

Code of Ethics

Approved by the Board of Directors of
Celulosa Arauco y Constitución S.A.

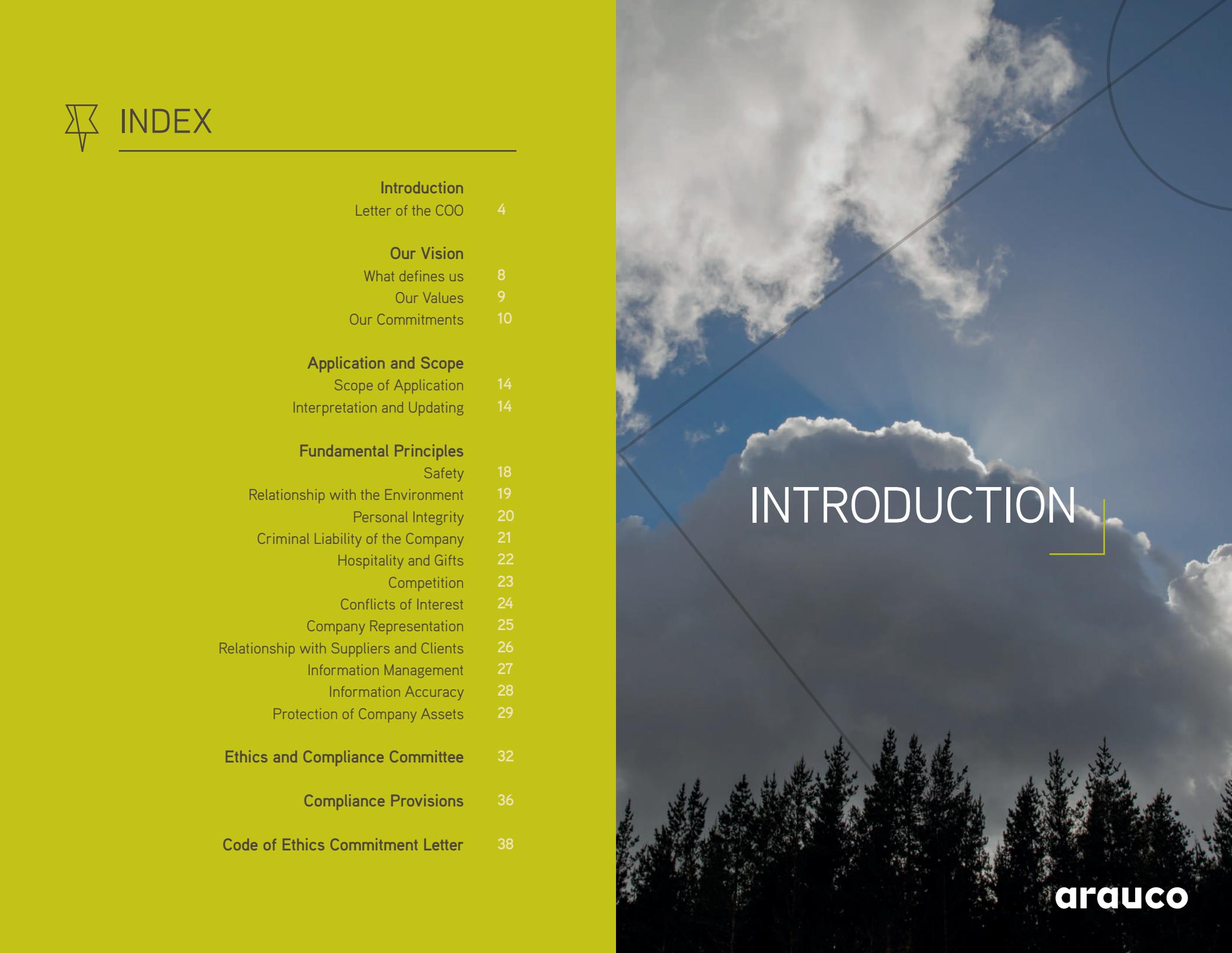
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INTRODUCTION



INTRODUCTION

Letter of the COO

Dear Team Members,

Throughout its track record, Arauco's actions (from its day-to-day duties to its big achievements) have been and will continue to be governed by the highest ethical principles, integrity and respect for the letter and spirit of the applicable laws.

