Human Rights Due Diligence Processes at CMPC

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Within the framework of the United Nations Guiding Principles on Business and Human Rights (UNGPs), which establish that companies should have policies, due diligence mechanisms, and remediation processes to address risks related to human rights impacts, CMPC maintains ongoing human rights due diligence processes through risk identification and management, as well as certification processes that address specific human rights aspects. To achieve this, CMPC relies on the following tools:

Human Rights Policy

CMPC has a Human Rights Policy applicable to all its businesses and subsidiaries. The policy establishes the principles, commitments, and mechanisms for identifying, preventing, managing, and remedying potential human rights impacts. Its approach is preventive and aligned with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Fundamental Conventions, and the principles of the United Nations Global Compact.

The policy applies to employees, contractors, suppliers, customers, business partners, local communities, and Indigenous Peoples, promoting respect for fundamental rights such as non-discrimination, equal opportunity, freedom of association and collective bargaining, prevention of child labor and forced labor, occupational health and safety, and respect for the collective rights of communities and Indigenous Peoples.

This document constitutes the framework guiding the company's human rights due diligence process, directing the identification, assessment, prevention, mitigation, and remediation of potential or actual impacts.

This commitment also extends to the value chain through requirements and assessment processes applicable to suppliers and contractors, ESG audits and assessments, forest certifications, and monitoring and traceability mechanisms.

Third-Party Contracts

CMPC extends its sustainability and human rights commitments to suppliers and contractors through its Supplier Code of Conduct, Human Rights Policy, General Procurement Policy, and responsible sourcing procedures. These instruments establish legal, labor, environmental, and ethical compliance requirements that form part of the commercial relationship and third-party contracting and evaluation processes.

The company also requires compliance with standards related to labor rights, non-discrimination, occupational health and safety, child labor, and forced labor, among others.

These measures are complemented by monitoring mechanisms, ESG audits, traceability processes, and responsible sourcing programs, including forest certification requirements, raw material legality verification, and compliance with international regulations. Where gaps are

identified, CMPC promotes corrective action plans, performance monitoring, and training processes.

Reporting Hotline

CMPC has a Reporting Hotline[1], which serves as a channel for reporting acts or conduct that constitute or may constitute a violation of the Company's principles and values, corporate standards, or applicable laws.

The hotline is available to directors, senior executives, employees, suppliers, customers, neighbors, and other third parties in Spanish, Portuguese, and English. It allows anonymous reporting and guarantees the confidentiality of the information provided.

Through this channel, CMPC can identify risks and impacts affecting workers, contractors, communities, or vulnerable groups at an early stage, investigate reported issues, adopt corrective measures, and, where appropriate, implement remediation actions.

This channel is promoted through internal communications, digital platforms, e-learning courses, workshops, and training sessions. It is also available to third parties through the corporate website, supplier code of conduct, contracts, and commercial agreements, making it accessible to employees, contractor employees, suppliers, and external stakeholders.

Risk Management Program

CMPC maintains a Risk Management Program, designed and updated by the Corporate Risk, Audit and Compliance Department, based on ISO 31000 and COSO ERM standards and applied across all business units and countries where it operates. The program integrates financial, operational, environmental, social, and human rights risks under a governance structure led by the Board of Directors and supported by the Risk, Audit and Compliance Committee and the Sustainability and Regulation Committee.

Risk management is based on a continuous cycle of identification, analysis, assessment, treatment, and monitoring, ensuring systematic risk management and implementation of actions to keep risks within the Company’s risk appetite.

Remediation

If a human rights violation affecting any stakeholder group is identified, CMPC investigates the impact, its scope, and the remediation measures to be applied. Additionally, policies and procedures associated with the relevant process are reviewed and adjusted as necessary to prevent similar situations in the future.

[1] https://lineadenuncia.cmpc.cl/Denuncias

Ongoing Human Rights Due Diligence Processes

CMPC has ongoing certification, assessment, and monitoring processes that contribute to ensuring respect for, management of, and remediation of human rights impacts. The main mechanisms include:

Forest Certification

CMPC maintains a permanent and recurring verification mechanism through its FSC and PEFC Forest Management and Chain of Custody certifications. These certifications cover the Company's forest assets and industrial facilities, with annual internal and external audits and recertification every five years.

FSC and PEFC standards incorporate robust requirements regarding respect for human and labor rights, aligned with the ILO Fundamental Conventions. Among other matters, they prohibit child labor and forced labor, require non-discrimination, freedom of association, and compliance with labor and wage conditions in accordance with applicable legislation or agreements, covering both direct employees and contractors and subcontractors.

Both standards also require respect for the rights of Indigenous Peoples and traditional communities through the application of Free, Prior and Informed Consent (FPIC) whenever operations may affect their legal or customary rights, in accordance with the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169.

ISO 45001 Certification

CMPC operates an Occupational Health and Safety Management System covering all direct employees and contractors, aligned with international standards, including ISO 45001:2018. This system enables the identification, assessment, and management of occupational risks while promoting continuous improvement and strengthening the organization's safety culture.

This certification reinforces the protection of fundamental rights associated with safe and healthy working conditions by ensuring formal risk management processes, incident investigations, corrective actions, and continuous improvement, while considering worker participation in hazard identification and preventive measure development.

Supplier ESG Assessment

CMPC applies an evaluation methodology that measures supplier performance across economic, legal, operational, and ESG factors, verifying aspects such as financial strength, tax compliance, labor law compliance, accident rates, conflicts of interest, and corporate crime prevention.

