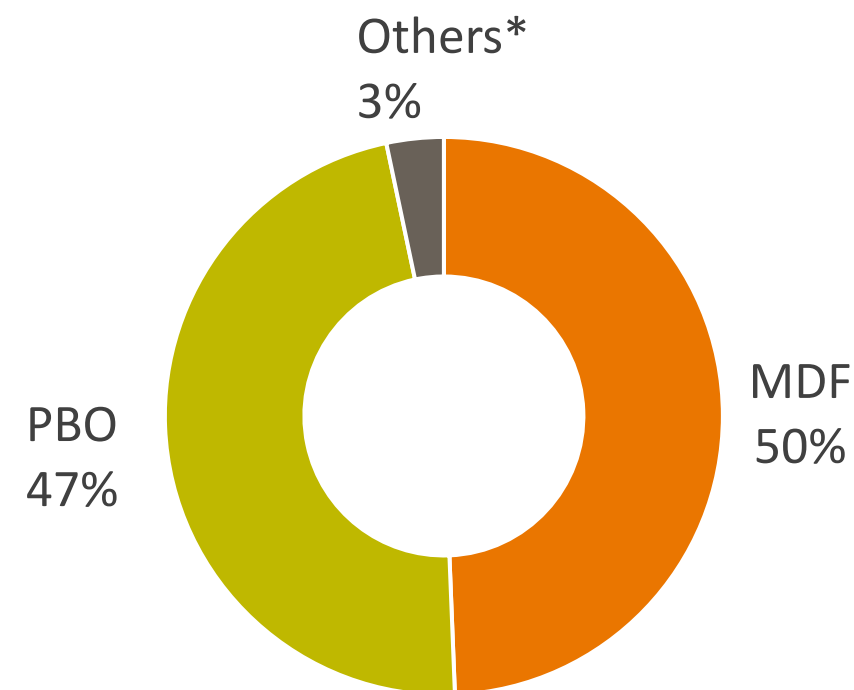
Does not include Sonae Arauco volumes  
\*OSB, HB, Retail and Composite panels  
\*\* EMEA, Asia, Oceania and Rest of Latam

PRODUCTION

million m<sup>3</sup>



SALES VOLUME: 5.5 MILLION M<sup>3</sup>



WOOD  
PRODUCTS  
BUSINESS :  
SOLID WOOD

SOLID  
WOOD  
SALES

MUS  
\$1,393

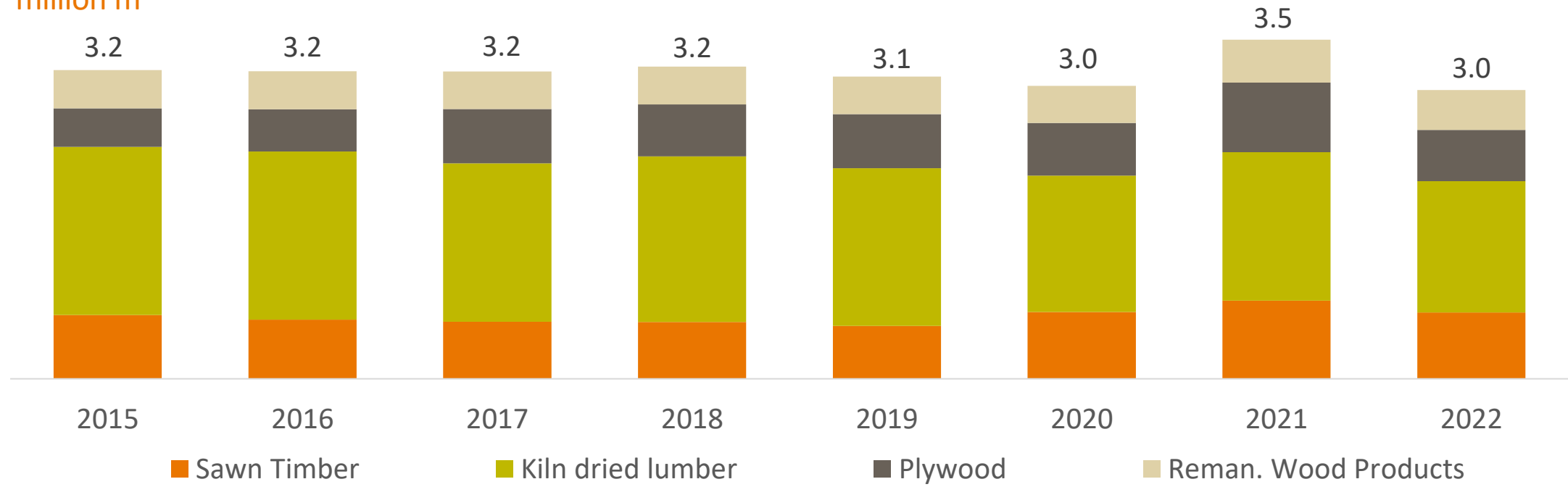
Energy sales not included  
As of December 2022