Arauco's Code of Ethics is laid out in the following pages, including principles and values that should guide the decisions and actions of each person that is a part of the Company.

The purpose of this Code is to establish the general ethical framework applicable to job performance, in each and every one of Arauco's activities.

All of us who work at Arauco have the obligation of complying with this Code of Ethics, not only to guarantee that the activities that we perform strictly abide with the laws of the countries in which we are active, but also to guarantee the application of the highest corporate social liability standards and principles.

I am convinced that the spirit and righteousness that we have always sought in our actions, and that we epitomize in our principles and guidelines, will allow us to continue maintaining and improving the reputation that we have diligently built throughout the years with our clients, suppliers, shareholders, Team Members and, in general, with the communities with which we interact.

Moreover, this Code is a great tool that will help us to continue acting with integrity, providing confidence to all those that interact with our Company: our people, the authorities, clients, suppliers and shareholders. This Code applies to all of us who directly work at Arauco, as well as its directors.

We have many resources available to help you make adequate ethical decisions in connection to the specific tasks required by your position. This Code is only one of those resources, however, it is the basis for all the others.

We encourage you to convey your questions, concerns and complaints. Such inquiries should be made to our superiors or directly to the Ethics and Compliance Committee through the Complaint and Inquiry Channel. In the best scenario, keeping silent strips us of the opportunity to learn, improve and grow together. In the worst case, it can be costly and even illegal.

In consideration of the foregoing, I invite you to review our Code, to comply with its provisions and to act accordingly in each and every one of our activities.

Cristián Infante
COO



OUR VISION

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OUR VISION

Our Vision

To contribute to the improvement of people's lives, developing forest products for the challenges of a sustainable world.

What defines us

- We produce and manage **renewable** forest products.
- We are a **global company**, that takes on the challenges of its world-wide presence.
- We create products that improve **people's lives**.

Our Values



Safety: What comes first, always.

We put the safety of people as the priority in all our decisions. This is the only way in which we consider a job to be well done. Our goal is to have zero accidents.



Commitment: We work with passion.

We take on challenges and committedly work with passion and effort to achieve them. Arauco is comprised of hard-working and honest people, that live up to their word.



Excellence and Innovation: We want to be better.

We are leaders in our undertakings because we challenge our own capacities. We must be demanding with our goals, as well as efficient and innovative in the manner in which we achieve them.



Teamwork: Together we are more.

We respect people, we value each other's contributions, and we know that by working as a team we advance faster and can soar to greater heights. We acknowledge our limitations and ask for help.



Good citizen: We respect our surroundings and generate value.

We act applying a long-term perspective. Our work contributes to social well-being, respecting our neighbors as well the environment.



Our Commitments

- To secure the occupational health and the safety of both our Team Members as well as the Team Members of our business partners seeking to progressively and continuously reduce the safety risks of our operations and services.
- We sustainably seek to provide the maximum profit for our shareholders, through efficient, responsible and high-quality management of all our processes, applying the systems and procedures that guarantee the maximization of our business' long-term value.
- To promote the sustainable use of our environment's natural resources, investing in research, technological innovation and training, to progressively, continuously and systematically prevent and reduce the environmental impacts of our activities, products and services.
- To provide all of our clients with quality products and services, in a sustained manner over time, encouraging our suppliers to become part of Arauco's value and quality chain.
- To create an atmosphere for the development of all the Company's members, promoting work environments that are based on respect, honesty, professional quality, training and teamwork.

