



SO WE CREATE THE IMPOSSIBLE



SO WE CREATE THE IMPOSSIBLE

2021 SUSTAINABILITY
REPORT



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Soap bark tree seed gathering, Nonguen, Biobio region, Chile.



WE WANT TO ACHIEVE THE ~~IMPOSSIBLE.~~



That is why we joined the global **Business Ambition for 1.5°C** initiative, through which we adhere to the **Race to Zero** campaign, an urgent call to companies and industries to commit to emission reduction goals aligned with science and aim for zero net emissions by 2050.

1.5 degrees the limit set for global warming by **2050**

0 net emissions is our commitment as a company for **2050**



SCIENCE
BASED
TARGETS

**BUSINESS
AMBITION FOR 1.5°C**



RACE TO ZERO

A Multinational Company with 102 Years of History

Empresas CMPC seeks to meet people's basic needs and improve their daily lives by delivering solutions based on renewable resources. Its business is the production and sales of wood, pulp, packaging products, paper, tissue and personal care products from sustainably-managed certified plantation.

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Laja pulp plant, mid-twentieth century, Chile.

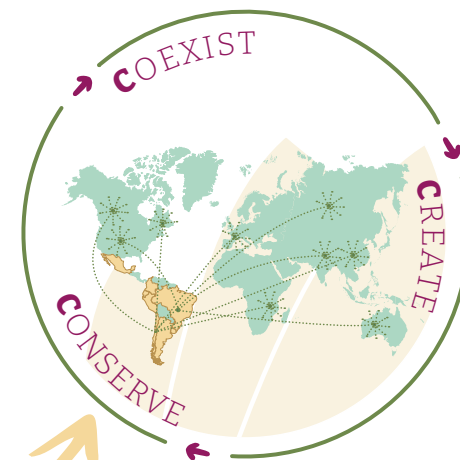
CORPORATE VALUES

Everyone who is part of CMPC is guided by the company's five core values.

- Respect people
- Care for the environment
- Comply strictly with legal regulations
- Compete fairly
- Consider the needs of our neighbors

MISSION

We aim to make and sell sustainable, competitive and premium products from sustainably-managed plantation forests – including wood, pulp, packaging, paper tissue and personal care products. Our innovative solutions add value for shareholders and customers and create opportunities for employees and local communities. We aim to balance sound economic performance and sustainability, always respecting stakeholders and caring for the environment.



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CORPORATE PURPOSE: 3C

Our corporate purpose is based on 3Cs: Create, Coexist and Conserve. They are integral to our way of doing business and our guiding lights towards a more sustainable future.

CREATE COEXIST CONSERVE

SUSTAINABLE CULTURE

Through the 3Cs, CMPC generates a sustainable culture that contributes to the creation of shared value in the short, medium and long term.





Business unit responsible for forest assets and the production and commercialization of wood products and pulp. It has forestry operations in Argentina, Brazil and Chile, in addition to being

present in almost 50 countries around the world through offices and commercial agents in the Americas, Asia, Europe, the Middle East and Oceania. It also provides supplies and products to Africa.

Our Business Areas in Forestry, Wood Products and Pulp

FORESTRY



- Pulpwood logs.
- Peeler logs.
- Ply logs (pruned and knotty).
- Fuel logs, wood chips and biomass.

WOOD PRODUCTS



- Green and kiln dried sawn timber.
- Plywood, moldings and edge-glued panels.

PULP



- Bleached radiata pine kraft pulp (BSKP).
- Unbleached kraft pulp (UKP).
- Bleached eucalyptus kraft pulp (BEKP).
- Sack kraft paper.
- Printing and writing paper (P&W).



Business unit responsible for manufacturing sustainable packaging and transportation solutions for based on both virgin and recycled fibers to transport a wide range of goods. It has opera-

tions in Argentina, Chile, Mexico and Peru, and it is present with its brands in Africa, America, Asia, Europe and Oceania, through a wide Network of commercial agents.

Our Business Areas in Biopackaging

CORRUGATED BOARD



- Corrugating paper.
- Corrugated cardboard boxes and corner boards.
- Molded pulp trays and cases.
- Construction papers.
- Recovery of paper and cardboard for recycling.

BOXBOARD



- Both high and low basis weights.
- Boxboard with barriers to replace single-use plastics.

SACK KRAFT



- Multiwall sacks and industrial paper bags and tubes.

EDIPAC



- Distributor of products such as boxboard, packaging paper, corrugated cardboard boxes, sacks, bags, cut size, bond paper, coated paper, specialties and paper bags.



Subsidiary dedicated to the manufacturing and commercialization of tissue paper, personal care

and away-from-home products, mainly manufactured from virgin and recycled fibers.

What Are Softys' Business Units?

CONSUMER TISSUE



Toilet paper, napkins, facial tissues, paper towels, alcohol gel, liquid and bar soap (brands: Elite, Higienol, Nova, Noble).

PERSONAL CARE



Infant, adult and feminine hygiene (Brands: Babysec, Ladysoft, Cotidian). Pet Care products (OK Pet brand, it offers pet care products.

AWAY FROM HOME



Toilet paper, paper towels, medical bedsheets, napkins, soaps, alcohol gel, dispensers, cleaning lines and face masks (Elite Professional).