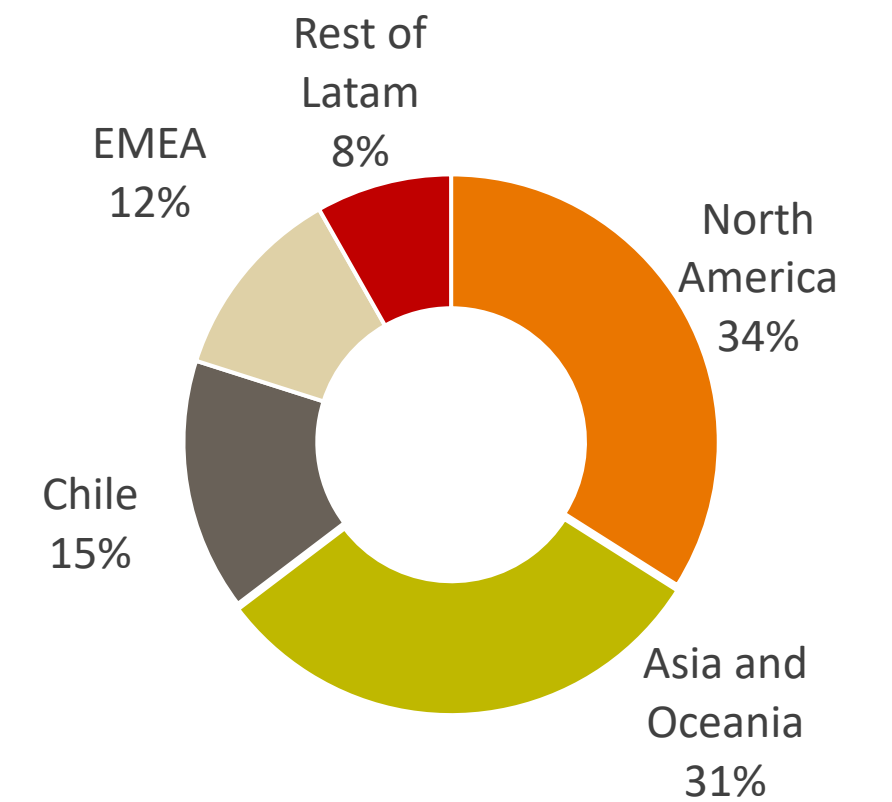
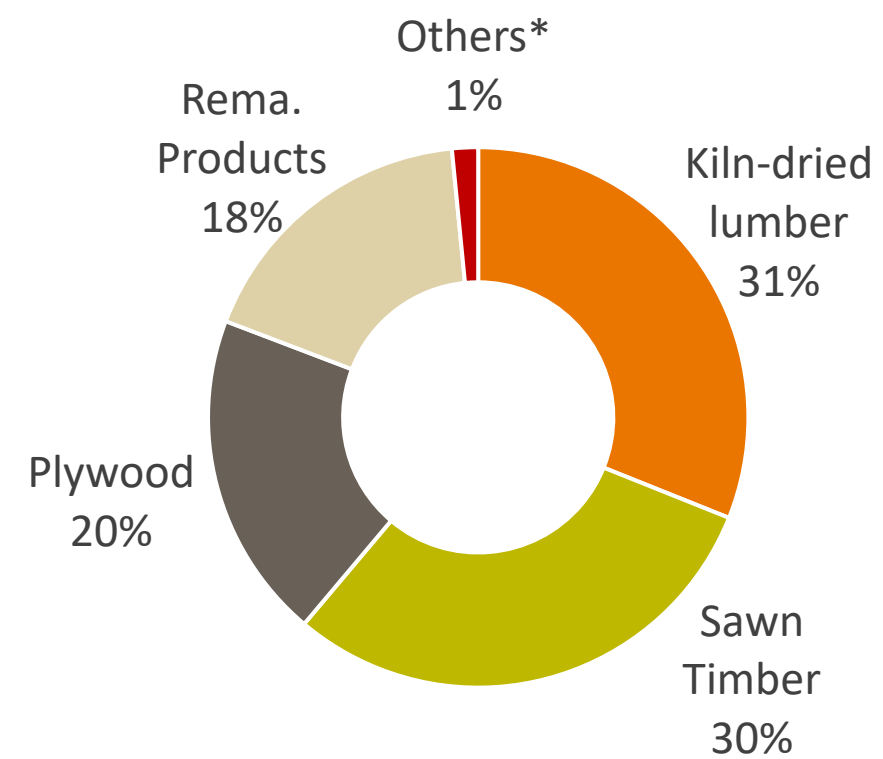
Sonae Arauco's volume not included  
\* Pallets