- To build permanent relationships, mutually collaborating with the communities in which our operations are staged, incorporating their concerns and needs in our decision-making process and supporting their development.
- To maintain an honest communication with the various stakeholders that are relevant to our Company.
- To comply with all the legal requirements in force as well as all other commitments that regulate our business and to positively exceed the established standards, to the best of our abilities.
- To establish and apply the systems and procedures that allow us to manage the risks of our business, regularly evaluating our performance in all processes, considering corrective measures when necessary.
- To inform, train and involve our Team Members, contractors and suppliers in complying with these commitments, implementing this policy with the collaboration and effort of all the foregoing.



APPLICATION AND SCOPE

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APPLICATION AND SCOPE



Scope of Application

This Code of Ethics **describes the basic and essential principles and values that each one of us must comply with in our professional performance.** It was not conceived to address all possible situations, nor as a summary of all laws and regulations applicable to Arauco. Therefore, under no circumstance must it be construed that this Code replaces or repeals other internal policies or procedures but rather, on the contrary, all these instruments complement and integrate each other.

This Code is applied to Celulosa Arauco y Constitución S.A. and its subsidiaries (Arauco), as well as its employees, directors and executives ("Team Members").¹

Interpretation and Updating



All Team Members must always use common sense and good judgement to address problems related to their behavior and seek guidance if they are unclear how to proceed in a specific case. **It is the responsibility of all persons subject to this Code to know, observe, comply with and fully enforce, all of its provisions.**

¹ Each time that this Code refers to Arauco's "Team Members", it shall be deemed that such reference also includes its directors and executives, as applicable.

- ▷ The adequate protection of the Company's interests requires the **obligation to promptly report**, through the channels specified below, **all the events or conducts that could entail an infringement to this Code.**
- ▷ The provisions in this Code could include, in some cases, requirements that are greater or additional to those set forth in the applicable regulations.
- ▷ **The contents of this Code must be enforced, without exceptions.** In any case, Arauco may establish, when deemed necessary and under specific circumstances, more stringent behavioral requirements applicable to its Team Members, which shall always be shared through the appropriate channels.
- ▷ **Any questions, including questions regarding the interpretation of this Code, should be addressed to the Ethics and Compliance Committee,** either directly or via the Chief Compliance Officer, and such Committee shall be responsible for determining the meaning and scope of the provisions contained herein.²
- ▷ Moreover, the Ethics and Compliance Committee shall be responsible for assessing any regulatory change applicable to this Code, as well as for submitting to the Board of Directors any amendments to its text. The Ethics and Compliance Committee shall publish the changes to this Code on the webpage www.arauco.com, and Team Members shall be responsible for complying with any future amendment, as well as for ensuring that all their coworkers remain informed regarding this important instrument.

² Inquiries can be directly addressed to any of the members of the Ethics and Compliance Committee or the Chief Compliance Officer, via letters, personally, or through the complaint and inquiry channel established on the Company's webpage.



FUNDAMENTAL PRINCIPLES



Fundamental Principles



Safety

▶ At Arauco, it is our conviction that people are the Company's most important asset; therefore, their safety is our top priority.

Self-care is imperative. Safety is a challenge that must be assumed with responsibility and maturity by each of the Company's Team Members. Behaviors and attitudes must be in line with the specific realities of each division, and ideas and improvements must come from the Team Members themselves.

Safety is a collective challenge, that must be included in our way of thinking, deciding and acting as a team. If safety does not become part of our culture and if we do not foster mutual care, anything that we do will be insufficient and meaningless.

Work that is well done is simultaneously safe and productive. Safety cannot be a mere speech, nor can it be a concern that runs parallel to production challenges. On the contrary, production must be safe at all times, because only in that way will it truly be sustainable.

In consideration of the foregoing safety obligations, Team Members must fully and promptly comply with each of the protocols and procedures established by the Company, starting with the Key Rules and followed by the remaining provisions that are specific to each activity, keeping vigilant and reporting any situation that could possibly entail a risk to their safety or that of their coworkers.

³ The Key Rules are included in the internal regulations, employment contracts and other materials that have been broadly disseminated within the Company.

