

SUSTAINABLE BOND REPORT

renewables
for a
better life



arauco®

CONTENTS

1. This is ARAUCO
2. Our Strategy
3. Framework Categories
4. KPIs
5. Figures Summary
6. Categories
7. Disclaimer



THIS IS ARAUCO

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At ARAUCO¹, we are inspired by the possibility of creating a more sustainable world by using a renewable resource as essential as wood.

This inspiration is rooted in a deep respect for nature and in the conviction that, by responsibly managing our forests and resources, we can provide sustainable solutions that support the growth of people and markets, contributing to the care of the planet and generating a positive impact on communities.

We are inspired by the challenge of growing from renewable resources, addressing major global issues—such as climate change, biodiversity loss, and the need to transition toward a low-carbon economy—and transforming them into opportunities to innovate, invest, and expand our productive capacity.

We are inspired by the potential of wood—a resource that grows, regenerates, and stores carbon—to replace fossil-based materials in industries such as paper, construction, packaging, furniture, apparel, retail, and energy.

Because we know that every product we manufacture from wood not only drives our business but also advances the global transition toward more sustainable materials.

We are inspired by our people and communities, because ARAUCO's growth is only possible if it goes hand in hand with the development of those who work with us and of neighboring communities. Therefore, our commitment is to promote a safe, inclusive, and collaborative culture, and to create shared value through dialogue, education, and local engagement.

We are inspired by the opportunity to lead by example, demonstrating that it is possible to grow and generate economic, social, and environmental value simultaneously.

Our business model—based on innovation, efficiency, and sustainability—allows us to be a key player in the transition toward an economy where every action we take leaves a positive footprint for future generations.

And, of course, we are inspired by the opportunity to be renewables for a better life, transforming wood into solutions that support people's progress, drive local and global economies, and contribute to the sustainable development of the planet.

¹ When we refer to the "Company," "Arauco," "we," "our" or "us" in this report, we mean Celulosa Arauco y Constitución S.A. and its consolidated subsidiaries.

Our vision:
**Renewables for
A better life**

Our purpose

**From nature and
renewable resources, we
contribute to people and
the planet.**

ARAUCO in 2025

We are a Company that produces and manages renewable forest resources. Through their integral use, we operate in areas such as pulp & forestry, wood products, panels, and energy.

Our products provide sustainable solutions that help our customers meet the demand for goods with positive environmental impacts.

1.8
million hectares of forest assets

7.6
million cubic meters of wood and panels produced.

27%
of our forest assets are conservation areas of high social and environmental value.

1,051
MW of installed energy capacity.

16,434
hectares are under restoration and/or already recovered.

4.6
million tons of pulp produced.

22%.
Adjusted EBITDA margin:

USD 47
million in environmental investment.

91%
of total energy consumption comes from renewable sources.

USD 10
million in social investment.

Investment projects underway in **Chile, Brazil, Mexico, and Argentina.**

USD 6,1
billion in global sales.

81% of non-hazardous solid waste valorized, representing an increase of 10 percentage points compared to the previous year.

5.9
million tCO₂eq was our carbon footprint across all operations.

USD 6,0
billion paid to local suppliers in the countries where we operate.

19,100 employees and **2,030** subcontractors, representing **32,000** contract workers.

USD 43
million invested in R&D through Bioforest.

Maintenance and expansion of a network of **179**
High Conservation Value Areas (HCVAs).

Value Creation Through the Full 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 products such as fiber cement, diapers, and feminine hygiene products, among others.



Wood and Panels

Sawn wood products, remanufactured wood, and mouldings with different levels of finishing, appearance, and value-added processes.

ARAUCO **Around the World**

We supply distribution centers and points of sale through the management of a logistics network reaching 205 destinations to which our products are delivered.



SALES OFFICES

- United States
- Canada
- Netherlands
- Peru
- Chile
- Mexico
- Colombia
- Brazil
- Argentina
- Costa Rica
- China

SALES REPRESENTATIVES

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

² Does not include the Licancel mill, which has been indefinitely suspended since 2023.

³ In June 2024, we indefinitely suspended operations at the El Colorado sawmill.

⁴ Includes 50% of operations, land, and plantations through a joint operation between ARAUCO and Stora Enso (a Swedish Finnish company).

⁵ ARAUCO's forest base in the state of Mato Grosso do Sul is composed of owned properties, usufruct agreements, and surface rights.

⁶ Those facilities are owned by the Spanish company Sonae Arauco, in which we own 50% of its shares.

⁷ One mill currently out of operation.



OUR STRATEGY

Our strategy

Our corporate strategy is based on a model that brings together nature and project development to create value.

From forest management to industrial innovation, we seek to create shared value, promote renewable bioeconomies, and develop nature-based solutions that contribute to people and the planet.

Wood is the core raw material for designing sustainable products that provide advantages across various industries.

Our operations and products aim to:

- Ensure business continuity through responsible forest management: we conserve integrated and resilient landscapes and ensure their long-term regeneration and vitality.
- Generate sustainable, forest-based products that contribute to carbon storage: pulp, wood products, panels, and renewable energy are part of our portfolio.
- Make full use of renewable resources: through them, we develop solutions that replace fossil-based materials, store carbon, and help mitigate climate change.
- Capture opportunities in global markets: we strengthen our competitiveness through innovation, responsibility, and sound management.
- Positively impact local communities: we contribute to the social, economic, and environmental development of the areas where we operate.
- Adopt international standards: in risk management and in fulfilling the commitments we undertake.

In this way, the management of our plantations and forests, and the responsible and renewable production of our products, are at the core of our corporate model.

This model includes actions and commitments that positively contribute to the well-being of society and the environment, through renewable solutions, products, and alternatives that improve people’s quality of life.



Our Strategic Pillars



From nature and renewable resources, we contribute to people and the planet.

Planet

Climate Action
Toward a Low-Carbon Economy

- Carbon capture business
- Carbon neutrality / SBTi
- Renewable energy
- Products that replace fossil-based materials and carbon capture as a service

Biodiversity Conservation
Protecting Natural Capital

- Conservation of 490 thousand hectares
- Restoration
- Monitoring and no extinction
- Supply of certified wood

Bioeconomy
Maximizing Resources

- Zero waste by 2030
- Our products replace plastic
- Sustainable wood construction
- Textile fiber for fashion
- Water consumption and supply

People

Employees
Driving a safe, inclusive workplace with professional development

- Occupational health and safety
- Training and continuous development
- Diversity and inclusion
- Digital transformation

Customers
Meeting demand for sustainable products

- Quality products
- Timely service
- Sustainable certifications across the value chain
- Innovation in new wood-based products

Investors
Ensuring the attraction of responsible investment

- Sustainable financing
- Profitable long-term investments
- Risk management
- Transparency

Communities
Generating shared value


- Quality education
- Sustainable local entrepreneurship
- Dialogue and participation
- Infrastructure projects and access to water

Suppliers
Promoting a sustainable supply chain








- Responsible supply chain
- Local entrepreneurship
- Strategic alliances for joint innovation
- Facilitating access to sustainable certifications