Based on the results, CMPC supports suppliers in implementing corrective action and improvement plans to address identified gaps.

For strategic suppliers, the Company conducts an ESG Audit based on recognized international standards and frameworks, including the United Nations Global Compact principles, International Labour Organization standards, and Global Reporting Initiative standards. The audit also considers criteria and good practices used in sustainability assessments such as the Dow Jones Best-in-Class Indices (DJSI) and the Carbon Disclosure Project (CDP). This tool evaluates criteria such as human rights, labor practices, environmental performance, ethics, and supply chain responsibility.

Formal Human Rights Due Diligence Process

As a complement to its existing processes and instruments, CMPC began implementing a formal Human Rights Due Diligence process in 2024.

The objective was to deepen the Company's understanding of the potential impacts that its operations could have on people and communities, strengthening the identification, assessment, and prioritization of risks from the perspective of rights-holders, while evaluating the effectiveness of existing management mechanisms.

To oversee this work, CMPC established a working group composed of representatives from the Risk, Audit and Compliance; Sustainability; Public Affairs; Procurement; Labor Relations; Environment; and Occupational Health and Safety departments. This working group reviewed the recommendations and findings arising from the process and integrated them into the Company's Risk Management Program, which is supported by a collaborative and hierarchical governance structure designed to ensure comprehensive risk management. The implementation of the program is periodically reviewed by the Risk, Audit and Compliance Committee. In turn, the Internal Audit function provides independent assurance regarding the effectiveness of controls. Specialized committees, such as the Sustainability and Regulation Committee, oversee specific areas including ESG risks and compliance matters. Overall accountability for risk management rests with the Chief Executive Officer and senior executives, with ultimate oversight provided by the Board of Directors, which supervises the Company's overall strategy and uses this information to support informed decision-making.

<u>Scope of the Process</u>

For this exercise, the Human Rights Working Group agreed to cover forestry operations in the Biobío Region of Chile. Specifically, the assessment covered a representative sample of the operations supplying the Santa Fe mill, including suppliers of goods and services across nursery, establishment, harvesting, road construction and maintenance, and transportation activities.

<u>Stakeholders</u>

The stakeholder groups included direct employees, contractor employees, suppliers, and communities. A total of 111 interviews were conducted, and 256 employees, both direct and contractor personnel, responded to a survey.

The information gathered revealed stakeholders' recognition of the efforts made by CMPC and its teams to identify and mitigate human rights risks, particularly highlighting the territorial management function, which operates across the value chain covered by the process.

Regarding stakeholder communication, existing mechanisms such as the Reporting hotline, community engagement management, pre-operation consultations, and forest certification processes enable stakeholder information to be incorporated into the Risk Management Program.

Assessment of the Reporting Hotline

The assessment of the reporting channel carried out as part of the due diligence process found that it complies with the vast majority of UNGP requirements. It also showed that direct engagement by management teams with communities, as well as the telephone contact information displayed on trucks, are well-recognized communication channels among communities.

Results

During the formal due diligence process, a set of potential human rights impact hypotheses was developed and assessed, covering issues such as child labor, forced labor, human trafficking, freedom of association, collective bargaining rights, and discrimination, among others. Particular attention was given to potentially vulnerable groups, including women, children, migrant workers, and Indigenous Peoples.

These scenarios were reviewed with operational teams and compared against existing controls to identify potential risks and determine necessary improvements or additional controls.

Consistent with the risks associated with CMPC's industry, the process analyzed potential risks related to employee health and safety; impacts on communities arising from harvesting, transportation, and road operations; diversity and inclusion; harassment or violence by third parties; and other matters. Existing control measures were evaluated for each of these risks.

For example, regarding potential impacts on community quality of life due to road and route usage, it was determined that current measures are sufficient to manage these risks. Stakeholder communication processes, such as pre-operation consultations and community engagement initiatives, together with measures including Critical Route Analysis, the Worksite Intervention and Risk Form (IRF), and the Environmental and Social Significance Matrix (FIRIAS), help communicate identified impacts and mitigation measures.

Where additional measures were required, action plans were established and integrated into the Risk Management Program.

Examples of Findings and Additional Measures:

Findings	**Additional Measures**
Potential risk affecting the health and safety of contractor workers.	Nursery infrastructure improvement plan for contractor workers.
Potential risk affecting the quality of life and health of community members due to road works, harvesting activities, and/or transportation operations.	Update contractor fleet procedures to ensure compliance with commitments established during pre-operation consultations.
Potential risk of restricted access to grievance mechanisms due to connectivity limitations.	Improve connectivity by expanding internet coverage and deliver the “Respectful Work Environments” training program, including promotion of the Reporting Hotline to direct and contractor workers in the nursery.

The results and actions implemented to mitigate identified risks generated important lessons learned, including the need to continue strengthening awareness of the reporting hotline and maintaining ongoing engagement with stakeholders.

The results of the human rights due diligence process and the measures adopted to address improvement opportunities will be communicated to stakeholders through presentations and the distribution of information to participants in the process, allowing the effectiveness of the measures taken to be presented and evaluated.

To ensure access to this information and considering connectivity challenges in some operational areas, results will also be presented in person.

Based on the results and experience gained from this first formal process, the Company will determine which operational segment and country will be assessed next and how potential incorporation of organic and inorganic projects will be addressed.