CORPORATE GOVERNANCE POLICIES AND PROCEDURES

Within the framework of the implementation of good corporate governance rules, the Board of Directors of Empresas CMPC has approved a series of policies and procedures, as set out herein. These rules are mandatory for CMPC's directors, executives and employees, as applicable.

PROCEDURE FOR ONBOARDING OF NEW DIRECTORS

Introduction

This document sets out the onboarding process for all new directors of the Company, aiming to provide them with knowledge and understanding of matters of relevance to the Company, including key issues of the Company and its business, and the functioning of the Board of Directors. The Chairman of the Board of Directors is in charge of the Procedure.

Practical Application

The Chairman shall give the new directors, upon assuming office, a folder containing at least the following information for onboarding:

1. Corporate Governance Policies and Procedures.
2. General Policy on Ordinary Transactions.
3. Management of Information of Interest to the Market Handbook.
4. Corporate Governance Manual.
5. Code of Ethics.
6. Integrity Policy Anti-corruption.
7. Integrity Policy Competition and Antitrust.
8. Crime Prevention Policy.
9. Corporate Risk Policy.
10. Integrated Report of the Company.
11. Investor Relations Presentation by the Corporate Department.
12. Minutes of Board of Directors meetings for the last 3 years.

Meetings may be held between the new director, the Chairman, the Chief Executive Officer (CEO) and senior executives to discuss, inter alia, the following matters:

- History / description of the Company.
- Mission / vision.
- Ownership structure.
- Company's organizational chart, including descriptions of key functions.
- Overview of balance sheet, income statement and cash flow.
- Major investment and corporate development projects.
- Main accounting criteria.
- Integrity and Compliance Program.
- Risk management and internal audit procedures.
- Financial standing of the Company.
- Accounting policies.
- Human resources, executive development and talent management matters.
- On-site visits to representative facilities.
- Most relevant legal proceedings and contingencies.
- Status of compliance with relevant applicable regulations.

Person in charge

The Chairman of the Board of Directors.

PROCEDURE ON CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS

As a general rule and main criterion for resolving conflicts or issues in this regard, whenever a Related Person is involved in a Related Party Transaction or has a Conflict of Interests, the interest of the Company shall always take precedence over such Related Person's own interests.

This procedure governs how to act in the event of a transaction with a related party and in the event a conflict of interest arises, during the course of the Company's business.

Transactions with Related Parties

A related-party transaction is any negotiation, agreement, contract or operation involving the Company (or a Subsidiary) and, in addition, any of the persons who, under the applicable rules, are deemed to be related to the Company. These transactions are governed by the provisions of Title XVI of the Law on Corporations. Notwithstanding these provisions, the following duties of conduct shall also apply:

Duty to inform: Related Persons who have an interest in or participate in negotiations leading to a related-party transaction shall immediately inform the Secretary of the Board of Directors. In addition, any Company employee who becomes aware of a related-party transaction shall be under the obligation of reporting it to the Corporate General Counsel.

Review by the Directors' Committee: The relevant transaction and its background information shall be submitted for analysis by the Directors' Committee, which shall draft a report on the matter and send it to the board of directors.

Prior approval by the Board of Directors: The transaction shall then be approved ex ante by the Company's Board of Directors, excluding the Involved Director, before being consummated. If the majority of Directors are required to abstain from voting, the transaction must be approved by the unanimous vote of the non-involved Directors.

Written record: If required by the board, the Involved Director or Executive shall make public their opinion regarding the transaction, which shall be recorded in the minutes of the relevant board meeting. The minutes shall also record: (i) the report issued by the Directors' Committee; (ii) the grounds for the decision, clarifying that it is intended to promote the corporate interest and that the price, terms and conditions are in line with prevailing market conditions at the time of the transaction's approval; and (iii) the reasons why the involved Director(s) was/were excluded.

Information to the Shareholders' Meeting: The Board of Directors' decision shall be reported at the next Shareholders' Meeting, mentioning the Directors who approved it.

Approval at the Shareholders' Meeting: If the transaction is not approved by the Board of Directors, it may be approved at a Special Shareholders' Meeting, with the vote of 2/3 of the issued voting shares.

In this case, the Board of Directors shall appoint at least one independent appraiser to report to the shareholders regarding (i) the conditions of the transaction, its effects and its potential impact on the Company; and, (ii) any aspects regarding which the Directors' Committee, where appropriate, has expressly requested an assessment.