PRODUCTION

million m<sup>3</sup>



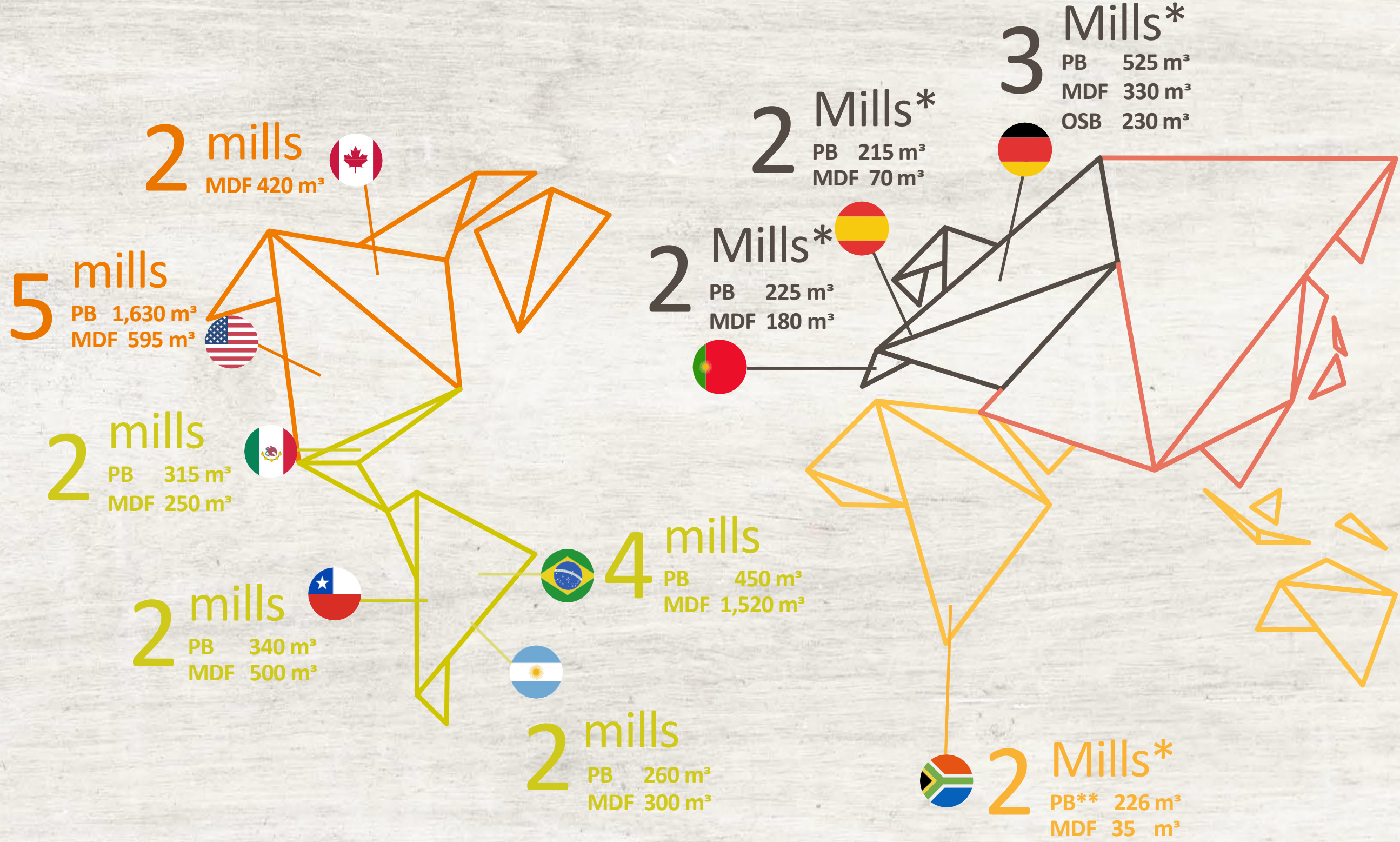

SALES VOLUME: 2.7 MILLION M<sup>3</sup>





**PANELS  
OUR  
MILLS**

**IN  
THOUSANDS**  
As of December 2022



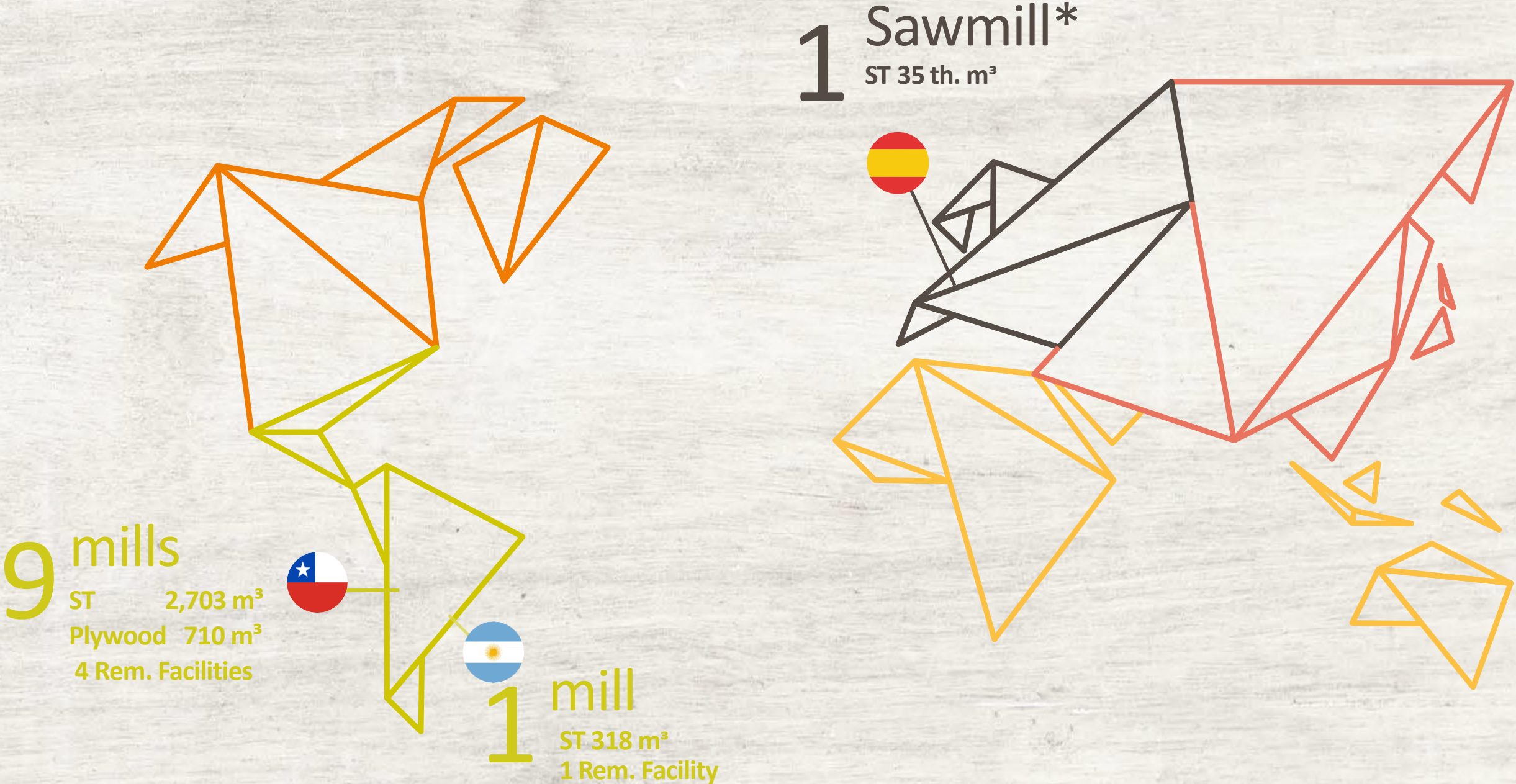
PB: Particle Board  
MDF: Medium Density Fiberboard  
OSB: Oriented Strand Board

