

renewables
for a
better life

arauco®

**INTEGRATED
REPORT
2023**





renewables
for a
better life

arauco®

Identification of the entity

Company name

Celulosa Arauco y Constitución S.A.

R.U.T.

93.458.000-1

Legal address

Av. El Golf 150, piso 14
Las Condes, Santiago, Chile.

Type of entity

Corporation

CONTACT INFORMATION

Main office address

Av. El Golf 150, Piso 14
Las Condes, Santiago, Chile.

Telephone

+(56) 224 617 200

Corporate website

www.arauco.com

Contact

contacto@arauco.com

Telephone

+(56) 224 617 221



Ingresa
www.na.arauco.com

ARAUCO IN 2023



This is ARAUCO

We are a company whose history began more than 50 years ago in southern Chile, producing and managing renewable forestry resources. We are involved in the business of pulp, wood, panels and energy, making integral use of forestry resources.

OUR PURPOSE

From nature and renewables, we contribute to people and the planet.





RENEWABLES

THE GOOD THING ABOUT BEING RENEWABLE.

IS THAT FROM NATURE WE CAN GENERATE GREAT CHANGES CREATING A BETTER FUTURE FOR PEOPLE AND THE PLANET.

The great capacity of trees to capture and store CO₂ has allowed us to be protagonists of a catalyst industry toward a sustainable economy. This is due to the impact on industries such as packaging, construction, furniture, clothing, retail and energy, allowing them to replace fossil-based materials with renewable ones.

Manufacturing with wood as the basis for much of what is currently made from non-renewable materials is the responsibility that we at ARAUCO have assumed for people and the planet.

OUR VALUES

SAFETY,
ALWAYS FIRST

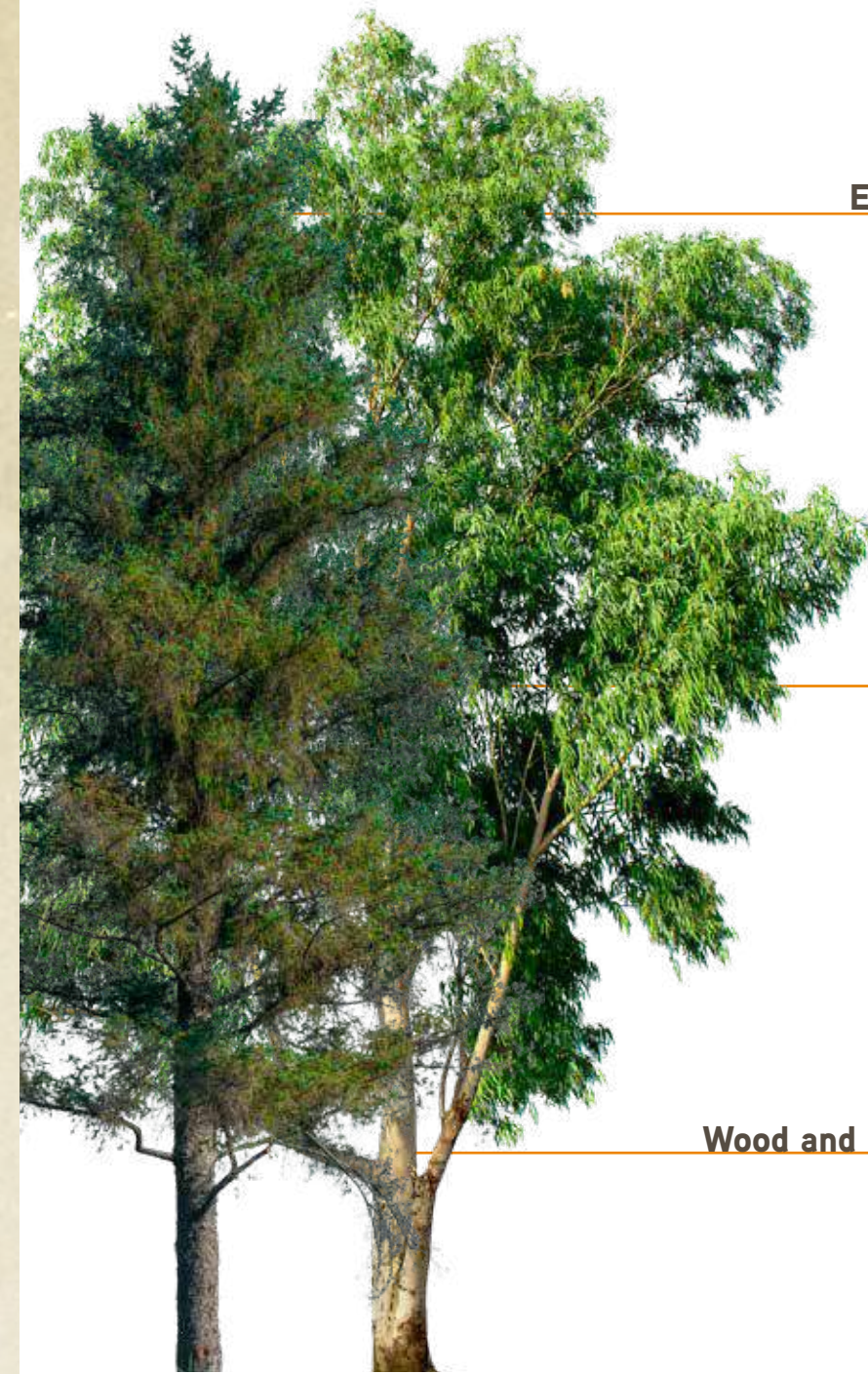
GOOD CITIZENS,
WE RESPECT THE ENVIRONMENT AND CREATE VALUE

EXCELLENCE AND INNOVATION,
WE WANT TO BE BETTER

COMMITMENT,
WE WORK WITH PASSION

TEAMWORK,
TOGETHER WE ARE MORE

Value creation through the integral use of the tree



Energy



Energy from biomass (branches, bark, sawdust, lignin).

Pulp



Various types of printing and writing papers, tissue paper, packaging papers, filters and fiber cement products, diapers and feminine hygiene products, among others.

Wood and panels



Sawn wood products, plywood, remanufactured lumber, and trim with various degrees of finishing, appearance, and value-added processes.

Our history



1970 1979 1989 1990 1995 1996 1999 2002 2003 2007 2009 2012 2013 2015 2016 2017 2018 2019 2020 2022

Celulosa Constitution S.A. was established.

The Arauco Educational Foundation was created. Oncol Park was founded in Valdivia.

The Panels Area was created, in the Horcones Complex.

The San Jorge reserve was founded in Argentina.

The operation of two new MDF panel mills began: In Chile and Argentina.

For the first time, three cogeneration mills were registered as Clean Development Mechanism projects under the Kyoto Protocol.

ARAUCO and Stora Enso acquired assets in Uruguay, forming the Montes del Plata joint venture. The Piên mill, located in the state of Parana, Brazil, was acquired.

ARAUCO acquired 50% of the Spanish company Tafisa, which owns panel mills in Spain, Portugal, Germany and South Africa.

In Chile, the ARAUCO Campus was created in collaboration with DUOC UC, aimed at strengthening professional technical education.

ARAUCO acquired all the shares of Masisa Mexico (today Arauco Industria de Mexico S.A.).

The new Hilam mill was launched in Chile, adding lines of glued laminated timber (MLE), cross-laminated timber (CLT) and two mechanized centers. A collaboration agreement was signed with the Government of the State of Mato Grosso do Sul in Brazil, a preparatory step that allows to continue with the evaluation to build a new pulp mill. In the United Kingdom, the company Arauco Wood Limited was established. The Human Rights and Diversity, Equity and Inclusion policies were approved.

Celulosa Arauco y Constitucion S.A. was born by merging Celulosa Arauco S.A. and Celulosa Constitucion S.A.

Creation of the 'Maderas' area. 'Bioforest' emerged. The 'Energía' area was formed.

ARAUCO acquired the company Alto Parana, which today is ARAUCO Argentina.

ARAUCO voluntarily committed not to replace native forests and not to encourage third-party substitution.

Start of operations of the Medium Density Particleboard (MDP) mill in Teno, Chile; Purchase of industrial assets located in the town of Moncure, United States; and purchase of Flakeboard in the United States and Canada. ARAUCO published its Mapuche Community Engagement Policy, which establishes the Mapuche Advisory Council.

The FSC® certification body (Forestal Arauco FSC® License Code: FSC®C108276), Woodmark, issued certificate for ARAUCO's forest assets in Chile.

Operations began in the new agglomerated panel mill (MDP) in Grayling, Michigan, United States.

The subsidiary Arauco do Brasil S.A. acquired all the social rights of Masisa do Brasil Ltda.

ARAUCO certified its carbon neutrality, becoming the first forestry company in the world to achieve this goal. Production of the Textile Pulp project began at the Valdivia pulp mill.

Relevant events of 2023

Since COP 28 in Dubai, the new strategy that ARAUCO is implementing was announced to address the triple environmental crisis, therefore generating great changes for people and the planet.

An agreement was signed for the sales of shares with a subsidiary of the Brazilian company Klabin, which includes approximately 85,000 hectares (210,040 acres) of productive eucalyptus and pine forest plantations, located in the states of Parana, Santa Catarina and Sao Paulo, Brazil.

Closure of the Horcones II sawmill in Chile.

The operation of the Licancel pulp mill in Chile was indefinitely suspended.



In January, in Chile, the first bale of pulp was produced on line 3 of the Arauco pulp mill.

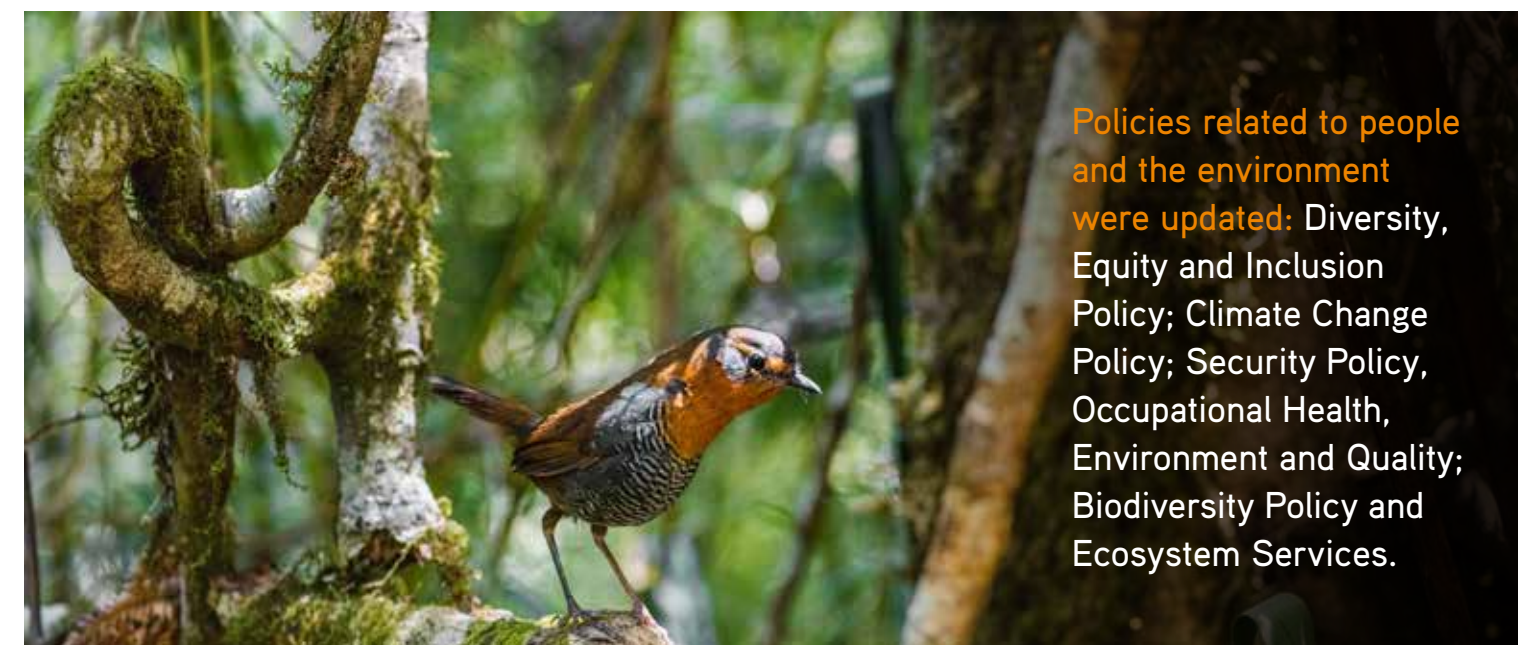


At the beginning of 2023, we launched the new Human Rights policy that was created based on the United Nations Declaration of Human Rights.

Acquisition of the entire stake that Etex had in E2E Spa., a company dedicated to the development of industrialized construction solutions based on wood and currently present in Chile and Brazil.

An investment was made in TreeCo, a startup located at North Carolina State University, United States, acquiring a significant stake in this company dedicated to research in genome editing of forest species.

As a result of fires that occurred in Chile at the beginning of 2023, ARAUCO saw 47,000 hectares (19,020 acres) of productive forest plantations affected.



Policies related to people and the environment were updated: Diversity, Equity and Inclusion Policy; Climate Change Policy; Security Policy, Occupational Health, Environment and Quality; Biodiversity Policy and Ecosystem Services.

The international initiative Science Based Targets (SBTi), analyzed and approved the commitments made by ARAUCO to reduce emissions.

We certify the carbon footprint for 2021 and 2022, and we measured the carbon footprint for 2023 so that it can be subsequently approved.

Managed to recover 61% of non-hazardous waste in the pulp and energy area, and 51% in the wood area in Chile and Argentina.

We reached 8,506 hectares (21,019 acres) of native forest under restoration in Chile and 4,120 (10181 acres) in Argentina.

Words from the President

Without a doubt, 2023 was a year that posed great challenges. We witnessed and were protagonists of a difficult year, in a context of global economic slowdown, volatility in the financial markets, situations that created a climate of uncertainty globally and difficulties locally, all of which affected our results.

But it is in difficult times when the convictions and values of a company are tested. We are a company whose decisions have historically been guided by our purpose: From nature and renewables we contribute to people and the planet. This purpose gives us direction and endless opportunities that allow us to continue tracing the path towards a sustainable future.

In Chile, 2023 began with large forest fires in the south, a devastating situation that claimed human lives, affected communities and productive activities, and where more than 47 thousand hectares (116 thousand acres) of forests and plantations of ARAUCO were compromised. As a company, we responded quickly and in coordination to fight fires, reduce their impacts and collaborate in the recovery of the affected areas.

The year 2023 also faced difficult decisions, such as the holding of operations of the Horcones II sawmill, due to the decline in the markets and the higher costs in the supply of raw materials. On the other hand, in August, the pulp manufacturing process at the Licancel pulp mill was indefinitely suspended, due to consecutive floods of the Mataquito River that affected its facilities, among other things.

During the year we also carried out a process to optimize our structure, with the merging of the Forest, Pulp and Energy areas, as well as adjustments in the areas of support to the business, seeking to generate greater synergies in its management and development.



But the year also left us with achievements and advances in projects that fill us with pride and satisfaction. Starting with one of the most significant: In January we produced the first pulp bale from line 3 of the project of modernization and expansion of Arauco mill (MAPA), the largest investment in the history of the company. We have been increasing production, and we expect to be operating at one hundred percent of our capacity in the first months of 2024.

Internationally we also had good news and investments, such as the share sale agreement with the company Klabin, which comprises approximately 85,000 hectares (210,040 acres) of forest plantations in Brazil, subject to government approvals in that country. We continue to make progress in the forest plantations for the future project of a pulp mill in the town of Inocência in the state of Mato Grosso do Sul, in the same country. Additionally, the Viking 2.0 projects in Mexico and the modernization of the Puerto Esperanza mill in Argentina are underway. All the above serves the purpose of consolidating our position as a global company, able to take advantage of attractive opportunities for its businesses internationally.

Looking long term, we have deepened the strategy to contribute to the fight against climate change. Since COP 28, our fourth consecutive participation in this global conference, we have seen our progress and how forestry is a real contribution to meeting the challenges of the planet.

But we want to go even further. We seek to become Nature Positive, which means a company that generates a total positive impact on the planet, for which we are working on by the measurement of our natural capital.

Also, in 2023 we approved policies and plans that follow the world requirements today in areas such as Human Rights, Climate Change, Diversity, Equity and Inclusion, Biodiversity and Science Based Targets (SBTi), along with others.

We have an important role in agendas that today are setting the standard in the world such as wood construction - to respond to the high global demand for housing - and the generation of products from wood, a renewable raw material that keeps carbon retained and replaces fossil alternatives, accelerating the path toward a circular bioeconomy.

I appreciate the commitment of all our collaborators, neighboring communities, customers, suppliers and investors who make our existence and growth possible. In a year where we made a significant progress but were also tremendously challenged, without a doubt, people are the most important thing and are called up to make a difference.

We are optimistic about the future, because we are a company with a long-term vision, with a great team and with important projects that contribute to the main challenges of the world.

Manuel Bezanilla

CHAIRMAN OF THE BOARD OF DIRECTORS OF ARAUCO

Rankings and acknowledgments 2023



► **Recognition to the FORMA Academy, I Expo Training Congress 2023**

The initiative is dedicated to training both those who are now part of ARAUCO and the future professionals of our industry. The award was given by the sustainability eye by providing knowledge and techniques to perform in the world of work.



► **7 outstanding collaborators at the Corma Awards 2023**

ARAUCO employees were recognized for their outstanding performance in fire prevention, female leadership, employability and environmental care, contributing to the development of the country's forestry sector.

► **Recognition from the Network of Inclusive Companies (ReIN)**

The commitment and dedication in the mentoring process 2023 were highlighted, an initiative whose main objective was to share practices through the experience developed in the field of labor inclusion of people with disabilities.

► **Recognition from the Generación Empresarial Foundation**

The work carried out by ARAUCO in terms of good practices, ethics and compliance was recognized.

► **25 Best Companies in Chile on LinkedIn in Top Companies 2023**

ARAUCO was selected as one of the best companies in Chile in this ranking, which includes important companies in Chile and analyses several factors, such as the progression of employees and the acquisition of skills while working there, among others.

► **Recognition in the Industrialized Housing Challenge**

In the context of the housing deficit that Chile has, it participated in conjunction with Tallwood and Tree Engineering, in this initiative organized by the Chilean Chamber of Construction, Zero Deficit, the Council of Industrialized Construction CCI, the CTEC | Technological Center for Innovation in Construction, and the Ministry of Housing and Urbanism, Chile (MINVU), obtaining the only recognition given to a house specified with wood.

► **First place in the Cultural Change category and second place in the Production Process Redesign category, Zero Waste 2023 awards**

The most important event on recycling and waste management in Chile distinguishes organizations that, through concrete initiatives, aim to increase the recovery of waste, reduce those sent to final disposal and raise awareness of circularity issues in the community.



Ecovadis

ARAUCO was included in the top 35%, ranking in the 72nd percentile. This means that the score obtained is equal to or greater than 72% of all the companies evaluated by this platform.



Carbon Disclosure Project

ARAUCO was ranked B in the Carbon Disclosure Project (CDP) Forest Questionnaire, which analyses activities related to deforestation/forest products. Category B confirms that the company is taking coordinated action on forestry issues.



► **Recognition by CEADS (Business Council for Sustainable Development) and EY**

ARAUCO was recognized for contributing to the 2030 Agenda: Sustainable Development Goals.

► **Recognition Job generation in the province of Misiones**

ARAUCO Argentina was recognized for the generation of employment in the province of Misiones, in the ranking of the online newspaper Misiones 2023.



► **Second place in Formobile award**

Against all panel manufacturers in Brazil.

► **Forbes Agro 100**

Recognized as one of the 100 largest companies in the agribusiness sector in the country.

► **Climate seal of Parana**

Recognition obtained in the category A - Internal Market, for efforts to promote sustainability.

► **The Zero Landfill Certification**

Program recognizes those who care about finding the most noble and environmentally appropriate end destinations for each of their waste, ARAUCO received three certifications in the Platinum category for three units: Jaguariaiva, Piên and Ponta Grossa.



► **Best Talent Recognition, from Skilling Centre TecMilenio**

Recognition for participation in the DINAPRQ Verification Opinion for Durango mill on GHG emissions 2023-2025.



► **Recognition for the contribution to the Sustainable Development Goals of the Leaders Award (Network of Companies for Sustainable Development)**

For Montes del Plata, for the management of impacts of the General Mill Stoppage and for the work in environmental education of the M´Bopicua Biopark.

► **Rosario Pou Prize for forest Innovation**

Of the National Academy of Engineering of Uruguay for automatic irrigation project with artificial vision.



► **Annual CPA Safety Achievement Award**

The Duraflake mill, Oregon, USA, received these awards for having the lowest incident rate among Class 2 mills and for operating for three years with more than 50% below the average rate of recordable incidents.

► **Vernon King, Safety Innovator of the Year, Western, Pulp, Paper & Forest Product**

The Duraflake, Oregon, USA mill partner received this recognition for the Development and Implementation of the Occupational Safety and Health Champion Program in the incorporation of new employees at the mill.

► **Recognition for Participation and Dedication to Safety, from Western, Pulp, Paper & Forest Product**

The Duraflake Mill Safety committee received this encouraging award.

► **Employer of the Year Award from Western, Pulp, Paper & Forest Product**

For the second consecutive year, the Duraflake, Oregon, USA mill received this award for work and involvement in Occupational Safety and Health.

► **Oregon Governor's Occupational Safety and Health Award for Workplace Safety Programs**
► **Hot Springs County Industry of the Year Award, Arkansas, USA**

Delivered to the Malvern mill.

► **Hot Spring County Plant Manager of the Year Award, Arkansas, USA**

For the Malvern Plant Manager.

► **Annual CPA Safety Award, CPA Long Term Safety Award**

For the Sault Saint Marie mill, Canada.

► **Chamber of Commerce Business of the Year Award**

For the Sault Saint Marie mill, Canada.



WE PRODUCE AND MANAGE RENEWABLE FORESTRY RESOURCES.

Our emission reduction targets were approved by the Science Based Targets (SBTi), which will allow us to reduce approximately 1.5 million tons of CO₂.

508,738

hectares (1,257,119 acres) of native forest and protected areas.

USD 13 million in social investment and USD 66 million in environmental investment.

157

Biological, Social and Cultural High Conservation Value Areas.

A large part of our products are substitutes for non-renewable materials and high in CO₂ emissions.

WE ARE A GLOBAL COMPANY THAT EMBRACES THE CHALLENGES OF BEING PRESENT IN THE WORLD.

18,636

direct collaborators. 2,482 collaborating companies with 43,449 employees.

We are the first certified carbon neutral forestry company in the world.

3,888

customers on five continents.

USD 5,471

million paid to domestic suppliers.

WE ARE ARAUCO

WE USE OUR RAW MATERIALS TO DEVELOP SUSTAINABLE AND QUALITY SOLUTIONS FOR THE PAPER, CLOTHING, CONSTRUCTION, PACKAGING, FURNITURE AND ENERGY INDUSTRIES.



WE CREATE PRODUCTS THAT IMPROVE PEOPLE'S LIVES.

Our products are made from 100% renewable, recyclable and biodegradable raw materials.



1,078 MW of installed capacity of clean and renewable energy.

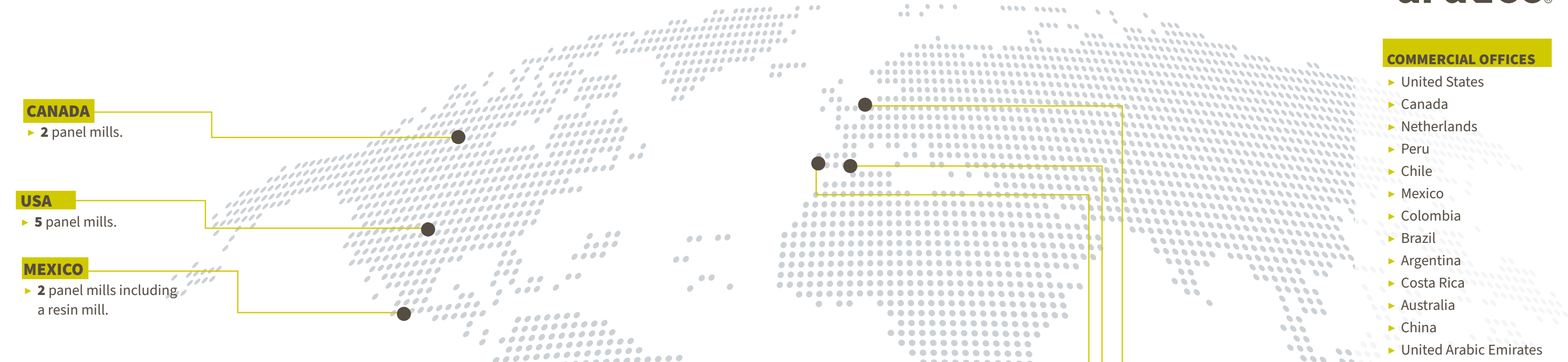
3.8 million tons of pulp produced.

9.5 million cubic meters produced of wood and panels.

Sales of **USD 6,012** million

EBITDA margin of **17%**

Our products offer sustainable solutions that help our customers meet the demand for goods with positive impacts on the environment.



ARAUCO in the world

In ARAUCO we have a presence in five continents, reaching 3,888 customers, with our products that are involved with the forestry, pulp, wood, panels and clean and renewable energy sectors.

As a globalized company, we market our products to the points of sale through representatives, agents and commercial offices located in 28 countries.

We supply distribution centers and points of sale by managing a logistics chain of 176 ports.

- CHILE**
- ▶ **1 million hectares** (2.5 million acres) of forestland including 285 thousand hectares (704 thousand acres) of native forest for preservation, protection and/or conservation.
 - ▶ **5 pulp mills** including 7 power plants¹.
 - ▶ **2 panel mills** including a power plant.
 - ▶ **2 plywood mills** including a power plant.
 - ▶ **6 sawmills** including 4 remanufacturing production facilities and a power plant.

- ARGENTINA**
- ▶ **264 thousand hectares** (652 thousand acres) of forestland including 120 thousand hectares (297 thousand acres) of native forest for preservation, protection and/or conservation.
 - ▶ **1 pulp mill** that includes a power plant.
 - ▶ **2 panel mills** including a power plant.
 - ▶ **1 resin mill.**
 - ▶ **1 sawmill.**

- BRASIL**
- ▶ **308 thousand hectares** (761 thousand acres) of forestland, including 99 thousand hectares (245 thousand acres) of native forest for preservation, protection and/or conservation.
 - ▶ **4 panel mills.**
 - ▶ **1 resin plant.**
- URUGUAY²**
- ▶ **138 thousand hectares** (341,005 acres) of forestland, including 5 thousand hectares (12 thousand acres) of native forest for preservation, protection and/or conservation.
 - ▶ **1 pulp mill** including a power plant.

- GERMANY³**
- ▶ **3 panel mills.**

- SPAIN³**
- ▶ **2 panel mills.**
 - ▶ **1 sawmill.**

- PORTUGAL³**
- ▶ **2 panel mills.**

- SOUTH AFRICA³**
- ▶ **2 panel mills⁴.**

COMMERCIAL OFFICES

- ▶ United States
- ▶ Canada
- ▶ Netherlands
- ▶ Peru
- ▶ Chile
- ▶ Mexico
- ▶ Colombia
- ▶ Brazil
- ▶ Argentina
- ▶ Costa Rica
- ▶ Australia
- ▶ China
- ▶ United Arab Emirates

SALES REPRESENTATIVES

- ▶ South Korea
- ▶ Australia
- ▶ New Zealand
- ▶ Japan
- ▶ China
- ▶ United Arab Emirates
- ▶ Saudi Arabia
- ▶ Malaysia
- ▶ Cambodia
- ▶ India
- ▶ Thailand
- ▶ Philippines
- ▶ Taiwan
- ▶ Vietnam

¹ In 2023, the operation of the Licancel pulp mill in Chile was suspended indefinitely.
² It considers 50% of the operations, land and plantations through a *joint operation* between ARAUCO and Stora Enso (Swedish-Finnish company).
³ ARAUCO owns 50% of the facilities owned by the Spanish company Sonae Arauco. In South Africa, one of the mills is not operating.
⁴ One of the mills is out of operation.

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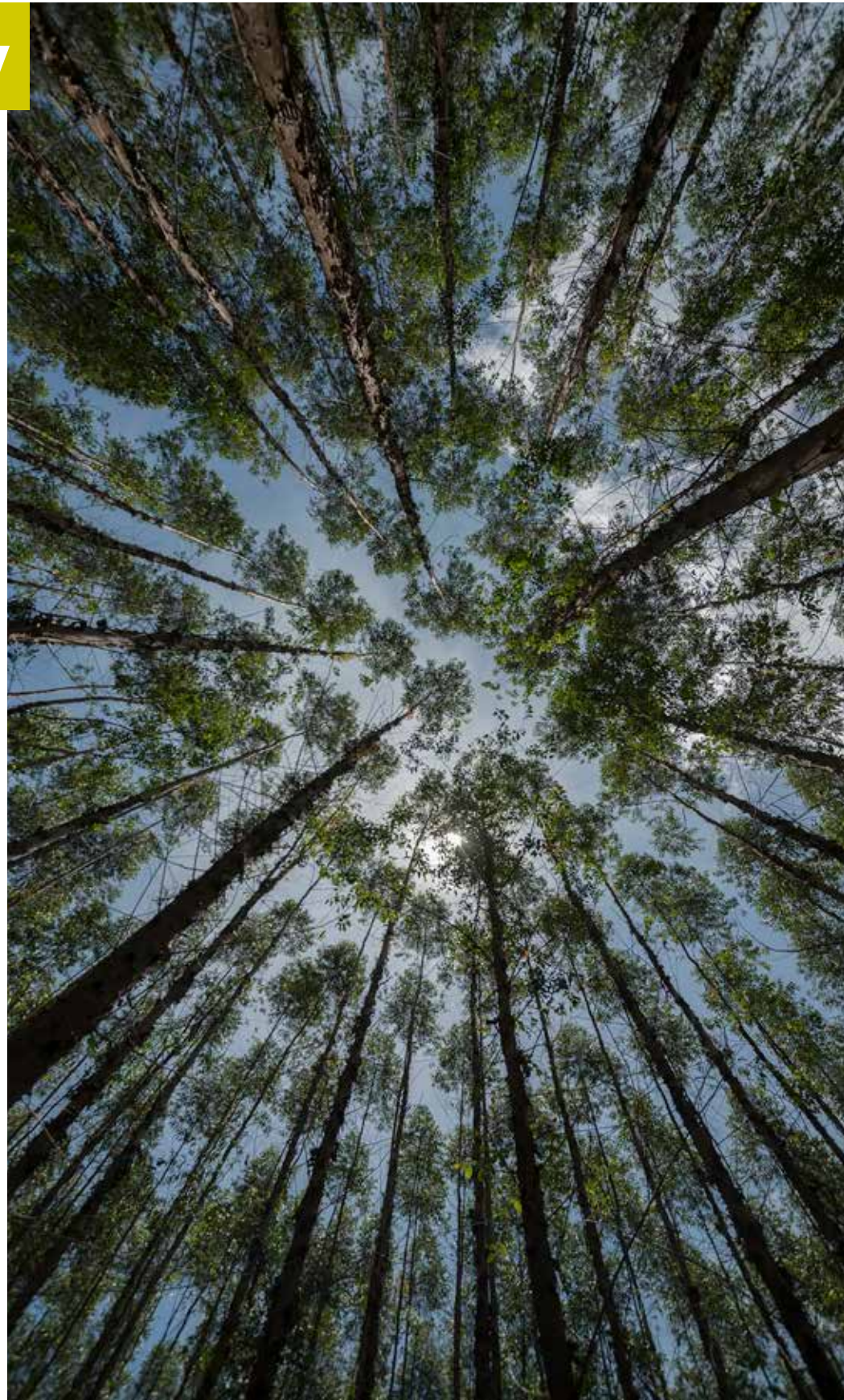
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OUR STRATEGY



Sustainability Strategy

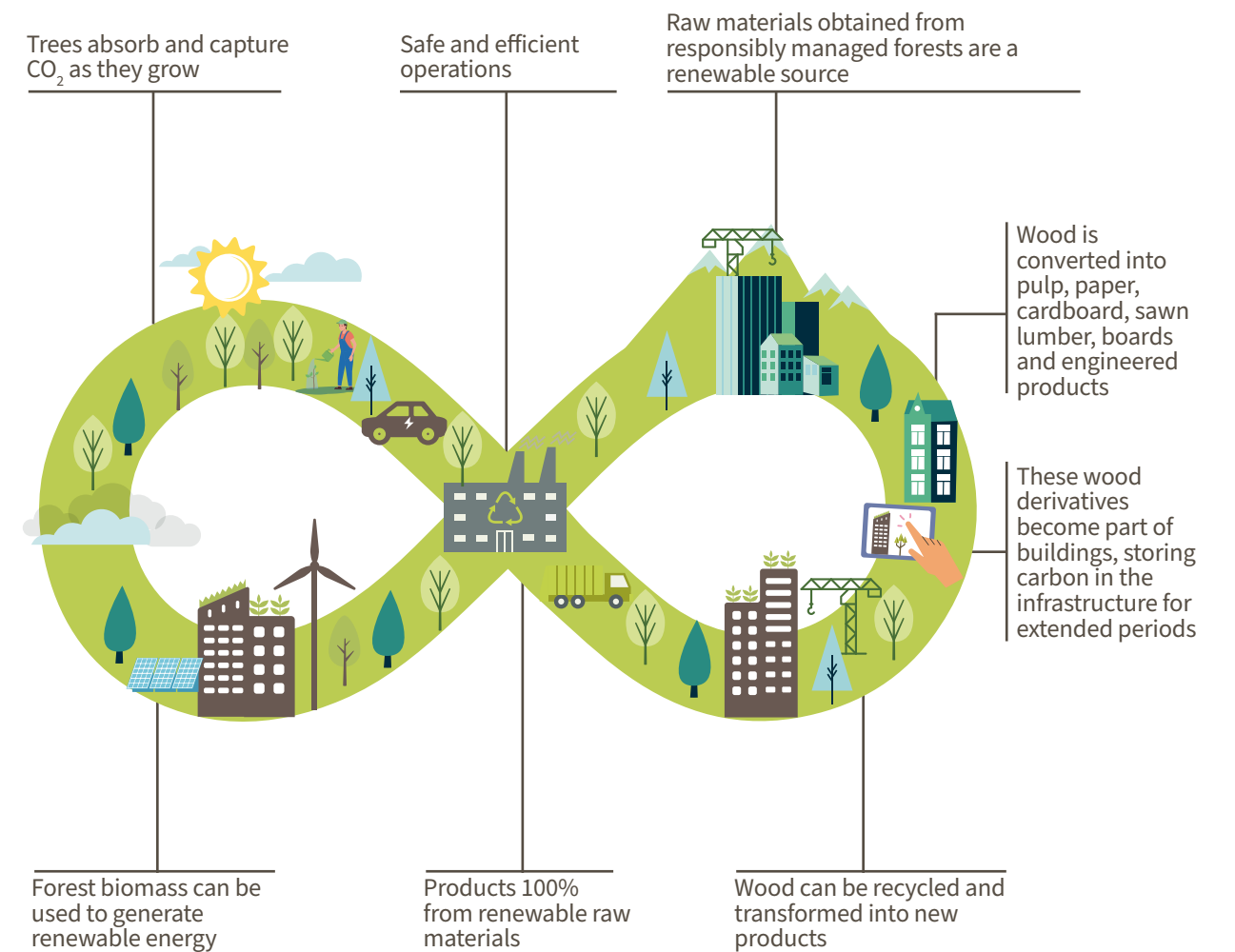


At ARAUCO, our approach to sustainability is deeply rooted in the principle of being renewable for a better life. This is reflected in a plan that follows the path of the company's actions and decision-making.

To us, sustainability means providing solutions that improve people's quality of life, which we are able to do by providing a wide range of sustainable products and alternatives made from renewable resources. We have managed to positively impact the paper, clothing, construction, packaging, furniture, and energy industries.

Our sustainability model describes how we contribute to people and the planet through the use of our forests. We want to make sure the biodiversity of our forests is preserved so they can fulfill, now and in the future, their ecological purposes .

As a global company, we maintain our focus on sustainability by committing ourselves to positively impacting people and the planet.



Global Megatrends as the Foundation of Our Strategy



The accelerated growth of the population – worldwide – and the progressive increase in life expectancy generates various consequences, like the consumption of resources for a longer period.

This scenario has led governments, companies and consumers to seek sustainable solutions that allow us to live in harmony with nature. At ARAUCO, we understand that we have a great responsibility towards people and the planet and we seek to contribute to this global challenge through the use of our products.

Climate Change

Forestry products can capture and store CO₂, which allows them to replace materials made from fossil fuels and high in Greenhouse Gas (GHG) emissions. This represents a great competitive advantage that we have as a company, since we produce sustainable products and alternatives and we work with a renewable and biodegradable, raw material that keeps carbon retained.

Our response

Mitigation and Adaptation to Climate Change

- ▶ We are the first forestry company in the world to be certified as carbon neutral.
- ▶ We have made additional commitments to reduce our emissions through Science Based Targets.
- ▶ We generate products that can replace materials of fossil fuel origin in a variety of industries including packaging, construction, clothing, retail, energy and more.

Loss of Biodiversity

Due to accelerated ecosystem destruction and a decrease in biodiversity, sustainable forest management has become a key component for conservation. Creating products with wood from responsibly managed forests, helps to prevent soil loss and relieves pressure on native forests.

Our answer

Improve Biodiversity

- ▶ Sustainable forest management with an integrated vision of the landscape.
- ▶ 29% of our assets allocated to native forest protection and conservation in our South America forests, which includes two of the critical points for the conservation of biodiversity worldwide.
- ▶ Commitment to restore 25,000 hectares (61,776 acres) of native ecosystems in Chile.
- ▶ Flora and fauna monitoring.
- ▶ Commitment to being Nature Positive and measuring our natural capital.

Exponential Increase in Population and Increasing Human Needs

Due to population growth and other demographic changes, we have seen an increase in the basic needs of humans. Through a wide range of products and sustainable alternatives, wood allows us to offer solutions that improve people's quality of life.

Our answer

Products made from 100% renewable raw materials

- ▶ Innovation and science for the future.
- ▶ Replacement of fossil-based materials, recognizing that what is currently made from non-renewable materials could be made from wood, a noble and sustainable raw material.
- ▶ Raw material for products such as paper, packaging, textiles, construction and furniture.
- ▶ Renewable energy from biomass.

Demand for Responsible Consumption and Production

The economy of wood products is circular by nature. The raw materials that we make available to our clients allow them to create recyclable and biodegradable products that, in turn, retain carbon, thus accelerating the path towards a circular bioeconomy.

Our answer

Towards a Circular Bioeconomy

- ▶ Efficient use of resources.
- ▶ Products made from by-products, waste and recovered materials.
- ▶ Production of clean energy from residual biomass.
- ▶ Goal of zero non-hazardous waste for final disposal by 2030.
- ▶ USD 66 million in industrial environmental investment by 2023.

Urbanization and Demand for Housing

There is currently a high demand for housing. At ARAUCO, we want to be part of the solution. By providing sustainable materials and technology, we ensure that future construction will be made from wood.

Our answer

Low carbon buildings

- ▶ Recyclable and renewable construction materials for large-scale use.
- ▶ Constructions that retain CO₂: each cubic meter of wood used in construction retains approximately one ton of CO₂.
- ▶ Fast constructions with low waste generation.
- ▶ Greater energy efficiency: health and comfort friendly material, which has very good thermal and seismic performance, excellent acoustic insulation and long durability.

New Organizational Cultures

Business culture has been affected by a variety of factors including digital transformation, business sustainability and long-term value. In response to these trends, ARAUCO is committed to the development and success of our collaborators and the communities where we are located.

Our answer

One ARAUCO

- ▶ We promote shared value programs with a focus on the landscape scale that reflect/attune to the expectations of the inhabitants of the territories where we operate.
- ▶ Our compass: relationship, participation and dialogue.
- ▶ We promote multiculturalism and value diversity.
- ▶ We promote excellence, development and continuous improvement.
- ▶ We seek to be leaders through the development of our people.
- ▶ We prioritize a job well done.





Our Sustainability Model

At ARAUCO, we have designed a sustainability model that includes actions and commitments that contribute to the well-being of society and the environment. The key to this, is the management of our forests, and producing products in a responsible and renewable way.

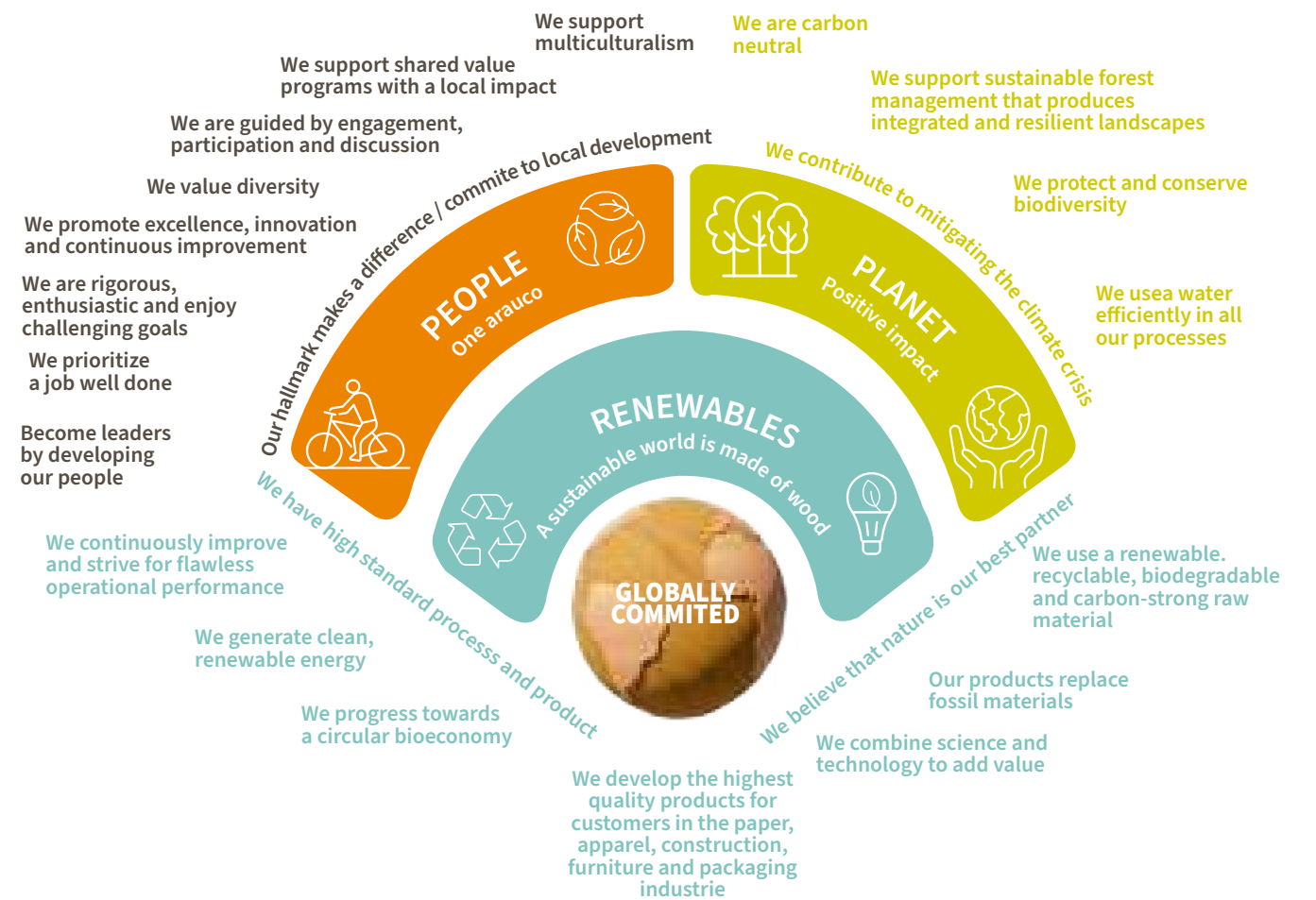
We focus on ensuring the biodiversity, productivity, regenerative capacity and vitality of forests are preserved so that they can continue to fulfil their ecological and economic purposes, now and in the future. By doing this, we create a path towards a sustainable future where social responsibility and environmental care are important factors of production.

Our Strategy

We offer solutions that improve people's quality of life, through a wide range of products and sustainable alternatives.

Our Strategy

renewables for a better life



Climate Action Plan

Forests and products that positively impact the planet.

At ARAUCO, we seek to triple our efforts to mitigate the effects of climate change, reverse the loss of biodiversity and confront the pollution of our planet.

In 2019, we created our Climate Action Plan, centered around three main focuses: climate, biodiversity, and circular bioeconomy. As a

fourth focus, we are measuring our natural capital with the goal of becoming Natural Positive, which we announced during our participation in COP 27.

Meanwhile, at COP 28, we announced the actions we are implementing to address the triple planetary crisis and therefore generate positive impacts for people and the planet.

Sustainable Goals

We have a clear vision: to be renewable for a better life. To do this, we require a plan that defines the layout of our positive and long-term impact, considering economic, environmental and social factors. The plan

specifies goals to guarantee that through our actions, we positively contribute to not only people, but the planet as well.



Climate

We are certified as carbon neutral and have acquired additional commitments to reduce emissions by 2030, through the Science Based Targets initiative. Furthermore, the wood we produce each year reduces millions of tons of CO₂ from the atmosphere, equivalent to taking 5,000 cars off the road a day. Likewise, with the objective of contributing to the challenge of limiting the increase in the planet's temperature to 1.5°C, as ARAUCO we have proposed for years to raise our standards and practices.

Biodiversity

We conserve more than 500 thousand hectares (1236 thousand acres) of native forest and protection areas in Latin America, equivalent to more than half of Puerto Rico. In addition, we protect 1,234 threatened species of flora, fauna and fungi, within the framework of a commitment to avoid the extinction of biodiversity in the places where we are present and that our conservation efforts are even more important being in biodiversity hotspots.

Circularity

We develop biodegradable and recyclable products with the potential to replace polyester in the fashion industry. In addition, we manufacture natural fibers that are an alternative to more polluting materials such as plastic. Finally, we are committed to zero non-hazardous solid waste by 2030.

Water

We maintain a constant commitment to hydrological monitoring, focusing on the development of knowledge for the sustainable management of water resources and ensuring compliance with emission limits in order to respect the quality of water bodies, both associated with effluent discharges and for the safe supply of plants and the conservation of bodies of water. For a decade, we have developed the Desafío agua management strategy in Chile.



Sustainable goals

	Topic material	Commitments and goals	Progress 2023	Key Management Indicators (KPIs)
<p>PLANET ABC strategy to be Nature Positive</p>	Water	We make efficient use of water in all our processes.	Measure our water footprint Expand the reach of our Desafío Agua program.	Moving forward – We set out to work on measuring our water footprint by 2023 and managed to expand Desafío Agua to other areas of the company, allowing greater synergy between this social program and the company's production processes. Water captured per unit of product and processed water discharged per unit of product. Amount of people impacted by the Desafío Agua program and number of basins monitored to know the state of the water.
	Biodiversity	We promote sustainable forest management with integrated and resilient landscapes that protect and conserve biodiversity.	Restore 25,000 hectares (61,776 acres) of native forest to 2050 and maintain the percentage of certified forest assets above 95% under responsible forest management. Maintain and expand network of 157 High Conservation Value Areas that cover 135 thousand hectares (334 thousand acres), account for and inventory the natural capital that is within the forest land in Chile by 2024 and protect 1,234 species on the IUCN Red List and National Conservation Lists that are present in our local habitats.	Moving forward - We continue to monitor biodiversity in our forests and committed to accounting for and inventorying the natural capital that lies within the company's forests. In addition, the restoration program has reached 8,506 hectares (21,019 acres) in the process of restoration in Chile and 4,120 (10,180 acres) in Argentina. On the other hand, at the end of the year 93% of our forests were certified. The decrease in the percentage of certified land is since the company is in the process of purchasing land in Brazil, which is in the process of being certified. % Of certified productive land, Number of hectares under restoration.
	Climate	We are carbon neutral	Reduce Scope 1 and 2 emissions by 40.6% by 2030 compared to the 2019 baseline; reduce Scope 3 emissions by 35.1% by 2030 compared to the 2019 baseline; and reach 95.46% of suppliers and customers by emissions covering investments with science-based goals by 2027.	Moving forward – We managed to certify the emissions for the years 2021 and 2022 and SBT approved the commitments assumed by ARAUCO to reduce emissions. Emissions balance, calculation of carbon neutrality of ARAUCO, reduction of emissions per unit of product.
<p>PEOPLE One ARAUCO</p>	Ethics & Compliance	Continue to maintain an ethical company culture.	Maintain 100% of direct collaborators to whom the Code of Ethics applies.	Achieved – During the year, 5,489 employees were trained in the Code of Ethics. % of direct collaborators to who the Code of Ethics applies.
	Collaborators	To be leaders based on the development of our people.	Enable continuous professional development for high performance, growth, and future employability, with an emphasis on responsible leadership.	Moving forward – We obtained 82% favorability in the 2023 Climate Survey and 8,486 employees trained. Average time to hire, coverage and cost of training plan, % of engagement and distribution of talent (potential performance succession), % of favorability climate survey.
	Equal opportunities	Valuing diversity	Enhance diversity within ARAUCO, increasing the representation of women and moving toward an inclusive culture, through selection, training and a plan of accompaniment and development.	Moving forward – This year we reached a representativeness of 14.7%. % Of female employees, gender pay gap and number of hours of training for the development of skills that promote an inclusive and equitable work environment.
	Health and safety of employees and contractors	Keeping safety as our first value	To be a World Class company in safety indicators.	Moving forward – The accident rate was down 11% compared to 2022. Total accident rate, incident recurrence rate, absenteeism rate, and number of fatal accidents.
	Local development and relations with indigenous peoples	Promote shared value programs with territorial impact	Support the development of the communes where our operations are located.	Moving Forward – We continue to implement our local development programs geared towards the communities where we operate. In addition, we created a unit specialized in impact measurement. Local Reputation Index (INRELA), Social Investment, Participants per program, Number of stakeholders with whom the company interacts.
<p>RENEWABLES A sustainable world is in wood</p>	Circularity	Moving towards a circular bioeconomy	100% recovery of non-hazardous solid waste by 2030	Moving forward - We continue to work on the valorization of non-hazardous solid waste in the areas of pulp and wood, achieving the valorization of 61% of non-hazardous solid industrial waste in the area of pulp and energy, and 51% in the area of wood in Chile and Argentina. % Recovery of non-hazardous solid industrial waste.
	Sustainable Supply Chain	Impacting our entire value chain	Maintain 80% of purchases from SMEs in Chile in the five regions where we have industrial and forestry presence and expand the 'Juega Local' program to the other countries where ARAUCO has presence and maintain more than 90% of certified provisioned wood	Moving forward - We continue to work on the incorporation of local suppliers, achieving 80% of purchases from SMEs in Chile in the regions where we have industrial and forestry presence. In the case of Brazil, 25% of purchases from micro-enterprises (ME) and small-scale enterprises (PPE) were made in priority municipalities. % Of certified sourced wood and % of local suppliers.

Commitment to our Interest Groups

Because ARAUCO has a global presence, we impact a number of groups whose concerns, needs, and decisions have become an integral part of our success. Therefore, maintaining fluid communication is one of our priorities.

We are committed to having conversations and requesting feedback because we believe that these things help build trust and enriches our relationships with our interest groups. Understanding and knowing the needs of our stakeholders allows us to develop a robust strategy that meets their expectations.

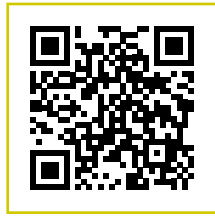
We also maintain constant communication with our neighbors to minimize/mitigate possible negative effects of our operations.

In Chile, we seek to measure our reputation and know the evaluation of our neighbors regarding the present and future of their communities by applying the Local Reputation Index.

As part of our responsibility as a company with a global presence, we look for opportunities to increase our contribution to the Sustainable Development Goals (SDGs). And, in line with this, we are committed to the principles of the Global Compact and the UN guidelines on business and human rights (<https://unglobalcompact.org/>).

At ARAUCO, we use our Public Affairs, Communications, and Investor Relations teams to communicate with our interest groups. Their duties include, but are not limited to, addressing and clarifying financial, economic, and legal issues/risks.

In order to facilitate the dissemination of information and the timely receipt of queries and concerns, we maintain various channels, platforms and tools. We have telephone lines, websites, email inboxes and accounts on social networks, such as Facebook, Instagram, YouTube, LinkedIn and X.



Our social media in 2023



Currently, we have **21 corporate platforms** present in Chile, Peru, Colombia, Argentina, Brazil, the United States and Mexico. Among which: six belong to Facebook, seven to Instagram, five to LinkedIn, while X (Twitter), YouTube and TikTok have unique accounts throughout the global ecosystem.

It should be noted that our digital community (total followers) is made up of more than **1,267,038 users** present around the world, which translates into **74,907 new followers** compared to 2022. In turn, the ARAUCO website had **9,519,408 visits** during the same period, which considers the entire global spectrum of the different countries.



Communication Mechanisms

Collaborators and contractors

- ▶ Direct dialogue
- ▶ Face meetings
- ▶ Meetings through video conferences
- ▶ Trainings
- ▶ Emails
- ▶ Digital platforms
- ▶ Worktable
- ▶ Conferences

Local communities and indigenous peoples

- ▶ Dialogue tables
- ▶ Community consultations
- ▶ Participatory monitoring of commitments
- ▶ Open Houses
- ▶ Communication and response channels
- ▶ General mill shutdown
- ▶ Kunü
- ▶ Emergency operating committees

Clients and suppliers

- ▶ Fairs
- ▶ Conferences
- ▶ Face meetings
- ▶ Meetings through video conferences
- ▶ Marketplace and digital platforms
- ▶ Trainings
- ▶ General mill shutdown
- ▶ Worktables
- ▶ Emails

Leaders of opinion

- ▶ Dialogue tables
- ▶ Participatory monitoring of commitments
- ▶ Communication and response channels
- ▶ General plant shutdown
- ▶ Forest tables
- ▶ Emergency Operational Committees (COE)
- ▶ Corporate commitments to external initiatives
- ▶ Participation in public consultation processes of regulations and public policies

Shareholders and investors

- ▶ Quarterly results presentations
- ▶ Filing Form 20F with the Securities and Exchange Commission
- ▶ Regular telephone conferences and in-person meetings with investors
- ▶ Conference attendance

Human Rights

At ARAUCO, we have a Human Rights Policy, comprised from statements from the Universal Declaration of Human Rights of the United Nations, that we abide by.

Our Human Rights Policy is essential to our relationships with our collaborators, clients, suppliers, contractors, and the communities surrounding our mills.

We implement continuous improvement initiatives to identify potential risks within our operations and establish repair mechanisms. Because the company's activities are distributed over a wide territory, preventing and mitigating the social impacts associated with operations is very important.

We understand that human rights work should not only be about assuming responsibility towards our stakeholders, but also about implementing actions and a continuous and collaborative dialogue with them. We have developed various mechanisms that allow us to maintain a relationship of respect and protection in all our operations and value chain.

Likewise, our own operations are carried out in compliance with applicable regulations and with respect for the rights of indigenous peoples, collaborators, contractors and neighboring communities.

Priority actions of ARAUCO in matters of Human Rights

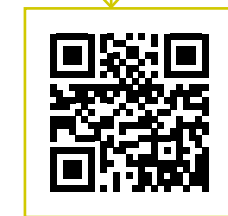
Communication and Response Channels

We prioritize having fluid communication with different interest groups, which is why we implemented an Integrated Management System. The system allows individuals to submit suggestions and complaints through a call center or through the web. All submissions are reviewed and responded to in a timely fashion.

During 2023, the integrated management system used in Chile was contacted 1,365 times.

At ARAUCO, the Whistleblowing Channel is available for all countries, accessible through the website www.arauco.com and the corporate intranet, which guarantees confidentiality and anonymity if requested by the individual.

At ARAUCO, we have developed a Complaint Procedure that details the way complaints are submitted and investigated. Submissions can include violations of the Code of Ethics, the Business Model, Crime Prevention, and any other conduct that may be perceived as contrary to ethics.



Environmental and Social Risk Analysis

In ARAUCO's global forestry operations, we have a tool that allows us to survey the environmental and social impacts associated with operational events/tasks. This is called the Environmental and Social Risk Analysis. This tool identifies communities in or around operation sites and also identifies factors associated with those communities, communities (land, intakes, sites of social interest, previous conflicts, etc.)

Based on this information, possible solutions to prevent or mitigate impacts are identified and studied and, if proven to be successful, deadlines for implementation are established.

At ARAUCO, we have defined that the following activities require this tool: road strips; road construction; production, collection and transportation of gravel; thinning; crops; transport; exploitation; biomass production and transportation; chemical applications; conglomerate; interface and fuel reduction.

We also encourage community participation, which creates opportunities for interested parties to become involved. The goal is to publicize operations in the sector and generate socio-environmental commitments in response to impacts that affect the landscape. This process is accompanied by compliance monitoring of the acquired commitments.

Based on this information, we carry out a periodic analysis that allows us to keep our Matrix of Socio-Environmental Aspects and Impacts updated, as well as the control initiatives in the Integrated Management System.

During 2023, 295 community consultations were carried out in which 1,777 residents of our operations participated.



Native Communities

At ARAUCO, we believe community consultations are essential to maintaining relationships with indigenous peoples and protecting human rights in forestry operations.

Although as a company we manage forest assets in Chile, Brazil, Argentina and Uruguay, only in Chile and Argentina do we operate in areas where indigenous peoples live.

During 2023, 54 indigenous consultations were held where 263 representatives of these peoples, who are neighbors of our operations, participated.

If there are complaints or the need for conflict resolution, the same management mechanism that exists for local communities is used. This is actively reported during meetings or when a particular complaint is made.

Particularly in Chile, the controversies that have been reported through this mechanism are linked to the Mapuche community, over the use or ownership of land. From 2014 to date, nearly 5 thousand hectares (12 thousand acres) were transferred to communities via legal mechanisms for this purpose and more 9 thousand hectares (22 thousand acres) with feasibility of sale through the mechanisms defined by Chilean legislation. Along with the above, as a company we are able to contribute to the process carried out by the State through the Presidential Commission for Peace and Understanding from the second half of 2023 until the end of 2024, an opportunity in which it is expected to deliver its recommendations and proposals to the State of Chile to address land demands by Mapuche communities.

Occupational Health and Safety

► Safety is ARAUCO’s first value, so we constantly implement short and long-term initiatives to improve our performance in occupational health and safety.

► There are long-term incentives linked to improving performance in occupational health and safety. In addition, safety objectives are linked to remuneration as a component of short- and long-term incentives.

Fair Work

- All divisions and industrial complexes have a chain of custody, which is evaluated and audited.
- Launch of ARAUCO’s Diversity, Equity and Inclusion Policy, transversal to all its businesses and subsidiaries.
- Update of the Code of Ethics of ARAUCO and all its subsidiaries, including aspects of the Human Rights Policy.
- Establishment of specific governance that allows promoting, maintaining and ensuring diversity, equity and inclusion in the company and maintaining these initiatives in the long term.
- ARAUCO respects freedom of association in all the countries where it operates.

ARAUCO guarantees fair, equal and competitive remuneration worldwide, placing special emphasis on equal pay between genders and providing a fair salary to all its collaborators.

About This Report

The annual review and analysis of our Materiality Matrix is the main way to identify and prioritize the most relevant sustainability issues within our value chain, both for our company and for our stakeholders.

In this instance, we consider an issue to be material if it is relevant and can impact both ARAUCO and its stakeholders.

Consolidation of Integrated Report Information

For the second consecutive year, ARAUCO published its Integrated Report, which includes information regarding ARAUCO economic, social and environmental performance, between January 1 and December 31, 2023.

This document replaces the Sustainability Report – published from 2021 onwards – and is prepared in accordance with the requirements of General Standard No. 461 of the Chilean Financial Market Commission.

Additionally, it uses the sustainability reporting standard of the Global Reporting Initiative (GRI), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for climate change risks and the standards of the Sustainability Accounting Standards Board (SASB) specific for the industrial sectors of wood products, forest management, pulp and paper products.

Data Limit

This report was prepared by reviewing, compiling and presenting consolidated information on industrial and forestry operations in Chile, Argentina, Brazil, Uruguay, Mexico, the United States and Canada. Unless otherwise indicated, the consolidated performance figures expressed here refer to the parent company, Celulosa Arauco y Constitución S.A., and all those in which it directly or indirectly owns more than 50% of the voting rights.

The reports also include the joint operations of Montes del Plata in Uruguay. The performance of Sonae Arauco's⁵ operations is excluded because we report only on those companies where it has more than 50% of the voting rights; However, Sonae Arauco's

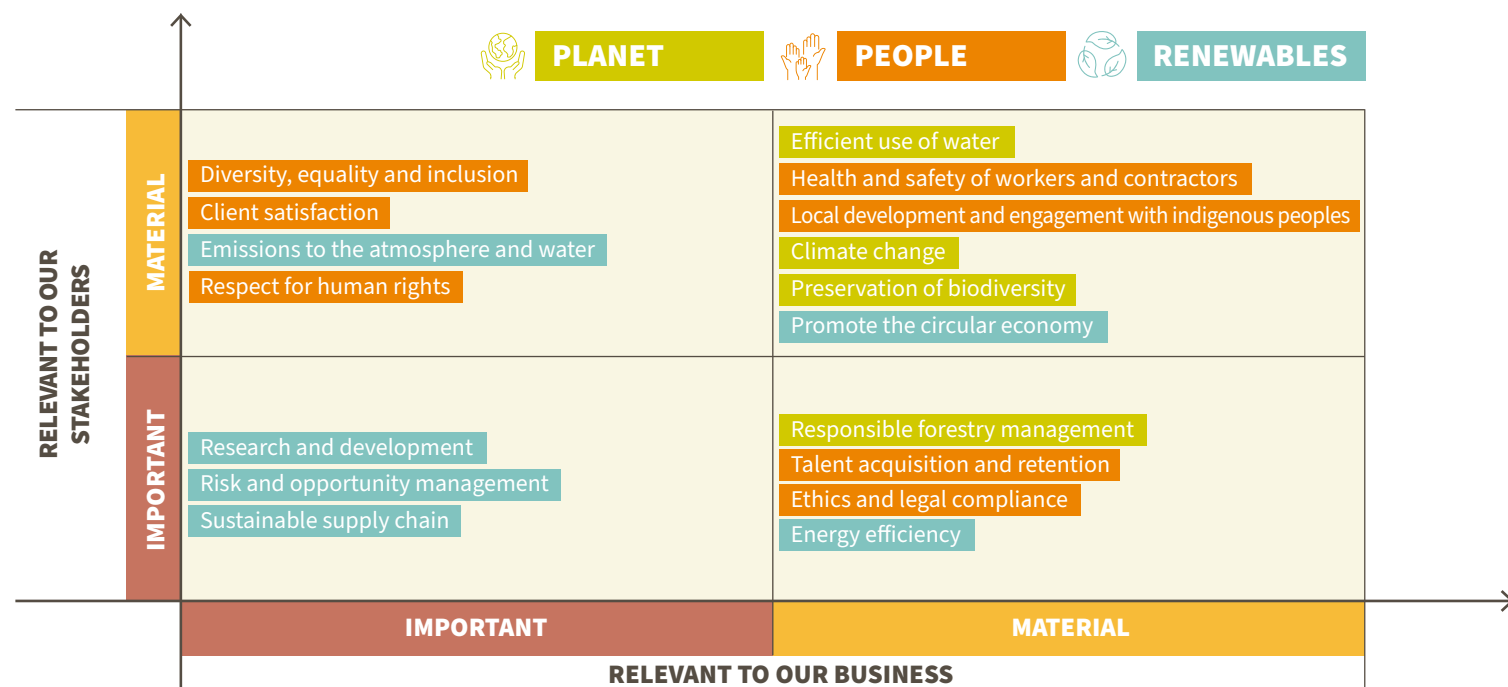


operations and projects are mentioned at a descriptive level, when relevant.

The financial-accounting information was prepared under the International Financial and Reporting Standards (IFRS). The currency in which these reports are presented is US dollars.

Additionally, the report reports on communication in progress, as part of ARAUCO's commitment to the Global Compact and the SDGs.

⁵ Sonae ARAUCO also prepares a report, which is available through its website.



RENEWABLE PRODUCTS

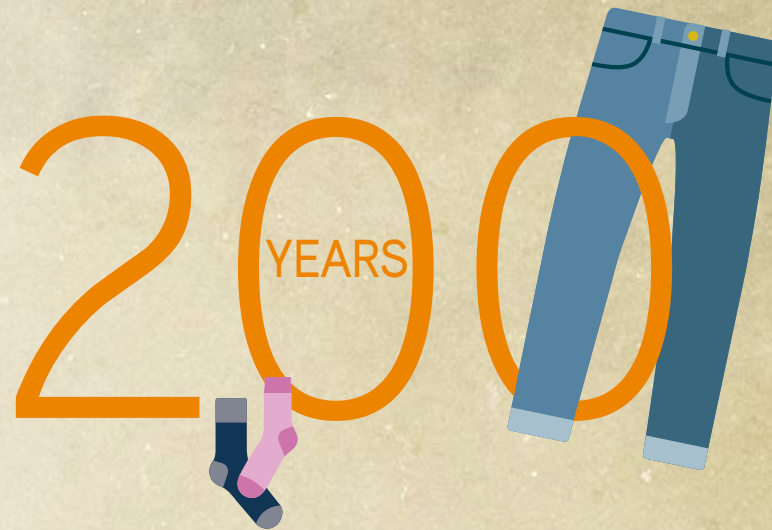
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Our Products



IT'S TIME TO PUT ON YOUR PANTS

The synthetic fibers used in fashion take 200 years to break down. We have better alternatives!
Like the textile fiber that we produce in ARAUCO with organic materials coming directly from trees.



Seeking to generate solutions that improve people's quality of life, we develop a wide range of products and sustainable alternatives, made from a renewable resource such as wood, positively impacting the paper, clothing, construction, packaging, furniture and energy Industries.

Goals and Commitments

- ▶ Continue with the construction project of a new pulp mill in the town of Inocência, Brazil, state of Mato Grosso do Sul.
- ▶ Construction of the Vikingo 2.0 project in Mexico and modernization of the Puerto Esperanza mill in Argentina.
- ▶ Investment in R&D of USD 100 million by 2030.
- ▶ Maintain 100% of our production facilities certified with chain of custody.
- ▶ Keep over 95% of our assets certified.