We Operate Globally

Industrial Operations

- Celulosa
- Biopackaging
- Softys



11 countries with an industrial and commercial presence

20,068 direct collaborators

22,534 suppliers

44 plants

35,888 Service company collaborators

Facts & figures



MMUSD 6,323
Sales to third parties (**49%** Celulosa, **16%** Biopackaging, **35%** Softys)



MMUSD 1,695
EBITDA (**83%** Celulosa, **12%** Biopackaging, **5%** Softys)

Investment grade
Moody's / S&P Global / Fitch

3 green financings
two committed lines and one bond related to sustainability goals.

MMUSD 7,546
equity

MMUSD 15,226
assets

MMUSD 3,179
net debt

Figures by country

Argentina
3 plants
1,462 collaborators
867 MSME suppliers

Brazil
5 plants
3,516 collaborators
407 MSME suppliers

Chile
23 plants
9,894 collaborators
4,846 MSME suppliers

Colombia
2 plants
564 collaborators
415 MSME suppliers

Ecuador
1 plant
272 collaborators
47 MSME suppliers

Mexico
5 plants
2,284 collaborators
282 MSME suppliers

Peru
4 plants
1,758 collaborators
288 MSME suppliers

Uruguay
1 plant
321 collaborators
179 MSME suppliers

United States
Commercial office

Germany
Commercial office

China
Commercial office

Main

2021 Milestones

JANUARY

Establishment of the Environmental Division

The Environmental Division was created on January 18th. Its mission is to ensure that the operations performed by Celulosa and Biopackaging are carried out in accordance with the highest global standards in terms of environmental care.

FEBRUARY

Support for Covid-19 Vaccination

Together with Desafío Levantemos Chile, CMPC, made available two fully equipped mobile clinics to travel across the municipalities of La Araucanía and Biobío. Throughout the process, the clinics covered more than 20,000 kilometers.

MARCH

CMPC: First Company in Chile to Issue a Sustainability-Related Bond in International Markets

The bond amounted to USD 500 million for a 10-year term reached CMPC's lowest historical rate thanks to the good reception it had in the market.

APRIL

Urban Improvement Works in Alegría and Alvorada Are Completed

The initiative, co-created with the community, defined by the Public Ministry and executed jointly by CMPC Brasil and Fundação Estadual de Proteção Ambiental Henrique Luis Roessler (Fepam), ended with the delivery to the municipality of two beaches in the city of Guaíba.

MAY

Change in CMPC's Board of Directors

The Board of Directors was informed of the resignation of Mr. Bernardo Matte L. to his position as director, assumed in 1985. Subsequently, the Board agreed to appoint Mr. Bernardo Larraín M. as his replacement.

JUNE

Building the Company of the Next 100 Years

Launch of Savia, an open innovation program that seeks to revolutionize the packaging industry. Creation of Niuform, a joint venture with Cortelima for the development of construction solutions in wood.

JULY

Construction of the CMPC-DUOC UC Campus in Nacimiento Begins

CMPC's 20-million USD contribution to build this technical and professional educational center in the Biobío region was approved on July 8th. It will benefit 700 undergraduate students in the communities of the provinces of Biobío and Malleco in Chile.

AUGUST

Guaíba Plant Will Be One of the Most Efficient in the World

The Board of Directors approved the execution of the BIOCMPC project with an investment of USD 530 million to expand and upgrade the Guaíba pulp mill in Porto Alegre (Brazil).

SEPTEMBER

CMPC Distributes a Second Interim Dividend

In its September session, the Board of Directors approved the distribution of interim dividend N°276, which was added to dividend N°275 delivered in July. In addition, payment of a third interim dividend in December was agreed in this session.

OCTOBER

Softys Brasil Signs an Agreement to Acquire All the Shares of Carta Fabril S. A

The purchase and sale agreement for all of the shares of the Brazilian company Carta Fabril, which has plants in Goiás and Rio de Janeiro and whose production capacity totals 100,000 annual tons of tissue paper and nine personal care production lines, was signed on October 29th.

NOVEMBER

Race to Zero: CMPC Joins Global Initiative to Fight Climate Change

CMPC commits to setting a science-based long-term goal to achieve net zero direct and indirect greenhouse gas emissions by 2050.

DECEMBER

CMPC Signs an Agreement to Acquire Assets of the Company Iguazu Celulose, Papel S.A.

The acquisition of the forest and industrial pulp, paper and paper sack assets of the company based in Paraná and Santa Catarina, Brazil, was agreed on December 8th. The acquisition makes CMPC the second largest sack producer in the world.



Our Roadmap for the Future

CMPC is part of global partnerships, contributing to the sustainability of the planet and the revitalization of local economies, and positively impacting its local communities. To

move towards the next 100 years of its history, CMPC's corporate strategy has six main focus areas which guide its plans and actions.



PEOPLE

- Adopt a dynamic culture that allows us to attract, develop and retain the best talent.



SUSTAINABILITY

- Be leaders in environmental sustainability and active participants in the communities of which we are part.



SALES EXCELLENCE

- Position customers at the core of our priorities, responding to market trends.
- Present a diverse products portfolio tailored to clients' needs.



EFFICIENT GROWTH

- Improve CAPEX performance.
- Grow the business through capital efficiencies.



INNOVATION & DIGITALIZATION

- Excelling in the delivery of innovative solutions and products.
- Working to be a benchmark of efficiency and productivity, by seeking to incorporate new technologies and digitalization.