\*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 2022



ST: Sawn Timber  
Rem: Remanufactured Wood Products

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

# ENERGY COMPLEMENTARY OPERATIONS

## REVENUES

MUS  
\$90

As of December 2022



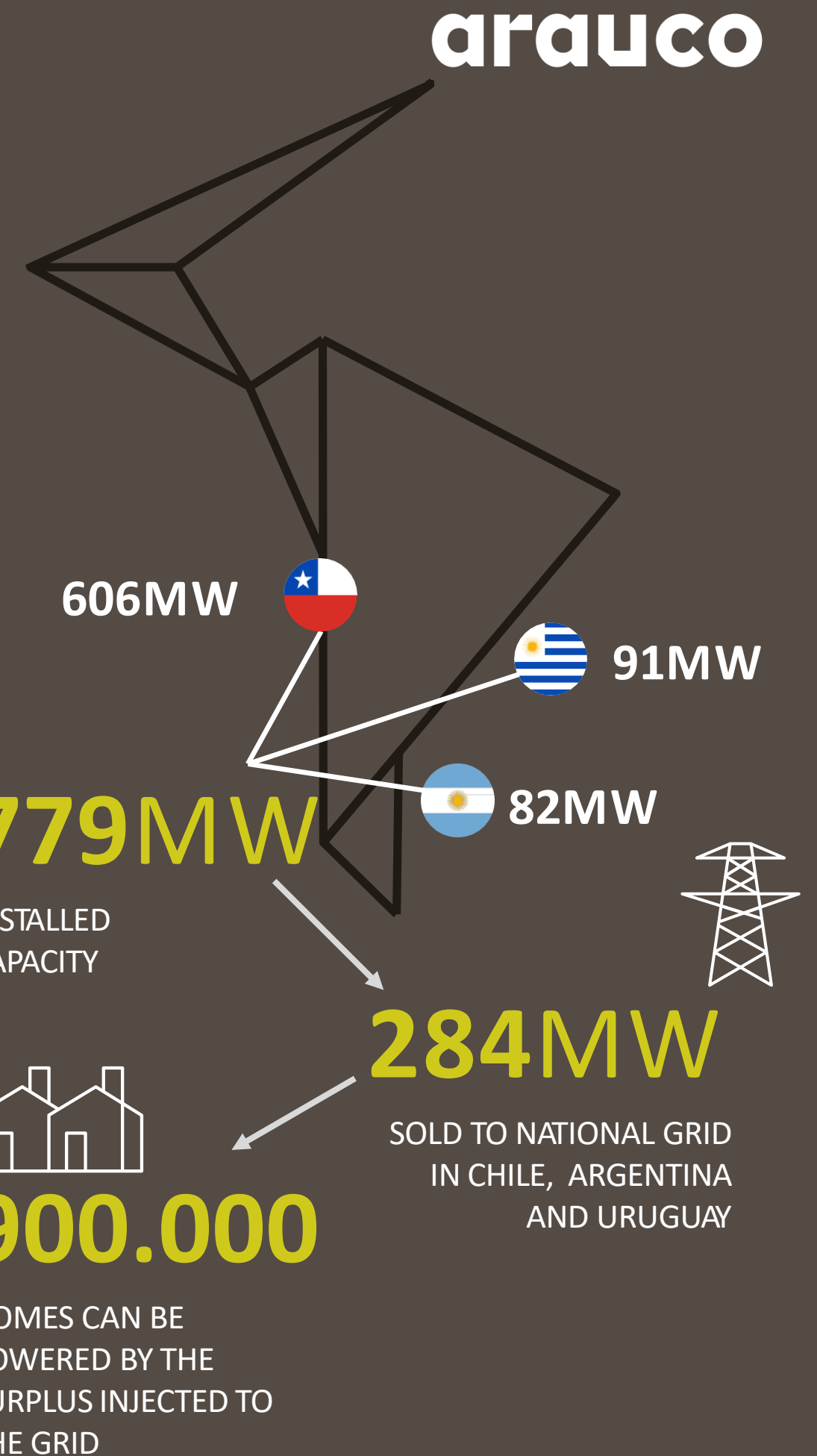
## HIGHLIGHTS

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.