The Board of Directors shall make the appraisers' reports available to the shareholders on the next business day following the date when they are received by the Company, at the Company's offices and on the website, for a minimum period of 15 business days as from the date when the last of these reports was received. The Company shall communicate the above to the shareholders as a Material Disclosure.

The directors shall state their opinion on the convenience of the transaction for the company's interests within 5 business days as from the date on which the last of the appraiser's reports was received.

Opinion of the directors: If, in accordance with the above, one or more directors of the Company issue an opinion on transactions with related parties, they shall (i) explain the relationship they have with the counterparty to the transaction or the interest they hold in it; and (ii) refer to the convenience of the transaction for the corporate interest, to the reservations or objections of the Directors' Committee, if applicable, and to the conclusions of the appraiser's reports, if any.
These opinions shall be made available to shareholders on the day after they are received by the Company, at the Company's offices and on the website, and must be reported by the Company as a Material Disclosure.

Exempt Transactions

The provisions for related party transactions shall not apply to those transactions that are considered exempt, namely:

(a) Transactions that are not of a significant amount: Any agreement or contract that exceeds 1% of the company's equity is deemed to be a significant amount, provided that it exceeds UF 2,000, and, in any case, when it exceeds UF 20,000.
(b) Transactions that fall within the General Policy on Ordinary Transactions of the Company's Line of Business; and
(c) Transactions with companies where the Company directly or indirectly owns at least 95% of their shares.

As regards these transactions, at the end of each year, each business unit shall propose to the Directors' Committee and the Board of Directors the general framework for Exempt Transactions that it should implement during the following year, based on its budget and historical record. This information shall be forwarded to the Directors' Committee for analysis and subsequently to CMPC's Board of Directors for approval.

Once the procedure described above has been completed, the Exempt Transactions shall be reported ex post to the relevant Board of Directors and the Directors' Committee, in accordance with the approved terms.

If during the year a transaction that has been classified as Exempt ceases to hold such status because the relevant requirements are not met, it shall be subject to the procedure for Transactions with Related Parties.

Conflict of Interests

A conflict of interests is defined as the conflict that exists in any agreement, contract or negotiation between CMPC and one or more persons when there are contractual, business, kinship or emotional relationships - either directly or through an intermediary - between the person who evaluates, decides or executes said agreement, contract or negotiation, or manages, supervises or exerts oversight over its effects, and those who are CMPC's counterparty to that agreement, contract or negotiation.

Directors, Managers and Senior Executives are bound to declare any conflicts of interest that affect them, through the system provided by the Company. This obligation shall be fulfilled annually or as soon as they become aware of it, and at any rate within 3 business days as from the moment when they became aware of the conflict.

Unless expressly authorized in advance and in writing by the Ethics and Compliance Committee, the person affected by the Conflict of Interest may not continue to participate in the transaction in question.

Person in charge

Corporate General Counsel.

BOARD OF DIRECTORS TRAINING PROCEDURE

Introduction

This document sets out the ongoing training that the Company's Board of Directors must undergo, aiming to provide Board members with tools to enable them to perform their duties based on information and skills that are up to date with the Company's specific situation.

Once a year, the Board of Directors shall arrange for a presentation on the best corporate governance practices adopted by similar companies, as well as on any progress that may have been made in the areas of sustainability and risk management.

In the same instance described above, the Corporate General Counsel or whomever the Board of Directors may designate shall inform the Board of Directors of the most relevant rulings and sanctions or judgments associated with the fulfillment of directors' legal duties, as well as of any situations that may result in conflicts of interests, for the purpose of analyzing possible solutions to such cases.

When the onboarding procedure detailed above is carried out as a result of a change in the composition of the Board of Directors, the training referenced herein shall not be carried out, because the topics that the training procedure addresses are also covered in the onboarding process. In this scenario, training shall be resumed the next calendar year.

Person in charge

Corporate General Counsel.

CONTINUITY OF THE BOARD OF DIRECTORS IN CRISIS SCENARIOS

Introduction

This document sets out the contingency procedure to be implemented in the event of a critical event. Its purpose is to define the guidelines to be followed in the event of a critical event affecting the Company.

The Board of Directors shall define what amounts to a critical scenario, for which purpose it shall take into consideration the Company's risk matrix (the "Critical Event").