OPERATIONAL EXCELLENCE & PROCUREMENT

- Reach a level of operational excellence through the implementation of a program that allows improving productivity levels and global standard environmental compliance.
- Become a benchmark of asset efficiency.
- Optimize procurement in order to capture savings opportunities on a sustainable basis.



César Cárdenas, Santa Fe plant in Nacimiento, Chile.

Consuelo Vallejos, member of CMPC's 811 Women Brigade.



Sustainable Development Goals: Maximizing Our Contribution

In line with our Create, Coexist and Conserve corporate purpose, we shape our Sustainability Culture with a focus on the Company's material issues and its contribution to the Sustainable Development Goals (SDG) of the

United Nations 2030 Agenda. To this end, we selected 13 SDG in which our business areas have the greatest potential for action and contribution potential.



United Nations Global Compact

The 3Cs reflect CMPC's commitment to the integration of sustainability into its corporate strategy through the implementation, performance and recognition of the Ten Global Compact Principles, which are focused on human rights, labor relations,

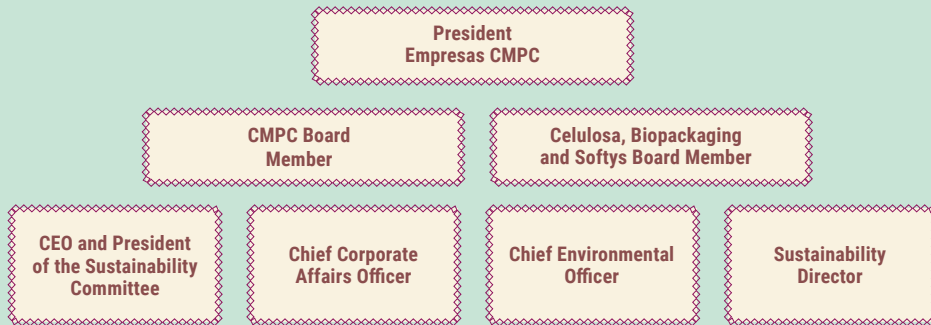
environment and anticorruption areas. All of them are basic principles that guide its action with its stakeholders. CMPC adheres to the Guiding Principles on Business and Human Rights issued by the United Nations and the Global Compact.



Governance for Sustainability

In order to implement, supervise and follow up the corporate sustainability objectives and goals, as well as the projects that contribute to their achievement, the Sustainability Committee was created in 2019 at the CMPC Board of Directors level.

Sustainability Committee



SOME 2021 MILESTONES OF OUR COMMITTEE:

- In 2021, the committee met six times with a 100% attendance from its members.
- Its sessions were held in hybrid, virtual and in-person format.
- The Environmental Manager joined the committee in January.
- The corporate sustainability goals were monitored regularly.
- The business areas and subsidiaries presented the main milestones and issues regarding environmental performance.
- The action plan in terms of social impact measurement and assessment was presented.
- The verification process for the sustainability indicators included in the 2020 Integrated Report was presented.
- An update of the Company's scope 3 emissions situation was presented.
- Adherence to the Race to Zero initiative was approved, through which the Company commits to modeling emission goals in accordance with science.
- In specific sessions, the committee featured the participation of managers, other collaborators linked to sustainability and external experts.



Los Angeles Sign, a project created in alliance with the community, Region of Biobío, Chile.

Strategic Approach to Sustainability and Materiality

Practically all **level 1 material issues** are linked to **sustainability goals**, with concrete deadlines and continuous progress reporting.

Corporate Purpose	Value creation areas	Material issues (level 1)	Material issues (level 2)
Create →	Innovating to improve daily lives	<ul style="list-style-type: none"> ● Innovation and digitalization 	<ul style="list-style-type: none"> ● Product Quality and safety ● Procurement and logistics
	Direct communication with customers		<ul style="list-style-type: none"> ● Customer satisfaction ● Brand value
Coexist →	To contribute to the development of the territories	<ul style="list-style-type: none"> ● Community engagement ● Relations with indigenous peoples 	<ul style="list-style-type: none"> ● Brand value ● Corporate citizenship
	Positively transforming environments	<ul style="list-style-type: none"> ● Diversity and inclusion ● Occupational health and safety of employees and contractors 	<ul style="list-style-type: none"> ● Employee lifecycle
Conserve →	Active conservation of ecosystems	<ul style="list-style-type: none"> ● Ecosystems conservation 	<ul style="list-style-type: none"> ● Forest management ● Wildfire fighting
	Climate emergency response	<ul style="list-style-type: none"> ● Water management ● Waste recovery ● Climate change 	<ul style="list-style-type: none"> ● Energy efficiency ● Environmental events
Sustainable Culture →	Sustainable economic performance		<ul style="list-style-type: none"> ● Green financing
	Leaders in ethics and compliance		<ul style="list-style-type: none"> ● Ethics and compliance



Carahue, Rio Imperial.

Francisco Cayuman and Delia Vega, two of the José Cayuman de Lumaco residents who can now enjoy fresh drinking water thanks to the Desafío Agua para Chile initiative.