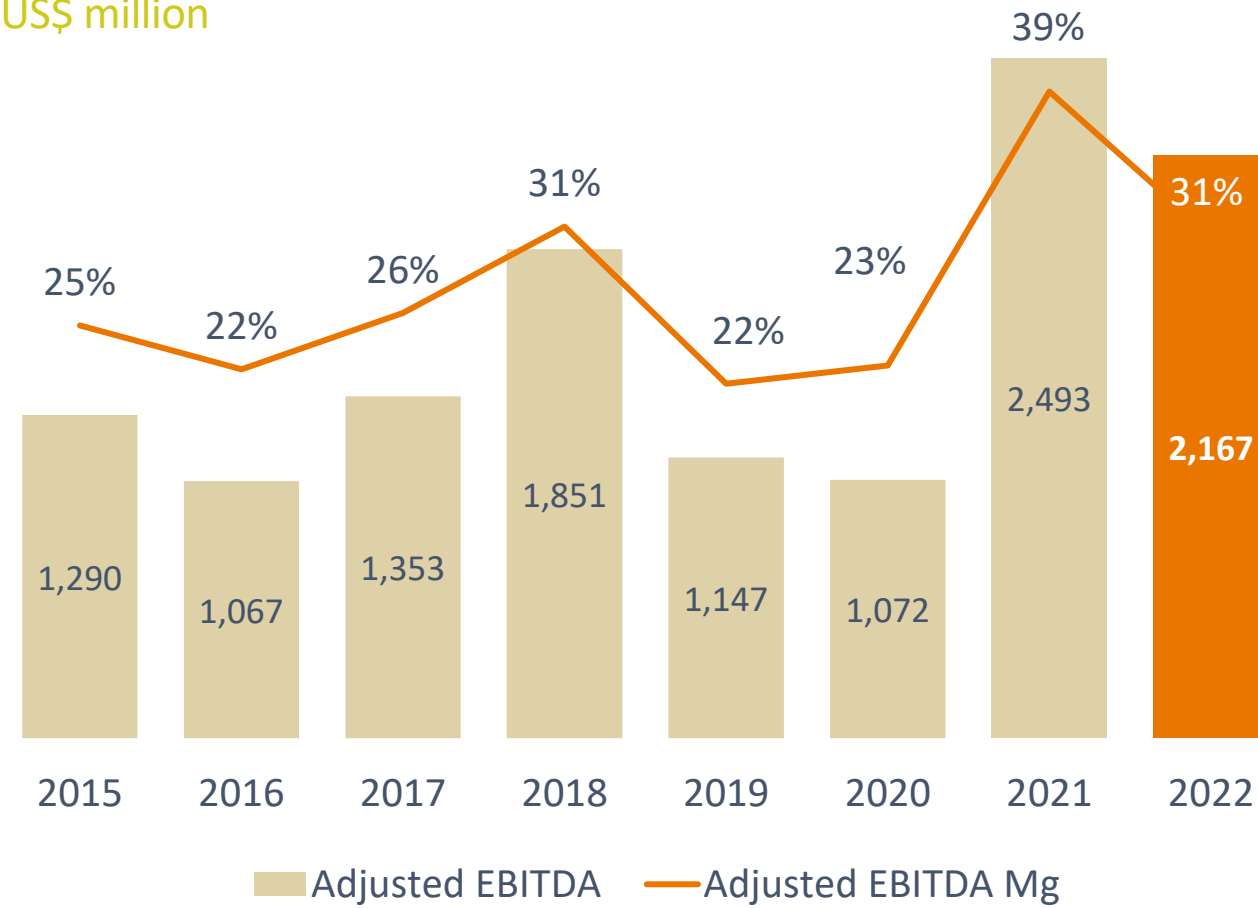


# MAIN FIGURES

As of December 2022

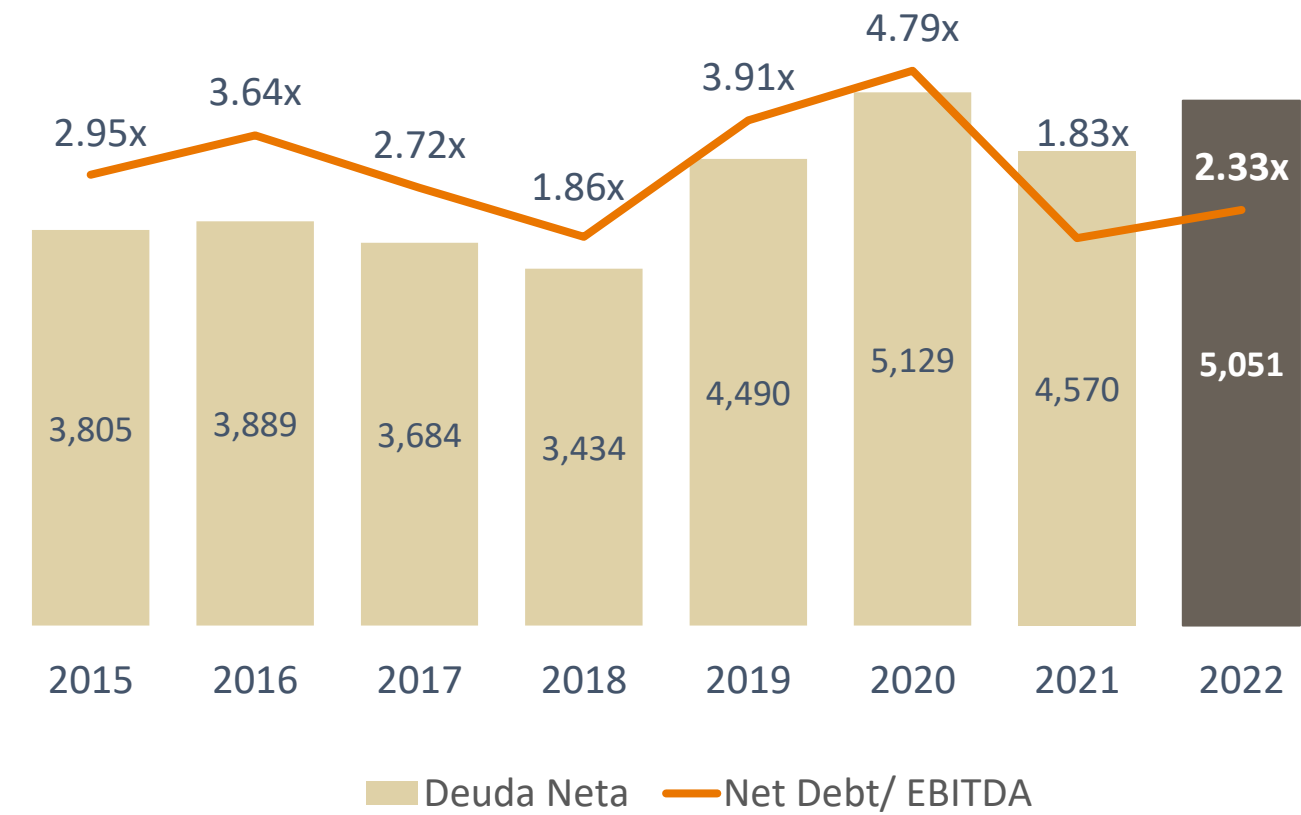
## ADJUSTED EBITDA

US\$ million



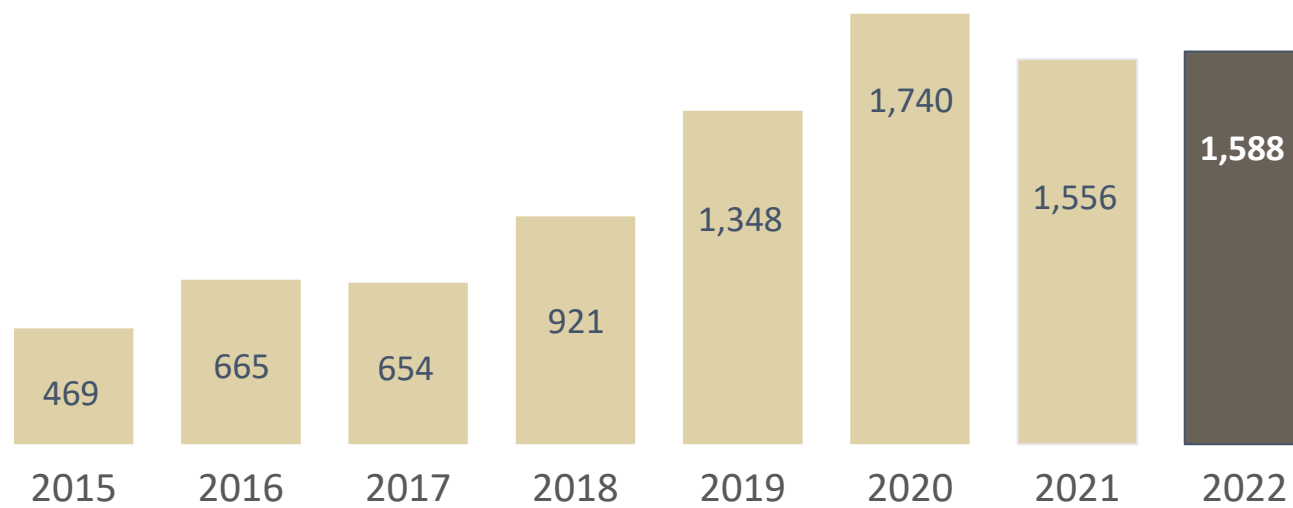
## NET DEBT

US\$ million



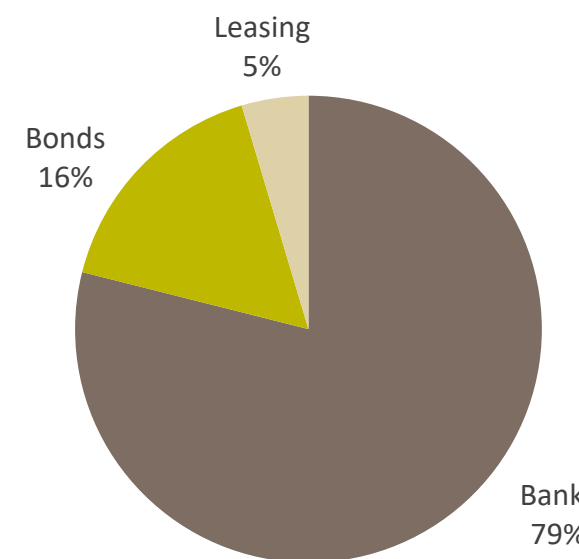
## CAPEX

US\$ million

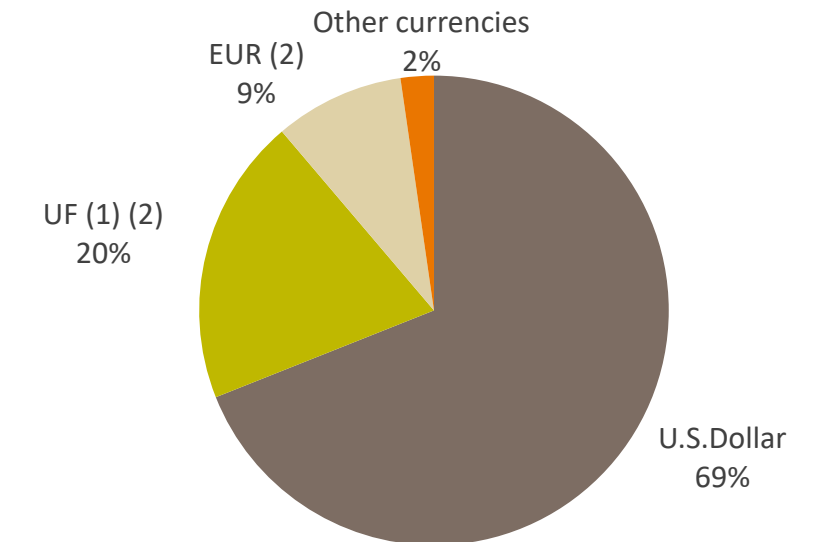


## DEBT BREAKDOWN

by Instrument



by Currency




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

# line 3 | MAPA

The investment for this project was approximately