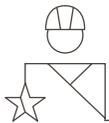


Relationship with the Environment

▶ Arauco and each of its Team Members are permanently, actively and responsibly committed to the protection of the environment. When performing its activities, Arauco considers the environmental aspects of the areas in which it is present, through the implementation of the best industry practices, values and commitments.

Moreover, Arauco's policies include the compliance with legal requirements, particularly with current environmental regulations, and the application of the standards established for situations in which no applicable laws or regulations exist.

Finally, considering that the Company is committed with the protection of the environment, each Team Member must perform his/her activities seeking to minimize his/her impact on the environment, being mindful of fully complying with the current applicable laws in this regard.

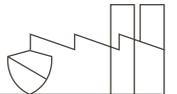


Personal Integrity

- ▶ Arauco's Team Members must exhibit exemplary behavior. **Arauco demands respect for the dignity of all its collaborators, the latter of whom, in turn, must display honest and responsible behavior in all aspects of their day-to-day duties.**

Arauco prohibits discriminatory behavior by its Team Members on factors including but not limited to race, religion, gender, sexual orientation, age, nationality, descent, marital status, disability. This prohibition against arbitrary discrimination is included in Arauco's recruitment and hiring processes, terms and conditions of employment, work tasks, training, remunerations, benefits, promotions, transfers, discipline and treatment of our coworkers.

Arauco also prohibits sexual and moral harassment by any of its Team Members. In addition to the corresponding complaint that may be issued in accordance with the Ethics and Compliance Code, any Team Member that considers him/herself to be a victim of such harassment should follow the complaint procedures epitomized in the corresponding Internal Regulation on Order and Safety.



Criminal Liability of the Company

- ▶ Depending on the region and applicable laws, Arauco could be liable for crimes perpetrated by its Team Members within the scope of their duties (some examples in Chile are money laundering, financing of terrorism, bribing of public officials, kick-backs among private parties or disloyal administration). For these purposes and supplementing the clear guidelines included in this Code, Arauco has set a comprehensive and suitable Crime Prevention Policy for the purpose of avoiding conduct that could result in criminal liability.

In consideration of the foregoing, **the Company explicitly and sternly prohibits any behavior that could lead to the Company's criminal indictment, perpetrated by its owners, controllers, responsible staff, upper management executives, representatives or those performing administration and oversight activities.** This prohibition is also applicable to the natural persons that are under the direct supervision of any of the abovementioned individuals.



Hospitality and Gifts

- ▶ **It is prohibited to promise, offer or provide gifts or any other benefit to national or foreign public officials, with the purpose of guaranteeing a business, influencing their decisions or obtaining any other type of advantage.** Moreover, it is forbidden to promise, offer or provide hospitalities, gifts or any other type of benefit to private officials, for example those working for suppliers or current and potential clients, with the purpose of guaranteeing a business or unduly influencing their decisions.

Likewise, Arauco's Team Members are not allowed to accept gifts, invitations and other benefits, when such threaten (or it could be interpreted that such jeopardize) their independence, impartiality or sound criterion to address the Company's interests.

Arauco's Team Members must rigorously comply with all the laws and provisions of each country, in all matters related to this subject.

The Ethics and Compliance Committee shall answer any specific inquiries that Arauco's Team Members may have with regards to this matter.

Competition



- ▶ **Arauco promotes and respects free competition**, not only to strictly comply with the applicable regulations, but also as a sound business practice and as a fundamental value that governs all the fields of its economic endeavors. Competition is an essential foundation for the development of markets, promoting the generation of greater wealth, equality of opportunity, greater production efficiency, and an increase in innovation.

It is strictly prohibited to negotiate agreements or exchange sensitive information with competitors, in contravention of the provisions and principles that rule free competition.

Moreover, it is prohibited to implement practices or strategies that could be considered as an abuse of dominant position in the market.

The provisions included in the Manual for the Compliance of Competition Principles and Regulations of Celulosa Arauco y Constitución S.A. are deemed an integral part of this Code.