Our Stakeholders

CMPC has identified **11 priority stakeholder groups with which it has a close relationship**. Each group has different interests and concerns depending on their relationship to us. It's essential that we listen, engage and communicate with each group, responding in a way that suits them best

CMPC's Main Stakeholders

-  Investors and lenders
-  Communities
-  Suppliers
-  Associations, unions and business world
-  Strategic partners
-  Direct collaborators
-  Academia, research and public policy centers
-  Authorities and regulators
-  Evaluators and certifiers
-  Clients and consumers
-  Media

Engagement and involvement with stakeholders has four focus areas:

-  **REPORTING HOTLINE**
lineadenuncia.cmpc.cl/Denuncias
- WEB CONTACT FORM**
www.cmpc.com/contacto/
- INTEGRATED REPORT**
www.cmpc.com/sostenibilidad/#reporte
- CMPC WEB PAGE**
www.cmpc.com
- INVESTOR RELATIONS**
<https://ir.cmpc.com/English/home/>
- INSTAGRAM**
[@somoscmpc](https://www.instagram.com/somoscmpc)
- LINKEDIN**
[@somoscmpc](https://www.linkedin.com/company/somoscmpc)
- TWITTER**
[@SomosCMPC](https://twitter.com/SomosCMPC)
- FACEBOOK**
[@SomosCMPC](https://www.facebook.com/SomosCMPC)

TO LISTEN	CMPC addresses the concerns of its stakeholder groups, taking into account their priorities and context. Reporting lines: <ul style="list-style-type: none"> • Reporting Hotline • Web Contact Form
TO INFORM	CMPC uses a wide range of tools to keep its stakeholder groups informed in a transparent way, including: <ul style="list-style-type: none"> • Integrated Report • Sustainability Report • Corporate webpage • Investor Relations webpage • TV and radio ads • Press media articles • Social media
TO INTERACT	Interaction with stakeholder groups differs depending on the group, from working meetings to discuss mutual interests to interaction through social media: <ul style="list-style-type: none"> • Instagram • LinkedIn • Twitter • Facebook
TO COLLABORATE	CMPC generates opportunities to work with stakeholders with similar objectives. These take the form of initiatives or projects for the benefit of stakeholder groups.



Value Creation Model

CMPC's Strategic Sustainability Approach focuses on our main processes, activities, products and by-products, and emphasizes circular flows of internal recovery. Our Value Creation Model is constantly evolving as internal understanding increases. with the 3Cs as its central axis form the base of corporate goals.

● Products ● By-Product and Recovery ● Processes / Activities ● MAT: Material Topics — Circular Flows - - Business Units

