



CORPORATE GOVERNANCE HANDBOOK



INTRODUCTION

This document establishes principles and standards that govern CMPC's corporate governance. It contains the fundamental principles and standards that the Company wishes to apply to promote a culture of integrity, honesty and responsibility, in addition to the corporate governance structures and procedures that have been implemented to achieve this objective.

This Handbook must be read and comprehended. In case of doubts with respect to the meaning and scope of the principles and rules contained in this document, you should consult your supervisor. Employees are obliged to report to their supervisor any act or omission that comes to their attention that constitutes a violation of the provisions of this Handbook. To that effect, the Company has a reporting system in place that protects confidentiality.

CMPC'S MISSION AND VALUES

CMPC's mission is to produce and market its products in a sustainable manner, with superior and competitive quality, adding value to its shareholders and customers, while also contributing towards the creation of development opportunities for its workers and the community in general.

In order to fulfill this mission, CMPC has defined 5 principles in its Code of Ethics that must underpin all of its activities and guide the actions of its directors and employees. CMPC's business strategy must be based on sound and honest commercial relationships, where good treatment, openness, loyalty, trust, and good faith prevail, all of which contribute to the welfare of the Company, its employees and society.

In order to achieve its values, mission and corporate vision, CMPC's employees and directors shall observe the following guidelines and duties:

- Its business decisions must be based on values of integrity, responsibility and loyalty, honoring the Company's commitments, acting with honesty, and doing a good job with personal effort.

- Protecting the relationship of transparency and respect with all of the Company's shareholders, communities and the authorities, which must be based on the delivery of timely, reliable and sufficient information, coupled with responsible decision-making in the best interest of the Company. As an issuer of publicly traded securities, it is essential for CMPC to comply with the laws, regulations and internal standards that relate to the timely and complete disclosure of information to the market, including the Handbook for Handling Relevant Market Information.
- The furtherance of the corporate interests, making business decisions based on sound management practices, consistently with the general interest of the Company and never based on arbitrary grounds, personal interests or external pressures.
- Treating people with respect, in observance of laws and regulations concerning personal safety and non-discrimination based on race, religion, sex, nationality, or other factors. The company expressly forbids any abusive conduct by one employee towards another, including requests of a sexual nature, comments based on ethnicity, religion, or race, or any personal comments that are represented as inappropriate.
- Developing strong business relationships with customers based on a customer-oriented business structure.
- Promoting practices that favor competition, which benefits consumers, allows for an efficient allocation of resources, stimulates innovation, and has an impact on shareholder welfare.
- Working towards the integral development of its employees, in order to achieve a strong identity, commitment and high performance of its work teams. The company seeks to consolidate itself as an attractive place to work.
- Strictly complying with the laws and regulations in all countries where it operates.

- Building a relationship of collaboration and trust with the community, seeking to maximize the social benefits of all operations.
- The Company's information, assets, resources and opportunities must be used only for the benefit of the Company and safeguarded with special care and, if necessary, with due confidentiality.

CMPC 'S CORPORATE GOVERNANCE

The principles set out in the previous section must inform the actions of the Company's management and administration in Corporate Governance matters. The following are the actions that - either under applicable law or based on the voluntary practices that the Company has imposed on itself - allow each of the aforementioned principles to be put into practice in the various corporate governance structures of CMPC.

1. EXECUTIVE MANAGEMENT

The Board of Directors is responsible for managing the Company. The general practice is that leadership and management of the day-to-day affairs of the Company fall upon the Board of Directors yet are held and conducted by the Company's Chief Executive Officer. The Chief Executive Officer is appointed by the Board of Directors.

The Chief Executive Officer manages the Company in accordance with the Company's policies set by the Board of Directors, and proposes actions for approval by the Board of Directors.

The Chief Executive Officer keeps the Board fully and timely informed of the progress of the business towards defined objectives, as well as of all deviations and problems arising therefrom. The general management powers delegated by the Board of Directors to certain executives contemplate monetary limits and types of acts and do not allow any executive, acting individually, to dispose of funds or assets of the Company.

2. BOARDS

APPLICABLE RULES TO CMPC'S BOARD

The Board of Directors approves the goals of the business, the policies within which it is to be managed, and evaluates its performance. The Board of Directors shall meet regularly on a monthly basis, and exceptionally as required by law, applicable regulations and the bylaws. Board members must know, keep abreast of and fully comply with their duties under applicable laws and regulations.

It is the Board's responsibility to ensure that a strategic planning process is in place, as well as to review, challenge, validate and monitor its execution. In particular, the Board shall review the company's strategic plan, approve an annual business plan and a budget that is appropriate for the successful execution of the aforementioned plans.

The Board of Directors shall also i) approve the conduction or cessation of business activities; ii) approve any investments or divestments; iii) monitor the Company's progress in achieving its objectives, reviewing and adjusting the direction of the same in light of changing circumstances; iv) maintain talent selection systems and provide for the adequate and timely replacement of executive functions; and v) approve the Company's risk management model, its policies and its administration.