Corporate Sustainability Targets

Dimensions	SDGs ⁸	Commitments and Targets	2025 Progress
People			
Employees		To be a world-class company in safety indicators.	We recorded an incident rate of 0.36, representing a 23% reduction compared to 2024.
		Continuing advancing toward an inclusive culture that values people based on their talent, promoting processes that enable access, development, and advancement of diverse talent.	Of our total workforce, 15% are women, of whom 13% hold leadership positions, including directors, supervisors, managers, and senior management. 1.4% of our total workforce are people with disabilities.
		Enable continuous professional development for high performance, growth, and future employability, with an emphasis on responsible leadership.	17,332 employees (91% of the total workforce) participated in training programs.
Communities		Support the development of the municipalities where we operate.	We continued implementing our local development programs focused on the communities where we operate.
		Maintain formal and ongoing dialogue mechanisms.	497 community engagements with 1,199 participants in Chile, Brazil, and Argentina.
Customers		100% of our facilities are certified under chain of custody.	100% of our facilities certified.
		Maintain more than 95% of our forest assets certified under responsible forest management.	83% of our forests are certified. Certification coverage declined compared to 2024 due to land rights acquisitions in Brazil, which are currently undergoing certification.

⁸ Sustainable Development Goals

Dimensions	SDGs	Commitments and Targets	2025 Progress
Suppliers		Maintain over 75% of purchases from small and medium-sized enterprises (SMEs) in Chile within the five regions where we have industrial and forestry operations.	75% of SME purchases in Chile were made within the five regions where ARAUCO operates.
		Continue expanding the Juega Local program to other countries where ARAUCO operates.	We continued growing in Brazil, with purchases totaling USD 191 million from 1,957 micro and small enterprises.
		Maintain more than 90% of the wood supplied certified.	98% of supplied wood is certified.
Investors		Invest USD 100 million in R&D by 2030.	USD 43 million invested in R&D through Bioforest.
Planet			
Climate Action		Continue reducing CO ₂ emissions intensity by 2030.	We reduced our absolute emissions by approximately 180,000 tCO ₂ e, driven by several factors, including lower fossil fuel consumption and reduced maritime transport emission factors.
		Increase energy efficiency in processes to reduce average energy intensity in the pulp and energy business by 25% compared to 2019 by 2050 in Chile.	We achieved a 4% reduction in energy consumption in 2025, driven by the implementation of various energy efficiency initiatives across our mills.
		Reduce energy consumption in the Wood Products business in Chile by 1.3% by 2027.	26% progress. The plan includes five initiatives across different plants involving technological upgrades, adaptation, and equipment standardization to reduce energy consumption.

Dimensions	SDGs	Commitments and Targets	2025 Progress
<p>Biodiversity Conservation</p>		<p>No conversion of natural ecosystems across all our operations since 2003.</p>	<p>ARAUCO has maintained its commitment to no replacement of native forests since 2003.</p>
		<p>Maintain 30% of our forest assets as protected and conservation areas by 2030.⁹</p>	<p>27% of ARAUCO's forest assets correspond to native forest and protected areas of high social and environmental value. This decreased due to land rights acquisitions in Brazil, which are under development to supply the future Sucuriú project.</p>
		<p>Restore 25,000 hectares of native forests by 2050.</p>	<p>To date, we have 9,952 hectares of native forest restored and/or under restoration.¹⁰</p>
		<p>Measure and inventory natural capital within our forest assets.</p>	<p>We joined an international project to pilot the application of Natural Capital Accounting principles, aiming to quantify the tangible value of ecosystem services provided by forests alongside wood production.</p>
		<p>Maintain and improve conservation and biodiversity levels, considering 22 species of flora and fauna present in our forest assets in Chile.</p>	<p>Based on the management of High Conservation Value Areas, monitoring results indicate that at least population levels of these species have been maintained.</p>


⁹ This target integrates and replaces two commitments reported in previous years: (1) maintaining and expanding the network of HCVAs, and (2) protecting and conserving approximately 500,000 hectares of native forest designated for preservation, protection, and/or conservation. As of 2025, both commitments are consolidated into a single indicator that more clearly and consistently reflects the full scope of our forest assets managed under conservation criteria.

¹⁰ Within the framework of the restoration target defined for Chile, the variation in the area under restoration is driven by an adaptive management approach aligned with the Taskforce on Nature-Related Financial Disclosures (TNFD) framework.

Plantations prioritized for restoration remain under productive management until harvest, at which point ecological restoration begins, followed by an evaluation period of up to three years aimed at verifying native regeneration response and maintaining a high ranking in terms of contribution to nature positive outcomes.

Nature positive contribution ranking is based on a systematic planning process with explicit objectives and local verification. This approach prioritizes sites with greater potential for risk mitigation and for generating opportunities related to biodiversity and ecosystem services.

During the most recent period, approximately 1,616 hectares were reclassified out of the restoration process, while 555 hectares were incorporated as new restoration candidates, generating a superior solution compared to those under implementation in the previous year.

Dimensions	SDGs	Commitments and Targets	2025 Progress
Bioeconomy		Continue advancing toward 100% non-hazardous waste valorization by 2030.	81% of non-hazardous industrial solid waste was valorized in 2025 across Pulp and Energy and Wood Products.
Water		Reduce water withdrawal per ton of pulp by 30% by 2030. ¹¹	The Pulp business achieved a 22% reduction in water consumption per ADt of pulp produced compared to the 2020 baseline.
		Implement Watershed Management Plans for all critical watersheds within our forest assets in Chile by 2030. ¹²	Management plans have been implemented in 100% of ARAUCO's critical watersheds in Chile.

¹¹ This target replaces the previous formulation “Advance in the strategic and efficient management of water.” This adjustment makes the target more precise, measurable, and consistent with current reporting standards, while maintaining the same objective of improving water management in our operations within the pulp business, which accounts for 97% of ARAUCO’s total water withdrawal.

¹² This target replaces the previous commitment to “Expand the scope of our Desafío Agua program,” adopting a more specific formulation focused on the comprehensive management of water resources through Watershed Management Plans in critical areas of our forest assets, which are concentrated in Chile and represent 69,000 hectares of ARAUCO-owned land.



FRAMEWORK CATEGORIES

Sustainability Bonds are bonds where the Company has committed to allocate an amount equivalent to the net proceeds from such issuance to finance or refinance, in whole or in part, one or more eligible green and/or social projects in accordance with our Sustainable Financing Framework, which has been adopted by the Company and is published on our website. The Sustainability Bond Guidelines (SBG), administered by the International Capital Market Association (ICMA), recommend alignment of Sustainability Bonds with the four core components of both the Green Bond Principles, 2018 (GBP) and Social Bond Principles, 2018 (SBP), collectively known as “The Principles”. The GBP and SBP outline eligible project categories for green and social projects, respectively. The principles are voluntary process guidelines that recommend transparency, disclosure and promote integrity for best practices when issuing Green Bonds, Social Bonds and Sustainability Bonds. Our Sustainability Bonds are aligned with SBG.