INPUT

FINANCIAL CAPITAL

MMUSD 7,546 equity
MMUSD 3,179 net debt

MANUFACTURED CAPITAL

848,512 ha production area
689,914 tons of recovered fiber

INTELLECTUAL CAPITAL

8 Future Focuses (Beyond)

HUMAN CAPITAL

20,068 collaborators
3,623 women
35,888 contractors

NATURAL CAPITAL

203,935,768 m³ captured water
36,884 GWh energy consumption

SOCIAL CAPITAL

22,534 suppliers
1,758 local suppliers
26,723 customers

VALUE CREATION

OUR PURPOSE

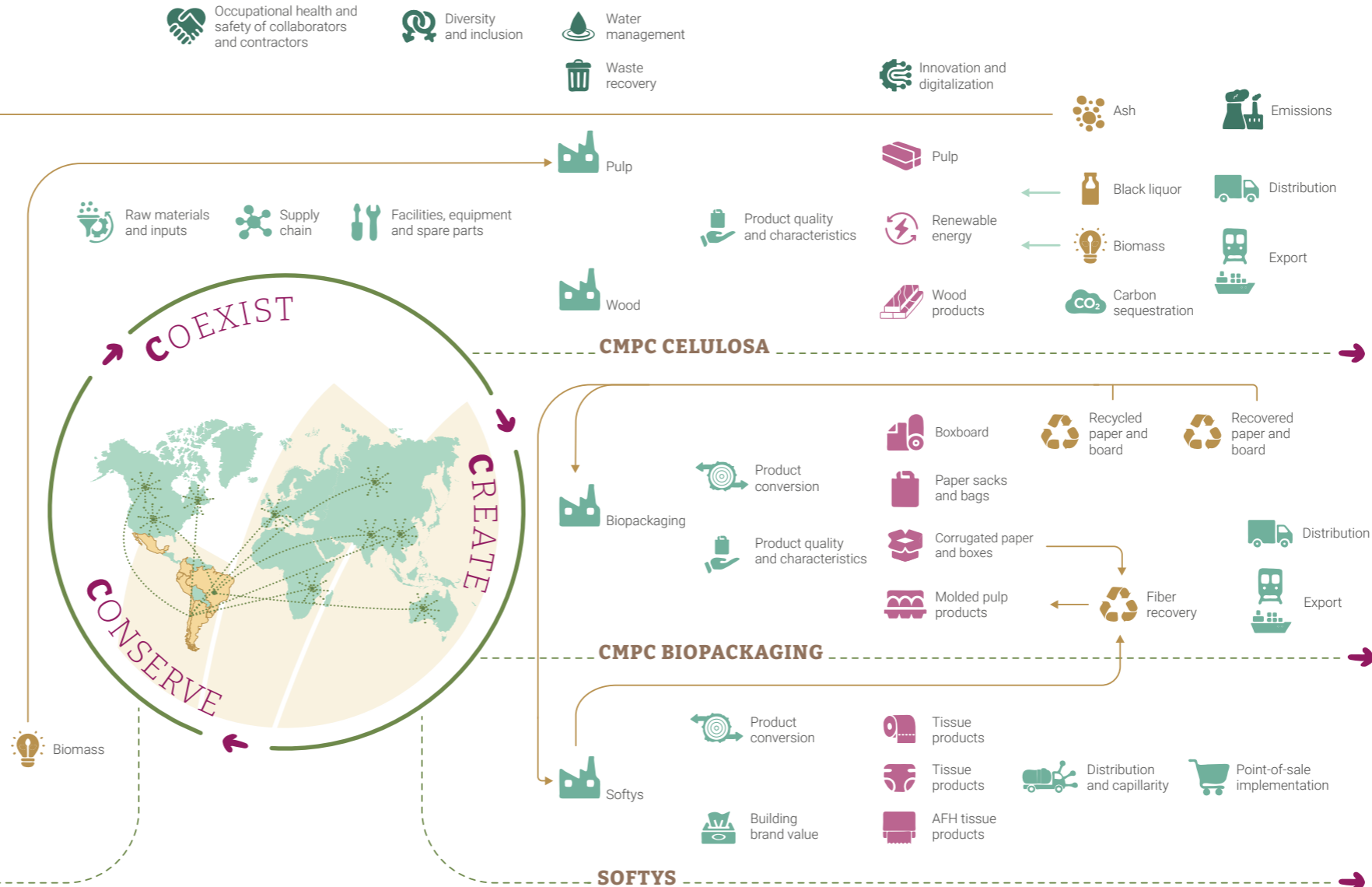
CREATE
COEXIST
CONSERVE

OUR VALUES:

- Respect people
- Care for the environment
- Comply strictly with legal regulations
- Compete fairly
- Consider the needs of our neighbors



FORESTAL



OUTPUT

FINANCIAL CAPITAL

MMUSD 6,323 Sales to third parties
MMUSD 1,695 EBITDA

MANUFACTURED CAPITAL

MMUSD 3,108 Celulosa sales
MMUSD 2,195 Softys sales
MMUSD 1,020 Biopackaging sales

INTELLECTUAL CAPITAL

4,615 Beyond Ideas
22 Implemented ideas

HUMAN CAPITAL

14,939 trained collaborators
20% turnover
82% Organizational climate score

NATURAL CAPITAL

2,227,836 tons of non-hazardous waste
167,846,252 m³ of discharged water
2,023.4 ktCO₂e GHG emissions in scope 1 and 2

SOCIAL CAPITAL

USD 41,568,197 invested in communities



Committed

Corporate Sustainability Goals

In 2019, the Company announced its Environmental Corporate Goals, which were supplemented in 2020 with the Diversity & Inclusion Goals and the Innovation Goals.

This way, CMPC supplemented its framework for action to contribute to the SDG goals identified as priority for the forest and paper sector.

3Cs	MAT 1	Corporate goals	Baseline	2021 Performance	Cumulative progress percentage	Goal	SDG goal	
COEXIST 	Diversity	Increase the number of women in the organization by 50% by 2025.	2019	15.4%	15%	25%	5.5	
		Increase the number of women in leadership positions by 50% by 2025.	2019	17.4%	16.3%	30%		
		Inclusion	Achieve 2.5% of the workforce with disabilities by 2025	2019	1.29%	-13.5%	2.5%	10.2
			Health and safety	Zero fatalities in operations, both in direct collaborators and service companies, whether in industrial plants or in forest operations.	2019	2 fatalities	N/A	Zero
CONSERVE 	Water	Reduce industrial water use per ton of product by 25% by 2025.		2018	29.96 m ³ /t	19.8%	23.63 m ³ /t	6.4
		Emissions	Reduce absolute greenhouse gas emissions (direct and indirect) by 50% by 2030.	2018	2,023.4 ktCO ₂ e	31.1%	1,198.0 ktCO ₂ e	13.3
			Net zero emissions by 2050.	2021	Under implementation			
	Waste	Achieve zero waste for final disposal by 2025 through the reduction of waste generation, the recovery of by-products and the strengthening circular models.	2018	427,798 t	44.6%	71,430 t	12.4 12.5	
		Conservation	Add 100,000 hectares of conservation or protection by 2030, to the more than 320,000 hectares that the Company already allocates for these purposes.	2018	389,376 ha	67.8%	421,529 ha	13.1 13.3 15.1

In 2021 CMPC committed to the Race to Zero campaign through the Business Ambition for 1.5°C global initiative.

Create

The supply chain acts as a central axis by integrating all the elements of the process from raw material purchasing to point of sale or consumption. Our Strategic Supplier Relationship Department was created in 2021. **Its main purpose is to create shred value with local communities by promoting local suppliers and caring for the environment and the wellbeing of local people.**

Wood-paneled house, CMPC Europe.

RESPONSIBLE PROCUREMENT

Number and Percentage of Total, Local and MSME Suppliers

- **22,534** Total N°
- **1,758** N° of local suppliers
- **6,826** N° of MSME suppliers

Expenditure of Total, Local and MSME Suppliers in USD MM

- **4,879** Total expenditure
- **462** Local supplier expenditure
- **847** MSME expenditure

Average Days of Payment to suppliers

- **31** Average supplier payment day
- **12** Average MSME payment day

One of CMPC's main business goals is to improve customer satisfaction.