Board members must always make their decisions in the best interests of the Company. Any conflict of interest that may arise must be disclosed and addressed in accordance with the applicable general legal and regulatory provisions, as well as in accordance with the Conflicts of Interest and Related Party Transactions Procedure.

The Company's Board of Directors shall be made up in the manner agreed upon by the shareholders. However, the Company's Board of Directors prefers to be composed of a combination of Board members appointed by the parent company and independent Board members, whether or not they are appointed

with the vote of the parent company, and that it also be composed of candidates that meet diversity criteria, both in terms of gender and in terms of education, origin and experience.

SPECIAL RULES OF BOARDS OF CMPC'S SUBSIDIARIES

The Company's subsidiaries that are structured as a corporation will be managed by their respective board of directors. In this case, the Board of Directors of CMPC will be responsible for defining who their members are. In doing so, it shall abide by the following guiding principles: i) diversity of skills in consideration of the characteristics of the business in question; ii) that, as circumstances dictate, there is an appropriate combination of external directors and Company executives; iii) that members have the ability to assert their opinions in a vigorous, frank and independent manner.

There shall be a permanent and timely flow of relevant information from the subsidiary to its respective parent company, in a sufficient and concise manner, considering the significant workload of the Boards of Directors and the time restrictions inherent to their operation.

COMMITTEES COMPOSED OF BOARD MEMBERS

CMPC has instituted the following committees composed by directors, in order to aid and facilitate the management of certain aspects whose further review has been deemed critical and relevant.

- The Directors Committee, composed in the manner and fulfilling the duties set out in the Law on Corporations and others specified in the bylaws or specifically entrusted to it by the Board of Directors.
- The Risk and Audit Committee, composed by the Chairman of CMPC's Board of Directors, two of the Company's directors, the CEO, the Corporate General Counsel, and the Internal Audit Manager. Its function is to supervise and coordinate all actions aimed at identifying, reporting and preventing the risks entailed by CMPC's businesses. The Audit Committee will review the risk matrix and report periodically submitted by the Risk Department before the

Board; approve the yearly internal audit plan prepared by the respective department; and supervise the execution thereof.

- Financial Risks Committee, composed by the Chairman of CMPC's Board of Directors, one of the Company's directors, the CEO, Corporate General Counsel, the CFO, and an external advisor appointed by the Board of Directors. The function of this committee is to analyze the Company's financial risks, placing a particular emphasis on the contracting of derivatives and other financial operations. For these purposes, the committee will meet on a quarterly basis and subsequently present its recommendations before the Company's Board of Directors.

- Ethics and Compliance Committee, composed by the Chairman of CMPC's Board of Directors, one of the Company's directors, the CEO, and the Corporate General Counsel. Its function is to supervise the execution of the integrity and compliance strategy approved by the Board of Directors, as well as to review the complaints and reports received through the channels put in place by the Company; to define the formalities and means to investigate such complaints and reports; and, if appropriate, to recommend to the Board of Directors and to Management the adoption of specific measures once the review has concluded.

- Sustainability Committee, composed by the Chairman of CMPC's Board of Directors, one of the Company's directors, the CEO, and the Corporate Affairs, Environment and Sustainability Managers. Its function is to define the objectives and assess the implementation of the sustainability, community relations, and environmental programs of CMPC.

SHAREHOLDERS

One of the guiding principles which CMPC's directors and workers must follow is that of safeguarding a transparency relation with the shareholders. This is materialized in practice as follows:

CMPC: i) issues quarterly financial reports; ii) holds phone conferences with its shareholders, both in Chile and overseas, based on the aforementioned

reports; iii) issues press releases on relevant topics, as deemed necessary or convenient; and iv) issues an Integrated Report, addressing sustainable development matters.

CMPC has a webpage (www.cmpr.com), which is in Spanish, English and Portuguese, containing the information required by the applicable laws and regulation, along with other information which may interest the shareholders and the general public, such as the Company's material disclosures, its bylaws, and the minutes of its shareholders meetings.

The Company's webpage has a specific section designated for investors, which includes information about the Company's financial profits and losses, sustainability and corporate governance matters, a calendar of events in which the Company participates, the documentation presented during these events, and information supplied to the market, among others.

The Company's webpage also includes a confidential whistleblowing system, through which both shareholders and any other person can report – in a safe, confidential and anonymous manner – any situations which could affect their rights or entail a risk for them or for the Company.

Moreover, CMPC has also established a website for shareholders and brokers (www.acciones.cmpr.cl), where frequently used certificates can be requested online and the balance of shares can be checked, among other functionalities.

The Company publishes on its website relevant information for shareholders meetings, including summons and supporting documents. Likewise, for the purposes of market transparency, the Company streams videos of its shareholders meetings.

In advance prior to the ordinary shareholders meetings, the Company will publish the background professional experience and professional profile of any candidates to assume the office of directors of CMPC. This information will be made available to shareholders and to the market in general on the Company's corporate website.



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