For more information, please visit
<https://www.icmagroup.org/green-social-and-sustainability-bonds/>

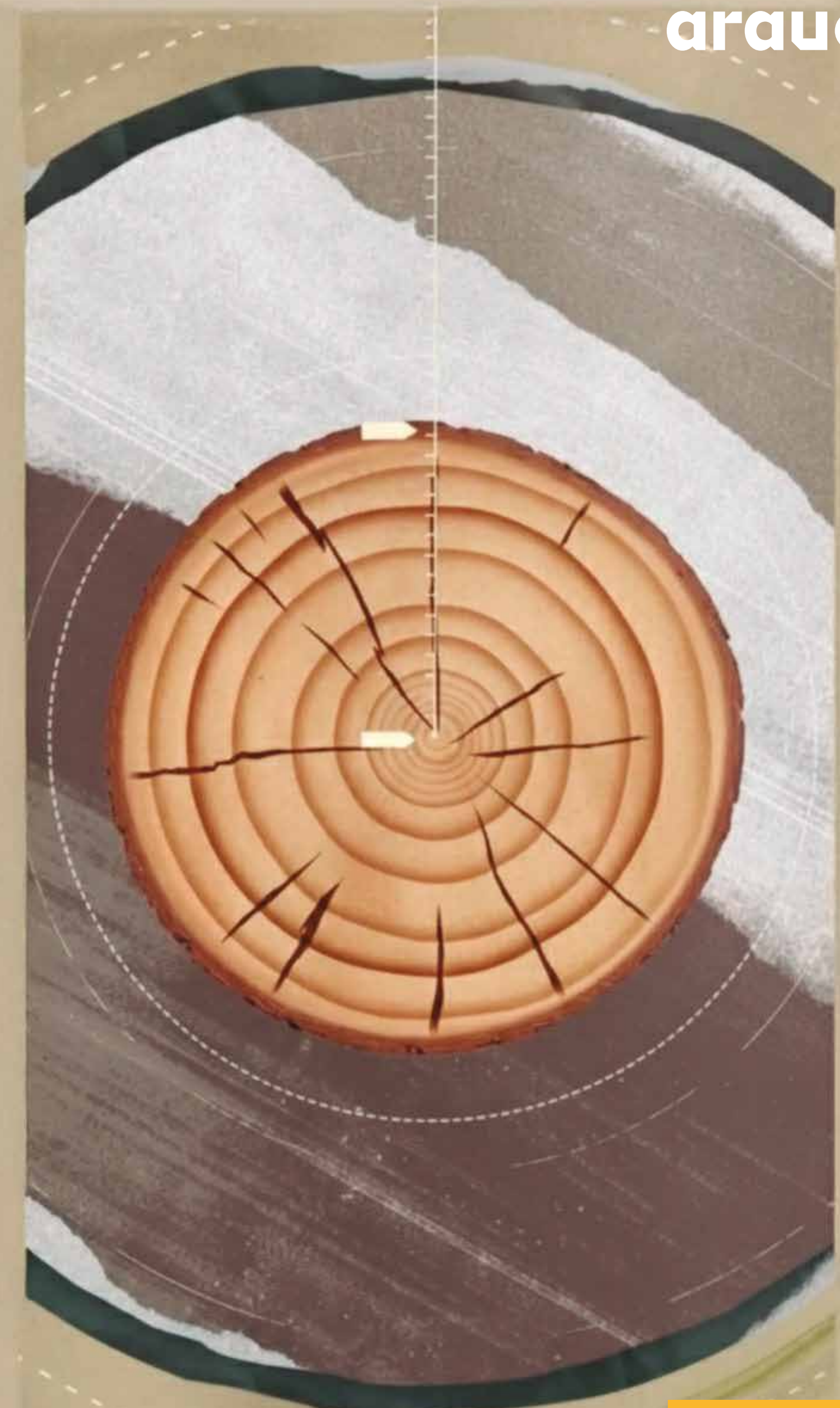
The GBP eligible green project categories, and the SBP eligible social project categories selected include:

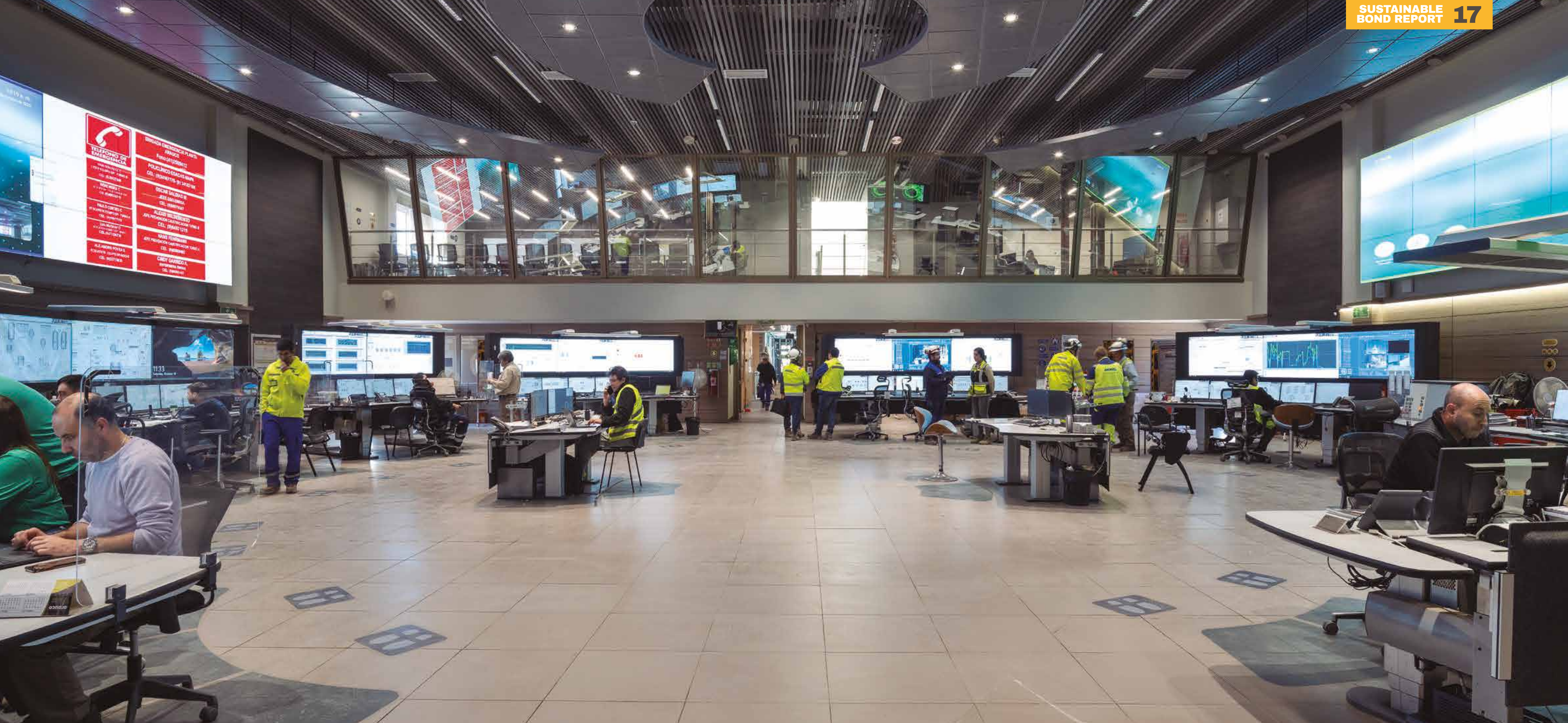
Green:

- Terrestrial and Aquatic Biodiversity Protection
- Sustainable Water and Wastewater Management
- Pollution, Prevention and Control
- Renewable Energy
- Eco-efficient and/or circular economy adapted products, production technologies and processes
- Climate Change Adaption

Social:

- Affordable Housing
- Access to Essential Services
- Socioeconomic Advancement and Empowerment – Local Entrepreneurship





KPIs

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Green Impact - Indicators 2024

First forestry company in the world certified as **carbon neutral.**

1,7 million hectares (4.2 million acres) of forest assets.