- ▶ Bleached Softwood Kraft Pulp (BSKP), produced from radiata pine or taeda, can reinforce the final product, since long fibers give it resistance.
- ▶ Bleached Hardwood Kraft Pulp, BHKP or EKP, produced from eucalyptus, provides softness to the product, with excellent morphological capabilities and versatility of uses.
- ▶ Unbleached long fiber pulp or raw pulp (Unbleached Kraft Pulp or UKP), produced from pine, is used in the *packaging* and fiber cement industry.
- ▶ Soluble pulp or textile pulp, produced from eucalyptus, is used as a raw material in the manufacture of viscose or rayon fabric.
- ▶ Fluff pulp, produced from taeda pine, is used as a raw material for personal hygiene products due to its high absorption capacity.
- ▶ Unconventional Renewable Energy (NCRE) from forest biomass.
- ▶ Engineering products, including laminated wood and Cross Laminated Timber (CLT) for a wide variety of housing, commercial, industrial and infrastructure construction applications.
- ▶ MDF, MDP and plywood boards oriented to the furniture and construction industry, recognized for their varied range, availability and quality.
- ▶ Wood that allows to offer quality and resistance solutions for the construction, furniture and packaging industry.
- ▶ Moldings used as a decorative and finishing element in homes and various spaces.



For the different relevant product-market categories, we use different brands, all supported by ARAUCO. We want to be recognized in the market as specialists in relevant segments, while facilitating customer processes.

Pulp

- arauco**
CELULOSA
- arauco**
BKP
- arauco**
EKP
- arauco**
FLUFF
- arauco**
PULP
- arauco**
CELCO FC
- arauco**
CELCO PG

- arauco**
Silver Star / 明星 BKP
- arauco**
Bright Star / 明星 EKP
- arauco**
Gold Star / 金星 UKP
- arauco**
Soil Star / 土星 UKP FC
- arauco**
Wood Star / 木星 APSA BKP
- arauco**
UKP
- arauco** | CREATE
Sustainable Fiber

Wood

- arauco**
PBO
- arauco**
MDP
- arauco**
MSD
- arauco**
LUMBER
- arauco**
ULTRA PB
- arauco**
COLOR
- arauco**
DURAFLAKE
- arauco**
MOULDING
- arauco**
TRUPAN
- arauco**
SUPER MDF

- arauco**
FIBREX
- arauco**
Ranurado MELAMINA
- arauco**
Mill Run MSD
- arauco**
MOLDURAS
- arauco**
MELAMINA
- arauco**
MELAMINE
- arauco**
DECOFAZ
- arauco**
DUROLAC
- arauco**
MDF

- PRISM**
- VESTO**
arauco
- FAPLAC**
melamina
- ARAUCOPLY.**
- HILAM**
arauco
- PRIMELINE**
arauco
- TABLE RED**
arauco

New products

- ▶ In Chile, we started the sale of pulp EKP from line 3 of the Arauco mill and Tall Oil.
- ▶ We launched four new Vesto melamine designs in Peru and four in Central America.
- ▶ In Brazil we launched a new collection of panels coated with 10 new colors, Wood: Areal, Amendoeira, Mdeiral, Ipê Real, Bambu. Unicolors: Lavender and Ocean. Metals: Orvalho, Orla and Silicon; and two new finishes: Bold and Vert.
- ▶ In Argentina we launched the line of melamine's RH - moisture resistant with an offer of 12 designs.
- ▶ The blend line was expanded, in Argentina, with the introduction of a new WILLOW design, simulating burned wood in trend.
- ▶ Introducing new colors PRISM TFL: PRISM MIST, PRISM ROGUE VALLEY PEAR, PRISM WILLOW, PRISM PELEE ISLAND PEAR, PRISM RED, PRISM GREEN, PRISM METRO.



Our Businesses

Forestry, Pulp and Energy



Trees are one of the most effective ways to mitigate climate control. Their natural ability to absorb carbon dioxide and transform it into oxygen makes them important allies. Responsible plantation management reduces pressure on native forests, whose deforestation and degradation causes approximately 20% of global CO₂ emissions.

Trees are the raw material of all our products, so as ARAUCO we manage our forests in Chile, Argentina, Brazil and Uruguay under Responsible Forest Management practices. In addition, our production processes are certified by the highest environmental, social and economic standards worldwide.

APPROXIMATE COMMERCIAL ROTATION AGE OF PINES AND EUCALYPTUS (in years)

Country	Pine	Eucalyptus
Chile	20-24	12-14
Argentina	14	8
Brazil	13-14	7
Uruguay	NA	10

NA: not applicable



1.7 million hectares (4.2 million acres)

in Chile, Argentina, Brazil and Uruguay make up our forest assets.

29%

of this corresponds to native forest and protection and conservation areas of high social and environmental value, protected and preserved for future generations.

131.6 million trees planted in Chile, Argentina, Brazil and Uruguay.

We harvested 19.7 million and bought 6.5 million cubic meters of logs and chips.

We allocate 24.2 million cubic meters of logs and splinters to the company's mills.

We sold 4.1 million cubic meters of logs and chips to third parties.

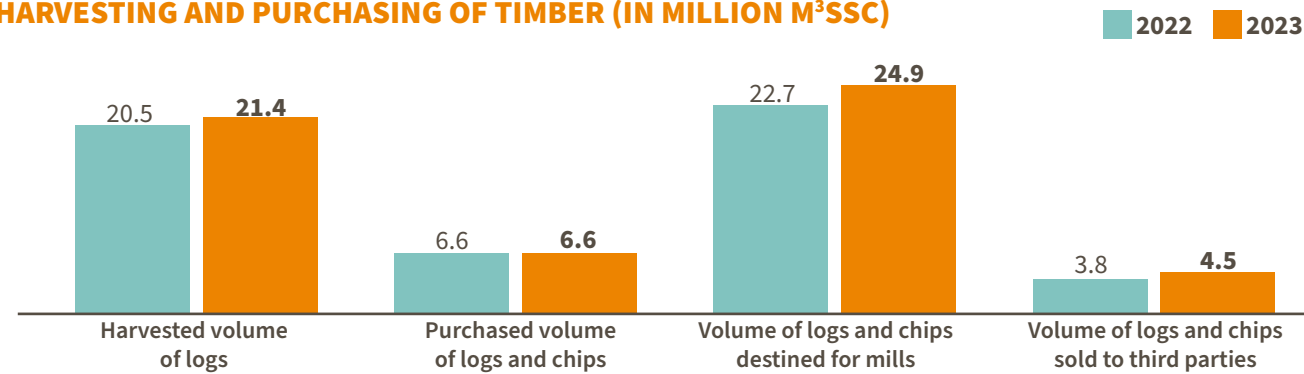
The total standing timber inventory for the year reaches 177.9 million cubic meters.

DISTRIBUTION OF FOREST ASSETS BY USE
(in thousands of hectares as of December 2023)

Country	Pine	Eucalyptus	Other species	For planting	Native	Other uses	Total
Chile	404 (998 ac)	189 (467 ac)	2 (4.9 ac)	85 (210 ac)	285 (704 ac)	57 (140.8 ac)	1,021 (2,523 ac)
Argentina	90 (222 ac)	20 (49 ac)	19 (47 ac)	11 (27.2 ac)	120 (297 ac)	5 (12 ac)	264 (652.4 ac)
Brazil	49 (121 ac)	109 (269 ac)	0.2 (0.5 ac)	40 (99 ac)	99 (247 ac)	12 (29.7 ac)	308 (761.1 ac)
Uruguay	0.2 (0.5 ac)	87 (215 ac)	0.4 (1 ac)	5 (12.4 ac)	5 (12.4 ac)	40 (98.8 ac)	138 (341 ac)
Total	543 (1,341.8 ac)	405 (1,000.8 ac)	21 (51.9 ac)	140 (345.9 ac)	509 (1,257.8 ac)	114 (281.7 ac)	1,732 (4,279.9 ac)

It includes 100% of ARAUCO plantations in Chile and Argentina, 50% of Uruguay plantations, through joint operation of Montes del Plata, 100% of ARAUCO plantations in Brazil through Arauco Forest Brazil, Arauco Florestal Arapoti, Mahal Empreendimentos e Participacoes S.A., Novo Oeste Gestao de Ativo Florestais S.A. and 49% of ARAUCO plantations in Brazil through Florestal Vale do Corisco. It also includes 151,581 hectares (374,565 acres) for which we have the right to harvest but we do not own the land, of which 10,737 hectares (26,532 acres) are in Chile, 174 hectares (430 acres) are in Argentina, 97,724 hectares (241,481 acres) are in Brazil and 42,945 hectares (106,119 acres) are in Uruguay.

HARVESTING AND PURCHASING OF TIMBER (IN MILLION M³SSC)



In ARAUCO we produce pulp. Pulp is the basic raw material for the manufacture of various types of printing and writing papers, tissue paper, packaging material, filters and fiber cement products, textiles, diapers and hygiene products, and more.

There are five types of this material that are generated in our operations, differentiated by their uses and the properties that they deliver to the final product. In total, we have five pulp mills in Chile⁶, one in Argentina and one in Uruguay, through a joint operation between ARAUCO and Stora Enso. Thanks to them, our production capacity reaches approximately 5.3 million tons, with Asia and Europe as the main markets.

5.1% market share in bleached pine pulp

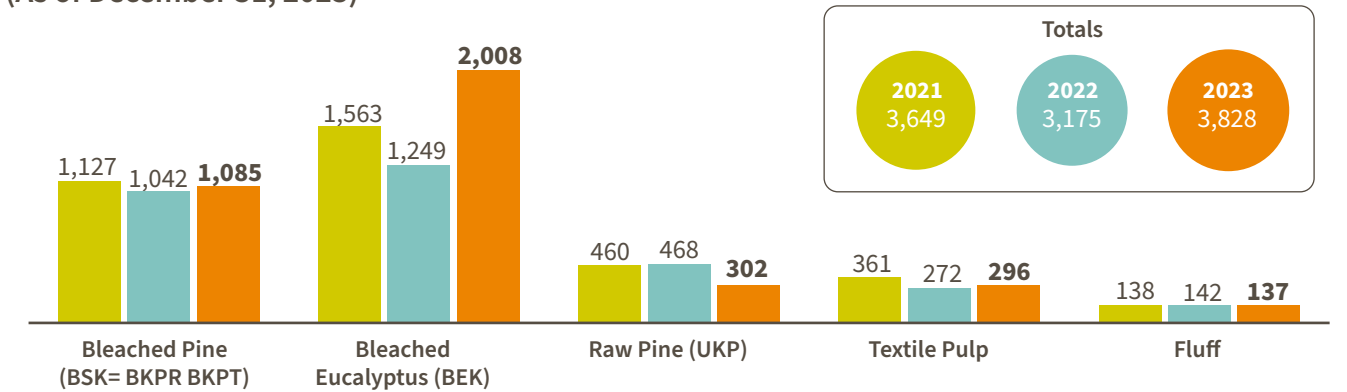
5.2% market share in bleached eucalyptus pulp

15.3% market share in raw pine pulp

5.8% market share in textile pulp

⁶ In 2023, the operation of the Licancel pulp mill in Chile was suspended indefinitely.

PULP PRODUCTION BY PRODUCT TYPE (IN THOUSANDS OF ADTS*)
(As of December 31, 2023)



For more than 20 years, forest biomass has allowed us to produce non-conventional renewable energy, which is considered a clean, safe and efficient source of energy.

These renewable fuels are used in power mills that co-generate the steam and electricity needed for our manufacturing operations, therefore reducing greenhouse gas emissions.

Thanks to this work, in ARAUCO we self-supply energy and contribute the surplus of our industrial mills to the energy matrix of Chile, Argentina and Uruguay. We are the main generators of Unconventional Renewable Energy (ERNC) in Chile!

We have also invested in expanding our generation capacity above industry requirements, considering the provisions of the Clean Development Mechanism (CDM) of the Kyoto Protocol.

Our installed capacity in Chile is approximately 904 MW, with 371 MW to be contributed to the National Electricity System (SEN), which is generated by eight industrial mills and two backup units.

Meanwhile, in Argentina, our installed capacity is approximately 82 MW and 15 MW to be contributed to the energy matrix, produced by two mills. In Uruguay, the installed capacity is approximately 91 MW and 50 MW to be delivered to the energy matrix, which operates through a joint operation with the Swedish-Finnish company Stora Enso.

We have also focused on innovation by devising a plan to develop wind projects for electricity generation on our land. This includes the Wind Project, Viento Sur, which features 43 wind turbines, up to 5 MW each. The environmental approval of this project was challenged by five legal and administrative claims. As of 2023, three of these claims have been resolved.

In our ongoing efforts to combat climate change, we received a certification for reducing emissions from cogeneration products (made from residual forest biomass) at six of our generation mills, five of which are located in Chile, and one in Uruguay (joint operation with Stora Enso) This renewable, carbon-neutral fuel allows facilities to decrease their reliance on fossil-fuel-intensive grid electricity. All of the facilities are registered under and recognized by international standards, allowing us to be the first Chilean forestry company to issue emission reduction certificates (CER or carbon credits) under the Kyoto Protocol CDM. Its annual reduction capacity of CO2 reaches about 650 thousand tons. Meanwhile, the Vineyard Cogeneration Project is registered under the Verified Carbon Standard (VCS).

We have certification for emission reduction from cogeneration projects using residual biomass from forest sources in five generation plants in Chile and one in Uruguay.

POWER GENERATION CAPACITY AND ENERGY MATRIX INJECTION

(MW as of December 31, 2023)

Country	Mill	Installed maximum capacity	Maximum potential generated ¹	Internal consumption	Maximum injection into the energy matrix
Chile	Arauco	425	328	162	166
	Bioenergía Viñales	41	41	9	32
	Cholguán	29	28	15	13
	Constitución	40	30	22	8
	Horcones (Diesel turbine and gas)	24	24	-	24
	Licancel ⁷	29	20	14	6
	Nueva Aldea I	30	28	14	14
	Nueva Aldea II (Diesel turbine)	10	10	-	10
	Nueva Aldea III	136	100	63	37
	Valdivia	140	115	54	61
Argentina	Puerto Piray	38	30	16	15
	Esperanza	44	44	44	-
Brazil	Planta Solar Jaguariaíva	0,5	0,5	0,5	-
Uruguay	Montes del Plata (50%)	91	91	41	50
Total		1.078	890	454	436

The maximum capacity available for fossil fuel is approximately 7% of the total installed capacity, and about 18% of the sales capacity to SEN. These values are approximate and are not necessarily used during the year, so the energy generated with diesel/fuel oil is a much lower percentage. 1 It refers to values that mills reach but not necessarily continuously.



⁷ In 2023, the operation of the Licancel pulp mill in Chile was suspended indefinitely.

Advances 2023

- ▶ In January 2023, in Chile, the first pulp bale was produced in line 3 at the ARAUCO pulp mill, with the goal of reaching a target of approximately 1.5 million tons of short fiber in the medium term.
- ▶ In December, the company signed a share sale agreement with Klabin, which comprises approximately 85,000 hectares (210,040 acres) of eucalyptus and pine forest plantations, located in the states of Parana, Santa Catarina and San Pablo (Brazil). The agreement will cost 1,160 Million USD and will be paid at the close of the sale. The sale would be subject to compliance of industry standards, including being authorized by the Administrative Council of Economic Defense.
- ▶ Regarding the fires that occurred in Chile at the beginning of 2023 in the regions of Maule, Nuble, Araucania, Biobio and Los Rios, ARAUCO had 47 thousand hectares (116 thousand acres) of productive forest plantations affected. Damage was caused by a variety of factors including, irresponsible or intentional actions by third parties and extremely unfavorable weather conditions, like high temperatures and wind gusts.
- ▶ CIMA (Mechanized Internal Harvest) began a new operational phase in the Yungay area of Chile, focusing on areas/locations that complement other existing operations.
- ▶ In Chile, the opening of the delayed Construction pulp mill was executed in January, followed by the Nueva Aldea pulp mill in February.
- ▶ General maintenance of the Valdivia pulp mill took place between May and August. During this time, a dryer that was damaged by a May 2022 fire was fully repaired. In September, production at the pulp mill resumed at 100% capacity.
- ▶ A log train arrived, for the first time, on Line 3 of the ARAUCO mill in Chile. The train, an efficient means of transportation, has the capacity to hold 1,100 tons of logs, which is the equivalent to the transport of 40 trucks.
- ▶ On August 17th, the Environment Institute of Mato Grosso do Sul (Imasul) held a public hearing in Brazil to present the Environmental Impact Report (RIMA) of the pulp mill ARAUCO intends to build in Inocencia. This was a hybrid event, with virtual and in person attendees, allowing people from Brazil and Inocencia to participate.
- ▶ In August, the pulp manufacturing at the Licancel pulp mill was suspended indefinitely, due to the extreme climate unpredictability. The Licancel pulp mill was built in 1992 and acquired by ARAUCO in 1999. It is able to produce approximately 160,00 tons of pine pulp per year, which represents 3% of the total annual production of pine pulp for the company.
- ▶ Between 2007 and 2023, we contributed 7.92% of total carbon credits to power generation from residual biomass projects registered worldwide in accordance with the CDM standard. This portfolio of initiatives represents a net issuance of 4.5 million CER under our CDM projects.
- ▶ In Chile, the surplus of electricity produced by the ARAUCO mills injected into the SEN reached 843 GWh in 2023, which amounts to 1% of the total energy consumed in the National Electricity System.
- ▶ The internal consumption of the mills of ARAUCO recorded a total of 3,166 GWh.
- ▶ The surplus of electricity that was injected into the energy matrix by the ARAUCO mills reached 1,250 GWh in 2023.
- ▶ In the modernization and expansion project of the Arauco mill (MAPA), in Chile, the two generating units of Line 3 were active, conducting commissioning and operational tests. During this period, it was possible to generate 635 GWh of electric energy, of which 175 GWh were sold to the national electricity system.



ARAUCO Present in the Development of the First Carbon Neutral Building in Latin America

- ▶ This is Burgos Net Zero - the project of Taller Tecton, a real estate, design, and construction company.
- ▶ The wood used in the construction comes from forests owned by the company ARAUCO.

In the traditional El Golf neighborhood, in the commune of Las Condes, Santiago de Chile, Burgos Net Zero, a project of the real estate company, builder and design team Taller Tecton, is being built. The building will be the first in Latin America to be both, Net Zero Energy and Net Zero Carbon. This means that through a series of energy efficiency measures and renewable generation, in situ can supply all the energy consumed by the building. This, together with the incorporation of wood into the building, compensate for the CO₂ emitted during its construction, making the building carbon neutral.

For this to happen, it is necessary to understand that, during their lifetime, trees are responsible for capturing the carbon (C) of CO₂ and returning O₂ to the atmosphere, therefore cleaning the air.

This carbon is “trapped” in wood, pulp or any derivative of trees. In general terms, 50% of wood is retained carbon, so by incorporating this noble material into buildings, we are keeping the main responsible for climate change in its structure. This means that the carbon footprint per square meter built in wood is negative! For this to be sustainable over time, it is necessary that the supply of the resource is also sustainable, and that means responsible management of forests, work that we do conscientiously.

Our company is already working and supplying wood for two more buildings of the Tecton Workshop, which are also conceived with the same vision of sustainable urbanization and quality. This is in line with our more than 20 years of promoting wood construction and our new HILAM area, dedicated to producing, developing and marketing wood-based engineering products.



Investigation and Development

Our essence is to innovate! Because of this, we have established it in our strategy. We are convinced that, through the different methodologies of innovation, combining multiple disciplines, creativity, technology and science, we can achieve new and better solutions to the needs of people, in a sustainable way.

For more than 30 years we have been researching, developing and applying the best technologies to maximize the productivity of the forest and industrial resources. To this end, we work diligently to analyze processes for the Forestry, Pulp and Wood areas in the different countries where we operate.

In this context, where research and development are essential to ensure long-term sustainability, we have our Research Centre of Excellence called Bioforest. Since September 2023, it has been restructured, with the purpose of giving more focus to disruptive research and of greater value to business. As a result, today it has a team of more than 30 people, mainly dedicated to the research of new technologies and products derived from the pulp process and forest improvements.



This also implies collaborating with a wide network that allows us to continuously improve our industrial and forestry management, as a contribution that gives added value to our business. In addition to this, at ARAUCO, we uphold our commitment to the environment and establish trust within surrounding communities.

On the other hand, during 2023, significant collaboration was carried out with various study centers to advance several environmental and ecological research projects. This joint effort has resulted in significant advances and discoveries.

The final product is translated into publications in national and international books and scientific journals. These are disseminated among the authorities and the community, becoming important tools for community management.

But that's not all. Synergy with research projects has improved understanding of various natural phenomena such as climate change. The data obtained promote sustainable practices in biodiversity conservation and ecosystem services, for the benefit of the community and compliance with the SDGs. These experiences can also be replicable in this and other industries.

Investment in R&D 2023

12 million USD

Progress 2023

- ▶ An investment was made in TreeCo, a start-up located at North Carolina State University that is dedicated to editing forest species genomes. The experience of leading researchers from the United States was incorporated into the portfolio of projects in the Forest Area. This, together with other initiatives, will make it possible to promote an investment in forestry research of more than USD 50 million, committed until 2030.
- ▶ Technologies were implemented in pulp mills in ARAUCO, committing investments of more than USD 100 million until 2025. This is expected to achieve improvements in the production process and in the environmental footprint of the operations. This means that more than 61% of non-hazardous industrial solid waste was reused, avoiding disposal in landfills.
- ▶ The incorporation into the Emission Free Pulping Program, a partnership between industry leaders, promoted by VTT Technical Research Centre in Finland and RISE (Research Institutes of Sweden). Its main objectives are to increase the efficiency of the use of wood in the conversion to products, achieve emission-free pulp (especially CO₂) and significantly reduce water consumption.
- ▶ Bioforest was awarded the CORFO grant for a new water treatment project: Pulsed Electrodialysis Reversal Optimized (PEDRO). PEDRO allows optimization of electro dialysis based desalination mills through the use of artificial intelligence
- ▶ Five new GloNi clones for the establishment of operational plantations were incorporated into the commercial propagation plan for nurseries in order to improve their productivity in Chile.
- ▶ A new technology was invented that identified the first 18 Eucalyptus clones preselected by genomics in validation tests.
- ▶ In the company's nurseries in Chile, the operational implementation of the use of smaller containers in the production of eucalyptus plants was initiated to increase production capacity, nursery efficiency and clonal selection capacity, which will maximize the value of the forest.
- ▶ After a research phase, the first controlled crosses of GloNi x GloNi were performed, ensuring a greater quantity of seeds to generate new hybrid clones.
- ▶ In the Horcones nursery in Chile, the first Eucalyptus nitens orchard was established with second-generation selections, with the aim of providing, in the medium term, better mothers for the generation of new clones.

Progress 2023

- ▶ The control protocol for leaf spots caused by different fungi in eucalyptus plants in nursery was developed, which allows to reduce losses.
- ▶ Preliminary tests of effectiveness of bioherbicides used to control competing vegetation, displayed promising results. As a result of this, pilot tests will be conducted.
- ▶ Since sandy soils do not retain water for the development of the plantations, the use of the moisturizing gel Rescaype was evaluated. The gel showed positive growth results of radiata pine in sandy soils.
- ▶ 372 individuals of Eubazus semirugosu, the main bio controller of the quarantine pest Pissodes castaneus, were released.
- ▶ In Uruguay, new clones were generated with genetic gain, of which 222 were clones taken to field trials.
- ▶ Montes del Plata participated as a sponsor in the IUFRO International Conference in Uruguay, where a co-authorship presentation was made between Montes del Plata and Bioforest.
- ▶ In Uruguay, the first dose of Anaphes nitens was received by a third-party laboratory, promoted and developed within the framework of the work of the Health Commission of the Society of Forestry Producers of Uruguay.
- ▶ Frost risk maps were created to represent two contrasting cores of the Montes del Plata's forest assets in Uruguay.
- ▶ In Chile, participation took place in the International Congress "Mega fires: Multiple dimensions of the effects of fire on forests and territory", with the work "Planning of ecological infrastructure explicitly considering the risk of fires in Central Chile", which allows updating priority sites for the ARAUCO restoration.
- ▶ Collaboration occurred in the project "Development of ecological forestry systems for climate change mitigation, biodiversity recovery and generation of timber products in plantations dominated by Nothofagus dombeyi and Nothofagus alpina".
- ▶ A proposal of Biodiversity Indicators for the Nature Positive Challenge was made.



Environmental Research Programs or Initiatives 2023

Forest

Chile

- ▶ 4 scientific publications in high impact journals with members of the national academy and a scientific publication in high impact journal with members of the national and international academy on biodiversity.
- ▶ 7 papers in national and international congresses on topics of hydrology and water resources, and 4 papers to national and international congresses on issues of fauna conservation; update of the binational strategy of the genus Rhinoderma.
- ▶ Prioritization and action plan in supply basins affected by fires season 2023.
- ▶ Evaluation of the impact of harvesting residues extraction on plantation productivity, 13 years after establishment, and foliar nutritional evaluation in Eucalyptus plantations with a productivity gradient at three years.
- ▶ 3 chapters of books on wildlife conservation.

Argentina

- ▶ Yaguareté Project, Atlantic Forest Research Centre.

- ▶ Mono Falli, Atlantic Forest Research Centre.
- ▶ Zorro Pitoco, SAINT LOUIS ZOO-WILD CARE INSTITUTE, Institute of Subtropical Biology.
- ▶ Monitoring of Biodiversity in Forest Plantations, CONICET, IBS and Ceiba; Post-harvest impact in soils, INTA Castelar - AASA; and Deer of the Swamps-Pantano Project, Ceiba-CONICET.
- ▶ Ecosystem services provided by insectivorous birds in forest systems in wetlands in northwestern Argentina, INTA DELTA.
- ▶ Flows of greenhouse gases (nitrous oxide and carbon) in forest plantations and natural environments of the Delta del Parana, INTA Castelar.
- ▶ Water management and regional hydrology. Contributions to the INTA-INA agreement, and INTA-Arauco and the Hydrological Early Warning System and integrative hydrodynamic studies of the Parana River Delta for multiple purposes.
- ▶ Wetlands Foundation with restoration of biological corridors at the landscape level and good practices for production and conservation in wetlands.
- ▶ Protection of swamp deer with WCS (Wildlife Conservation Society).

Pulp

In partnership with several universities

- ▶ Continuity of the Environmental Monitoring Research of the Cruces River Wetland and tributary rivers, developed by the Universidad Austral de Chile and the Universidad de Concepción, in Chile.
- ▶ Work through PREGA, the Gulf of Arauco Ecosystem Research Program, which covers a variety of projects related to the marine and estuarine ecosystem. In 2023, researchers from the University of Concepcion, University of Chile, Universidad Austral de Chile and the Pontifical Catholic University of Chile participated.
- ▶ Study of soil generation from composting of organic waste (Bioforest and Universidad Austral de Chile), waste valorization as its use in building materials (University of Talca), generate seal layer for closing DRIS Licancel / Constitution (Catholic University of Maule) and development of new formulas for waste use as alkaline amendment (Universidad Austral de Chile), in Chile.

In Argentina, the research project in collaboration with INTA to evaluate the use of biomass ashes as soil amendments in agricultural soils was continued.

- ▶ Update of the vegetational situation of the Carampangue wetland and Citizen Science monitoring of its chemical-physical forcings and its extension to the Laraquete estuary, through the Pontifical Catholic University of Chile, in Chile.
- ▶ Ecological implications of interactions between birds and humans in Laraquete and Carampangue (Gulf of Arauco), through the University of Chile, in Chile.

In partnership with the University of Concepcion, Chile

- ▶ Incorporation of the experimental aquaculture of Japanese oyster (*Crassostrea gigas*) and northern oyster (*Argopecten purpuratus*) for productive diversification of the AMERB of the Sindicato de Digos Caleta Laraquete.
- ▶ Oceanographic Forcers of the stranding of marine species in the Gulf of Arauco – Analysis and formulation of a risk index.
- ▶ Advice and Facilitation assistance in the creation of the management plan for the ARAUCO Wetland Nature Sanctuary-mouth, Carampangue River.
- ▶ Expansion of Artificial Reef Units in Benthonic Resources Management and Exploitation Areas of the Union of Fisherman Collaborators of Caleta Arauco.
- ▶ Develop an estimate of the environmental load capacity of the Gulf of Arauco by creating a numerical model of the circulation and renewal of its waters.
- ▶ Ecosystem studies of the Laraquete Estuary Phase II: Benthic and planktonic biodiversity, and seawater intrusion dynamics.

- ▶ Study of key species/groups and marine and estuarine ecological subsystems of the area adjacent to the Horcones complex in the Gulf of Arauco.
- ▶ Assessment of the status of fishery resources that support artisanal fishing activity in the Gulf of Arauco.
- ▶ Study of spatial ecology of the fish assembly resident in the Laraquete River.

In association with the Southern University of Chile

- ▶ Study of distribution, abundance, reproductive status and extraction pressure of the vegas shrimp *parastacus pugnax* in Carampangue and Laraquete.
- ▶ Development of the use of industrial effluents for agroforestry irrigation.

Woods

- ▶ In Argentina, the research project was continued with INTA to evaluate the use of biomass ash as an amendment in agricultural soils. The first phase ended with positive results.

Product Labelling and Certifications

At ARAUCO, it is very important to ensure that product labels and marketing materials are accurate and adhere to the regulations of origin and destination countries.

Our products have various certifications, which provide security to customers and can be easily recognized by the required labelling.

Wood certification and third-party traceability systems such as the Forest Stewardship Council® (Celulosa Arauco y Constitucion S.A. License Code: FSC®C006552, Arauco Argentina S.A. License Code: FSC®C121377, Celulosa y Energia Punta Pereira S.A. License Code: FSC®116413), Chain of Custody Scheme; The Chain of Custody/Due Diligence System of the Program for the Recognition

of Forest Certification (PEFC) and the ISO 14001 Environmental Management System. In addition, pulp mills in Chile and Montes del Plata in Uruguay are ISO 9001 compliant. The latter also has ISO 45.001. For the third year, during 2023, a multi-site FSC® audit was carried out. During this audit, renewal of the ISO 14001 certification was made in the mills of Chile and Argentina and in commercial management.

Meanwhile, timber mills also use third-party certification and traceability systems such as the Forest Stewardship Council® (Maderas Arauco S.A. License Code: FSC®C119538; Arauco Industria de México S.A. de C.V. License Code: FSC®C125053; Arauco do Brasil S.A. License Code: FSC®C010928; Arauco Argentina S.A. License Code: FSC®C130094, FSC®C119529; Arauco North America Inc. License Code: FSC®C019364), Chain of Custody Scheme; The Chain of Custody/Due Diligence System of the Forest Certification Recognition Program (PEFC).

Our products have various certifications, which provide security to customers and can be easily recognized through the required labelling.

The panel mills are certified by the California Air Resources Board (CARB) or E2/E1, which means they have low formaldehyde (VOC) emissions. In North America we are certified to the Eco-certified Composite (ECC) standard and TSCA VI/CANFER certification for all facilities.

Third-party certifications guarantee our conduct and responsibility in Uruguay, which is how we were able to maintain the FSC® (License Code: FSC®C016979), PEFC (Forest Management and Chain of Custody), as well as ISO 45001, ISO 9001:2015 and ISO 14001:2015, where the certification under the ISO 45001 standard of harvesting, treadmill and loading contractors stands out.



INDUSTRIAL FACILITY CERTIFICATIONS

Forestry, Pulp and Energy

Center/Mill	Country	ISO 9001	ISO 14001	ISO 45001	FSC® CoC	PEFC CoC
Puerto Esperanza	Argentina	x	x		x	x
Valdivia	Chile	x	x		x	x
Arauco	Chile	x	x		x	x
Nueva Aldea	Chile	x	x		x	x
Constitución	Chile	x	x		x	x
Licancel	Chile	x	x		x	x
Montes del Plata (50%)	Uruguay	x	x	x	x	x

Wood

Center/Mill	Country	ISO 9001	ISO 14001	ISO 45001	FSC® CoC	PEFC CoC	CARB
Puerto Piray	Argentina		x		x	x	x
Puerto General San Martin (Chemistry division)	Argentina	x			Does not apply		
Planta Zarate	Argentina		x		x	x	
Jaguariaíva	Brazil	x			x		x
Piên	Brazil	x			x		x
Ponta Grossa	Brazil	x			x		x
Montenegro	Brazil	x			x		x
Araucaria (División química)	Brazil	x			Does not apply		
Sault Ste.Marie	Canada				x		x
St. Stephen	Canada	x			x		x
El Colorado	Chile				x	x	
Valdivia	Chile				x	x	
Viñales	Chile				x	x	
Trupán Cholguán	Chile				x	x	x
Teno	Chile				x	x	x
Nueva Aldea	Chile				x		x
Horcones	Chile				x		x
Moncure	USA				x		x
Malvern / Prime line	USA				x		x
Carolina / Bennetsville	USA				x		x
Duraflake	USA				x		x
Grayling	USA				x		x
Durango	Mexico				x		x
Zitácuaro	Mexico				x		x

In ARAUCO we recognize the importance of our forest area and adhere to responsible forest management, with the highest international standards in environmental, social and economic matters.

This is how we have 93% of certified productive land, own and leased. Certification coverage had a decrease compared to 2022. This is because the new lands that were acquired in Brazil in 2023 are in the process of certification.

During 2023, we completed the recommendation audit of recertification under the international forest management standard FSC® (License code: FSC®C108276) for forest area in Chile, by the Soil Association auditing body. The process recommended recertification for the next 5 years.

Also in Chile, we obtained the FSC® Chain of Custody recertification (license code: FSC®C013026) and the PEFC Chain of Custody recertification.

In Argentina, audits of the current FSC® (License code: FSC®C128100) and PEFC certificates were successfully developed. In the case of Forest Management Cerfoar-PEFC, the recertification audit was carried out.

In Brazil, we carried out the FSC® recertification of two forest units in the state of Parana: Arauco Florestal Arapoti (15 years of FSC®) (License code: FSC®C010673) and Arauco Forest Brazil (20 years of FSC®) (License code: FSC®C010303), with 100% compliance. In addition, we maintained the FSC® certification in the forest unit of Mato Grosso do Sul (License code: FSC®C010303) and the Ecosystem Services for the Private Reserve of Natural AAVC Vale do Corisco were certified, with the standard Biodiversity Conservation (SE 1), Impact IS 1.6 Conservation of Species Diversity.

FOREST PATRIMONIAL DISTRIBUTION AND CERTIFIED COVERAGE AS OF DECEMBER 31, 2023

Country	Area	Certification Coverage	Detail of the local landscape and protected areas (consisting of remnants of native ecosystems, such as shrublands and native forests that are within the company's area)
Chile	1,021,177 hectares (2,523,383 acres), of which 594,338 hectares (1,468,641 acres) are productive forest plantations.	FSC ^[1] /o PEFC for 1,006,124 hectares (2,486,187 acres).	Protected areas total 285,341 hectares (705,093 acres).
Argentina	264,439 hectares (608,964 acres), of which 129,159 hectares (129,159 acres) are productive forest plantations.	FSC ^[2] /o PEFC for 262,565 hectares (648,812 acres).	Protected areas total 119,578 hectares (295,483 acres)
Brazil	308,485 hectares (762,283 acres), of which 158,212 hectares (390,950 acres) are productive forest plantations.	FSC ^[3] /o PEFC for 203,434 hectares (502,696 acres).	Protected areas total 98,889 hectares (244,360 acres).
Uruguay	138,084 hectares (341,212 acres), of which 87,615 hectares (216,501 acres) are productive forest plantations.	FSC ^[4] /o PEFC for 137,000 hectares (338,534 acres).	Protected areas total 4,930 hectares (12,182 acres).

It includes all the company's forest area.

[1] License code: FSC®C108276.

[2] License code: FSC®C128100.

[3] License Code: FSC®C010303, FSC®C010673 and FSC®C131921

[4] License Code: FSC®C016979



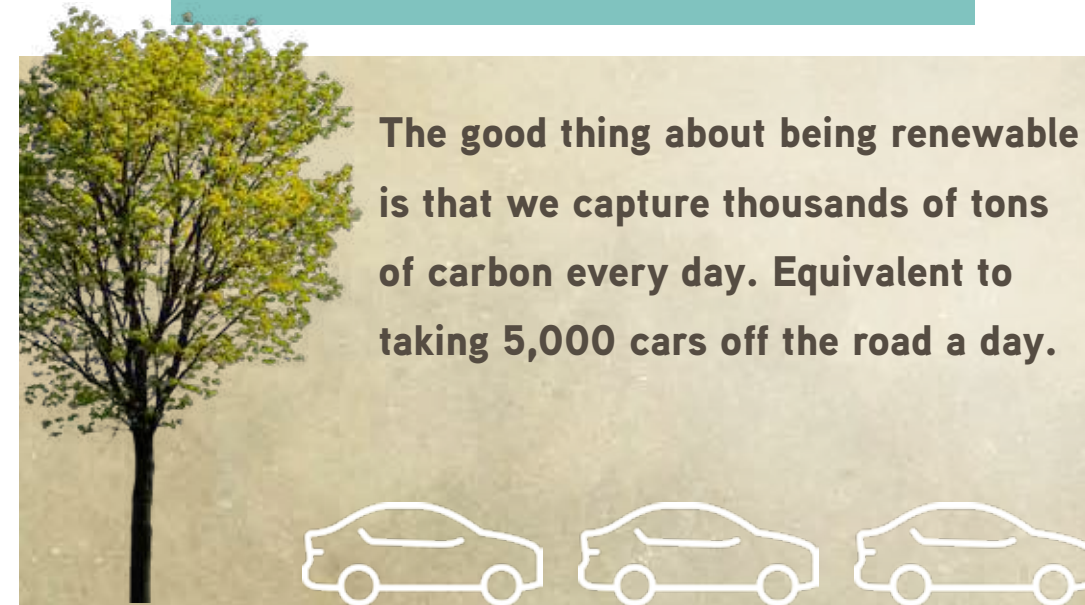
**COMMITMENT TO THE
PLANET**

3

Greenhouse Gas Emissions (GHG)

As the first forestry company in the world certified as carbon neutral, at ARAUCO we are guided by standards that promote continuous improvement in our performance and environmental management. To achieve this, our sustainability strategy focuses on harmonizing responsible forest management with sustainable production. Considering that our operations are rooted in local ecosystems, we seek to adopt a comprehensive landscape perspective and a long-term vision.

To achieve these purposes, we implement two axes of action that cut across our entire value chain. In the forestry area, we focus on the responsible management of plantations and the preservation and care of ecosystems. Meanwhile, in the industrial sector, we are concerned with the sustainable manufacturing and distribution of products, maintaining a firm commitment to environmental protection.



Goals and Commitments

- ▶ Reduce emissions from scopes 1 and 2 by 40.6% by 2030 compared to the 2019 baseline.
- ▶ Reduce scope 3 emissions by 35.1% by 2030 compared to the 2019 baseline.
- ▶ 95.46% of our suppliers and clients responsible for emissions from investments will have science-based targets by the year 2027.



Our operations are based on renewable raw materials and sustainable forest management, which contribute to climate action. Every year we measure our footprint, audit it, and certify our carbon neutrality. This certification is independently verified by AENOR, with additional certification from PwC for carbon capture and from Deloitte for carbon neutrality.

A key milestone for 2023 is the presentation of our emissions reduction targets for scopes 1, 2, and 3, aligned with the Science Based Targets (SBT), to continue contributing to the global goal of achieving net-zero emissions by 2030. Before the closing of this report, the company received validation from SBT for

its goals, which are aimed at helping reduce global warming by 1.5°C. This commitment involves reducing our CO2 emissions by more than 1.5 million tons, equivalent to removing approximately 330,000 cars from the road or offsetting the annual emissions of 400,000 people.

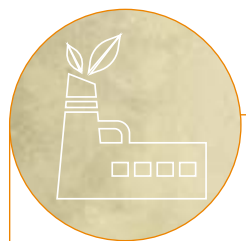
Specifically, ARAUCO is committed to reducing scope 1 and 2 GHG emissions by 40.6% per dry ton of wood by 2030 compared to a base year of 2019, which is equivalent to an absolute reduction of 40.4%. The company is also committed to reducing scope 3 GHG emissions covering purchased goods and services, capital goods, fuel and energy-related activities,

upstream transportation and distribution, waste generated in operations, business travel, employee commuting and end-of-life treatment of products sold by – 35.1% per dry ton of wood within the same period. In addition, Arauco commits to ensuring that 95.46% of its suppliers and clients responsible for emissions covering investments will have science-based targets by 2027.

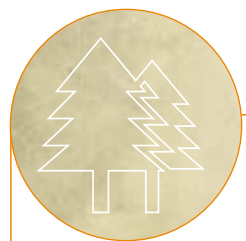
In 2024, we will continue to invest in research and development of low-carbon technologies that contribute to achieving our emissions reduction goals.

Derived from trees, our products can replace materials of fossil origin in various industries, including packaging, construction, retail, and bioenergy. As a result, they prevent the emission of 10.5 million tons of CO₂ annually, thereby displacing GHG emissions from fossil-based products. The sectors that contribute most significantly to this reduction are construction, furniture, and the pulp market.

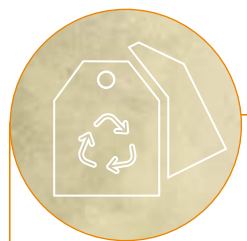
POSITIVE IMPACT ON CLIMATE THANKS TO OUR FORESTS AND REDUCTION OF CARBON FOOTPRINT ¹



Our emissions are equivalent to **4.4 million** tons of CO₂²



We have committed to reducing our emissions by more than **1.5 million** tons by 2030.



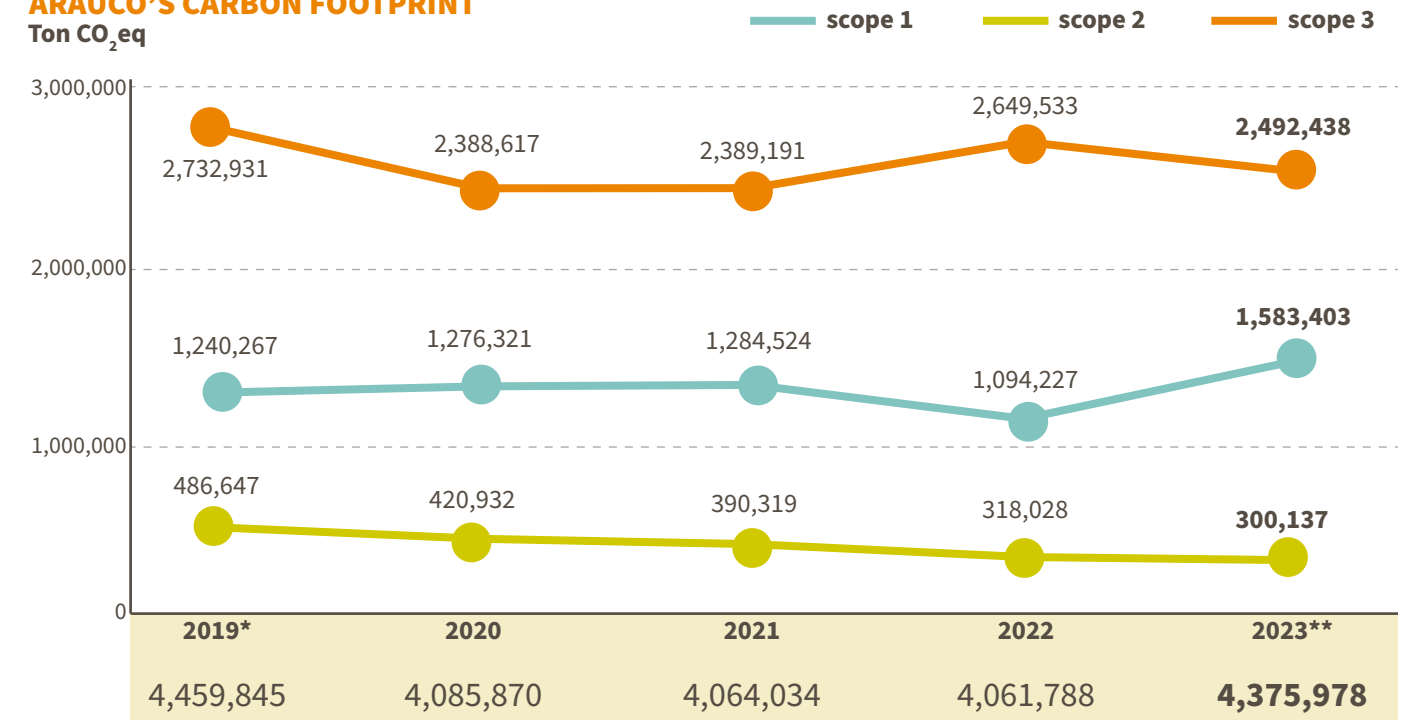
Our products replace alternatives of fossil origins, saving **-10.5 million** tons of CO₂²

1. Negative values indicate the average net removal of CO₂ from the atmosphere.
2. 2023 carbon emissions include scopes 1, 2 and 3. These values are still under review for subsequent certification and may vary. This includes all the company's operations and the joint operations of Montes del Planta in Uruguay.

Advances 2023

- ▶ Our emissions reduction goals were approved by the SBT.
- ▶ The carbon footprints for all ARAUCO operations were calculated considering scope 1, 2 and 3, reaching 4,375,978 tCO₂eq. It should be noted that the increase compared to 2022 is mainly due to commissioning of Line 3 (MAPA project).
- ▶ The carbon footprint for 2021 and 2022 was certified.
- ▶ The Climate Change Policy was published, reaffirming our commitment to reducing emissions.
- ▶ The 2021 and 2022 carbon neutrality certification is in process.

ARAUCO'S CARBON FOOTPRINT
Ton CO₂eq



*Base year for emission reduction
** These values are still under review for subsequent certification and may vary. Includes all the company's operations and the joint operations of Montes del Planta in Uruguay.

Sustainable forest management

Actions and Measures

- ▶ Annual evaluations and reviews of footprint measurement calculations are conducted to improve the quality of emission factors.
- ▶ The Environmental Training Program trained 1,215 ARAUCO employees in 2023, focusing on energy conservation, climate actions, and waste treatment.
- ▶ Carbon capture and storage technologies are employed, utilizing sinks such as native forest conservation, carbon retention in post-harvest soils, and wood products.
- ▶ USD 4.6 million was invested in research and development for low-carbon technologies, aimed at reducing emissions, minimizing waste, and developing new products.
- ▶ Five generation mills in Chile and one in Uruguay (a joint operation with Stora Enso) are registered under internationally recognized standards such as the Clean Development Mechanism (CDM). These facilities collectively reduce approximately 650,000 tons of CO₂ annually. Additionally, the Viñales cogeneration project is registered under the Verified Carbon Standard (VCS).
- ▶ ARAUCO's guiding policies in this area include the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy and the Climate Change Policy.

Goals and Commitments

- ▶ Maintain certified forest assets coverage of at least 96%.
- ▶ Restore 25,000 hectares (61,776 acres) of native forest in Chile by 2050 and expand the protection of watercourses according to a new standard.
- ▶ Maintain and expand the network of 157 High Conservation Value Areas, covering 135,000 hectares (334,000 acres).
- ▶ Account for and inventory the natural capital found within the forest assets in Chile by 2024.
- ▶ Protect 1,234 species on the IUCN Red List and National Conservation Lists that are present in our local habitats, such as Darwin's frog (*Rhinoderma darwinii*) in Chile, the swamp deer (*Blastocerus dichotomus*) in Argentina, and southern muriqui (*Brachyteles arachnoides*) in Brazil.

THE GREAT ADVANTAGE OF BEING RENEWABLE IS THAT THE HECTARES OF NATIVE FOREST THAT WE CONSERVE FILL STADIUMS.

600,000 stadiums full of trees! That's the equivalent area of the forests and native vegetation that we conserve in Latin America.



At ARAUCO we know the critical role of protecting biodiversity in maintaining the well-being of our planet and its inhabitants. Biodiversity ensures that ecosystems function properly, providing essential life needs, enhancing the hydrological cycle, improving water quality, and significantly contributing to the capture and storage of CO₂.

In line with this, our forests and plantations are vital components of the hydrological cycle, influencing water quantity and quality, surface, and groundwater flows,

and reducing erosion and increasing water retention from precipitation.

Our sustainable forest management allows us to maintain operations that guarantee the preservation of biodiversity, productivity, regenerative capacity, and vitality of forests, playing a crucial role in combating climate change and biodiversity loss. We manage our plantations holistically, integrating them with the landscape based on a model designed and planned according to the local context.



Advances 2023

- ▶ 8,506 hectares (21,019 acres) of native forest in Chile and 4,120 hectares (10,181 acres) in Argentina are currently undergoing restoration.
- ▶ The Environment, Biodiversity, and Ecosystem Services policies were updated, as part of our commitment to becoming a Nature Positive company.
- ▶ The new Valle de la Alegría Private Nature Reserve was established in Argentina, covering a total area of 8,550 hectares (21,128 acres).
- ▶ In Chile, progress was made in delineating areas surrounding Monument and Critically Endangered species for inclusion in the ecological restoration program.

The priorities that we have set in our strategy to maintain ecosystem balance across various sectors include the care of the soil, ecological conservation and restoration, and the sustainable use of water, focusing on both its quality and quantity.

Our commitment to the value of our forest assets is certified by high international standards in environmental, social and economic matters, as established by the follow-up audits and recertifications of responsible forest management standards conducted during 2023.

By 2024, we will continue our efforts to maintain clean operations and responsible forest management. To achieve this, we aim to uphold certifications across all current systems and standards, including those related to ecosystem services. Likewise, we will further strengthen our Protected Productive Landscape (PPL) program, which enables us to plan with an integrated approach to the landscape, deeply engaging with the local context and its unique characteristics.

93% of our assets certified.

29% of our heritage is native forest and protection areas.

Protected Productive Landscape

Healthy forests and plantations are crucial in combating climate change, preventing biodiversity loss, and fostering societal development. They ensure the preservation of services that nature provides for both present and future generations.

At ARAUCO we are committed to protecting these natural values, which is why we design and manage our plantations from an

integrated vision of the landscape, utilizing a forest management model called Protected Productive Landscapes (PPL).

In practice, this approach involves constant monitoring of our operations through landscape impact indicators. These indicators help us continuously improve our management practices, ensuring we play an active role in the sustainable development of the planet.



Actions and Measures

- ▶ ARAUCO has implemented a Forest Management Master Plan. The primary objective of this plan is to fulfill the company's industrial supply needs with the highest quality standards and to ensure sales to third parties. It adopts a long-term perspective that contributes to environmental sustainability and social well-being.
- ▶ 580 ARAUCO collaborators were trained in biodiversity issues during 2023.
- ▶ During 2023, the forest assets in Chile, Brazil, and Argentina were maintained and recertified for responsible forest management.
- ▶ Work is ongoing to expand forest management certification to include Ecosystem Services in all countries of operation.
- ▶ The scientific research conducted both within and outside ARAUCO enables us to understand the effects of forest management on the environment. These findings help continuously improve management practices, ensuring that plantations positively impact their localities, particularly in terms of water, biodiversity, carbon, and soil.
- ▶ In Chile, Argentina, and Brazil, ARAUCO participates in the Forest Dialogue, which brings together various stakeholders, including non-governmental organizations, universities, and other interested parties. The goal is to promote effective actions related to forestry production, expand conservation and restoration efforts, and generate benefits for society at large.
- ▶ To facilitate continuous improvement, ARAUCO has implemented a permanent Monitoring and Evaluation System that enables the development of specific work plans.
- ▶ The policies guiding ARAUCO's actions in this area include the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, the Biodiversity Policy, the Climate Change Policy, and the Responsible Wood Buyer Policy.

Protection and enhancement of the native forest

At ARAUCO we maintain our commitment to promote and contribute to the protection of native forests across the diverse ecosystems and areas where we operate. Guided by our Biodiversity and Ecosystem Services Policy as the axis, we develop a program of participatory actions with local communities, aimed at maximizing the environmental and social benefits.

It is important to keep in mind that ARAUCO considers its entire native forest as a conservation site. Therefore, it is monitored, and measures are taken to prevent its deterioration. Additionally, if prevention and mitigation actions prove insufficient, restoration measures are promptly implemented.

As a goal, we intend to maintain or increase the surface area of native vegetation, prioritizing threatened species, key sectors for biodiversity, and areas of significant importance to local communities.

This is why we have decided to manage part of this forest assets as private parks open to the public, Areas of High Conservation Value (HCVAs) and protected areas. These sectors are identified on our maps, and we avoid any interventions that could negatively impact them.

The HCVAs are areas within ARAUCO's forest assets that contain especially significant and critical environmental and social values. In total, there are 135 thousand HCVAs hectares (334 thousand acres) distributed throughout the forest assets. Of these, 65 areas possess distinct environmental attributes and are designated as priority areas for biodiversity protection.

508,738

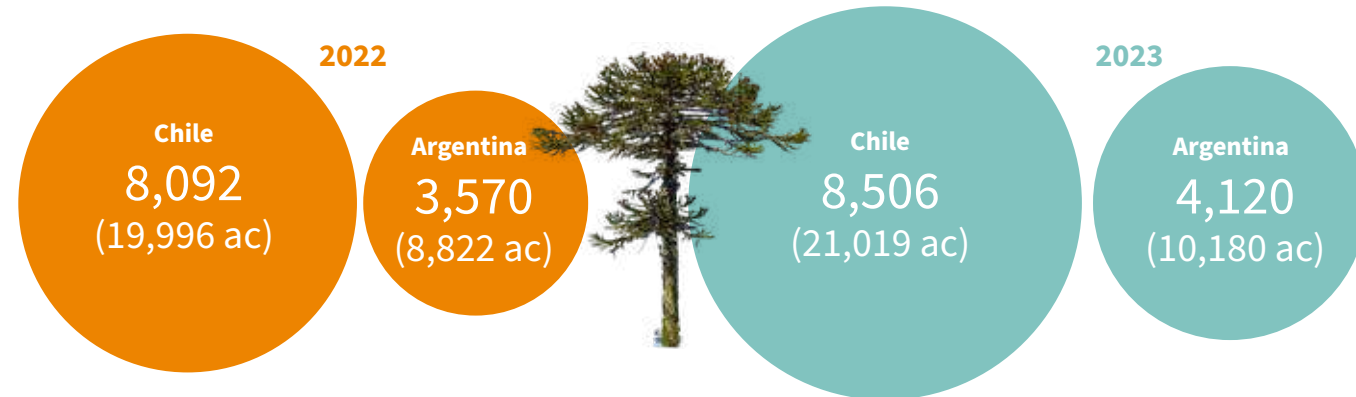
hectares (1,257,119 acres) of native forest conserved for present and future generations.

189,000

native trees planted in Chile and Argentina.

ADVANCE RESTORATION OF NATIVE ECOSYSTEMS

Native forest restored in hectares



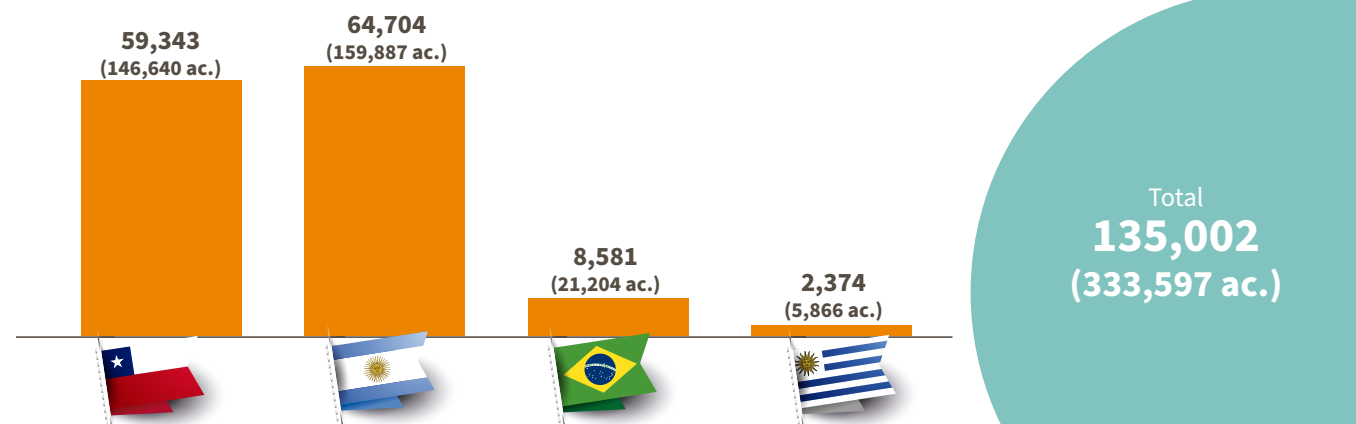
It includes the company's entire forestry assets.

NATIVE FOREST AND HIGH CONSERVATION VALUE AREAS

Country	Native Forest Area (in thousands of hectares and thousand acres)	% of Native Forest over Forest Area	Number of HCVA's		
			Biological	Social	Cultures and religions
Chile	285 (704 ac)	29%	35	19	42
Argentina	120 (297 ac)	45%	16	22	10
Brazil	99 (245 ac)	32%	8	7*	0
Uruguay	5 (12 ac)	4%	6	0	1
Total	509 (1258 ac)	29%	65	41	53

Two HCVA's have double environmental and social characterization (Gruta do Pinhalzinho – HCVA 01, 03 and 06 and RPPN Vale do Corisco – HCVA 01, 03 and 06)
Includes all the company's forestry assets and the joint operations of Montes del Planta in Uruguay.

NUMBER OF HECTARES ALLOCATED TO AREAS OF HIGH CONSERVATION VALUE



Actions and Measures

- ▶ ARAUCO does not replace native forests, nor does it encourage their replacement by third parties.
- ▶ In Chile, the Management Plan for High Biological Conservation Values (HCV) was consolidated. This entails a shift from reporting on individual High Conservation Value Areas to adopting an integrated landscape approach. This plan contemplates the management of nine species of flora and four endangered fauna; three ecosystems at the landscape level; two critically endangered ecosystems and 17 priority wetlands. For each of the 19 HCVA's, the plan outlines the key elements of the management cycle, including HCV evaluation, management strategy, monitoring, results, and recommendations for modifying management actions for the next management cycle.
- ▶ In Chile and Argentina, we collaborate with local stakeholders in the reintegration of native fauna into their natural habitat. In Argentina, since the program's implementation, more than 220 specimens of native fauna have been recovered and reinserted. In Chile, a special sector was created for the transition of the recovered native fauna.
- ▶ Poaching and illegal fishing are prohibited throughout ARAUCO's forestry assets. In addition, there is a control plan for invasive species to avoid damage to the biodiversity of the conserved natural areas.
- ▶ We constantly collaborate with universities and research centers, opening our natural forest assets and sharing the experience acquired during years of monitoring and studies on biodiversity and ecosystem services.
- ▶ In Argentina and Chile, we have a natural recovery and restoration plan for water basins that extends the protection zones of watercourses and connects cores of native forests, functioning as biological corridors.
- ▶ In Brazil, areas for restoration were grouped in a file called Catálogo for the Recovery Plan for Degraded Areas (PRAD), with the affected area quantified and its situation qualified. Catálogo has all the information about these areas, including photos and maps.

- ▶ In Argentina, work continued with three Guaraní communities in Puerto Iguazú for the restoration of 600 hectares (1,483 acres) of degraded forest.
- ▶ In Argentina, since 2003, the Watershed Recovery Program has been implemented in the province of Misiones, resulting in more than 4,000 hectares (9,884 acres) becoming part of protective forest areas in different stages of succession by 2023.
- ▶ In Chile, an extension of the FSC® Forest Management Certificate for Ecosystem Services was obtained for the Oncol Park (License code: FSC®C108276).
- ▶ In Brazil, the HCVA Vale do Corisco Natural Private Reserve obtained Ecosystem Services certification, also being certified for Biodiversity Conservation.
- ▶ An innovation was implemented in Forest Monitoring using Hyperspectral Images, covering an area of 11,769 hectares (29,082 acres). Satellite image analysis was also utilized to prioritize sectors with native forest for ground-level monitoring.
- ▶ In Chile, we participated in the National Restoration Advisory Council.
- ▶ In Brazil, there is ongoing monitoring and control of IAS (Invasive Alien Species) in conservation areas, especially focusing on the impact caused by the dispersion of pine.
- ▶ The policies guiding ARAUCO's actions in this area are the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, the Biodiversity Policy, and the Climate Change Policy.
- ▶ In joint operations of Uruguay, a new HCVA was established with the objective of conserving priority micromammals: the iron-nosed rat and marmoses. This is the first protection area with a specific focus on these types of mammals in Uruguay and the region.



Biodiversity monitoring

Our voluntary commitment, acquired in 2003, not to replace native forests and not to encourage substitution by third parties, exemplifies how our forestry management firmly seeks to protect and conserve biodiversity. Under this framework, we have developed protocols and policies that guarantee this purpose.

Certified forestry management, which guides the management of plantations, creates an environment that encourages the transit of most species, in an integrated landscape. This approach maintains biodiversity, ecosystem services and economic development for the sustainability of forest management and for our neighboring communities.

The connection through water courses of the sectors of native or protected vegetation within our forest assets is undeniably important in our management of biodiversity and ecosystem services to ensure conservation. At ARAUCO we continuously investigate and monitor the state of the native flora and fauna in the High Conservation Value Areas, to detect potential threats and activate management and protection plans.

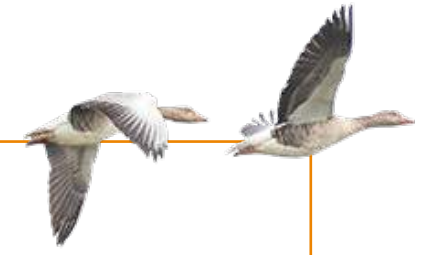
In 2023, the Wildlife Conservation Society (WCS) conducted a comprehensive diagnosis for biodiversity conservation within ARAUCO's forest assets in Chile. This marks a significant milestone in the company's journey toward becoming "Nature Positive". This diagnosis establishes a solid foundation for implementing effective strategies that promote the protection and enrichment of local biodiversity. This effort aligns with global conservation objectives and reflects ARAUCO's commitment to significantly advancing its transformation into a company that not only minimizes its environmental footprint but also generates a positive impact on nature.

148

species of flora and fauna protected and monitored each year.

1,234

specimens of species included in the IUCN Red List and in National Conservation Lists have been sighted in ARAUCO forest assets.



NUMBER OF SPECIES INCLUDED IN THE IUCN RED LIST AND IN NATIONAL CONSERVATION LISTS THAT HAVE BEEN SIGHTED IN ARAUCO'S FOREST ASSETS.

CATEGORY	CHILE		ARGENTINA		BRAZIL		URUGUAY		Total
	Fauna	Flora	Fauna	Flora	Fauna	Flora	Fauna	Flora	
In critical danger	13	7	-	1	5	1	0	0	27
In danger	45	21	3	3	8	7	6	0	93
Vulnerable	40	16	31	-	24	12	12	0	135
Almost threatened	1	-	18	2	26	4	16	0	67
Minor danger	1	4	50	-	592	198	14	0	859
Provincial protection	-	-	9	7	-	-	25	12	53
Total	100	48	111	13	655	222	73	12	1,234

Includes all the company's forest assets.



Actions and Measures

- ▶ In Chile, the first assisted migration trials of *Nothofagus alessandrii* (ruil) were conducted, aimed at expanding its distribution range towards the south.
- ▶ Discovery of a new population of *Adesmia bijuga* suggests that, if conserved and further propagated, the species could be removed from its current category: Critically Endangered (CR) in Chile.
- ▶ In Chile, an alliance was formed with the National Forestry Corporation (CONAF) for the protection of the Nonguén National Park. This initiative includes implementing a restoration strip with native vegetation in 100% of the adjacent properties maintained by ARAUCO. Additionally, ARAUCO used LiDaR technology and hyperspectral imaging for sustainable monitoring, planning, and management of the forests within Nonguén Park, which is the only peri-urban national park in Chile.
- ▶ The National Forest Dialogue was held for the conservation and restoration of the Empedrado ruil forest and restoration of the Picoiquén River basin, which provides water to the city of Angol, in Chile. This dialogue involved the participation of INFOR, CONAF, the University of Talca, the University of Concepción, municipalities, WWF, and local organizations.
- ▶ In Argentina, between 2003 and 2021, the Watershed Recovery Program was implemented. As a result, the area of native forest has increased, with over 3,500 hectares (8,649 acres) became part of protective forest areas in at various stages of succession.
- ▶ Since 2018, we have been permanently monitoring the jaguar in the Misiones province and the Ciervo de los Pantanos in the Delta, in Argentina. In 2023, efforts continued on swamp deer conservation, including satellite tracking, density monitoring, and participation in the Marsh Deer Technical Scientific Committee. Furthermore, a specimen of this species was reintroduced into the Paraná Delta and equipped with a satellite tracking collar, providing valuable insights into its distribution and behavior.
- ▶ In Argentina, the reintegration of native fauna species into their natural habitat continued, with many entering the recovery program of the Temaikén Foundation. Since the program was implemented, more than 220 specimens have been recovered and reintegrated into the property.

- ▶ During 2022 and 2023, biodiversity monitoring was conducted on the Oasis and Victoria Island properties in Argentina. This included both productive environments (willow and poplar plantations) and for natural areas (native forests, HCVA, grasslands and grasslands).
- ▶ In Brazil, biodiversity censuses and monitoring focus primarily on threatened and endangered species at eight sites with significant biological values. These sites cover an area of 8,581 hectares (21,204 acres) and are distributed across the states of Paraná and Mato Grosso do Sul.
- ▶ In Misiones, Argentina, the yaguareté project advances with the systematic installation of automatic cameras to monitor the species and its prey.
- ▶ The policies guiding ARAUCO's actions in this area are the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, the Biodiversity Policy, and the Climate Change Policy.



Property protection and fire prevention

At the beginning of 2023, fires in the regions of Maule, Ñuble, Araucanía, Biobío, and Los Ríos in Chile affected 47,000 hectares (116,000 acres) of ARAUCO's productive forestry plantations. The primary causes were a combination of multiple irresponsible or intentional actions by third parties, compounded by extremely unfavorable weather conditions, including high temperatures, low humidity, and gusty winds.

To address these contingencies, ARAUCO has developed a comprehensive fire prevention and control strategy aimed at protecting plantations, forests, native fauna, infrastructure, industries, residential areas, and human lives. This strategy is built on three pillars: education and dissemination, fuel management, and coordinated response. The implementation of this initiative involves collaboration with various institutions and organizations, both public and private.

On alert days due to high temperatures, strong winds and low humidity, patrols are conducted along more than 140 high-occurrence routes, in close coordination with other companies and institutions. Meanwhile, we collaborate with local communities to ensure they are prepared for the emergency, providing support to community brigades and local firefighters.

Despite these precautions, if fires do ignite, at ARAUCO we use different resources to quickly and effectively limit their scope, initiating response efforts in the shortest time possible.



Community Prevention Network

At ARAUCO we consider our participation in the Community Prevention Network to be of utmost importance. This organization coordinates preventive efforts in Chile through local committees, where neighbors, authorities, CONAF, Firefighters, Carabineros and companies, among others, work together with the communities. In 2023 we participated in the creation of 97 new committees, reaching a total of 457 sponsored Prevention Committees.



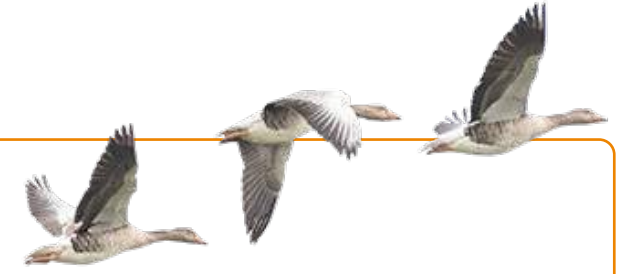
+USD 81.0 million was allocated to the ARAUCO Forest Fire Protection Plan.