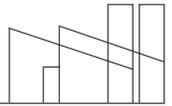
Conflicts of Interest

- ▶ **Conflicts of interest may arise when Team Members, as well as their spouses, life partners, relatives, friends or other similar acquaintances, have significant investments or hold management positions at other companies with which Arauco has or plans to have commercial relations.** Upon the occurrence of a conflict of interest, the Team Member that finds him/herself in such position must refrain from making any decisions on behalf of Arauco and communicate the existence of the conflict to his/her direct superior.

In any case, and following the general principles and regulations, if Arauco decides to perform the operation or conduct the business in which the conflict of interest is present, such shall take place at arms-length, and in accordance with conditions that are beneficial for Arauco.

Notwithstanding the foregoing, the legal provisions that regulate conflicts of interests must be strictly complied with.

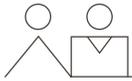
Company Representation



- ▶ **Team Members only act on behalf of the Company in the situations in which they have exclusively been granted powers of attorney or authorization,** whether due to the nature of their position or by explicit delegation. Therefore, they must refrain from acting on the Company's behalf when they have not been authorized to do so.

They must be particularly mindful of highlighting that they are acting in their personal capacity, when they are addressing their own endeavors that could be mistaken for activities being conducted on behalf of the Company. Examples can included but are not limited to the participation in political campaigns, the issuance of opinions to the public media, participation in social or community activities of any kind, making donations, submitting requests before the authorities, etc.

All Team Members must be particularly mindful when interacting with government officials and public authorities. It shall always be necessary to verify if interacting with said authorities on behalf of Arauco is in fact within the scope of the Team Member's responsibilities, and should be in strict compliance with legal regulations and the provisions of this Code.



Relationship with Suppliers and Clients

- ▶ **The relationship between Team Members and the Company's suppliers and clients must take place under strict independence and in accordance with the Company's interests.** This means refraining from taking on any type of commitment or bias towards a supplier or client, always prioritizing the Company's profit, quality and budget parameters.

The decision and hiring of suppliers shall always be based on technical, professional and ethical criteria as well as the Company's needs, and shall be navigated in accordance with objective factors, such as competition, price and quality.

Arauco's commitments with its clients and suppliers shall be reflected in the Company's respect for its rights and the permanent search for solutions that address its interests, always in accordance with the Company's development and profitability goals.

When applicable and with the purpose of preserving the highest degree of confidence from our clients and suppliers, Arauco adheres to the fundamental policy of treating any information of a commercial or business nature as exclusive and confidential property of its clients and suppliers. You must maintain the confidentiality of said information, unless its disclosure has been legally authorized or required.

Information Management



- ▶ Capital markets and stock exchanges in which Arauco and its parent companies have a presence, both in Chile and abroad, have enacted laws, provisions and regulations that address the use and disclosure of confidential corporate information. The purpose of such regulations is to protect the transparency that must prevail in the market, providing thorough and precise information regarding the business' significant aspects, with the purpose of allowing people to make adequate investment decisions and in order for Team Members, **that have access to confidential information, to refrain from using it for their own benefit or that of third parties.** In this regard, Arauco has drafted and implemented the Manual for the Management of Market-Sensitive Information, as required by General Provision No. 211 of 2008, issued by Chile's Financial Market Commission, the provisions of which are deemed an integral part of this Code of Ethics.

All Team Members are responsible for storing, in a safe and confidential manner, any document, information and/or securities to which they have access, strictly complying with Arauco's internal regulations and the applicable provisions of each country. The advisory and authorization of the Ethics and Compliance Committee, or of the respective division Manager, shall be necessary whenever the disclosure of this information is required due to business or regulatory reasons.

⁴ The Manual for the Management of Market-Sensitive Information is available in the webpage www.arauco.com.



Information Accuracy

- ▶ Arauco's policy establishes that the Company and all its Team Members must comply with the laws and internal policies related to the accuracy and integrity of accounting and financial records as well as their subsequent updating.

Legal and accounting ledgers, as well as operational records and any other managerial information, must be trustworthy and comply with our policies and procedures.