Upon the Board of Directors determining the occurrence of a Critical Event, it may (i) order the establishment of an ad hoc committee, which, depending on the nature of the case, may be comprised of Company directors, directors of Subsidiaries, senior executives and external advisors, among others (in which case the minutes of the committee meetings shall be drafted by the Secretary of the Board or whomever the Secretary designates); and (ii) with the assistance of the Corporate General Counsel and external legal advisors, if necessary, it shall define the relevance, timeliness and content of any disclosures that may have to be issued to the market, and also to the organization itself.

Immediately after its establishment, the Crisis Committee shall appoint a chairman and define its operational rules to address the Critical Event. After each session, the chairman of the Crisis Committee shall report to the Chairman of the Board of Directors on the conduct of the aforementioned meeting, providing them with a copy of the relevant minutes, which shall be kept by the secretary designated by the committee. Based on the report of the Crisis Committee, the Board of Directors shall determine, on a case-by-case and independent basis, whether or not it should hold a special meeting.

The Crisis Committee shall analyze and propose to the board, among other matters and to the extent applicable: (i) the need to change the management of a Subsidiary; (ii) to take positive action on a particular Business Area; (iii) to designate specific persons in charge of communications in the case; (iv) to hire experts to deal with the situation; (v) to propose specific courses of action to resolve it; (vi) to set up work teams; (vii) to issue internal communications within the Company in order to keep employees and, where appropriate, other company collaborators, adequately informed; and (vii) to safeguard the confidentiality that the case may merit throughout the process.

Person in charge

Chairman of the Board of Directors.

PROCEDURE FOR ON-SITE VISITS

Introduction

This document regulates on-site or field visits to the Company's premises and facilities by its directors, for the purpose of facilitating the flow of information from the Company's operations to its directors with a view to promoting better knowledge and understanding of all matters relevant to the Company's business.

Practical Application

The Board of Directors shall hold at least one meeting a year at the Company's plants or facilities for the purpose of becoming acquainted with: (i) their status and operation; (ii) the main functions and concerns of those who work in them and (iii) the recommendations and improvements that, in the opinion of those responsible for these departments and facilities, would be worth implementing.

The above is without prejudice to the visits that Board members may conduct together with senior executives to the Company's operations on a regular basis. Similarly, the Board of Directors shall invite, when it deems it pertinent, business or facility managers of the Company to give presentations at Board meetings on the status of these operations, the progress of the business, its contingencies and future projects.

When the onboarding procedure detailed above is carried out because of a change in the composition of the Board of Directors, the procedure regarding on-site visits referenced herein shall not be applied, and its application shall be resumed the next calendar year.

PROCEDURE FOR ONGOING IMPROVEMENT IN OPERATIONS

Introduction

This document sets out the procedure for the continuous improvement in the execution of the board of directors' tasks. Its purpose is to detect areas for improvement and eventually act upon them, particularly in areas falling within the Board's remit in accordance to the law, the Company's bylaws and good management practices.

To this end, directors will answer the questionnaire below on an annual basis, in order to identify areas for improvement in the best interests of the company and implement such improvements where necessary. The questionnaire shall be submitted to the Chairman of the Board of Directors.

The purpose of the questionnaire is not to evaluate the duties of the members of the Board of Directors individually, but rather the Board of Directors as a whole as a managing body.

QUESTIONNAIRE FOR THE FORMAL PROCEDURE FOR ONGOING IMPROVEMENT IN OPERATIONS

Instructions:
Based on your experience, please rate each of the following Board functions on a scale of 1 to 4, with 1 being the lowest level of development and 4 being the highest level of development in each case.

Activities	Development Level
Contribution to the development of corporate strategy	
Understanding relevant competitive trends and guiding, challenging and questioning the assumptions of senior management	
Defining senior management corporate goals and ensuring measurement and monitoring of the Company's performance	
Overseeing the performance evaluation methodology for employees, including the CEO and senior executives	
Approval of the Company's risk management program, policies and administration	

Activities	Development Level
Ensuring compliance with legal rules and the Company's internal regulations	
Monitoring internal control or audit processes	
Approval of budgets and business plans, in the long, medium and short term	
Review and approval of corporate policies	
Analysis and approval of the Global Report, including, but not limited to what interests of other stakeholders should be considered in the light of the company's interests	
In case of any other activity, please specify	

The results of the above questionnaire shall be analyzed jointly by the Board of Directors and the CEO in order to identify potential improvements to be considered and acted upon in Board meetings, whenever deemed necessary.