RESOURCES FOREST FIRE PROTECTION PLAN

Type of resource	Chile	Argentina	Brazil	Uruguay	Total
Towers	34	28	21	60	143
Detection cameras	116	-	-	-	116
Surveillance and prevention people	114	17	82	4	217
Brigades	135	7	12	7	161
Brigades and towers	1,433	51	117	28	1,629
Trucks	99	5	23	4	131
Skidder	10	5	2	14	31
Aircraft	16	2	-	3	21
Helicopters	19	1	3	3	26
Support vehicles	3	20	26	72	121
Total budget (million in USD)	64.0	2.8	11.8	2.4	81.0

It includes the company's entire forestry assets.

Actions and Measures



- ▶ In Chile, ARAUCO has developed a comprehensive strategy that spans from fire prevention to extinguishing:
 - ▶ Efficient fuel management, strengthening community relations for prevention, implementation of satellite technology and increasing detection cameras for early response.
 - ▶ Constant improvement of brigade members' training and an increase in combat resources.
 - ▶ Collaboration with communities, other relevant stakeholders, and the National Forestry Corporation (CONAF) for a coordinated response in emergencies.
 - ▶ Maintenance and improvement of protection structures and forestry practices.
 - ▶ Implementation of drones and enhancement of the resource dispatch system for combat.
 - ▶ Creation of a mobile application to provide forestry brigades with the most efficient routes to fight fires in the shortest time possible.
 - ▶ Incorporation of new water sources to supply aircraft and trucks, and nearly 30 new weather stations in a public-private alliance that provides 24-hour reporting.
- ▶ For the prevention and fighting of fires in Argentina:
 - ▶ Risk Evaluation: Identification of fire-prone areas based on historical data.
 - ▶ Prevention Strategies: Development of specific plans and fuel management in high-risk areas.
 - ▶ Resource Update: Expansion and improvement of combat equipment and technologies.
 - ▶ Personnel Training: Intensification of training in firefighting techniques.
 - ▶ Early Detection: Implementation of satellite technologies and observation towers for quick fire detection.
- ▶ For the prevention and fighting of fires in Brazil:
 - ▶ Fire Monitoring: Surveillance cameras on towers for early detection.
 - ▶ Protection Center Operation: Focuses on continuous protection of forestry units.
 - ▶ Equipment Maintenance: Ensures availability of trucks and vans equipped with fire extinguishing kits.
 - ▶ Good Neighbor Program: Launching community education on fire prevention,

enhancing dialogue with nearby communities, and providing educational resources.

- ▶ Surveillance Infrastructure Improvement: Restructuring surveillance towers for 24-hour camera operation. Firefighting equipment has been renewed and expanded, including updated trucks and expanded fire extinguishing kits.
- ▶ Firebreak Maintenance Intensification: Increasing activity in firebreak areas, especially before fire season, and enhancing fire prevention around high voltage networks through rigorous maintenance.
- ▶ Brigade Training: Training Brazilian personnel with expertise from Chilean firefighting experts.
- ▶ Structural Monitoring and Communication Expansion: Conducting daily monitoring of protective structures, maintaining updated status reports, and improving the reach and efficiency of emergency communication systems.
- ▶ For the prevention and fighting of fires in

Uruguay:

- ▶ Comprehensive Fire Management Plan: A new plan was developed encompassing prevention, detection, and combat of fires.
- ▶ Technological Enhancements: Artificial intelligence cameras were incorporated into small planes to improve fire detection.
- ▶ Community Engagement: A dedicated WhatsApp number was established for the community to report fire warnings, which are relayed to the Society of Forestry Producers' monitoring center for rapid response.
- ▶ Resource Investment: Significant investments were made in new equipment and expanding brigades with trained personnel to enhance fire combat capabilities.
- ▶ Impact Assessment: The total affected area on the properties was 1,732 hectares (4,280 acres), with 733 hectares (1,811 acres) in commercial forest stands.

Water management

One of the most visible effects of climate change has been increased water scarcity. Aware of this, ARAUCO has promoted sustainable water management to ensure its supply.

Forests and plantations play a key role in this challenge, as they positively influence the hydrological cycle: they can retain moisture, reduce soil erosion, regulate water temperature in riverbeds, promote osmosis, and improve the quality of water resources, providing better drinking water.



Hydrological monitoring

Since 2008, ARAUCO has demonstrated a constant commitment to hydrological monitoring, focusing on developing knowledge for the sustainable management of water resources. This approach underscores the critical importance of water for ecosystems and communities.

Water Challenge

For a decade, we have developed the Water Challenge management strategy in Chile. Our methodology involves collaborative efforts with the community and authorities, enabling us to support more than 51,000 people through 116 Rural Drinking Water (RWA) projects across 42 communes. We

17 basins monitored:
16 in Chile and 1 in Argentina.

In Chile we have + 1,200 collection points in the hydrographic basins where we operate.

provide studies, engineering, and land for the development of both small and large projects through public-private partnerships.

In addition, we are advancing methods to measure water parameters in forest basins in the vicinity of our neighbors' catchments.

+ 51,000 people benefited in 42 communes.

The policies that guide ARAUCO's actions in this area include the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, and the Climate Change Policy.

Land management

Soils are crucial for the development and growth of plantations due to their ability to retain large amounts of carbon and accumulate water and nutrients, ensuring productivity.

In the case of forest soils, the foliar and root vegetation cover, generated by plantation or native forest, protects from erosion. To maintain these characteristics, at ARAUCO, after forest harvests, we avoid leaving them uncovered for long periods by carrying out site preparation and establishment. Already in the growth stage of the plantation, organic matter is incorporated, which allows those degraded soils to recover.

In all our operations, we are concerned with applying the best silvicultural practices, to avoid or mitigate significant impacts, and conserve the characteristics of the soil, which allow maintaining and even improving productivity.

In Brazil, we have a Hazardous and Non-Hazardous Waste Management Plan, which includes storage and disposal guidelines, being the clearest example of this by allowing the use of materials generated from harvesting, forestry, and mechanical maintenance activities. These materials are reprocessed to separate them from oil, which is reused as an alkaline amendment. Additionally, two pulp mills carry out alkaline amendments (fertilizers), which has contributed to the improvement and restoration of soil quality. This action is based on the revaluation of the waste generated by these mills, which facilitates the promotion of the circular economy within the company.

Actions and Measures

- ▶ Creation of various water quantity and quality monitoring initiatives in the countries where we operate, collaborating with civil associations for the protection of water basins, hydrological monitoring programs, summer monitoring, and other periodic measurements.
- ▶ In Chile, the hydrological monitoring program spans from the Maule Region to the Ríos Region, focusing on comparing water production across 16 basins with diverse land uses, including plantations and native forests, under different climatic conditions.
- ▶ In Brazil, the hydrological monitoring program continues in the states of Paraná and Mato Grosso do Sul. This analysis helps verify how ARAUCO's management can influence local water resources.
- ▶ In Argentina, the focus is mainly on improving the hydrological early warning system, offering four-day forecasts which benefit the entire population of the lower Buenos Aires Delta. Various efforts are also being made that are beneficial for forestry producers of all sizes in the lower Paraná River Delta, thus contributing to the sustainable and conscious management of water resources in the region.
- ▶ In Argentina, work continues with civil organizations such as the water cooperative of the municipalities of Puerto Rico and Colonia Delicia, the Basin Committee of the Tupicua and Tabay Streams for the protection of water basins that provide drinking water to the municipalities.
- ▶ In the Desafío Agua program in Chile, the focus is on rehabilitating rural drinking water systems, both collective and individual, that were lost or damaged due to fires during the last summer season, through a public-private effort. ARAUCO contributed to the diagnosis of 13 systems, carried out works in another two, and installed settlers. Contributions for individual solutions included the delivery of 1,200-liter capacity tanks and pipes for their connections, among other aid provided during the emergency.
- ▶ In Chile, Inauguration of the Aqueduct Project in Florida and Quillón, a private initiative together with the ESSBIO Health Service, benefiting more than 15,000 people.

- ▶ Participated in a working group with the community of Pehuén, in Chile, improving the treatment system and providing land for the works. The engineering design was financed by the Directorate of Hydraulic Works, with a works project set to be put out to tender in 2024.
- ▶ In Argentina, in collaboration with INTA Delta, data from hydrometeorological sensors on the Oasis and Victoria properties were monitored and evaluated. This contributed to hydrodynamic studies of the Paraná River Delta through the INTA-INA and INTA-ARAUCO agreement.
- ▶ In Chile, the Harvest Environmental Risk Assessment System (ERA) was implemented. The objective is to identify properties with potential risk of having a negative impact on the soil and to generate alerts before the beginning of the harvest. The variables considered include supply basins, threatened species, presence of gullies, and susceptibility to rutting.
- ▶ In the Paraná Delta, Argentina, greenhouse gas flows in plantations and natural environments are being investigated, focusing on nitrous oxide and carbon. This study, in collaboration with INTA Castelar, aims to quantify these emissions and carbon stocks in the soil, applying monthly measurements and analyzing edaphic variables. The objective is to understand how different land uses affect GHG emissions, contributing to more sustainable forest management practices.



Flawless Industrial Operation



Goals and Commitments

- ▶ Achieve zero non-hazardous solid industrial waste by 2030.
- ▶ Increase energy efficiency in processes to reduce average energy intensity by 25% compared to 2019 by the year 2050, in the Pulp and Energy business in Chile.

The good thing about renewable

Is that our products derived from nature help to replace 100 million tons of plastic that end up in the ocean.

This is equivalent to the size of the Titanic

At ARAUCO we know that environmental management is crucial in industrial processes. Our efforts focus on environmental monitoring, continuous improvement, and strict compliance with regulations applicable to our emissions, greenhouse gases, materials, chemical inputs, and waste.

To achieve this, our permanent challenge is to foster a culture of preventive environmental management by improving standards through adequate planning and adhering to the operational criteria defined in this area.

We are also committed to instilling an environmental culture in our collaborators and neighbors and ensuring their involvement. To this end, we provide essential knowledge on environmental issues to encourage practices that prevent incidents or deviations and identify good practices during operation and maintenance activities.

The fundamentals of our environmental management for industrial processes are detailed in the Safety, Occupational Health, Environment, and Quality Policy, available on our website at www.arauco.com.

In 2023, we incurred a cost of USD 4.5 million due to administrative violations detected in 2016 by the SMA. During 2024, our efforts will focus on achieving zero waste and advancing energy efficiency programs, as well as identifying opportunities for improvement in water resource management and the decarbonization of production processes.



+USD 66.2

million in industrial environmental investment.

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- ▶ **Waste Recovery:** In Chile, 70% of non-hazardous solid industrial waste was recovered at pulp mills. This contributed to 61% of non-hazardous waste being revalued in the pulp and energy sector, and 51% in the wood area, both in Chile and Argentina.
- ▶ **Policy Updates:** The Safety, Occupational Health, Environment, and Quality Policy was updated.
- ▶ **Energy Use:** 87% of energy consumption now comes from renewable sources, with only 13% from non-renewable sources.
- ▶ **New Policy:** A new Energy Efficiency Policy was published in Chile, reaffirming our commitment to efficient energy use and continuous process improvement.
- ▶ **Environmental Management Tools:** The computer tool released in 2022 within the pulp mills has been further reinforced to facilitate and optimize the management and monitoring of environmental requirements, regulations, permits, and more.
- ▶ **Knowledge and Decision Making:** We have advanced in generating knowledge and capabilities, consolidating tools and procedures to prioritize environmental considerations in decision-making.
- ▶ **Environmental Objectives:** Progress on environmental objectives was strengthened, aligning them with ARAUCO's strategy. In Chilean operational complexes, particularly in mills located in areas of water stress, measures were developed to reduce water consumption and improve the management of existing resources.
- ▶ **Training and Risk Mitigation:** Preventive and proactive work continued, enhancing the training of executives, managers, and operators to equip them with the necessary tools for optimal environmental performance. Investments were also made in technologies and improvements to mitigate environmental risks, which are identified and managed periodically.



Environmental monitoring

All our facilities are equipped with environmental indicators that allow for environmental management and monitoring of operations. Among these, data on the use of inputs, water and energy, and the generation of waste are particularly notable. Furthermore, to ensure compliance with environmental commitments, water discharges, atmospheric emissions, and the quality of various matrices, such as air, soil, and water, are constantly monitored.

Regarding quality monitoring, which exists in all our mills, is part of environmental monitoring, surveillance, and research

programs. These are applied according to the frequency and deadlines previously established by the authority. Results are delivered in accordance with what is indicated in the respective operating permits.

Additionally, ARAUCO strengthens the required information by developing research in collaboration with other specialized institutions. This occurs at the public-private dialogue table with fishermen from the area adjacent to the Nueva Aldea underwater outfall, in the monitoring program of the Cruces River Wetland, in Valdivia, whose research is led by Universidad Austral de Chile.



Actions and Measures

- ▶ All operational facilities have a Risk Matrix, to develop a detailed evaluation of the environmental they face. Furthermore, during 2023, the identification of environmental risks was enhanced, prioritizing critical operational controls for better manage them.
- ▶ Automation in Environmental Reporting: Development of automated environmental monitoring reports enables more efficient monitoring processes and more effective visualization of environmental quality information.
- ▶ Periodic Training Plan: A training plan for executives, bosses, and operators focuses on regulatory aspects and civil, administrative, and criminal liability associated with proper operations management. In 2023 alone, over 600 people received training in these areas.
- ▶ Contractor Training Program: The ongoing training program for contracting companies on environmental issues aims to provide information, encourage practices to prevent incidents or deviations, and promote the identification of good practices during operation and maintenance activities.
- ▶ Guiding Policies: The policies guiding ARAUCO's actions in this area include the Code of Ethics, Safety, Occupational Health, Environment and Quality Policy, Energy Efficiency Policy, and Climate Change Policy.



Materials, chemicals, and waste

Our forest products capture and store CO2, providing our clients not only with raw materials for creating recyclable and biodegradable products but also with the opportunity to promote a circular bioeconomy.

As part of our environmental commitments, since 2019 we have set the goal to achieve zero non-hazardous solid waste emissions by 2030. Our strategic focus is on reducing waste generation and promoting its reuse, recycling, and recovery, ensuring a comprehensive and circular use of our raw materials.

In the Pulp and Energy area, we recover non-hazardous industrial waste through various processes that transform it into useful products for other production areas, such as composting base substrates, soil improver, alkaline amendments, and fillers. To facilitate this, we have implemented three Waste Recovery Centers and formed alliances with third parties specialized in the matter have been implemented.

Meanwhile, in the Wood area, we maintain a strategy that develops a process for treating non-recyclable waste for co-processing or revaluation, and work on recovering bark (organic waste) from our production processes.

In some of our production processes, we take advantage of recovered and/or recycled fiber. In our North American operations, 100% of the raw materials used consist of recycled content, compliant with ISO 14021: Environmental labels and declarations, and the Composite Panel Association's Eco-Certified Composite (ECC) CPA 4-19 Sustainability Standard. In Mexico, we utilize recycled raw materials, specifically urban chips only in chipboard. At the Durango mill, between 15 and 18% of the raw material is urban chips, and at the Zitácuaro mill, it is between 3 and 5%.

Through the development of internal initiatives and the creation of collaborative alliances with startups, local universities, and other research centers, we are maximizing resource use and inputs, creating added value through intelligent solutions.

All the above, along with work with collaborators and neighbors, promotes the recycling of household waste, enabling recycling points and permanent training.

61%
of non-hazardous solid industrial waste was valued in Pulp and Energy in 2023.

51%
of non-hazardous solid industrial waste was valued in Wood Chile and Argentina in 2023.

WASTE RECOVERY

	2021	2022	2023
Recovery of non-hazardous waste in the wood area in Chile and Argentina	-	47%	51%
Recovery of non-hazardous waste in the Pulp and Energy Area	52.3%	59%	61%

It includes all the company's production facilities, except for the joint operations of the Montes del Plata pulp and energy mill.

WASTE BY TYPE AND DISPOSAL METHOD

Hazardous waste (tons)	2021	2022	2023
Recycled/reused	3,160.2	7,393	705.2
Deposited in landfills	1,989.8	4,457.9	5,766.8
Incinerated with energy recovery	0	3,080.3	1,673.3
Incinerated without energy recovery	0	0	224.0
Waste otherwise disposed of effluent treatment and autoclave	0	95.4	798.8
Waste with unknown disposal method (security landfill)	22	48.0	0
Total hazardous waste	5,172.1	15,074.6	9,168.1
Non-hazardous waste (tons)			
Recycled/ reused	300,350.4	331,620.1	378,934.9
Deposited in landfills	196,337.2	53,182.2	52,845.3
Incinerated with energy recovery	19,562.5	66,372.3	84,175.4
Incinerated without energy recovery	330.0	0	0
Otherwise disposed of Internal deposits and landfills	8,323.0	159,700.0	177,305.7
Unknown removal method (security paddin)	0	0	0
Total Non-hazardous waste	524,903.1	610,874.6	693,261.3
Total waste recovered	323,073.1	408,465.7	465,488.8

It includes all the company's production facilities, except for the joint operations of the Montes del Plata Pulp and Energy mill, where the total waste generated during 2023 was 201 tons of hazardous waste and 184,560 tons of non-hazardous waste.

Actions and Measures

- ▶ There is a Waste Management Plan, whose objective is to optimize the use of resources and inputs, reduce the volume of waste generated, provide market opportunities for waste managers, recyclers, and revalorizers, and achieve the involvement of collaborators and the community in realizing the environmental and social benefits of waste management.
- ▶ Hazardous Waste: Most hazardous waste is sent for final disposal to authorized sites, transported, and classified according to the legislation of each country. A small portion of these wastes is recycled, such as the transformation of lubricating oils into marine fuel.
- ▶ Hazardous Substances Procedure: This procedure outlines how to handle, store, label, and transport dangerous substances to avoid accidents and comply with minimum requirements. It applies to all mill warehouses in Chile, where dangerous substances are stored, and Supreme Decree No. 43/2015 is applicable.
- ▶ Safety and Compliance Checks: The storage, transportation, and use conditions of dangerous substances are periodically verified against mill and legal criteria to ensure safety and environmental management in our facilities.
- ▶ Environment and Cultural Change Training Program: This program trains employees in energy conservation, climate actions, and waste treatment. It includes talks, training, and active cleaning breaks in work environments. Additionally, clean points were established within the facilities and in neighboring communities.
- ▶ Pulp and Energy Mills Initiatives: In the pulp and energy mills, notable initiatives include the Waste Recovery Centers (CVR), where processes have been redesigned to generate products such as alkaline amendment and seal layer from pulp waste. This year in Chile, the operation of the CVR at the Valdivia mill was consolidated, and those at the Constitución and Licancel mills were maintained, with plans to design a new center for the Arauco mill.

Actions and Measures

- ▶ **Operational Challenges:** In Pulp and Energy, challenges such as unscheduled stoppages of equipment (lime kiln) impacted waste recovery. For example, between February and March 2023, fires affected operations, leading to a lower volume of waste for recovery and a greater shipment of waste to the DRIS. These events required adaptive waste management focused on searching for different recovery solutions.
- ▶ **Wood Business in Chile:** The reuse of sand was implemented in the Bioenergía Viñales and Trupán mill, which allowed 3,400 tons to be recovered in 2023.
- ▶ **Zero Waste Program in Mexico:** Maintains, analyzing and developing action plans for the elimination or reduction of waste and initiating interdisciplinary sessions to investigate and analyze waste not reused.
- ▶ **Waste Reduction in North America:** Initiatives were implemented at all mills as part of the Action Plans. At the Carolina Particleboard/Bennetsville complex, protocols were put in place to separate wood waste for beneficial use, and in Malvern, a waste reduction team was put in place and the Molding Dust Reuse Project was launched. The Moncure mill has joined the North Carolina Environmental Management Initiative, and a waste storage facility was created in St. Stephen to improve waste utilization.
- ▶ **Collaborative Research in Argentina:** The MDF Piray mill collaborates with the Ministry of Ecology and INTA to study alternative uses of boiler ash. In addition, an agreement was signed with a local company to evaluate the use of ashes in compost and substrates.
- ▶ **Soil Improvement Project in Uruguay:** The project was started to generate a product that serves to improve soil conditions. The idea is to finish the studies and engineering in 2024, obtain approval for execution in 2025, and begin operating in 2026.
- ▶ **Guiding Policies:** The policies that guide ARAUCO's actions in this area are the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, and the Climate Change Policy.

Energy management

Optimal and efficient energy consumption in our processes, along with striving to meet the global challenge of achieving at least 70% renewable energy generation by 2030, is one of our priority concerns at ARAUCO.

With more than 20 years of contribution to the decarbonization of the energy matrix, we are one of the main generators of non-conventional renewable energy (NCRE) in Chile, thanks to the biomass and derivatives

that we recover from our processes. Our pulp processes generate enough clean energy to supply ourselves, and in addition, we contribute the surplus renewable energy we obtain to the electrical systems of the different countries where we operate.

Regarding ARAUCO's energy consumption, 87% of said energy corresponds to renewable energies and only 13% to non-renewable energies.

ENERGY CONSUMPTION (IN GJ)

	2021	2022	2023
Non-renewable energy consumption	23,239,509	21,050,411	21,992,775
Renewable energy consumption	140,633,125	129,754,197	146,600,316
Sale of energy for electricity, heating, cooling and steam	4,960,701	4,622,539	4,550,579
Total energy consumption	158,911,933	146,182,069	164,042,512

Grid electricity percentage: 15%
 Percentage from biomass: 84%
 Percentage of other renewable energies: 1%
 It includes all the company's production facilities and the joint operations of the Montes del Plata pulp and energy mill.

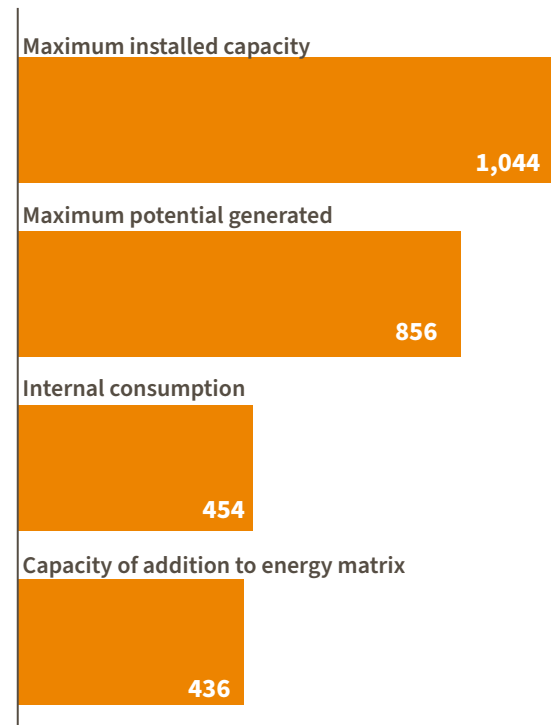
Actions and Measures

- ▶ Production of Non-Conventional Renewable Energy (NCRE): For over 20 years, we have been producing energy from forest biomass. This is considered a source of clean energy, valued for being renewable, safe, and efficient.
- ▶ Pulp and Energy Area: Efficient use of energy is a priority, particularly renewable energy. The use of biomass in our power boilers allows for self-sufficient pulp production in terms of energy supply, and additionally, the sale of energy to the country's central electrical system. Through good practices and specific initiatives, we optimize and/or reduce energy consumption and enhance the environmental performance of our facilities.
- ▶ Energy Production Facilities: Eight pulp mills and three wood mills produce energy from forest biomass. Since 2023, the Jaguariaiva panel mill in Brazil has been producing solar energy, generating 50.8 MWh of clean and renewable energy monthly. Additionally, Montes del Planta's joint operations in Uruguay are also powered by energy from biomass.

RENEWABLE ENERGY GENERATED BY MILLS AND CONSUMPTION OF OWN FACILITIES (MW)



11 plants with their own energy generation, mainly from biomass



- ▶ Line 3 of the Arauco mill was launched, incorporating the best of the latest technologies available, from both an environmental perspective and in terms of efficiency and reliability of the pulp and energy production process.

- ▶ Environment and Cultural Change Training Program: This program enables employees to be trained in energy conservation and climate actions.
- ▶ Pulp and Energy Innovations at Arauco Mill: In Line 2 of the Arauco mill, the lime kiln was operated with 100% Tall Oil for the first time, marking a significant step towards sustainable operation by reducing oil dependency and the company's carbon footprint.
- ▶ Energy Reduction Initiatives in North America: Various measures are being implemented to reduce energy consumption. At the Carolina Particleboard mill, the operating temperature was lowered, reducing natural gas and electricity usage. At the Malvern mill, the boiler economizer was replaced, increasing the amount of heat recovered for processes. A comprehensive study at the Moncure mill aimed to improve the efficiency of the thermal oil heating system through optimized oil flow in pipes, enhanced insulation, and sequential activation of burners in series, saving approximately 100,000 MMBTU in natural gas annually.
- ▶ Viento Sur Wind Farm Project: Development continues on this project located in the province of Arauco, which involves the installation of 43 wind turbines capable of up to 5 MW of power each.
- ▶ Guiding Policies: ARAUCO's actions in this area are governed by the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, the Energy Efficiency Policy, and the Climate Change Policy.



Water management and consumption

The efficient use of water is one of the priorities we have at ARAUCO. To this end, managing effluents and ensuring a reliable water supply are essential. We maintain a system for constant monitoring of water resources in basins, defining controls, and implementing mitigation measures to ensure strict compliance with applicable standards for effluent discharges and the safe supply of mills. Additionally, executing maintenance plans for critical equipment and systems, such as effluent treatment plants and adequate instrumentation, ensures efficient management of liquid waste.

During 2023, our water management efforts focused on continuing and strengthening projects and plans aimed at reducing consumption and enhancing efficiency. This effort included the development of initiatives to minimize water use and ensure its sustainable supply.

Additionally, we are developing, reviewing, and exploring alternatives for the recirculation of effluents into processes. Currently, a pilot project for effluent treatment and recirculation is in the research stage at our Pulp and Energy industrial facilities.

Sewage treatment

Another focus area at ARAUCO is the management of liquid effluents generated in industrial mills. These Industrial Liquid Wastes are treated using specific systems and are permanently monitored to ensure strict compliance with the maximum concentration and/or load levels defined and regulated by environmental regulations. Likewise, there are scientific research programs associated with the sampling and measurement of relevant environmental variables.

At our industrial facilities, we include primary and secondary treatments for liquid effluents, as defined. Moreover, in two of our facilities in Chile, Industrial Liquid Wastes are treated using specific systems and are permanently monitored to ensure strict compliance.

The effluents are processed in the Effluent Treatment Plant (ETP) through primary, secondary, and/or tertiary treatments and then discharged to the outfall, whether sea or river. Depending on the mill, discharge parameters such as Biochemical Oxygen Demand (BOD5), Chemical Oxygen Demand (COD), Total Suspended Solids (TSS), Halogenated Organic Compounds (AOX), Total Kjeldahl nitrogen, and phosphorus are monitored to comply with each country's regulations and environmental commitments.

In secondary treatment we are concerned with reducing absorbable organic halide compounds coming from the process areas, as well as having a series of prior controls in the process areas.

Additionally, operational improvements in industrial mills have made it possible to strengthen the control, containment, and recovery systems for eventual spills. This strengthens the stability of the treatment systems and improves their environmental performance.

WATER EXTRACTION, DISCHARGE AND CONSUMPTION (M³)

Water collection	2021	2022	2023
Surface water	154,365,191	129,413,415	165,430,293
Underground water	2,655,131	3,203,053	2,532,964
Third-party water	3,035,168	2,963,290	2,850,170
Total	160,055,490	135,579,758	170,813,426
Water discharges			
Surface water	44,814,669	40,782,684	38,980,403
Underground water	5,475	5,100	73,462
Third-party water	0	570,378	535,545
Seawater	94,875,962	79,974,027	107,244,380
Total	139,696,106	121,332,188	146,833,790
Water consumption			
Total	20,359,384	14,247,570	23,979,636

It includes all the company's production facilities and the joint operations of the Montes del Plata pulp and energy mills.

In 2023, water management focused on reducing consumption and promoting efficient utilization.

WATER STRESS (M³) *

	2023
Water collection in water stress areas	50,139,456
Water collection in areas without water stress	120,673,970
Total	170,813,426
% Captured in areas of high initial water stress	19
% Captured in areas of extremely high initial water stress	10.4

*To determine the status of the basins, the Aqueduct Water Risk Atlas (Aqueduct 3.0) platform of the World Resources Institute is used, which defines the geographical area of water stress and its category between high or extremely high. We have 12 mills in areas of water stress, three in Pulp and Energy and nine in Wood, of which nine are in Chile and three in Mexico. It includes all the company's production facilities, except for the joint operations of the Montes del Plata pulp and energy mill, which is not located in a water stress zone.



INDUSTRIAL COMPLEXES BY TREATMENT METHOD AND WATER RECIRCULATION IN PROCESSES

Business	Complex/mill	Country	Type of Effluent Treatment	Water recirculation in processes
Forestal, Celulosa y Energía	Puerto Esperanza	Argentina	Primary	
			Secondary	
	Valdivia	Chile	Primary	x
			Secondary	
			Tertiary	
	Arauco	Chile	Primary	
			Secondary	
			Tertiary	
	Nueva Aldea	Chile	Primary	
Secondary				
Tertiary				
Constitución	Chile	Primary		
		Secondary		
Licancel	Chile	Primary	x	
		Secondary		
Montes del Plata (50%)	Uruguay	Primary		
		Secondary		
Maderas	Puerto Piray	Argentina	Primary	x
			Secondary	
	Puerto General San Martin	Argentina	Primary	
			Secondary	
	Puerto Aglomerado Zarate	Argentina	Primary	x
			Secondary	
	Jaguariaíva	Brazil	Primary	
			Secondary	
	Piên	Brazil	Primary	
			Secondary	
Ponta Grossa	Brazil	Primary	x	
		Secondary		
Montenegro	Brazil	Primary	x	
		Secondary		
Araucaria	Brazil	Primary	x	
		Secondary		

Business	Complex/mill	Country	Type of Effluent Treatment	Water recirculation in processes
Maderas	Sault Ste.Marie	Canada	Primary	
			Secondary	
	St. Stephen	Canada	Primary	
			Secondary	
	El Colorado	Chile	Primary	x
			Secondary	
	Valdivia	Chile	Primary	x
			Secondary	
			Tertiary	
	Viñales	Chile	Primary	x
			Secondary	
	Trupán-Cholguán	Chile	Primary	
			Secondary	
	Teno	Chile	Primary	x
			Secondary	
	Nueva Aldea	Chile	Primary	
			Secondary	
	Horcones	Chile	Primary	x
			Secondary	
	Moncure	USA	Primary	
Secondary				
Malvern / Prime line	USA	Primary		
		Secondary		
Carolina Particleboard / Bennetsville	USA	Primary		
		Secondary		
Duraflake	USA	Primary	x	
		Secondary		
Grayling	USA	Primary		
		Secondary		
Durango	Mexico		x	
Zitácuaro	Mexico		x	

Spills

During the year 2023, in the Pulp and Energy area, there was no major spill at any of the mills, and thus, no environmental impact was recorded. There were only specific spills or limited leaks where the control, recovery and/or containment systems were effective, resulting in no environmental effects.

At the Montenegro de Maderas mill in Brazil, a spill was recorded where the presence of oil was detected in an artificial lagoon, caused by a leak in the thermal oil pipe. After an exhaustive environmental investigation, free phase oil was confirmed in the water table,

but without soil contamination, limiting the impact to the production area. In response, we implemented a remediation plan that involved pumping out oil and treating the contaminated water, with its subsequent return to the lagoon. Three months later, analyses confirmed the absence of oil in the evaluated wells and the elimination of the contamination plume. The entire process was duly communicated to the regulatory authorities, culminating in the granting of a remediation license in early 2024.

HYDROCARBON SPILL DETAIL

Installation	Country	Description of event	Spilled materials	Spilled volume (in barrels)	Principle impacts	Water/ground
Montenegro	Brazil	Leak in the thermal oil pipe of one of the presses.	thermal oil	18	Spill reached a lagoon near the plant.	Agua

It includes all the company's production facilities and the joint operations of the Montes del Plata pulp and energy mill.

Actions and Measures

- ▶ Preventive Management and Environmental Audits: These initiatives aim to identify and mitigate or control risks, learning from past events to prevent repetition. The company adopts a preventive approach, focusing on controlling and managing effluents in process areas to minimize contributions to Effluent Treatment Plants and ensure sustainable operations.
- ▶ Quality and Quantity Verification of Liquid Effluents: Conducted by technical environmental inspection entities authorized by official organizations, this provides an extra layer of validation. Third-party laboratories deliver detailed reports supporting compliance with environmental regulations.
- ▶ Training and Environmental Education: Aimed at operators and maintainers of effluent treatment plants, these programs reinforce critical operational aspects, legal requirements, potential environmental impacts, and the necessary integration between effluent treatment systems and process areas.
- ▶ Water Management in Chile: Due to the extended dry seasons, flow prediction models are utilized to manage water supply sources effectively. This ensures the environmental quality of water bodies and reliable supply.
- ▶ All Pulp and Energy mills have water management committees focused on reducing water consumption.
- ▶ Water Recirculation and Reuse Projects: In Chile, ongoing projects aim to reduce and reuse process water, like the project on Line 2 of the Arauco mill.



- ▶ Effluent Use in Irrigation: The initiative to use effluents in the irrigation of forestry and/or agricultural plantations continues, seeking technical and regulatory consolidation.
- ▶ Research and Environmental Initiative Evaluation: Ongoing assessment of various environmental initiatives, including using treated effluents for irrigation and reducing water consumption in process areas.
- ▶ Effluent Treatment at Wood Mills: In Chile, some mills treat their effluents through Pulp mills or their own systems. The El Colorado, Cholguán, Viñales, Valdivia, Horcones, and Teno mills utilize a physicochemical recirculation system with 100% reuse.
- ▶ Brazilian Mills: The Jaguariaíva and Piên mills treat industrial and sanitary waste. The Montenegro and Araucaria mills focus on treating sanitary waste for reuse in drying process emissions reduction systems. Araucaria also reuses effluents from the resin production process, and the Ponta Grossa unit uses an industrial waste evaporation process where the evaporated fraction is reused in steam generation.
- ▶ Mexico's Durango MDF Mill: Treats waste through a physicochemical-biological process in a closed circuit. The chemical mill also uses a closed circuit for disposing of phenolic waters as hazardous waste. At the Zitácuaro mill, treated wastewater is partly reused in wood processing and moistening.
- ▶ Effluent Treatment in Argentina: The Woods area operations treat liquid effluents to meet discharge parameters through biological treatments.
- ▶ Water Consumption Reduction Goal: Efforts are underway to define a target for reducing water use in the Pulp and Energy area.
- ▶ Guiding Policies: ARAUCO's actions are directed by the Code of Ethics, the Safety, Occupational Health, Environment and Quality Policy, and the Climate Change Policy.

Atmospheric emissions and air quality

At ARAUCO, we have intensely focused on emissions reduction systems, ensuring rigorous control over operation and maintenance. Additionally, we utilize a robust reporting system, keep detailed internal records, and perform thorough analyses to identify opportunities for improvement.

Atmospheric emissions of particulate matter are controlled through mitigation equipment, such as electrostatic precipitators, with efficiencies close to 100%. Regarding odors, our objective is to avoid emissions that negatively impact the quality of life of communities near our mills, in strict compliance with current regulations. Therefore, our pulp mills employ containment, collection, and treatment systems for TRS gases, reducing the number of odor events caused by these gases characteristic of pulp production, whether concentrated or diluted.

Continuous monitoring of emissions from the chimneys of equipment such as lime kilns and recovery boilers is essential to meet our objective. We also conduct odor rounds and condition checks in different areas of the facilities, supported by an external monitor program for the timely detection or early warning of odors in the community. Some facilities are equipped with air quality monitoring stations that include the TRS parameter. These comprehensive measures have ensured that TRS emissions levels remain well below the limits established by current regulations in 2023.

In the Wood area, the activities of the sawmilling and remanufacturing process include equipment and procedures designed for adequate control of atmospheric emissions. This is achieved through bag filters, which collect biomass to use it as a by-product in boilers.

During 2024, we plan to undertake a series of improvement projects, including adjustments in emissions control and interventions in discharge paths of electrostatic precipitators.

EMISSIONS TO THE ATMOSPHERE (ton)

	2022	2023
NOx	7,119.73	14,460.76
SOx	931.56	6,027.68
CH ₄	-	-
Volatile organic compounds (VOC)	4,069.85	4,366.36
MP10	-	1,130.36
H ₂ S	-	281.43
Hazardous Air Pollutants (HAP)	-	-
TRS	139.00	-

(*) Includes all the company's production facilities, except the wood mills in Puerto Piray, Puerto General San Martin and Puerto Aglomerado Zarate in Argentina. It also does not include the joint operations of the Montes del Plata Pulp and Energy mill.

(**) The pollutants MP10 and H₂S were not measured in the five Pulp and Energy mills in Chile.

(***) 100% of panel mills meet VOC content and emissions standards, and all products are California Air Resources Board (CARB) or E2/E1 certified, meaning They have low formaldehyde (VOC) emissions.

Actions and Measures

- ▶ Strategic Initiatives Plan: The plan concerning atmospheric emissions and air quality includes an environmental training program for operators and maintainers, as well as the implementation of ABC and 123 practices. It also encompasses maintenance and continuous improvement projects aimed at reducing odors and noises.
- ▶ Emission Reduction Systems: For systems reducing atmospheric emissions and improving air quality, there is rigorous control over operation and maintenance, complemented by an internal reporting and record-keeping system and respective analyses to identify opportunities for improvement.
- ▶ North America - St. Stephen Mill: In agreement with the province of New Brunswick, work has been undertaken to start monitoring air quality at the facilities. This comprehensive measure has been adopted to systematically monitor emissions values over a 14-month period.
- ▶ Chile - Training Program for External Environmental Monitors: This ongoing innovative project fosters linkage and cooperation with the community. It involves providing neighbors of pulp mills with the tools and knowledge necessary to timely and accurately alert possible odor situations, thus aiding in the identification and efficient resolution of their causes. Community environmental monitors are trained to identify, based on the type of odor, the possible source or area of origin, which assists in pinpointing the problem and resolving it.
- ▶ Uruguay - Monitoring Cabins: Monitoring cabins are located in Conchillas and Puerto Inglés, which facilitate the monitoring of emission air quality and other parameters that can predict odor situations: wind speed and direction, temperature and humidity, radiation, rainfall, and atmospheric pressure.



COMMITMENT TO LOCAL DEVELOPMENT

4



Goals and Commitments

- ▶ Continue measuring the company's reputation in the communities where we have industrial operations in Chile and expand those measurements to communities where we have forestry operations.
- ▶ Install impact measurement model of implemented programs.



The good thing about being renewable is that our global presence allows us to positively impact people throughout the Americas with our more than 50 local development programs.



The development of the communities where we are present is important to us, which is why at ARAUCO we seek to methodically promote development efforts through a relationship model. Furthermore, with the purpose of generating long-term shared value, we implement programs with high standards of excellence whose foundation is dialogue and participation.

With the aim of positively impacting many people, adapting to the reality of each place and country where we operate, we install capabilities and establish alliances, that support local development, well-being and the sustainability of the environment.

During 2023, MAPA implemented social programs and measures that reached investment of USD 12.7 million.

For this, the policies that guide our actions are the Code of Ethics, Human Rights Policy, Community Contributions Policy and Relationship Policy with Mapuche Communities.

USD 12.7

million invested in 2023

Community, participation and dialogue

At ARAUCO, communities are an essential part of our work. For this reason, we work to maintain formal and permanent conversations with them and with the different interest groups. The different visions and expectations enrich our work, which is why we promote the participation of each of the people linked to our mills and projects.

In this way, thanks to transparent and constant communication with our neighbors, we ensure that we detect and minimize any possible negative impact of our operations, as well as look for opportunities that allow us to increase our contribution to local development.

To understand the effectiveness of these measures, we have applied the Local Reputation Index in priority communities for more than a decade in Chile. In this way we not only know how we are being perceived by the community and the evaluation that the neighbors make of the present and future of their communities, but we also use this information to inform business management.

We carried out 295 community consultations where 1,777 residents of our properties in Chile, Argentina and Brazil participated.



Instances of participation and dialogue

Roundtable Discussions

Residents of industrial facilities and forestry assets are invited to participate in periodic community meetings. There – on some occasions together with other institutions, municipalities, companies and local organizations – socio-environmental issues of operations, aspects of interest for communities, and local and productive development projects are discussed.

This is the case of the following in Chile:

- ▶ Biobío Artisanal Fishing Round Table
- ▶ Biobío Health Roundtable
- ▶ Roundtables of Laraquete and Arauco
- ▶ Carampangue Wetland Roundtable – Arauco commune
- ▶ Carrizales Nueva Aldea Roundtable
- ▶ Ranguin Tu Mapu Roundtable – Mariquina commune
- ▶ Local Roundtables of San Luis de Alba; Aylin and La Luma, for the Protection and Restoration of Water Supply Basins in the communes of San José de la Mariquina, Lanco and Paillaco

Community Consultations and Participatory Monitoring of Commitments

At ARAUCO, by identifying the impacts of the forestry operation, we can plan our socio-environmental management in advance together with the community. A fundamental mechanism for this is participatory monitoring, ensuring that the agreements established with the respective communities are respected through the community consultation process.

During 2023, 295 community consultations were held in which 1,777 residents of our properties in Chile, Argentina and Brazil participated.

General mill shutdown

Considering the serious impact a general mill shutdown would have on local economic conditions, much planning and interaction would be required with municipalities, chambers of commerce and tourism, as well as with other local groups.



Forestry Roundtables and Committee for Risk and Disaster Management (COGRID)

At ARAUCO, we actively participate in these activities, where strategies for fire prevention and emergency preparedness are discussed. Among them are the Maule Forest Fire Prevention Roundtable, the Ñuble Regional Disaster Risk Management Committee and the Communal Emergency Roundtables in Constitución, Licantén and Ránquil.

Open Houses

In keeping with our purpose of maintaining direct dialogue with neighbors of forestry and industrial operations, we have open houses for information and community relations. In addition to allowing us to communicate the programs, projects and initiatives that we promote, these meetings allow us to understand the interests and needs of the communities.

+5,000
people participated in 2023.

Our impact on local development

All our sustainable local development projects are aligned with one of the axes of our sustainability strategy: contributing to the Sustainable Development Goals (SDGs).

34

years, in 34 communes.

+6,106

teachers trained.

+659

participating schools.

+121,340

children benefited.

Education

At ARAUCO we believe in the transformative power of education in society. For this reason, we work to promote its role and improve its quality, both with programs at the school and technical levels.

Arauco Educational Foundation

The work of leaders and teachers in academic communities is key to generating educational changes. Therefore, part of our work focuses on promoting and strengthening their training, which generates a positive impact on their students. During 2023, 821 teachers from 67 educational establishments, serving 7,845 students, directly benefited.



Our programs

- ▶ 19 communes have access to the presence of the network of libraries and bibliomóviles.
- ▶ 150 children are sponsored through the orchestra network.
- ▶ 103 teachers and directors from 13 municipal schools, which educate 3,512 students from first to eighth grade in the communes of Constitución, Ránquil, Arauco, Curanilahue and Mariquina, participated in the Formative Evaluation program. It seeks to enhance the development of the capabilities of teachers and administrators to establish feedback processes that progressively favor quality learning for all students.
- ▶ 263 teachers from 48 municipal establishments belonging to 18 communes in four regions of Chile, which educate 1,940 first and second grade students, participated in the “Integrated reading and writing method” training program. Its purpose is for students at these levels to learn reading and writing, with emphasis on reading comprehension and the expression of ideas.
- ▶ 407 teachers and directors from 12 municipal schools, which educate 3,300 students from first to second grade, participated in the Sentires, Caring for Us in Community Program. This program seeks to train teachers in pedagogical and relational practices that promote social-emotional learning in students, in order to increase their level of well-being.
- ▶ Through the Reading Bridge Initiative, we connect with establishments and their school leaders to establish focal areas for improvement in reading comprehension. In doing so, we strive to foster a culture of greater collaboration and distributed leadership.



Committee participation and dialogue

As an Educational Foundation with more than 30 years of experience, we are invited to participate in different committees linked to the strengthening of education, where public and private institutions, municipalities, companies and local and international organizations come together. During 2023, we participated in eight of them, with the participation of more than 240 people belonging to 48 civil society organizations, universities and state organizations, such as the Chile Global Compact Network, Santiago and Biobío Roundtables for the national health policy. Rural Education-Mineduc, the Roundtable between academic and territorial institutions that work on School Improvement- UAH, the Regional Network for a Chile that Reads, the Seremi Education Network Biobío Socio-emotional contingency plan and the Roundtable with the Minister of Education and undersecretaries for an agenda to strengthen Public Education.

Colleges of excellence

Since 1981, ARAUCO has put three schools into operation: Arauco, Constitución and Cholguán.

+1,200

students trained each year

Two establishments among the 100 best PAES 2022 schools

- ▶ **Colegio Arauco: first place in the Biobío Region and seventh in the country in results of the Higher Education Access Test (PAES). Two national scores.**
- ▶ **Colegio Constitución: third place in the Maule Region and 51st nationally in results of the Higher Education Access Test (PAES). Four national scores and two students with presidential recognition “Distinction for educational career.”**

ARAUCO Campus

Seven years ago, thanks to a DUOC UC and ARAUCO alliance, this professional institute was created located in the commune of Arauco. Its objective is to strengthen professional technical training, providing practical applications in the workplace, in areas linked to the productive vocation of the region.

6

6 courses taught (five duals).

1,349

students enrolled 2023.

+800

trained and qualified to date.

Strengthening Education at Liceo San Luis de Alba de Mariquina

Seeking to strengthen the practical learning of students specializing in Industrial Mechanics, we carried out the second version of the Tutoring Program. During 2023, 21 students participated in internships at the Valdivia Pulp mill and five completed internships accompanied by mill professionals trained as tutors.

+100

students have received technical and pedagogical support provided by cellulose mill Valdivia.

Internship programs and internships in the Yungay community

To contribute to strengthening education in the Yungay commune, we have generated a practical learning program for the Yungay high schools, and in the same commune, the Campanario high school. Students in the strategic program, followed dual tracks in electrical specialty and administration, with additional coursework in logistics during 2023. Seventy-nine carried out internships in the Cholguan complex and 26 students carried out professional practice in both specialties.

Inacap – ARAUCO Agreement

During 2023, we signed an agreement with Inacap, aimed at strengthening technical training and improving the employability of young people in key areas such as digitalization and automation. This program allows dual training in our facilities, offering students the possibility of working on both a degree and innovation projects, while teachers stay up to date on technological developments, thus benefiting both students and the industry.

This program will benefit students and teachers at 30 locations located in the 16 regions of Chile.



Club Verde

Promoting care for the environment from early childhood is the purpose of the various activities we carry out with schools, municipalities and primary school children.

+100 workshops / 35 primary institutions / 1,674 children.

Youth and Sustainability

The objective of this initiative is to encourage young people and adolescents who do not work or study to develop projects focused on caring for the surroundings and the environment.

During 2023, 14 primary schools in the province of Misiones and two employment offices were visited.

754

young people participated in the program.



Continuing Teacher Training

We are committed to improving the Basic Education Development Index (IDEB) in primary school grades in the main municipalities where ARAUCO operates in Brazil. During 2023, 1,989 teachers participated in our training programs.

+20

thousand participating teachers since 2006.

Environmental Education Program

We are committed to promoting the Basic Education Development Index (IDEB) in the main municipalities where we have a presence, seeking to maintain or raise the quality of basic education through our initiatives.

During 2023, we carried out a total of 48 training sessions in 12 municipalities and resumed the program on ecological trails that was suspended during the COVID pandemic.

2,389

children will benefit in 2023.



The Academies of Central Arkansas

We participated in this event where we met with students to inform them about career options after completing their studies. The purpose was to educate students about their alternatives and help them plan their future.

+3,500

people participated in 2023.



English for Everyone

This initiative promoted by Montes del Plata, in conjunction with the Conchillas high school and the Anglo Uruguayan Cultural Institute, provides scholarships so that students can learn English. In 2023, 44 students will receive scholarships.

Following on

This program promotes continuing education for young people in their area, combining vocational guidance, hands-on mills experiences, and university visits. For eight years, workshops have been held in high schools, helping students define their educational and professional future with the support of employees who share their experiences.

286

students participated in 2023.

Environment and quality of life

Reducing the impacts of human activity along with our commitment to the environment and nature motivates us to work on initiatives together with the community. These actions also aim to improve the quality of life of each of our neighbors.



Habitability and Territory Program

We promote high-standard housing solutions for collaborators, contractors and neighboring communities. We are able to leverage public resources to manage and process land to develop projects for community purposes. To achieve this, we work together with public and private organizations, actively collaborating with national, regional and local authorities.

Collaboration for the construction of

2,460

homes delivered to date.

16

plots of land were made available either by temporary legal right (usufruct) or by loans involving 17 hectares (42 acres) and four plots of land involving 72 hectares (178 acres) to different municipalities, benefiting nearly 10 thousand people.

Advances 2023

- ▶ 363 homes delivered in the Curanilahue commune.
- ▶ + 1,200 homes corresponding to six projects in different stages of design and construction.
- ▶ We signed and delivered the usufruct of Pehuén Park with the Municipality of Lebu, allowing 70 hectares (173 acres) to be used for development areas for community initiatives, which could leverage public resources.
- ▶ Certification of rural housing model UBB-E2E – Housing built in an industrialized way and assembly of Pilot housing in Santa Juana.
- ▶ Rural design provision of the Universidad Austral and Universidad de Talca and, for urban sectors, proposal for an industrialized house developed by the DITEC (Technical division) of the Ministry of Housing and Urban Planning, typology included in the development of at least 4 future neighborhoods in the communes of Constitución, Quillón, Santa Juana and Lebu adding close to 1,000 homes.

Network of Environmental Monitors

Our Environmental Monitors program plays a vital role in sustainability, focusing on the early detection and management of impacts, including odors, to improve environmental quality and community relations.

+300

neighbors participate in preventive environmental monitoring as part of the management of the pulp mills, by which we have strengthened the relationship with the communities.

Open Forest

Since 2021, we have opened access to part of our forest area with the aim that communities can develop activities that promote the care and conservation of nature, enjoying the environmental, social and cultural values that forests provide.

Forests are not only shelters for biodiversity, but also educational, sports, recreational and cultural settings in which people are the true protagonists.

+43,026

people participated in the program.

18

bicycle tracks on company property.

Two new educational trails inaugurated in 2023.

Oncol Park, preserving the Valdivian Jungle

This emblematic park in Los Ríos is an example of relationship building and a conservation benchmark, thanks to the territorial connection and environmental education actions that we develop.

Likewise, we have opened business opportunities for neighbors, who market local products and promote the care of nature as support for socio-emotional well-being.

+20

thousand people visited Oncol Park

MAPA social measures

During the year 2023, MAPA programs and social measures were implemented, among which is the project to provide a public square and improve the areas of the El Pinar sector, including the construction of Plaza Los Cañones. The 3,800 m2 facility features urban furniture, large green areas and children’s games, contributing a valuable space for physical activity, recreation and gathering of neighbors.

We also have the El Parrón Community Center project, in which construction works for a 140 m2 building began in 2023, which is complemented by green areas, street furniture and children’s games.

Meanwhile, in May of 2023, construction of the La Cantera community center began. This 1,200 m2 infrastructure will have a covered multi-court, multipurpose rooms, offices, kitchen, bathrooms, parking and green areas, a valuable space for social gathering around sports, education and cultures. Neighbors participating in the Laraquete Roundtable identified the requirements and scope of the buildings, and have played a crucial role in the project’s design. Likewise, in October 2023, construction work on the

Horcones Cordillera community center began. It is a 125 m² building that includes a meeting room, kitchen, and universal access.

Finally, in the month of October, the start of work at the Pichilo Community Center was celebrated, in the town of Pichilo. It will provide a quality infrastructure for a sports area with a covered court and dressing rooms, as well as a library, workshop rooms, office, kitchen, cellar and multipurpose spaces, among other units.

Investment of USD 12.7 million in MAPA social measures since the project began.

Plant Environment Plan in Los Ríos

The commitment that we maintain at ARAUCO with our neighbors drives us to promote human development, as well as coexistence between community and industry. That is why we work to improve their homes, roads and access to basic services.

Gulf of Arauco Ecosystem Studies Program (PREGA)

Through scientific research in the Gulf of Arauco, knowledge has increased, especially about the marine and estuary ecosystem and has allowed the creation of spaces for education and collaboration with the community on environmental issues.

Thanks to this, in 2022 the Carampangue wetland was declared a nature sanctuary, providing relevant information to make decisions in the definition of the polygon mapping and ecological information about the conservation elements in the defined area.

Currently, PREGA is working on the preparation of a Wetland Management Plan, and in parallel, a calendar of activities has been created to generate an environmental education program, which is articulated by PREGA, but mobilizes different local institutions.

+2,500

people from Rucaco, Estación Mariquina and Huifco have seen their quality-of-life increase.

Valdivia Zero Emissions

The capital of the Los Ríos Region is the first city in Chile to implement the measurement of its carbon footprint to achieve the neutralization of Greenhouse Gases (GHG), which will allow correct decision making to advance to being a Carbon Neutral city. As ARAUCO, we join this initiative, as part of the Valdivia Sustainable Consortium, sharing the knowledge and experience we acquired by becoming the first forestry company in the world certified as carbon neutral.



Sengés Ecotourism

Thanks to a cooperation agreement that we have with the Mayor’s Office of Sengés, the Municipal Tourism Council and the Association of Environmental Monitors of Sengés (AMAS), guided tours are carried out in the ARAUCO forest assets: Cachoeira da Erva-doce and RPPN (Reserve Particular do Patrimônio Natural) Vale do Corisco.



Visits to the San Jorge Reserve

In order to explain the importance of its preservation and care, we prepare guided tours explaining what this native forest, which is part of ARAUCO’s forestlands, consists of.

Guided tours where an initial presentation of ARAUCO’s Native Forest and forestland.

Take Care Tent+

Viral diseases such as dengue and others can become a community health problem, so prevention is essential. To this end, in alliance with health services, we promote inoculation against coronavirus and encourage compliance with school vaccination schedules. In addition, we deliver health kits, masks and alcohol gel.

We visited five towns in the north of the province of Misiones

3,131
people benefited



Productive development and social entrepreneurship

Our goal is to expand opportunities for entrepreneurship, employment and development.

Wild Pantry

We seek to value forest trades. To this end, beekeepers and collectors are beneficiaries of formal and safe access to our forestland, which allows them to develop and preserve their economic activity with an identity and cultural nature, along with supporting the development of their productive and entrepreneurial capacities.

Food Network

ARAUCO has established a partnership with the Food Network, an organization dedicated to rescuing food and essential items that are suitable for human use and consumption. These items are then distributed to those in greatest need, thereby preventing waste by connecting those who have products with those who need them.

Sustainable Beekeeping Program

We open our properties so that neighbors can install hives and produce honey. Thanks to this, approximately 1,000 liters of honey were produced for sale on the company’s premises during 2023.



452

collectors and beekeepers identified.

65%

women and 35% men.

We have participated in more than 100 entrepreneurship workshops and 21 gastronomic fairs.

Mapuche relationship



Albany Chamber of Commerce

This initiative, in collaboration with the Albany, Oregon, Chamber of Commerce seeks to channel growth, build connections and convene leaders. We sponsor three events: River Rhythms, Art and Air Festival and Night Glow.



The Mushroom Route

This program focused on the collection of edible mushrooms in Paysandú and Río Negro, Uruguay, is designed to add value to the significant economic activity of around 200 families. Started in 2017, its goal is the formalization of the sector and the empowerment of collectors, with special attention to female leadership, through training in conservation and business skills, thus facilitating the creation of independent ventures.

+200

collector neighbors.

The Mapuche culture is a living and present culture, so we work to ensure that our relationship with them is in good faith across the board and permanent, respecting their cultural and social values. That is why, at ARAUCO, through strategic management we promote mutual knowledge, through honest and regular channels of participation and dialogue. In this way, we are always working to generate long-term bonds of trust that allow us to promote mutual development.

To this end, in 2012 we implemented the Mapuche Relationship Policy that established five relationship commitments with the surrounding communities, to which was added the Mapuche Employment Stimulation Policy.

In 2017, we also incorporated the Mapuche Consultative Council, a high-level reserved space, which together with other actors focuses on those contingent and strategic aspects of interest to all parties.

With the leadership of the Association of Mapuche Communities of Loncoche, taking the work of the Advisory Council as a starting point, we have developed the Künü project. Located in Loncoche, it is a ceremonial space that honors parliaments and the tradition of dialogue. In this context, a documentary process was generated that was presented in the month of February 2023. Along with the above, at the request of the Association of Mapuche Communities of Loncoche and with the support of the Office of Elemental Architecture, work was done on the design of a Cultural Center, which is expected to be nominated for public funds.

Additionally, with a strong commitment to advance the application of the Relationship Policy with the Mapuche Community, the Mapuche Program was created, which seeks to provide teams with tools for effective relationships and to design and implement development experiences with the communities with which ARAUCO engages.

Part of this is the Wild Pantry Program, which contributes to the daily management of Mapuche communities by providing support to small landowners and neighbors for the collection of non-timber forestry products.

Our management involves a series of actions aimed at strengthening the relationship with the Mapuche community through mutual understanding and seeking benefits for both parties. Given the above, as ARAUCO we develop a training program for collaborators and contractor companies, which allows for better and deeper understanding and engagement.

Additionally, since 2012, employability has been promoted through the Mapuche Employment Stimulation Policy.

5 axes of the Mapuche Program

► Promote knowledge and learning of ARAUCO

+ 160 people trained in the Intercultural Training program in 2023.

► Maintain ongoing dialogue and consultation processes

426 Mapuche communities linked to ARAUCO. Since 2013 we have carried out more than 270 Mapuche consultations and have created a mechanism to stimulate local Mapuche employment with more than 400 collaborators and contractors.

► Identify sites of religious, cultural and economic interest

42 areas of High Cultural Conservation Value, which we co-manage with the communities.

At Loncoche, we designed an infrastructure called Künü, which seeks to recreate a traditional space for dialogue and promote interculturality.

We restore significant waterways for the communities in the Nahuelbuta mountain range.

► Know and manage land requirements

+ 5 thousand hectares (12 thousand acres) transferred to communities via Conadi since 2014.

► Seek dialogue practices and mechanisms for consultation, resolution and administration of controversies that consider the values, forms and customs of the Mapuche communities.

Native species for ceremonial sites

During 2023, ARAUCO together with the indigenous communities Lenco and Quiñilquilco completed a participatory restoration process that allowed the unification and protection of

three Mapuche ceremonial sites in the Gulf of Arauco: Mawida Las Peñas, Treng Mawida and Quebrada Mawida, plus 5 hectares (12 acres) planted with native trees, generating a complex of sites of high cultural value for their protection.



Disasters faced during 2023 in Chile

At ARAUCO, we think of emergencies as unforeseen events, whether of natural origin or caused by man, that have the potential to cause damage to the health and integrity of people, the environment, communities or the forestland of the company, and that require an immediate response. Therefore, emergency preparedness is an essential element of our culture, requiring constant effort, focusing on prevention, communication effectiveness and uninterrupted collaboration with government and emergency response entities.

Throughout 2023, we were forced to face two significant emergencies in Chile. In February, we faced severe fires in the south-central regions of the country, while, in June and August, floods particularly affected the Maule Region. In the face of these crises, our company deployed all its capabilities to prevent the loss of life and minimize material damage to surrounding communities, among our employees and to the company's assets.

In support of the impacted communities and collaborators, we allocated more than CLP\$2,000 million (USD 1.8 million) to facilitate overcoming these emergencies, including cleaning, restoration of basic services, transfer of land for public infrastructure and improvement of housing conditions. In the case of the February 2023 fires, we focused our efforts on the communes most affected by the situation: Ránquil, Quillón, Cabrero and Portezuelo in the Ñuble Region, and Tomé, Florida, Santa Juana and Arauco in the Bio Bio Region. During the winter floods, attention was mainly directed to the Maule Region, particularly the communes of Licantén, affected in June and August, and Constitución.

We have also offered the authorities our knowledge and resources to plan and support the reconstruction work, which is expected to last several years.

+CLP\$2,000

million (1.8 million USD) contributed to facilitate overcoming these emergencies, including cleaning, restoration of basic services, transfer of land for public infrastructure and improvement of housing conditions.

Corporate commitments to external initiatives



We are committed to promoting network collaboration and joint efforts between different functions, aware of the value that synergies with different entities provide, especially in the face of complex challenges that require diverse perspectives or methodologies. In this way, we establish continuous connections with universities, civil society organizations and professional associations.



Likewise, we get involved in the development and implementation of public policies or regulations that affect our scope of action or the issues addressed in our Sustainability Strategy. Acting individually or through associative organizations, we actively participate in consultation processes for



We are active members of Futuro Madera, a network of organizations and people with origin and domicile in the regions and localities with a forestry vocation in Chile, which seeks to contribute to a greener and more social future, where forests and wood are valued as the answer to the global climate emergency, due to its enormous potential as part of the bioeconomy, and as a valuable path for sustainable development.

new regulations, expressing our position on potential impacts on our activities and our economic profitability. We participate through several entities, including:

- ▶ In Chile, the Chilean Wood Corporation (CORMA) and the Manufacturing Development Society (Sofofa).
- ▶ In Argentina, the Forestry Association and the Association of Pulp and Paper Manufacturers.
- ▶ In Brazil, the national business chamber Brazilian Tree Industry (IBÁ) and, in the Paraná area, the Paraná Association of Forest-Based Companies (APRE).
- ▶ In North America, the National Formaldehyde Rulemaking, the CARB ATCM Rulemaking, the Composite Panels Association (CPA) and LEED Workshops.
- ▶ Society of Forestry Producers of Uruguay (SPF) and Chamber of Commerce and Services of Uruguay.

Memberships

We are an active part of 111 professional and social associations in the different countries in which we operate. Likewise, we maintain interactions with universities, the media, research and/or scientific institutes, non-governmental organizations and local authorities.

arauco
SCARLET VERA CAICINO
GENERALISTA PERSONAS SSO

arauco
YALENIA LOPEZ R
PREVENCIÓN DE RIESGOS

COMMITMENT TO OUR PEOPLE

5



THE GOOD THING ABOUT BEING RENEWABLE IS

that our employees remain permanently updated on various knowledge related to our business.

That is why, in 2023, 8,486 employees participated in training processes.



The deep bond we maintain with our employees, based on trust and permanent communication, has allowed us to establish a work environment of trust, where empowered teams and proactive leaders are valued. At ARAUCO we seek to promote the development of each of our people, which is why we give utmost importance to the management of processes such as attraction, selection, training and performance.

Likewise, our employees are fundamental agents in achieving our purpose, strategic objectives and sustainable results: thanks to them we can achieve our goals in safety, productivity and sustainability.

Always thinking about maintaining a common corporate identity in all the countries where we are present, we developed a model where the competencies of the employees are relevant to recognize both successes and opportunities for improvement.

Our Employees

As of December 2023, at ARAUCO we had a total of 18,636 direct employees and employed 43,449 indirect employees through 2,482 contractor companies.

Regarding their nationalities, 54% are Chileans, followed by 21% of Brazilians and 10% of Argentines, while the remaining 16% were divided between Mexicans, Uruguayans, Americans, Canadians and other nationalities.

Formality is represented by a large majority of employees with indefinite-term contracts, which are 95% of the total. Of the rest, 824 employees have a fixed-term contract and 66 have fee-based services.

Regarding age ranges, 33% of our employees are between 30 and 40 years old, with the highest concentration of men and women at those same ages. Regarding job seniority, the largest group of employees have less than three years of history with the company, closely followed by those who have spent more than 12 years.

Regarding flexibility and work adaptability, at ARAUCO we have 2,516 people who benefit from teleworking or work adaptability agreements, of which 1,653 are men and 863 are women. Likewise, 961 employees have part-time work, and we do not have employees in adaptability programs due to family responsibilities.

At ARAUCO, we have 251 employees (representing 1.3% of the total) with disabilities, of which 207 are men and 44 are women.

New skills for the future

Goals and commitments

- ▶ Enable continuous professional development for high performance, growth and future employability, with an emphasis on responsible leadership.



At ARAUCO we seek to promote the development of people, teams and the organization. To achieve this, we implement programs and processes on a permanent basis, the objective of which is for employees to prepare to face present and future business challenges.

For this purpose, we have learning initiatives, based on internal knowledge and capabilities, in which we incorporate innovative and agile methodologies that allow us to prepare for adaptation to different realities.

At the same time, with the objective of reinforcing the commitment and rewarding the performance of those who are part of ARAUCO, we are committed to supporting interest in the search for professional development challenges within our company.

During 2023, 8,486 employees (46% of the total workforce) participated in training processes. Our programs were focused mainly on business needs, both to strengthen technical aspects and specific skills, addressing all segments. Among the topics that were worked on, safety, environment, diversity and inclusion, operational excellence and processes stand out. For these programs, a total of USD 8.1 million was allocated, which is equivalent to 0.13% of the company's total annual income from ordinary activities.

+449,183

hours of training for employees.

Advances 2023

- ▶ Development of training programs specially designed to leverage business challenges.
- ▶ Strengthening the culture of gender equality, providing key tools to promote and enhance inclusive leadership, to team leaders, executives and management across all business segments and disciplines.
- ▶ Delivery of critical knowledge for the operational areas of the pulp business on Environmental Culture, in order to establish the foundations to achieve a sustainable and environmentally responsible operation, both for internal employees and service companies.

The ARAUCO Forestry Academy in Chile was developed to establish a training strategy that would enable employees in strategic initiatives for the forestry area, such as mechanization in internal harvesting (CIMA). One of its hallmarks is the development of technological tools that facilitate learning, such as custom-made simulators. To date, more than a thousand people have been trained. Today it addresses different initiatives such as transportation, roads, forest assets, brigades, among others. In 2023, it trained 4,810 people.