482 thousand hectares (1.2 million acres) of forests under conservation with high social and environmental value.

151 HCVA's, including biological, social, and cultural value sites.

10,951 hectares (27 thousand acres) of native forest in Chile have been restored or are in the process of restoration.

USD 38 million invested in R&D through Bioforest.

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

71% of non-hazardous solid industrial waste was recovered in 2024 across the Pulp & Energy and Wood businesses.

91% of our forests are certified.

6.1 million tCO₂eq: our carbon footprint across all ARAUCO operations, calculated including Scopes 1, 2, and 3.

USD 10.4 million was invested in research and development for low-carbon technologies focused on emissions reduction, waste management, and new products.

Social Impact - Indicators 2024

USD 12 million invested in social programs.

USD 4,478 million paid to local suppliers in the countries where we operate.

By 2024, we implemented 145 collective solutions in Desafío Agua Program, benefiting **55,000 people.**

Dialogue tables held with **3,200 people** on socio-environmental topics.

Open House and **Open Company** events in Chile, Uruguay, and Brazil.

Arauco Educational Foundation: 35 years of impact, benefiting **10,788** students in 2024.

Campus ARAUCO and Inacap: Technical and dual education programs for students.

Educational programs in Brazil, Argentina, and Mexico: Over **4,000 students impacted.**

Bosque Abierto: **63,246** visitors in Chile and **1,148** in Argentina participated in educational and recreational activities.

Housing: **514 new homes** under construction.

Juega Local: **USD 611 million** in purchases from SMEs in Chile and **USD 77 million** from SMEs in Brazil.



FIGURES SUMMARY

The table below summarizes the amount allocated to eligible green and social projects, categorized as defined on our Sustainability Bond Framework.

Projects Investment 2024	USD
Environmentally Sustainable Management of Living Natural Resources and Land Use	316,813,382
Terrestrial and Aquatic Biodiversity Protection	1,910,824
Sustainable Water and Wastewater Management	29,165,275
Pollution, Prevention and Control	26,171,866
Eco-efficient and/or circular economy adapted products, production technologies and processes	1,617,982
Climate Change Adaption	103,974,845
Afordable Housing	108,248
Access to Essential Services	4,131,196
Socioeconomic Advancement and Empowerment	563,348
Total	500,079,642





CATEGORIES

Environmentally Sustainable Management of Living Natural Resources and Land Use

Expenditures in this category are related to sustainable forest management across ARAUCO's certified plantation areas, including the acquisition, planting, and maintenance of seedlings, soil management, and silvicultural practices up to harvest.

Investments also support research and development of improved genetic material to enhance productivity and resilience, ranging from community education to strategic, long-term planning at the landscape level.

ARAUCO's operations are grounded in the responsible use of renewable resources. Its forestland in Chile, Argentina, Brazil, and Uruguay is managed under internationally recognized certifications, ensuring compliance with the highest environmental and social standards. Management practices are designed to integrate productive, environmental, and social value while

preserving ecosystem integrity.

In 2024 ARAUCO managed 1.7 million hectares (4.2 million acres) of forest assets across Chile, Argentina, Brazil, and Uruguay. Of this, 29% consists of native forests and protected areas of high social and environmental value, which are safeguarded to ensure their preservation for future generations. The Company also planted 97 thousand hectares (240 thousand acres) and harvested 53 thousand hectares (131 thousand acres) across Chile, Argentina, Brazil, and Uruguay, reinforcing its commitment to sustainable forestry practices.

Additionally, the Company reached the final stage in the development of edited eucalyptus trees through mutagenesis at TreeCo, and this year, work on pine began.

Allocated amount:

USD 316,813,382

Forest Asset Distribution and Certified Coverage as of December 31, 2024

Country	Area	Certification Coverage	Details on the Local Landscape and Protected Areas (consisting of remnants of native ecosystems such as shrublands and native forests located within the company's landholdings)
Chile	1,033,358 hectares (2,553,479 acres), of which 678,002 hectares (1,675,377 acres) are productive forest plantations.	FSC ^{®(1)} 1,033,358 hectares (2,553,479 acres). PEFC/CERTFOR 1,033,358 hectares (2,553,479 acres).	Protected areas total 303,226 hectares (749,287 acres).
Argentina	264,412 hectares (653,375 acres), of which 139,257 hectares (344,111 acres) are productive forest plantations.	FSC ^{®(2)} 218,260 hectares (539,331 acres). PEFC/CERFOAR 262,607 hectares.	Protected areas total 119,580 hectares (295,485 acres).
Brazil	213,452 hectares (527,451 acres), of which 152,177 hectares (376,037 acres) are productive forest plantations.	FSC ^{®(3)} for 60,903 hectares.	Protected areas total 53,455 hectares.
Uruguay	154,062 hectares (380,695 acres), of which 102,496 hectares (253,273 acres) are productive forest plantations.	FSC ^{®(4)} and/or PEFC for 152,376 hectares (376,529 acres).	Protected areas total 5,348 hectares (13,215 acres).

Includes all of the company's forest holdings.

(1) License Code: FSC[®] C108276

(2) License Code: FSC[®] C218010

(3) License Code: FSC[®] C131921

(4) License Code: FSC[®] C106979

Terrestrial and Aquatic Biodiversity Protection

Expenditures in this category includes expenditures related to the conservation, protection, restoration, and sustainable management of terrestrial and aquatic ecosystems. Eligible investments comprise activities such as the preservation and management of native forests and protected areas, the maintenance and expansion of HCVAs, biodiversity monitoring and conservation programs, restoration of degraded ecosystems, and the implementation of certified sustainable forest management practices. This category also includes actions aimed at protecting water bodies and watersheds, as well as initiatives that contribute to the conservation of flora, fauna, and ecosystem services within the areas where the Company operates.

ARAUCO's biodiversity strategy includes monitoring systems to assess the condition of our forests. The Company also implements indicators that enable us to measure the success of the conservation and restoration actions we undertake.

During this period, the Company monitored 157 HCVAs, which are critical for maintaining biodiversity and ecological connectivity, covering more than 129,680 hectares (476,122 acres). In addition, 17,199 hectares (42,500 acres) are currently under restoration or have already been restored.

High Conservation Values (HCVs) are elements recognized as significant or important for several reasons. These may include rare ecosystems, concentrations of threatened species, or large forest cores. They also encompass the provision of essential ecosystem services—whether in response to extreme events or to meet the needs of communities, including their traditional identity.