## US\$2.9 billion

The Project also considers the shut down of Arauco's line 1 of 290 th. tonnes of short fiber pulp (done on January 3rd 2022), and the construction of a cogeneration plant that we expect will generate a surplus of **142 MW** available for the national grid.

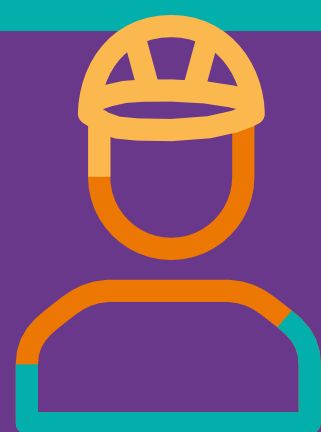
The background of the right-hand page is a photograph of the interior of the Arauco Mill (MAPA). It shows a large, modern industrial space with a high ceiling, glass railings, and workers in safety vests. A large, stylized logo is overlaid on the image. The logo is composed of three interlocking loops in teal, yellow, and red colors.

Modernization and Expansion of the Arauco Mill (MAPA) consisted in the construction of a third pulp line of 1.56 million tonnes of short fiber production capacity.

On December 29th, 2022, MAPA started feeding chips to the digester of Line 3, Initiating its ramp-up and process of pulp production. As a result, Line 3 produced its first bale on January 20th, 2023, expected to reach its full capacity in the short-term.