Actions and measures

- ▶ In Chile, internal knowledge was captured and documented and made available to the entire area. In addition, replacement operators were trained to take over the duties of the regular operator, in case he or she is absent.
- ▶ In Chile, groups of new professionals entered a program that allows them to learn about the operation and participate in an early training process in the industry. Subsequently, they will be enabled to join a permanent position. Likewise, training was provided to tutors so that they can transfer internal knowledge.
- ▶ In the pulp business, operational excellence was strengthened, establishing a Certification Model for Operators. In this way, employees have the knowledge and skills to ensure the stability of operations.
- ▶ In the forestry business, work was done on the development of a training model that ensures quality with approved material, established guidelines and instructors prepared to measure the evolution of the students.
- ▶ Also in the forestry business, high-tech tools were provided that complement the training of employees with and without experience, optimizing the time and quality of their training. This is the case of simulators for mechanized harvesting equipment, maintenance, remote vision systems and virtual reality that allow a teaching process in controlled environments before moving on to practice in the field.
- ▶ The integration of young neighbors into the operations was carried out to train them in different teams of Air and Land Mechanized Internal Harvesting (CIMA), in Chile, generating job opportunities with high potential profiles. Also, a leveling program was developed for current maintainers and new entrants at CIMA sites.
- ▶ The first exclusive course was promoted for 19 female truck drivers, generating an initiative that breaks down paradigms and promoting gender equity in forestry activities.
- ▶ The competencies and skills of the Forest Assets Management of the forest area in Chile were strengthened and improved, implementing a Training program for Protected Productive Landscapes (PPP), with emphasis on the relational, community and effective communication component.
- ▶ Improvements were made to the training plan for forest brigades in Chile, incorporating specific courses for positions focused on leadership, decision making and situational awareness.
- ▶ An environmental training program was implemented in the forestry area, thereby leveling the areas of assets, contractors and operations in basic concepts of environmental impacts and care to be considered in operations.
- ▶ In Argentina, they promoted the strategic training focuses of each business, through personalized and updated programs that enhance the technical and professional skills of employees. The training was developed in person, virtually and through LMS, with both mandatory and optional courses.
- ▶ In Brazil, employees were trained to execute their activities satisfactorily, enabling growth opportunities.
- ▶ In Mexico, a detection of training needs was carried out at the beginning of the year, in accordance with the priorities of each area, based on the performance evaluation processes, results of the Climate Survey and strategic planning, as well as the analysis of succession plans.
- ▶ Tactical training of operations and specialists was carried out to comply with the training plans in Mexico.
- ▶ In North America, the focus of the training was safety during the onboarding process and learning to improve the skills of maintenance employees.
- ▶ Implemented an onboarding training plan for new supervisors in North America. Also, the Success Factors learning module was integrated with Qlik Sense, to allow better visualization of our training data.
- ▶ In Uruguay, the Montes del Plata Academy was launched, which seeks to generate innovative learning experiences to promote people's development. At the end of the year, the platform offered more than 700 courses, developed by 250 universities.
- ▶ The Regrowth Program continued, which seeks for employees to finish their formal education in Uruguay.
- ▶ In Uruguay, workshops on effective communication and project management were developed and the data analytics learning community was implemented.

TRAINED EMPLOYEES AS OF DECEMBER 31, 2023

	Men	Women	Total
Senior management (direction)	-	-	-
Management	132	27	159
Leadership	777	123	900
Other professionals	754	395	1,149
Other technicians	253	26	279
Operator	5,164	264	5,428
Sales force	4	-	4
Administrative	194	93	287
Assistant	255	25	280
Total	7,533	953	8,486

Includes all the company's offices and production facilities except North America.

TOTAL TRAINING HOURS BY TYPE OF POSITION, YEAR 2023

	Men	Women	Total
Senior management (direction)	-	-	-
Management	2,680	305	2,984
Leadership	14,266	2,646	16,912
Other professionals	8,285	5,459	13,743
Other technicians	16,719	1,130	17,849
Operator	322,938	15,759	338,697
Sales force	3	-	3
Administrative	5,984	2,270	8,254
Assistant	48,062	2,680	50,742
Total	418,937	30,247	449,183

Includes all the company's offices and production facilities except North America.

ANNUAL AVERAGE OF TRAINING HOURS BY GENDER AND POSITION CATEGORY, YEAR 2023

	Men	Women	Total
Senior management	-	-	-
Management	20.3	11.3	18.8
Leadership	18.4	21.5	18.8
Other professionals	11.0	13.8	12.0
Other technicians	66.1	43.4	64.0
Operator	62.5	59.7	62.4
Sales force	0.7	-	0.7
Administrative	30.8	24.4	28.8
Assistant	188.5	107.2	181.2
Total	55.6	31.7	52.9

Includes all the company's offices and production facilities except North America.

Continued employability and outplacement

At ARAUCO we have programs for Employees aimed at leveling up studies and completing pending educational stages, as well as offering scholarships that allow them to continue their professional preparation. These opportunities have had a positive impact on both the commitment and performance of those who participate in them.

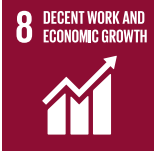
Likewise, both these and the specific training plans for those who are future successors to other positions and the implementation of learning activities where adaptation to change is addressed, are part of the transition assistance initiatives provided to facilitate continued employability and

managing the end of professional careers due to retirement or dismissal.

Specifically with respect to these latest events, it has been contemplated to have instances to guide the collaborator in the continuation of their professional development outside the company, giving them greater possibilities of placement in the labor market. This aspect is well valued, since it is designed in accordance with the scope of responsibilities that was maintained in the organization.

Finally, support for people in their job transition in restructuring processes has been considered.

Talent attraction and retention



With the aim of contributing to our strategic objectives, at ARAUCO we focus on attracting talent, implementing selection methods that allow us to identify the necessary capabilities for each role.

The axis of this objective is our Attraction and Selection Policy, which favors equal opportunities and provides a standard that promotes efficiency and equity in all hiring processes, both externally and internally, guaranteeing that vacant positions are filled with the most suitable candidates, according to the profiles and values that distinguish us.

At ARAUCO no type of discrimination is practiced that is not based on personal capacity or suitability. On the contrary, we seek to attract the greatest number of candidates and avoid arbitrary privileges within the selection process. In addition, we ensure that all incorporations and filling of vacancies follow the established procedure (internal or external).

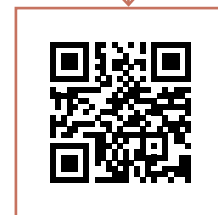
This procedure is led by a Selection Consultant from the Training and Organizational Development Management, who advises the internal client in the search for possible hires. All information collected

during this process is only used internally by the Human Resources Area, safeguarding the integrity of the data and the privacy of those who participate.

Furthermore, with the objective of promoting and reinforcing local development, the Attraction and Selection area, in coordination with the Public Affairs Management, vets regional organizations and institutions as potential sources of contract workers.

We ensure that all candidates participating in a selection process are kept informed in a timely manner through our job portal

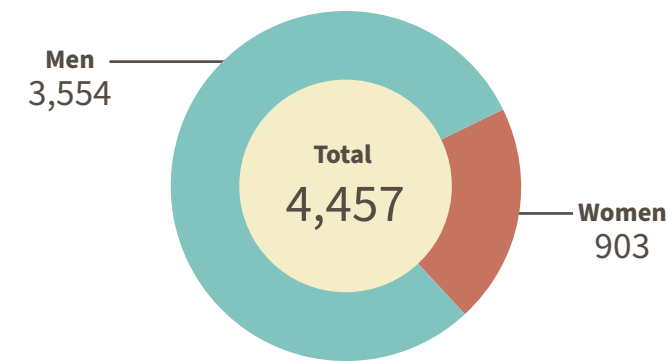
<https://jobs.arauco.com/>.



+4,400
new hires in 2023.

USD 1,147,315
allocated to head-hunters, job portals and others.

HIRING Number of new hires



Includes all the company's offices and production facilities.

Internal mobility

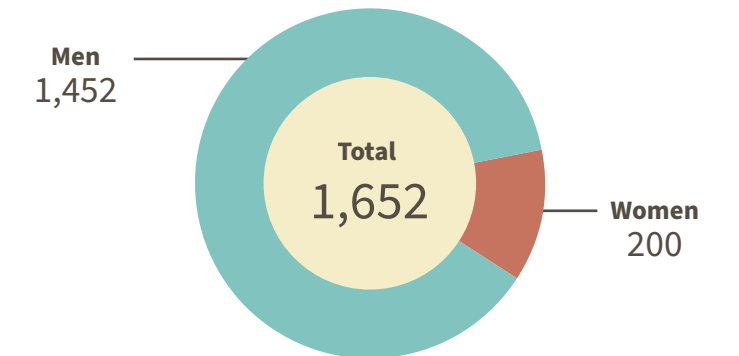
At ARAUCO we support employees' interest in pursuing their professional growth, so we encourage them to learn and develop new skills for their career. These actions reinforce commitment and reward effort and adequate performance.

To this end, we have an Internal Mobility Policy that, among its principles, supports non-discrimination and transparency, seeking to generate development opportunities for employees with equal opportunities, recognizing experience and professional skills. Likewise, it establishes the requirements that a collaborator must meet to apply for internal mobility,

which are duly disseminated internally. In this way, it has been possible to promote suitable candidates along with making the requirements compatible with the motivations of the people who comprise it.

To inform about available vacancies, we have a portal and, in countries where it is not available, publications are made through the appropriate means. During 2023, 1,652 people changed positions.

INTERNAL MOBILITY Positions covered by internal staff (promotion or horizontal movement)



Includes all the company's offices and production facilities.

Performance management

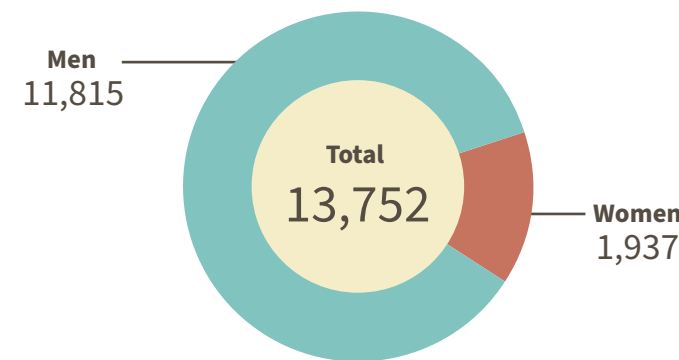
The development and growth of our employees is reflected in the performance management process. Thanks to this, we have a common view of the competencies that are key to identifying and promoting among employees in all the countries where we have operations. In addition, we were able to recognize the year’s management and address possible gaps for the future.

Both the supervisor and executive roles have a performance evaluation system, a calibration committee, and a feedback process. In this way, it is possible to know and report the competencies of each of the ARAUCO executives, the fulfillment of individual objectives and their projection for the medium and long term, incorporating the possibilities of succession.

14,219

of our employees participated in the performance evaluation in 2023.

PERFORMANCE EVALUATION YEAR 2023
Number of people evaluated



It includes all the company’s commercial offices and production facilities, except for the joint operations in Montes del Plata, Uruguay, where 331 men and 136 women were evaluated.

Advances 2023

- ▶ In order to facilitate internal mobility, training processes were focused on reinforcing the knowledge and skills for each role through the identification of career paths in certain critical areas.
- ▶ The Attraction and Selection Policy was updated with a Diversity, Equity and Inclusion approach, with the purpose of guaranteeing an inclusive and bias-free selection process.
- ▶ In Uruguay, a performance management pilot project was implemented in the forestry operational area.

Actions and measures

- ▶ In Chile, 2,758 new employees joined the company. A significant number of them correspond to the project to internalize the operation of our forests, Internal Mechanized Aerial and Terrestrial Harvesting (CIMA).
- ▶ In Mexico, a Pilot Individual Objectives for employees was applied in a Quarterly format.
- ▶ In Brazil, labor was hired for the forestry operation in Mato Grosso do Sul.
- ▶ In Uruguay, the annual competency assessment made it possible to identify and manage opportunities for growth and development.
- ▶ 4,457 employees (3,554 men and 903 women) were hired in 2023, while 3,096 men and 583 women were terminated (1,159 being voluntary terminations).

Diversity, inclusion and non-discrimination

Goals and commitments

- ▶ Recognize and promote diversity as a necessary element to generate value and well-being.
- ▶ Highlight talent and professionalism as qualities of all the people who make up our company, regardless of their condition.
- ▶ Promote the balance between work, personal and family life of our employees.
- ▶ Ensure that our actions, practices, processes, benefits and infrastructure promote equal access and participation for all people.
- ▶ Guarantee equal treatment, opportunities and working conditions, rejecting all types of discrimination based on race, color, sex, sexual orientation, gender identity, age, marital status, union, religion, political opinion, nationality or social origin, among others.



We recognize people from their individuality and diversity. We believe that each person's contribution is unique and that teams are enriched by being able to integrate different perspectives and capabilities. We consider inclusion and diversity as fundamental aspects to achieve present and future challenges.

We are committed to complying with regulations that seek to protect and guarantee the rights of people with disabilities in each of the countries where we are present and take the necessary actions to guarantee equal employment opportunities for individuals with the appropriate skills who have a specific disability.

Plan with a gender perspective

At ARAUCO we seek to include women in specific business processes and programs that establish gender parity as part of their strategy. At the same time, we have promoted a series of initiatives to attract, select and train talent in the communities that surround our operations.

Regarding female representation in the workforce, it reaches 14.7% of the total employees. Of them, 16.7% are in management positions, such as management, leadership, management and senior management. Women represent 17.1% of management positions, that is, the first level of management. Furthermore, the proportion of women in senior management positions as a percentage of total senior management positions is 7.1%, while 11.4% of management positions in income-generating functions are made up of women as a proportion of all those managers, and 23.8% of positions related to science, technology, engineering and mathematics (STEM) are occupied by women.

Regarding postnatal care, 235 people took advantage of this leave, 116 men and 119 women, with an average of 24.5 days during 2023.

On the other hand, the percentage that the gross salary of women represents with respect to the gross salary of men is on average 92.8%. The position category in which the highest percentage of equal remuneration is observed with respect to the average is administrative, with 94.8% and with respect to the median is management, with 98.7%.

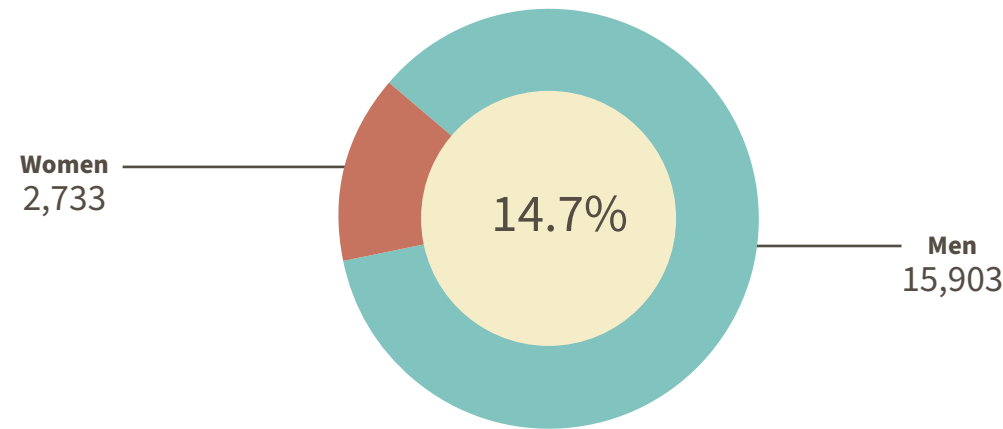
Since 2023, the calculation of the Gender Pay Gap began to be implemented, information that is essential to begin to implement changes in diversity and gender issues.

SALARY GAP* BY POSITION CATEGORY.

	% Average	% Median
Senior management	0.0%	0.0%
Management	91.1%	98.7%
Leadership	93.3%	93.7%
Operator	94.5%	94.5%
Sales force	88.6%	87.3%
Administrative	94.8%	93.3%
Assistant	94.3%	94.7%
Other professionals	94.5%	95.4%
Other technicians	74.1%	72.9%
Total	92.8%	92.1%

* Percentage of what the gross salary of women represents with respect to the gross salary of men. Includes all commercial offices and production facilities of the company, except for the joint operations in Montes del Plata, Uruguay, where the proportion is 1.05 in mill operators, 1.06 in nursery operators, 1 in professionals and technicians and 1.03 in supervision and leadership.

PROPORTION OF WOMEN IN THE TOTAL WORKFORCE (AS % OF TOTAL WORKFORCE)



NUMBER OF PEOPLE WITH DISABILITIES BY TYPE OF POSITION

	Men	Women	Total
Senior management	0	0	0
Management	1	0	1
Leadership	10	3	13
Other professionals	24	13	37
Other technicians	30	0	30
Operator	102	9	111
Sales force	0	0	0
Administrative	12	17	29
Assistant	28	2	30
Total	207	44	251

Includes all the company's offices and production facilities.

Measures regarding sexual and workplace harassment

At ARAUCO, we have a Human Rights Policy, a Diversity, Equity and Inclusion (DEI) Policy and an Internal Regulation of Hygiene and Safety. These documents highlight a declaration of principles for Respect for Fundamental Rights, ratifying our commitment to the eradication of all forms of harassment at work.

Likewise, the Internal Regulations dedicate a special chapter to the Decent Work Environment, which seeks to ensure treatment compatible with the dignity of the person, and any conduct of workplace or sexual harassment is strictly prohibited.

Additionally, together with the Chilean Safety Association (ACHS) in Chile, each of our establishments applies the Psychosocial Risks at Work Protocol, which includes within its lines of action the prevention of harassing behavior.

Advances 2023

- ▶ We launched the new Diversity, Equity and Inclusion (DEI) Policy, which highlights talent and professionalism as qualities of all the people who make up our company, regardless of their condition.
- ▶ Campaigns were implemented that show stories of successful women in the industry, in addition to ensuring that communications, at the level of images and language, were inclusive.



Plan progress with gender perspective

- ▶ To strengthen the Talent Attraction and People Selection Policy, the different stages involved in the process were thoroughly reviewed, ensuring that they contain the gender perspective. In this way, new practices have been implemented, such as encouraging a final shortlist of candidates for positions made up of women.
- ▶ Regarding work with the community, the continuous link and coordination of work with different universities and local institutes is maintained, with the objective of attracting talent and promoting Diversity, Equity and Inclusion.
- ▶ Strategic agreements were developed with organizations specialized in women's inclusion work, to have their expert technical support, enhance recruitment, and to position the ARAUCO brand as a worthy employer and mutual collaborator.

Advances in Inclusion of People with Disabilities

- ▶ The different stages involved in the process were thoroughly reviewed, ensuring that they include the inclusion of people with disabilities. New practices have been implemented, such as encouraging a final shortlist of candidates for positions made up of women.
- ▶ Strategic agreements were developed with organizations specialized in the work of inclusion of people with disabilities, to have their expert technical support, enhance recruitment, and to position the brand as a worthy employer and mutual collaborator.

Actions and Measures

- ▶ In the hiring processes, during the review of a position profile, the possibility of incorporating into the process candidates who meet the criteria of the Inclusion Policy, in all areas and countries where it operates, is evaluated together with the respective management.
- ▶ The Diversity, Equity and Inclusion Policy was presented in all company operations.
- ▶ Establishment of specific governance that allows promoting, maintaining and ensuring diversity, equity and inclusion in the company.
- ▶ Creation of the pilot structure of the Diversity, Equity and Inclusion Committee, made up of employees who, from their personal initiative and inspiration from the topic, have been generating actions in line with the established policy and plans.
- ▶ Training program on Diversity, Equity and Inclusion issues, for People teams, with the aim of consolidating the inclusive perspective in all processes and subsystems related to their work.
- ▶ Design of data dashboards to manage Diversity, Equity and Inclusion in all company units.
- ▶ Deployment of different communication actions aimed at delivering information and generating awareness regarding the relevance and adherence to Diversity, Equity and Inclusion.



Actions Plan with gender perspective

- ▶ Creation of training modules on Gender Equality issues, with the aim of raising awareness, for example, about unconscious biases, language, inclusive treatment and skills to lead Diversity, Equity and Inclusion.
- ▶ Appointment of executive sponsors for Gender Equality, whose mission is to give visibility and concreteness to these issues.
- ▶ Active participation in the different initiatives proposed by the Chilean Wood Corporation (CORMA) in Chile, where work has also been done on the design of an instrument to analyze remuneration gaps.
- ▶ In Argentina, training on Gender Equality was carried out with the participation of 177 people in the supervisory role.
- ▶ In Uruguay, at the end of 2021, the Federica Law was approved, which establishes new provisions regarding paternity and maternity leave in the case of premature, multiple or complicated births. In these cases, the periods established for both parents can be extended.
- ▶ The planning and creation of the first lactation room at the Durango board mill, in Mexico, began.

Actions for Inclusion of People with Disabilities

- ▶ Creation of training modules on Disability issues.
- ▶ Appointment of executive sponsors for People with Disabilities, whose mission is to give visibility and concreteness to these issues.
- ▶ Development of diagnostic captures of the experience of our employees who are people with disabilities and a general Inclusion Survey to know the perception about the different initiatives carried out.
- ▶ At ARAUCO 1.3% of our employees are people with disabilities.
- ▶ In 2021, the labor inclusion program for people with disabilities began in Uruguay. Until 2023, eight employees have started working in Montes del Plata for this initiative. During the year, teamwork and follow-up activities are carried out with the areas involved.
- ▶ In Uruguay, an awareness module on disability and inclusion in the workplace was incorporated into the induction process and courses on ethics and sexual harassment prevention were developed.



Actions regarding sexual and workplace harassment

- ▶ All company employees worldwide are given the Code of Ethics, which establishes a special rejection of arbitrary harassment and discrimination.
- ▶ We worked together with a specialist consultant, who reviewed and validated the processes, and a diagnosis was made regarding discrimination and harassment.
- ▶ ARAUCO has a complaints channel, managed by an independent third party, that is available for all countries on the website www.arauco.com and on the corporate Intranet. In addition, there is the possibility of making complaints, guaranteeing the anonymity of the complainant and the confidentiality of the complaint for whoever wishes to do so.
- ▶ In Chile, all employees are given the Internal Hygiene and Safety Regulations that ratify ARAUCO's commitment to the eradication of all forms of harassment at work. Likewise, the Internal Regulations protect the dignity of the human person and establish the prohibition of all forms of workplace and sexual harassment.
- ▶ 16 people who can carry out investigations in cases of complaints of workplace harassment or sexual harassment at work, in Chile, who were trained with a consultant. In this instance, the guiding and guiding principles of said procedures, the legal basis and also the best practices were reviewed.
- ▶ Training 77 people on the investigation procedure for harassment complaints in Chile.
- ▶ A virtual training on Fundamental Rights at work was carried out in the forestry business in Chile, where more than 200 employees participated. In addition, the training process "Strengthening the culture of Gender Equality" was successfully completed by 486 people, while the course on Fundamental Rights was successfully completed by 118.
- ▶ A campaign was carried out to promote the 0-800 complaint line in Argentina and training on the executive and supervisory role in diversity and gender policies.
- ▶ In Mexico, training was completed for all employees on sexual and workplace harassment, which had begun in 2022.
- ▶ North America has a policy that prohibits harassment or offensive conduct in any form, including harassment or offensive conduct directed toward the protected status of a team member, customer, supplier, contractor, or their family, friends or associates. "Protected status" includes race, color, religion, sex, sexual orientation, gender identity, national origin, veteran status, age, disability, and any other protected status by law. This policy also prohibits harassment or offensive conduct directed towards any team member by clients, suppliers or contractors, as well as their family, friends or associates.
- ▶ 1,384 people were trained on sexual and workplace harassment issues. Topics such as what harassment is and what behaviors are unacceptable in the workplace, as well as how to report, were included in the training plan.

Work environment and well-being

“One ARAUCO” is the culture we promote. To achieve this objective, we seek open and timely communication that allows us to develop an organization aligned and committed to new challenges, highlighting the results of work in expanded meetings promoted by mill leaders and managers, and continuous improvement sessions.

The work of leaders in this aspect is fundamental, so we motivate them to get involved with their teams, transmitting our organizational culture. This is how our values, processes and strategy are present in each action, which are also permanently remembered through our internal communication channels, such as the corporate Intranet, Voces ARAUCO, emails, screens and bulletin boards.



Organizational climate

Knowing the opinion of the people who make up our organization is key to identifying opportunities for improvement and to strengthen the relationships with our work environment, managers and colleagues. To this end, we measure the Organizational Climate through ACTIVE VOICE, where each year employees can express their feelings regarding the company, its teams and the quality of leadership.

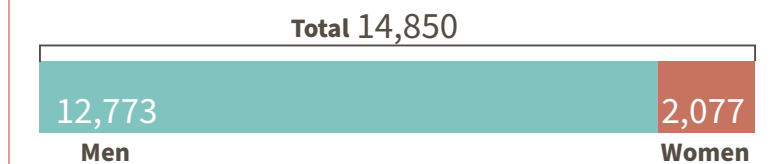
This measurement is based on agility, experience and relevance for teams and leaders. It is applied in Argentina, Brazil, Chile, Mexico, North America and in the different commercial offices simultaneously. The strategy that guides its implementation is focused on strengthening and managing teams. To comply with this, leaders are prepared with e-learning material and support for the communication and analysis of results, and, in addition, they are supported in the management of improvement actions together with the People area. These can be, for example, individual meetings or coaching sessions for the area manager.

Also, they are provided with a broader analysis of the performance, safety and other variables underlying the teams, since a comprehensive view is key to ensuring a relevant approach.

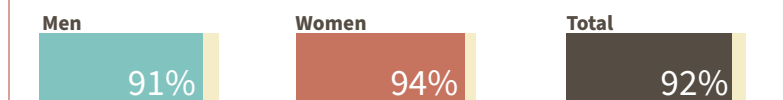
In Uruguay, six years ago, we implemented a formal mechanism for evaluating the work environment and based on this process, we work to resolve potential gaps. SUMÁ is the organizational climate survey that allows the subsequent design of communication programs to the areas and the development of workshops to promote improvements.

ORGANIZATIONAL CLIMATE SURVEY

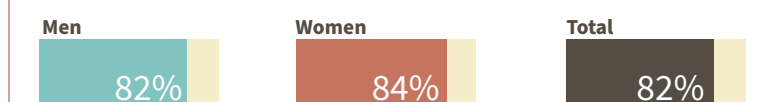
Number of responses



% Of employees who answered the survey



% Engagement and/or Favorability



It includes all the company's offices and production facilities, except for the joint operations in Montes del Plata, Uruguay, where another climate survey was applied in 2023, the favorability of which was 85%, being answered by 404 men and 174 women.

Remunerations and Benefits

Considering compliance with the principles of internal equity and external competitiveness, at ARAUCO we guarantee fair and competitive remuneration worldwide, placing special emphasis on non-discrimination in the determination of salaries. This commitment is reflected in our Code of Ethics and is detailed in the various policies and regulations. The company values the crucial role that fair wages and decent work play in promoting respect for human rights and combating social inequality.

The compensation system is designed to encourage employees to achieve long-term goals and reward outstanding performance. Such remuneration encompasses both material elements (such as base salary, benefits and incentives) and intangible elements (including a safe work environment, purposeful work and opportunities for leadership development), ensuring that these are not influenced by factors such as gender, age or ethnic origin of the collaborator.

Definition of fair wage

The minimum wage, which ARAUCO complies with in each country in which it operates, is a legal requirement. On the other hand, at ARAUCO we have a base salary standard that far exceeds the legal minimum according to the conditions of each of the countries where we operate, which is defined as the compensation that a collaborator receives for their standard work, appropriate for a period and certain place.

The company implements a global process to annually review the base salaries of its employees, comparing them to local fair wage standards and making necessary adjustments. To deepen our understanding of fair pay, we consult with an independent third party, which provides objective, external benchmark data for each of the countries where we operate. Additionally, depending on the context of each country, adjustment for inflation is carried out at least once a year.

Benefits and collective agreements

With the aim of permanently improving the well-being of employees, benefit plans are prepared and updated, according to the area and the country. This is how at ARAUCO all the people on our teams receive: health, catastrophic and life insurance; leisure benefits; power in practically all facilities; shuttle buses, available at industrial mills that are far from urban centers; and loans, among others. Additionally, depending on the context of each country, a compensation adjustment for inflation is made at least once a year.

Additionally, in Chile, we have a Housing Plan whose purpose is to provide an amount of money to support the financing of the acquisition of a first home or the repair of one's own. Annually, 5% of the staff receives this benefit.

At a global level, at ARAUCO we maintain scholarship programs for employees and their children, and different contests that generate links with the teams.

On the other hand, unlike what happens in other areas where ARAUCO is present, in the United States discounts for health and pension are considered benefits and depend on the agreement that each company has with an entity. The company offers employees the following alternatives: medical and dental coverage, 75% financed by ARAUCO; two medical plans: PPO Plan and High Deductible Plan; Short Term Disability insurance (insurance against short absences, like medical leave); Basic Life Insurance; 401K (investment pension fund). In addition, there is the Long-Term Incentive Program, which is offered mainly to executives.

Likewise, all our unionized employees are covered by collective agreements that are negotiated according to the context of each country. In the case of Brazil, the agreements cover 100% of people regardless of whether they are part of a union.

Occupational health and safety

Safety

At ARAUCO, safety is the first value.

Our corporate management model “Together for a better life”, implemented in all the countries in which we operate, considers this, based on three guiding principles: Empowered Employees, Safe Teams and Work Well Done. Seeking for the teams to assume a leading role in caring for their safety, we have also established four commitments and 16 work areas that organize daily activities.

With the purpose of becoming a world-class company in safety, we work every day consolidating this model, thanks to which we manage to improve the indicators compared to previous years.

Unfortunately, there was a fatal accident involving an employee of a contracting company in the pulp business. This is Mr. Mario Cancino Azócar (R.I.P.), who worked as a truck tractor operator for the contracting company Transportes Fernández SPA, which provides services in Chile.

SAFETY INDICATORS

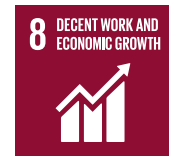
	2021*	2022*	2023**
Accident rate	0.79	0.58	0.53
Fatality rate	7.43	1.93	2.38
Rate of occupational diseases	0.07	0.07	0.06
Average days lost per accident	37.70	47.57	37.14

*Does not include Montes del Plata in Uruguay.

** Includes all the company's offices and production facilities.

Goals and commitments

- ▶ Be a World Class company in safety indicators.
- ▶ Our objectives will always revolve around protecting people's lives and health, specifically not having serious or fatal accidents, with permanent disability or occupational illnesses.
- ▶ The challenge is to achieve effective management on the ground that allows us to avoid unwanted incidents and consolidate our safety culture at all levels.



During 2023, an accident rate of 0.53 was recorded, 11% lower when comparing this indicator with 2022.

These agreements deal with working conditions, ensuring a fair and equitable work environment. Likewise, they stipulate aspects such as base salary, bonuses, payment of overtime, allowances and bonuses for various festivities and moments in the employee's life (birth, marriage, etc.).

Likewise, collective agreements cover subsidies for medical leave, allowances for mobilization and heating, details on how benefits are adjusted and the conditions required to extend them.

In this way, at ARAUCO we seek to go beyond meeting expectations for salary and working conditions, providing comprehensive support to our employees, which considers the different situations and needs they face throughout their work and personal lives.



Main practices

The “Together for a Better Life” model considers the development of complementary practices to drive cultural change. We seek to correct behaviors through new learning, promoting the role of team leaders.

To this end, we have focused on guiding the teams to adequately identify risks and define effective barriers to prevent accidents, prior to the start of their activities. Also, we focus on paying attention to high-potential incidents by investigating and learning.

At the same time, we continue to strengthen the practices that have been proven to give results: Safe Team, ABC corporate practices, 123, the 5 Key Rules and the continuous work of complying with our corporate standards.

The Cultural Change Committees oversee managing the work points that are relevant to the problems specific to each locality. In this area, they have progressively included more service companies, due to their relevant role in meeting our safety goals.

In that sense, the influencing role of the leaders of each zone has been key to timely managing the issues of concern raised by the safe teams.

ABC PRACTICE: in application since 2019. The objective is to create the habit of identifying potentially unsafe behaviors or conditions that are precursors to High Potential Incidents (HI). Employees are evaluated every day with a letter A, B or C according to the actions they took to correct the behaviors or conditions detected in the shift or activity.

PRACTICE 123: created in 2019, in order to learn from past incidents. It consists of three steps that are activated when a high-potential incident occurs: Step 1: Investigation of the incident to determine root causes. Step 2: Communicate root causes and control measures to peer areas of other mills or forest units. Step 3: Communicate the learning to employees using the “Learning Sheet”.

VISIBLE LEADERSHIP: practices to strengthen the role of pulp and wood business leaders. In Woods, during 2023, visible leadership practices were standardized and a global practice called Cascading was implemented. At the same time, in pulp, the Safe Align program has been implemented since 2018, which provides tools to anyone who is a leader of a work team or who has influence on the management of the team.

Occupational health

At ARAUCO, we promote the health of our employees and prevent the occurrence of occupational diseases. With this objective, we implement two key stages in Occupational Health in all facilities: environmental surveillance, which consists of the identification, evaluation and control of the risks to which employees may be exposed; and, on the other hand, medical surveillance, whose purpose is to prevent or detect a disease in the subclinical or pre-symptomatic phase, in order to take appropriate measures to reverse its effects or delay its progress.

Thus, employees with a certain level of risk are medically evaluated to determine if their health is suitable to perform safely and are then monitored periodically. To facilitate access to medical care, there are first aid rooms (SPA) or polyclinics in all ARAUCO facilities. These are cared for by properly trained health personnel, such as nurses, nursing technicians and doctors.

Preventive programs

Regarding prevention, we carry out various initiatives focused on health care such as, for example, the Hearing Conservation Program, Respiratory Protection Program, rehydration program in industrial and forestry units and Ergonomics Program. Through these, employees are routinely trained regarding the risks to which they are exposed and the appropriate use of personal protective equipment. Likewise, ARAUCO has general health insurance for its employees and vaccination campaigns, as defined by the health authority and in accordance with the conditions of each country.

Likewise, employees who, due to their work, must use personal protection elements are routinely trained in their correct use.

Stake

Our employees have various bodies to discuss concerns and present opportunities for improvement regarding the management of Occupational Health and Safety, such as the Joint Hygiene and Safety Committees in Chile; Cultural change committees; Unions; and directly with their respective secure team leader or direct management.

In the case of Chile, the functions of the Joint Hygiene and Safety Committees are established in Supreme Decree No. 54 of the Ministry of Labor and Social Welfare and consist of: collaborating in the prevention of accidents and occupational diseases; installing a preventive culture, so that industrial facilities and forestry areas are even safer workplaces; and ensuring, together with employees and the employer, protection of the safety and health of those who work in the company.

The Joint Committees are made up of three representatives of the company and three representatives of the employees, elected by vote, who meet once a month. They have a president who leads and ensures that legal requirements, such as mutual insurance certifications, are met and that there is an active role on site. Likewise, this leader is an ally in the process of cultural change in safety and enhances adherence to the practices and standards defined by ARAUCO.

Additionally, the committees collaborate in the prevention of accidents and occupational diseases. In addition, they play a key role in installing a preventive culture that allows industrial facilities and forestry areas to be safer workplaces.

JOINT HYGIENE AND SAFETY COMMITTEES

	CPHS number	% representation
Chile	37	100%
Argentina	3	100%
Brazil	10	100%
Mexico	4	100%
North America	9	100%
Uruguay	8	100%

Advances 2023

- ▶ Work continued, consolidating a safety culture through initiatives that enhance the areas of the Occupational Health and Safety management model.
- ▶ Safe teams strengthened their active participation through ABC practice. Additionally, cultural change committees were activated with the objective of ensuring the sustainability of the “Together for a better life” model.
- ▶ We worked with all members of the secure teams so that they feel autonomy and purpose as main actors in their safety management. In this way, the objective is that together with the leaders, they participate and develop all the initiatives or actions defined to continuously improve safety performance, with excellent recognition of all areas.
- ▶ Development of a program to evaluate knowledge of safety standards for PGP Contractors, designing and applying evaluation tools for preventionists of contracting companies. Thanks to this, possible gaps have been identified and management carried out to improve performance over time.
- ▶ At a global level, we managed to reduce the number of accidents versus 2022 and the forestry business reached the “superior” level.



Actions and Measures

- ▶ A campaign was developed to highlight those practices that promote safe work in the field. This made it possible to compile good practices in the three businesses and six countries, ending in a global awards meeting.
- ▶ Permanent work was developed to ensure the implementation of controls defined in ARAUCO standards.
- ▶ In order to prevent the occurrence of workplace accidents, ARAUCO has defined clear standards for higher risk activities, involvement of leaders to facilitate and guide towards safe work, learning from what happens to us, investigating our high potential incidents. and defining control measures to avoid its repetition. In addition, we continued to work continuously on our safety culture, promoting habits that reflect what we seek.
- ▶ 14 ARAUCO facilities went more than a year without recording accidents.
- ▶ Considering Severity and Frequency Index, 14 facilities are meeting the standard that we have proposed to be World Class.
- ▶ 9,018 employees of ARAUCO and service companies were trained on Occupational Safety and Health with 10,887 total hours of training, where the main topics covered were Corporate Operational Standards, Safety Model “Together for a Better Life”, Key Rules, Precursors of IAP, Risk Management, PPE, Preventive Tools, Evacuation Plan and Main Hazards and Control Measures.
- ▶ Key Rules: at ARAUCO, we have defined five key rules that represent essential behaviors to avoid the occurrence of incidents, these are (each one with its respective content, which in all cases is simple, clear and succinct):
 - ▶ Climb Safe
 - ▶ Located Safe
 - ▶ Enter Safe
 - ▶ Intervene Safe
 - ▶ Operate Safe
- ▶ Work teams make up “safe teams”, that is, groups of employees who take care of each other to avoid accidents and who meet every day to define actions associated with personal and mutual care.
- ▶ In Chile, with the aim of promoting habits that promote a healthy lifestyle and warning about the effects of alcohol and drug consumption, a testing process associated with the consumption of these substances began in all the company’s facilities. , carrying out around 4,000 tests during the year.
- ▶ Vaccination campaigns were carried out.
- ▶ Carrying out periodic examinations of risk agents and activities.
- ▶ Improvement of structures and medical implements in the Medical Service area.
- ▶ In Chile, the forestry business continued with the implementation of management dashboards that integrate planning, production goals and safety with a format that encourages active communication between those who carry out activities in the field. This tool was built by our Safe Teams and favorable adoption has been achieved.
- ▶ Continuity of implementation of the new psychosocial risk protocol in Chile.
- ▶ In Argentina, employees use the medical service as a primary health care center: nutritional controls, weight, height, BMI, glucose-test, blood pressure, etc, are carried out. Likewise, support is provided through psychiatric and psychological evaluations to those who need them. Open classes are given on cardiopulmonary resuscitation, first aid, triage and multiple victims, healthy living, parvovirus with emphasis on dengue, sexually transmitted diseases, alcohol and drug use.
- ▶ Consolidation of health programs and implementation of the mental health program in all ARAUCO forestry and industrial units in Brazil.
- ▶ In Mexico, the implementation of the “Together for a better life” model was consolidated in the Safe Team dashboards at the Química and CAF Durango mills, with the training of 100% integration of Safe Teams and a percentage of 80% was achieved in the training of all middle management, leadership and management in ARAUCO safety standards.
- ▶ Equipped ambulances of the 2023 model were acquired for the management of medical emergencies in Mexico.

Actions and Measures

- ▶ The ISO 45001 Audits of Montes del Plata, in Uruguay, were unified and World Class (IF) accident rates were achieved with our own personnel and contractors. Additionally, the occupational health and safety management system continues to be improved with ISRS™ (International Sustainability Rating System), a methodology that promotes excellence in safety management.
- ▶ The health and medical surveillance program of Montes del Plata, in Uruguay, is aimed at all personnel and incorporates preventive or corrective plans according to the specific risks of forestry, industrial and logistical activities. As part of the program, quarterly follow-ups are carried out by doctors and technicians specializing in occupational health and ergonomics.



Collaborative relationship



At ARAUCO, we respect freedom of association in all the countries where we carry out our operations. As part of our relationship plan, we communicate directly with each union, holding periodic meetings with the directors.

On the other hand, negotiations have different specifications in each country due to the particularities of each region, such as adaptation to inflation, scheduled meetings, or current regional labor legislation. This is how the differences and socioeconomic reality are considered.

In Argentina, the pulp mill annually negotiates salary updates due to inflation. Likewise, issues of the collective framework are reviewed. In the rest of the mills, collective negotiations are carried out at the Chamber level with the indirect participation of ARAUCO.

Regarding the relationship with unions in Brazil, all negotiations take place in scheduled meetings. Meanwhile, in Mexico the negotiations are carried out in accordance with current labor legislation, respecting the autonomy of its processes and participation

by those involved with the intervention of the organization. Finally, in Uruguay we have teams dedicated to relations with union associations, which promote ongoing and transparent dialogue.

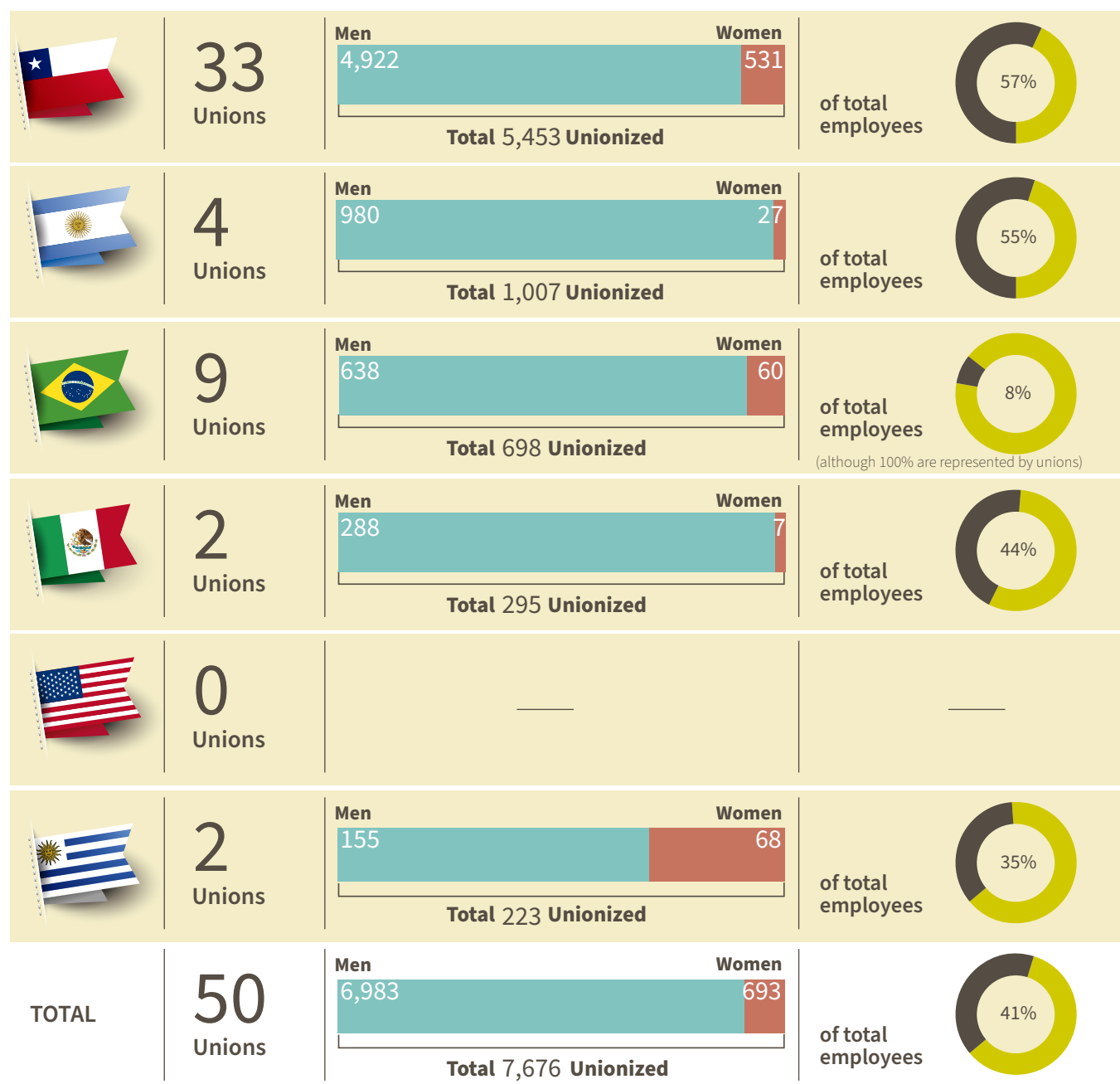
Likewise, at the country level, our employees are represented by the SOIMA (Union of Workers of the Wood and Related Industries) and by the FOPCU (Federation of Workers, Paper workers and Cartoneros of Uruguay).

Approximately 57% of our employees in Chile, 55% of our employees in Argentina, 8% of our employees in Brazil (although 100% are represented by unions), 44% of our employees in Mexico, none of our employees in the United States or Canada and 35% of our employees in Uruguay were unionized as of December 31, 2023.

Most of the collective negotiations carried out culminated successfully, with the subscription or renewal of the collective instruments. In Chile there was a strike that lasted two days with two unions at the Viñales Complex.

Unionization

NUMBER OF UNIONIZED EMPLOYEES BY GENDER AND COUNTRY



Includes all the company's offices and production facilities.

UNIONS BY COUNTRY

CHILE	ARGENTINA	BRAZIL	MÉXICO
<ul style="list-style-type: none"> ▶ As. Cholguán Union ▶ As. El Colorado Union ▶ Ace Union. El Cruce ▶ Union As. Nueva Aldea ▶ Constitution Union ▶ GB Union ▶ HB Union ▶ Horcones Union I ▶ Horcones II Union ▶ Licancel Union ▶ Los Mallines Horcones Union ▶ MAPA Union ▶ MDF Union ▶ MTSA Union ▶ Union No. 1 As. Valdivia ▶ Union No. 1 As. Viñales ▶ Union No. 1 Rema Viñales ▶ Union No. 2 As. Valdivia ▶ Union No. 2 Rema Viñales ▶ New Village Union ▶ Mill Bioenergy Union ▶ Rema Cholguán Union ▶ Rema Union. Valdivia ▶ Teno Union ▶ Arauco Tertiary Union ▶ Nueva Aldea Terciados Union ▶ Valdivia Union ▶ Rema Cholguán Beam Union ▶ Quivolgo Nursery Company Union ▶ Forest Consulting Union n-2 ▶ Forestry services company union El Lingue Ltda ▶ Sotrosur Ltda company union. ▶ Establishment union of the company Forestal Arauco S.A. #1 	<ul style="list-style-type: none"> ▶ USIMRA - Union of Unions of the Wood Industry of the Argentine Republic ▶ SOEP - Union of Paper Workers and Employees ▶ San Lorenzo Chemical and Petrochemical Industries Staff Union ▶ UATRE - Argentine Union of Rural Employees and Stevedores 	<ul style="list-style-type: none"> ▶ Union Of Marc e Trbs Indus Ser Mov Mad Mov Junco Est PR ▶ Civil Construction and Furniture Workers Union ▶ Union of Workers in the Madeireiras, Moveleiras e Similares de Jaguaríaiva PR ▶ Sind dos Of. Marc. E Job. Nas Ins. Serr. Mov. Comp. The m. SJP ▶ Union of Workers in the Chemical and Pharmaceutical Industries of the State of Paraná ▶ Union of Woodworkers and Workers of Sawmills and Movements of Madeira of Ponta Grossa ▶ Trade Union of Workers in the Extractive Industries of Madeira of the State of Paraná ▶ Union of Rural Workers of Aparecida do Taboado/MS ▶ Union of Workers in the Paper, Papelão , Pulp, Wood Pulp for Paper, Papelão and Paper Artifacts, Toilet Paper, Cortiça and Paper Transformation Industries of Curitiba and the State of Paraná 	<ul style="list-style-type: none"> ▶ Industrial Union of Employees at the Service of the Guadiana Industrial Group Jose Ma. Pino Suárez ▶ National Union of the Chemical, Pharmaceutical, Plastic and Similar Products CTM Industry

Contractors

2,482 contracting companies that employ 43,449 employees, 39,666 men and 3,783 women, provide services to ARAUCO. Their activities focus on maintenance and a series of other specialized services.

Depending on the type of company and area, different procedures are carried out, always complying with internal policies and procedures, in accordance with the service they provide, the conditions, level of experience, preparation, risk and knowledge. In all our operations, in general, these consist of monthly monitoring with various performance indicators at the level of service, debt and labor compliance.

In the different countries where we operate, we have systems, manuals and procedures that help us control and manage the relationship with our contractor companies, in accordance with current legislation.

At ARAUCO we expect companies to meet appropriate safety standards, be highly qualified and productive, and have the best labor practices with their employees. For this purpose, we held an Induction Course, training regarding our Code of Ethics and other compliance policies, as well as the whistleblowing channel and our corporate standards in hygiene and safety.



CORPORATE LEADERSHIP

6



Corporate governance

Goals and commitments

- ▶ Maintain 100% direct collaborators to whom the Code of Ethics applies.
- ▶ Maintain 80% of purchases from SMEs in Chile in the five regions where we have an industrial and forestry presence and expand the Juega Local program to the other countries where ARAUCO has a presence.
- ▶ Maintain more than 90% certified provisioned wood.

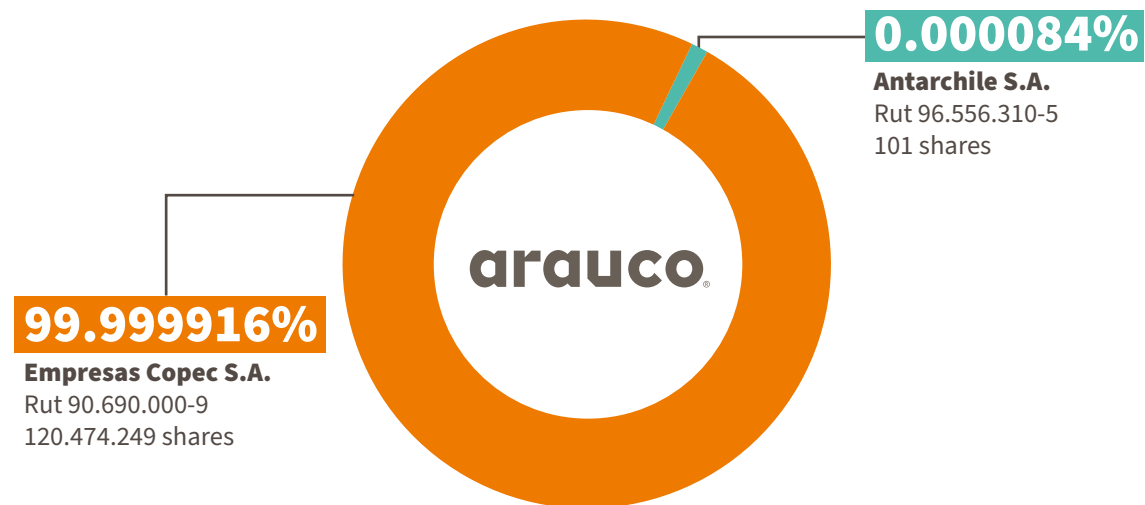
At ARAUCO, we take charge of our role as a global company, integrating sustainability into the agenda and objectives of our business. To achieve this, the leadership of our Corporate Governance is key, which has ethics and long-term commitment to the environment and stakeholders as its axis.

We are a closed corporation subject to supervision by the CMF for having issued publicly offered securities, of those indicated in Law No. 18,045.

Our beginnings date back to October 28, 1970, and our existence was authorized on August 18, 1971, by Resolution No. 300-S of the Superintendency of the time.

In September 1979, following the merger of the companies Celulosa Arauco S.A. and Celulosa Constitución S.A. –both created by the Production Promotion Corporation (CORFO)–, Sociedad Celulosa Arauco y Constitución S.A. was born, the company name by which ARAUCO is known.

Currently, 99.99% of the property is owned by Empresas Copec S.A., a holding company whose main interests are in the forestry, energy, fuel distribution, fishing and mining sectors.



The Board of Directors of Celulosa Arauco y Constitución S.A., as of December 31, 2023, was composed of the following directors:

President

Manuel Bezanilla Urrutia

Lawyer | RUT N° 4,775,030-K

Appointed director on April 30, 1986. | **Last re-election:** April 25, 2023.

Appointed President on May 23, 2023.

First Vice President

Roberto Angelini Rossi

Civil engineer | RUT N° 5,625,652-0

Appointed director on April 30, 1986. | **Last re-election:** April 25, 2023.

Appointed First Vice President on May 23, 2023.

Second Vice President

Jorge Andueza Fouque

Civil engineer | RUT N° 5,038,906-5

Appointed director on April 11, 1994. | **Last re-election:** April 25, 2023.

Appointed Second Vice President on May 23, 2023.

Directors

Jorge Bunster Betteley

Commercial Engineer | RUT N° 6,066,143-K

Appointed director on April 25, 2017.

Last re-election: April 25, 2023.

Alberto Etchegaray Aubry

Civil engineer | RUT N° 5,163,821-2

Appointed director on April 11, 1994.

Last re-election: April 25, 2023.

Juan Ignacio Langlois Margozzini

Lawyer | RUT N° 7,515,463-1

Appointed director on April 26, 2016.

Last re-election: April 25, 2023.

Franco Mellafe Angelini

Commercial Engineer | RUT No. 13,049,156-1

Appointed director on April 21, 2015.

Last re-election: April 25, 2023.

Eduardo Navarro Beltran

Commercial Engineer | RUT N° 10,365,719-9

Appointed director on September 25, 2007.

Last re-election: April 25, 2023.

Timothy C. Purcell

Economist | RUT N° 14,577,313-K

Appointed director on April 26, 2005.

Last re-election: April 25, 2023.

Directory

The mission of the Board of Directors is to maximize the value of the company, in a socially, environmentally and economically responsible manner.

Its composition is nine directors, whose term in office is three years, re-electable, without holding executive positions.

Its ordinary sessions occur on pre-established dates, generally being scheduled for 11 a year. In order to have the commitment of all members to attend, these appointments are scheduled in January for the entire period. Additionally, and frequently, extraordinary sessions are held, when necessary.

Regarding the topics to be discussed, in order for those invited to be informed about them, the background information is sent to them on a monthly basis. On the other hand, directors have permanent access to the Diligent Boards web platform, which allows them to access information of interest securely and remotely.

During 2023, the ordinary and extraordinary sessions had an average duration of two hours of face-to-face dedication, which were dedicated to the discussion of key aspects of the company's administration

and the state of ARAUCO's businesses. These meetings included the participation of the Executive Vice President, the General Manager and the Legal Director, who acts as Secretary of the Board of Directors.

Thanks to their professional diversity, the members of the Board of Directors are capable of addressing the various challenges that the company faces from legal, technical, economic, social and management angles.

Regarding the provisions of the third paragraph of article 74 of Law No. 18,046, it is noted that: (i) during the year 2023 there were no comments or proposals related to the progress of corporate business made by shareholders, and (ii) The Company is not required to have a committee of directors in the terms indicated by article 50 bis of Law No. 18,046. However, it has committees made up of directors, in accordance with its corporate governance.

Directors' performance

ARAUCO shareholders are responsible for evaluating the performance of the directors, through the elections that take place at the Shareholders' Meeting. In this same sense, the Board of Directors is evaluated on its performance.

Field visits

The General Manager and the main executives of ARAUCO, as members of the Higher Administration designated by the Board of Directors, are responsible for frequently making visits to the company's different facilities. In this way, they are informed about the status and operation of the units; the main functions and concerns of the collaborators; and the recommendations and improvements that, in the opinion of those responsible, would be pertinent to make.

New directors

At ARAUCO we have procedures for the induction of new members of the Board of Directors, which consist of informing them about the business carried out by the company, its industrial facilities and corporate governance mechanisms, among others. During 2023, no new members were added to the Board of Directors.

Diversity in the Board	N°	Gender Male	Gender Female
Full or alternate directors			
Holders	9	9	0
Alternates	0	0	0
Nationality			
Chilean	8	8	0
Foreign	1	1	0
Age range			
Under 30 years	0	0	0
Between 30 and 40 years	0	0	0
Between 41 and 50 years	1	1	0
Between 51 and 60 years	2	2	0
Between 61 and 70 years	2	2	0
Over 70 years	4	4	0
Length of Service in Position			
Less than 3 years	0	0	0
Between 3 and 6 years	1	1	0
Between 6 and 9 years	2	2	0
Between 9 and 12 years	0	0	0
More than 12 years	6	6	0

Board Committees

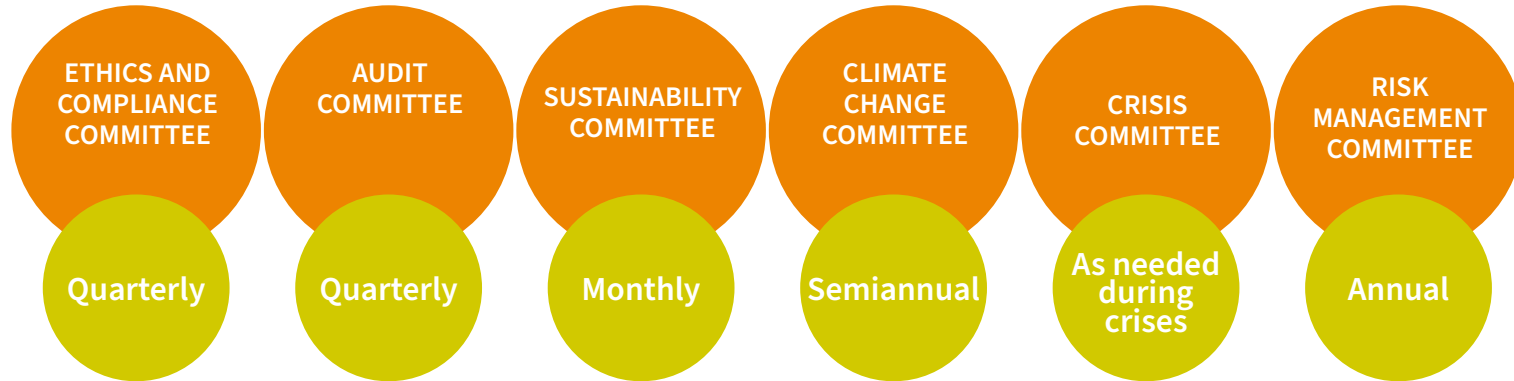
There are two committees with the participation of members of the Board of Directors: the Audit Committee and the Ethics and Compliance Committee.

In addition, at ARAUCO there are four internal committees: the Sustainability Committee, the Climate Change Committee, the Crisis

Committee and the Risk Management Committee, led by members of senior management; the General Manager is in charge of reporting on these matters to the Board of Directors.

Committee members do not have additional income for the work they perform.

THE FREQUENCY WITH WHICH TOPICS ARE DISCUSSED WITH THE BOARD



Audit Committee

The Audit Committee is responsible for examining the balance sheet and other financial statements presented by the administrators or liquidators of the company to the shareholders and making a ruling regarding them prior to their presentation by the Board of Directors to the shareholders for approval in the Shareholders' Meeting in April of each year.

Likewise, he is responsible for knowing and analyzing the annual Audit plans, covering Celulosa Arauco y Constitución S.A. and its national and foreign subsidiaries, as well as their progress and any rescheduling that may arise during the year.

On the other hand, it is their duty to know, analyze and monitor the cases audited by the Internal Audit Management that have a High Risk category, as well as to know the impact and applicability of tax and accounting standards that significantly affect society, and Suggest improvements for adequate internal control.

The committee meets four times a year where the Financial Statements accumulated for the corresponding quarter are reviewed and approved, including transactions or operations between related parties and Internal Audit aspects. Its members are Jorge Andueza, Second Vice President of the Board of Directors; Timothy Purcell, Director; Eduardo Navarro, Director; Matías Domeyko, Executive Vice President; Cristián Infante, General Manager; and Felipe Guzmán, Legal Director, who acts as secretary of the committee. The Internal Audit Manager and the Corporate Finance Manager participate in these meetings. After each Committee session, the topics discussed are reported to the board of directors.

Ethics and Compliance Committee

The Ethics and Compliance Committee is responsible for supervising and monitoring compliance with ethical, legal, and regulatory standards, ensuring that robust and appropriate processes and systems are maintained to achieve this goal. Its members are Manuel Bezanilla, President of the Board of Directors; Jorge Andueza, Second Vice President of the Board of Directors; Matías Domeyko, Executive Vice President; Cristián Infante, General Manager; and Felipe Guzmán, Legal Director. The person in charge of its operation is the Legal and Compliance Manager, Camilo Naranjo, who also reports semiannually on his activity to the Board of Directors.

During 2023, the Ethics and Compliance Committee evaluated and resolved complaints, supervised the execution of the Compliance programs, the measures to address the new economic crimes law and the corresponding update of the Crime Prevention Model.

Sustainability Committee

The Sustainability Committee is responsible for ensuring the economic, social and environmental management of the company in the long term. Its meetings are monthly and it is made up of senior management: Matías Domeyko, Executive Vice President; Cristián Infante, General Manager; Iván Chamorro, Vice President of Forestry and Pulp; Pablo Franzini, Vice President of the Wood Business; Gonzalo Zegers, International Vice President and New Business; Gianfranco Truffello, Corporate Finance Manager; Charles Kimber, Corporate People and Sustainability Manager; and Felipe Guzmán, Legal Director.

Climate Change Committee

The Climate Change Committee is an interdisciplinary body at the Administration level that coordinates, defines objectives and advances the organizational climate agenda, mainly in three areas: climate mitigation, ecosystems and biodiversity, and circular bioeconomy. Among other things, the Committee has led the certification of carbon neutrality, adherence to Science Based Targets, the definition of an emissions reduction route, the measurement of our natural capital, and the political-climate agenda.

Its meetings are quarterly and its members are: Matías Domeyko, Executive Vice President; Cristián Infante, General Manager; Charles Kimber, Corporate People and Sustainability Manager; Iván Chamorro, Vice President of Forestry and Pulp; and Gonzalo Zegers, International Vice President and New Businesses. The person in charge of its operation is the People and Communications Manager and Climate Action Leader, Nicolás Jobet.

Crisis Committee

At ARAUCO we understand crises as those situations that put the safety of personnel, operational continuity and the image of the company at risk. To face any of these eventualities, the Board of Directors has defined a Crisis Committee at the Administration level. This is led by Cristián Infante, General Manager, who reports directly in crisis cases to the President and Vice Presidents of the Board of Directors.

In addition, there are Crisis committees organized by mill, industrial complex and forest zone, whose responsibility is to provide cooperation, coordinate and make decisions regarding the contingency, maintain a mapping of critical situations,



update protocols and drills, and review lessons learned. In the face of a crisis, these committees are responsible for coordinating communications with interested parties, as well as the continuity of operations when required.

Risk Management Committee

At ARAUCO, the Board's function is to approve the strategic direction of risk management, establishing the environment, structures and resources necessary to operate effectively. It must also stay informed of the company's main risks, at least once a year, or when considered necessary.

The Board of Directors has defined a Risk Management Committee at the Administration level, which is responsible for annually reporting to the Board of Directors on the vulnerabilities that affect the company. Their responsibilities include the definition of Risk Policy, risk propensity, structure and responsibilities and mitigation plans. Also, it must guarantee that risk management is integrated into all processes and activities, and that its objectives are aligned with those of the company, its strategies and its organizational culture.

This Committee is made up of Cristián Infante, General Manager; Charles Kimber, Corporate People and Sustainability Manager; Felipe Guzmán, Legal Director; Gianfranco Truffello, Corporate Finance Manager; and the vice presidents of all operational and non-operational areas.

Services and Consulting Contracting Policy

The Policy for the Hiring of Services and Advisory Services to the Board of Directors was approved at a Board meeting held on November 24, 2015. According to this, the Board of Directors may hire advisors in those matters on which it deems appropriate to know the opinion of an expert. This power is limited by the fact that Company executives already have advice in this regard.

The advisors are selected from specialist entities or individuals of recognized prestige and experience in the area of interest, with the purpose of obtaining a high standard service. In order for advisors to be independent in issuing their opinions, priority is given to hiring those who do not present conflicts of interest and have the necessary conditions to act autonomously. Technical aspects and

suitability are the priority characteristics over economic aspects or any other consideration for the selection of the advisory service provider.

Every director has the right to propose in a Board session the hiring of consulting services, which will be evaluated on merit and estimated cost. Its approval or rejection will be achieved through a simple majority, which must be recorded in the minutes.

In 2023, there were no consultancies hired by the Company's Board of Directors.

Technical aspects and suitability are the priority characteristics over economic aspects for the selection of the advisory service provider.

Remunerations

In accordance with the provisions of Law No. 18,046, the Ordinary Shareholders' Meeting held on April 25, 2023, agreed on the remuneration of the Board of Directors

of Celulosa Arauco y Constitución S.A. for that exercise. It is up to the next Ordinary Shareholders' Meeting to set the remuneration of the directors for the year 2024.

REMUNERATIONS PAID TO THE DIRECTORS OF CELULOSA ARAUCO Y CONSTITUCIÓN

(In USD)

	Celulosa Arauco		Forestal Arauco		Inversiones Arauco Internacional	
	2022	2023	2022	2023	2022	2023
Manuel Bezanilla Urrutia	342,938	385,277	109,740	123,289	66,000	71,759
Roberto Angelini Rossi	228,625	256,852	54,870	61,644	24,000	26,121
Jorge Andueza Fouque	228,625	256,852	54,870	61,644	24,000	26,121
Alberto Etchegaray Aubry	114,313	128,426	-	-	-	-
Timothy Purcell	114,313	128,426	-	-	-	-
Eduardo Navarro Beltrán	114,313	128,426	-	-	-	-
Franco Mellafe Angelini	114,313	128,426	54,870	61,644	-	-
Juan Ignacio Langlois M.	114,313	128,426	-	-	-	-
Jorge Bunster B.	114,313	128,426	-	-	-	-

Top executives

The Board of Directors is responsible for appointing the members of the Higher Administration, with the objective of implementing actions related to the economic, social, environmental, labor relations, safety and occupational health performance of ARAUCO.

The Senior Administration is led by the Executive Vice President and the General Manager, and is composed of: the Executive Vice President, General Management, the Forestry and Pulp Vice President, the Wood Business Vice President, and the International Vice President and New Businesses.

In terms of management, the Senior Administration has the following: Corporate Finance Management, Corporate People and Sustainability Management, and Legal Director. Finally, there are other main executives, as recorded in the public record maintained by the company.

Neither the members of the Board of Directors nor the Higher Administration have direct participation in its property. The Board of Directors does not have procedures to review

the salary structures and compensation and severance policies of the General Manager and other senior executives. Nor does it have mechanisms to submit the salary structures and compensation and severance policies of said executives to shareholder approval.

Chief Executive Officer **Matías Domeyko Cassel**

President and Chief Operating Officer **Cristián Infante Bilbao**

During 2023, Pablo Franzini assumed the Vice President of the Wood Business, replacing Antonio Luque, who left the company after 30 years.

Likewise, after 33 years, Franco Bozzalla retired from ARAUCO. Its tasks and responsibilities, which depended on the Vice Presidency of the Pulp and Energy Business, were assumed by Iván Chamorro, creating the Vice Presidency of Forestry and Pulp.

Forestry and Pulp Vice Presidency	Iván Chamorro Lange It is in charge of forestry assets and operations, the production and marketing of pulp and energy, and the Bioforest research center.
Vice Presidency of Wood Business	Pablo Franzini It is made up of the Wood and Panels operations. Consolidates production and sales planning in the Planning Management.
International Vice Presidency and New Businesses	Gonzalo Zegers Ruiz-Tagle Look for new business opportunities and develop the HBU (Highest and Best Use) area.
Corporate Finance Management	Gianfranco Trufello Jijena Consolidates the Treasury Management, the Relations with Investors and Shareholders, the Strategy and Studies Management, the Risk Management, the IT Management, the Wind Business Management, the Accounting Management, the Tax Management and the Purchasing Deputy Management Cross.
Corporate People and Sustainability Management	Charles Kimber Wylie Responsible for people management, Public Affairs, Corporate Responsibility and Communications, Environment, Occupational Health and Safety and Climate Change, and includes the Logistics Services Management.
Legal Director	Felipe Guzmán Rencoret In charge of legal matters for all ARAUCO and the Internal Audit Management.