Identifying these values allows us to designate management zones as HCVAs. The methodology includes:

- Identification: Characterization of the presence or absence of each HCV category, based on analysis of existing information and/or data collection.
- Management practices: Establishing appropriate management practices to maintain or enhance the identified values.
- Monitoring: Developing an effective control system to support informed decision-making, aimed at maintaining and improving the identified values. The monitoring system is guided by the operational objectives of the management plan and requires the definition of indicators to assess the condition of the HCVAs.

Allocated amount: **USD 1,910,824**



Native Forest and High Conservation Value Areas

Country	Native Forest Area (ha (acre))	% of Native Forest over Forest Assets	# of HCVAs			Number of Hectares (acres) Designated as High Conservation Value Areas
			Biological	Social	Cultural or Religious	
Chile	303,226 (749,287)	29%	36	19	39	59,343 (146,640)
Argentina	119,580 (295,488)	45%	16	22	10	55,268 (136,570)
Brazil	53,455 (132,090)	25%	1	-	-	3,251 (8,033)
Uruguay	5,348 (13,215)	3%	7	-	1	2,382 (5,886)
Total	481,609 (1,190,080)	29%	60	41	50	120,244 (297,129)

Includes all company forest assets and joint operations at Montes del Plata in Uruguay. ARAUCO's forest base in the state of Mato Grosso do Sul, Brazil, consists of properties held through Mahal, usufruct rights, and surface rights.

Progress in Native Ecosystem Restoration (hectares (acres))

	Chile	Argentina	Brazil	Uruguay	Total
Native forest hectares recovered and/or under restoration	10,951 (26,060)	4,105 (10,144)	1,923 (4,752)	220 (544)	17,199 (42,500)

Includes all company's forest assets

Sustainable Water

Wastewater Management

One of the resources most at risk from climate change is water. For this reason, efficient water use is a key priority at ARAUCO. The monitoring system operates at the watershed level and supports effective effluent management and reliable water supply.

It also enables the Company to implement mitigation measures that ensure strict compliance with applicable regulations.

In line with this approach, industrial facilities are equipped with technologies that promote efficient water use, along with maintenance plans for equipment and critical systems—such as effluent treatment systems—and appropriate instrumentation to ensure effective liquid waste management.

Expenditures related to sustainable water management included projects aimed at improving water use efficiency, reducing water consumption in industrial processes, and advancing the reuse and recirculation of treated effluents in 2024.

These initiatives also encompassed research and pilot programs to innovate wastewater treatment technologies and to ensure sustainable water supply across ARAUCO's operations.

Given that pulp production accounts for approximately 97% of

the Company's total water withdrawals and building on years of systematic work in water management, monitoring, and efficiency, ARAUCO has reached a level of maturity that enables it to set a clear, quantitative, and measurable reduction target. Accordingly, the goal of reducing water withdrawals per ton of pulp produced by 30% is focused on this business, as it is the primary driver of the Company's water performance.

In 2024, the Company advanced projects aimed at identifying opportunities for improved effluent treatment and potential recirculation into production processes, including the development of a pilot initiative at industrial facilities within the Pulp and Energy business.

In addition, in 2025 the Pulp business achieved a 22% reduction in water consumption per ADt of pulp produced compared to the 2020 baseline year, representing significant progress toward the corporate goal of reducing water consumption by 30% by 2030. This performance is reflected in a specific consumption of 40.6 m³/ADt, demonstrating the impact of operational improvements and water efficiency initiatives implemented across different mills.



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Allocated amount: **USD 29,165,275**

Water Withdrawal, Discharge, and Consumption (m³)

Water Withdrawal	2022	2023	2024
Surface water	129,413,415	165,430,293	171,025,216
Groundwater	3,203,053	2,532,964	2,749,196
Water from third parties	2,963,290	2,850,170	541,823
Total	135,579,758	170,813,426	174,316,235
Water Discharges			
Groundwater	5,100	73,462	-
Water to third parties	570,378	535,545	141,030
Marine water	79,974,027	107,244,380	114,332,829
Total	121,332,188	146,833,790	154,080,071
Water Consumption			
Total	14,247,570	23,979,636	20,236,164

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

Pollution Prevention and Control

Expenditures related to pollution prevention and control in 2023 included projects aimed at reducing atmospheric emissions, improving operational controls, enhancing emission abatement equipment, and strengthening monitoring programs for air quality, odors, and atmospheric pollutants. Investments also included spill containment systems and continuous improvement in the management of industrial waste and environmental impacts.

ARAUCO's approach is centered on the efficient use of resources; the development of products made from by-products, waste, and recovered materials; a target of zero non-hazardous waste sent to final disposal by 2030; and ongoing investment in improving environmental standards and the technologies used in its operations.

The Company promotes the development of internal capabilities and the establishment of partnerships with startups, local universities, and research centers to enhance resource efficiency and add value throughout its processes.

During the period, projects focused on the management and disposal of industrial waste were implemented, including the expansion of infrastructure to support future waste management needs, the development of recycling centers, and improvements in waste recovery systems. In addition, initiatives aimed at reducing odors and atmospheric emissions were carried out through the implementation of air extraction systems, direct emission controls, and gas collection systems. These actions were complemented by prevention, reduction, and control programs, including the management of hazardous and non-hazardous waste, environmental monitoring, facility closures, and improvements in waste management infrastructure, contributing to a more efficient and effective management of environmental impacts associated with operations.

With the objective of achieving 100% recovery of non-hazardous solid waste, 71% of non-hazardous industrial solid waste was recovered in 2024 across the Pulp & Energy and Wood businesses.

The Company operates three Waste Recovery Centers and collaborates with specialized companies, converting non-hazardous industrial waste from the Pulp & Energy business into products such as compost-based substrates, soil enhancers, alkaline amendments, and filler materials, among others.





In addition, during 2024, several programs and initiatives were developed across the Pulp & Energy mills. These include the operation of waste recovery centers at the Constitución and Valdivia mills; the design and implementation of a new recovery center and bark recovery processes at the Arauco L2 and L3 mills; and the development of solutions for the recovery of non-hazardous industrial waste at the Nueva Aldea mill.

In the Pulp & Energy business, 24% of waste was recovered for energy purposes through the combustion of sludge from wastewater treatment plants and biomass. An additional 12% was recovered through composting processes in collaboration with strategic partners. The remaining 35% was allocated to other reuse processes, including ARAUCO's own waste recovery centers and those of third-party companies, contributing to the production of soil enhancers, alkaline amendments, filler materials, and other products.

Non-recyclable waste from the Wood business is treated through co-processing or recovery initiatives, while efforts are also underway to recover organic materials, such as bark.

Recovered and/or recycled fiber is used across various production processes.