ACCESS TO INFORMATION BY THE BOARD

Introduction

This document sets outs the policy providing a director remote and secure access to relevant information in relation to the matters to be addressed during board meetings, including its formal aspects, as well as remote, secure and permanent access to the archive of certain documents.

Practical Application

The Company's directors can securely and remotely access the information that has been discussed in board meetings through the Remote Access System for Minutes, hereinafter the "System".

The CEO, at least 5 days prior to the relevant meeting, shall send directors the minutes or document that summarizes the matters to be discussed and any other background information that shall be presented therein, or any additional information necessary to prepare for the meeting.

Once the relevant board meeting has concluded and at least 3 days prior to the next meeting, the Secretary of the Board shall make available to Directors, by remote means, a draft of the minutes of the relevant meeting for comments.

Directors shall have access to the drafts, comments made on them, and final versions of the minutes of board meetings duly signed by all attending parties and the documents relevant to that meeting, which have been made available to directors in accordance with the provisions of this procedure.

The System sorts the minutes and the folders containing the information presented at each meeting by number.

PROCEDURE TO ACCESS INFORMACIÓN ABOUT CANDIDATES TO THE POSITION OF DIRECTOR

Introduction

This document sets out the procedure for making information on candidates to the post of director available to shareholders. The Board of Directors seeks to ensure that adequate and timely information regarding the application process, the characteristics of the applicants and the election of directors is provided to the market and shareholders.

Practical Application

Any natural person who meets the requirements set out in the bylaws and the applicable laws and regulations may be elected as a director. In turn, to be an independent director, the conditions provided for in the specific applicable regulations in this regard must also be met.

Although any person who meets these requirements can stand for election, the Board of Directors encourages shareholders to give preference to candidates who ensure a clear diversity among its members, both in terms of gender and in terms of educational background and professional experience, in order to enhance the operation of the Board of Directors as a diverse and expert collegiate body.

The Chief Executive Officer shall make available to the shareholders and the general public, at least 2 days prior to the Shareholders Meeting and to the extent possible: (i) all documents and information about the persons applying for the position of Company director, including those relating to their experience, profession and trade, and whether they have maintained contractual, commercial or other relationships with the Company's controller or its main competitors or suppliers, within the last 18 months , and which have been submitted to the Company; (ii) the list of candidates for the post of director who, if applicable, have accepted their nomination and declared that they are eligible to hold the position; and (iii) in the case of candidates for independent director, the sworn statement required pursuant to the fifth paragraph of Article 50 bis of Law 18.046.

The above shall be carried out through the uploading to the Company's website (www.cmpc.com) of the background information received from each applicant for director who has provided such information.

The Company shall not be responsible for verifying the veracity of the supplied background information; rather, it shall limit itself to receiving it and making it available to the shareholders through its web page.

PROCEDURE TO DISCLOSE INFORMATION TO THE PUBLIC

Introduction

This document establishes the procedure for the Company to, on a yearly basis, disclose information to the market on issues pertaining to social responsibility, sustainable development, stakeholders, risks and indicators on these matters. Its purpose is to create mechanisms to facilitate the analysis and evaluation of the information that the Company discloses to the market on issues of social responsibility, sustainable development, stakeholders, risks and indicators on these matters.

Annually, the Company shall prepare the Global Report, which shall address at least the following matters:

a) Company practices in sustainable development, as well as its measurement indicators;

b) Specific goals and objectives in sustainability;

c) Relationship with the community and stakeholders;

d) Relevant risks, including sustainability risks, without prejudice to the specific indications in this regard in the "Risk Management Note" included in the Financial Statements;

e) The evolution of the goals in terms of sustainable development.

For the purposes of this procedure, the Company shall follow the principles of the *International Integrated Reporting Council* (IIRC) and the guidelines of the *Global Reporting Initiative* (GRI) standard.

The Global Report shall be made available to the Market at www.cmpc.com.

Person in charge

Corporate Affairs Manager.

PROCEDURE FOR THE ONGOING IMPROVEMENT OF DISCLOSURES TO THE MARKET

This document establishes the process for the review and ongoing improvement of the information that the Company discloses to the market.