Nombre	Position	Profession	ID	Date of appointment
Matías Domeyko Cassel	Chief Executive Officer	Commercial engineering	5.868.254-3	14 July 2011
Cristián Infante Bilbao	President & Chief Operating Officer	Civil engineering	10.316.500-8	14 July 2011
Iván Chamorro Lange	Senior Vice-President of Forestry & Wood pulp Business	Civil engineering	12.629.662-2	28 September 2020*
Pablo Franzini	Senior Vice-President of Wood Business	Bachelor's degree in business economics	Passport Argentino AAG633358	01 April 2023
Gonzalo Zegers Ruiz-Tagle	Senior Vice-President of International & Business Development	Commercial engineering	7.052.220-9	27 April 2018
Gianfranco Truffello Jijena	Chief Financial Officer	Civil engineering	7.627.588-2	27 April 2018
Charles Kimber Wylie	Senior Vice-President of Human Resources & Sustainability	Commercial engineering	7.987.584-8	28 September 2020
Felipe Guzmán Rencoret	General Counsel	Lawyer	11.472.151-4	27 April 2018

*Vice-President of Forestry since 2020 and since 2023, Vice-President of Forestry and Pulp Business.

Regarding the administration abroad, it is led by:



Pablo Ruival
Manager Arauco Argentina




Carlos Altimiras
President Director



Diego Wollheim
Manager Montes del Plata



Russell Jordan
President North America



José Manuel Hernández
Director Arauco Mexico

Senior management remuneration

Executive remuneration is made up of a fixed monthly amount and an annual bonus subject to the company's results, the fulfillment of business goals and individual performance.

As of December 31, 2023, the total remuneration received or accrued by the Company's executives was USD 88,206,909 (USD 77,759,405 in 2022), of which USD 31,103,246 correspond to bonuses (USD 28,447,466 the year 2022). This amount includes all executives of the company, which on average were 354.

Sustainability governance at ARAUCO

The highest authority in relation to the company's sustainability is the Board of Directors, whose members are responsible for defining ARAUCO's strategic objectives. The Executive Vice President and the General Manager are responsible for the administration of actions related to the economic, social, environmental, labor relations, and occupational health and safety performance of ARAUCO. In addition, they lead the Sustainability Committee.

The Corporate People and Sustainability Manager is responsible for the management and development of People, Public Affairs, Corporate Responsibility and Communications and Climate Change. In addition, he leads the Climate Change Committee.

ARAUCO's joint operations in Uruguay (Montes del Plata) have their own sustainability teams, and sustainability issues are regularly discussed at Board meetings, which include ARAUCO representatives. The Sustainability and Communications support groups meet regularly with representation from both partners of the joint operation.

Good practices

With our purpose and values as our axis, at ARAUCO we have designed internal policies and regulations. These have been duly informed to both directors and collaborators so that they can comply with them.

This is how our Code of Ethics is disseminated in various instances. The first of them occurs when joining the company, when all employees receive this document and sign it. Any modification thereof is reported in a clear and transparent manner. In addition, we encourage employees to participate in different types of training on the topic.



Main policies

- ▶ Code of ethics
- ▶ Crime Prevention Policy and Model
- ▶ Invitations and Gifts Policy
- ▶ Conflict of Interest Policy and Relationship with Public Officials
- ▶ Community Contributions Policy
- ▶ Human Rights Policy
- ▶ Diversity, Equity and Inclusion Policy
- ▶ Policy for the Determination of Net Income
- ▶ Habituality Policy
- ▶ Dividend Policy
- ▶ Manual for Management of Information of Interest to the Market
- ▶ Finance, Liquidity and Derivatives Policy
- ▶ Corporate Risk Policy
- ▶ Compliance Program with the Principles and Regulations of Free Competition
- ▶ Policy on Services Provided by External Auditors of ARAUCO
- ▶ Relationship Policy with Mapuche Communities
- ▶ Biodiversity Policy
- ▶ Climate Change Policy
- ▶ Safety, Occupational Health, Environment and Quality Policy
- ▶ Policy for the Hiring of Advisories and Services to the Board of Directors



At ARAUCO, the Conflict of Interest policy regulates how collaborators should act if faced with a situation of this type.

In terms of free competition, we have carried out periodic risk assessments, which make it possible to detect situations in this area that require reinforcement of mitigation and control measures in those activities potentially most exposed to risk. Likewise, our Free Competition Compliance Program Manual has various specific instructions on the subject and we have made training plans for the areas potentially most exposed to risk, in addition to having E-learning available for all collaborators.

Advances 2023

- ▶ ARAUCO's Code of Ethics was updated during the year. With the objective of renewing the commitments of the organization and its collaborators, it was sent for the digital signature of collaborators in Chile. In addition, this update was disseminated through different corporate emails and, additionally, training was planned to reinforce compliance with said commitments.
- ▶ The Human Rights Policy was issued. This was prepared based on the UN Human Rights declaration, integrated into the training associated with the Code of Ethics and disseminated through e-mails.
- ▶ Various policies related to people and the environment were also updated. These are: Diversity, Equity and Inclusion Policy; Human Rights Policy; Climate Change Policy; Safety, Occupational Health, Environment and Quality Policy; Biodiversity and Ecosystem Services Policy.



Crime Prevention Model

At ARAUCO we have a Crime Prevention Model (MPD) that has been certified by an independent company. The Board of Directors is responsible for appointing – and removing, if necessary – the Crime Prevention Officer, who reports directly to him. Currently, the position is held by the Legal and Compliance Manager, Mr. Camilo Naranjo Arias.

This model is subjected to evaluation every two years by an entity certified by the Financial Market Commission (CMF), which in this period is ICR Chile.

The MPD provides various tools to manage and detect conflicts of interest, which can be found at www.arauco.com.

Complaint procedures

Both on our website (www.arauco.com) and on the corporate intranet it is possible to access the ARAUCO Whistleblowing Channel, available for all countries. This is managed by an independent third party, as good corporate practices advise. Additionally, the anonymity of the complainant and the confidentiality of the complaint are guaranteed, if requested.



The Complaint Procedure establishes the mechanism for receiving and investigating complaints submitted by collaborators, clients, suppliers, shareholders and – in general – any person, regarding violations of the Code of Ethics, the Crime Prevention Model, and other policies. or internal regulations, as well as any other conduct that may be perceived as contrary to ethics.

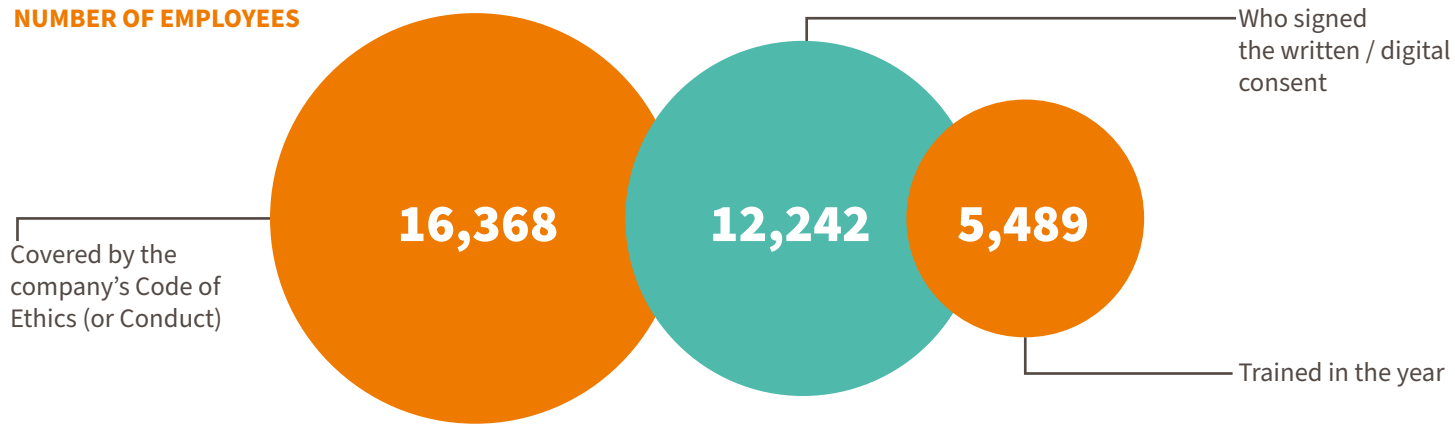
Anti-corruption practices

The following policies address issues related to corruption: Code of Ethics; Crime Prevention Policy and Model; Invitations and Gifts Policy; Policy on Conflicts of Interest and Relationship with Public Officials; and Community Contributions Policy. In high-risk operations, the counterparty’s background is analyzed through the Compliance Tracker platform and in some cases the signing of the “Integrity Expectations” is requested.

Actions and measures

- ▶ ARAUCO has an Invitations and Gifts Policy and a Policy on Conflicts of Interest and Relationships with Public Officials, disseminated through the corporate channel and explained within the Code of Ethics training.
- ▶ In the case of the Free Competition Program, training was carried out throughout the year, emphasizing the areas most exposed to risks.
- ▶ The Crime Prevention Policy and Model was also part of the 2023 training plan, where knowledge of the Economic Crimes Law was reinforced.
- ▶ In-person and online training was carried out on the Code of Ethics, Crime Prevention, Free Competition and Economic Crimes Law.
- ▶ Additionally, all personnel hired during the year were trained with an e-learning on the Code of Ethics, which is mandatory for all directors and collaborators of ARAUCO.
- ▶ A total of 285 complaints were received, of which 70 were investigated and resolved during the year. Of the investigations investigated and resolved, there were 24 terms of employment relationship.
- ▶ Of all complaints investigated and resolved in 2023, 15 were related to fraud or theft, 3 to conflict of interest, and 35 to abuse or mistreatment, inappropriate conduct and/or sexual harassment. Additionally, 8 were associated with environmental, safety and occupational health issues. Of the complaints received for abuse or mistreatment, inappropriate conduct and/or sexual harassment, 25 corresponded to workplace harassment and 3 to sexual harassment. Only one of the complaints of sexual harassment was presented to the Labor Directorate in Chile.
- ▶ Regarding the Crime Prevention Model, to date, no complaints have been received – through the respective channels – that account for the commission of some of the crimes established in Law No. 20,393 for the benefit of ARAUCO or its subsidiaries.
- ▶ The complaints investigated and resolved related to discrimination and harassment were a total of 24 globally. It is important to remember that the receipt of complaints regarding these matters does not mean that a lack or gap in this regard has actually been proven.

NUMBER OF EMPLOYEES



NON-COMPLIANCE PREVENTION AND DETECTION PROCEDURES

In relation to its customers	In Chile, the company has implemented the necessary mechanisms to comply with current regulations, understanding that the main third party that provides personal data is the employees themselves. In this regard, the company has ensured that it has the necessary consent, with mechanisms for the owner to access, rectify, cancel or oppose the use of personal data. In other countries where ARAUCO is present, where it is required by law, the company has personal data policies.
In relation to its employees	The company has a global Code of Ethics and a Complaints Procedure, through which it is possible to receive complaints of possible breaches of employees' rights. Likewise, in Chile there is a special procedure in the Internal Regulations on Order, Hygiene and Safety through which employees can file claims and complaints.
Environmental	The industrial facilities have a compliance management model or system that includes the monitoring of the company's environmental obligations. In accordance with internal procedures, new environmental obligations acquired by the company are analyzed in detail and tasks or activities are identified to ensure compliance with the obligations. The system makes it possible to have clearly defined and accessible the company's environmental obligations, including the deadline for compliance and the unit or area in charge of carrying out and following up on these obligations.
Free competition	ARAUCO has a Competition Compliance Program based on international best practices and recommendations from the National Economic Prosecutor's Office in Chile. The Competition Compliance Program Manual refers to ARAUCO's whistleblowing channel.
Others	ARAUCO has a Crime Prevention Policy and a Model aimed at identifying, preventing, and mitigating risks related to behaviors that could lead to the commission of crimes as indicated in Law No. 20,393 in Chile.

Risk and opportunity management

To minimize the impact and probability of the various risks to which we are exposed as ARAUCO, which may have consequences on our financial performance and sustainability, we have defined a Corporate Framework and a Risk Management Policy, together with a Corporate Risk Matrix of Greater Impact. These tools and their advances are based on high international standards, following the ISO 22,301 standards (on which the development of business continuity plans is also based), ISO 31,000 and COSO ERM. The latter categorizes risk into strategic, operational, financial/reporting and compliance.

Additionally, for environmental management, we integrate principles of the ISO 14001 standard, which ensures that risks in this area are considered in our global risk management strategy. The same goes for the standards proposed by FERMA (Federation of European Risk Management Associations) and RIMS (The Risk Management Society).

Our team in charge of managing operational and non-operational risks reviews every six months the effectiveness of the policies, procedures, controls and codes implemented for this purpose, working in parallel and independently of the Committees on the matter.

The SOX Corporate Internal Control Model aims to identify and mitigate the risks associated with the reliability of financial and accounting information. With the purpose of training directors and collaborators about its existence and scope, as well as about the importance that the different areas of the company have in its management, it is permanently disseminated.

At ARAUCO we are aware of the operational risks we face because the production of an industrial plant depends on people, supplies, processes and equipment that are key to continuity. The lack of inputs such as wood, water, steam and electrical energy can cause the interruption of the normal operation of both a process area and an entire industrial forestry complex. Likewise, agents external to the operation, such as disasters and forest fires, represent risks to consider.

To implement key elements of Process Safety Management, at ARAUCO we have promoted an initiative together with the DSS+ consultancy. In the first instance, this covers the Chilean Pulp plants, seeking to increase the organization's resilience to business challenges through the empowerment of people and the modernization of its management processes.

The initiative is based on a risk assessment in the five main critical machines of the Pulp plants (lime kiln, dryer, turbogenerators, recovery boiler and power boiler) and began with a pilot project in the digesters of the Constitución Mill.

It is structured around three fundamental pillars. Firstly, the analysis and identification of the key risks associated with the operation of critical equipment and the definition of control measures to manage and mitigate these risks will be addressed.

Secondly, an evaluation of the organizational risk culture will be carried out with the objective of understanding how the entity addresses and manages risks in its daily operations. This evaluation goes beyond examining formal procedures and written policies; focuses on the effective integration of risk culture into the daily behavior and decisions of organizational members.



Advances 2023

- ▶ Responsibilities within the Corporate Risk Management Structure were reorganized.
- ▶ Active work has been done on updating the Risk Matrix, with the purpose of standardizing the operational criteria and procedures for managing incidents, risks and environmental emergencies. This update process has followed a top-down approach, aimed at establishing clearly defined responsibilities and procedures from the highest levels of the corporate structure to the operational teams of the industrial complexes. The main objective is to ensure a coordinated and efficient response at all levels of the organization.
- ▶ At the pulp mill level, an Environmental Incident Management Standard has been implemented, whose fundamental objective is to establish an objective classification of environmental impacts and define investigation processes for the most relevant events.

Risks associated with Climate Change

At ARAUCO we have a Risk Management Structure, in addition to a Corporate Risk Matrix with greater impact for the organization.

Every six months, with the support of Internal Audit, a review of the effectiveness of the policies, procedures, controls and codes implemented for risk management is carried out. Furthermore, within a maximum period of two years, an evaluation of the Risk Matrix is carried out.

Scenario planning is used to define the different causes that can cause the occurrence of a risk, among which is Climate Change as a triggering cause (for example, natural disasters, rise in raw materials, water shortage, etc.) . For each of them, response plans are presented, reflected in the different controls defined in the risk sheets.

RISKS AND OPPORTUNITIES OF CLIMATE CHANGE

Categories of climate change risks and opportunities	Transition Risks	Physical Risks	Opportunities	Description
Market price behavior of products			Market	The values of the products we sell can change significantly due to their correlation with international prices. Additionally, the production, supply, and demand of a renewable resource such as wood may increase or decrease due to the effects of Climate Change, the growth of the world population, and/or the transition to a circular bioeconomy. These market price fluctuations could positively or negatively affect our financial position, operational results, and cash flows.
Global competition			Market / Products and services	The values of the products we sell can change significantly due to their correlation with international prices. Additionally, the production, supply, and demand of a renewable resource such as wood may increase or decrease due to the effects of Climate Change, the growth of the world population, and/or the transition to a circular bioeconomy. These market price fluctuations could positively or negatively affect our financial position, operational results, and cash flows.
World economic evolution and, particularly, that of the Asian, European, and American economies.			Market / Products and services	In the framework of a global economy, global industrial production is the main driver of demand for wood products. Thus, our wood products segment is highly dependent on the strength of the housing construction industry, whose demand for products and prices have occasionally decreased. Economic downturns in domestic or international markets, due to the effects of Climate Change such as droughts, forest fires, rainfall, and others, could adversely affect the demand for our products and their prices, and consequently our financial position, operating results, and cash flows.

Categories of climate change risks and opportunities	Transition Risks	Physical Risks	Opportunities	Description
Natural disasters, climate change and pandemics		Acute / Chronic		Our industrial and forestry operations and supply chain could be disrupted due to Climate Change, natural disasters, and pandemics. A decrease in production could impact our financial position, operational results, and cash flows. Communities, the environment, wood supply, assets, and operational continuity could be affected by wildfires in an area relevant to the company. The lack of water supply, due to the effects of drought resulting from Climate Change, could affect production.
Regulatory Changes	Policy and legal			The costs associated with compliance with increased regulatory requirements regarding sustainability issues such as new labor, environmental, tax, constitutional, or other standards that have a material effect on the company could impact our business, financial position, operational results, and cash flows.
Our ability to access local and international credit or capital markets.			Market	Our ability to access local and international credit or capital markets when we need financing could be affected by the potential impact of climate change on our operations, sales, and prices. This could have a significantly adverse or positive effect on our response to changing economic and business conditions.
The logistics and supply chain of critical materials and services		Acute / Chronic		The supply of raw materials and critical services for our operations, especially our logistics chain, could be affected by global warming and climate change. There may be price fluctuations in key raw materials or inputs (such as oil, sodium chlorate, resins, and caustic soda) compared to budgeted values, or a lack of supply of inputs, spare parts, materials, or services due to various issues with major suppliers.

Categories of climate change risks and opportunities	Transition Risks	Physical Risks	Opportunities	Description
The state and provision of wood.		Acute / Chronic		Given that wood is the raw material for all our products, its scarcity to supply our industrial operations, as a result of Climate Change, can affect our business, financial position, operational results, and cash flows.
The reputation of ARAUCO and the industry at both local and global levels.	Reputational		Market / Products and services	Any event that may positively or negatively affect our reputation or that of the industry to which we belong could have a corresponding effect on the financial results of the group. This is because our industry is at the center of the transition to a sustainable economy, as forest products can capture and store CO ₂ .
Global presence		Acute / Chronic	Market / Products and services	We are a company with a presence on five continents, so we are exposed to natural, economic, political, social, and competitive risks globally. Any of these risks could adversely affect our business, financial position, and operational results.

Actions and measures

- ▶ In relation to our industrial complexes, ARAUCO continued with the execution of the investment plan defined for the year 2023, promoting initiatives associated with fire prevention and combat, maintenance programs and the development of technical skills and equipment of our industrial brigades.
- ▶ By 2024, the goals are to integrate a specific chapter on environmental and climate change risks within the Risk Committees; reevaluate the responsibilities currently defined in the Risk Matrix; and monitor compliance with the different controls within the organization.
- ▶ For the management of risks and opportunities related to climate, in the case of Pulp, for each production facility and based on the ISO 14001 management system model, there are processes and activities that account for the incorporation of elements of Governance, Strategy, Risk Management, and Metrics and Objectives.
 - ▶ **Governance:** each executive team of the pulp mills, in line with the company's strategic guidelines, has the mission of raising risks and opportunities where those linked to climate change are incorporated. For example, the lower availability of water in the basins that supply the production process.
- ▶ **Strategy:** for each risk or opportunity that is periodically identified, real and potential impacts are established.
- ▶ **Risk Management:** each pulp mill has established standard processes to identify, evaluate and manage risks related to climate change.
- ▶ **metrics and Objectives:** key indicators are available to evaluate environmental performance in terms of freshwater consumption, energy efficiency, recovery and recycling of solid waste, GHG emissions, among others, and manage the relevant corrective actions in each case.
- ▶ During the year we made a diagnosis, together with Deloitte, on the current status of ARAUCO in relation to climate change risks in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD), which allowed us to know the status of progress and some recommendations governance, strategy, risk management, metrics and objectives, which are being worked on by the company in accordance with the established action plan.
- ▶ In accordance with the TCFD methodology we have identified the risks and opportunities linked to climate change.

Customer and supplier relationship

Customers

On the five continents where we are present, we have 3,888 clients, with whom we connect through different relationship actions, according to the product delivered and the country in which they are located.

Our commercial offices are present in 13 countries, while our sales representatives are located in another 15.

The channeling and management of queries, suggestions and complaints is in charge of our team of commercial executives, who also provide technical assistance. In addition, our clients can access contact forms on the website, the Customer Web Portal and social networks.

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- ▶ In the case of Hílam, it was a year of consolidation, both of the team and its production facilities. This is demonstrated by the successful execution of various mechanized projects of all types, such as engineering products, single-family homes, schools and wooden buildings. Among these, the stairs that we installed in the iconic MUT project (Mercado Urbano Tobalaba, in Santiago de Chile) stand out, and the advice and supply for the Burgos Net Zero Projects (residential building located in Santiago).
- ▶ We continue to promote sustainable wood construction and were present at the Sustainable Construction Forum, the Wood Week of Madera21 of Corma and at the 1st Sustainable Context Seminar of the Finis Terrae University, in Chile. Additionally, in Chile, we supported young architects at the Young Architects Festival (YAF), we participated in the Sustainable Wood Architecture meeting, sharing experiences and perspectives of building in wood with Japanese architects, and

we received a Finnish delegation at our renovated Hílam mill.

- ▶ In Argentina during the year, the company has consolidated itself as a leader in the boards market in said market, increasing its participation with a market share of 54.9%.
- ▶ The Blend Line in Argentina, which was launched the previous year, has been consolidated, representing the greatest historical growth in our catalog, expanding its proposal in 2023 with the Saucó design.



Customer satisfaction

At ARAUCO we have designed Claims Management Systems in all our businesses, with the aim of meeting customer needs. To do this, we have established various mechanisms, such as telephone lines and direct contacts. Our standardized systems allow for adequate monitoring and continuous improvement of operations, products and services, which facilitate the formulation of annual plans.

Relationship

At ARAUCO we remain attentive to the different audiences we face, maintaining appropriate relationship actions for each of them. This work has strengthened ties, allowing professionals in the sector to present innovative products from a consolidated brand in which they have confidence.

Contact through the sales team, sellers and the form for this purpose on our website is the main channel used. There are also other forms of communication such as conferences, talks, fairs, actions on social networks, Marketplace, WhatsApp, etc.

Actions and measures

- ▶ More than 16,000 queries regarding products, samples, advice or complaints were adequately managed within the period. Most of them correspond to users interested in purchasing and requests to the ARAUCO purchasing area. Additionally, in Brazil we received more than 1,300 contacts through WhatsApp from the Marketplace.
- ▶ The Customer web portal was launched in Chile, achieving good customer coverage and improving the level of service.
- ▶ A survey was carried out with direct customers in Chile, where we obtained a 91% positive rating, five points more than in 2021. In addition, the quality of our products had a very good rating, with 91%.
- ▶ In Argentina, the second edition of the Distributor satisfaction survey was carried out, where the main results were 84% level of satisfaction with ARAUCO, 95% general satisfaction with Faplac products and 95% general satisfaction with the Commercial team.
- ▶ In Brazil, a survey was carried out among distributors and industry, where we obtained a satisfaction rating of 8.9 and a Net Promoter Score (NPS) of 72%.
- ▶ In North America, a survey was carried out where performance was evaluated compared to competitors, achieving an Internal Average of 6.6 and Customer Average of 6.3 (with a score from 0 to 10). On the other hand, regarding high performance areas, professionalism, consistency in product quality and brand awareness stand out.
- ▶ Training continued for our direct clients and users of our products, as well as breakfasts with architects, designers and specifiers.
- ▶ Regarding fairs, in Chile we participated in the Sodimac Training Fair; In Peru, we had a brand presence at Expodeco and participated in different customer fairs.
- ▶ In Argentina, the Fairs and exhibitions had a great role in communicating and continuing to generate knowledge of Faplac and its launches, where we participated as an official sponsor of the main local fairs such as Casa FOA in Buenos Aires, Córdoba and the Living Experience of the La Nación group, as well We participate in more regional fairs, managing to expand our participation and visibility (Salta, Tucumán, La Plata among others).
- ▶ In Peru we developed the sixth edition of the Furniture Design Contest in conjunction with Toulouse Lautrec, aimed at students and graduates of Interior Architecture and Design majors.
- ▶ In Brazil, we participated in Expo Revestir (the main coatings fair in the sector, aimed at the architectural public) where more than 8,500 clients were at the ARAUCO stand and nearly 4,000 registered in the database. Two ARAUCO Talks events were also held for architects.
- ▶ In Brazil, the ARAUCO Store was launched, where the marketing of specification materials (folders, briefcases and display samples in the market) was arranged, with the sale of more than 800 catalogs and 321 suitcases of samples.
- ▶ In Brazil we had 43 conferences for carpenters and 18 for architects.
- ▶ In the Pulp area, customer relations were carried out at conferences in Shanghai, Vancouver, Barcelona and London.
- ▶ In Mexico, we participated in Expo Obra Blanca 2023, the most important fair in the construction industry, where more than 1,500 contacts from architects, manufacturers and builders were captured for product specification; Certification of carpenters was carried out through ARAUCO Experts; and the TableRed Meeting was held, where all clients of the Tablered Channel met, to follow up on growth initiatives and promote the consumption of Added Value Melamine.
- ▶ In North America we attend the International Woodworking Fair (IWF), participate in the Cal Closets Annual Convention, interact with HFC (Home Franchise Concepts) and the CPA (Composite Panel Association), collaborate with WMA (World Millwork Alliance), and We are related to NAWLA (North American Wholesale Lumber Association),
- ▶ We continue with the training plan for end customers and distributors in Chile, both in person and online. In addition, a new course was developed for carpenters in The Master Class.
- ▶ We continue to promote our social networks as a channel for customer relations and thus publicize news.
- ▶ There are no clients that represent 10% or more of the income of each segment.



Suppliers

At ARAUCO we have suppliers that impact our entire value chain, associated with services, supplies, materials and spare parts.

Our supplier payment policy considers compliance with current legislation in accordance with the deadlines established in each of the countries where we operate. This policy also classifies as critical suppliers all those who are strategic, whose work has an impact on the operations of industrial plants.

Our suppliers with permanent contracts must duly comply with the clauses that refer to compliance standards and other relevant regulations. Likewise, on the ARAUCO Chile website it is possible to access a Suppliers section, where information regarding the Code of Ethics and suggested integrity expectations is linked and attached.

Advances 2023

- ▶ There are no suppliers that represent, individually, at least 10% of the total purchases made in the period for the supply of goods and services.
- ▶ 64% of the 29.2 million rounds of wood that we use in 2023 come from our own forests.
- ▶ In Chile, an agreement was registered in the registry of agreements with exceptional payment terms maintained by the Ministry of Economy



In Chile, Law No. 21,131 regulates payment to suppliers within 30 days. Under this legislation, at ARAUCO we pay the documents before this date, that is, prior to 30 days from the date of receipt of the invoice for national suppliers.

In the case of foreign suppliers, payments are made at the due date agreed in each Purchase Order.

Likewise, there are payment cycles for critical suppliers in three areas: Forestry Business, Transporters, Wood and Pulp Business, and Chemical Input Suppliers in all businesses. For them, the payment period is less than 15 days from the date of receipt of the Invoice at the Internal Revenue Service.

	Number of invoices paid	Total amount USD	Late payment interest on invoices	Number of domestic suppliers
National suppliers				
Up to 30 days	477,218	4,594,895,631	-	11,949
Between 31 and 60 days	95,785	293,212,709	-	2,902
More than 60 calendar days	98,437	172,882,450	-	1,467
Total	671,440	5,060,990,790	0	16,318
Foreign suppliers				
Up to 30 days	9,020	189,149,763	-	687
Between 31 and 60 days	7,569	115,897,672	-	552
More than 60 calendar days	4,048	105,013,665	-	607
Total	20,637	410,061,099	0	1,846
Total Suppliers				
Up to 30 days	486,238	4,784,045,394	0	12,636
Between 31 and 60 days	103,354	409,110,380	0	3,454
More than 60 calendar days	102,485	277,896,115	0	2,074
Total	692,077	5,471,051,889	0	18,164

It does not include Montes del Plata in Uruguay, where we paid USD 583 million to 2,221 suppliers.

Number of agreements registered in the Registry of Agreements with Exceptional Payment Terms maintained by the Ministry of Economy.	2023
	1

Sustainability in the value chain

Suppliers are subject to evaluation processes according to different levels. Critical suppliers undergo a financial assessment annually, while all active suppliers associated with service contract areas undergo a monthly risk assessment, through which their debt level is reviewed.

Thanks to these evaluations we have the necessary information to define whether there is a sustainability risk for suppliers, categorized as High (R+), Medium (R) or Low (R-). Actions are generated monthly for each supplier according to the classification obtained.

Furthermore, purchasing practices towards suppliers are continually reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements.

Because at ARAUCO we intend to move forward in becoming a Zero Non-Hazardous Waste company, as one of its sustainability objectives, we are working on a gradual process of reducing waste. To achieve this, we require the development of specialist suppliers and also the internal knowledge to produce this new raw material.

Considering that another of our main objectives is to participate as an active agent in the economic and social development of the areas in which we operate, we promote different programs to respond to current challenges with a focus on shared value.

Play Local

This initiative carried out in Chile and Brazil proposes to strengthen the local economies where we have a presence. This is how we increase the purchase of goods and the contracting of local services, promoting well-being through companies in each place.

During 2023, 80% of purchases from SMEs in Chile were made in the five regions where we have an industrial and forestry presence in the country, paying local suppliers approximately USD 457 million. In the case of Brazil, 25% of purchases from Microenterprises (ME) and small businesses (EPP) were made in priority municipalities, paying local suppliers a total of USD 27 million.

Wood supply

At ARAUCO we carry out traceability regarding the origin of our wood, our main input to produce products. To this end, both forest certification and Chain of Custody and Chain of Custody/Due Diligence schemes are essential, as they refer to the complete traceability of our wood and compliance with our environmental commitments.

% OF RAW MATERIAL FROM CERTIFIED FORESTS (TONS)

		OWN		THIRD-PARTY	
		Raw material certified	% of certified raw material	Raw material certified	% of certified raw material
Chile	FSC ⁸	11,470,107	94%	2,376,026	36%
	PEFC	12,202,242	100%	1,950,356	30%
Brazil	FSC ⁹	1,107,245	100%	540,324	40%
	PEFC	0	0%	0	0%
Argentina	FSC ¹⁰	2,054,026	96%	9,076	3%
	PEFC	2,099,430	98%	25,121	8%
Uruguay	FSC ¹¹	2,842,566	89%	343,530	62%
	PEFC	2,437,076	76%	172,404	31%
México	FSC ¹²	0	0%	0	0%
	PEFC	0	0%	0	0%
North America	FSC ¹³	0	0%	36,206	3%
	PEFC	0	0%	0	0%
Total	FSC[®]	17,473,945	94%	3,305,163	32%
	PEFC	16,738,748	90%	2,147,881	21%

8 Celulosa Arauco y Constitución S.A. License Code: FSC®C006552; Maderas Arauco S.A. License Code: FSC®C119538.

9 Arauco do Brasil S.A. License Code: FSC®C010928.

10 Arauco Argentina S.A. License Code: FSC®C121377; FSC®C130094; FSC®C119529.

11 Celulosa y Energía Punta Pereira S.A. License Code: FSC®116413.

12 Arauco Industria de México S.A. de C.V. License Code: FSC®C125053.

13 Arauco North America Inc. License Code: FSC®C019364.



Actions and Measures

- ▶ Our Supplier Integrity and Compliance Expectations Policy is known by our suppliers and service providers. That is why, at ARAUCO, we expect not only that all suppliers, their employees, agents and subcontractors are informed of it, but that they comply with it with the integrity detailed in the document. In this way, we consider it key to act appropriately in terms of occupational health and safety, compliance with laws, anti-corruption and crime prevention, protection of confidential information and personal data, respectful work environment, free competition, environment and complaints channel.
- ▶ 3,153 suppliers are considered critical, reaching a total of USD 2,446 million purchased.
- ▶ USD 3,335 million was the total of purchases from national suppliers in all the countries where we operate.
- ▶ 1,245 suppliers were evaluated in Chile, of which 259 were categorized with R+.
- ▶ Our production plants that produce wood-based products have certifications for the Chain of Custody and controlled wood/due diligence systems.
- ▶ In Chile, there is a clause in the contracts with Regulatory Compliance suppliers, through which they declare that they know and commit to comply with Chilean legislation, particularly regarding Law No. 19,300, on General Bases of the Environment and its regulations, and all complementary environmental regulations.
- ▶ We consider it extremely important that our suppliers ensure the protection of the environment, taking this factor into account in their operations in all the areas in which they operate, minimizing possible impacts and always complying with applicable legislation.
- ▶ Our actions are guided by the Code of Ethics, the Human Rights Policy, Integrity and Compliance Expectations, the Responsible Wood Buyer Policy, the Relationship Policy with Mapuche Communities and the Community Relationship Guide.



Globalization and efficiency

Projects and investments

USD 1,263 million was invested in 2023, the main project being the Modernization and Expansion of the Arauco Plant (MAPA).

Financial performance

In 2023, adjusted EBITDA was USD 1,026 million, 53% lower than that recorded in 2022. The company had a loss of USD 359 million, a decrease of 151% compared to the previous period, mainly due to plant stoppages and lower prices of pulp and wood.

Meanwhile, the economic value generated by ARAUCO in 2023 was USD 6,171 million and that distributed was USD 6,256 million, which means that the generation of income was less than their distribution. 60% of this total is explained by operational costs and 28% by payments to capital suppliers.

During 2023, we carried out two bond issues in the Chilean market. In April we issued two series (Y & Z) for a total of seven million UF, and in June we issued one series (AB) for a total of five million UF. These correspond

to the first sustainable bonds issued by ARAUCO in the Chilean debt market, which means that, regardless of the use of funds, we will allocate an equivalent amount to finance or refinance, in whole or in part, one or more green projects and selected for these purposes, in accordance with our Sustainability Bond Framework, published on our website.

The Consolidated Financial Statements of ARAUCO are available on the website of the Commission for the Financial Market

ARAUCO CONSOLIDATED EEFF

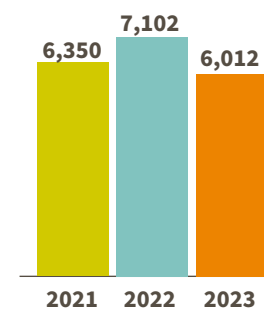


REASONED ANALYSIS ARAUCO

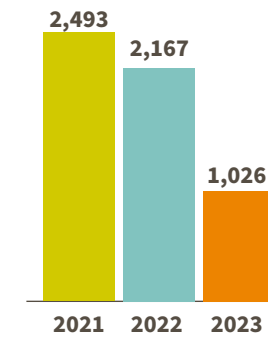


FINANCIAL INDICATORS (In millions of USD)

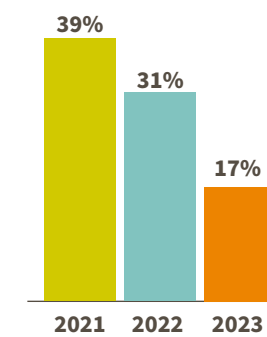
Sales



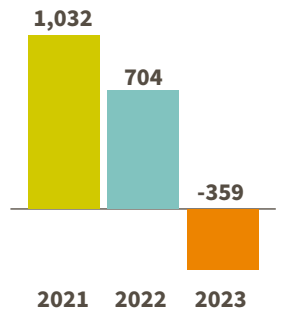
EBITDA



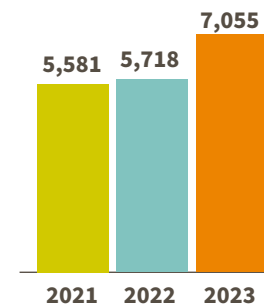
EBITDA margin



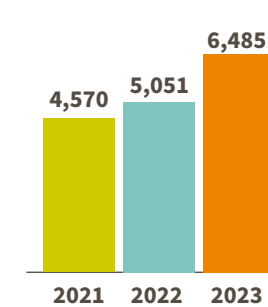
Net Income



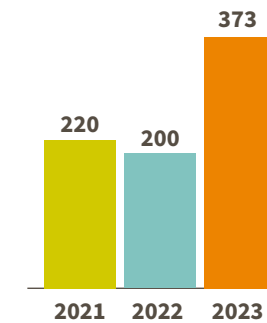
Financial Debt



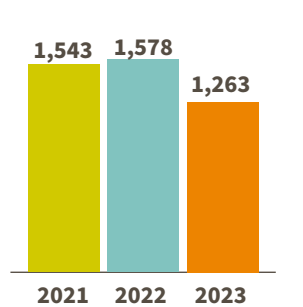
Net Financial Debt



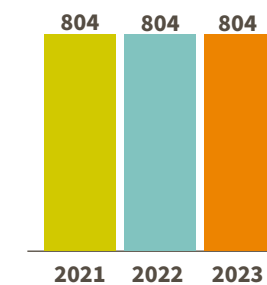
Financial Costs



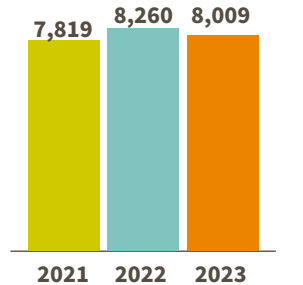
Investments



Issued Capital



Equity



ECONOMIC VALUE GENERATED AND DISTRIBUTED

(In millions of USD)

	2021	2022	2023
Total Income			
Net sales	6,350	7,102	6,012
Income from financial investments	33	72	132
Income from sales of physical and intangible assets	242	49	28
Generated economic value	6,625	7,223	6,171
Operating cost/Production cost*	2,859	3,408	3,749
Capital suppliers' payments	1,288	979	1,774
Salaries and benefits	671	719	747
Taxes**	403	142	-27
Community investments***	10	11	13
Distributed economic value	5,230	5,259	6,256
Retained economic value	1,394	1,963	-85

* Corresponds to sales costs net of depreciation and salaries.

**Considers income tax expenses.

***Consider donations, contributions and scholarships.

Responsible information management

Our business, like many others, depends on information technology systems to effectively manage processes. This is why interruptions in these, caused by external cyberattacks, obsolescence, technical failures, collaborator errors or internal attacks, can deeply affect our operation.

Any failure in our systems related to sensitive information can be disruptive to our business and result in production errors, process inefficiencies and the loss of sales and customers, which in turn may result in lower revenues, higher costs and overages or bankruptcies. of inventory levels.

Additionally, cyberattacks or internal actions, including negligence or fraud by our collaborators, can have a negative impact on our reputation, our relationship with external entities and our strategic positioning in relation to our competitors.

At ARAUCO we assume the responsibility of implementing, maintaining and continually improving our Information Security Management System (ISMS) which allows us to maintain adequate and reasonable levels of security, so that the information security risks are known, assumed, managed and minimized by the organization in an organized, documented, systematic, structured, repeatable, efficient manner and adapted to changes that occur in risks, the environment and technologies.

Advances 2023

- ▶ We work on the incorporation and updating of the clauses on personal data that are included in the contracts.
- ▶ Work was done on the classification and processing of stored data.
- ▶ In Argentina we worked through Compliance on personal data issues.
- ▶ We continue to adopt more simulation exercises and HR policies to ensure all employees comply with our cybersecurity policies.
- ▶ ARAUCO did not face any material losses due to cybersecurity breaches. However, although we have comprehensive cybersecurity and governance practices in place, we cannot assure you that we will not be subject to material cybersecurity incidents in the future. We have had 0 confirmed information incidents.

Actions and Measures

- ▶ Annually, as part of the external audit of the company's Financial Statements, the information systems and the main means of control are reviewed to ensure the veracity of the information provided. This report is presented annually to the Board of Directors and the potential risks found in the audit are amended.
- ▶ We have a cybersecurity policy and regulatory framework based on the guidelines and criteria contemplated by international standards ISO 27001, ISO 27002, ISO 27032 / NIST, and ISA 62443, for administrative and industrial environments, as appropriate. Likewise, we have implemented control mechanisms, technologies, processes and procedures developed based on the guidelines and criteria contemplated by said international standards, with attention not only to identification and protection, but also to strengthening and improving recovery mechanisms.
- ▶ Our Code of Ethics defines the standards for information management by collaborators. It is the responsibility of every collaborator to keep with due security and confidentiality all documents, information and/or values to which they have access, and that those who have access to confidential information do not use it for their own benefit or that of third parties. Both contractors and suppliers must comply with the same code.
- ▶ We have security solutions and technological partners that monitor our infrastructure and, periodically, we carry out security assessments, which allow us to complement and improve ongoing initiatives and our strategic cybersecurity plan.
- ▶ The objectives of the General Information Security Policy are to seek the protection of information assets, whether owned by ARAUCO or guarded by it, in the interaction with suppliers, defining agreements, roles and responsibilities in information security. The provisions of this Policy are mandatory for all ARAUCO personnel, also reaching, as applicable, suppliers, contractors and external collaborators.
- ▶ We continue to adopt simulation exercises and measures to ensure that all employees comply with our cybersecurity policies.

- ▶ The ARAUCO Whistleblower Channel is available for all countries on the website (www.arauco.com) and on the corporate intranet. This channel is also used to report on information security issues.
- ▶ Every employee must sign the Employment Contract Annex Authorization for Use and Delivery of Data in their employment contract. Additionally, you must take a course on information security and data protection.
- ▶ The policies that guide our actions consider the Code of Ethics, the Information Security Policy, the Crime Prevention Policy and Model (MPD), the General Procedure for Security Incidents, the Complaints Procedure, the Use Regulations of Software and the General Procedure for Response to Cybersecurity Incidents.



The background of the image shows a large industrial paper mill facility under a clear blue sky. On the left, a tall, light-colored building features a green tree logo. To the right, there are several large, cylindrical storage tanks and complex piping structures. The foreground includes a paved road and a grassy area.

PRINCIPLES AND STANDARDS

A large, white, stylized number "7" is located in the bottom left corner of the image, partially overlapping the road and grass.

General Standard 461 of the Financial Market Commission (CMF)

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1. Index of contents	
► Express reference to international reporting standards	Our strategy “About this report” 44-45
► Reference to the section of these regulations to which the information refers	Principles and standards “General Standard 461 of the CMF”. 238
2. Entity profile	
2.1 Mission, vision, purpose and values	ARAUCO in 2023 “This is ARAUCO” 6-9
2.2 Historical information	ARAUCO in 2023 “Our history” 10-11
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2.3.2 Significant changes in ownership or control	Financial report “control situation” 283 - 285
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2.3.4 Shares, their characteristics and rights	Financial report “control situation” 283 - 285
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3.3 Board committees	Corporate leadership “Corporate governance” 198 - 202
3.4 Senior executives	Corporate leadership “Corporate governance” 204 - 206
3.5 Adherence to national or international codes	Our strategy “About this report” 44 - 45
3.6 Risk management	Corporate leadership “risk and opportunity management” 213 - 219 Financial report “risks” 343 - 383
3.7 Relationship with interest groups and general public	Our strategy “Commitment to our stakeholders” (table: communication mechanism). 39 Commitment to local development “Community, participation and dialogue”. 130 - 150

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4. Strategy	
4.1 Time horizons	Our strategy “sustainability strategy” 26 - 37 Principles and standards “TCFD”. 252
4.2 Strategic objectives	New strategy “Sustainable strategy”; “Sustainable goals”. 26 - 31; 35 - 37
4.3 Investment plans	Renewable products 48 - 74
5. People	
5.1 Staffing	‘Provisions’ financial report. 382 - 391
5.1.1 Number of people by sex	Financial report “provisions” (table: Provisions by nationality, position category and gender). 382 - 383
5.1.2 Number of people by nationality	Financial report “endowments” (table: Endowment by age range, position category and gender). 384 - 385
5.1.3 Number of people by age range	Financial report “Endowments” (table: Endowment by age range, position category and gender). 386
5.1.4 Work seniority	Financial report “Endowments” (table: Endowment by seniority, position category and gender). 387 - 388
5.1.5 Number of people with disabilities	Commitment to our people “Diversity, inclusion and non-discrimination”. 166 Financial report “provisions” (table: Number of people with disabilities by type of position and gender). 389
5.2 Labor formality	Commitment to our people “our partners” 155 Financial report “provisions” (table: labor formality by gender). 389
5.3 Work adaptability	Commitment to our people “our partners” 155 Financial report “Provisions” (table: Number of people by type of workday and gender, and work adaptability; work adaptability – teleworking). 389
5.4 Salary equity by sex	Commitment to our people “Diversity, inclusion and non-discrimination” 167
5.4.1 Equity policy	Commitment to our people “Diversity, inclusion and non-discrimination” 167 - 173 176 - 178

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5.4.2 Salary gap	Commitment to our people “Diversity, inclusion, and non-discrimination” (table: salary gap by position category).	167
5.5 Workplace and sexual harassment	Commitment to our people “measures of sexual and workplace harassment”	169 - 173
5.6 Postnatal leave	Commitment to our people “diversity, inclusion and non-discrimination”	166 - 167
	Financial report “Provisions” (table: Number of people who took postnatal leave by type of gender; Average number of days used in postnatal leave during the year, legal and extra-legal by type of position and gender).	391
5.7 Training and benefits	Commitment to our people “new skills for the future”; “talent attraction and retention”; “remunerations and benefits”; “collaborative relationship”.	156 – 165; 176 – 178; 187 - 189
	5.8 Subcontracting policy	Commitment to our people “Collaborative relationship”; “contractors” Corporate leadership “customer and supplier relationship”
6. Business model		
6.1 Industrial sector	Financial report “Description of the industrial sector”	286 - 289
6.2 Business	Renewable products	48 - 74
6.3 Interest groups	Our strategy	39
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6.4 Properties and facilities	ARAUCO in 2023 “ARAUCO in the world	20 - 21
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7.1 Payment to suppliers	Corporate Leadership ‘Suppliers’ (table: Payment to suppliers).	224 - 225
7.2 Supplier evaluation	Corporate Leadership “Suppliers”.	226

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8. Indicators		
8.1 Legal and regulatory compliance	Financial report “regulatory framework”; “Legal compliance”	290 - 299
8.1.1 In relation to clients	Corporate leadership “good practices”; Customers”	208 – 212; 220 - 223
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10. Comments from shareholders and the committee of directors		
	Corporate leadership	196 - 235
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GRI Content Index

Declaration of use

ARAUCO has prepared the report in accordance with the GRI Standards for the period from January 1 to December 31, 2023.

GR 1 used

GR 1: Fundamentals 2021

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
General contents				
GRI 2: General contents 2021	2-1 Organizational details	An ARAUCO in 2023 “ARAUCO in the world”		20 – 21
		Financial report “Identification of the entity”		280
	2-2 Entities included in sustainability reporting	Our strategy “About this report”		44 - 45
		Financial report “Corporate network”		300 - 301
	2-3 Period covered by the report, frequency and point of contact	Our strategy “About this report”		44 – 45
		Financial report “Identification of the entity”		280
	2-4 Information update		There was no update of information from previous reports.	
2-5 External verification	Corporate Leadership “Globalization and efficiency.”	There was no external verification of sustainability indicators. Only financial information is verified by external parties.		230

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
	2-6 Activities, value chain and other commercial relationships	Our strategy “Sustainability Strategy”		26 – 31
		Renewable products		46 - 76
	2-7 Employees	Commitment to our people “Provisions” financial report	All Employee information was carried out according to the requirements of Rule 461 of the Chilean Financial Market Commission.	152 - 191
	2-8 Workers who are not employees	Commitment to our people “Contractors”		190
	2-9 Governance structure and composition	Corporate Leadership “Board of Directors”, “Principal executives”		196 - 207
	2-10 Designation and selection of the highest governing body	Corporate Leadership “Directory”		196
	2-11 President of the highest governing body	Corporate Leadership “Board of Directors”		196
	2-12 Role of the highest governing body in supervising impact management	Corporate Leadership “Board Committees”; “Sustainability governance at ARAUCO”		198 – 202; 207
	2-13 Delegation of responsibility for impact management	Corporate Leadership “Board Committees”; “Sustainability governance at ARAUCO”		198 – 202; 207
	2-14 Role of the highest governance body in sustainability reporting	Corporate Leadership “Board Committees”; “Good practices”; “Sustainability governance at ARAUCO”		198 – 202; 207 - 212
		Principles and standards “Climate-related financial disclosure (TCFD).”		252 - 255
	2-15 Conflicts of interest	Corporate Leadership “Board Committees”; “Good corporate practices”		198 – 202; 207 - 212

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
	2-16 Communication of concerns	Corporate Leadership “Board Committees”		198 - 202
	2-17 Collective knowledge of the highest governing body	Corporate Leadership “Board Committees”		198 - 202
	2-18 Evaluation of the performance of the highest governing body	Corporate Leadership “Performance of directors”		196
	2-19 Remuneration policies	Corporate Leadership “Remunerations”		203
	2-20 Process for determining remuneration	Corporate Leadership “Remunerations”; “Senior management remuneration”		203; 207
		Commitment to our people “Remunerations and benefits”		176 - 178
	2-21 Annual Total Compensation Ratio	Commitment to our people “Diversity, inclusion and non-discrimination” (table: Salary gap by position category).	ARAUCO calculates the ratio of compensation between men and women according to the different position categories.	167
	2-22 Declaration on the sustainable development strategy	ARAUCO in 2023 “Letter from the president”		14 - 15
	2-23 Commitments and policies	Corporate Leadership “Good practices”		207 - 214
	2-24 Incorporation of commitments and policies	Corporate Leadership “Good practices”		207 - 214
	2-25 Processes to remedy negative impacts	Our strategy “Commitment to our stakeholders” (Section: Human Rights)		40 - 43
		Corporate Leadership “Good practices”		207 - 212

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
		Commitment to local development “Community, participation and dialogue”; “Mapuche Relationship”		131 - 159
		Commitment to the planet		76 - 127
	2-26 Mechanisms to request advice and raise concerns	Our strategy “Commitment to our stakeholders” (Section: Human Rights)		40 - 43
		Corporate leadership “Good Practices”		207 - 212
	2-27 Compliance with laws and regulations	Financial report “Regulatory Framework”; “Legal compliance”.		290 - 299
	2-28 Membership in associations	Commitment to local development “Corporate commitments with external initiatives”; “Memberships”		151
		Financial report “Memberships and networks”		394 - 397
	2-29 Approach to stakeholder engagement	Our strategy “Commitment to our stakeholders”		38 - 43
	2-30 Collective bargaining agreements	Commitment to our people “Collaborative relationship”		187 - 189
Material topics				
GRI 3: Material Topics 2021	3-1 Process for determining material topics	Our strategy “Materiality analysis”		44 - 45
	3-2 List of material topics	Our strategy “Materiality analysis”		44 - 45
	3-3 Management of material issues	Our strategy “Materiality analysis”; “Sustainable goals”		44 - 45; 35 - 37

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
Energy				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Commitment to the planet "Energy management"		113 - 115
	302-2 Energy consumption outside the organization	Commitment to the planet "Energy management"		113 - 115
	302-3 Energy intensity		Information not available.	
	302-4 Reduction of energy consumption	Our strategy "Sustainable goals"		35 - 37
		Commitment to the planet "Energy management"		113 - 115
302-5 Reduction of energy requirements of products and services		Information not available.		
Waters and tributaries				
GRI 303: Water and Tributaries	303-1 Interaction with Water as a Shared Resource	Commitment to the planet "Water management"; "Water Management and Consumption"		99 - 100; 116 - 120
	303-2 Management of impacts related to water discharges	Commitment to the planet "Water management and consumption"; "Spills"		116 - 123
	303-3 Water extraction	Commitment to the planet "Water management and consumption"		116 - 120
	303-4 Water discharge	Commitment to the planet "Water management and consumption" (table: Water extraction, discharge and consumption); "Spills"		116 - 123
	303-5 Water consumption	Commitment to the planet "Water management and consumption."		116 - 120

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
Biodiversity				
GRI 304: Biodiversity 2016	304-1 Owned, leased or managed operational sites located within or adjacent to protected areas or areas of high biodiversity value outside protected areas	Renewable products "Our Businesses" (table: Distribution of forest assets by use).	The scope is ARAUCO's own forests. ARAUCO's approach is to create protected areas adjacent to or even within its forest and plantation areas. This means that 100% of forestry operations are close to high value areas.	54
	304-2 Significant impacts of activities, products and services on biodiversity	Commitment to the planet "Sustainable Forest management"	The scope is ARAUCO's own forests	83 - 103
	304-3 Habitats protected or restored	Commitment to the planet "Sustainable forest management"	The scope is ARAUCO's own forests	83 - 103
	304-4 Species that appear on the IUCN Red List and on national conservation lists whose habitats are in areas affected by operations	Commitment to the planet "Sustainable forest management" (table: Number of species included in the IUCN Red List and in national conservation lists that have been sighted in ARAUCO forest assets).	The scope is ARAUCO's own forests	92
Emissions				
GRI 305: Emissions 2016	GHG emissions Direct emissions (Scope 1)	Commitment to the planet "Greenhouse Gas Emissions (GHG)"		79 - 82
	GHG emissions Indirect energy (Scope 2)	Commitment to the planet "Greenhouse Gas Emissions (GHG)"		79 - 82
	GHG emissions Other indirect (Scope 3)	Commitment to the planet "Greenhouse Gas Emissions (GHG)"		79 - 82
	GHG emissions intensity	Commitment to the planet "Greenhouse Gas Emissions (GHG)"		79 - 82
	Reduction of GHG emissions	Our strategy "Climate Action Plan"		34

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
		Commitment to the planet “Greenhouse Gas Emissions (GHG)”		79 - 82
	Other significant emissions	Commitment to the planet “Air emissions and air quality”		124 - 127
Effluents and waste				
GRI 306: Effluents and waste 2016	306-1 Discharge of water depending on its quality and destination	Commitment to the planet “Water management and consumption” (table: Water extraction, discharge and consumption)		117
	306-2 Waste by type and disposal method	Commitment to the planet “Materials, chemicals and waste” (table: Waste by type and disposal method)		110
	306-3 Significant spills	Commitment to the planet “Spills”		121 - 123
	306-4 Transportation of hazardous waste	Commitment to the planet “Materials, chemicals and waste” (table: Waste by type and disposal method)		110
	306-5 Bodies of water affected by water spills and/or runoff	Commitment to the planet “Water management and consumption”; “Sewage treatment”; “Spills”		116 - 123
Employment				
GRI 401: Employment 2016	401-1 Hiring new employees and staff turnover	Commitment to our people “Talent attraction and retention” (tables: Hiring; Internal mobility)		163
	401-2 Benefits for full-time employees that are not provided to part-time or temporary employees	Commitment to our people “Remunerations and benefits”		176 - 178

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
	401-3 Parental leave	Commitment to our people “Plan with a gender perspective”		166 - 173
		Financial report “Endowments” (table: Postnatal leave).		395
Health and Safety at Work				
GRI 403: Health and safety at work 2018	403-1 Occupational health and safety management system	Commitment to our people “Occupational health and safety”		179 - 186
	403-3 Occupational health services	Commitment to our people “Remunerations and benefits”		176 - 178
	403-4 Worker participation, consultation and communication on occupational health and safety	Commitment to our people “Occupational health and safety”		179 - 186
	403-5 Training of workers on health and safety at work	Commitment to our people “Occupational health and safety”		179 - 186
	403-6 Promotion of workers’ health	Commitment to our people “Occupational health and safety”		179 - 186
	403-7 Prevention and mitigation of impacts on health and safety at work directly linked through commercial relationships	Commitment to our people “Occupational health and safety”		179 - 186
	403-8 Coverage of the occupational health and safety management system	Commitment to our people “Remunerations and benefits”. “Occupational health and safety”		176 - 186
	403-9 Injuries due to work accidents	Commitment to our people “Occupational health and safety”		179 - 186
	403-10 Occupational ailments and diseases	Commitment to our people “Occupational health and safety”		179 - 186

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
Diversity and equal opportunities				
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governing bodies and employees	Commitment to our people “Diversity, inclusion and non-discrimination”		166 - 173
	405-2 Ratio between basic salary and remuneration of women and men	Commitment to our people “Diversity, inclusion and non-discrimination” (table: Salary gap by position category)		167
Rights of indigenous peoples				
GRI 411: Rights of indigenous peoples 2016	411-1 Cases of violations of the rights of indigenous peoples	There were no incidents during 2023. More information at:		38 - 43
		Our strategy “Commitment to our stakeholders” Commitment to local development “Mapuche Relationship”		146 - 149
Local communities				
GRI 413: Local communities 2016	413-1 Operations with local community participation programs, impact assessments and development	Commitment to local development.		128 - 151
	413-2 Operations with significant negative impacts – actual or potential – on local communities	Commitment to local development.	There were no significant negative impacts during 2023.	

GRI STANDARD / OTHER SOURCE	CONTENT	LOACTION	COMMENTS	PAGE NUMBER
Social evaluation of suppliers				
GRI 414: Social evaluation of suppliers 2016	414-1 New suppliers that have passed selection filters according to social criteria	Corporate Leadership “Customer and supplier relationship”		224 - 229
		414-2 Negative social impacts in the supply chain and measures taken	Corporate leadership “Customer and supplier relationship”	There were no significant negative impacts during 2023.



Climate-related financial disclosures: Task Force on Climate-related Financial Disclosures (TCFD)

The management of issues related to climate change is integrated with the management of other non-financial issues and its reporting to the Board of Directors depends on the subject and context. For example: 1) Risks are reported to the Board of Directors by the COO, 2) regulatory and compliance issues are reported semi-annually to the Ethics and Compliance Committee of the Board of Directors by the Ethics and Compliance Manager, 3) The annual progress of the Goals ARAUCO's sustainable development is reported annually by the Corporate People and Sustainability Manager or 4) if there is a specific issue related to climate, it is reported to the Board of Directors by the General Manager. Additionally, the main climate-related topics addressed by the Climate Action Committee, such as scenario analysis, the reduction of emissions of scopes 1, 2, and 3 and the commitment to be Natural Net Positive, among others, are directly reported to senior management by the Climate Action Leader/People and Communications Manager.

ARAUCO's resilience and position in the face of different climate scenarios (IPCC RCP 2.6 and RCP 8.5) have been analyzed for the business and its forestry assets in Chile involving Bioforest (ARAUCO R&D Center) and other members of the scientific community. The results of these analyzes indicate that, in a scenario of low CO₂ emissions, transition risks would be the ones that would take on greater relevance, for which ARAUCO is well positioned due to the characteristics and nature of its business, identifying greater capacity for adaptation risks and opportunities. Unlike a high emissions scenario, where physical risks would be those that would cause the greatest impact on the business and its assets, potentially affecting the productivity of the plantations.

ARAUCO's goals related to climate change are continuing to be carbon neutral and reducing CO₂ emissions for scopes 1, 2 and 3, under the Science Based Targets initiative (SBTi) to be aligned with the 1.5 °C route of the Paris agreement. Before the closing of this report, the emissions reduction goals were approved by the SBTi and it is expected to be able to disclose its road map for the 2024 annual report. This road map is the one that will define ARAUCO's approach in its Net Zero path.

Other goals related to climate change are to restore 25 thousand hectares (62 thousand acres) of native forest in Latin America by 2050, revalue 100% of its non-hazardous waste by 2030, ensure the persistence (non-extinction) of 1,234 threatened species that live in our forest assets, maintain and expand our network of high-value areas for conservation and become a company with a positive impact on nature with a focus on Water, Biodiversity and Carbon.

The Financial Stability Board (FSB) and its Task Force on Climate-related Financial Disclosures (TCFD) recommend a framework for disclosing climate-related risks and opportunities. ARAUCO's information with reference to TCFD recommendations is listed in this index.

Recommended Disclosure	Location and comments	Page number
I - Governance		
a) Description of the Board's oversight of the management of climate-related risks and opportunities.	Corporate Leadership "Board committees"	198 - 202
b) Description of the role of Senior Management in the evaluation and management of climate-related risks and opportunities.	Corporate Leadership "Board Committees"	198 - 202
II - Strategy		
a) Description of the climate-related risks and opportunities that the organization has identified in the short, medium and long term.	Corporate Leadership "Risk and opportunity management"; "Risks associated with climate change"	213 - 219
	Financial report "Risks" (section: Climate change).	367 - 369
	Our strategy "Strategy"; "Climate Action Plan".	34
b) Description of the risks and opportunities related to the impacts of climate on the company's business, strategy and financial planning.	Corporate leadership "Risk and opportunity management"; "Risks associated with climate change"	213 - 219
	Financial report "Risks" (section: Climate change).	367 - 369
	Our strategy; "Climate Action Plan"	34
c) Description of the resilience of the organization's strategy, considering different climate-related scenarios, including a 2°C or lower scenario.	Principles and standards "Climate-related financial disclosure (TCFD)"	252 - 255
	Our strategy; "Climate Action Plan"	34

Recommended Disclosure	Location and comments	Page number
III - Risk management		
a) Description of the organization's processes to identify and evaluate climate-related risks.	Corporate Leadership "Risk and opportunity management"; "Risks associated with climate change"	213 - 219
	Financial report "Risks" (section: Climate change).	367 - 369
b) Description of the organization's processes to manage climate-related risks.	Corporate Leadership "Risk and opportunity management"; "Risks associated with climate change"	213 - 219
	Financial report "Risks" (section: Climate change).	367 - 369
c) Description of how processes to identify, evaluate and manage climate-related risks are integrated into the organization's overall risk management.	Corporate Leadership "Risk and opportunity management"; "Risks associated with climate change"	213 - 219
	Financial report "Risks" (section: Climate change).	367 - 369
IV - Metrics and objectives		
a) Disclose the metrics used by the organization to evaluate climate-related risks and opportunities in line with its risk management strategy and process.	Our strategy "Sustainable goals"	35 - 37
	Commitment to the planet "Greenhouse Gas Emissions (GHG)"	79 - 82
b) Disclose greenhouse gas (GHG) emissions of Scope 1, Scope 2 and, where applicable, Scope 3, and related risks.	Commitment to the planet "Greenhouse Gas Emissions (GHG)"	79 - 82
c) Describe the objectives used by the organization to manage climate-related risks and opportunities and performance against objectives.	Our strategy "Sustainable goals."	35 - 37

SASB

SASB Wood Products

Sustainability Disclosure Topics and Accounting Parameters

TOPIC	ACCOUNTING PARAMETER	CATEGORY	CODE	RESPONSE	PAGE NUMBER
Energy management	(1) Total energy consumed. (2) Percentage of electricity from the grid. (3) Percentage from biomass. (4) Percentage of other renewable energies.	Quantitative	CG-BF-130a.1	Commitment to the planet “Energy management” (table: Energy consumption)	113
	Analysis of processes to evaluate and manage the risks and/or dangers associated with chemical substances in products.	Debate and analysis	CG-BF-250a.1	Commitment to the planet “Materials, chemicals and waste”	109 - 112
Management of chemicals in products	Percentage of products that meet volatile organic compound (VOC) content and emissions standards.	Quantitative	CG-BF-250a.2	Commitment to the planet “Atmospheric emissions and air quality” (table: Emissions to the atmosphere)	125
	Description of efforts to manage product life cycle impacts and meet demand for sustainable products.	Debate and analysis	CG-BF-410a.1	Our strategy “Climate Action Plan”; “Sustainable goals.”	34 - 37
Management of the life cycle and environmental impact of products				Commitment to the planet “Greenhouse Gas Emissions (GHG)” “Materials, chemicals and waste.”	79 – 82; 109 - 112

TOPIC	ACCOUNTING PARAMETER	CATEGORY	CODE	RESPONSE	PAGE NUMBER
	(1) Weight of the material at the end of its useful life recovered. (2) Percentage of recovered materials recycled.	Quantitative	CG-BF-410a.2	Commitment to the planet “Materials, chemicals and waste” (tables: Waste recovery; Waste by type and disposal method)	110
Supply chain management	Percentage of wood fiber from: (1) Forests certified by third parties and the percentage for each standard. (2) One that complies with other standards related to fiber supply sources and the percentage for each standard.	Quantitative	CG-BF-430a.1	Corporate leadership “Suppliers” (table: % of raw materials from certified forests)	227

Activity parameters

ACTIVITY PARAMETER	CODE	RESPONSE	PAGE NUMBER
Annual production	CG-BF-000.A	“Wood” renewable products (table: Production by product type)	61
Production facilities area	CG-BF-000.B	ARAUCO in 2023 “ARAUCO in the world”.	20 - 21

SASB Pulp and paper products

Sustainability Disclosure Topics and Accounting Parameters

TOPIC	ACCOUNTING PARAMETER	CATEGORY	CODE	RESPONSE	PAGE NUMBER
Greenhouse gas emissions	Scope 1 gross global emissions.	Quantitative	RR-PP-110a.1	Commitment to the planet “Greenhouse Gas Emissions (GHG)” (table: ARAUCO carbon footprint).	81
	Analysis of the long and short-term strategy or plan to manage Scope 1 emissions, emissions reduction objectives and analysis of the results in relation to those objectives.	Debate and analysis	RR-PP-110a.2	Our “Climate Action Plan” strategy	34
				Commitment to the planet “Greenhouse Gas Emissions (GHG)” (table: ARAUCO carbon footprint).	79 - 82
Quality of air	Atmospheric emissions of the following pollutants: (1) NOx (excluding N2O). (2) SO2. (3) Volatile organic compounds (VOCs). (4) Particulate matter (PM). (5) hazardous air pollutants (HAP).	Quantitative	RR-PP-120a.1	Commitment to the planet “Atmospheric emissions and air quality” (table: Emissions to the atmosphere)	125
Energy management	(1) Total energy consumed. (2) Percentage of electricity from the grid. (3) percentage from biomass. (4) Percentage of other renewable energies.	Quantitative	RR-PP-130a.1	Commitment to the planet “Energy management” (table: Energy consumption)	113

TOPIC	ACCOUNTING PARAMETER	CATEGORY	CODE	RESPONSE	PAGE NUMBER
Water management	(1) Total water extracted (2) Total water consumed, percentage of each in regions with high or extremely high initial water stress.	Quantitative	RR-PP-140a.1	Commitment to the planet “Water management and consumption” (tables: Water extraction, discharge and consumption; Water stress).	117 - 118
	Description of water management risks and analysis of strategies and practices to mitigate them.	Debate and analysis	RR-PP-140a.2	Commitment to the planet “Water management and consumption.”	117 - 120
Supply chain management	Percentage of wood fiber from: (1) Forests certified by third parties and the percentage for each standard. (2) That which meets other standards related to fiber supply sources and the percentage for each standard.	Quantitative	RR-PP-430a.1	Corporate leadership “Suppliers” (table: % of raw materials from certified forests)	227
	Amount of recycled and recovered fiber obtained	Quantitative	RR-PP-430a.2	Commitment to the planet “Materials, chemicals and waste” (tables: Waste recovery; Waste by type and disposal method)	110

Activity parameters

ACTIVITY PARAMETERS	CODE	RESPONSE	PAGE NUMBER
Pulp production	RR-PP-000.A	Renewable products “Pulp” (table: pulp production by product type)	55
Paper Production	RR-PP-000.B	Does not apply	
Total wood fiber supplied	RR-PP-000.C	Corporate leadership “Suppliers” (table: % of raw materials from certified forests)	227

SASB Forest Management

Sustainability Disclosure Topics and Accounting Parameters

TOPIC	ACCOUNTING PARAMETER	CATEGORY	CODE	RESPONSE	PAGE NUMBER
Ecosystem services and impacts	Forest area certified to a third-party forest management standard; percentage certified to each standard	Quantitative	RR-FM-160a.1	Our products “Product labeling and certifications” (table: Distribution of forest assets and certified coverage as of December 31, 2023)	74
	Forest area with protected conservation status	Quantitative	RR-FM-160a.2	Our products “Product labeling and certifications” (table: Distribution of forest assets and certified coverage as of December 31, 2023)	74
	Forest area in the habitat of endangered species	Quantitative	RR-FM-160a.3	Commitment to the planet “Sustainable forest management: Biodiversity monitoring.”	91 - 94
	Description of the method for optimizing the opportunities obtained from the ecosystem services provided by forests	Debate and analysis	RR-FM-160a.4	Commitment to the planet “Sustainable forest management.”	83 - 103
Rights of indigenous peoples	Forest area in indigenous territory	Quantitative	RR-FM-210a.1	Our strategy “Commitment to our stakeholders” (section: “Human rights – Native peoples”)	42 - 43

TOPIC	ACCOUNTING PARAMETER	CATEGORY	CODE	RESPONSE	PAGE NUMBER
	Description of participation processes and due diligence practices related to human rights, indigenous rights and the local community	Debate and analysis	RR-FM-210a.2	Our strategy “Commitment to our stakeholders” (section: Human rights)	40 - 43
Adaptation to climate change	Description of the strategy to manage the opportunities and risks of forest management and timber production posed by climate change	Debate and analysis	RR-FM-450a.1	More information in: Climate-related financial disclosure	252 - 255

Activity parameters

ACCOUNTING PARAMETERS	CATEGORY	CODE	RESPONSE	PAGE NUMBER
Forest area that the entity owns, leases or manages	Quantitative	RR-FM-000.A	Renewable products “Our Businesses” (table: Distribution of forest assets by use).	54
Total standing timber inventory	Quantitative	RR-FM-000.B	Renewable products “Our businesses: Forestry, pulp and energy”	53
Volume of timber exploitation	Quantitative	RR-FM-000.C	Renewable products “Our businesses: Forestry, pulp and energy” (table: Harvesting and purchase of wood)	53

FINANCIAL REPORT

8

Essential Facts

Exhibit 99.1

arauco

MATERIAL FACT ("HECHO ESENCIAL")
CELULOSA ARAUCO Y CONSTITUCIÓN S.A.
Registered in the Securities
Registry under No. 42

Santiago (Chile), February 8th, 2023

Mr. President

Commission for the Financial Market
PRESENT


Dear Sir:

The undersigned, on behalf of the non-public corporation (*sociedad anónima cerrada*) named Celulosa Arauco y Constitución S.A. (the "Company" or "Arauco"), both domiciled in the Metropolitan Region of Chile, at Avenida El Golf No. 150, 14th Floor, commune of Las Condes, a company registered in the Securities Registry under No. 42, Chilean Taxpayer Identification No. 93,458,000-1, and being duly entitled for these purposes, hereby reports the following material information concerning the Company and its businesses, pursuant to article 9 and the second paragraph of article 10, both of Law No. 18,045, and Regulation of General Application (*Norma de Caracter General*) No. 30, issued by the Commission for the Financial Market, which complements the information of interest previously published on the Company's website.