Allocated amount: **USD 26,171,866**

Waste by Type and Disposal Method

Hazardous Waste (metric tons)	2022	2023	2024
Recycled / Reused	7,393	705.2	501.1
Landfilled	4,457.9	5,766.8	2,850.2
Incinerated with energy recovery	3,080.3	1,673.3	1,261.3
Incinerated without energy recovery	0	224	463.7
Other disposal methods: effluent treatment and autoclaving	95.4	798.8	563.7
Waste with unknown disposal method (secure landfill)	48	-	-
Total Hazardous Waste	15,074.6	9,168.1	5,640
Non-Hazardous Waste (metric tons)			
Recycled / Reused	331,620.1	378,934.9	437,369.1
Landfilled	53,182.2	52,845.3	48,752.2
Incinerated with energy recovery	66,372.3	84,175.4	295,455.8
Incinerated without energy recovery	-	-	-
Other disposal methods: effluent treatment and autoclaving	159,700	177,305.7	275,284.2
Waste with unknown disposal method (secure landfill)	-	-	-
Total Non-Hazardous Waste	610,874.6	693,261.3	1,056,861.2
Total Recovered Waste	408,465.7	465,488.8	732,824.9

Includes all production facilities of the company.

In 2024, the "Incinerated with energy recovery" category includes bark recovered for combustion and sludge from the wastewater treatment plant at Arauco Mill L2. On the other hand, packaging wood incinerated without energy recovery is excluded from the total waste generation. Lastly, the category "Other disposal methods" refers to the disposal of industrial waste from the pulp mills in dedicated internal landfills.

Air Emissions (tons)

Pollutant	2022	2023	2024
NOx	7,119.70	14,460.80	12,624.32
SO2	931.6	6,027.70	6,200.07
CH4	-	-	385.80
Volatile Organic Compounds (VOC)	4,069.90	4,366.40	5,399.02
Particulate Matter (PM)	-	1,130.40	2,236.48
Hazardous Air Pollutants (HAP)	-	-	504.90

Includes all of the company's production facilities, except for the wood panel mills in Puerto General San Martin and Puerto Aglomerado Zárate in Argentina.

Volatile Organic Compounds (VOC) were not measured at the five Pulp and Energy mills in Chile and Argentina.

100% of panel plants meet VOC content and emission standards, and all products are certified either by the California Air Resources Board (CARB) or under E2/E1 standards, ensuring low formaldehyde (VOC) emissions.

Renewable Energy

Expenditures in this category includes expenditures related to the development, acquisition, construction, operation, and maintenance of renewable energy generation assets. Eligible investments comprise projects that generate energy from renewable sources, including biomass derived from forestry and industrial processes, as well as other renewable technologies where applicable. This category also includes energy recovery systems, such as cogeneration facilities that produce heat and electricity for industrial operations, and infrastructure required for the generation, storage, and distribution of renewable energy. In addition, it covers investments aimed at increasing energy efficiency and the use of renewable energy within operations, including the optimization of existing assets and the integration of renewable energy into production processes.

For over two decades, biomass and by-products recovered from ARAUCO's processes have enabled the Company to contribute to the decarbonization of the energy matrix, positioning ARAUCO as one of the leading

generators of non-conventional renewable energy (NCRE) in Chile. In addition, the Company works to generate surplus renewable energy not only for self-sufficiency but also to supply power to the electrical grids of the countries where it operates.

At ARAUCO, 87% of the energy we consume comes from renewable sources.

As part of the investments allocated to the Renewable Energy category, the modernization project of the Puerto Esperanza mill in Argentina includes the implementation of an on-site energy self-generation system through the installation of a new turbo generator. This initiative forms part of a broader modernization program aimed at upgrading key equipment, replacing technology, and improving infrastructure, with a total investment of approximately USD 170 million. The commissioning of the turbo generator enables the Puerto Esperanza pulp mill to achieve near full self-sufficiency in energy supply through its own generation, while reducing reliance on the national grid and contributing to the overall availability of energy within the region.

Allocated amount:

USD 15,622,676

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Eco-efficient and/or circular economy adapted products, production technologies and processes

Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes include expenditures related to the development, implementation, and optimization of products, technologies, and processes that improve resource efficiency and support circularity. Eligible investments comprise initiatives aimed at reducing the consumption of raw materials, water, and energy; increasing the use of by-products, waste, and recovered materials; and extending the lifecycle and value of resources within production systems. This category also includes process improvements, innovation, and the adoption of technologies that enable waste reduction, reuse, recycling, and recovery, as well as the development of products designed to be recyclable, reusable, or based on renewable inputs.

During 2024, investments within this category included projects focused on the development of new products, research on the use of wood as a construction material, and innovation in production technologies. These initiatives comprised the advancement of new bio-based products, the implementation of projects related to lignin utilization, and the development of autonomous plant solutions incorporating artificial intelligence. In total, these efforts reflect the Company's continued focus on enhancing product value, improving process efficiency, and supporting the transition toward more eco-efficient and circular production models.

Allocated amount: **USD 1,617,982**



Climate Change Adaptation

Climate Change Mitigation and Adaptation include expenditures related to initiatives aimed at reducing greenhouse gas (GHG) emissions and strengthening resilience to climate-related risks. Eligible investments comprise projects focused on the reduction of CO₂ emissions through process optimization, energy efficiency improvements, and the use of renewable energy sources, as well as the implementation of technologies and operational practices that contribute to lower carbon intensity. This category also includes actions for the prevention and combat of forest fires, such as monitoring systems, early detection technologies, infrastructure, and operational capabilities designed to reduce the risk, frequency, and impact of fire events.

We are committed to reducing our CO₂ emissions by 2030 through the following actions:

- Ensuring the stability of our operations.
- Evaluating investment projects that reduce and/or capture CO₂.
- Decreasing fossil fuel consumption.
- Achieving 100% recovery of our non-hazardous solid waste.
- Reducing emissions associated with our logistics network.
- Incorporating emissions considerations into decision-making (purchasing, engineering, etc.).

Our comprehensive wildfire prevention and control strategy is centered on the coordinated deployment of diverse resources, enabling us to efficiently manage the significant investments

made to prevent and combat forest and rural fires.

This program is implemented collaboratively with a network of local and regional organizations, with the goal of preventing, detecting, and suppressing wildfires — safeguarding human lives, native forests and wildlife, homes, industries, and infrastructure. Our efforts are guided by three pillars: education and awareness, fuel management, and coordinated response.

In partnership with other companies and institutions, we monitor areas under alert due to weather conditions. We also engage communities by offering emergency preparedness training and supporting community fire brigades and local firefighters.

In Chile, we are actively involved as members of the Community Prevention Network, alongside residents, authorities, CONAF (National Forest Corporation), firefighters, police, and other companies. Together, we have formed over 500 local committees across more than 80 municipalities, from the O'Higgins to Los Lagos regions.

If, despite all these efforts, we focus on minimizing their impact by responding as quickly as possible to contain them from the outset.