CUSTOMER SATISFACTION: PRODUCTS

Net Promoter Score CMPC Celulosa



Net Promoter Score CMPC Biopackaging



Wood Products also measures the Global Satisfaction Index (GSI), which reached 86% in 2021, the same result as in 2020.

Note 1: The CMPC Corrugated Board result excludes Fibras division.
 Note 2: The Net Promoter Score for Boxboard and Sack Kraft was not reported during 2021.

CUSTOMER AND CONSUMER SATISFACTION: COMMERCIAL SERVICE BY COUNTRY, ACCORDING TO POSITION AND PROGRESS

B2C- Advantage of Softys (Rank by country)



Aerial view of CMPC's Carlos nursery of CMPC, Biobío region, Chile.



Zero Waste Sack

It dissolves in the cement mixer



To help reduce the waste generated by the cement industry, we launched Zero Waste Sack, a paper sack that allows the cement and its packaging to be directly incorporated into the mixing machine. In only seven minutes, the paper breaks up thanks to the mechanical action of water, turning into an additional element of the concrete. After this process, the mix is ready to be used without waste generation.

The product is a first in Chile and is an example of our efforts to develop sustainable packaging solutions. Driven by the Extended Producer Responsibility Law (REP Law), this sack needs no special treatment for storage or transportation. Thus it provides an immediate solution where a more management system is needed.



Zero Waste Sack, first commercial product manufactured and sold.

GREEN FINANCING

In 2017, CMPC started a sustainable financing journey with the issuing of the first Green Bond by a Chilean company in international

markets. In 2021 it took a further step and was once again the first Chilean capital company to issue a bond linked to sustainability.

2021 Green Financing

Type	Bond Linked to Sustainability	Committed Line Linked to Sustainability
Country of Issue	USA	-
Payment Period	10 years	3 years
USD MM Amount	500	300

Note: Committed lines do not have a specific country of issue.





Coexist

At CMPC, we are inspired by people. This is why **we seek to advance in a more diverse and inclusive environment that creates opportunities and where everyone can achieve their potential.** We want to meet people's needs, help local companies, generate partnerships with our different stakeholders to help realize their potential and improve quality of life through social investment initiatives that meet the needs of our local communities.

GENDER EQUALITY

18.1%
Women in the organization

23.3%
Women in leadership positions

43
Women promoted to leadership positions

AVERAGE SALARY GAP BY CATEGORY*

93.1%
Executives and managers

104.3%
Professionals and technicians

83.9%
Operators

*Note: Salary gap between men and women based on 2021 incomes as of end December.

Average of people with disabilities at CMPC → 1.3%

TRAINING

(In-person courses, e-learning and workshops)

- **715,277** Training hours
- **14,939** Number of trained collaborators
- **4,314** Training in crime prevention model (Chile only)
- **6,040** Training in free competition
- **1,041** Training in corporate probity

ACCIDENT RATE OF COLLABORATORS AND CONTRACTORS ACCIDENT RATE

(Number of accidents with lost time*100/average staffing)

0.72
Direct collaborators

0.34
Contractors

UNIONIZATION AND COLLECTIVE BARGAINING

- **56.30%** Unionized workers
- **60.30%** Employees covered by collective bargaining agreements

LABOR TURNOVER

4,270
Direct collaborators

20%
Collaborators turnover

CMPC DuocUC Nacimiento Campus

The first “campus of the future”



Education and capability development



Sustainable cities and quality of life



4.4



11.3 - 11c

To provide greater opportunities to young people in the municipality of Nacimiento and its surroundings, in November 2021, we laid the first stone of the CMPC DuocUC Nacimiento Campus, a technical and vocational training center in that city of the Region of Biobío, where our Santa Fe pulp plant is located.

The project consists of building a higher education center to provide opportunities to the youth in the region through a dual education model. The campus is expected to serve about 700 undergraduate students, contributing to increase the higher education coverage in the area as well as the development of competencies and knowledge necessary for the Company's line of business.

With this project, we will install the first “campus of the future”, a space that fosters and promotes local development in multiple ways, enhancing wellbeing and social gatherings. This includes entrepreneurship support and permanent training for CMPC employees, supplier companies and the community in general.

The education center will provide:

- Ongoing training for suppliers, employees and the community.

- The creation of the Entrepreneurship Center, which aims to promote the professional de-

velopment of adults and young people, as well as the generation of skills and capabilities in entrepreneurs and small and medium-sized local companies.

Education to degree level in People Management, Electricity and Industrial Automation, Administration areas: People Management Technician, Electricity and Industrial Automation Technician, Administration Technician, Senior Nursing Technician, Analyst Programmer Technician, among others.

The building will have more than 3,500 m² of space equipped with state-of-the-art rooms, technology labs, and a library, among other facilities. Made of wood that is typical of the area and in keeping with its surroundings.

The CMPC DuocUC Nacimiento Campus began construction in November 2021 and expects to start activities in early 2023.

Key figures:

- Investment of USD 2,811,583 in 2021
- Approximate USD 20 million total investment
- Construction of 3,500 m² on a 17,900 m² site
- Access to 700 students



Luis Felipe Gaztúa at the groundbreaking ceremony of the CMPC DuocUC Nacimiento Campus, Chile.



Conserve

Since everything we do is rooted in nature, the indicators we present below are closely linked to the material issues of the Conserve area, and the goals we have set are related to conservation, water, GHG emissions and waste.