As is of public knowledge, since last week there have been multiple sources of fires in Chile and with regard to Arauco, in the regions of Maule, Ñuble, Biobío and Los Ríos, many of which are the result of the irresponsible or intentional action of third parties (the "Fires").

For purposes of fire prevention and combat, the Company has more than 1,300 professional forestry brigade members, duly trained and equipped for firefighting, as well as 700 liquidation forestry brigade members. Additionally, the Company has 89 car bombs, 30 runways and helipads, a total of 35 aircrafts (11 tanker planes, 17 tanker and brigade transport helicopters, 4 heavy helicopters and 3 coordination planes), 18 scidders, 2 bulldozers, 130 detection towers with cameras systems, a satellite fire detection service, and 3 detection centers, in addition to the support of national and international specialist companies.

Notwithstanding the foregoing, as a result of high temperatures that have persisted for several days in the south-central zone of Chile, the action of the wind, the low environmental humidity, and the complexity involved in fighting many active fires and outbreaks that simultaneously appear in various points, fire activity has increased considerably.



arauco

The Company has approximately 40,000 hectares of potentially affected productive forest plantations (the "Plantations") in the area where the Fires are currently taking place.

Nevertheless, experience indicates that only a percentage of the Plantations will be significantly affected, which can only be determined once the conditions allow the evaluation of the damage suffered, which in turn will depend on the age of the Plantations, the intensity of the fire in the different areas and which ones were effectively reached.

Moreover, the Plantations affected by the Fires have insurance, with their corresponding deductibles and limitations.

As of the date hereof, we are not able to specify the effects that the Fires will have on the results of the Company.

Very truly yours,

CELULOSA ARAUCO Y CONSTITUCIÓN S.A.
Matias Domeyko Cassel
Chief Executive Officer

c.c.

- Santiago Stock Exchange, La Bolsa No. 64, Santiago
- Chilean Electronic Exchange, Huérfanos 770, 14th Floor, Santiago
- Representative of the Bondholders (Banco Santander), Bandera 140, Santiago
- Unions




Exhibit 99.1



MATERIAL FACT ("HECHO ESENCIAL")
CELULOSA ARAUCO Y CONSTITUCIÓN S.A.
Registered in the Securities
Registry under No. 42

Santiago (Chile), March 1st, 2023

Commission for the Financial Market

(Comisión para el Mercado Financiero)

PRESENT

To whom it may concern:

The undersigned, on behalf of the non-public corporation (*sociedad anónima cerrada*) named Celulosa Arauco y Constitución S.A. (the "Company" or "Arauco"), both domiciled in the Metropolitan Region of Chile, at Avenida El Gelf No. 150, 14th Floor, commune of Las Condes, a company registered in the Securities Registry under No. 42, Chilean Taxpayer Identification No. 93.458.000-1, and being duly entitled for these purposes, hereby reports the following material information concerning the Company and its businesses, pursuant to article 9 and the second paragraph of article 10, both of Law No. 18.045, and Regulation of General Application (*Norma de Caracter General*) No. 30, issued by the Commission for the Financial Market, which complements the information of interest previously published on the Company's website as well as the material fact published the past February 3rd.

Regarding the fires that have occurred this year in Chile in the regions of Maule, Nuble, Araucanía, Biobío and Los Ríos (the "Fires"), the information previously delivered to the market is hereby updated, given that the Company has approximately 47,000 hectares of potentially affected productive forest plantations in the area where the Fires have taken place.

Considering the information currently available, the wood that should be able to be recovered (based on past experiences) and the applicable insurance coverage, it is preliminary estimated that the impact of the Fires on the financial statements of the Company would be, as of the date hereof, approximately USD650 million.



Very truly yours,

CELULOSA ARAUCO Y CONSTITUCIÓN S.A.

Melán Domeyko Cassel
Chief Executive Officer

c.c.

- Santiago Stock Exchange, La Bolsa No. 64, Santiago
- Chilean Electronic Exchange, Huérfanos 770, 14th Floor, Santiago
- Representative of the Bondholders (Banco Santander), Bandera 140, Santiago
- Unions



Exhibit 99.1



MATERIAL FACT ("HECHO ESENCIAL")
 Celulosa Arauco y Constitución S.A.
 Registered in the Securities Registry under No. 42

Santiago (Chile), April 25th, 2023

Commission for the Financial Market
 (Comisión para el Mercado Financiero)

PRESENTE

To whom it may concern:

The undersigned, on behalf of the corporation (*sociedad anónima*) named Celulosa Arauco y Constitución S.A. (the "**Company**" or "**Arauco**"), both domiciled in the Metropolitan Region of Chile, at Avenida El Golf No. 150, 14th Floor, commune of Las Condes, a company registered in the Securities Registry under No. 42, Chilean Taxpayer Identification No. 93,458,000-1, and being duly entitled for these purposes, hereby reports the following material information concerning the Company and its businesses, pursuant to article 9 and the second paragraph of article 10, both of Law No. 18,045, and Regulation of General Application (*Norma de Caracter General*) No. 30, issued by the Commission for the Financial Market (the "**Commission**").

Today, the Company has proceeded to place Sustainable Bonds in the local market, bonds that are dematerialized and to bearer, which most relevant conditions are as follows:

1.- **A) Series "Y" Bonds**, for a total amount of 2,000,000 Unidades de Fomento¹ ("UF"), maturing on April 10, 2032. Interests will accrue as of April 10, 2023 and will be paid semiannually on April 10 and October 10 of each year, starting on October 10, 2023. Principal will be paid in a single installment payable on April 10, 2032.

The issuance reached a placement rate of 3.35%.

¹ The UF is a unit of account that is linked to, and adjusted daily to reflect changes in, the Chilean consumer price index reported by the Chilean National Institute of Statistics (Instituto Nacional de Estadísticas). At April 25, 2023, one UF equaled approximately to U.S.\$43.91 and Ch\$35,773.27.



The Series "Y" Bonds will accrue on the unpaid principal, expressed in UF, a coupon interest of 3.10% per annum, compound, due, calculated on the basis of equal semesters of 180 days, equivalent to a semi-annual rate of 1.5382%.

B) **Series "Z" Bonds**, for a total amount of 5,000,000 UF, maturing on April 10, 2044. Interests will accrue from April 10, 2023, and will be paid semiannually on April 10 and October 10 of each year, starting on October 10, 2023. Principal will be paid in a single installment payable on April 10, 2044.

The issuance had a placement rate of 3.18%.

The Series "Z" Bonds will accrue on the unpaid principal, expressed in UF, a coupon interest of 3.2% per annum, compound, due, calculated on the basis of equal semesters of 180 days, equivalent to a semi-annual rate of 1.5874%.

2.- The **Series "Y" Bonds** have been issued against the bond line registered in the Commission's Securities Registry under No. 936, dated April 15, 2019, while the **Series "Z" Bonds** have been issued against the bond line registered in the Commission's Securities Registry under No. 937, also dated April 15, 2019.

Series "Y" and "Z" bonds were approved by the Company's Board of Directors on April 18, 2023.

3.- These series of bonds have a Chilean risk credit rating of AA/Stable, according to certificates granted by the risk credit rating agencies Fitch Chile and Foller Rate.

4.- The placement agents were Scotia Corredora de Bolsa Chile Limitada and Santander Corredores de Bolsa Limitada, companies with which there is no ownership relationship.

5.- Other relevant conditions of the aforementioned bonds are as follows:

i) Both the Series "Y" and Series "Z" Bonds may be redeemed as from April 10, 2026.

ii) The Bonds will not have any guarantee.

iii) The proceeds from the aforementioned placements will be used 100% for general corporate purposes of the Company and/or its subsidiaries.

The abovementioned bonds to be issued are classified as "sustainable", since regardless of the use of the proceeds described in the previous paragraph, Arauco will destine an amount equivalent to the proceeds to be obtained of such issuance and placement to finance or refinance, in whole or in part, one or more green and social projects selected for the purposes of the issuance in accordance with the *Sustainability Bond Framework* adopted by the Company and published on its website.





The abovementioned green and social projects may include: (i) projects with disbursements made within the 36 months preceding the issue date of the bonds and (ii) projects with disbursements to be made after the referred issuance, and up to the maturity date of the same bonds.

Very truly yours,

CELULOSA ARAUCO Y CONSTITUCION S.A.
Matias Domeyko Cassel
Chief Executive Officer

- c.c.
- Santiago Stock Exchange, La Bolsa No. 64, Santiago
 - Chilean Electronic Exchange, Huérfanos 770, 14th Floor, Santiago
 - Representative of the Bondholders (Banco Santander), Bandera 140, Santiago
 - Unions



Exhibit 99.1



MATERIAL FACT ("HECHO ESENCIAL")
Celulosa Arauco y Constitución S.A.
Registered in the Securities Registry under No. 42

Santiago (Chile), June 13th, 2023

Commission for the Financial Market
(Comisión para el Mercado Financiero)

PRESENT

To whom it may concern:

The undersigned, on behalf of the non-public corporation (*sociedad anónima*) named Celulosa Arauco y Constitución S.A. (the "Company" or "Arauco"), both domiciled in the Metropolitan Region of Chile, at Avenida El Golf No. 150, 14th Floor, commune of Las Condes, a company registered in the Securities Registry under No. 42, Chilean Taxpayer Identification No. 93.438.000-1, and being duly entitled for these purposes, hereby reports the following material information concerning the Company and its businesses, pursuant to article 9 and the second paragraph of article 10, both of Law No. 18.045, and Regulation of General Application (*Norma de Carácter General*) No. 30, issued by the Commission for the Financial Market (the "Commission").

Today, the Company has proceeded to place Sustainable Bonds in the local market, which most relevant conditions are as follows:

- 1.- **Series "AB" Bonds**, for a total amount of 5,000,000 Unidades de Fomento¹ ("UF"), maturing on May 15, 2046. Interests will accrue as of May 15, 2023 and will be paid semiannually on May 15 and November 15 of each year, starting on November 15, 2023. Principal will be paid in a single instalment payable on May 15, 2046.

The issuance reached an annual placement rate of 3.33%.

¹ The UF is a unit of account that is linked to, and adjusted daily to reflect changes in, the Chilean consumer price index reported by the Chilean National Institute of Statistics (Instituto Nacional de Estadísticas). At June 13, 2023, one UF equaled to approximately U.S.\$ 44.704 and Ch\$ 36,069.05.





The Series "AB" Bonds will accrue on the unpaid principal, expressed in UF, a coupon interest of 5.2% per annum, compound, due, calculated on the basis of equal semesters of 180 days, equivalent to a semi-annual rate of 1.5874%.

2.- The Series "AB" Bonds have been issued against the bond line registered in the Commission's Securities Registry under No. 937, dated April 15, 2019.

Series "AB" bonds were approved by the Company's Board of Directors on May 23, 2023.

3.- These series of bonds have a Chilean risk credit rating of AA/Stable, according to certificates granted by the risk credit rating agencies Fitch Chile and Feller Rate on June 5, 2023.

4.- The placement agents were Scotia Corredora de Bolsa Chile Limitada and Santander Corredores de Bolsa Limitada, companies with whom there is no ownership relationship.

5.- Other relevant conditions of the aforementioned bonds are as follows:

i) The Series "AB" Bonds may be redeemed as of May 15, 2026.

ii) The Bonds will have no guarantee.

iii) The proceeds from the aforementioned placements will be used 100% for general corporate purposes of the Company and/or its subsidiaries.

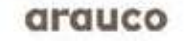
The aforementioned bonds to be issued are classified as "sustainable" given that, regardless of the use of the proceeds described in the previous paragraph, Arauco will destine an amount equivalent to the proceeds to be obtained of such issuance and placement to finance or refinance, in whole or in part, one or more green and social projects selected for the purposes of the issuance in accordance with the *Sustainability Bond Framework* adopted by the Company and published on its website.

The aforementioned green and social projects may include: (i) projects with disbursements made within the 36 months preceding the issue date of the bonds and (ii) projects with disbursements to be made after the referred issuance, and up to the maturity date of the same bonds.

Very truly yours,

CELULOSA ARAUCO Y CONSTITUCION S.A.

Matias Doneyko Castell
Chief Executive Officer



c.c.
- Santiago Stock Exchange, La Bolsa No. 64, Santiago
- Chilean Electronic Exchange, Ibáñez 770, 14th Floor, Santiago
- Representative of the Bondholders (Banco Santander), Banderas 140, Santiago
- Various



Exhibit 99.1

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MATERIAL FACT ("HECHO ESENCIAL")
Celulosa Arauco y Constitución S.A.
Registered in the Securities Registry under No. 42

Santiago (Chile), September 12th, 2023


Commission for the Financial Market
(Comisión para el Mercado Financiero)
PRESENTE

To whom it may concern:

The undersigned, on behalf of the corporation (*sociedad anónima*) named Celulosa Arauco y Constitución S.A. (the "Company" or "Arauco"), domiciled in the Metropolitan Region of Chile, at Avenida El Golf No. 150, 14th Floor, commune of Las Condes, a company registered in the Securities Registry under No. 42, Chilean Taxpayer Identification No. 93,458,000-1, and being duly entitled for these purposes, hereby reports the following material information concerning the Company and its businesses, pursuant to article 9 and the second paragraph of article 10, both of Law No. 18,045, and Regulation of General Application (*Norma de Caracter General*) No. 30, issued by the Commission for the Financial Market (the "Commission").

As is of public knowledge, and as previously reported on the Company's website, Licancel Pulp Mill, located in Licantén, Maule Region, had to stop its operations completely on August 21st, 2023 -for the second time this year due to the same reason-, as result of the overflow of the Mataquito River caused by the severe weather conditions that affected the central-southern zone of Chile.

Following a thorough analysis of the consequences and damages resulting from this event, and as result of the same, together with the extreme climatic variability, consecutive floods of the Mataquito River during this winter, extreme periods of drought leading to repeated shutdowns in previous summers, high-impact forest fires that have significantly reduced the availability of wood at an industrial level, in addition to the years of operation of the main equipment, it has been necessary to take the regrettable decision to indefinitely suspend the pulp manufacturing process at the pulp mill referred herein.



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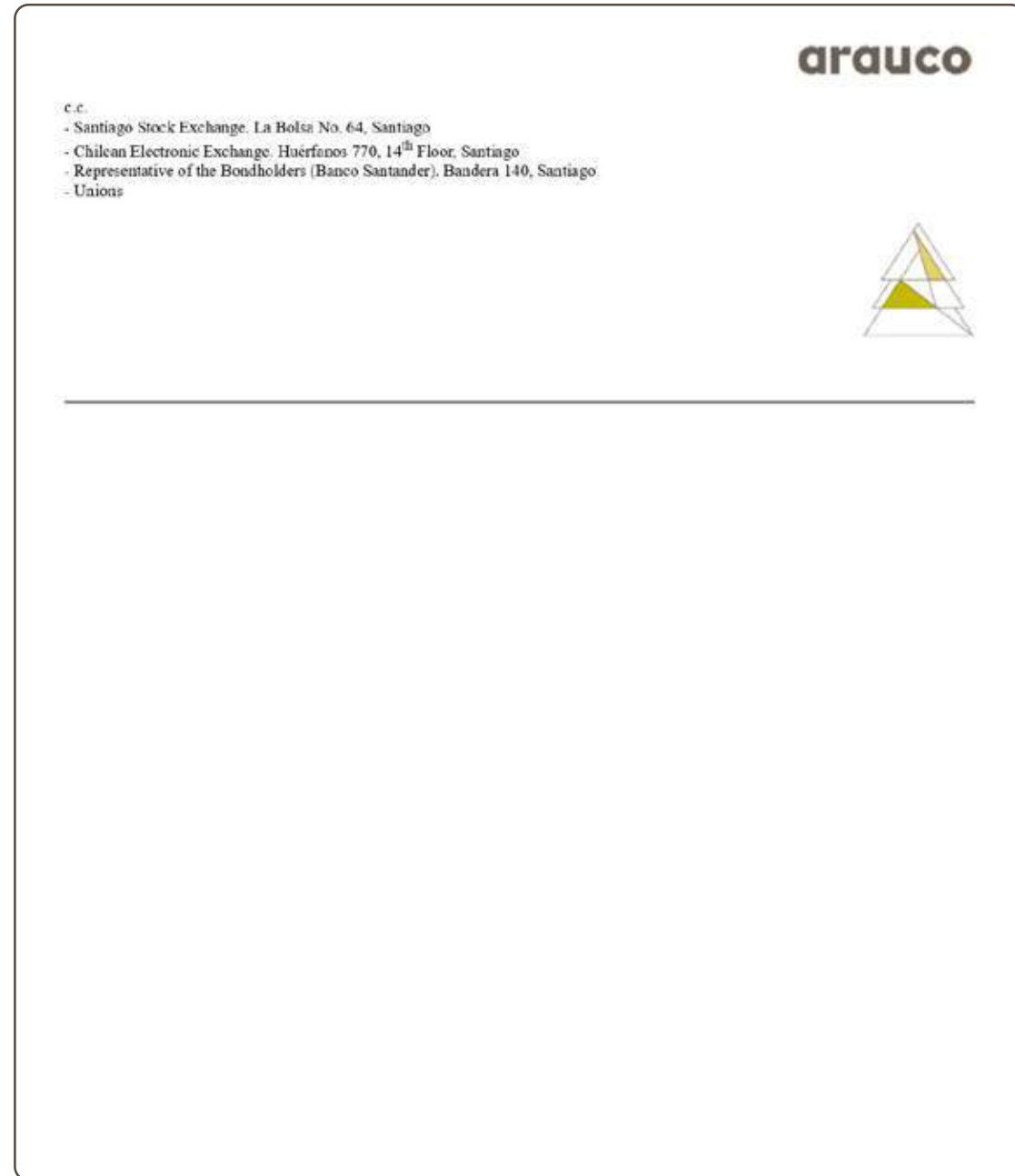
The Licancel Pulp Mill was built in 1992 and was acquired by Arauco in September 1999. The Pulp Mill currently has an installed annual production capacity of approximately 160,000 tons of unbleached pine pulp, which corresponds to 3% of Arauco's total annual pulp production capacity. Furthermore, the Licancel Pulp Mill represented 1.7% of Arauco's consolidated revenues in 2022. This decision will result in the layoff of approximately 160 direct employees.

As a consequence of the indefinite suspension of the pulp manufacturing process at the Licancel Pulp Mill, and applying the customary procedures for determining impairments or losses in accordance with International Financial Reporting Standards (IFRS), the Company will record an impairment provision for assets associated with the Licancel Pulp Mill in its 2023 financial statements, for a net amount of deferred taxes of approximately US\$55 million, notwithstanding the fact that detailed analyses are being conducted to determine the final figure.

Very truly yours,

Matías Domeyko Cassel
Chief Executive Officer
CELULOSA ARAUCO Y CONSTITUCION S.A.







What has been agreed to be sold corresponds to the totality of the shares and rights in the Brazilian Forestry Companies, with the exception of Florestal Vale do Ceriseo S.A., of which the Sellers indirectly own 49% of the shares of the latter.

The eucalyptus and pine forest plantations subject to the transaction occupy approximately 85,000 hectares. Moreover, it should be noted that the sale of shares and social rights does not extend to the industrial assets related to the panel plants in Brazil, nor to other forestry assets located mainly in the state of Mato Grosso do Sul, Brazil, and which relate to an industrial project to build a pulp mill in the future, called the "Sucuri Project".

The total price of the agreed purchase and sale arises to the amount of US\$1,160,000,000 (one thousand one hundred and sixty million dollars), payable at the date of closing of the transaction (the "Closing"), subject to customary adjustments for such transactions, which depend on factors such as working capital, net debt and the amount of standing pine and eucalyptus timber of the Brazilian Forestry Companies existing at Closing.

The Closing would be subject to the fulfilment of the usual suspending conditions for this type of transactions, including the authorization of the Brazilian competition authorities (Administrative Council for Economic Defense or "CADE").

It has been preliminarily estimated that, if the transaction is completed, it will have a positive effect on results of approximately US\$ 130 million after taxes by 2024, from the sale of shares and social rights in the Brazilian Forestry Companies.

Very truly yours,

Matias Dooneyko Cassel
Chief Executive Officer
CELULOSA ARAUCO Y CONSTITUCION S.A.



c.c.

- Santiago Stock Exchange, La Bolsa No. 64, Santiago
- Chilean Electronic Exchange, Huérfanos 770, 14th Floor, Santiago
- Representative of the Bondholders (Banco Santander), Bandera 140, Santiago
- Unions



Entity identification

Company name:

Celulosa Arauco y Constitución S.A.

R.U.T.: 93,458,000-1

Legal address: Av. El Golf 150, 14th floor, Las Condes, Santiago, Chile.

Type of entity: Closed corporation.

Article of incorporation

City: Santiago

Date: October 28, 1970

Notary: Ramón Valdivieso Sánchez

Modified

City: Santiago

Date: May 6, 1971

Notary: Sergio Rodríguez Garcés

Authorization resolution: Number: 300

Date: August 18, 1971

Commercial registration registration:

Santiago

Pages: 6,431

Number: 2,993

Date of publication in the official journal:

September 4, 1971

CONTACT INFORMATION

Main office address:

Av. El Golf 150, 14th Floor, Las Condes, Santiago, Chile.

Telephone: +(56) 224 617 200

Corporate website: www.arauco.com

People in charge of answering investor queries:

Name: Gianfranco Truffello J.

Email: gianfranco.truffello@arauco.com

Telephone: +(56) 224 617 221

People in charge of answering report queries:

Name: María Pía Guzmán G.

Email: pia.guzman@arauco.com

Telephone: +(56) 224 617 287

Society Objective

The company's purpose is: a) To manufacture pulp, paper and its derivatives, by-products and related products; acquire, manage, oversee and exploit, on their own behalf or on behalf of others, forest lands or lands suitable for forestry; acquire and operate sawmills and other industries that produce raw materials for the production of paper, pulp and its derivatives and/or wood in all its forms; sell, export, and, in general, trade within or outside the country, the aforementioned products, especially wood, pulp and paper in all their forms. b) Acquire, manage, manage and exploit, on their own or on behalf of others, agricultural real estate and transform, industrialize and market agricultural products, as well as produce, prepare and market food and beverages of any kind or origin. c) Acquire, manage, oversee and exploit, on their own behalf or on behalf of others, non-agricultural real estate, as well as carry out the construction industry and develop real estate businesses. d) Import, export, buy, sell, distribute and, in general, trade on their own behalf or on behalf of others, motor vehicles and machinery, elements, equipment and other items for agricultural, mining, fishing, industrial, commercial, electronic computing and domestic use,

its accessories and spare parts. e) Land, air, sea and river transportation, on own behalf or on behalf of others, and the promotion and development of tourism activity in the country. f) Manufacture, distribute and generally trade packaging of all types. g) Exploit electronic computing equipment, in all its forms, being able to provide advice on business administration and organization, market and feasibility studies, and operational research. h) Also carry out activities and businesses related to 1) Mining, including, among others, prospecting, reconnaissance, exploration and exploitation of mining deposits; and 2) Fishing or hunting for beings or organisms that have their normal way of life in water, and may trade with it in any way. i) Participate, in accordance with the Law, in banking, financial services, insurance, warrants, and, in general, merchandise storage and deposit companies, and in the administration of mutual and pension funds. j) The performance, on one's own account or on behalf of others, of port operations, including, especially, wharfing, launching, cargo mobilization, storage, stowage and unloading of ships. k) The production, purchase, sale, transportation and distribution of electrical energy and



water vapor. l) The generation, purchase, sale and general marketing of Certified Greenhouse Gas Emission Reductions, called “Carbon Bonds”. m) The provision of all types of services to third parties, including business administration services; computer services; administration and maintenance services of all types of industrial equipment and machinery; services for the treatment, transportation, transformation and disposal of effluents, waste and waste, whether industrial or of any type; and the provision of all types of services related to engineering and n) The leasing, as lessor, of real estate with or without furniture included, and of equipment, machinery and other movable property.

Control situation

As of December 31, 2023, control of Celulosa Arauco y Constitución S.A. corresponds to the open corporation Empresas Copec S.A., RUT No. 90.690.000-9, which owns approximately 99.9999% of its shares. For its part, control of Empresas Copec S.A. corresponds to the open public limited company AntarChile S.A., RUT N°96.556.310-5, which owns 60.82080% of the shares of the company. In turn, the final controllers of AntarChile S.A. and consequently controllers of Empresas Copec S.A., are Mr. Roberto Angelini Rossi, RUT N°5.625.652-0 and Ms. Patricia Angelini Rossi, RUT N°5.765.170-9.

It is noted that the newly appointed final controllers have direct participations in Empresas Copec S.A., which are indicated below: Mr. Roberto Angelini Rossi is the direct owner of 0.00187% of the shares of Empresas Copec S.A. and Mrs. Patricia Angelini Rossi is the direct owner of 0.00019% of the shares of Empresas Copec S.A.

In addition, the following natural persons related by kinship to the final controllers are direct owners of the percentages of shares of Empresas Copec S.A. indicated below: Mrs. Daniela Angelini Amadori, RUT 13.026.010-1: 0.00005%; Mr. Maurizio Angelini Amadori, RUT

13.232.559-6: 0.00005%; Mr. Claudio Angelini Amadori, RUT 15.379.762-5: 0.00005%; Mr. Mario Angelini Amadori, RUT 16.095.366-7: 0.00005%; Mr. Franco Roberto Mellafe Angelini, RUT 13.049.156-1: 0.00006%; Mr. Maximiliano Valdés Angelini, RUT 16.098.280-2: 0.00006%; and Mrs. Josefina Valdés Angelini, RUT 16.370.055-7: 0.00006%.

As mentioned, the control of AntarChile S.A. corresponds to its final controllers, with a formalized joint action agreement, which does not contain limitations on the free disposal of the shares, who are the already named Roberto and Patricia Angelini Rossi.

This control is exercised as follows:

- a) Shares directly owned by the final controllers: a.1) Mr. Roberto Angelini Rossi is the direct owner of 0.21269% of the shares issued by AntarChile S.A. and a.2) Ms. Patricia Angelini Rossi is the direct owner of 0.22671% of the shares issued by AntarChile S.A. Total shares owned directly by ultimate controllers: 0.4394%.
- b) Shares indirectly owned through companies controlled by the final controllers:

b.1) The company Inversiones Angelini y Compañía Limitada, RUT 93.809.000-9, is the direct owner of 63.43001% of the shares issued by AntarChile S.A. and indirect owner, through its subsidiary Inmobiliaria y Turismo Río San José S.A. of 0.07333% of the shares of AntarChile S.A. Inversiones Angelini y Compañía Limitada is controlled by the final controllers already mentioned, that is, Mr. Roberto Angelini Rossi and Mrs. Patricia Angelini Rossi, according to the following detail:

- 1) Mr. Roberto Angelini Rossi, directly 18.9659% and indirectly 16.9923%, through Inversiones Arianuova Limitada, RUT 76.096.890-0, of which he has 99% of the social rights.
- 2) Ms. Patricia Angelini Rossi, directly 15.2968% and indirectly 13.6993%, through Inversiones Rondine Limitada, RUT 76.096.090-K, of which she has 99% of the social rights.
- 3) On the other hand, Mr. Roberto Angelini Rossi statutorily controls Inversiones Golfo Blanco Limitada, RUT N°76.061.995-7, which is the owner of 19.4397% of the corporate rights of Inversiones Angelini y

Compañía Limitada. The partners of Inversiones Golfo Blanco Limitada are: (i) Mr. Roberto Angelini Rossi with 0.00011% of the corporate rights; (ii) Mr. Maurizio Angelini Amadori, Mrs. Daniela Angelini Amadori, Mr. Claudio Angelini Amadori, and Mr. Mario Angelini Amadori, RUT 16.095.366-7, with 23.6854% of the social rights each; and (iii) Inversiones Golfo Rojo Limitada, RUT 76.062.008-4, with 5.2581% of the social rights.

- 4) Likewise, Ms. Patricia Angelini Rossi statutorily controls Inversiones Senda Blanca Limitada, RUT N°76.061.994-7, which is the owner of 15.6059% of the corporate rights of Inversiones Angelini y Compañía Limitada. The partners of Inversiones Senda Blanca Limitada are: (i) Ms. Patricia Angelini Rossi with 0.00013% of the social rights; (ii) Mr. Franco Roberto Mellafe Angelini, Mr. Maximiliano Valdés Angelini, and Mrs. Josefina Valdés Angelini, with 31.6858% of the social rights each; and (iii) Inversiones Senda Roja Limitada, RUT 76.062.011-4, with 4.9422% of the social rights.

- b.2)** On the other hand, the Inversiones Golfo Blanco Limitada, a company statutorily controlled by Mr. Roberto Angelini Rossi, is the direct owner of 5.77567% of the shares of AntarChile S.A.
- b.3)** The also already mentioned Inversiones Senda Blanca Limitada, a company statutorily controlled by Mrs. Patricia Angelini Rossi, is the direct owner of 4.331751% of the shares of AntarChile S.A.
- b.4)** Finally, AntarChile S.A. itself appears as the holder of 2,066,288 shares of its own issue as of December 31, that is, approximately 0.45296% of the total shares of said company.

In accordance with the above, the controlling group of AntarChile S.A., defined above, has a total percentage of 74.5031%, directly and indirectly. Finally, it is stated that the already named Inversiones Angelini y Compañía Limitada is the direct owner of 0.15075% of the shares of Empresas Copec S.A. and indirect owner, through its subsidiary Inmobiliaria y Turismo Río San José S.A., of 0.04934% of the shares of the Empresas Copec S.A. As in the previous year, during 2023 there was a slight increase in the participation of the final controllers, due to the acquisition of its own shares carried out by AntarChile S.A., which produces a variation in the percentage of indirect ownership of the final controllers. at Celulosa Arauco y Constitución S.A.

Name	C.I. N.º	Address	Nationality	Country of birth	Date of birth	% Participation as BF
Roberto Angelini Rossi	5.625.652-0	Av. El Golf 150 floor 19, Santiago, Chile	Chilean	Italy	30 de July 1948	14,214%
Patricia Angelini Rossi	5.765.170-9	Av. El Golf 150 floor 19, Santiago, Chile	Chilean	Chile	5 of April 1954	11,494%

Description of the industrial sector

Below is a brief description of each of the industrial sectors where the company operates.

Forestry industry

The climate and soil characteristics, in combination with the existing species in some countries in the southern hemisphere, generate important productivity advantages for forest plantations compared to areas located in the northern hemisphere.

This is how in Chile, for example, the growth cycle of the radiata pine to produce pulpable and sawn logs is 16 to 18 years and for high quality sawn logs, 25 years. For the same type of wood, in the northern hemisphere, the growth cycle to obtain pulpable logs is 18 to 45 years, while for sawn logs it is 50 to 150 years.

The above has translated into a growing importance of South America as a supplier of industrial wood, with the main wood producing countries in South America being Brazil, Chile, Uruguay and Argentina.

Pulp Industry

Pulp is one of the commodities with the greatest presence in everyday products in people's lives. It is obtained from wood fiber, used for the manufacture of printing and writing paper, toilet and sanitary paper, cardboard and packaging material, among other products.

Pulp is the most important component in the cell wall of plants, being the most abundant biomolecule in nature, since it forms the majority of terrestrial biomass. This is made mainly from a category of wood called pulpwood that comes from the eucalyptus, and from the upper part of the trunk and branches of the pine.

Depending on the degree of processing, we can distinguish between raw or bleached pulp, and depending on the species from which it comes, it is classified into long fiber pulp (conifers) and short fiber pulp (such as eucalyptus), which have different prices depending on their quality and specific characteristics. The pulp obtained from radiata pine has long fibers and is used to provide durability and resistance to paper products.

Bleached pulp is mainly used to produce printing, writing and tissue paper. Unbleached or raw pulp is mainly used to produce packaging material, filters, fiber cement production, among others. Pulp produced from hardwoods, such as eucalyptus, has short fibers and is used in combination with long fiber to produce paper products. Finally, soluble pulp or textile pulp, produced from eucalyptus, is used as a raw material in the manufacture of viscose or rayon fabric.

The global market demand for pulp during 2023 was 62.06 million tons and it is estimated that by 2027 this will increase to around 67 million tons. Regarding the market pulp production capacity, in 2023 this reached 78.7 million tons for the paper grade, of which 70.6 million are bleached pulp, 4.5 million are high-yield pulp and 3.5 million raw radiata pine pulp (UKP).

The price of pulp is characterized by being volatile and is basically determined based on existing inventories and demand estimates. The cyclicity of the industry and the correlation of its level of activity with the situation of the great powers make variables, such as the economic growth of the most developed countries, key in determining the prices of pulp and derived products. The evolution of the exchange rate of the main

currencies, increases in productive capacity and energy costs also influence the price.

Panels and wood industry

Panels are boards composed of wooden elements of various sizes, from veneers to fibers, which are mixed with chemicals and resins to form a paste that, when worked with heat and pressure, acquires a solid shape. Similar in characteristics to wood, but with significant price advantages.

In the panel industry three large categories can be distinguished: plywood boards, chipboards and fiber boards (MDF and HB), and the cost structure of this industry depends mainly on the cost of wood, resin and electrical energy.

The world production of boards during the year 2022, according to data from the latest FAO report, was 387 million m³, which meant a compound annual growth compared to the year 2000 of 3.69%. Of the 387 million m³ of panels, 26% corresponded to MDF, 39% to chipboard, 28% to plywood, 2% to Hardboard and 5% to veneers. Source: <http://www.fao.org/faostat/es/#data/FO>.

The market for sawn wood and its derivatives in Chile covers the following products:

- ▶ Sawn wood: includes dry or green wood with anti-fungal additives.
- ▶ Engineered or remanufactured wood includes planed wood, blocks, cutstock, finger-joint and solid moldings.
- ▶ Doors, frames and construction parts.

According to data from the latest FAO report, world production of sawn wood in 2022 amounted to 471 million cubic meters, which meant a compound annual growth of 0.92% compared to the year 2000.

At the end of the fourth quarter of 2023, sawn wood represented, in millions of USD FOB, more than 13.8% of Chile's total forestry exports, and they are sent to a diverse range of more than 45 markets, mainly including China, European Union, Mexico, South Korea and Japan.

The sawn wood and its derivatives industry have achieved great development in recent years.

The market to which ARAUCO directs its products is mainly made up of the USA and Canada, the southern part of Latin America (Chile, Peru, Argentina and Brazil, among others), the northern part of Latin America (Mexico, Venezuela, Colombia and the Caribbean, among others), and to a lesser extent, Europe and Asia.

Competence

At ARAUCO we experience significant global competition in each of the geographic markets and in each of the product lines.

Pulp

In general, our competitors in the pulp market vary depending on the geographic region and variety of pulp involved. Suzano Papel e Celulose S.A., Asia Pacific Resources International Holdings Limited (APRIL), CMPC Celulosa S.A., Asia Pulp and Paper (APP), El Dorado Brasil Celulose S.A., UPM-Kymmene Oyj (or "UPM"), Stora Enso Oyj and Klabin S.A. They are relevant competitors in most geographic regions. While Suzano produces short fiber pulp, CMPC produces short and long fiber pulp. In Asia it faces competition from Canadian, Brazilian, Russian and Indonesian producers, and in Europe it faces competition from Brazilian, Scandinavian and North American producers.

Panels

ARAUCO's main competitors in the plywood panel market are in Chile (CMPC), the United States (Georgia Pacific, Roseburg, Martco), Brazil (Guararapes and Sudati), Australia and New Zealand (CHH), Finland (Metsa, UPM), Spain (Garnica), Austria (Kronospan) and Russia (Bratsk Plywood and Sveza). In some regions, ARAUCO also competes with plywood panels produced in China, Indonesia, Malaysia and other regions of the world.

The main competitors in the MDF panel market are in Latin America, Duratex, Berneck, Guararapes, Masisa, Proteak and other important South American producers; in North America, local producers such as Roseburg, WestFraser, Weyerhaeuser and Kronospan LLC.; in Asia, Malaysian and Chinese producers, and in the Middle East, European and Asian producers.

In sales of chipboard panels (PB), in the Latin American market ARAUCO competes with Duratex, Berneck, Masisa, EGGER and Novopan. In North America, ARAUCO competes primarily with Roseburg, Uniboard, Tafisa, Egger, Kronospan and Funder.

Wood Products

In the remanufactured wood market, ARAUCO's main competitors are in Chile, China, Brazil and the United States. In sawn wood, the most relevant competitors come from Europe, New Zealand, Canada, Brazil and Chile.

We believe that our operational efficiencies, competitive logistics costs, ability to serve customers with multiple specifications, geographic presence in 38 countries and the versatility of our radiata and taeda pine allow us to compete effectively in the global wood products market.

Regulatory framework

FOREST

Chile

The management and harvesting of forests are mainly regulated by the Forest Law of 1931 and Decree Law N°. 701 of 1974. The Forest Law and Decree Law No. 701 impose a series of provisions and restrictions on the management and forest harvest. Forestry activities, including thinning, on lands that are classified as preferably forested or that have native forests or plantations, are subject to management plans that require the approval of the National Forestry Corporation (CONAF). Additionally, the Forest Law and Decree Law N°. 701 impose fines for the cutting or destruction of trees and shrubs that are outside the terms of the approved Forest Management Plan.

For its part, Law N°. 20,283, published in the Official Gazette on July 30, 2008, establishes a new policy for the administration and conservation of the native forest. Its purposes are the protection, recovery and improvement of native forests in order to guarantee the sustainability of forests and environmental policies. The law establishes a fund for the conservation and sustainable management of

native forests. According to this law, owners of native forests can harvest them if they have a management plan approved by the National Forestry Corporation. This law prohibits the cutting of native trees in some areas and under certain conditions. On the other hand, on September 6, 2023, Law N°. 21,600 was published in the Official Gazette, which created the Biodiversity and Protected Areas Service and the National System of Protected Areas, whose focus is the conservation of national biodiversity. Additionally, Law N°. 21,595, which systematizes economic crimes and attacks against the environment, establishes that certain violations of forestry regulation constitute economic crimes. In compliance with applicable regulations, ARAUCO has adopted appropriate environmental policies regarding its native forests, which are fully protected and conserved. ARAUCO products in Chile come only from established pine and eucalyptus plantations; Wood that comes from its native forests is not sold. The company's forestry operations adhere to forestry certification systems that comply with high international sustainability standards.

During 2003, the CERTFOR/PEFC Sustainable Forest Management Certification was obtained in Chile. Since 2004, PEFC (Programme for the Endorsement of Forest Certification) has maintained the approval of the national standard, confirming that it complies with the international PEFC requirements.

In 2009, ARAUCO began the process of evaluating and implementing the FSC® Forest Management standard (Forest Stewardship Council® - Arauco Forest License Code: FSC®C108276). This allowed the company to certify its forestry assets and operations in accordance with the FSC® Principles and Criteria.

In September 2013, the Soil Association, a certification body, issued the certificate that certifies that all ARAUCO forestry operations in Chile are being managed under the Forest Stewardship Council® Forest Management standard (Arauco Forest License Code: FSC®C108276). This certificate is valid for five years and annual audits are carried out to verify that ARAUCO's forestry operations maintain current compliance with the standards. In accordance with the above, during 2018 the recertification

of the FSC® Forest Management standard took place, starting a second and new five-year validity cycle. Subsequently, in 2023, a new recertification was carried out for an additional five years, currently finding ourselves in a third validity cycle.

In 2005, the pulp mills of Arauco, Constitución, Licancel and Valdivia, and the panel mills of Arauco and Nueva Aldea, obtained the CERTFOR/PEFC Chain of Custody certification, which implies that the sources used for production comply with the Sustainable Forest Management practices of the standard, which - among other aspects - establishes that no use is made of species in danger of extinction or whose use is prohibited in one way or another by legislation. The National Institute of Standardization (INN) also accredited the effluent laboratories of the Constitución and Arauco mills, in accordance with the strict requirements of Chilean environmental standards.



Argentina

The management and exploitation of forests in Argentina is substantially regulated in the national jurisdiction by laws N°. 13,273, 25,080 (extended by laws 26,432 and 27,487) and 26,331, and National Decree N°. 710/95. Likewise, the different provinces in which Arauco carries out its activities have their own regulations, which together with the national regulations constitute the applicable regulatory framework.

In turn, National Law N°. 26,737 establishes that foreigners cannot acquire more than 15% of all rural land in the country, and that no foreigner can, individually, have more than 30% of the 15% land mentioned.

Brazil

The forests owned by the company are regulated by environmental laws and regulations related to the management and exploitation of forests and the protection of

Brazilian flora and fauna. Under this regulatory framework, authorities in Brazil established forest preservation areas and regulate the replanting of forests after harvests.

Uruguay

The administration and exploitation of forests in Uruguay is fundamentally regulated by Law 15,939, which has declared forestry activity an area of national interest. This law classifies forests into three categories: protective, utility and general, and established certain tax and financial benefits related to forests classified as protective and utility. In order to obtain such classification, interested parties must submit a forestry plan report to the General Forestry Office. This Law also establishes certain conservation restrictions and controls for each category of forests. Additionally, forestry activity is subject to environmental and soil care regulations. According to Law 16,466 and Decree 349/005, plantations of more than 100 hectares (247 acres) require prior environmental authorization. Law 15,239 also establishes certain measures that must be adopted to reduce soil erosion and degradation or to restore it when necessary. This is also widely detailed in decrees 333/004 (General Principles and Basic Technical Standards for the purpose of achieving the

rational and sustainable use of soil and water and their recovery) and 405/008 (Responsible and Sustainable Use of Soil).

In December 2021, Decree N°. 405/021 was issued applicable to forest plantations. Regulates the creation of an Environmental Registry of Forest Plantations for forest plantations of between forty (40) and up to one hundred (100) hectares (98 to 247 acres), definitions of forest land and requirements (Special Environmental Authorization - AAE) for plantations of one hundred (100) (247 acres) or more hectares on already forest lands without prior environmental authorization.

Mexico

The management and use of forests and their products is regulated by the General Law of Sustainable Forest Development and its Regulations, which aim to regulate and promote the comprehensive and sustainable management of forest ecosystems and their raw materials, through the conservation, protection, restoration, production, management, cultivation, management and use of these resources, regulating activities related to: i) use, ii) transportation, iii) storage, iv) marketing, v) export and vi) transformation of forest raw materials and their products. Said Law

distributes the powers that correspond to the Federation, the Federal Entities and Municipalities in forestry matters, in order to promote sustainable forestry development. In compliance with applicable legislation, ARAUCO has authorizations from the Ministry of Environment and Natural Resources or SEMARNAT for the use, transportation, operation of storage and transformation centers for forest raw materials and their products and by-products (branches, firewood, stumps, splinters, resins, bark, among others) in different States of the country, in compliance with the requirements and procedures provided for in the Law and its Regulations, which include aspects related to contracts, supply letters, supply-demand balances, entry and exit record books and registrations in the National Forest Registry. Likewise, for the use, exploitation and transportation of forest raw materials, ARAUCO has the documentation required to demonstrate the legal origin of the forest raw materials, products and by-products used in storage or transformation centers, such information consists of the forestry referrals issued by the owner of the forestry harvest or the commercial forestry plantation.

SEMARNAT is the competent authority in the Federal order for the protection of the environment and its natural resources. This authority created the National Forest Registry, in which authorizations for the operation of storage and transformation centers for forest raw materials are registered, to maintain control and organization of said centers. ARAUCO authorizations are duly registered in the Registry.

ENVIRONMENTAL

Chile

The main law that regulates this matter in Chile is Law N°. 19,300, on General Bases of the Environment and its complementary regulations. Additionally, it is worth noting that recently, in August 2023, Law N°. 21,595 was published, which systematizes economic crimes and attacks against the environment. Environmental institutions are mainly composed of: i) the Ministry of the Environment (responsible for, among other matters, creating and/or proposing environmental public policies and environmental regulations); ii) the Environmental Assessment Service (in charge of managing the Environmental Impact Assessment System); and (iii) the Superintendency of the Environment (in

charge of environmental inspection and sanctions). More recently, on September 6, 2023, Law N°. 21,600 created the Biodiversity and Protected Areas Service, as well as the National System of Protected Areas (whose objective focus is the conservation of national biodiversity).

In accordance with Law N°. 19,300, ARAUCO is obliged to submit to the environmental authority studies or environmental impact statements of any project or activity (or its significant modifications) that could affect the environment, in accordance with the criteria of said regulation. and may only execute such projects or activities once such submissions are approved through an environmental qualification resolution (“RCA”).

These rules, along with other related regulations, also establish procedures so that citizens can make observations on the content of the declarations or studies presented by the project owners, as well as challenge the validity of the respective RCA. In accordance with Law N°. 19,300 and other applicable regulations, affected citizens, public organizations and local authorities can demand compliance with the environmental standard in the event of environmental damage. Non-compliance with environmental standards may result

in the revocation of permits, temporary or permanent closure of industrial facilities, fines and reprimands.

Argentina

ARAUCO’s operations in Argentina are subject to the country’s environmental legislation, including regulation by municipal, provincial and federal authorities. Argentine environmental legislation includes a requirement that the water used or recovered in the production process be chemically, biologically and thermally treated before it is returned to public waters, such as the Paraná River. Gas emissions must be treated ensuring satisfactory levels of removal of chemicals, particles and odors. All solid waste is treated in compliance with specific regulations on the matter. Regular monitoring of the quality of surface and ground water, soil and air are used to evaluate the impact of industrial mills on the environment. ARAUCO maintains an unavoidable commitment to the search for best practices and technologies that promote the minimization of impacts and the sustainability of its activities.

Brazil

ARAUCO's operations in Brazil are subject to environmental legislation including municipal, regional and federal laws, regulations and licenses. Among them we highlight (a) Law N°. 6,938/1981 that establishes liability in case of environmental damage, mechanisms for compliance with environmental standards and licensing requirements for activities that damage or potentially could damage the environment; (b) Law 12,305/2010 that establishes guidelines for the adequate environmental management of solid waste; (c) Law 12,651/2012 (Forest Code) that establishes the protection of the environment of forest areas and the obligation to maintain protected spaces, divided between Permanent Preservation Area (APP) and Legal Reserve (RL). Failure to comply with environmental laws and regulations could result in: (i) fines, (ii) partial or total suspension of operations, (iii) fines or restrictions on tax incentives or benefits, and (iv) fines or suspension of participation of credit lines with official credit establishments.

Law N°. 9,605/1998 establishes which individuals or entities whose conduct or activities cause damage to the environment could be subject to criminal and administrative sanctions and are responsible for the cost of repairing the damage. For individuals who commit environmental crimes, criminal sanctions can range from fines to prison terms; for legal entities, legal sanctions may include fines, partial or total suspension of activities, restrictions on participation in government contracts and, in cases of bad faith, dissolution. In addition, Law N°. 9,605/1998 establishes that the structure of a company can be lapsed if it prevents the recovery of damages caused to the environment.

Uruguay

Montes del Plata's activities in Uruguay are subject to environmental laws and regulations, both national and municipal, of that country. The main environmental authorization required to carry out the activities of such a project is the Prior Environmental Authorization or AAP, regulated by Law N°. 16,466 on Environmental Impact Assessment and its Regulatory Decree 349/005. The AAP is granted by the National Directorate of

Quality and Environmental Assessment (DINACEA, formerly DINAMA), dependent on the Ministry of Housing, Territorial Planning and Environment. In order to obtain such authorization, the applicant must submit a complete report regarding all aspects of the proposed work, including a recommendation for classification of the same by a competent professional in one of the three categories A, B or C. If the proposed project is finally classified by DINACEA (formerly DINAMA) as B or C, a sectoral environmental impact assessment is required for cases B and complete in cases C (which includes all aspects of the project), and in some cases A public hearing is also required (the public hearing being necessary in C-classified projects). Once the AAP is granted, the interested party must carry out the project in accordance with the terms and conditions of said authorization. For some activities (including the construction of an industrial mill), a feasibility report is required, which must include a notification to the respective Municipality and the delivery of information like that required by the AAP. In addition to the authorizations, some Municipal governments request the presentation of forestry projects in order to study their territorial viability

in the Department, as established in the Applicable Territorial Planning Regulations. Said regulations establish the guidelines for the installation of forestry projects, considering the care of natural resources such as land use, native forest, conservation areas, among others, and location viability.

United States and Canada

The company's operations in North America are subject to respective environmental laws, including federal, provincial, state and local laws and regulations. Such laws and regulations regulate the use, storage, handling, generation, treatment, emission, discharge and disposal of certain hazardous materials and waste, the remediation of contaminated soil and subsoil, protection of flora and fauna, landfill sites and the health and employee safety. Additionally, some of the company's operations require permits and environmental controls to prevent and reduce pollution in air and water, which are subject to routine internal audits and regulatory inspections. Failure to comply with environmental, health and safety requirements may result in fines, court orders to increase controls or limit operations, loss of operating permits or others.

Legal compliance

Mexico

ARAUCO's operations in Mexico are subject to federal, state and local environmental laws and regulations, Mexican Official Standards and other Mexican technical standards. The distribution of jurisdiction over environmental matters between authorities at the federal, state and municipal levels is based on a "residual formula" established in the Political Constitution of the United Mexican States, which establishes that matters that are not expressly reserved to the Federal authorities are under the jurisdiction of local governments, also known as concurrent jurisdiction.

The main environmental laws in Mexico applicable to ARAUCO are the General Law of Ecological Balance and Environmental Protection, the General Law for the Prevention and Comprehensive Management of Waste, the National Water Law, the General Law of Sustainable Forest Development, the Federal Law of Environmental Responsibility and the General Law of Climate Change. Under these laws, provisions and regulations have been promulgated regarding environmental impact and risk, noise, emissions into the atmosphere, among others, to which ARAUCO's operations are subject.

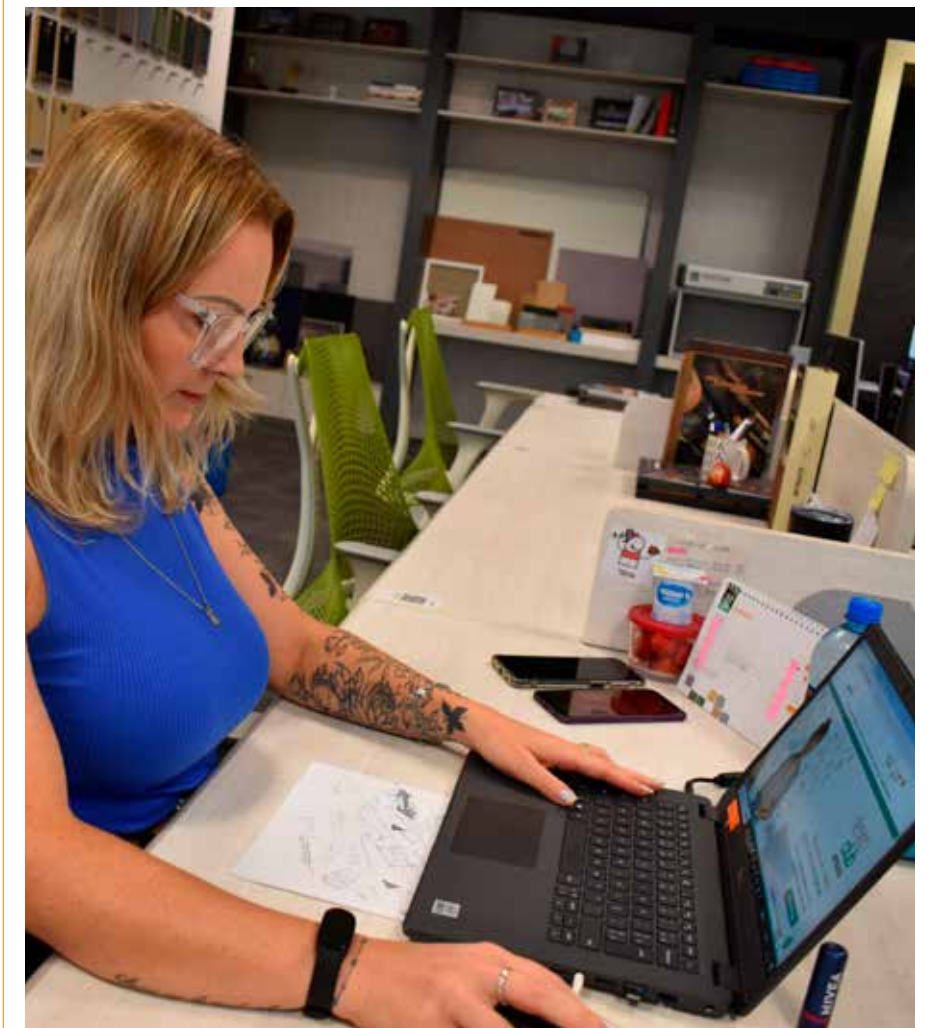
SEMARNAT is the federal environmental authority responsible for defining environmental policies and issuing various authorizations with respect to the matters mentioned in the preceding paragraph. The Federal Environmental Protection Agency (a decentralized agency of SEMARNAT) has the power to investigate and inspect facilities, impose sanctions, as well as resolve administrative appeals filed by those who have been sanctioned for not complying with environmental laws.

The company is permanently concerned about complying with the various regulations that regulate its activity, with respect to its clients, collaborators, the environment, competition, etc.

In relation to its collaborators, the company has a general complaint procedure established in its Internal Regulations, accessible to all collaborators. During 2023, Celulosa Arauco y Constitución S.A. (as well as its subsidiaries) was not subject to convictions for violation of fundamental rights initiated by direct collaborators. However, Forestal Arauco S.A. He received a conviction for these matters, specifically in relation to the privacy and physical and mental integrity, with respect to certain workers of a company that provides transportation services. Regarding fines issued by the Labor Directorate that were enforced in 2023, in the forestry business two fines were recorded and in the timber business, one sanction was executed that same year. The three fines mentioned above totalled an amount of CLP\$ 9,472,320.

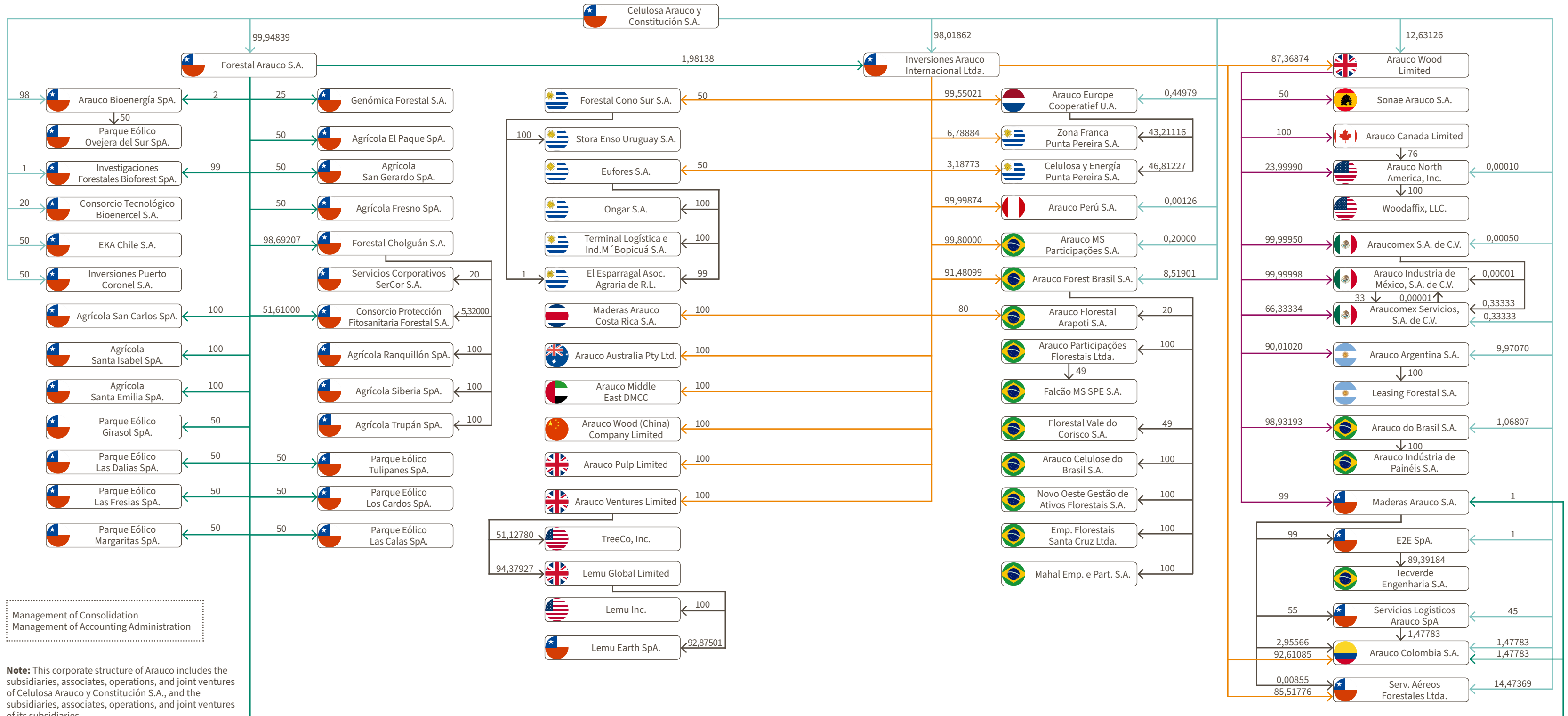
Regarding compliance with ARAUCO's environmental obligations, the Environmental Management has a Preventive Environmental Management Model, which among other relevant aspects considered the development of a computer platform for the management of

environmental regulation and permits, in order to being able to optimize the identification of legal requirements, monitoring compliance with them and managing evidence. This new environmental regulation management system is also inserted within the Legal Requirements Procedures of the ISO 14,001 management system.



ARAUCO corporate network

As of December 31, 2023



Subsidiaries, associates and information on other companies

Agrícola San Carlos SpA

RUT: 77.630.618-5

Incorporation date: 08-24-2022

General Manager: Iván Chamorro Lange

Subscribed capital in thousands of USD: 1,758

Social object:

Study and development of agricultural projects; the acquisition of real estate, water use rights and administrative authorizations of all types for the financing, development, planting, cultivation, harvesting, operation and maintenance of agricultural projects; the marketing, distribution and/or export of fruits and agricultural products; and in general, the execution of all acts and contracts that are necessary, related or conducive to comply with the above activities, including buying, selling or leasing land and water use rights, and establishing all types of companies or acquiring participation in existing societies.

Agrícola Santa Emilia SpA

RUT: 77.630.623-1

Incorporation date: 08-24-2022

General Manager: Iván Chamorro Lange

Subscribed capital in thousands of USD: 702

Social object:

Study and development of agricultural projects; the acquisition of real estate, water use rights and administrative authorizations of all types for the financing, development, planting, cultivation, harvesting, operation and maintenance of agricultural projects; the marketing, distribution and/or export of fruits and agricultural products; and in general, the execution of all acts and contracts that are necessary, related or conducive to comply with the above activities, including buying, selling or leasing land and water use rights, and establishing all types of companies or acquiring participation in existing societies.

Agrícola Santa Isabel SpA

RUT: 77.630.625-8

Incorporation date: 08-24-2022

General Manager: Iván Chamorro Lange

Subscribed capital in thousands of USD: 1

Social object:

Study and development of agricultural projects; the acquisition of real estate, water use rights and administrative authorizations of all types for the financing, development, planting, cultivation, harvesting, operation and maintenance of agricultural projects; the

marketing, distribution and/or export of fruits and agricultural products; and in general, the execution of all acts and contracts that are necessary, related or conducive to comply with the above activities, including buying, selling or leasing land and water use rights, and establishing all types of companies or acquiring participation in existing societies.

Forestal Arauco S.A.

RUT: 85.805.200-9

Incorporation date: 11-09-1978

Directors:

- ▶ Manuel Bezanilla Urrutia (President)
- ▶ Jorge Andueza Fouque
- ▶ Roberto Angelini Rossi
- ▶ Matías Domeyko Cassel
- ▶ Jorge Garnham Mezzano
- ▶ Cristián Infante Bilbao
- ▶ Franco Mellafe Angelini
- ▶ Juan Álvaro Saavedra Flórez

General Manager: Iván Chamorro Lange

Subscribed capital in thousands of USD: 884,858

Social object:

Forestry activity on owned properties and nurseries or that are exploited in any capacity, especially through afforestation, reforestation, thinning, care, management, exploitation and industrialization of artificial and native forests; agricultural and livestock activities on their own property or that they exploit for any reason; sale and export of products and by-products of its forestry, industrial, agricultural and livestock activities; provision of forestry, agricultural and livestock services to third parties; rent movable property to third parties; provision of forest fire protection services; grape cultivation and wine production.

Forest Research Bioforest SpA.

RUT: 79.990.550-7

Constitution date: 04-11-1990

Managing shareholder: Forestal Arauco S.A.

Subscribed capital in thousands of USD: 298

Social object:

Develop technologies that allow achieving a high degree of knowledge of forest resources, in order to maximize their productivity.

Arauco Colombia S.A.

Constitution date: 02-15-2008

Directors:

- ▶ Charles Kimber Wylie
- ▶ Antonio Luque Guerrero
- ▶ Francisco Figueroa Duclos
- ▶ Fulvio Corcione Aleitte (Alternate Director)
- ▶ Sebastián Fernández Padilla (Alternate Director)
- ▶ Gonzalo Zegers Ruiz-Tagle (Alternate Director)

General Manager: Juan Pablo Gómez

Subscribed capital in thousands of USD: 2,502

Social object:

Trade in wood and forestry products, as well as their promotion, market research and intermediation in the sale of wood and forestry products. To carry out its purposes, it may buy, sell, encumber, mortgage, grant guarantees, lease, possess and dispose of all types of movable and immovable property, real and personal rights, open accounts in any bank of the National and International Banking System, whether These public or private, may also form part of other companies and grant trusts.

Maderas Arauco S.A.

RUT: 96.510.970-6

Incorporation date: 11-13-1986

Directors:

- ▶ Matías Domeyko Cassel (President)
- ▶ Cristián Infante Bilbao
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Gianfranco Truffello Jijena
- ▶ Charles Kimber Wylie
- ▶ Ivan Chamorro Lange

General Manager: Pablo Franzini

Subscribed capital in thousands of USD: 237,001

Social object:

Industrialization of forests owned by itself or by third parties, especially through the production of medium-density panels and boards, pressed, chipped, agglomerated, plywood, laminated or ennobled wood; marketing of the products and by-products of its industrial activity and all kinds of parts, pieces and elements made with industrialized wood; sale, distribution, marketing, import and export, on its own behalf or on behalf of others, of all types of complementary raw materials and products and by-products of natural and/or industrialized wood; provision of related services or other similar activities; production, purchase, sale, transportation and distribution of electrical energy and water vapor; generation, purchase, sale and general marketing of Certified Greenhouse Gas Emission Reductions, called Carbon Credits; provision of specific business administration services, including IT matters.

E2E SpA.

RUT: 76.879.577-0

Incorporation date: 05-02-2018

General Manager: Felipe Montes Torres

Subscribed capital in thousands of CLP\$: 53,389,496

Managing Shareholder: Maderas Arauco S.A.

Social object:

Development of high-standard dry construction solutions, based on wooden frames, including perimeter and internal walls, in prefabricated panels, as well as floor, ceiling and façade solutions, all of which will be delivered with installation or complete assembly on site, both in Chile and in the rest of Latin America.

Arauco Bioenergía SpA.

RUT: 96.547.510-9

Incorporation date: 12-22-1988

Managing Shareholder: Celulosa Arauco y Constitución S.A.

General Manager: Leonardo Bastidas Almarza

Subscribed capital in thousands of USD: 15,980

Social object:

Generation and supply of electrical energy; provision of engineering services in general.