Allocated amount:

USD 103,974,845

Wildfire Protection Plan Resources

Resource Type	Chile	Argentina	Brazil	Uruguay	Total
Watchtowers / Observation Points	212	28	6	65	311
Detection Cameras	160	-	-	65	225
Satellites	24	-	-	-	24
Firefighting Brigades & Crews	174	7	19	8	208
Trucks	70	5	8	8	91
Airplanes	17	2	-	7	26
Helicopters	19	1	2	3	25
Support Vehicles	6	25	13	83	127

Affordable Housing

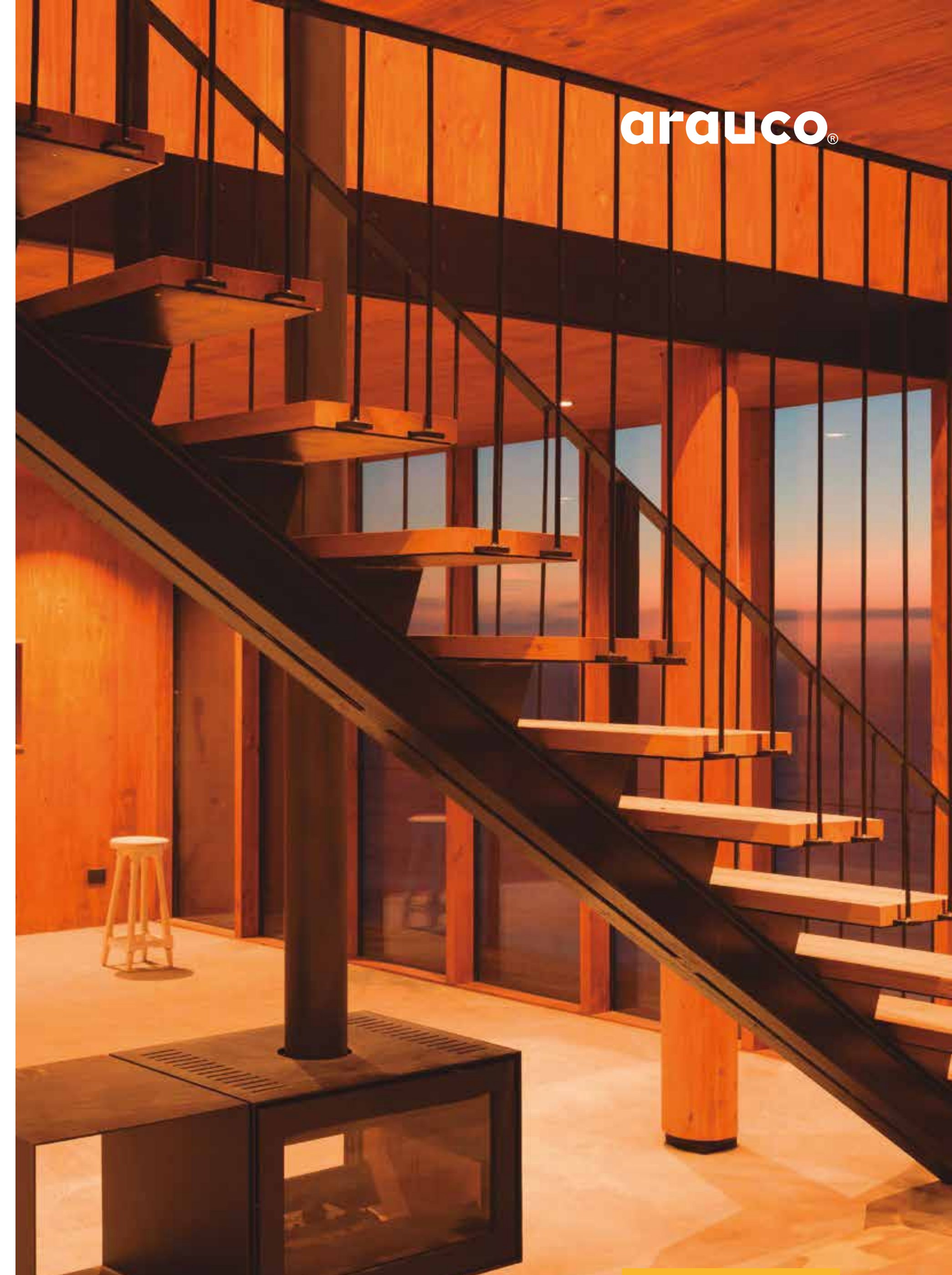
This category includes expenditures related to community development, social infrastructure, and inclusive access to essential services. Projects range from education and job training to water access, emergency assistance, and healthcare programs in communities where ARAUCO operates.

During 2024, measurable progress was achieved across key programs. Under the Habitability and Territory Program in Chile, construction began on 514 homes in Los Álamos, 185 industrialized homes were selected in Quillón under the project implemented by our subsidiary E2E and 5 homes were delivered to families affected by wildfires in Tomé and Santa Juana. In addition, new projects totaling 800 homes are in the design phase across Santa Juana (270), Pehuén Lebu (280), and Los Álamos (250), contributing to a broader effort that has supported the construction of more than 3,500 homes, benefiting over 14,000 people.

Through the Los Ríos Mill Surrounding Area Plan, more than 2,500 people in Rucaco, Estación Mariquina, and Huifco experienced improvements in quality of life through enhanced housing conditions, road infrastructure, and access to essential services.

Furthermore, the Costanera Norte Park project in San José de la Mariquina advanced through its design stage, incorporating community input and expected to benefit approximately 20,000 residents by improving access to public green spaces.

Allocated amount: **USD 108,248**



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Access to Essential Services

Affordable Housing includes expenditures related to the development, construction, and improvement of housing solutions that enhance access to safe, adequate, and high-quality living conditions for workers, contractors, and surrounding communities. Eligible investments comprise initiatives that support the design and construction of residential projects, the development of infrastructure associated with housing, and collaborative programs with public and private stakeholders to expand access to housing and improve habitability standards in the territories where the Company operates.

During 2024, the Company advanced multiple initiatives aimed at strengthening access to education and technical training in the communities where it operates.

Through Fundación Educacional Arauco, 81 schools, 714 principals and teachers, and 10,788 students benefited from professional development programs.

The Company's Schools of Excellence trained more than 1,200 students annually, achieving high national rankings and top academic scores.

Campus ARAUCO reached over 2,000 students in nine years, with 1,020 graduates across professional and technical programs. Additional efforts included 13 students participating in diploma programs under the INACAP agreement and 45 students in dual education programs focused on industrial mechanics. Complementary programs, such as Belén Educa, further contributed to expanding access to quality education.

In parallel, the Desafío Agua program advanced water access and management solutions through a collaborative approach with communities and authorities. During 2024, 145 collective solutions were implemented, benefiting 55,000 people, supported by USD 1.7 million from ARAUCO and USD 45 million from external partners. In addition, 300 individual self-managed solutions were developed, including wells and rainwater harvesting systems, along with new water access projects in Los Lolocos (Ercilla) and Pudoco (Mariquina).

Allocated amount: **USD 4,131,196**

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Socioeconomic Advancement and Empowerment

Socioeconomic Advancement and Empowerment include expenditures aimed at promoting inclusive economic growth, strengthening local capacities, and improving livelihoods in the communities where the Company operates. Eligible investments comprise initiatives that support local entrepreneurship, workforce development, education and training, and programs that enhance access to economic opportunities for underserved or vulnerable groups. This category also includes projects that foster local value chains, promote social inclusion, and strengthen relationships with indigenous communities through participatory and culturally appropriate engagement approaches.