FOREST ASSETS, PRODUCTIVE AND CONSERVATION AREAS (ha)

1,307,351

Forest assets

848,512

Production area

389,376

Conservation, protection and/or restoration area

69,463

Other uses

Percentage of sustainable forest management certification → **90.2%**

Percentage of sustainable forest management certification (m³)

Category		Brazil		Chile	
		FSC	PEFC	FSC	PEFC
Own	Certified raw materials	6,405,957	6,405,957	9,756,836	8,752,284
	Certified raw materials percentage	100%	100%	99%	89%
Third-party	Certified raw materials	459,261	459,261	2,752,669	6,984
	Certified raw materials percentage	100%	100%	100%	0,3%

VARIATION OF PLANTED AREAS (ha)

- **46,835** New planted area
- **38,704** Harvested plantation area (pine and eucalyptus)
- **1.21 (21%)** Increase rate (new planted area/harvested plantation area)

USED MATERIALS BY TYPE AND PROCESS (TONS)

Renewable		Non-renewable	
Containers and packaging	34,357	Containers and packaging	58,917
Raw materials	20,497,754	Chemical	826,409
Total	20,532,111	Total	885,326



EMISSIONS

Emissions from industrial operations (tCO₂e) (GHG Protocol)

Scope 1	1,875,000
Scope 2	148,000
Scope 3	8,194,000
Total	10,217,000
Emission intensity	0.214

Note 1: Net emissions were verified by a third party.
 Note 2: Intensity takes into account scope 1 and 2 emissions and considers only production sold to third parties.

Other atmospheric emissions (tons)

- **8,086** Nitrogen oxides (NO_x)
- **1,448** Sulfur dioxide (SO₂)
- **1,531** Particulate matter (PM)

Paid green tax

↓

2.52 USD MM

ENERGY, WATER AND WASTE

Energy consumption by type of source (GWh)



- **30,386** Renewable energy
- **6,498** Non-renewable energy
- **36,884** Total

Industrial Water Use (m³)

Category	No water stress	Water stress	Total
Catchment	184,162,226	19,773,542	203,935,768
Discharge	151,046,169	16,799,083	167,845,252
Consumption	33,116,057	2,974,459	36,090,516

Total Generated Waste (Tons)

Hazardous	4,064
Non-hazardous	2,227,836
Total	2,231,900

The majority of our operations waste is **non-hazardous** and its full management -including the management of hazardous waste- is regulated by the regulations of each country in which we are present.

On Our Way to Net Zero Emissions We Commit



13.3 17.17

Business Ambition for 1,5°C is a call to immediate action from a coalition of UN agencies, business and industry leaders on a global scale, arising from the concern about climate change and the urgency for the private sector to align under 1.5°C decarbonization trajectories.

Specifically, the agreement seeks to achieve "science-based net emissions reduction targets in line with a 1.5°C, net-zero future," which means achieving a balance between greenhouse gas emissions and removals within the Company's value chain.

The partnership is made up of Science Based Targets Initiative (SBTi), World Business Council for Sustainable Development (WBCSD), World Economic Forum (WEF), International Chamber of Commerce (ICC), Principles for Responsible Investment (PRI), Carbon Disclosure Project (CDP) and World Wildlife Fund (WWF), among others. Its mission is to mobilize the private sector to commit to a net zero emission future by 2050.

To achieve this at CMPC, we are carrying out the following actions:

- **New contracts to supply us with electric power from 100% renewable sources.**
- **Technological replacement of machinery by more efficient alternatives.**
- **Substitution of fossil fuels by biofuels or other green energy inputs.**
- **Waste to landfill reduction.**
- **Low-emission product development.**

Until December 31st, 58 companies participated in the initiative in Latin America, among them, CMPC.

RACE TO ZERO

Race to Zero, a global campaign under the UN Framework Convention on Climate Change (UNFCCC) that aims to achieve net zero emissions by 2050.

In October 2021, CMPC's Sustainability Committee approved the setting of a science-based target for the reduction of scope 3 emissions.

Awards & Recognitions

Dow Jones Sustainability Index Recognizes CMPC as the World' Second Most Sustainable Forestry Company



The Company was also recognized among the members of the 2022 Sustainability Yearbook, also part of S&P Global, obtaining recognition of "Industry Mover", which honors companies that achieved an improvement in their S&P Global ESG Score of at least 5% and a substantial improvement in their sector.

CMPC Brasil Was Awarded in Three Categories at the 500 Maiores do Sul



CMPC Brasil improved in the General Southern Region and General Rio Grande do Sul categories by obtaining positions 11 and 3, which implies a one-place climb on the ranking regarding its previous version and an outstanding performance as a company in the country's southern region.

Among the 10 Best in the Informe Reporta Ranking



CMPC was ranked ninth in Informe Reporta, carried out by the Deva communications and sustainability agency among Chilean companies associated with the Selective Stock Index (IPSA) of the Santiago Stock Exchange. In the Information Accessibility category, it obtained first place once again.

CMPC Brasil Won in Top Citizenship Award



The Brazilian Association of Human Resources (ABRH-RS) recognized CMPC Brasil in the Organization category for the case "The Covid-19 Crisis: A New Way of Acting While Guaranteeing Our Corporate Purpose", which focused on taking actions to ensure people's safety and care, acting in solidarity and continuing to supply the market with pulp, which constitutes an essential raw material for the production of basic commodities.