The operations between Arauco and related and non-related entities, must be promptly and accurately portrayed in our accounting ledgers, in accordance with the applicable legal and accounting principles, provisions and practices. **It is strictly prohibited, under any circumstance, to falsify information and/or provide inaccurate data.**

All information provided by Team Members to their direct supervisors, and internal and external auditors, as well as the documentation required by other institutions or entities, must be prompt, truthful, serious, reliable and complete. Each Team Member is responsible for providing all information in a clear and transparent manner.

Protection of Company Assets



- ▶ **It is the duty of all Team Members to protect and make appropriate use of all of the Company's assets.** The use of the Company's assets by Team Members shall be exclusively for the benefit of fulfilling the duties assigned to them. Moreover, each Team Member must be extremely careful and mindful of the assets that have been placed under his/her control, with the purpose of avoiding theft, burglary, damages, losses or any other event that could be damaging for the Company.





ETHICS AND COMPLIANCE COMMITTEE

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ETHICS AND COMPLIANCE COMMITTEE

The dissemination and application of this Code is within the scope of responsibilities of the Ethics and Compliance Committee. Congruently, it shall perform the following duties:

- To promote the values and behaviors that are encouraged in the Code of Ethics.
- To propose to the Board of Directors the updates or amendments to the Code of Ethics that it may deem applicable.
- To act as an advisory body.
- To order the corresponding investigations.
- To promote a global and comprehensive consistency in the interpretation and application of the Code of Ethics

Arauco's Board of Directors shall be entrusted with appointing the persons that comprise the Ethics and Compliance Committee. The Board of Directors appointed its Chairman and its Second Vice Chairman, as well as its Executive Vice Chairman, its Chief Executive Officer, the Corporate Comptrollership Manager and the Legal Director, and all of the parent company Celulosa Arauco y Constitución S.A. Moreover, the Board of Directors appointed a Chief Compliance Officer who will report directly to it and/or through the Ethics and Compliance Committee.

The Ethics and Compliance Committee shall be able to delegate its management responsibilities pertaining to the Code of Ethics to Team Members and shall be able to act through the latter.

Any person shall be entitled to report infringements to this Code and make the inquiries that they deem fit, through any of the members of the Ethics and Compliance Code or the Chief Compliance Officer, via letters, personally or through the complaint and inquiry channel set forth on the company's webpage, all of which shall be treated with the utmost confidentiality and discretion.





COMPLIANCE PROVISIONS



COMPLIANCE PROVISIONS

All the Team Members of Arauco and its subsidiaries have the obligation of complying with this Code, the policies that regulate them, the applicable provisions and the corresponding Internal Regulation.

Failing to comply with this Code shall be deemed a serious labor infringement. The foregoing shall apply notwithstanding the infringement that could stem from the provisions of the law or civil or criminal liability that could be enforced in each case.

You should not ignore the incorrect behaviors of others. Therefore, when you become aware of an infringement to this Code, you must report it either to your superiors, any of the members of the Ethics and Compliance Code or the Chief Compliance Officer, or channel this information in accordance with the provisions of Arauco's Complaint and Inquiry Procedure.

A copy of this Code of Ethics will be provided or made available to each Team Member at the moment of hire.