Its purpose is to create mechanisms that facilitate the analysis and assessment on the sufficiency, timeliness and relevance of the information that the Company discloses to the market, so that the Board of Directors can decide on the need to improve the processes to prepare and communicate the disclosures that the Company issues to the market. The goal is for these disclosures to be provided to the public in a timely, complete and truthful manner, and for the disclosures to be easily understood by the public.

The provisions of this Procedure shall be mandatory for (i) the Administrators who are bound under reporting obligations; and (ii) any persons who, due to their post, position, activity or relationship with the Company, have access to the Information, such as external auditors, banks and attorneys, among others, all in accordance with the Procedure on Information Management.

Procedure

The Corporate Affairs Manager shall keep a chronological record – either physical or virtual – of the disclosures to the market issued by the Company, as per the provisions of the Management of Information of Interest to the Market Handbook, specifying the content of the disclosed information and the manner in which the disclosure was conducted.

Likewise, the Corporate General Counsel shall keep a chronological record – either physical or virtual – of the communications received from or submitted to the CMF, the Stock Exchanges or public bodies, regarding the Information that has been disclosed.

The Chief Executive Officer shall report to the Board of Directors, upon the Board's request, on the number and date of any received communications, as well as their classification based on the type of Information disclosed by the Company; and the treatment given to each of those communications, in case it has occurred prior to the date on which the report is issued.

The Board of Directors may request additional or complementary information from the Chief Executive Officer and shall analyze whether the information was disclosed in a sufficient, timely and relevant manner. Once a year, the Board of Directors shall review the information described above and, if deemed necessary, shall propose measures to improve the form, timeliness and relevance of the information reported by the Company.

Person in charge

The Chief Executive Officer, who, in qualified and extraordinary cases, may delegate to other Company executives one or more of the duties entrusted to him/her in this Procedure.

Update and safekeeping

The updating and safekeeping of this procedure shall be entrusted to the Secretary of the Board of Directors.

RISK MANAGEMENT AND CONTROL PROCEDURES

Introduction

To address risk management, CMPC has instituted a Risk Management Program based on the ISO 31000 and COSO ERM standards and on best practices.

The main cornerstones of this Program are Principles, Governance and Methodology. Principles provide guidance on the characteristics of effective and efficient risk management, communicating its value and explaining its intent and purpose. Governance sets out the governance structure that the Company establishes to implement and maintain risk management, including roles and responsibilities. Finally, Methodology refers to a set of elements that are executed to implement risk management, through a risk cycle, which ISO 31000 defines as “the Process”.

Purpose and Scope

The purpose of CMPC's risk policy is to establish the principles and governance, while the procedure defines the methodology used by the company to manage its risks.

The Program, together with its policy and procedure, applies to Empresas CMPC S.A. and all its business units and subsidiaries, located both in Chile and abroad.

General Principles

- The Board of Directors believes that risk management is an integral part of the Company's management and should therefore be integrated into its management.

- Risk management contributes to decision making by making available better information on risks.
    - Risk management aids in the achievement of objectives, contributing to the creation and preservation of value.
    - Risk management is taken into account when defining and planning the Company’s strategy.
    - Risk management is an integral part of all organizational activities, including, in addition to strategic definition and planning, investment projects, mergers and acquisitions, and business and value chain processes.

- Risk management is addressed in a structured Company-wide approach under the Program guidelines.

- Risks are managed within risk appetite and risk tolerance levels.

- Risk management is everyone’s responsibility, ranging from the Board of Directors to all administrative and operational levels. There are specific roles assigned to different groups or levels within the organization.

- Appropriate and timely consideration of stakeholders allows for their knowledge, views and perceptions to be duly taken into account. This results in enhanced awareness and better-informed risk management.
- Risks can arise, change or disappear with changes in the context, both external and internal to the Company. Risk management helps to anticipate, detect, recognize and respond to these changes and events in an appropriate and timely manner.
- The Program should be continuously reviewed and updated as the Company's context, or the maturity of its implementation, so warrants.

In order to give greater publicity to risk management, this matter will be detailed and reported periodically in the Risk Management Note contained in the Financial Statements.

Governance, roles, and responsibilities

The Board of Directors has approved the implementation of the Risk Management Program, along with approving the Policy. CMPC's Board of Directors is responsible for setting out corporate criteria and approving materiality levels and mandatory risk controls, as well as for the periodic monitoring of risk management indicators.