During 2024, the Company advanced its Juega Local program, aimed at strengthening local suppliers and promoting regional economic development in Chile and Brazil. In Chile, USD 611 million in purchases were directed to SMEs, representing 26% of total procurement and benefiting more than 3,101 local businesses. Of these, 75% of SME purchases were made in the five regions where ARAUCO operates, resulting in payments of approximately USD 458 million to 1,706 local suppliers. In Brazil, the program also showed significant impact, with USD 77 million in purchases from 1,138 micro and small enterprises. This initiative supports the development of local value chains and contributes to the economic resilience of the territories where the Company operates, while reinforcing its commitment to timely payments and long-term relationships with local suppliers.

In addition, ARAUCO participated in initiatives such as Congreso Futuro,

supporting knowledge dissemination and public engagement on key topics related to science, innovation, and sustainable development. Through its involvement, the Company contributed to expanding access to knowledge and fostering dialogue on future challenges and opportunities at both national and local levels.

Furthermore, in 2024 the Company continued to strengthen its engagement with Mapuche communities through structured dialogue, participation, and collaboration mechanisms. ARAUCO engaged with 426 Mapuche communities and conducted 19 preventive consultations related to forest management, resulting in 108 commitments focused on risk management, impact prevention, and mitigation. Since 2013, the Company has conducted more than 280 consultations and supported the participation of over 640 Mapuche workers and contractors through local employment mechanisms. As part of its Mapuche Program, more than 160 employees and contractors were trained in intercultural practices, and 42 HCVA's are co-managed with communities. In addition, more than 5,000 hectares have been transferred to communities since 2014 through CONADI (Corporación Nacional de Desarrollo Indígena).

During the year, the Company also supported cultural and territorial initiatives, including We Tripantu celebrations, the development of the Koyauwe project in Loncoche, and collaborative work with the Lilcoco and Hueima communities in Lanco to strengthen cultural, recreational, and environmental spaces.

Allocated amount: **USD 563,348**

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DISCLAIMER

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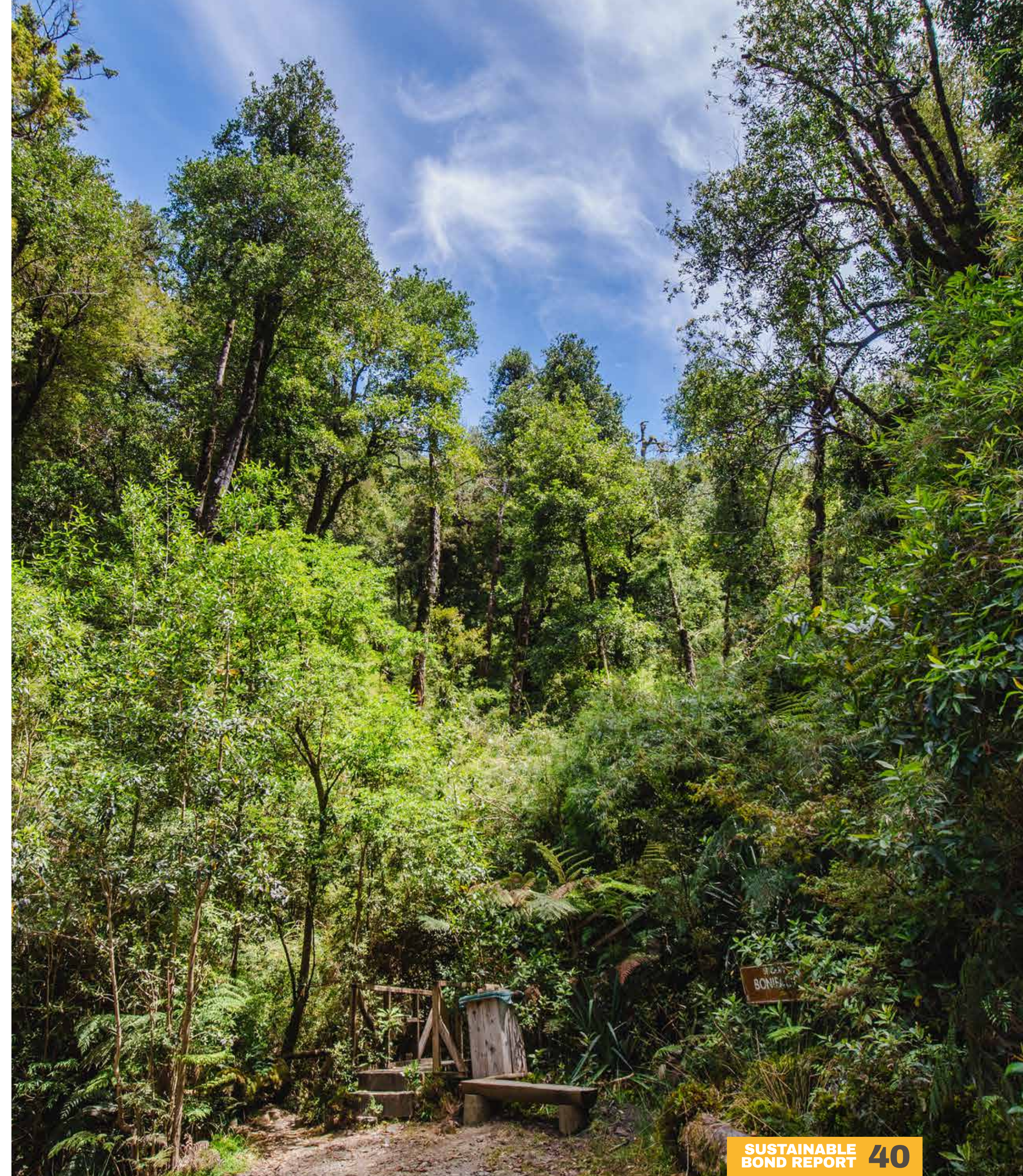
Disclaimer

Readers are encouraged to refer to the documents filed by ARAUCO with the United States Securities and Exchange Commission, including its most recent filing on Form 20-F, which identifies important risk factors that could cause actual results to differ materially from those contained in any forward-looking statements. Readers are also encouraged to review our Integrated Report and Sustainability Report, available on our corporate website.

All forward-looking statements are based on information available to ARAUCO as of the date of this report. ARAUCO undertakes no obligation to update such statements. References herein to “USD” refer to United States dollars. Discrepancies between totals and the sum of individual figures in tables are due to rounding. This report is unaudited.

Forward-looking statements involve inherent risks and uncertainties. These statements are based on current plans, estimates, and projections, and therefore readers should not place undue reliance on them. Actual results may differ materially from those expressed or implied in such statements due to various factors beyond our control. These include, but are not limited to our ability to service debt and comply with financial covenants, capital expenditure funding and implementation, customer retention and global market conditions, fluctuations in international prices of wood and pulp, availability of energy and raw materials, macroeconomic conditions in countries where we operate, currency exchange volatility and inflation, the impact of interest rate changes, environmental, health, and safety regulations, pandemics or natural disasters such as earthquakes, floods, or wildfires.

Forward-looking statements in this report speak only as of the date they are made, and we disclaim any obligation to update or revise any of them in light of new information, future events, or other circumstances.



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