Arauco Australia Pty Ltd.

Constitution date: 07-08-2009

Directors:

- ▶ Charles Kimber Wylie
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Francisco Figueroa Duclos
- ▶ David Walter Staples

General Manager: David Walter Staples
(Public Officer)

Subscribed capital in thousands of USD: 61

Social object:

Distribution and marketing of forest products.

Arauco Middle East DMCC.

Constitution date: 04-29-2015

Directors:

- ▶ Charles Kimber Wylie
- ▶ Pablo Franzini
- ▶ Francisco Figueroa Duclos

General Manager: Alberto Larenas Gajardo

Subscribed capital in thousands of USD: 1,001

Social object:

Marketing of raw materials, wood products, vegetables and fruits, food and beverages, paper, cotton and natural fibers.

Arauco Pulp Limited

Incorporation date: 02-10-2022

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristian Infante Bilbao
- ▶ Gianfranco Truffello Jijena
- ▶ Pablo Franzini

Subscribed capital in thousands of USD: 16

Social object:

Holding of productive companies.

Arauco Ventures Limited

Constitution date: 03-10-2022

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Gianfranco Truffello Jijena
- ▶ Gonzalo Zegers R-T.
- ▶ Pablo Franzini

Subscribed capital in thousands of USD: 24,621

Social object:

Holding of productive companies.

Arauco Wood (China) Company Limited

Constitution date: 08-16-2018

Directors:

- ▶ Pablo Franzini
- ▶ Charles Kimber Wylie
- ▶ Francisco Figueroa Duclos

General Manager: Rodolfo Ziegele

Subscribed capital in thousands of USD: 146

Social object:

Sales and intermediation activities of forest products, marketing, promotion and market research.

Investments Arauco International Ltda.

RUT: 96.563.550-5

Incorporation date: 09-07-1989

Directors:

- ▶ Manuel Bezanilla Urrutia (President)
- ▶ Roberto Angelini Rossi
- ▶ Jorge Andueza Fouque
- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Antonio Luque Guerrero
- ▶ Robinson Tajmuch Vasquez

General Manager: Pablo Franzini

Subscribed capital in thousands of USD: 3,696,891

Social object:

Make investments, in the country and/or abroad, both in real or personal property, tangible or intangible, shares, bonds and other securities, rights in partnerships, and in all types of assets; also, being able to carry out any complementary or accessory activity of those previously mentioned.

Maderas Arauco Costa Rica S.A.

Constitution date: 05-07-2018

Directors:

- ▶ Francisco Francisco Figueroa Duclos
- ▶ Pablo Franzini
- ▶ Charles Kimber Wylie

General Manager: Andrés Felipe Castro Arias

Subscribed capital in

thousands of USD: 300

Social object:

Trade in wood and forest products, as well as their promotion, market research and intermediation in the sale of wood and forestry products. To carry out its purposes, it may buy, sell, encumber, mortgage, grant guarantees, lease, possess and dispose of all types of movable and immovable property, real and personal rights, open accounts in any bank of the National and International Banking System, whether These public or private, may also form part of other companies and grant trusts.

Arauco Perú S.A.

Incorporation date: 10-27-1997

Directors:

- ▶ Charles Kimber Wylie
- ▶ Pablo Franzini
- ▶ Francisco Figueroa Duclos
- ▶ Fulvio Corcione Aleitte (Alternate Director)
- ▶ Sebastián Fernández Padilla (Alternate Director)
- ▶ Gonzalo Zegers Ruiz-Tagle (Alternate Director)

General Manager: Paul Cristóbal Miranda

Subscribed capital in

thousands of USD: 22

Social object:

Purchase, sale, distribution, marketing, import or export, on own behalf or on behalf of others, of all types of wood, forestry products, by-products or derivatives, as well as any other activity that the General Meeting of Shareholders decides to undertake.

Arauco Europe Cooperatief U.A.

Constitution date: 09-29-2010

Directors:

- ▶ Alfonso Valdés
- ▶ Gianfranco Truffello Jijena
- ▶ Ricardo Strauszer

General Manager: Alfonso Valdés González

Subscribed capital in

thousands of USD: 543,064

Social object:

Acquire, hold and/or dispose of investments and manage these investments on an ongoing basis; acquire, maintain and/or dispose of shares, companies and enterprises.

Arauco Florestal Arapoti S.A.

Constitution date: 09-12-2004

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi

Subscribed capital in

thousands of R\$: \$174,821

Social object:

Forestation, reforestation, harvesting and marketing of the products and by-products

obtained from the exploration of these activities; production and marketing of eucalyptus and pine seeds; representation of other national or foreign companies, on their own behalf or on behalf of third parties.

Arauco Celulose do Brasil S.A.

Constitution date: 08-09-2022

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi

Subscribed capital in

thousands of R\$: 958,225

Social object:

Manufacture, trade, import and export of Pulp, paper or other products from the transformation of forest materials; formation, exploration and marketing of forests and wood, derived from afforestation and reforestation and the resulting activities such as genetic improvement, forestry, management and harvesting of wood, own or from third parties, directly or through contracts with companies specialized in forestry and forest management; production and marketing and seedlings, seeds,

wood and its by-products; provision of technical assistance services and projects related to forestry activities; provision of services, import, export and exploitation of merchandise related to the corporate purpose; transportation, on own account and third parties; generation, sale and distribution of electrical energy; and participation as a partner, shareholder and/or member of other civil or commercial companies or commercial companies of any nature, in Brazil or abroad, regardless of the corporate purpose.

Arauco Forest Brasil S.A.

Constitution date: 06-29-1994

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi

Subscribed capital in

thousands of R\$: 1,797,615

Social object:

Forestation, reforestation and their associated activities such as genetic improvement, silviculture, wood management and harvesting; production and marketing of seeds, seedlings, wood and their by-products.

Arauco Participações Florestais Ltda.

Incorporation date: 10-27-2021

Directors: Does not have a Board of Directors

General Manager: Carlos Altimiras Ceardi

Subscribed capital in

thousands of R\$: 175,101

Social object:

Social participation in other civil or commercial companies, whether as a partner, shareholder or otherwise.

Empreendimentos Florestais

Santa Cruz Ltda.

Constitution date: 11-21-2008

Directors: Does not have a Board of Directors

General Manager: Carlos Altimiras Ceardi

Subscribed capital in

thousands of R\$: 30,752

Social object:

Forestation, reforestation, harvesting and marketing of products and by-products obtained from that activity; production, repackaging, storage and trade of eucalyptus and pine seeds; export and import, on its own behalf or on behalf of third parties, of the aforementioned products and industrial and agricultural products, such as raw materials,

machines, equipment and replacement parts, whether or not related to the company's activities; making investments and financial or other applications and managing own assets.

Mahal Empreendimentos e Participações S.A.

Constitution date: 04-28-2009

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi

Subscribed capital in

thousands of R\$: 534,214

Social object:

The activity of wood processing, acquisition of inputs for eucalyptus plantations and other species.

Novo Oeste Gestão de Ativos Florestais S.A.

Constitution date: 10-22-2010

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi.

Subscribed capital in

thousands of R\$: 32,801

Social object:

Forestry asset management; trade in wood and other by-products, and the acquisition of inputs for eucalyptus and other species plantations.

Arauco Canada Limited

Constitution date: 04-01-1960

Directors

- ▶ Pablo Franzini
- ▶ Russell Jordan
- ▶ David Williams

General Manager: Russell Jordan

Capital subscribed and paid in

thousands of CAD\$: 30,931

Social object:

Manufacture of medium density panels and boards, pressed wood, fibreboard, chipboard, plywood, laminated or ennobled, marketing of the products.

Arauco Industria de México, S.A. of C.V.

Constitution date: 08-23-2001

Directors:

- ▶ Cristian Infante Bilbao
- ▶ Gianfranco Truffello Jijena
- ▶ Pablo Franzini
- ▶ Marcelo Bennett Olivares (Alternate Director)
- ▶ Francisco Figueroa Duclos (Alternate Director)
- ▶ Felipe Guzmán Rencoret (Alternate Director)

Director: José Manuel Hernández Ayala

Capital subscribed and paid in thousands of MXN\$: 3,422,132

Objeto social:

Acquire, buy, sell, import, export, store, manufacture, distribute and market all types of goods and products made of wood or wood panels or any other material in any of its forms, directly or through intermediaries; plant, exploit and dispose of all types of forests; invest in all types of personal and real estate securities.

Arauco Wood Limited

Constitution date: 05-23-2022

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristian Infante Bilbao
- ▶ Gianfranco Truffello Jijena
- ▶ Pablo Franzini
- ▶ Felipe Guzmán Rencoret

Subscribed capital in

thousands of USD: 2,008,172

Objeto social:

Corporate purpose: Holding of productive companies.

Arauco North America, Inc.

Constitution date: 06-16-2016

Directors:

- ▶ Pablo Franzini
- ▶ Russell Jordan
- ▶ David Williams

General Manager: Russell Jordan

Capital subscribed and paid in thousands of USD: 160,863

Objeto social:

Manufacture of medium density panels and boards, pressed wood, fibreboard, chipboard, plywood, laminated or ennobled, marketing of the products.

Woodaffix, LLC.

Incorporation date: 10-15-2021

Managers:

- ▶ Pablo Franzini
- ▶ Alvaro Ortiz
- ▶ Diego Tuleski
- ▶ Russell Jordan

Subscribed capital: -

Objeto social:

Production and sales of wooden components for the furniture industry based on decorative laminated panels.

Araucocomex S.A. of C.V.

Constitution date: 01-09-2000

Directors:

- ▶ Cristian Infante Bilbao
- ▶ Gianfranco Truffello Jijena
- ▶ Pablo Franzini
- ▶ Marcelo Bennett Olivares (Alternate Director)
- ▶ Francisco Figueroa Duclos (Alternate Director)
- ▶ Felipe Guzmán Rencoret (Alternate Director)

Director: José Manuel Hernández Ayala

Capital subscribed and paid in thousands of USD: 32,831

Objeto social:

Purchase, sale, import, export, marketing and distribution of Pulp, boards made of wood and/or wood derivatives and wood in all its forms, raw or processed, even sized and/or manufactured for special or general purposes, and may carry out these activities, whether directly or through third parties or in association with third parties under any legal form; transformation of wood and pulp products, including the production of pallets and the assembly of any type of product or form derived from wood or pulp.

Araucocomex Servicios S.A. of C.V.**Constitution date:** 08-23-2001**Directors:**

- ▶ Cristian Infante Bilbao
- ▶ Gianfranco Truffello Jijena
- ▶ Pablo Franzini
- ▶ Marcelo Bennett Olivares (Alternate Director)
- ▶ Francisco Figueroa Duclos (Alternate Director)
- ▶ Felipe Guzmán Rencoret (Alternate Director)

General Manager: José Manuel Hernández Ayala**Capital subscribed and paid in thousands of MXN\$:** 167**Objeto social:**

The provision of all types of services, including, but not limited to, advisory services, administrative, professional, technical, human resources, operational, managerial, marketing, programming, sales, consulting and the celebration of all contracts that are necessary for the provision of said services, whether within the Mexican Republic or abroad, without including the provision of legal services.

Arauco do Brasil S.A.**Constitution date:** 08-09-2022**Directors:**

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi**Capital subscribed and paid in thousands of R\$:** 1,138,778**Objeto social:**

Manufacture, trade, import and export of pulp, paper and pulp or other products from the transformation of forestry materials; formation, exploration and marketing of forests and wood, derived from afforestation and reforestation and the resulting activities such as genetic improvement, forestry, management and harvesting of wood, own or from third parties, directly or through contracts with companies specialized in forestry and forest management; production and marketing and seedlings, seeds, wood and its by-products; provision of technical assistance services and projects related to forestry activities; provision of services, import, export and exploitation of merchandise related to the corporate purpose; transportation, on own account and third parties; generation, sale and distribution

of electrical energy; and participation as a partner, shareholder and/or member of other civil or commercial companies or commercial companies of any nature, in Brazil or abroad, regardless of the corporate purpose.

Arauco Indústria de Paineis S.A.**Incorporation date:** 05-08-1995**Directors:**

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi**Capital subscribed and paid in thousands of R\$:** 989,574**Objeto social:**

Industry, trade and import and export of reconstituted wood panels; agricultural and extractive activities of forestry, afforestation and reforestation; trade in forests, wood and forest by-products.

Forestry Air Services Ltd.**Constitution date:** 03-27-2014**General Manager:** Gianfranco Truffello Jijena**Capital subscribed and paid in thousands of USD:** 30,400**Objeto social:**

- a) The provision of air service for passenger and cargo transfers, forest patrolling, photography, advertising, magnetic prospecting, all using own or third-party aircraft.
- b) Carry out maintenance work, alterations, repairs or modifications of aeronautical products, their components or parts.

Logistics Services Arauco SpA.**RUT:** 96.637.330-K**Constitution date:** 04-27-1992**Administrator:** Celulosa Arauco y
Constitución S.A.**Capital subscribed and paid in
thousands of USD:** 417**Objeto social:**

Serve as an intermediary for the contracting of port operations in general, which includes, among others, wharfing, launching, cargo mobilization, storage, stowage and unloading of ships; directly provide the services of previous port operations; serve as an intermediary for the contracting of transportation services, whether land, air, sea or river; directly provide the above transportation services; provide logistical services related to the above activities.

Arauco Argentina S.A.**Constitution date:** 09-08-1975**Directors:**

- ▶ Pablo Cristian Ruival (President)
- ▶ Marcelo Claudio Miceli (First Vice President)
- ▶ Jorge Canada

General Manager: Pablo Cristián Ruival**Capital subscribed and paid in thousands
of USD:** 565,608**Objeto social:**

Manufacture long fiber pulp and other types; manufacture or produce inputs, by-products or products of the pulp and paper sector; afforest and exploit forests directly or indirectly; buy, sell, import, export and distribute raw materials, inputs, by-products and products included in its purpose, transport the same and/or other raw materials, inputs, by-products and products; provide advisory and administration services to companies that have the aforementioned objects or require the application of technical services or experience acquired in the development of their activities; invest or make capital contributions for businesses carried out or to be carried out, whether or not they are linked to the aforementioned objects.

Leasing Forestal S.A.**Incorporation date:** 12-17-1998**Directors:** It does not have a board of directors due to being in the process of liquidation.**Capital subscribed and paid in ARG\$:** 2,000**Objeto social:**

Entering into leasing contracts in accordance with Law 25,248.

Agrícola Ranquillón SpA**RUT:** 77.630.621-5**Incorporation date:** 08-24-2022**General Manager:** Juan Pablo Ventura Albornoz**Managing shareholder:** Forestal Cholguán S.A.**Capital subscribed and paid in thousands
of USD:** 1,147**Objeto social:**

Study and development of agricultural projects; the acquisition of real estate, water use rights and administrative authorizations of all types for the financing, development, planting, cultivation, harvesting, operation and maintenance of agricultural projects; the marketing, distribution and/or export of fruits and agricultural products; and in general, the execution of all acts and contracts that are necessary, related or conducive to comply

with the above activities, including buying, selling or leasing land and water use rights, and establishing all types of companies or acquiring participation in existing societies.

Agrícola Siberia SpA.**RUT:** 77.630.626-6**Incorporation date:** 08-24-2022**General Manager:** Juan Pablo Ventura Albornoz**Managing shareholder:** Forestal Cholguán S.A.**Capital subscribed and paid in thousands
of USD:** 1,767**Objeto social:**

Study and development of agricultural projects; the acquisition of real estate, water use rights and administrative authorizations of all types for the financing, development, planting, cultivation, harvesting, operation and maintenance of agricultural projects; the marketing, distribution and/or export of fruits and agricultural products; and in general, the execution of all acts and contracts that are necessary, related or conducive to comply with the above activities, including buying, selling or leasing land and water use rights, and establishing all types of companies or acquiring participation in existing societies.

Agrícola Trupán SpA

RUT: 77.630.629-0

Incorporation date: 08-24-2022

General Manager: Juan Pablo Ventura Alborno

Managing shareholder: Forestal Cholguán S.A.

Capital subscribed and paid in thousands of USD: 113

Objeto social:

Study and development of agricultural projects; the acquisition of real estate, water use rights and administrative authorizations of all types for the financing, development, planting, cultivation, harvesting, operation and maintenance of agricultural projects; the marketing, distribution and/or export of fruits and agricultural products; and in general, the execution of all acts and contracts that are necessary, related or conducive to comply with the above activities, including buying, selling or leasing land and water use rights, and establishing all types of companies or acquiring participation in existing societies.

Forestal Cholguán S.A.

RUT: 93,838,000-7

Constitution date: 11-29-1978

Directors:

- ▶ Ricardo Austin (President)
- ▶ Jorge Serón Ferré (Vice President)
- ▶ Iván Chamorro L. (Director)

General Manager: Rodrigo Sobarzo

Capital subscribed and paid in thousands of USD: 55,916.

Objeto social:

Dedicate oneself to forestry activity, in all its forms, especially including the acquisition, under any title, of rural land, basically of forestry aptitude; their afforestation and reforestation; the execution of all works related to the maintenance and care of forests and their exploitation and, in general, the execution of any other activity or business that is related to the agricultural-forestry branch; the industrialization of wood, either directly or with the company participating as a partner or shareholder of other companies whose main line of business is the one just mentioned.

Tecverde Engenharia S.A.

Constitution date: 02-03-2009

Directors:

- ▶ Ronaldo de Luna Passeri (President)
- ▶ Francine Vidal de Souza
- ▶ Felipe Dos Santos Basso
- ▶ Jose Marcio Ramos Fernandes
- ▶ Pedro Virmond Moreira

Capital subscribed and paid in thousands of R\$: 200,051

Objeto social:

Corporate purpose: Carry out in Brazil the business of (i) engineering, manufacturing, and installation of construction structure solutions made of wood; (ii) provision of services for the purposes of industrial construction systems, such as the wood area and other technologies; (ii) assembly of panels and elements of solutions in the wood field; and (iv) marketing of all the products.

Lemu Global Limited

Incorporation date: 01-11-2022

Directors:

- ▶ Matías Domeyko Cassel (President)
- ▶ Aljandro Tocigl Domeyko
- ▶ Gianfranco Truffello Jijena
- ▶ Gonzalo Zegers Ruiz Tagle

Capital subscribed and paid in thousands of USD: 13,519

Objeto social:

Holding of productive companies.

Lemu Inc.

Incorporation date: 02-17-2023

Directors:

- ▶ Paulo Paredes
- ▶ Sangeetha Narayan
- ▶ Leonardo Prieto

Capital subscribed and paid in thousands of USD: 1

Objeto social:

Provision of professional, technological, marketing and nature conservation services, directly or through third parties.

Lemu Earth SpA.**RUT:** 76.860.724-9**Constitution date:** 06-03-2018**Directors:**

- ▶ Gianfranco Truffello Jijena
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Alejandro Tocigl Domeyko

General Manager: Leonardo Arturo Prieto Williamson**Capital subscribed and paid in thousands of CLP\$:** 4,319,813**Objeto social:**

Ethics-driven industrial artificial intelligence (IAI) company using the most advanced technologies to help reverse environmental crises.

Consortio Protección Fitosanitaria Forestal S.A.**RUT:** 96.657.900-5**Incorporation date:** 11-12-1992**Directors:**

- ▶ Ricardo Austin (President)
- ▶ Miguel Castillo Salazar (First Vice President)
- ▶ Marcelo Vaccaro Bustos
- ▶ Jorge López Sepúlveda
- ▶ Rodrigo Ahumada Núñez
- ▶ Claudio Goycoolea Prado (Secretary)

- ▶ Juan Andrés Celhay Schoelermann (Alternate Director)
- ▶ Cecilia Muñoz Lagos (Alternate Director)
- ▶ Francisco Javier Baztan González (Alternate Director)
- ▶ Isabel Oñate Henríquez (Alternate Director)
- ▶ Alejandro Daniel Follert Emhart (Alternate Director)

General Manager: Claudio Goycoolea Prado**Capital subscribed and paid in thousands of CLP\$:** 468,055**Objeto social:**

Production, purchase and sale of forest elements, and the provision of services, aimed at protecting and improving the cultivation and development of tree species of any type; production, research and training in forest resources and activities that require a relationship with the above, and may carry out all acts that directly or indirectly lead to the fulfilment of said object.

TreeCo, Inc.**Incorporation date:** 06-19-2019**Directors:**

- ▶ Sebastian Mandiola (President)
- ▶ Jack Wang (Secretary)
- ▶ Ricardo Austin
- ▶ Claudio Balocchi
- ▶ Rodolphe Barrangou
- ▶ Kultaran Chohan

General Manager: Rodolphe Barrangou**Capital subscribed and paid in thousands of USD:** 3,502**Objeto social:**

It combines the history of forestry with genome editing through CRISPR, to research, develop and implement genetic improvements in trees.

Agrícola El Paque SpA.**RUT:** 77.209.739-5**Incorporation date:** 07-06-2020**Directors:**

- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Juan David Contreras Pavez
- ▶ Joaquin Lobel
- ▶ José Miguel Fernández García-Huidobro

General Manager: José Ricardo Ariztía Tagle**Capital subscribed and paid in thousands of CLP\$:** 2,993,863**Objeto social:**

Planting, construction of agricultural assets and comprehensive management for said agricultural project.

Agrícola Fresno SpA**RUT:** 77.470.229-6**Incorporation date:** 10-13-2021**Directors:**

- ▶ Gonzalo Zegers Ruiz-Tagle (Substitute, Ricardo Busch Lothholz)
- ▶ Matías Domeyko Cassel (Substitute, Gianfranco Truffello Jijena)
- ▶ Juan David Contreras Pavez (Substitute, José Manuel Bezallina Guarachi)
- ▶ Jorge Adolfo Lesser García-Huidobro
- ▶ Juan Ignacio Parot Becker
- ▶ Michael Hudgin

General Manager: José Ricardo Ariztía Tagle**Capital subscribed and paid in thousands of USD:** 89,090**Objeto social:**

Marketing, distribution and/or export of fruits and agricultural products; the study and development of agricultural projects in the Maule, Ñuble and Biobío Regions, in Chile; the acquisition of agricultural real estate and water rights in said regions

for the financing, development, planting, cultivation, harvesting, operation and maintenance of fruit tree crops, including hazelnuts and walnuts, among others; the agricultural exploitation of these properties, and in general, the execution of all acts and contracts that are necessary, related or conducive to comply with the above activities, including buying, selling or leasing properties and establishing all types of companies or acquiring participation in existing societies.

Agrícola San Gerardo SpA.

RUT: 77.017.167-9

Constitution date: 04-01-2019

Directors:

- ▶ Juan David Contreras Pavez (substitute, José Manuel Bezanilla Guarachi)
- ▶ Gonzalo Zegers Ruiz-Tagle (substitute, Gianfranco Truffello Jijena)
- ▶ José Miguel Fernández García-Huidobro (substitute, Tomás Délano Méndez)
- ▶ Joaquin Lobel (substitute, José Gabriel Mena Rozas)

General Manager: José Ricardo Ariztía Tagle

Capital subscribed and paid in thousands of CLP\$: 3,140,000

Objeto social:

Develop an agricultural project in the city of Molina.

Los Cardos SpA Wind Farm.

RUT: 77.173.565-7

Incorporation date: 08-07-2023

Steering Committee:

- ▶ Alfredo Zañartu Stambuk
- ▶ Jaime Andrés Mayol Brierley
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Ricardo Busch Lothholz
- ▶ Trinidad Echeverría Ibieta (substitute)
- ▶ Antonio Valenzuela Raby (substitute)
- ▶ Gianfranco Truffello Jijena (substitute)
- ▶ José Manuel Bezanilla Guarachi (substitute)

Capital subscribed and paid in thousands of CLP\$: 1,000

Objeto social:

- a)** Execute the development of all types of wind energy projects.
- b)** The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.

- c)** Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d)** The commercialization of electrical energy, possession of facilities and sale of the same to both private and public entities.
- e)** Investment in all types of shares, securities, social rights, and credit titles.
- f)** The administration and exploitation of these investments and their products.
- g)** The development of all related activities that are necessary to develop the corporate purpose.

Las Calas SpA Wind Farm.

RUT: 77.869.168-K

Incorporation date: 11-20-2023

Steering Committee:

- ▶ Alfredo Zañartu Stambuk
- ▶ Jaime Andrés Mayol Brierley
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Ricardo Busch Lothholz
- ▶ Trinidad Echeverría Ibieta (substitute)
- ▶ Antonio Valenzuela Raby (substitute)
- ▶ Gianfranco Truffello Jijena (substitute)
- ▶ José Manuel Bezanilla Guarachi (substitute)

Capital subscribed and paid in thousands of CLP\$: 1,000

Objeto social:

- a)** Execute the development of all types of wind energy projects.
- b)** The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.
- c)** Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d)** The commercialization of electrical energy, possession of facilities and sale of the same to both private and public entities.
- e)** Investment in all types of shares, securities, social rights, and credit titles.
- f)** The administration and exploitation of these investments and their products.
- g)** The development of all related activities that are necessary to develop the corporate purpose.

Tulipanes SpA Wind Farm

RUT: 77.869.171-K

Incorporation date: 10-17-2023

Steering Committee:

- ▶ Alfredo Zañartu Stambuk
- ▶ Jaime Andrés Mayol Brierley
- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Ricardo Busch Lothholz
- ▶ Trinidad Echeverría Ibieta (substitute)
- ▶ Antonio Valenzuela Raby (substitute)
- ▶ Gianfranco Truffello Jijena (substitute)
- ▶ Jose Manuel Bezanilla Guarachi (substitute)

Capital subscribed and paid in thousands of CLP\$: 1,000

Objeto social:

- a) Execute the development of all types of wind energy projects.
- b) The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.
- c) Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d) The commercialization of electrical energy, possession of facilities and sale of the same to both private and public entities.

- e) Investment in all types of shares, securities, social rights, and credit titles.
- f) The administration and exploitation of these investments and their products.
- g) The development of all related activities that are necessary to develop the corporate purpose.

Girasol SpA Wind Farm

RUT: 77.744.968-0

Incorporation date: 12-14-2022

Steering Committee:

- ▶ Alfredo Zañartu
- ▶ Tilman Gruber
- ▶ Gonzalo Zegers
- ▶ Ricardo Busch
- ▶ Jaime Mayol (substitute member)
- ▶ Trinidad Echeverría (substitute member)
- ▶ Gianfranco Truffello (substitute member)
- ▶ José Manuel Bezanilla (substitute member)

Capital subscribed and paid in thousands of CLP\$: 1,000

Objeto social:

- a) Execute the development of all types of wind energy projects.

- b) The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.
- c) Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d) The commercialization of electrical energy, ownership of facilities and sale of the same, both private and public.
- e) Investment in all types of shares, securities, social rights, and credit titles.
- f) The administration and exploitation of these investments and their products.
- g) The development of all related activities that are necessary to develop the corporate purpose.

Las Dalias Wind Farm SpA.

RUT: 77.744.909-5

Incorporation date: 12-14-2022

Steering Committee: Alfredo Zañartu

- ▶ Tilman Gruber
- ▶ Gonzalo Zegers
- ▶ Ricardo Busch
- ▶ Jaime Mayol (substitute member)
- ▶ Trinidad Echeverría (substitute member)

- ▶ Gianfranco Truffello (substitute member)
 - ▶ José Manuel Bezanilla (substitute member)
- Capital subscribed and paid in thousands of CLP\$:** 1,000

Objeto social:

- a) Execute the development of all types of wind energy projects.
- b) The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.
- c) Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d) The commercialization of electrical energy, possession of facilities and sale of the same to both private and public entities.
- e) Investment in all types of shares, securities, social rights, and credit titles.
- f) The administration and exploitation of these investments and their products.
- g) The development of all related activities that are necessary to develop the corporate purpose.

Las Fresias SpA Wind Farm.

RUT: 77,744,915-K

Incorporation date: 11-18-2022

▶ Steering Committee:

- ▶ Alfredo Zañartu
- ▶ Tilman Gruber
- ▶ Gonzalo Zegers
- ▶ Ricardo Busch
- ▶ Antonio Valenzuela (substitute member)
- ▶ Trinidad Echeverría (substitute member)
- ▶ Gianfranco Truffello (substitute member)
- ▶ José Manuel Bezanilla (substitute member)

Capital subscribed and paid in thousands of CLP\$: 1,000

Objeto social:

- a) Execute the development of all types of wind energy projects.
- b) The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.
- c) Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d) The commercialization of electrical energy, possession of facilities and sale of the same to both private and public entities.

- e) Investment in all types of shares, securities, social rights, and credit titles.
- f) The administration and exploitation of these investments and their products.
- g) The development of all related activities that are necessary to develop the corporate purpose.

Margaritas SpA Wind Farm.

RUT: 77,744,978-8

Incorporation date: 01-10-2023

Steering Committee:

- ▶ Alfredo Zañartu
- ▶ Tilman Gruber
- ▶ Gonzalo Zegers
- ▶ Ricardo Busch
- ▶ Jaime Mayol (substitute member)
- ▶ Trinidad Echeverría (substitute member)
- ▶ Gianfranco Truffello (substitute member)
- ▶ José Manuel Bezanilla (substitute member)

Capital subscribed and paid in thousands of CLP\$: 1,000

Objeto social:

- a) Execute the development of all types of wind energy projects.
- b) The promotion, construction and operation of wind farms that generate energy from non-conventional renewable sources or any other source.

- c) Advice, administration and/or management on behalf of oneself or others of electricity generation projects, whether they are from non-conventional renewable energies or from any other source.
- d) The commercialization of electrical energy, possession of facilities and sale of the same to both private and public entities.
- e) Investment in all types of shares, securities, social rights, and credit titles.
- f) The administration and exploitation of these investments and their products.
- g) The development of all related activities that are necessary to develop the corporate purpose.

Ovejera del Sur SpA Wind Farm.

RUT: 76.839.949-2

Constitution date: 01-19-2018

Steering Committee:

- ▶ Gonzalo Zegers Ruiz-Tagle
- ▶ Leonardo Leonidas Bastidas Almarza
- ▶ José Antonio Díaz Lira
- ▶ Nicolas Kuhlenthal Antonijevic

General Manager: Felipe Oettinger Duhalde

Capital subscribed and paid in thousands of CLP\$: 2,681,877

Objeto social:

- a) Studies and development of wind-based electrical energy generation projects.
- b) Purchase, sale, lease of all types of real or personal property, tangible or intangible, necessary to carry out the activities.
- c) in general, carry out all activities necessary or leading directly or indirectly to the previous ones.

El Esparragal Agrarian Association of Responsibility Ltda.**Constitution date:** 05-30-2007**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of CLP\$:** 16,816**Objeto social:**

Production of wood for industrial purposes; carrying out activities necessary for the proposed purpose, such as afforestation, silvicultural treatments, forest exploitation and sale of wood; carrying out all secondary uses that forestation allows, and any other complementary forestation exploitation on the company's property; purchase, sale, lease and all types of operations with real estate and any other activity classified as agricultural in accordance with the provisions of Law No. 17,777.

Eufores S.A.**Constitution date:** 04-15-1983**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 553,224**Objeto social:**

Production of wood for industrial purposes; carrying out forestry activities, forest exploitation and sale of wood; carrying out the secondary uses that the afforestation allows, and any other complementary afforestation exploitation on the company's property.

Forestal Cono Sur S.A.**Constitution date:** 08-16-1996**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 147,195**Objeto social:**

Forestation, industrialization and marketing in all its forms of wood, exports, imports and others.

Ongar S.A.**Constitution date:** 03-04-2011**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 5**Objeto social:**

Administration of works and services, industrialization and marketing in all its forms, exports, imports and others.

Stora Enso Uruguay S.A.**Constitution date:** 08-11-2004**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 143,903**Objeto social:**

Agricultural exploitation, forestry, fruit growing, citrus growing and its derivatives, industrialization of these products and their derivatives; make investments in companies linked to the activities, being able to develop activities related and linked to investments in the country and abroad, in public, private and mixed companies, national or foreign.

Logistics and Industrial Terminal**M'Bopicuá S.A.****Incorporation date:** 07-22-1999**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 11,381**Objeto social:**

Carry out the execution and financing of the infrastructure works of the port logistics terminal and industrial estate, the acts and procedures necessary or conducive to obtaining the legally corresponding authorizations and permits, the dissemination, promotion and positioning of the project; exploitation and administration of the logistics and industrial activities to be developed within the logistics terminal, port and industrial estate; exploitation of brands

and similar intangible assets; purchase, sale, leasing, administration, construction and all types of operations with real estate; participation, constitution or acquisition of companies that operate in the pre-indicated branches; imports, exports, representations, commissions and consignments; operate industrial, commercial and merchandise storage establishments and carry out other activities related or directly related to the corporate purpose; Be part of interest and economic groups.

Zona Franca Punta Pereira S.A.**Constitution date:** 05-24-2006**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 378,964**Objeto social:**

Exploitation of a free zone in accordance with the provisions of Law No. 15,921 and its regulatory decrees, being able to carry out all types of operations inherent to such exploitation, which are permitted or permitted in the future by the rules applicable to free trade zone operating companies.

Pulp and Energy Punta Pereira S.A.**Constitution date:** 04-05-2005**Directors:**

- ▶ Cristián Infante Bilbao
- ▶ Ivan Chamorro Lange
- ▶ Hector Araneda
- ▶ Gianfranco Truffello Jijena
- ▶ Roy Antink
- ▶ Per Bülund
- ▶ Johanna Hagelberg
- ▶ Martin Ross
- ▶ Charles Kimber Wylie (Alternate Director)
- ▶ Eduardo Gondo (Alternate Director)

General Manager: Diego Wollheim**Capital subscribed and paid in thousands of USD:** 1,322,620

Objeto social:

Free Zone User, being able to carry out all kinds of industrial, commercial or service activities there, with the tax exemptions and other benefits detailed in Law No. 15,921, such as: a) marketing, warehousing, storage, conditioning, selection, classification, fractionation, assembly, disassembly, manipulation or mixing of goods or raw materials of foreign or national origin; b) installation and operation of manufacturing establishments; and c) provision of financial, computer, repair and maintenance, professional and other services required for the better functioning of the installed activities and the sale of said services to other countries.

Sonae Arauco S.A.

Constitution date: 05-14-1946

Directors:

- ▶ Gonzalo José Zegers Ruiz-Tagle
- ▶ Carlos Antonio Rocha Moreira da Silva
- ▶ George Christopher Lawrie
- ▶ Cristian Eustaquio Infante Bilbao
- ▶ Pablo Franzini
- ▶ Javier Vega by Seoane Azpilicueta
- ▶ Duarte Paulo Teixeira de Azevedo (President)
- ▶ Matías Jorge Domeyko Cassel (First Vice President)

General Manager: Rui Manuel Gonçalves Correia

Capital subscribed and paid in thousands of US\$ 20,119

Objeto social:

Manufacture, manufacture and sale of boards of any kind and the manufacture, manufacture and sale of their raw materials, such as wood, glues, resins or their derivatives or construction materials; as well as the performance of activities derived from the transformation or application of the products obtained through said activities. The acquisition, possession, enjoyment, general administration and disposal of all types of securities and securities in the name and on behalf of the Company.

EKA Chile S.A.

RUT: 76.879.577-0

Constitution date: 09-20-2002

Directors:

- ▶ Gustavo Romero Zapata (President)
- ▶ Antonio Carlos Francisco
- ▶ Iván Chamorro Lange
- ▶ Raul Benapres Williamson
- ▶ René Kachan (Alternate Director)
- ▶ Pablo Wiedenbrug (Alternate Director)
- ▶ Ricardo Brunner (Alternate Director)
- ▶ Héctor Araneda (Alternate Director)

General Manager: Isaac Morend Deresinsky

Capital subscribed and paid in thousands of USD: 36,907

Objeto social:

Development of high-standard dry construction solutions, based on wooden frames, including perimeter and internal walls, in prefabricated panels, as well as floor, ceiling and façade solutions, all of which will be delivered with installation or complete assembly on site, both in Chile and in the rest of Latin America.

Inversiones Puerto Coronel S.A.

RUT: 96.785.680-0

Incorporation date: 04-01-1996

Directors:

- ▶ Esteban Papic Politeo
- ▶ Franco Bozzalla Trabucco
- ▶ Álvaro Saavedra Flórez
- ▶ Fernando Reveco Santander
- ▶ Fernando Elgueta Gálmez
- ▶ Felipe Vial

General Manager: Patricio Román Lois

Capital subscribed and paid in thousands of USD: 58,189

Objeto social:

Making investments in all types of movable and immovable property, whether tangible or intangible, the acquisition of shares of public limited companies or companies limited by shares, rights of partnerships, ventures, bonds, commercial papers and all types of securities or investment instruments and the administration of these investments and their fruits, and the development and/or participation in all types of businesses, projects, companies and companies related to industrial, port, forestry and commercial activities.

Falcão MS SPE S.A.

Constitution date: 08-08-2022

Directors:

- ▶ Matheus de Barros Moura
- ▶ Mario José de Souza Neto
- ▶ Rodrigo Coutinho
- ▶ Carlos Alberto Guerreiro

General Manager: Matheus de Barros Moura

Capital subscribed and paid in thousands of R\$: 70,824

Objeto social:

Acquisition of rural properties suitable for planting eucalyptus trees, in the State of Mato Grosso do Sul, for third-party operations.

Florestal Vale do Corisco S.A.

Constitution date: 11-19-2001

Directors:

- ▶ Cristiano Cardoso Teixeira
- ▶ Fabio Fernandez Medeiros
- ▶ Marcos Paulo Conde Ivo
- ▶ Pablo Franzini
- ▶ Carlos Alberto Altimiras Ceardi

General Manager: Sandro Fabiano Ávila

Capital subscribed and paid in thousands of R\$: 38,875

Objeto social:

Manage forestry assets; afforestation and reforestation; market wood and its by-products; administration of own- or third-party assets; participate in other companies, national or foreign, as a partner or shareholder.

Genómica Forestal S.A.

RUT: 76.743.130-9

Constitution date: 10-25-2006

Directors:

- ▶ Eduardo Rodríguez
- ▶ Francisco Rodriguez
- ▶ Andrea Rodriguez
- ▶ Felipe Leiva
- ▶ Sofia Grez

General Manager: Sofía Valenzuela Águila

Capital subscribed and paid in thousands of CLP\$: 245,586

Objeto social:

Carry out all kinds of services and activities aimed at the development of forest genomics, using biotechnological, molecular and bioinformatics tools; provision of technology, engineering, biotechnology and

bioinformatics services; purchase, sale and marketing of seeds, utensils, and all types of tangible and intangible assets necessary for the fulfilment of the business; administration and execution of Forest Genomics projects.

Bioenercel S.A. Technological Consortium

RUT: 76.077.468-5

Constitution date: 08-21-2009

Directors:

- ▶ Fernando Rioseco Schmidt
- ▶ Eckart Eitner Delgado
- ▶ Eduardo Rodríguez Treskow
- ▶ Ivan Rubio Huerta
- ▶ David Contreras Pérez
- ▶ Jose Andrés Pesce A.
- ▶ German Aroca

Capital subscribed and paid in thousands of CLP\$: 1,778,606

Objeto social:

Develop, adapt and implement technologies related to the production of biofuels, such as bioethanol and bio-oil, from forest resources.

Corporate Services Sercor S.A.

RUT: 96.925.430-1

Incorporation date: 03-07-2000

Directors:

- ▶ Roberto Angelini Rossi
- ▶ Jorge Andueza Fouque
- ▶ Eduardo Navarro Beltran
- ▶ Andres Lehuedé Bromley
- ▶ Matías Domeyko Cassel

General Manager: Patricio Tapia Costa

Capital subscribed and paid in thousands of CLP\$: 2,974,624

Objeto social:

Provide advice to boards of directors and senior administrations of companies, in business management, strategic planning, corporate communications, internal audit, management control, administration of shareholder records, economic studies, project evaluation, company valuation and market studies.

Arauco MS Participações S.A.

Incorporation date: 11-30-2023

Directors:

- ▶ Matías Domeyko Cassel
- ▶ Cristián Infante Bilbao
- ▶ Pablo Franzini

General Manager: Carlos Altimiras Ceardi

Capital subscribed and paid in thousands of R\$: 0.5

Objeto social:

- a) participation as a partner or shareholder in companies of any nature.
- b) Office services and administrative support.

Commercial relationships with subsidiaries or associates during the year

At the closing of these Consolidated Financial Statements, the main transactions recorded with related parties are purchases of fuel from Copec S.A. and purchase of sodium chlorate from EKA Chile S.A.

Acts and contracts entered with subsidiaries or associates

In 2023 there have been no relevant acts and contracts that significantly influence the operations and results of the parent company or investing entity.



Other values

Celulosa Arauco y Constitución S.A. As of 12/31/2023, the following bonds issued are in force:

Instrument Name	Currency	Accounting total Thousands of USD	Expiration date	Country of Placement
SERIE F	U.F.	111.798.642	30/10/2029	CHILE
SERIE F	U.F.	45.051.509	30/10/2029	CHILE
SERIE P	U.F.	172.995.593	15/11/2032	CHILE
SERIE R	U.F.	210.969.309	31/03/2035	CHILE
YANKEE 2024	American dollars	508.670.125	31/07/2024	USA
SERIE S	U.F.	207.535.432	15/11/2026	CHILE
YANKEE 2047	American dollars	398.134.484	02/11/2047	USA
YANKEE 2027	American dollars	497.538.491	02/11/2027	USA
SERIE W	U.F.	124.502.967	10/10/2028	CHILE
SERIE X	U.F.	225.062.798	10/10/2043	CHILE
YANKEE 2029	American dollars	498.044.672	30/04/2029	USA
YANKEE 2049	American dollars	493.176.284	30/04/2049	USA
YANKEE 2030	American dollars	504.836.679	29/01/2030	USA
YANKEE 2050	American dollars	502.348.215	29/01/2050	USA
SERIE Y	U.F.	82.223.315	10/04/2032	CHILE
SERIE Z	U.F.	209.979.727	10/04/2044	CHILE
SERIE AB	U.F.	204.169.396	15/05/2046	CHILE

Dividend

In a meeting of the Company's Board of Directors, held on September 28, 2021, the company's Dividend Policy for the coming years was modified, agreeing to distribute among the shareholders an amount equivalent to 40% of the net profits of each year, susceptible to be distributed as dividends.

In any case, the Board of Directors may agree to distribute and pay provisional dividends to shareholders, to the extent that a year with positive results is expected and the company's cash availability allows it.

Without modifying the company's dividend policy just indicated and only with respect to the profits obtained in fiscal year 2022, in a board meeting held on April 6, 2023, the Board of Directors agreed to distribute among the shareholders an amount equivalent to 50% of the liquid profits of said year that can be distributed as dividends. The above is based on the profits obtained by ARAUCO during said year, already reported to the market, the culmination of important capital investments already made in previous years and its current cash availability.

Regarding the result for fiscal year 2023, the company's Board of Directors in a meeting on March 26, 2024, reported that it is not appropriate to distribute dividends this year, since fiscal year 2023 showed losses.

Details of Dividends Paid, Ordinary Shares

Dividend Paid	Final Dividend
Class of shares for which there is a dividend paid	Common shares without series
Dividend date paid	10-05-2023
Dividend amount	Thousands of USD 279.622
Number of shares on which dividend is paid	120.474.350
Dividend per share	USD 2,321007

Risks

SUBSIDIARIES AND FUNCTIONAL CURRENCY

Subsidiary	Country	Functional Currency
Arauco Canada Ltd.	Canada	Canadian dollar
Arauco Celulose do Brasil S.A.	Brazil	Real
Arauco do Brasil S.A.	Brazil	Real
Arauco Florestal Arapoti S.A.	Brazil	Real
Arauco Forest Brasil S.A.	Brazil	Real
Arauco Industria de México, S.A. de C.V.	Mexico	Mexican pesos
Arauco Industria de Paineis S.A.	Brazil	Real
Arauco MS Participações S.A.	Brazil	Real
Arauco Participações Florestais Ltda.	Brazil	Real
Araucocomex Servicios, S.A. de C.V.	Mexico	Mexican pesos
Consortio Protección Fitosanitaria Forestal S.A.	Chile	Chilean pesos
Empreendimentos Florestais Santa Cruz Ltda.	Brazil	Real
E2E SpA.	Chile	Chilean pesos
Leasing Forestal S.A.	Argentina	Argentinian pesos
Lemu Earth SpA	Chile	Chilean pesos
Mahal Empreendimentos e Participações S.A.	Brazil	Real
Novo Oeste Gestão de Ativos Florestais S.A.	Brazil	Real
Tecverde Engenharia S.A.	Brazil	Real

ASSET USEFUL LIFE

The determination of the useful life of the Properties, mills and equipment is carried out based on the expectations in which the asset is expected to be used. Below is the useful life average by asset class:

	Promedio
Buildings	useful life years 58
Mill and equipment	useful life years 30
information technology equipment	useful life years 8
Fixed installations and accessories	useful life years 28
Motor vehicles	useful life years 7
Other properties, mills and equipment	useful life years 14

ARAUCO is exposed to risks of various kinds, which can affect not only financial performance, but also its sustainability.

To minimize the impact and probability of risks to which it is exposed, a Risk Management Policy, a Corporate Risk Management Framework and a Corporate Risk Matrix of greater impact have been defined.

For this, the methodology used is based on international Risk Management standards, such as ISO 31,000 and COSO ERM.

The development of business continuity plans is based on the ISO 22,301 Standard.

Regarding the risks whose focus is the reliability of accounting information, ARAUCO has a SOX Corporate Internal Control Model¹⁴, focused on the reliability of the company's financial accounting information.

This model is permanently disseminated with the objective of training, analyzing and deepening knowledge regarding the relevance that said model has in ARAUCO and the importance that the different areas of the company have in its management, in addition to promoting the use of the tool. GRC Process Control¹⁵ for continuous management, risk monitoring and controls with a financial accounting focus. In this way, during 2022 different initiatives were executed with the Business Management and Cross-Border Management in Chile, Brazil, Argentina, Mexico and North America to address the issues.

Regarding operational risks, the production of an industrial mill depends on people, supplies, processes and equipment that are key to operational continuity.

Wood, water, steam and electrical energy are inputs whose lack can stop normal operation from a process area to an entire industrial forestry complex.

¹⁴ The Corporate SOX Internal Control Model is based on COSO (Committee of Sponsoring Organizations of the Treadway) as a framework of reference, which establishes that it is a process carried out by the Board of Directors (Board), management and the rest of the staff of an entity, designed with the objective of providing reasonable assurance regarding the achievement of objectives within the following categories: effectiveness and efficiency of operations, reliability of information, compliance with applicable laws and regulations and safeguarding of assets. Committee of Sponsoring Organizations of the Treadway: Voluntary commission made up of representatives of five private sector organizations in the US, which provide intellectual leadership on three interrelated topics: Enterprise Risk Management (ERM), Internal Control, and Risk Deterrence. fraud.

¹⁵ GRC Process Control SAP: ERP tool maintained by ARAUCO as a single corporate repository for the management and administration of risks and controls with a focus on the reliability of financial accounting information.

Likewise, those agents external to the operation, such as disasters and forest fires, are also risks.

During 2022, through an internal audit process, the controls raised to date on the company's main risks were reviewed, where the result would be incorporated into the update of the matrix that was carried out during 2023.

The levels of impact and probability of occurrence of risks are constantly evolving, taking prominence according to the global context. In the latest publication of the COSO ERM committee based on a report from the World Economic Forum institution, the evolution of the global risk landscape is highlighted.

Thus, for example, years ago they led the risks of an economic and social nature, while today the focus has migrated to risks related to water supply, extreme weather conditions, cyber-attacks and fraud.

The change in the global risk landscape is not foreign to the local context. Our forest assets and neighboring communities were significantly affected by the forest fires at the beginning of 2017, driven in part by extreme weather conditions and the lack of rainfall in the central and southern areas of Chile.

Due to the above, ARAUCO further reinforced its preventive and firefighting measures, its community prevention networks, forest management and other measures, through various initiatives.

Along these same lines, but in relation to our industrial complexes, ARAUCO continued with the execution of the investment plan defined for the year 2023, promoting initiatives associated with fire protection and fighting, maintenance programs, and the development of technical skills and equipment of our industrial brigades.

RISK FACTOR'S

In the main markets where ARAUCO participates, it is subject to natural, economic, political, social and competitive risks, any of which may adversely affect its business and the results of its operations and/or its financial condition.

These important risks include the following:

RISKS RELATED TO THE COMPANY

1. Fluctuations in the market price of our products could adversely affect our financial condition, results of operations and cash flows.
2. In certain cases, global competition in the markets for our products may adversely affect our business, financial condition, results of operations and cash flows.
3. Global economic developments, and particularly those of the Asian, European and American economies, could negatively affect the demand for our products, our financial condition, the results of our operations and our cash flows.
4. We depend on free international trade, as well as the economic conditions of our main markets.
5. In Chile and Mexico, we are in seismic zones that expose our assets to the risk of earthquakes and tsunamis, the occurrence of which can generate important effects and deviations and commercial losses, as happened as a result of the earthquake of February 27, 2010.
6. The costs of complying with environmental laws and regulations, and of meeting liabilities arising therefrom, may in the future affect our business, financial condition, results of operations and cash flows.
7. Environmental concerns led to the temporary suspension of our operations at the Valdivia mill in 2005, which adversely affected, and in the future could continue to adversely affect, our business, financial condition, results of operations and cash flows.
8. We have been subject to legal proceedings, which could adversely affect our business, financial condition, results of operations and cash flows.
9. Our ability to access local and international credit or capital markets may be restricted at a time when we need financing, which could have a material adverse effect on our flexibility to react to changes in economic and business conditions.
10. Material disruptions affecting our mills, forestry assets or business operations could adversely affect our financial results and forestry operations.
11. Currency fluctuations may have a negative effect on our financial results.
12. Diseases or fires could affect our forests and manufacturing processes and, in turn, adversely affect our business, financial condition, results of operations and cash flows.

- 13. Climate change may adversely affect our business, financial condition, results of operations and cash flows.
- 14. We may undertake mergers, acquisitions and investments to expand or complement our operations, which could result in operational difficulties or adversely affect our business, financial condition and results of operations.
- 15. Our operations could be adversely affected by labor actions, contractual and other disputes.
- 16. Cybersecurity events, such as a cyberattack, could adversely affect our business, financial condition and results of operations.
- 17. Risks associated with the countries where the businesses are located.

RISKS RELATED TO THE COMPANY AND THE INDUSTRY

1. Fluctuations in the price of pulp, wood products and wood derivatives.

Prices for many of the products we sell can fluctuate significantly. These prices are highly correlated with international prices. Consequently, the prices of our products depend largely on current international and regional prices. Historically, such prices have been subject to substantial variations.

During the period from January 1, 2019, to December 31, 2023, the average price of long fiber pulp sold in Europe (long fiber pulp produced in North America and Northern and Central Europe and sold to paper producers European, or “NBSK - Europe”), which is the reference for long fiber pulp sold in Europe, ranged between a minimum of USD 819.84 per ton and a maximum of USD 1,498 per ton, ending the year with a value of USD 1,428.

During the period from January 1, 2019 to December 31, 2023, the average price of long fiber pulp sold in China (long fiber pulp produced in North America and Northern and Central Europe and sold to producers of paper in China, or “NBSK - China”), which is the reference for long fiber pulp sold in China, ranged between a minimum of USD 554.4 per ton and a maximum of USD 989.69 per ton, ending the year 2023 with a price of USD 749.29 per ton. Throughout 2019, NBSK – Europe and NBSK – China prices trended negatively, ending the year at USD 819.95 for European prices and USD 557.57 for China prices. During the first months of 2019, the prices of NBSK – China and NBSK – Europe remained relatively stable, due to the Chinese New Year that took place in February 2019 and lower demand for pulp, respectively. After the first quarter and until the third

quarter of 2019, prices in China and Europe began to deteriorate noticeably, mainly due to growing trade tensions between China and the United States and tariffs imposed by both countries that impacted pulp demand. During the fourth quarter of 2019, prices stabilized to some extent, ending the year at USD 819.95 per ton for NBSK – Europe and USD 557.57 per ton for NBSK – China. Throughout the first three quarters of 2020, long fiber pulp prices remained low and stable due, mainly, to the impact of the COVID-19 pandemic and the high, although decreasing, inventories of some pulp and paper producers. paper. During the fourth quarter of 2020, inventories stabilized to some extent, leading to an increase in NBSK prices, primarily during the final weeks of the year. 2020 long fiber pulp prices ended at USD 879.36 per ton for NBSK - Europe and USD 670.56 per ton for NBSK - China. The first quarter of 2021 continued with the trend observed during the last weeks of 2020, with the prices of both NBSK – Europe and NBSK – China constantly increasing, mainly due to the normalization of demand and the logistical problems that limited supply chains to some extent. During the second quarter of 2021, prices remained stable for NBSK - China, although at elevated levels,

and continued to increase for NBSK - Europe. NBSK - Europe prices remained largely stable during the second half of 2021, and NBSK - China prices decreased somewhat mainly due to a slower operating pace of paper producers and power outages. Softwood pulp prices for 2021 ended at USD 1,260.27 per ton for NBSK - Europe and USD 757.82 per ton for NBSK - China.

During the first quarter of 2022, prices increased compared to the last week of the fourth quarter of 2021, both in NBSK - Europe and in NBSK - China, mainly due to logistical problems and in Europe, due to high economic activity and low levels of imports from Asia. During the second quarter of 2022, prices increased again due to inflation affecting the markets in both NBSK - Europe and NBSK - China.

During the third quarter of 2022, the prices of both NBSK - Europe and NBSK - China remained relatively stable; and at the end of 2022, prices decreased due to a normalization of logistical problems and a relative stabilization of inventories.

Prices decreased sharply during the first quarter of 2023 for NBSK-Europe and NBSK-China due to weak sales and low paper production. During the second quarter of 2023, prices remained low for NBSK-China and prices for NBSK-Europe continued to decline. In the third quarter of 2023, prices for both NBSK-Europe and NBSK-China increased towards the end of the quarter. As for the fourth quarter of 2023, prices continued to rise for both NBSK-China and NBSK-Europe due to higher demand rates. During the period from January 1, 2019, to December 31, 2022, the prices of bleached short fiber pulp sold in Europe (pulp manufactured from eucalyptus or birch that is sold in Europe and is the reference for bleached short fiber pulp sold in Europe, or “BHKP - Europe”) ranged from a low of USD 680.5 per ton to a high of USD 1,140 per ton. During the period from January 1, 2019, to December 31, 2022, the prices of bleached short fiber pulp sold in China (pulp made from eucalyptus or birch that is sold in China and is the reference for pulp bleached short fiber pulp sold in China, or “BHKP - China”) ranged from a low of USD 441.26 per ton in August 2020 to a high of USD 866.17 per ton during 2022. Short fiber pulp prices followed a similar trend to long fiber pulp prices during

the first quarter of 2019, after first quarter prices began to decline and continued until the end of the year, mainly due to (i) increasing trade tensions between China and the United States, (ii) the higher inventories of some pulp producers and (iii) the lower economic activity in Europe. BHKP-Europe and BHKP-China prices ended the year at USD 680.01 and USD 456.92 per ton, respectively. Throughout 2020, bleached short fiber pulp prices remained low and stable mainly due to the impact of the COVID-19 pandemic and high inventories of some pulp and paper producers, ending the year at USD 680.00 per ton for BHKP - Europe and USD 449.08 per ton for BHKP China. The first quarter of 2021 continued with the trend observed during the last weeks of 2020, with the prices of both BHKP – Europe and BHKP-China constantly increasing, mainly due to the normalization of demand, and the logistical problems that limited to some extent supply chains. During the second quarter of 2021, prices remained stable for BHKP - China, although at high levels, and continued to increase for BHKP - Europe. BHKP - Europe prices remained largely stable during the second half of 2021, and BHKP - China prices decreased somewhat mainly due to a slower operating pace of paper producers and

power outages. Bleached short fiber pulp prices for 2021 ended at USD 1,140 per ton for BHKP – Europe and USD 570.73 per ton for BHKP – China.

During the first quarter of 2022, prices increased compared to the last week of the fourth quarter of 2021, in both BHKP - Europe and BHKP - China, mainly due to logistical problems, a strike or work stoppage that occurred at a relevant competitor, and in Europe due to high economic activity and low levels of imports from Asia. Additionally, the shortage of birch in northern Europe caused significant pressure on short grain causing producers to switch to long grain. During the second quarter of 2022, prices increased again due to inflation affecting the markets in both BHKP - Europe and BHKP - China. During the second half of 2022, the prices of both BHKP - Europe and BHKP - China remained relatively stable due to a normalization of logistical problems and a relative stabilization of inventories.

2023 began with price declines for both BHKP-Europe and BHKP-China. For the second quarter of 2023, BHKP-China prices stabilized as buyers replenished their inventories, while BHKP-Europe continued to decline due to reduced demand.

During the third quarter of 2023, BHKP-China prices increased due to higher demand, while BHKP-Europe began to stabilize. By the end of 2023, prices for both BHKP-China and BHKP-Europe increased, driven by an improvement in European demand resulting from reduced pulp stocks and decreasing price differences with China.

Throughout 2019, the panel market remained healthy with strong sales, particularly in the United States and Canada.

The sawn timber and plywood markets showed oversupply and therefore prices were affected. Additionally, trade tensions between China and the United States put additional pressure on prices, especially for lumber products. Wood products markets remained stable during 2019 in terms of prices and sales volume compared to 2018. During the first half of 2020, we faced significant challenges due to the adverse effects that the COVID-19 pandemic had on the markets of wood products, especially during the second quarter of the year. During the second half

of 2020, prices continually improved due to an increase in demand, especially in the construction and remodelling sectors, among other reasons. During 2021, wood products markets remained generally stable and at high levels both in terms of prices and sales volume.

Prices for some wood products continued to increase throughout that year, and we observed some supply shortages in some of the markets in which we participate. During 2022, demand for wood products markets remained relatively stable in panel consumption in North America. Additionally, demand for our sawn timber segment was relatively stable during the first half of 2022 and supply was relatively tight due to logistical issues.

Furthermore, in February 2022, Russian troops invaded Ukraine, unleashing a war. Although the severity and duration of military actions are highly unpredictable, Russia's prior annexation of Crimea. Subsequent military interventions in Ukraine have led to sanctions imposed by the United States, the European Union and other countries against Russia and with potential additional sanctions threatened and/or proposed.

Russia's military incursion and market volatility negatively affected the global economy and financial markets and, therefore, could affect our business, financial condition or results of operations. Additionally, the conflict has resulted in significant volatility in certain commodity prices, as well as supply chain complications and increases in oil and natural gas prices, which have resulted in higher fuel prices and – consequently – the sharpest rise in inflation around the world.

If prolonged, these fluctuations could materially affect our business, financial condition or results of operations.

The extent and duration of military action, sanctions and resulting market disruptions are impossible to predict, but could be substantial. Any disruption caused by this conflict or resulting sanctions may magnify the impact of other risks described in this annual report.

During 2023, wood product prices declined throughout the year due to higher interest rates, oversupply, high inventories, and political uncertainty in some South American countries.

Global economic conditions may exert downward pressure on commodity prices, including international prices for the products we sell, which could result in material and adverse declines in our revenues, results of operations and financial condition.

We have no control over the factors that cause price changes, including, but not limited to:

- ▶ Global demand, which may be affected by several factors, including economic or political conditions in Asia, Latin America, North America and Europe.
- ▶ Prevailing world prices, which have historically been subject to significant fluctuations in relatively short periods of time, depending on global demand.
- ▶ Global production capacity; and
- ▶ The availability of substitutes. In addition, the price of many of the products we sell is correlated, and historical fluctuations in the price of one product have generally been accompanied by similar price fluctuations in other products.

If the price of one or more of the products we sell were to decline significantly from current levels, it could have a material adverse effect on our revenues, results of operations and financial condition.

2. Global competition in the markets where we offer our products could adversely affect our business, financial condition, results of operations and cash flows.

We experience substantial global competition in each of our geographic markets and in each of our product lines.

Some of our competitors are larger than us or may have greater financial and other resources, which, among other things, may enhance their ability to support strategic expenditures aimed at increasing their market share. Our market share and competitive position may be adversely affected if we fail to continue expanding our productivity at the same time as our competitors.

Both the pulp and wood products industries are sensitive to changes in industry capacity and producer inventories, as well as cyclical changes in the world's economies, all of which can significantly affect selling prices and, therefore, our profitability. One or more of these factors could materially and adversely affect

The availability of substitutes. In addition, the prices of many of the products we sell are correlated to some extent, and historical fluctuations in the price of one product have generally been accompanied by similar fluctuations in the prices of other products. If the price of one or more of the products we sell were to decrease significantly from current levels, it could have an adverse effect.

3. The evolution of the world economy and especially the economy of Asia and the United States.

The global economy, and global industrial production, is the main driver of demand for pulp, paper and wood products. In this context, the so-called "trade war" between the United States and China has generated a certain degree of uncertainty in the global economic situation, which we estimate may affect the demand for pulp, paper and wood products.

The decrease in the level of activity, whether in the domestic market or in the international markets in which the company operates, could affect the demand and sales price of ARAUCO products and, therefore, its cash flow, operational and financial results. Strong dependence on free international trade, as well as economic or other conditions in the main markets to which it is exported. During 2023, ARAUCO's income distribution by geographic region is as follows: Asia, 34.2%; North America 31.7%, Central and South America 6.7%; 6.7% Europe, and 1.8% in other countries.

From the above it can be seen that ARAUCO's results depend to a significant degree on the economic, political and legislative conditions of the main markets from which its income comes. For this reason, a deterioration in macroeconomic conditions or measures, an increase in exchange rate volatility, government subsidies, tariff increases, or other trade barriers may affect ARAUCO's competitiveness, its business, financial and operational performance.

If ARAUCO's ability to export its products competitively, in one or more of said export markets, is affected by any of said factors, its business, financial condition, results of operations and cash flow could also be affected.

4. We depend on international free trade, as well as economic and other conditions in our main markets.

We are a global company with industrial operations in eleven countries, from which we sell our products in the domestic market and through exports. In 2023, 34.2% of our sales were to customers in Asia, 31.7% to customers in North America, 25.6% to customers in Central and South America, 6.7% to customers in Europe, and 1.8% to clients in other regions. Accordingly, our results of operations and cash flows depend, to a significant degree, on economic, political and regulatory conditions in our primary markets. Our ability to compete effectively in our markets could be materially and adversely affected by various factors beyond our control, including deteriorating macroeconomic conditions, exchange rate volatility, government subsidies, and the imposition of increased tariffs or other barriers. commercial. If our ability to sell our products competitively in one or more of

our primary markets were harmed by any of these developments, it could be difficult to relocate our products to other markets on equally favorable terms and our business, financial condition, results of operations and cash flows could be adversely affected.

5. Facilities located in Chile and Mexico are exposed to the risk of earthquakes and tsunamis.

The company's operations in Chile and Mexico are in seismic areas, which exposes them to the risk of earthquakes and tsunamis, including their mills, equipment and inventory.

A possible earthquake and/or tsunami could severely damage facilities and impact estimated production, which may not satisfy customer needs, resulting in unplanned capital investments or lower sales that could have a material adverse effect on the company's financial results.

6. The company is subject to environmental laws and regulations related to this matter in the countries where it operates. These standards refer, among other matters, to the preparation of environmental impact assessments of projects, the protection of the environment and human health, the generation, storage, handling and disposal of waste, emissions to the air, soil and water, and to the remediation of environmental damage, where appropriate.

As a manufacturer of forestry products, the company generates solid, liquid and gaseous waste. These emissions and waste generation are subject to limits or controls prescribed by legal regulations or by their operational permits.

The authorities could require a progressive increase in legal requirements for the control or mitigation of the environmental impacts of the projects. The company has made and will make investments to remain in compliance with environmental laws.

However, the company's policy of strictly complying with all requirements established by law, eventual non-compliance with environmental laws and regulations could result in civil, administrative or criminal fines and sanctions, claims for environmental

damage and repair obligations., revocation of authorizations to operate, temporary or permanent closure of production mills.

Future changes in environmental laws or their applications, in the interpretation or application of those laws, including more stringent requirements related to harvesting, emissions and climate change regulations, may result in considerable increases in capital, operating costs and limitation of operations.

7. Environmental concerns led to the temporary suspension of our operations at the Valdivia mill in 2005, which adversely affected, and in the future could continue to adversely affect, our business, financial condition, results of operations and cash flows.

Our operations at the Valdivia mill have been subject to environmental scrutiny by Chilean environmental regulators and the Chilean public since the mill began operations in 2004. A variety of concerns and complaints have been raised regarding the potential environmental impacts of mills in the area. Primarily, it has been alleged that the Mills operations affected the habitat of the nearby Carlos Anwandter Nature Sanctuary and contributed to the migration and death of black-necked swans living in the

area. In connection with an environmental administrative proceeding, environmental regulators required us to suspend operations at the Valdivia Mill for approximately one month in January 2005.

In February 2009, as previously required by environmental authorities, we presented an environmental impact study for the construction of a pipeline to discharge wastewater from the Valdivia Mill into the Pacific Ocean near Punta Maiquillahue, complying with the requirement that said wastewater is discharged into a body of water other than the Cruces River, the Carlos Anwandter Nature Sanctuary or their respective sources. In February 2010 and October 2012, environmental authorities approved this environmental impact study subject to some conditions. On April 30, 2013, the Committee of Ministers approved Exempt Resolution No. 391, which modified certain paragraphs of the approval (establishing effluent discharge limits for 13 parameters)

The construction and operation of the pipeline requested by the environmental authority to discharge wastewater from the Valdivia Mill into a body of water other than the Cruces River, the Carlos Anwandter Nature Sanctuary or their respective sources, remains subject to environmental, regulatory, engineering and policy. As of the date of this annual report, it has not been possible to obtain the relevant permits and authorizations for the project. As a result, we cannot provide any guarantee that the project will be completed and deadline extensions will be granted, even if we comply with all requirements that may be established by those authorities. If the installation of the pipeline is delayed for reasons attributable to us, we could face sanctions including warnings, fines or revocation of the Valdivia Mills environmental operating permit.

The suspension of operations at the Valdivia Mill in 2005 adversely affected our business, financial condition, results of operations and cash flows. Any future suspension of operations at the Valdivia Mill or any of our mills can be expected to have similar adverse effects. We make no guarantee that the Valdivia Mill, or our other Mills, will be able to operate without further interruptions.

8. We have been the subject of legal proceedings

The causes for contingent liabilities that have been deemed relevant to report are detailed below:

I. Celulosa Arauco y Constitución S.A. On April 26, 2023, Engineering and Construction Sigdo Koppers S.A. (“ICSK”) filed before the Arbitration and Mediation Center of the Chamber of Commerce of Santiago A.G., an arbitration claims against the Company, requesting forced compliance with contract No. 906, Civil Electromechanical Assembly of Digester, Washing, Bleaching, Machine and Final Line, signed between the parties on June 18, 2019 (“Contract”), with compensation for damages.

The total amount demanded by ICSK amounts to CLP\$ 246,650,876,566 (MUSD 281,205 as of December 31, 2023), plus adjustments. It is noted that ICSK indicates in its claim that CLP\$ 60,657,576,943 (MUSD 69,155 as of December 31, 2023), owed by ICSK to ARAUCO, must be deducted from said amount, once the amount claimed has been readjusted.