The Administration establishes an executive Risk Committee, led by the CEO and comprised of all senior executives, with the participation of the Chairman of the Board, the Vice Chairman and another director of CMPC, which meets every 3 months. The business areas also establish instances to supervise the implementation of the Program, together with the management of the main identified risks. In addition, they report their management plans to their respective Boards of Directors.

Material risks are classified into categories, which correspond to the company's risk sources. Each of these risk groups has an associated owner at the executive level, which corresponds to one of the members of the executive Risk Committee

Methodology and risk cycle

Methodology is one of the fundamental pillars of the Program. It answers the question of how the Program is implemented and provides tools for its execution. Methodology is regulated by this procedure.

Methodology has a series of stages that are applied iteratively. This risk management process should be an integral part of the company’s management and decision-making process, and therefore should be integrated into the structure, operations and processes of the organization. These stages, taken from the ISO 31000 standard, are the following:

- Communication and consultation
- Scope, context and criteria
- Risk assessment
    - Identification
    - Analysis
    - Valuation

- Risk treatment
- Follow-up and review
- Recording and reporting

All material risks are subject to the methodological guidelines of the procedure. For a risk to be material, it must have a High, Very High or Catastrophic potential effect, based on the severity thresholds determined in the procedure. These risks are analyzed under cause-consequence methodologies that enable a definition of critical controls, both preventive and mitigating, and the residual exposure level for each prioritized risk. The risks are evaluated from the perspective of various types of consequences: (i) personal health and safety, (ii) environmental, (iii) communities, (iv) compliance with obligations, laws, regulations and internal standards, (v) reputation and image, and (vi) financial. Treatment and response measures shall be determined based on the residual exposure level and taking into account the risk appetite. Finally, risk management indicators are established to monitor risk exposure and report to the various committees at the executive level, such as the Board of Directors.

As part of the treatment and response measures, the possibility of transferring them to third parties – usually insurance companies – exists for certain risks. The business areas and subsidiaries must identify the risk transfer requirements based on the risk assessment in each business/project and prepare proposals with the required coverage. The designation of Insurance Companies is made corporately, and the administration of policies must be executed in accordance with the Internal Regulation on the matter.

Body in charge of implementing the Program

Risk Management Department.

WHISTLEBLOWING PROCEDURE

Introduction

This document establishes the Company's Whistleblower Hotline procedure, consistent with the CMPC Whistleblower Hotline Protocol and other documents associated with the use of this tool.

The Company's Board of Directors, in order to promote the detection of possible failures in internal systems, failures to comply with regulations and any other act that is contrary to the law or regulations, or to the values and principles that inspire the Company's activities, has implemented a whistleblowing system, in order to uphold and protect the highest ethical and integrity standards.

Procedure

The Board of Directors has approved the implementation of a whistleblowing system through the Whistleblower Hotline, which can be accessed both through www.cmpc.com and the Company's internal web platform. Through this Hotline, both shareholders and employees as well as any person can report in a simple, secure, confidential and anonymous manner, any situations that go against the law or the Company's ethics and, in general, any situations that may violate their rights or constitute a risk either to them or to the Company.

In order to promote whistleblowing, the whistleblower is guaranteed anonymity when using the aforementioned system, if so required; and, otherwise, the confidentiality of his/her identity.

Once the complaint has been filed, the whistleblower can be informed of the status and progress of the same through the same channel. The Company will not tolerate any kind of retaliation against any individuals who use the whistleblowing system in good faith.

The investigation of complaints shall be entrusted to the Corporate Legal Department. Investigations must be carried out in the manner established in the specific manuals applicable to the whistleblowing hotline. Progress, cases and statistics will be reported to the Ethics and Compliance Committee, which, in turn, will regularly inform the Board of Directors of the received complaints, the investigations in progress, and the actions they have suggested to adopt.

Person in charge

Corporate General Counsel.

PERSONNEL DEVELOPMENT AND SUCCESSION PROCEDURE

Introduction

This document sets out the personnel development procedure, the purpose of which is to identify the diversity of skills, knowledge, conditions, experiences and outlooks that the Company's executives should have, as well as to institute adequate succession procedures. Its purpose is to establish a mechanism to identify the diversity of skills, knowledge, conditions, experiences and outlooks that executives should have and to facilitate the proper operations of the Company in the event of a change or loss of the Chief Executive Officer or senior executives whose continuity of functions is essential for the Company.