The Best Company in the Sector in Valor 100 Categories



CMPC was awarded 1st place in the EBITDA margin as the largest company in the pulp and paper sector in southern Brazil by the Valor 1000 yearbook - 2021 edition, whose publication includes one thousand companies that stood out in accounting and financial management and performance.

CDP Leaders in Water, Climate Change and forests



This year, the international organization CDP incorporated CMPC into the "A List" category for fighting deforestation and climate change. It also designated it within the A Leadership water security range.

Natural Kraft Project Wins Most Innovative Award



CMPC received the maximum recognition in the Consolidated Company category thanks to its Natural Kraft boxboard, featured for being 100% recyclable and containing a barrier against grease, which makes it a sustainable alternative for the food, fast food and delivery industry at a global level.

CMPC Received Award for Best World Class Talent Management Implementation in Latin America



At the 2021 Cornerstone Awards, CMPC was awarded for best talent management implementation. The implemented solutions were recruiting, induction, learning, collaboration, performance, succession and participation. The integration of SAP Employee Central is also noteworthy, as it allows having full visibility of the human resources cycle through Mi Fibra.

2021 Urban Contribution Award (PAU, Premio Aporte Urbano)



The Alessandri Park in Nacimiento was one of the three recipients of this nomination, organized by the Chilean Chamber of Construction, in the category of Best Public Use Space Project for its positive impact as a place open to the community, visited by over 40 thousand people and benefiting the quality of life of its inhabitants.

Zero Waste to Landfill Clean Production Agreement



After a little over 2 years, the Sack Kraft Chillán and Moldeados plants in Chile became certified, fulfilling 100% of the Zero Waste to Landfill Clean Production Agreement (APL, Acuerdo de Producción Limpia) coordinated by Acción Empresas together with the Sustainability and Climate Change Agency.

The APLs are voluntary agreements between a business sector and the competent public bodies, whose objective is to implement clean production through specific goals and actions within a certain period of time.

Energy Excellence Seals (SelloEE) Award in Chile



By virtue of the energy efficiency measures applied at its production plants, CMPC was once again recognized in three categories with the Energy Excellence Seal, which was awarded by the Ministry of Energy and the Energy Sustainability Agency.

The objective of this APL was to minimize the waste generation and increase its recovery, in line with CMPC sustainability goals, especially those related to waste.

Multiplying Efforts



Member of Global Compact Chile since 2018, and since 2020, part of the new 2020-2021 Executive Committee for the promotion of the sustainable development of companies based on joint collaboration and the establishment of good practices among their members.

Reporting to its database since 2013 and members since 2019, CDP, CDP, an organization that operates the largest global system of environmental disclosures for companies and cities.

Member of World Business Council for Sustainable Development since 2011. Through business collaboration, this organization seeks to accelerate the transition to a sustainable world. Among the actions carried out, CMPC -together with UPM- led the work of the Forest Solutions Group until 2016. In 2019, it presented before the UN the Roadmap of the Forestry Sector for the coming years, in line with the 2030 Agenda.

It promotes disclosure and transparency of corporate information to help reduce greenhouse gas emissions, safeguard water and protect forests.

Additionally, CMPC Brasil is also a member of the Global Compact in that country.

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Co-chairs of the Sustainability Committee of the Chilean American Chamber of Commerce, AmCham Chile 2021 until 2021. This committee promotes a culture of collaboration among various actors of civil society with a focus on environmental care, ensuring the correct and comprehensive implementation of best practices and contributing to the creation of a sustainable future for both society and companies.

The Forests Dialogue is a platform to discuss and work together with multiple stakeholders on the most pressing local and global forestry issues. As a global partner, CMPC is involved in the executive team based at Yale University, as well as a member of the executive committee of Forests Dialogue Chile and Forests Dialogue Brazil.

Additionally, CMPC Brasil participates in the AMCHAM Brasil roundtable.



Pontificia Universidad Católica de Chile and CMPC join forces to develop a Biodiversity and Sustainable Development Chair.

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Aware of the opportunity that we and the forestry industry as a whole represent for the protection of nature and the fight against climate change, in 2021 we launched the CMPC Chair on Biodiversity and Sustainable Development

together with Pontificia Universidad Católica de Chile. A joint initiative between CMPC and academia, it supplements the existing alliances with Universidad de Concepción and Universidad Austral de Chile.

Other strategic partners



GLOBAL PACT
pactoglobal.cl

WBCSD
www.wbcsd.org/

CDP
www.cdp.net/en/

AMCHAM CHILE
www.amchamchile.cl

AMCHAM BRAZIL
www.amcham.com.br



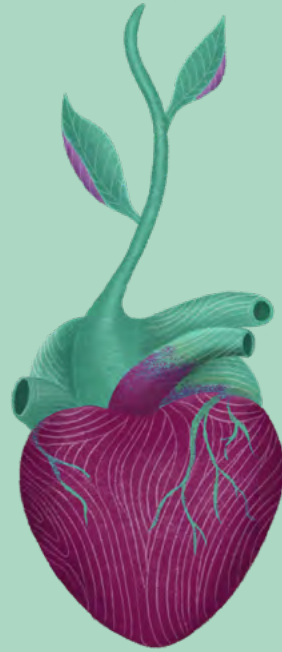
For more information, check out the digital version of our **2021 Integrated Report** by scanning this QR code.



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DESIGN: MANDARINA





2021 SUSTAINABILITY REPORT