Likewise, ICSK requests that the amount demanded be paid with current interest from April 2023. On June 16, 2023, ARAUCO answered the lawsuit filed by ICSK requesting its rejection.

In the same act, ARAUCO filed a counterclaim against ICSK, requesting that it be declared that ICSK breached the term of the Contract and, as a consequence, be ordered to pay the fine associated with said breach, which amounted to, at the time the claim is answered to the sum of CLP\$ 37,302,818,060 (MUSD 42,529 as of December 31, 2023). Likewise, ARAUCO demanded the restitution of the total sum of CLP\$ 60,657,576,943 (MUSD 69,155 as of December 31, 2023), plus readjustment and interest, delivered to ICSK during the execution of the Contract for different concepts.

On January 31, 2024, the parties terminated the arbitration trial by mutual agreement. With this, both the lawsuit filed by ICSK and the counterclaim filed by ARAUCO have been settled, under conditions satisfactory to both parties. The agreement reached considered the closing and termination of the Contract and did not produce material effects on ARAUCO’s results as of December 31, 2023.

II. Celulosa Arauco y Constitución S.A., Forestal Arauco S.A., Maderas Arauco S.A. and Servicios Logísticos Arauco SpA.

On August 13, 2018, the Association of Truck Owners of Constitución (“Asoducam”) filed a lawsuit for forced compliance plus compensation for damages before the Court of Letters of Constitución (C-757-2018), against Celulosa Arauco y Constitución S.A., Forestal Arauco S.A., Maderas Arauco S.A. and Servicios Logísticos Arauco SpA.

The lawsuit is based on alleged breaches of agreements for the allocation, distribution and supply of cargo volumes from 2001 and 2005 entered into by Asoducam associates with Forestal Arauco S.A. initially, and then supposedly with Servicios Logísticos Arauco SpA., in favor of the two other defendants, Celulosa Arauco and Constitución S.A. and Maderas Arauco S.A. requests forced compliance with the contract, plus CLP\$ 575,000,000 (MUSD 656 as of December 31, 2023) as compensation for damages and as a subsidy (a) \$ 11,189,270,050 (MUSD 12,757 as of December 31, 2023), for consequential damage; (b) CLP\$ 11,189,270,050 monthly during the entire course of the trial, until the contract is declared terminated in the

final judgment, due to loss of profits, and (c) \$5,000,000,000 (MUSD 5,700 as of December 31, 2023) for moral damage.

On August 28, 2018, the lawsuit was notified to all defendants, except for Servicios Logísticos Arauco SpA. After 5 years of filing the lawsuit, on September 7, 2023, ASODUCAM modified its lawsuit, withdrawing it with respect to Servicios Logísticos Arauco SpA. In the Rol Ingreso case 31.570-2022, pursued before the Most Excellent Supreme Court, an appeal was filed on the merits, referring to the same facts of this trial Rol C-757-2018, in which they are part Asoducam and others, and Maderas Arauco S.A. and Celulosa Arauco y Constitución S.A., the parties conciliated, as recorded in the minutes of November 22, 2023. In said conciliation, which did not imply a payment or disbursement for ARAUCO, since the parties agreed to the withdrawal of the claim by Asoducam, which had to materialize no later than January 22, 2024. A la fecha, esto no ha ocurrido, razón por la cual el 29 de enero de 2024, Maderas Arauco S.A. y Celulosa Arauco y Constitución S.A. dieron cuenta al Juez de Letras de Constitución, en los autos rol C-757-2018, del desistimiento de la Asoducam, acordado en la misma.

To date, this has not happened, which is why on January 29, 2024, Maderas Arauco S.A. and Celulosa Arauco y Constitución S.A. They informed the Court of First Instance of the Constitution, in documents C-757-2018, of the withdrawal of Asoducam, agreed therein. On January 31, 2024, the court decided not to give rise to this last presentation. An appeal for reconsideration and subsidy appeal was filed against said resolution, which is being processed. On February 5, 2024, Celulosa Arauco y Constitución S.A. and Maderas Arauco S.A. They formally objected to a transaction exception and, in subsidy, answered the lawsuit. For its part, Forestal Arauco S.A. directly answered the lawsuit presented by ASODUCAM. By resolution dated February 7, 2024, the Court decreed the suspension of the procedure while the transaction exception incident is resolved and considered the claim regarding Forestal Arauco S.A. answered. Forestal Arauco S.A.

III. On July 7, 2015, Inversiones Forestales Los Alpes Limitada and Forestal Neltume Carrasco S.A. They filed a vindicatory lawsuit against Forestal Arauco S.A. before the Court of Letters of Angol (C-502-2015), in which they request that Forestal Arauco S.A. restores to them the material possession

of 1,855.9 hectares, which would be part of their “Rest of Fundo Los Alpes” property, which would have an area of approximately 2,700 hectares. Likewise, they request that it be declared that the property is the exclusive domain of the plaintiffs, the restitution of the civil and natural fruits, in addition to the deterioration that the property may have experienced, with costs.

On May 29, 2019, the lawsuit was answered and a counterclaim for acquisitive prescription was filed. On September 1, 2020, the Court received the trial case, a resolution that was notified on August 30, 2022, together with the resolution that ordered the reactivation of the trial. On September 2, 2022, the company filed an incident for abandonment of the procedure, which is pending ruling. Considering that the company’s position is supported by solid legal arguments, there is a reasonable margin of obtaining a favorable result for Forestal Arauco S.A. and that is why, as of December 31, 2023, ARAUCO has not established any provision for this contingency.

IV. Arauco Argentina S.A. In accordance with the provisions of Law No. 25,080, the former Ministry of Agriculture, Livestock, Fisheries and Food, the enforcement authority cited by the law, approved by Res. No. 952/2000 the forestry and forestry investment projects. industrial presented by Arauco Argentina S.A. Within the framework of these projects Arauco Argentina S.A. forestó:

1) 4,777 hectares during the year 2000 in compliance with the committed annual plan; and

2) 23,012 hectares during the years 2000 to 2006 as part of the multi-year afforestation plan. Likewise, a sawmill was built with an installed capacity to produce 250,000 m³ of sawn wood per year. On January 11, 2001, Arauco Argentina S.A. presented an extension to the approved forestry-industrial project. This expansion was approved by Res. No. 84/03 of the former Ministry of Agriculture, Livestock, Fisheries and Food.

In compliance with the obligations assumed, the Company built an MDF board (panel) mills and forested 8,089 hectares during the years 2001 to 2006. Additionally, the Company has presented annual forestry plans that cover from 2007 to 2021 for its plantations located in the Provinces of Misiones and Buenos Aires. On March 25, 2019, the Ministry

of Agriculture, Livestock and Fisheries approved resolution No. 2019-55-APN-SECAGYP#MPYT that approves the annual forestry plan for the year 2007. Additionally, said organization, through resolution N ° 2019-114-APNSECAGYP#MPYT approved the annual forestry plan for the year 2009 on June 12, 2019, and, through resolution N°. 2019-228-APN-SECAGYP#MPYT, approved the annual forestry plan for the year 2008 with date November 29, 2019. For this reason, Arauco Argentina S.A. may compute the exemption in the income tax from the forest appraisal on the plantations harvested from the properties included in these plans starting in fiscal year 2019. In March 2005, through Note No. 145/05, the Undersecretariat of Agriculture, Livestock and Forestation, suspended the benefit of non-payment of export duties that Arauco Argentina S.A. was enjoying, on that date in accordance with Law No. 25,080. This measure is being discussed by the Company. On November 8, 2006, Chamber V of the National Court of Appeals for Administrative and Federal Litigation issued a resolution by which it ordered that Arauco Argentina S.A. continue to enjoy the exemption from the payment of export duties, in the same form and scope as it was before the suspension

ordered by Note No. 145/05, but that the release of the merchandise had to be carried out under the regime of guarantees provided for in article 453, paragraph a) of the Customs Code, for taxation exempt from payment.

The judicial measure became effective as of March 2007 through the constitution of guarantees through the granting of surety policies for each of the shipping permits exempt from the payment of export duties. The Company maintains a provision of MUS\$ 23,821 for guaranteed export rights during the period 2007-2015, which is disclosed in the Other long-term provisions item.

Additionally, the Company initiated a claim for repetition for the sum of ThUS\$6,555, plus interest from the notification of the transfer, corresponding to export duties paid between March 2005 and March 2007, because of the application of Note 145/05 of the Undersecretary of Agriculture, Livestock and Forestry.

The Company's claim is processed in File No. 21830/2006 before the Federal Administrative Litigation Court No. 4. On October 28, 2019, a first instance ruling was issued in said case, ordering the rejection of the claim and imposing the costs to ARAUCO. Against said ruling, the Company filed an appeal and expressed the corresponding grievances in December 2019. On June 15, 2022, the Court confirmed the First Instance ruling. On July 1, 2022, Arauco Argentina filed the Extraordinary Federal Appeal before the Supreme Court of Justice.

The Chamber granted the appeal filed by ARAUCO for the federal issue involved in the litigation, however, it rejected the cause of arbitrariness. ARAUCO filed a direct complaint before the Supreme Court of Justice of the Nation, so that the highest court expands its examination of the case by also addressing that argument. Currently, both approaches are in process. On the other hand, Arauco Argentina S.A. It has a guarantee in force for an amount of 435,952,315 Argentine pesos (MUS\$ 540 as of December 31, 2023), in favor of the Ministry of Agriculture, Livestock and Fisheries to guarantee the usufruct benefits.

V. The Company considers that it has complied with all the obligations imposed by the regime of Law No. 25,080. Arauco do Brasil S.A. 1) The Federal Reserve of Brazil challenged the amortization of goodwill resulting from the acquisitions of Placas do Paraná S.A., Tafibrás, Tafisa Brasil (now, Arauco do Brasil S.A.) and Dynea Brasil S.A. On July 20, 2015, Arauco do Brasil was notified of the first administrative level that partially confirmed the violation.

Against this resolution, a voluntary appeal was filed to revoke the Notice of Infringement before the Administrative Council of Fiscal Resources of Brazil (CARF), which is the second administrative level. The CARF decision was issued on May 16, 2017 and took into account certain arguments presented by the company regarding the premium, but preserving other charges. On September 27, 2018, Arauco do Brasil was notified of the CARF decision, regarding which it filed the appeal for declaration embargo, to obtain clarifications from the CARF on certain points of the decision. On January 25, 2019, CARF ruled that there were no clarifications or omissions to be made and, consequently, granted a deadline to file the last appeal within the administrative scope ("Special Appeal").

This Special Appeal was presented to the CARF Upper Chamber of Fiscal Resources (Câmara Superior de Recursos Fiscais, or "CSRF") on February 11, 2019, reiterating the allegations of the company's defense on the issues and charges that remained in progress. On August 28, 2020, the company learned of the intermediate decision in Instrumental Tort, issued by the CARF that divided the claim into two parts, one that remained in the administrative headquarters and the other in the judicial headquarters:

I- Part that remained in administrative headquarters (deductibility of interest and isolated fine of 50%) whose estimated amount is R\$ 34,505,176 (MUS\$ 7,113 as of December 31, 2023).

In this case, on March 27, 2023, Arauco do Brasil joined the Government's Tax Litigation Reduction Program, allowing a reduction of 65% of the total amount of the debt, that is, through the payment of 35% of the debt in two ways: (a) cash payment of 30% for R\$ 3,674,892 (MUS\$ 758 as of December 31, 2023) and (b) payment of 70% through compensation with Tax Losses for R\$ 8,574,747 (MUS\$ 1,768 as of December 31, 2023). Subsequently, Arauco do Brasil made the payment in cash and the compensation with tax losses. Notwithstanding the above, the

Federal Reserve of Brazil (Brazil's tax service) must confirm Arauco do Brasil's adherence to the program, thus closing the part that remained in administrative headquarters.

II – Portion that remained in court (contractual expenses deducted in the purchase of Tafisa Brasil; interest and legal expenses on debts in the amnesty program; Imposto de Renda Pessoa Juridica, or "IRPJ" and minor Contribuição Social sobre o Lucro Líquido, or "CSLL" whose updated estimated amount is R\$ 42,167,507 (MUSD 8,692 as of December 31, 2023).

On March 9, 2023, the court of first instance issued the ruling that was partially favorable to Arauco do Brasil, accepting the claims indicated above, thereby annulling that part of the debt corresponding to R\$ 26,554,677 (MUSD 5,474 as of December 31, 2023).

However, the ruling rejected the claim referring to interest and legal expenses on debts in the amnesty program, the estimated amount of which is R\$ 15,612,831 (MUSD 3,218 as of December 31, 2023). On May 29, 2023, the Federal Reserve filed an Appeal

seeking the revocation of the ruling in the part in which it was favorable to ARAUCO and, on June 26, 2023, ARAUCO also filed an Appeal, seeking the validity of the ruling. ruling also in relation to the point of interest and legal expenses on debts in the amnesty program.

On July 18, 2023, the case was sent to the court for trial in the second instance. The case is currently awaiting trial in court.

Considering that the Company's position is supported by solid legal arguments, there is a reasonable margin of obtaining a favorable result for the Company and that is why, as of December 31, 2023, ARAUCO has not established any provision for this contingency.

VI. In 2013, a service provider company filed a civil lawsuit seeking compensation for damages allegedly caused by the termination of its contract by ARAUCO in relation to the implementation of the MDF2 line of the Jaguariaíva mill.

On November 1, 2021, the Civil Court of Curitiba ruled that ARAUCO must pay the service provider the amount of R\$ 84 million (MUSD 17,315 as of December 31, 2023) in consideration of the alleged damages suffered by the service provider. during the term of the service contracts and because of their early termination by ARAUCO.

After the ruling, we were summoned and on March 8, 2022, we filed an Appeal, and the opposing party was summoned to rule on our appeal and filed the petition on April 11, 2022, also appealing the ruling.

In April 2023 there was a favorable ruling in our appeal and we managed to annul the ruling so that the process returns to its origin. The annulment will also affect the expert evidence, which will need to be redone.

As a result, the provision of R\$ 42,945,528 (MUSD 8,853 as of December 31, 2023) was fully reversed.

In May 2023, the contracting company presents a Motion for Clarification presenting alleged omissions, to maintain the decision or at least the evidence already produced, and we are waiting for the trial of those appeals.

In July 2023 the appeal was rejected.

In August 2023, the contractor filed a Special Appeal before the Superior Court of Justice, to overturn the decision in favor of ARAUCO. We are awaiting the admissibility of the appeal for subsequent trial.

In October 2023, the Court decided not to admit the new appeal to the Superior Court of Justice and the contractor company filed an Appeal to modify this decision and have its appeal reach the Superior Court.

VII. Arauco Industria de México, S.A. of C.V. (formerly Maderas y Sintéticos de México, S.A. de C.V.)

On December 12, 2022, the Tax Administration Service issued the resolution determining tax credit number 900-04-04-00-00-2022-978 corresponding to the fiscal year of 2014. In it, it objects:

(i) the deduction of interest in a historical amount of MXN\$ 85,172,274 (MUSD 5,035 as of December 31, 2023), from loans granted by Masisa S.A. (Chili); (ii) the tax loss in a total amount of MXN\$ 275,986,671 (MUSD 16,315 as of December 31, 2023); (iii) the deduction of payments made to Masisa S.A. for logistics services in a total amount of MXN\$ 3,058,221 (MUSD 181 as of December 31, 2023); (iv) the alleged generation of fictitious dividends related to the payments indicated in sections (i) and (iii) above; (v) the rejection of contributions to the Single Contribution Account in amounts expressed in Mexican pesos of MXN\$ 342,372,000 (MUSD 20,239 as of December 31, 2023), MXN\$ 66,250,020 (MUSD 3,916 as of December 31, 2023), MXN\$ 46,389,980 (MUSD 2,742 as of December 31, 2023) and MXN\$ 11,457,000 (MUSD 677 as of December 31, 2023), respectively and (vi) an alleged improper application of the treaty to avoid double taxation between Mexico and Chile in connection with the payments described in (i) and (iii) above. The total amount of omitted tax, updates, surcharges

and fines determined for the company amounts to MXN\$ 416,908,418 (MUSD 24,645 as of December 31, 2023).

On February 13, 2023, an appeal for revocation against the liquidation was filed before the General Legal Administration of the Tax Administration Service. Currently, the deadline for the company to submit additional evidence has passed; Consequently, the tax authorities are awaiting a ruling that, if unfavorable, could be challenged by the company before the Federal Court of Administrative Justice.

We believe our position is based on solid legal grounds, but we cannot guarantee that we will prevail in this claim. As of December 31, 2023, we had made no provisions whatsoever related to this contingency.

At the closing date, there are no other contingencies in which the Companies act as a taxable person, which could significantly affect their financial, economic or operational conditions.

Below are the provisions recorded as of December 31, 2023, and 2022.

Types of Provisions	31-12-2023	31-12-2022
	MUS\$	MUS\$
Other Short-term Provisions	3,905	9,513
Current Legal Claims Provision	440	639
Other Current Provisions	3,465	8,874
Other Long-term Provisions	28,651	40,706
Non-current Legal Claims Provisions	28,651	39,029
Other Non-current Provisions	-	1,677
Total Provisions	32,556	50,219

Movements in Provisions	31-12-2023		
	Legal Claims (*)	Other Provisions (*)	Total
	MUS\$	MUS\$	MUS\$
Opening Balance	39,668	10,551	50,219
Changes in Provisions			
Additional Provisions	27,732	-	27,732
Increase due to Business Combinations	87	-	87
Provision Used	(1,743)	(5,440)	(7,183)
Reversal of Unused Provision	(32,276)	(1,676)	(33,952)
Foreign Currency Exchange Gain (Loss)	(3,524)	30	(3,494)
Other Gain (Loss)	(31)	-	(31)
Decrease due to Transfers to Liabilities Associated with Assets Held for Sale	(822)	-	(822)
Total Changes	(10,577)	(7,086)	(17,663)
Closing Balance	29,091	3,465	32,556

(*) The increase in Legal Claims mainly consists of subsidiaries in Brazil due to civil and labor lawsuits amounting to MUSD 25,098. Likewise, the decrease in Legal Claims mainly corresponds to the reversal of the provision for litigation with a supplier at Arauco Do Brasil S.A.

(**) The decrease in other provisions relates to the utilization of the provision for the dismantling of Line 1 at Arauco Mill, as well as the reversal of the balance of the provision for negative equity of E2E SpA.

Movements in Provisions	31-12-2022		
	Legal Claims (*) MUS\$	Other Provisions (*) MUS\$	Total MUS\$
Opening Balance	29,886	-	29,886
Changes in Provisions			
Additional Provisions	24,582	8,875	33,457
Provision Used	(13,652)	-	(13,652)
Foreign Currency Exchange Gain (Loss)	(1,144)	-	(1,144)
Other Gain (Loss)	(4)	1,676	1,672
Total Changes	9,782	10,551	20,333
Closing Balance	39,668	10,551	50,219

(*) The increase in Legal Claims is primarily composed of MUSD 24,533 (subsidiaries in Brazil) due to civil and labor lawsuits.

(**) The increase in Other Provisions corresponds to the dismantling of L1 at Arauco Mill.

Provisions for legal claims correspond to labor and tax lawsuits whose payment term is indeterminate and include the constitution of a provision for export rights lawsuits (see contingent liability of Arauco Argentina set out in this note).

9. Our ability to access local and international credit and capital markets may be restricted at a time when we need financing, which could have a material adverse effect on our flexibility to react to changing economic and business conditions.

As of December 31, 2023, we had approximately \$7.1 billion of outstanding debt. The economic environment prevailing at any time may prevent us from accessing, or restrict our access to, the credit and capital markets to meet our financing needs, or we may not be able to refinance our existing debt on terms favorable to us or at all. If we are unable to refinance our debt as it comes due, or if we refinance such debt on terms that are not favorable to us, our business, results of operations and financial condition could be materially and adversely affected. For more information, see “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Interest Rate Risk”

10. Temporary stoppage of any of the company’s mills.

A significant interruption in any of the company’s production mills could cause ARAUCO to be unable to satisfy the demand of its customers, fail to meet its production goals and/or require unplanned investments, which would result in lower sales, potentially generating a negative effect on its financial results. The company’s facilities, in addition to being exposed in some parts to risks of earthquakes and tsunamis, can stop their operations unexpectedly due to a series of events such as: i) unscheduled stoppages for maintenance; ii) prolonged power outages; iii) failures in critical equipment; iv) fires, floods, or other disasters; v) spill or release of chemical substances; vi) boiler explosion; vii) labor problems and social conflicts; viii) terrorism or terrorist threats; ix) sanctions by environmental or occupational safety authorities; x) lack of steam and water xi) blockades and strikes, xii) lack of wood, xiii) accidents to people; and xiv) other operational problems. In relation to point viii), a prolonged conflict in the La Araucanía region of Chile has spread throughout the territory and escalated in violence in recent years towards areas where we have operations, especially in the regions

of Biobío, La Araucanía and Los Ríos. This conflict has included assaults, land seizures, burning of machinery and other assets, road blockades and confrontations with public forces. We have also faced other difficulties in the regions, such as wood theft. Additionally, further escalation of violence may result in significant disruptions to our forestry or industrial operations in these regions.

11. Fluctuations in exchange rates may have a negative effect on our financial results.

The national currencies of the countries in which we have industrial operations have been subject to depreciation and appreciation in the past and may be subject to significant fluctuations in the future. We conduct a significant portion of our operations in U.S. dollars, and the dollar is the primary currency of the economic environment in which we operate. However, a portion of our operating costs are in national currencies other than the U.S. dollar. Therefore, an increase in the exchange rate between any of those national currencies and the U.S. dollar would increase our operating costs.

Furthermore, as an international company that operates in Chile and other countries, we conduct a portion of our operations and have assets and liabilities in Chilean pesos and in other currencies other than the US dollar, such as the euro, the Argentine peso, the Uruguayan peso, the Brazilian real, the Mexican peso and the Canadian dollar, among others.

To the extent that the Chilean peso depreciates against the U.S. dollar, our national income in Chile may be negatively affected when expressed in U.S. dollars. The same effects may occur for our domestic sales in Argentina, Brazil, Mexico and Canada, or other countries where we have operations for revenue related to products sold in each of the respective local currencies.

Accordingly, fluctuations in the exchange rates of such foreign currencies relative to the U.S. dollar may have a material adverse effect on our business, results of operations, financial condition and cash flows.

12. Pests and Forest Fires

ARAUCO operations are exposed to pests that can affect the forests that supply raw materials, as well as forest fires that can spread to manufacturing mills. The presence of both risks could produce significant negative impacts on ARAUCO assets.

In the fire seasons following 2017, the magnitude of wildfires has been considerably less severe. In the 2017-2018 season, fires consumed approximately 873 hectares (2,157 acres). For the 2018-2019 season, approximately 675 hectares (1,668 acres) were affected. During the 2019-2020 season, forest fires were recorded in Chile, Argentina and Brazil, where 7,431 hectares (18,362) were affected, and their approximate fair value was USD 14.6 million. For the 2020-2021 season, 4,145 hectares (10,242 acres) were affected including incidents in Chile, Brazil and Uruguay, considering this country at 50% given the joint venture with Montes del Plata, the fair value of the affected hectares was USD 19.1 million which represented 0.57% of total forestry assets and 0.11% of ARAUCO's total assets.

In the 2021-2022 season, the hectares affected by forest fires were 7,566 (18,696 acres) considering Chile, Argentina and Brazil, which represents a total value of USD 15,000,000.

Regarding the fires that occurred in Chile at the beginning of 2023 in the regions of Maule, Ñuble, Araucanía, Biobío and Los Ríos, ARAUCO saw 47 thousand hectares (116 acres) of productive forest plantations affected, mainly due to the combination of multiple irresponsible actions or intentional actions by third parties and extremely unfavorable weather conditions such as high temperatures, low humidity and gusts of wind. As of December 31, 2023, a net forest fire loss, after insurance compensation, of USD 17 million was recognized for the fires in Chile, reducing the gross value of biological assets, representing 3.2% of the value of ARAUCO forest plantations.

As of the date of this annual report, during the 2023-2024 forest fire season, approximately 812 hectares (2,006 acres) of our forest plantations were negatively affected by fires, implying a loss of around USD 1,300,000.

13. Climate Change

Scientists, environmental experts, international organizations, among others, have argued that climate change has contributed, and will continue to contribute, to increasing uncertainty, frequency and severity of natural disasters (including, but not limited to, hurricanes, tornadoes, frosts, droughts, storms and fires) in various parts of the world. As a result, numerous legal and regulatory measures, as well as social initiatives, have been introduced in different parts of the world, to reduce the amount of greenhouse gases and other carbon emissions, which are argued to be contributors important to global climate change.

Furthermore, public expectations regarding such reductions in greenhouse gas emissions could result in increased energy, transportation and raw material costs and could require the company to make additional investments in mills and equipment.

It should be noted that, in the case of our plantations, they are in regions that have ideal climatic conditions for a short growth cycle, so any climate change that negatively affects these conditions could negatively affect our plantations, growth rates, and our production costs.

A problem that some have associated with climate change, and that affects an important part of the planet, is water scarcity. This issue has been made visible by different national and international organizations.

As a result of the above and as part of our permanent commitment to developing a sustainable activity, ARAUCO has proposed to work on research into various initiatives focused on reducing water consumption in its industrial operations.

While we cannot predict the impact of changing global climate conditions, if any, nor can we predict the impact of legal, regulatory and social responses to concerns about global climate change, these occurrences could adversely affect business, financial condition, results of operations and cash flow of the company.

Regarding water scarcity, the central region of Chile experienced a drought during the last months of 2019 and consequently, the Licancel Mill had to suspend its activities for approximately three months.

Rainfall in the region increased slightly during the 2020 and 2021 summer seasons compared to 2019, so we were able to ensure the continuity of our operations.

However, during 2022, a drought again forced us to stop operations. This time at the Valdivia Pulp Mill and for a period of 5 days.

After this situation, different alternatives were evaluated to mitigate the effect of the drought, and finally these operational measures have helped us reduce the exposure of our operation to water scarcity and have allowed the mills to operate normally.

On the contrary, the year 2023 had a very rainy season in central and southern Chile, which caused some regions to overcome the water deficit that they had carried from previous years, reaching their normal records and in some cases exceeding them.

In June and August 2023, heavy rains in the Maule region caused the Mataquito River to overflow, flooding the city of Licantén and the Licancel pulp mill.

In September 2023, the indefinite suspension of Licancel operations was publicly announced due, among other reasons, to high climate variability.

Although we cannot predict the impact of changes in global weather conditions, we know that any such event may adversely affect our business, financial condition, results of operations and cash flows.

14. We may undertake mergers, acquisitions and investments to expand or complement our operations, which could result in operational difficulties or adversely affect our business, financial condition and results of operations.

Initiatives are frequently studied to carry out mergers, acquisitions or investments to expand or complement our operations.

In connection with such transactions, we may be exposed to various risks, including those arising from: (i) our failure to accurately evaluate the value, future growth potential, strengths, weaknesses and potential profitability of potential acquisition targets; (ii) difficulties in the integration, exploitation, maintenance and management of the recently acquired operations, including labor problems; (iii) unexpected costs of such transactions or (iv) unforeseen contingencies or other obligations or claims that may arise from such transactions.

15. Our operations could be adversely affected by labor actions, contractual disputes and others.

Approximately, 57% of our employees in Chile, 55% of our employees in Argentina, 35% of our employees in Uruguay, 8% of our employees in Brazil (although 100% are represented by unions), the 44% of our employees in Mexico and none of our employees in the United States or Canada were unionized as of December 31, 2022. We have had certain stoppages and other work-related interruptions that have negatively affected our operations.

Under Chilean, Brazilian and Mexican labor legislation, we are subsidiary responsible for the payment of labor and social security obligations of our contractors' collaborators. In Chile, if we do not supervise our contractors in compliance with their labor and social security obligations in accordance with labor legislation, our liability will be raised from subsidiary to joint and several, which will allow an employee of a contractor to file a labor claim both against the contractor as well as against us (ARAUCO as principal of the contractor), although the contractor will continue to be primarily responsible for its obligations.

We are also responsible for the health and safety conditions of contractors' employees and must ensure that contractors comply with all obligations related to such conditions, while such employees are carrying out activities within the scope of our business operations.

Chile

In Chile there were 15 collective bargaining processes in 2023.

14 of those collective bargaining processes occurred in the company's lumber business. 10 of these processes were carried out in the regulated modality, while the remaining 4 were carried out in the unregulated and anticipated modality.

Additionally, in September 2023, two unions at the Viñales complex went on strike for 2 days.

All the processes concluded with a 2-year term agreement that included semiannual CPI adjustments, negotiation term bonus and soft loans.

The remaining collective bargaining process occurred in the company's pulp and energy business in the regulated mode. Said process also concluded with a 2-year term agreement that included the same benefits as those granted in the collective bargaining processes of the timber business mentioned above.

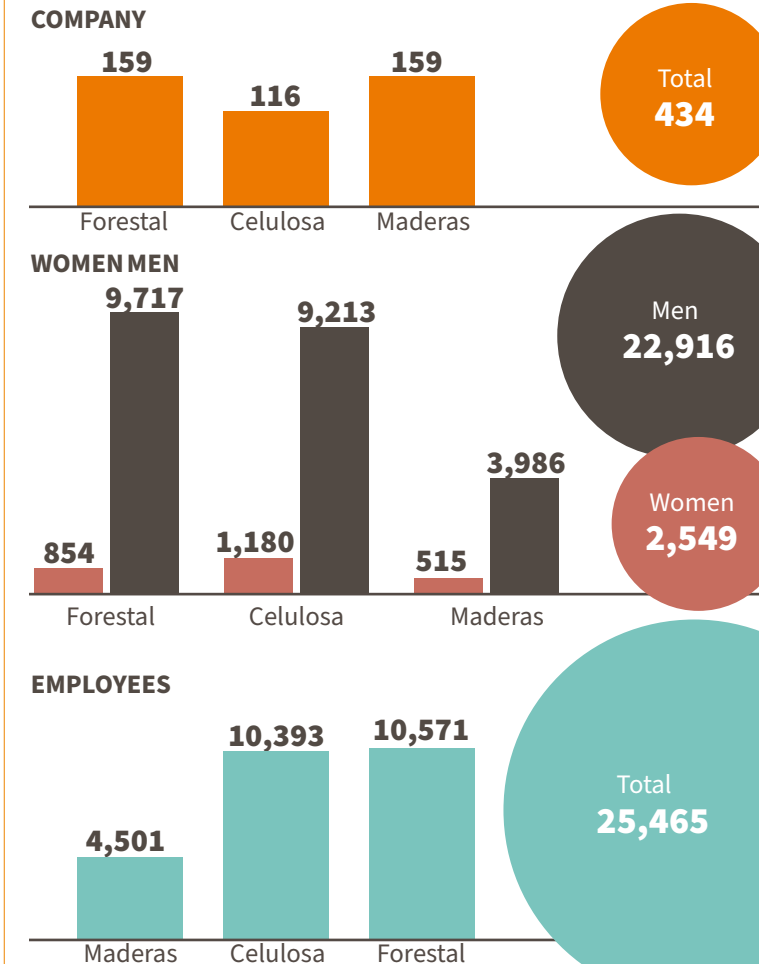
In August 2023, due to a series of adverse circumstances that have recently affected the operation of the Licancel pulp mill in Chile, the pulp manufacturing process was suspended indefinitely. The reasons for this measure include extreme climate variability, consecutive river flooding, periods of severe drought that led to repeated shutdowns and high-impact forest fires that have significantly reduced the availability of wood on an industrial scale, all compounded by the years of operation of the main equipment. In July 2023, the Horcones II Sawmill in Chile was closed due to supply issues, increased costs and decreased availability of raw materials (all of which affected the entire timber business in Chile).

Between March and May 2022, we had stoppages in our wood production processes for a total of 7 days at the Horcones facility, as a result of access blocked by contractor collaborators.

We renew all collective bargaining instruments that expired during 2023 in Chile. We cannot assure you that a work slowdown, work stoppage or strike will not occur before or after the expiration of our labor agreements, and we cannot estimate the extent to which any work slowdown, work stoppage or strike may adversely affect our sales.

In addition, we rely heavily on contractor collaborators to whom we outsource a wide range of services, including the management of some of our plantations and the transportation of raw materials and products. In Chile, as of December 31, 2023, we had contracts with approximately 434 contractors, who employed approximately 25,465 people.

CONTRACTING COMPANIES



United States and Canada.

Over the past ten years, we have not experienced strikes or other material work stoppages at our subsidiaries in the U.S. and Canada.

Our operations in the United States must comply with regulations issued by the Occupational Safety and Health Administration (OSHA) and the Federal Labor Standards Act (FLSA), among others. Our operations in Canada must comply with the regulations of Worksafe New Brunswick and the Ontario Ministry of Labour.

In August 2019, Arauco North America announced the closure of the St. Stephen particle board operation and ceased operations on December 13, 2019, laying off 60 employees.

On February 11, 2020, we announced the closure of our Eugene MDF facility and ceased operations on May 1, 2020, laying off 70 employees. On April 22, 2020, we announced the closure of our MDF facility in Bennettsville and ceased operations on May 28, 2020, laying off 118 employees. Both MDF closures were related to an imbalance between supply and demand, along with the fact that the older manufacturing platform was less competitive compared to our other advanced, high-capacity particleboard platforms. In April 2020, we announced the

closure of our particle board line in Moncure, which ceased operations on May 1, 2020, resulting in the layoffs of 45 employees. The closure of Moncure was a result of the opening of our particleboard facility in Grayling, Michigan, which provided a more cost- and volume-efficient model.

On June 11, 2020, we announced the closure and ceased operations of our Duraflake Particleboard facility, discontinuing two treatment lines (one TFL line and one particleboard line). This closure resulted in the dismissal of 83 employees.

The closure of our Duraflake operations was based on an assessment that determined the older manufacturing platform was less competitive in a challenging market. The closures at our manufacturing sites resulted in the elimination of 29 shared services roles from our corporate support offices.

In the United States and Canada, as of December 31, 2023, we had contracts with approximately 10 contractors, who employed approximately 45 people.

Brazil

Our operations in Brazil have not experienced any material work stoppages in the last eleven years, except for a widespread truckers strike in 2018 that affected our operations. As a result of this event, we were unable to receive raw materials or ship products, and our collaborators were unable to easily access our Brazilian mills during this time, resulting in a ten-day strike.

As a result, transportation costs increased by 25% on average, which directly affected the cost of our final product, increasing them between 3% and 5% depending on the type of product. In Brazil, as of December 31, 2023, we had contracts with approximately 985 contractors, who in turn employed approximately 7,877 people.

Approximately 8% of our employees in Brazil were unionized as of December 31, 2023. We negotiate one- and two-year collective agreements, and 100% of our employees are represented by unions.

Argentina

Our operations in Argentina have not experienced any material work stoppages in the last six years.

Approximately 55% of our employees in Argentina were unionized as of December 31, 2023. We have negotiated collective agreements with those who are unionized. In Argentina, as of December 31, 2023, we had contracts with approximately 740 contractors, employing approximately 6,210 people.

Mexico

During 2022 and 2023, we did not experience strikes or other material work stoppages that affected our operations in Mexico. We have collective bargaining agreements with the unions that represent the employees of our mills in Durango and Zitácuaro, corresponding to our Mexican subsidiaries. As a result of recent changes in Mexican labor law, union negotiations were and will be conducted with the unions at our facilities in Durango and Zitácuaro with effective dates of January 1, 2023, and May 1, 2023, respectively. In Mexico, as of December 31, 2023, we had contracts with approximately 57 contractors, who employed approximately 505 employees.

Uruguay

During 2022 and 2023, our operations in Uruguay did not experience any material work stoppages. The joint operation of Montes del Plata has a collective labor agreement with the unionized employees of the pulp mill (which is valid until 2024), as well as with those unionized in the nursery (which is valid until 2025).

As a result of the foregoing, we could be affected by future strikes, work slowdowns, stoppages or other labor-related developments in the various countries in which we operate, including such developments attributable to collaborators of contractors, and such strikes, slowdowns, stoppages or other developments could have a material adverse effect on our business, financial condition, results of operations or prospects.

In Uruguay, as of December 31, 2023, we had contracts with approximately 256 contractors, employing approximately 3,347 people.

16. Cybersecurity events, such as a cyberattack, may adversely affect our business, financial condition and results of operations.

Our business depends on information technology systems to effectively manage processes.

Therefore interruptions in these systems, caused by external cyberattacks, obsolescence, technical failures, collaborator errors or internal attacks, can profoundly affect our operation.

Across most industries, cybersecurity risks have increased in recent years as a result of the proliferation of new technologies and the increase in the sophistication and activities of cyberattacks.

Any failure in our systems related to sensitive information can be disruptive to ARAUCO's business and result in production errors, process inefficiencies and the loss of sales and customers, which in turn can result in lower revenues, higher costs and overages or breaks in inventory levels.

Additionally, cyberattacks or internal actions, including negligence or fraud by our employees, may have a negative impact on our reputation, our relationship with external entities (governments, regulatory entities, partners, among others) and our strategic positioning in relation to our competitors.

Any significant breaches in security, or disruptions in the performance of our information technology systems may have a material adverse effect on our results of operations and financial condition.

To mitigate these risks, we have developed a cybersecurity policy and regulatory framework based on the guidelines and criteria contemplated by international standards ISO 27001, ISO 27002, ISO 27032 / NIST, and ISA 62443, for administrative and industrial environments, as applicable. Likewise, we have also implemented control mechanisms, technologies, processes and procedures developed based on the guidelines and criteria contemplated by said international standards, with attention not only to identification and protection, but also to strengthening and improving recovery mechanisms.

Additionally, we have security solutions and technological partners that monitor our infrastructure, and we periodically carry out security assessments, which allow us to complement and improve ongoing initiatives and our strategic cybersecurity plan.

Furthermore, as we have seen a significant increase in cybercrime in recent years, we also initiated a strategic review with third parties with the aim of applying the best market practices in IT and OT environments, in addition to strengthening our OT Cybersecurity team, dedicated to these topics.

We also continue to adopt more simulation exercises and HR policies to ensure all employees comply with our cybersecurity policies.

During 2023, ARAUCO did not suffer material losses due to cybersecurity breaches. However, although we have comprehensive cybersecurity and governance practices in place, we cannot assure you that we will not be subject to any such material incidents in the future.

17. Risks associated with the countries where the businesses are located.

ARAUCO's business and operations depend significantly on economic activity, the policies of various governments, as well as the main commercial exchange policies of the main markets in which it sells its products.

Chile

Adverse changes in political, social, legal, tax, social or economic conditions in Chile may directly impact our businesses and the market price of our products.

As of December 2023, 70.9% of ARAUCO's properties, mills, equipment and forestry plantations were in Chile, with 51.2% of revenues attributable to its operations in our country. Consequently, ARAUCO's business, its financial condition, the results of its operations and its cash flow will depend, to a large extent, on economic conditions in Chile. For this reason, fluctuations in the exchange rate and changes in the monetary policy interest rate, in the tax rate or changes in import and/or export tariffs, the increase in inflation, as well as other natural risks, changes political, legal and economic, could adversely affect ARAUCO, also impacting the price of our products. Future changes in the political, regulatory and economic conditions of Chile - affecting interest rates, inflation, tax rates or levies on imports and/or exports, among others - could affect our business, financial condition, results of operations and cash flows, and could impair our ability to move forward with our strategic business plan. In addition, such changes could affect the price of our securities market.

On October 25, 2020, Chile held a referendum in which almost 80% of voters chose to replace the Constitution and entrust the drafting of a new Constitution to a special constitutional convention (the "Constitutional Convention"). On May 15 and 16, 2021, elections were held to elect the members of the Convention to draft a new Constitution for Chile. According to the results, the Constitutional Convention was composed of 155 members. Once drafted and approved by two-thirds of its members, the final wording of the Constitution was submitted for approval in a national public referendum, which was held in September 2022 and was rejected by 61.86% of voters. After the rejection of the proposed constitution by the Constitutional Convention, Chilean legislators agreed to enter a new constitutional process and submit a new proposal to a public referendum. On March 6, 2023, a commission of experts was installed to draft a new constitutional proposal that would subsequently be reviewed and eventually modified by a constitutional council (the "Constitutional Council") composed of 50 members publicly and democratically elected on May 7. of 2023.

On December 17, 2023, the new Constitution proposed by the Constitutional Council was submitted to a national plebiscite, through which it was again rejected by 55.76% of voters. We cannot assure you that the political and social situation or future developments in Chile will not have an adverse effect on our business, financial condition or results of operations. Furthermore, we cannot assure you that any new government policy, or any new law enacted by the National Congress, will not adversely affect the Chilean economy or, directly or indirectly, our business, operations and revenues.

Argentina

Economic conditions and government policies in Argentina could adversely affect our financial condition, results of operations and cash flows.

As of December 2023, 4.9% of ARAUCO's properties, mills, equipment and forestry plantations were in Argentina, with 9.5% of revenues attributable to its operations in that country.

There are many aspects of the Argentine economy that could adversely affect ARAUCO's operations, including, among others, inflation, interest rates, exchange rate controls and taxes. Likewise, there are a series of exchange

rate and currency exchange control measures implemented in Argentina, which include the obligation to repatriate foreign currency obtained abroad and strong restrictions on the transfer of funds abroad, with certain exceptions for authorized transactions.

During 2023, the exchange rate depreciated by 77.89% and inflation was 211.4%

In 2017 we signed an intercompany loan with Arauco Argentina for USD 250 million, an amount that was used in its entirety to pay a debt of Arauco Argentina that we guaranteed. In 2018, Arauco Argentina prepaid USD 90 millions of that loan. The balance owed after said advance payment was USD 160 million.

On May 28, 2020, the Central Bank of the Argentine Republic (BCRA) issued Communication "A" 7030 which, among other things, establishes that from that day on, prior consent from the BCRA will be required to access the single market and exchange rate (MULC) in case it is needed to comply with the payment of financial debts abroad when the creditor is a counterparty related to the debtor. This provision remains in force and the BCRA has not yet granted authorization to make capital payments due on June 1, 2020, December 1, 2020, June 1, 2021, December 1, 2021, and June 1, 2022, loan maturity dates.

However, protected by the provisions of Communication “A” 7301 of the BCRA, which allows access to the MULC without prior approval from the BCRA for the cancellation of this type of loans between related parties, to those who have a Certification of Increase in Exports of Goods.

On July 14, 2022, Arauco Argentina made a partial payment of USD 6 million of the overdue debt. The overdue balance that remains unpaid amounts to USD 154 million. We have no control over and cannot predict how any future changes in economic policies or other changes in the Argentine economy could affect our operations and revenues in that country.

The Argentine government exerts significant influence over many aspects of its country’s economy.

In pursuit of its economic objectives, the Argentine government has adopted a wide variety of measures, such as price and wage controls, currency devaluation, exchange and capital controls, and limitations on imports, among others. The business, financial condition, results of operations and cash flows of our subsidiaries in Argentina could be adversely affected by such measures or changes in regulations.

The Argentine government’s measures have had and may continue to influence private entities, including our operations in Argentina. We have no control over and cannot predict how government intervention and policies will affect the Argentine economy or, directly or indirectly, our operations.

On April 21, 2023, the Central Bank of the Argentine Republic (BCRA) issued Communication “Aasia” 7746, which establishes that prior approval from the BCRA is required to access the exchange market to make payments abroad of interest on financial debts., if the creditor is a subsidiary of the debtor.

This requirement will be applicable until December 31, 2024, so the provision remains in force and the BCRA has not yet authorized Arauco Argentina to make the interest payments that fell due on June 1, 2023, and December 1, 2023.

As of December 31, 2023, the amount of interest owed was approximately \$26.9 million.

During 2023, the previous administration of the Argentine government approved different regulations that made it more complex or directly prohibited access to the Single and Free Exchange Market (MULC) for payments to foreign suppliers. For this reason, Arauco Argentina has received a series of loans from its shareholder Arauco Wood Ltd. in order to be able to make certain payments on overdue debts.

The balance owed as of December 31 was USD 23.5 million.

On December 10, 2023, Mr. Javier Milei took office as the new President of Argentina.

During the first weeks, the new administration announced several measures aimed at reviving the economy, including a sharp devaluation of the currency.

Likewise, it issued a decree of necessity and urgency (“DNU”) and sent a bill to the Argentine Congress with a series of legal reforms on labor, corporate, electoral, institutional, fiscal and criminal aspects, among others, with potential impact on various sectors of the economy and with the aim of reorganizing public administration and reducing economic restrictions.

Although the bill has not yet been approved, the DNU is in force, but subject to review by the Argentine Congress.

Despite the new administration’s proposals, current regulations may continue to have a material effect on private sector entities, including our operations in Argentina. We have no control over and cannot predict how government intervention and policies will affect the Argentine economy or, directly and indirectly, our operations and financial condition.

Brazil

Economic conditions and government policies in Brazil may have a negative impact on our business, financial condition, results of operations or cash flows.

As of December 2023, 5.0% of ARAUCO's properties, mills and equipment and forestry plantations were in Brazil, with 10.2% of revenues attributable to its operations in that country.

After the start of the COVID-19 pandemic, we went through the 2020 crisis with expectations of many challenges for the economy in 2021.

The forecast was for slow economic growth with a slow recovery, even with the apparently negative scenario. However, Arauco do Brasil's business was surprisingly positive.

The increase in demand for our products provided excellent operating results, with a visible impact on the cash flows of our subsidiaries in Brazil.

Uruguay

Economic conditions in Uruguay, the failure of Montes del Plata or its debtors, may have a direct negative impact on our financial condition, operating results and cash flows.

As of December 2023, 13.0% of ARAUCO's properties, mills and equipment and forestry plantations were in Uruguay, with 8.1% of revenues attributable to its operations in that country.

We have made a significant investment in Uruguay and may make additional investments in the future in that country. Consequently, our financial condition and operating results could depend, to a certain extent, on the political and economic conditions in Uruguay.

Certain future actions of the Uruguayan government, including, among others, actions that impact inflation, interest rates, currency exchange controls and taxes, could negatively affect our operations in Uruguay.

The financial condition and results of ARAUCO's operations in Uruguay will depend on the existing economic and political conditions in the country.

USA

Economic conditions in the United States could have a direct negative impact on our business, financial condition, results of operations and cash flow.

As of December 2023, 4.6% of ARAUCO's properties, mills and equipment were in the United States, with 14.1% of revenues attributable to its operations in that country.

As a result of the foregoing, to a certain extent, our business, financial condition, results of operations and cash flows will depend on economic conditions in the United States.

Canada

Economic conditions in Canada could have a direct negative impact on our business, financial condition, results of operations and cash flows.

As of December 2023, 0.3% of ARAUCO's properties, mills and equipment were in Canada, with 3.5% of revenues attributable to its consolidated operations in that country.

As a result of the foregoing, to a certain extent, our business, financial condition, results of operations and cash flows will depend on economic conditions in Canada.

Mexico

Economic conditions and government policies in Mexico may have a material impact on the business, financial condition, results of operations and cash flows of our Mexican subsidiaries.

As of December 31, 2023, 1.3% of property, mill and equipment was in Mexico, with 3.4% of revenues attributable to our Mexican operations.

In the past, Mexico has experienced various periods of low economic growth, high inflation, high interest rates, currency devaluation and other economic problems. Future economic, social and political developments in Mexico may adversely affect the business, financial condition, results of operations and cash flows of our Mexican subsidiaries.

Other markets

The deterioration of the economic conditions of the other countries in which ARAUCO operates and markets its products could adversely affect its financial and operational performance, being impacted by fluctuations in the exchange rate, inflation, social instability, variations in the price of pulp, liquidity conditions in financing markets through debt or equity or changes in the tax rate and changes in import and export tariffs, as well as other political, legal and economic changes that could be generated in those markets.

Endowments

Endowment by nationality, position category and gender

Men	Chilean	Colombian	Brazilian	Argentinian	Peruvian	American	Panamanian	Ecuadorian	Mexican	Uruguayan	Venezuelan	Canadian	Haitian	Other nationalities *	TOTAL
Senior management	7	0	0	1	0	0	0	0	0	0	0	0	0	0	8
Management	163	2	49	28	2	0	0	0	27	26	4	0	0	25	326
Leadership	790	1	262	188	0	0	0	0	12	47	10	0	0	150	1,460
Other professionals	1.230	1	210	291	2	0	0	0	145	72	24	0	1	139	2,115
Other technicians	1.054	0	330	285	0	0	0	0	51	21	2	0	0	317	2,060
Operator	5.224	3	1.456	643	1	3	0	0	355	251	32	0	1	617	8,586
Sales force	21	0	1	3	0	0	0	0	0	0	0	0	0	28	53
Administrative	158	1	163	53	0	0	0	0	8	11	0	0	0	8	402
Assistant	11	0	748	77	0	0	0	0	46	0	1	0	0	10	893
TOTAL	8,659	8	3,219	1,568	5	3	0	0	644	428	73	0	2	1,294	15,903

Women	Chilean	Colombian	Brazilian	Argentinian	Peruvian	American	Panamanian	Ecuadorian	Mexican	Uruguayan	Venezuelan	Canadian	Haitian	Other nationalities *	TOTAL
Senior management	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0
Management	23	0	9	2	0	0	0	0	10	6	1	0	0	6	57
Leadership	140	1	66	27	0	0	0	0	2	23	3	0	0	40	302
Other professionals	465	1	166	110	11	1	0	2	93	50	14	0	1	68	982
Other technicians	20	0	22	0	0	0	0	0	0	8	0	0	0	21	71
Operator	517	0	76	12	0	0	0	0	9	78	6	0	0	60	758
Sales force	26	0	0	2	0	0	0	0	0	0	0	0	0	24	52
Administrative	138	0	173	28	0	0	0	0	5	27	2	0	0	15	388
Assistant	0	0	94	22	0	0	0	0	4	0	0	0	0	3	123
TOTAL	1,329	2	606	203	11	1	0	2	123	192	26	0	1	237	2,733

TOTAL	Chilean	Colombian	Brazilian	Argentinian	Peruvian	American	Panamanian	Ecuadorian	Mexican	Uruguayan	Venezuelan	Canadian	Haitian	Other nationalities *	TOTAL
Senior management	7	0	0	1	0	0	0	0	0	0	0	0	0	0	8
Management	186	2	58	30	2	0	0	0	37	32	5	0	0	31	383
Leadership	930	2	328	215	0	0	0	0	14	70	13	0	0	190	1,762
Other professionals	1,695	2	376	401	13	1	0	2	238	122	38	0	2	207	3,097
Other technicians	1,074	0	352	285	0	0	0	0	51	29	2	0	0	338	2,131
Operator	5,741	3	1,532	655	1	3	0	0	364	329	38	0	1	677	9,344
Sales force	47	0	1	5	0	0	0	0	0	0	0	0	0	52	105
Administrative	296	1	336	81	0	0	0	0	13	38	2	0	0	23	790
Assistant	11	0	842	99	0	0	0	0	50	0	1	0	0	13	1,016
TOTAL	9,988	10	3,825	1,771	16	4	0	2	767	620	99	0	3	1,531	18,636
	54%	0%	21%	10%	0%	0%	0%	0%	4%	3%	1%	0%	0%	8%	100%

*Other nationalities also consider unreported nationalities from North America, where we do not have such information because the relevant and applicable laws of the United States and Canada prohibit employers from asking their employees about their nationalities. As such, Arauco North America does not own, collect or ask about any of the nationalities of its employees.



Staffing by age range, position category and gender

Men	less than 30 years	Between 30 and 40	Between 41 and 50	Between 51 and 60	Between 61 and 70	More than 70 years	TOTAL
Senior management	0	0	1	3	4	0	8
Management	0	40	151	88	47	0	326
Leadership	71	450	564	299	76	0	1,460
Other professionals	203	816	683	310	95	8	2,115
Other technicians	360	735	513	349	103	0	2,060
Operator	1,642	2,732	2,417	1,418	371	6	8,586
Sales force	12	12	3	14	12	0	53
Administrative	117	102	115	49	18	1	402
Assistant	336	237	180	108	29	3	893
TOTAL	2,741	5,124	4,627	2,638	755	18	15,903

Women	less than 30 years	Between 30 and 40	Between 41 and 50	Between 51 and 60	Between 61 and 70	More than 70 years	TOTAL
Senior management	0	0	0	0	0	0	0
Management	0	9	31	16	1	0	57
Leadership	32	106	110	47	6	1	302
Other professionals	191	447	251	75	18	0	982
Other technicians	19	22	18	9	3	0	71
Operator	182	240	194	122	19	1	758
Sales force	8	8	14	18	4	0	52
Administrative	147	103	83	46	8	1	388
Assistant	53	30	28	10	2	0	123
TOTAL	632	965	729	343	61	3	2,733

TOTAL	less than 30 years	Between 30 and 40	Between 41 and 50	Between 51 and 60	Between 61 and 70	More than 70 years	TOTAL
Senior management	0	0	1	3	4	0	8
Management	0	49	182	104	48	0	383
Leadership	103	556	674	346	82	1	1,762
Other professionals	1,824	2,972	2,611	1,540	390	7	9,344
Other technicians	20	20	17	32	16	0	105
Operator	264	205	198	95	26	2	790
Sales force	389	267	208	118	31	3	1,016
Administrative	394	1,263	934	385	113	8	3,097
Assistant	379	757	531	358	106	0	2,131
TOTAL	3,373	6,089	5,356	2,981	816	21	18,636

Endowment by seniority, position category and gender

Men	Less than 3 years	Between 3 and 6 years	More than 6 and less than 9 years	Between 9 and 12 years	More than 12 years	TOTAL
Senior management	0	0	0	0	8	8
Management	25	26	24	26	225	326
Leadership	252	222	131	168	687	1,460
Other professionals	549	404	247	225	690	2,115
Other technicians	548	469	272	209	562	2,060
Operator	2,714	1,514	997	948	2,413	8,586
Sales force	11	13	5	5	19	53
Administrative	122	59	44	42	135	402
Assistant	529	91	147	37	89	893
TOTAL	4,750	2,798	1,867	1,660	4,828	15,903

Women	Less than 3 years	Between 3 and 6 year	More than 6 and less than 9 years	Between 9 and 12 years	More than 12 years	TOTAL
Senior management	0	0	0	0	0	0
Management	6	6	7	13	25	57
Leadership	59	72	38	23	110	302
Other professionals	366	231	118	99	168	982
Other technicians	22	18	12	6	13	71
Operator	291	315	58	48	46	758
Sales force	10	10	7	2	23	52
Administrative	195	56	28	31	78	388
Assistant	101	12	0	6	4	123
TOTAL	1,050	720	268	228	467	2,733

TOTAL	Less than 3 years	Between 3 and 6 year	More than 6 and less than 9 years	Between 9 and 12 years	More than 12 years	TOTAL
Senior management	0	0	0	0	8	8
Management	31	32	31	39	250	383
Leadership	311	294	169	191	797	1,762
Other professionals	915	635	365	324	858	3,097
Other technicians	570	487	284	215	575	2,131
Operator	3,005	1,829	1,055	996	2,459	9,344
Sales force	21	23	12	7	42	105
Administrative	317	115	72	73	213	790
Assistant	630	103	147	43	93	1,016
TOTAL	5,800	3,518	2,135	1,888	5,295	18,636

Number of people with disabilities by type of position and gender

	Men	Women	TOTAL
Senior management	0	0	0
Management	1	0	1
Leadership	10	3	13
Other professionals	24	13	37
Other technicians	30	0	30
Operator	102	9	111
Sales force	0	0	0
Administrative	12	17	29
Assistant	28	2	30
TOTAL	207	44	251

Labor formality by gender

	Men	Women	TOTAL
Endowment with indefinite-term contract	15,165	2,581	17,746
Endowment with fixed-term contract	672	152	824
Endowment with contract for work or task	0	0	0
People who provide services for a fee	66	0	66
Total	15,903	2,733	18,636

Number of people by type of workday and gender, and work adaptability

	Men	Women	TOTAL
Provision with ordinary workday	15,184	2,487	17,675
Part-time provision	719	242	961
Provision of work adaptability agreements for employees with family responsibilities	0	0	0
Total	15,903	2,733	18,636

Work adaptability - teleworking

	Men	Women	TOTAL
People who take advantage of teleworking or work adaptability agreements	1,653	863	2,516

Proportion of women in the workforce

	Women	Men	%
Proportion of women in the total workforce (as % of total workforce)	2,733	15,903	14.7%

	Women	Men	%
Proportion of women in all management positions, including leadership, management and senior management (as a % of total management positions)	359	1,794	16.7%

	Women	Men	%
Proportion of women in leadership positions, i.e., first level of management (as a % of total junior management positions)	302	1,472	17.1%

	Women	Men	%
Proportion of women in senior management positions, i.e., a maximum of two levels below the CEO or comparable positions (as a % of total senior management positions)	3	39	7.1%

	Women	Men	%
Proportion of women in management positions (senior management, management and leadership) in revenue-generating functions (e.g., sales) as a % of all such managers (i.e., excluding support functions such as HR, IT, legal, etc.)	176	1,369	11.4%

	Women	Men	%
Proportion of women in STEM-related positions - Science, Technology, Engineering and Mathematics (as a % of total STEM positions)	146	468	23.8%

POSTNATAL LEAVE

Number of people who took postnatal leave by type of position and gender

	Men	Women	TOTAL
Senior management	0	0	0
Management	2	1	3
Leadership	9	11	20
Other professionals	12	53	65
Other technicians	11	4	15
Operator	63	33	96
Sales force	0	1	1
Administrative	1	12	13
Assistant	18	4	22
TOTAL	116	119	235

Average number of days spent in postnatal care during the year, legal and extra-legal, by type of position and gender

	Men	Women	TOTAL
Senior management	0	0	0
Management	2.4	42	2.2
Leadership	3.3	90.8	4.6
Other professionals	7.2	81.4	21.7
Other technicians	5.4	50.9	5.4
Operator	11.9	67.9	13.6
Sales force	0	6.9	0.5
Administrative	0.7	63.6	6.3
Assistant	1.3	17.1	1.6
TOTAL	8,2	72.6	24.5

Associations and guilds

ARGENTINA

- ▶ Argentine Forestry Association (AFOA) www.foa.org.ar
- ▶ Association of Pulp and Paper Manufacturers, Argentina (AFCP) www.afcparg.org.ar
- ▶ Argentine Federation of the Wood and Related Industries (FAIMA) www.faima.org.ar
- ▶ Argentine Chamber of the Chipboard Industry (CAIMA)
- ▶ Argentine Chamber of Wood Sawmills, Warehouses and Related Products www.cadamda.org.ar
- ▶ Argentine Chilean Chamber of Commerce UIA
- ▶ Argentine Industrial Union
- ▶ Atlantic Forest Research Center (CEIBA) www.ceiba.org.ar
- ▶ Institute of Subtropical Biology (IBS)
- ▶ Florestais Research and Studies Institute (IPEF)
- ▶ CAMCORE Cooperative - Genetic Improvement and Forestry Cooperative
- ▶ National Institute of Agricultural Technology (INTA)
- ▶ Iguazú Forest Protection Consortium
- ▶ FSC® International, member of the Southern Economic Chamber
- ▶ Faculty of Forestry Sciences of the National University of Misiones

- ▶ Faculty of Exact Chemical and Natural Sciences (UNaM)
- ▶ Faculty of Exact and Natural Sciences of the University of Buenos Aires
- ▶ Temaiken Foundation www.temaiken.com.ar
- ▶ Park Ranger Corps of the Ministry of Ecology of the Province of Misiones
- ▶ Decent Housing Foundation
- ▶ A Christmas Eve for Everyone
- ▶ Mediterranean Foundation
- ▶ Argentine Wildlife Foundation
- ▶ Yaguaaroundí Reserve
- ▶ Curindy Reserve
- ▶ National Parks Administration
- ▶ Argentine Birds-Ornithological Association of La Plata Guira Oga
- ▶ Friends of Guapoy Association
- ▶ Tabay Stream Water Basin Committee
- ▶ Tupicúa Stream Water Basin Committee
- ▶ Corrientes Norte Forestry Consortium
- ▶ Freedom Volunteer Firefighters Association
- ▶ College of Forestry Engineers
- ▶ APF - Misiones y Corrientes Forest Productive Agglomerate (We participate in the APF through AFoA. Currently contributing to a research project in Integrated Pest Management)
- ▶ Civil Association Council for Responsible Management of Forests and Forest Spaces

- ▶ CEADS (Argentine Business Council for Sustainable Development) www.ceads.org.ar
- ▶ UIZ Unión Industrial Zárate
- ▶ A Christmas Eve for Everyone

AUSTRALIA

- ▶ Glue Laminated Timber Association of Australia www.gltaa.com

BRASIL

- ▶ ABTCP - Brazilian Technical Association of Pulp and Paper
- ▶ AGEFLOR - Associação Gaúcha de Empresas Florestais <http://www.ageflor.com.br/>
- ▶ APRE - Paranaense Association of Florestal-Based Companies www.apreflorestas.com.br
- ▶ ABNT - Brazilian Association of Technical Standards www.abnt.org.br
- ▶ Association of Companies of the Industrial City of Araucária www.aeciar.com.br
- ▶ Association of Computer and Telecommunication Users www.sucesu.org.br
- ▶ Sul-Mato-Grossense Association of Producers and Consumers of Planted Forests (REFLORE) - www.reflore.com.br
- ▶ CAMCORE - <https://camcore.cnr.ncsu.edu/>
- ▶ Florestal Dialogue - www.dialogoflorestal.org.br
- ▶ Federation of Agriculture and Livestock of the State of Mato Grosso do Sul – FAMASUL

- ▶ Federation of workers in the Industries of the State of Paraná
- ▶ FSC® Brazil - Forest Stewardship Council® - <https://br.fsc.org/br-pt>
- ▶ FSC® International - Forest Stewardship Council® - <https://fsc.org/en>
- ▶ Brazilian Tree Industry (IBÁ) www.iba.org
- ▶ IPEF – Instituto de Pesquisas e Estudos Florestais - www.ipef.br/
- ▶ Rede Mulher Florestal - www.redemulherflorestal.org
- ▶ SIF - Sociedade de Investigações Florestais - <https://sif.org.br/>
- ▶ IBÁ - Indústria Brasileira de Árvores - www.iba.org

CHILE

- ▶ Association of Industrialists of the Center, Maule Region www.asicent.cl
- ▶ Mariquina Chamber of Commerce, Tourism and Industry
- ▶ Action Companies www.accionempresas.cl
- ▶ North Coast Protected Areas Association
- ▶ Chilean Argentine Chamber www.camarco.cl
- ▶ Chilean-Brazilian Chamber of Commerce www.camarachilenobrasileña.cl
- ▶ Chilean-British Chamber of Commerce www.britcham.cl
- ▶ Chilean-Chinese Chamber of Commerce, Industry and Tourism www.chicit.cl

- ▶ Chilean North American Chamber of Commerce www.amchamchile.cl
- ▶ Italian Chamber of Commerce of Chile www.camit.cl
- ▶ Asia Pacific Chamber of Commerce – APCC www.asiapacific-chamber.com
- ▶ Chamber of Commerce and Industry of Valdivia www.cciiv.cl
- ▶ Biobío Chamber of Production and Commerce www.cpcbiobio.cl
- ▶ Confederation of Production and Commerce (CPC) www.cpc.cl
- ▶ Forest Pest Controller www.cpf.cl
- ▶ Corporation for Advancement and Development of the Province of Arauco www.corparauco.cl
- ▶ Chilean Wood Corporation www.corma.cl
- ▶ Belén Educa Foundation www.beleneduca.cl
- ▶ Icare www.icare.cl
- ▶ Global Pact Chile Network www.pactoglobal.cl
- ▶ Factory Development Society www.sofofa.cl
- ▶ Pontifical Catholic University of Chile www.uc.cl
- ▶ University of Chile, Faculty of Economics and Business www.fen.uchile.cl
- ▶ Guild Association of Forestry Contractors / ACOFOR AG www.acoforag.cl

- ▶ Regional Institute of Business Administration / IRADE <https://irade.cl>

MEXICO

- ▶ National Association of Wood Panel Manufacturers A.C. www.anafata.com.mx
- ▶ National Association of Importers and Exporters of Forest Products A.C. www.imexfor.com
- ▶ National Association of the Chemical Industry – ANIQ www.aniq.com.mx
- ▶ National Chamber of the Processing Industry (CANACINTRA) <https://canacintra.org.mx/camara/>
- ▶ Association of Industrialists of the State of Michoacán <http://www.aiemac.org.mx/>
- ▶ Association of Forestry Industrialists of Durango
- ▶ Mexican-Chilean Chamber of Commerce and Investment www.camaramexicanachilena.com.mx
- ▶ National Wooden Pallet & Container Association – NWPCA www.palletcentral.com

NORTH AMERICA

- ▶ American Wood Council (AWC)
- ▶ Association of Woodworking & Furnishing Suppliers www.awfs.org
- ▶ Composite Panel Association www.compositepanel.org
- ▶ North American Wholesale Lumber Association www.lumber.org www.nawla.org
- ▶ WMA - World Millwork Alliance www.worldmillworkalliance.com
- ▶ North American Building Material Distribution Association www.nbmda.org
- ▶ Timber Products Inspection (TP) Corporation www.tpinspection.com
- ▶ WMMPA - Wood Molding and Millwork Producers Association www.wmmpa.com
- ▶ National Council for Air and Stream Improvement (NCASI)
- ▶ North Carolina Manufacturer's Association (NCMA)
- ▶ NC Chamber of Commerce
- ▶ Carolina's Pollution Control Association (CAPCA)
- ▶ South Carolina Manufacturer's Association (NCMA)
- ▶ Oregon Manufacturing and Commerce (OMC)
- ▶ American Forestry and Paper Association (AF&PA)
- ▶ American Wood Council (AWC)

- ▶ Green Building Initiative (GBI)
- ▶ Green Building Initiative, Canada (GBIC)
- ▶ Composite Panel Association (CPA)

COLOMBIA


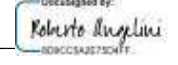
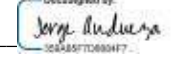
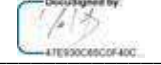





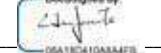
- ▶ Colombo-Chilean Chamber of Commerce www.colombochilena.com

PERU

- ▶ Peruvian Chamber of Construction www.capeco.org

DECLARACIÓN DE RESPONSABILIDAD

Los suscritos, en su calidad de Directores, Vicepresidente Ejecutivo y Gerente General de Celulosa Arauco y Constitución S.A., suscribimos la presente declaración asumiendo bajo juramento las responsabilidades pertinentes por la fidelidad de la información incorporada en el presente Reporte Integrado (Memoria) de la Sociedad.

Nombre	Cargo	Rut	Firma
Manuel Enrique Bezanilla Urrutia	Presidente	4.775.030-K	
Roberto Angelini Rossi	Primer Vicepresidente	5.625.652-0	
Jorge Andueza Fouque	Segundo Vicepresidente	5.038.906-5	
Eduardo Navarro Beltrán	Director	10.365.719-9	
Jorge Bunster Betteley	Director	6.066.143-K	
Juan Ignacio Langlois Margozzini	Director	7.515.463-1	
Franco Mellafe Angelini	Director	13.049.156-1	
Timothy C. Purcell	Director	14.577.313-K	
Matías Domeyko Cassel	Vicepresidente Ejecutivo	5.868.254-3	
Cristián Infante Bilbao	Gerente General	10.316.500-8	

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