Procedure

In order to identify the diversity of skills, knowledge, conditions, experiences and outlooks that executives should have, the Company has implemented an annual evaluation system that includes the following factors: Leadership; Achievement orientation and excellence; Openness to change and entrepreneurship; Sustainable management; Teamwork; Management skills and adherence to CMPC Values and Culture.

Thus, a performance management system is in place, as part of the development cycle of its executives, which seeks, through the evaluation of the staff's objectives and skills, to identify strengths and develop individual development plans that allow executives and workers in general to improve their work performance and enhance their professional growth. The implemented evaluation system enables the creation of mobility and allows for people to develop based on their own merits.

In order to provide continuity to the Company's functioning and operations, in the event of an unforeseen unattendance, replacement, absence, resignation or any other case or circumstance that entails the temporary or permanent removal of the Chief Executive Officer, or of one or more of the senior executives from their duties within the Company, the following procedure shall apply:

The Board of Directors shall evaluate whether any of the Company's current executives could be potential candidates to replace the Chief Executive Officer in the event of his/her removal from office, for any reason whatsoever.

Notwithstanding the foregoing, and in any case, the Chief Executive Officer or the pertinent senior executive, shall be responsible for maintaining the person who usually acts as his/her alternate in situations of common occurrence, such as vacations or illness, duly trained and informed of his/her duties. In any event, the Chief Executive Officer shall ensure that any confidentiality obligations inherent to his/her position are not breached.

COMPENSATION, INDEMNIFICATION AND INCENTIVES POLICY FOR MANAGERS AND SENIOR EXECUTIVES

Introduction

This document sets out the compensation, indemnification and incentives policy for managers and senior executives. Its purpose is to, through an appropriate compensation policy, promote high-quality management, manage risk exposure and align the priorities and incentives of the Company's senior executives with the short-, medium- and long-term objectives of the Company's management, in order to protect the corporate interest.

Likewise, this procedure seeks to minimize actions of senior executives that are not in line with the interests and values of the Company, and specifically to detect, in a timely manner, any instances in which this may occur.

General Policies

The compensation of the Chief Executive Officer and of senior executives will be governed fundamentally by market criteria. The compensation payable to the Chief Executive Officer and senior executives may have fixed and variable components. The variable income should seek to encourage executives to attain relevant achievements that meet the expectations of the Board, and which must therefore be aligned with the corporate interest, associated with sustainability criteria and the fulfillment of long-term strategic objectives.

In turn, the fixed income component of the compensation payable to the Chief Executive Officer and senior executives should be based on a sustainable performance, i.e. a performance that translates into reasonably satisfactory achievements of profitability and sustainability of the Company in the long term.

As a result of the foregoing, when determining the compensation of senior executives, the general interests of the Company shall be taken into account firstly, but in order to specifically define the compensation, the goals and incentives specific to the area where such executive works may be taken into consideration. The performance of senior executives should be evaluated by performance factors, based on the guidelines established by the Board of Directors.

The Board of Directors shall ensure that the senior executives understand and endorse the objectives set by the Board of Directors for the Company, and that they are willing to work loyally towards the achievement of such goals and objectives, and their connection with salaries and compensation plans.

The criteria taken into account for the establishment of variable compensation items may correspond to achievements of any nature that the Board of Directors deems appropriate to encourage, always aligned with the Company's sustainability criteria.

Therefore, the Board of Directors has resolved, as a matter of policy, not to establish incentives, nor indemnity payments, based on the achievement of accrued but unrealized profits or benefits, whose definitive situation could change in the future. Also, efforts shall be made to avoid establishing an incentive based on the measurement of partial aspects, the achievement of which could entail a deterioration of other aspects that are also necessary for the Company.

Severance payments to senior executives, once their employment contracts are terminated on any grounds, shall be subject to market terms for executives of a similar level in comparable companies. No person may participate in the decision on his or her own compensation, whether fixed or variable.

The Board of Directors shall review the salary structures and compensation and indemnity policies of the Chief Executive Officer upon proposal by the Chairman and that of the other senior executives upon proposal by the Chief Executive Officer, in order to ensure compliance with the guidelines set forth in this procedure. The Directors' Committee and the Board of Directors shall be advised of and issue a judgment on these structures and definitions, on an annual basis.

CORPORATE GOVERNANCE POLICIES AND PROCEDURES