A vertical banner on the left side of the image. The top half is teal and contains the text "MAPA NEW PULP LINE & COGENERATION PLANT AT ARAUCO MILL" in white. The bottom half 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



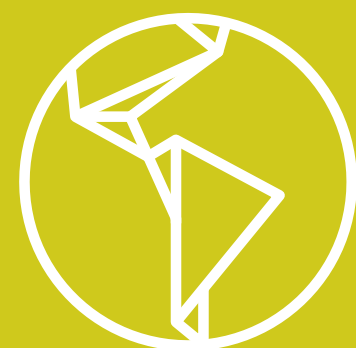
ESG

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

OCTOBER  
2019



WE ARE CARBON  
NEUTRAL SINCE  
2020



ARAUCO ATTENDED  
COP27 IN  
NOVEMBER 2022  
AND COMMITTED  
TO BEING

NATURE  
NET  
POSITIVE.

arauco

SUSTAINABILITY  
REPORT 2022

IN APRIL, WE  
WILL PUBLISH OUR SUSTAINABILITY  
REPORT, AVAILABLE IN ENGLISH,  
SPANISH AND PORTUGUESE

<https://www.arauco.cl/en/sostenibilidad/reportes-de-sostenibilidad/>



**SUSTAINABILITY  
STRATEGY**

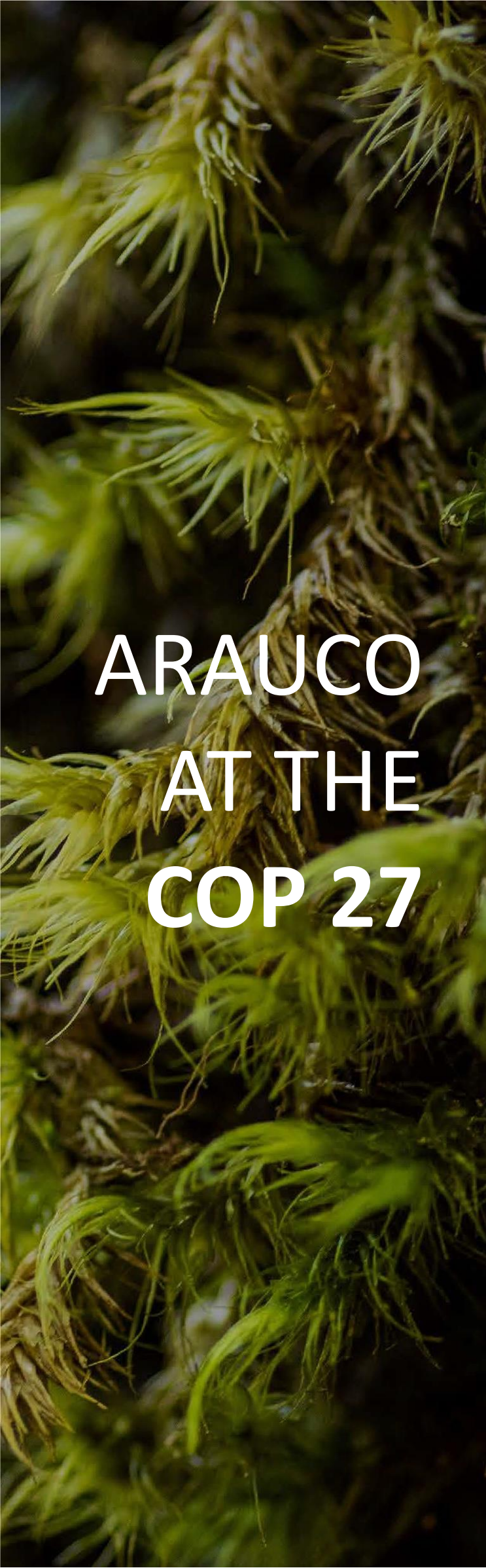


Deloitte officially validated our carbon neutrality in 2020 for 2018, in 2021 for 2019 and in 2022 for 2020 (Method applied in accordance with the Deloitte Neutrality Protocol guidelines).

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

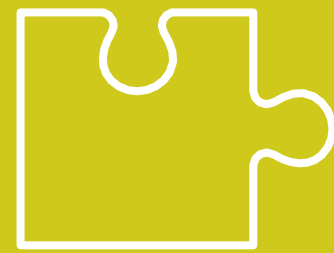
3  
CO<sub>2</sub> ATMOSPHERE  
REDUCTION

arauco



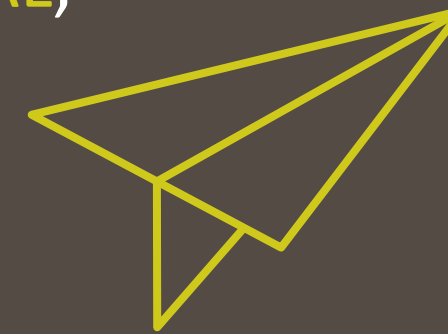


TAKEAWAYS



ARAUCO HAS CONTINUOUSLY SHOWN STRONG FINANCIAL RESULTS ALONG WITH BEING AN INVESTMENT GRADE COMPANY DESPITE MARKET CHALLENGES.

WE CONTINUE TO EXPAND GLOBALLY, FINDING 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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[investor\\_relations@arauco.com](mailto:investor_relations@arauco.com)

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



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better life

**arauco**