CODE OF ETHICS COMMITMENT LETTER

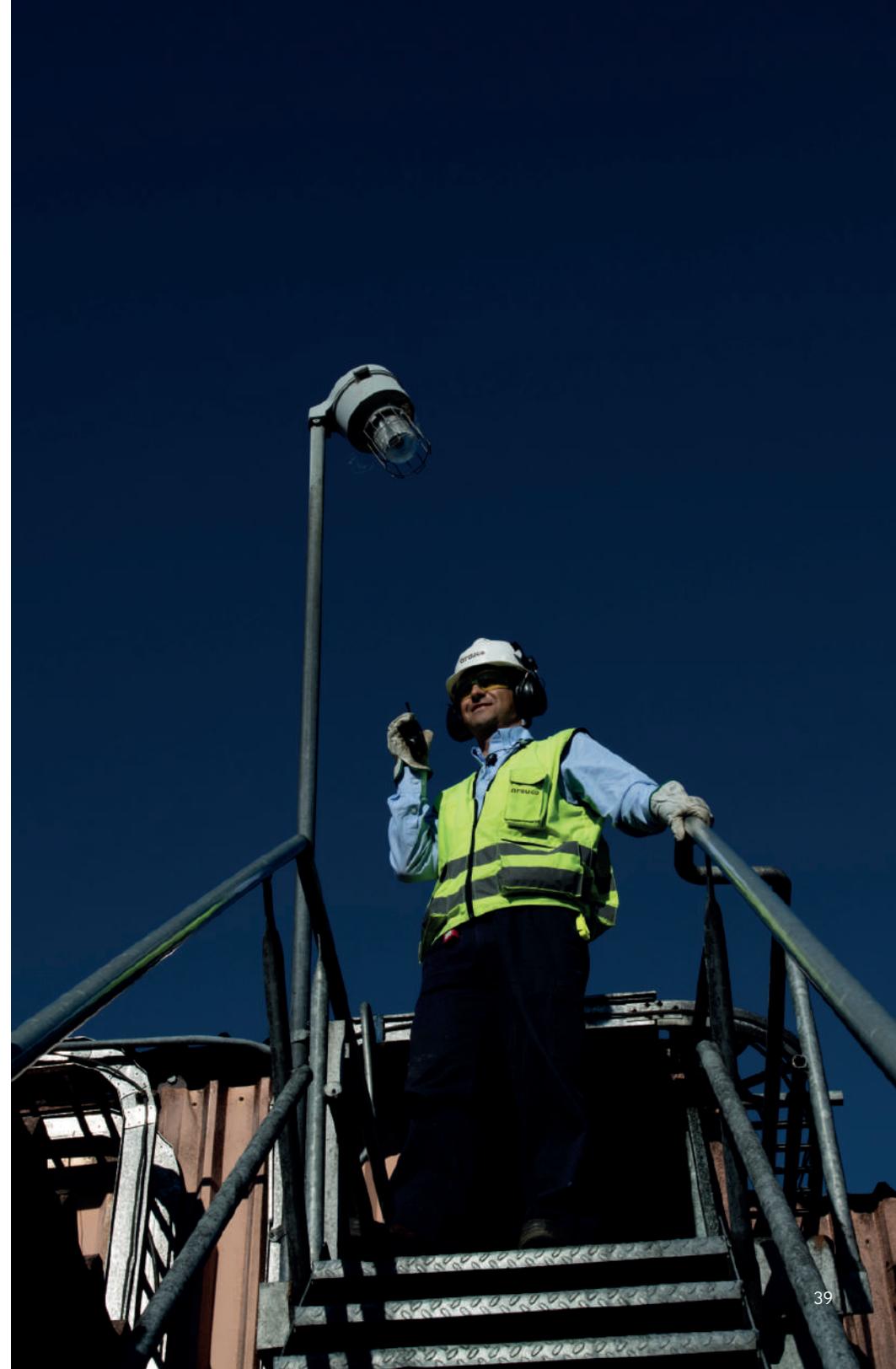


Code of Ethics Commitment Letter

I,,
am fully aware of the existence of Arauco's Code of Ethics and I understand the importance and context of the rules included herein. I understand that its compliance is mandatory for all Arauco's Team Members and that by complying with the Code of Ethics we all contribute to creating a better working environment in which we can grow as individuals and professionals.

I declare that I comply with the behavioral standards set forth herein, including the disclosure of any current or potential conflict of interest.

I commit to consult with the Ethics and Compliance Committee should I have any doubts regarding the interpretation and application of the provisions and policies included in this Code. I acknowledge that the Ethics and Compliance Committee may publish changes to the Code of Ethics in the Company's webpage, that is www.arauco.com, and that infringing the provisions of the Code may result in labor sanctions, notwithstanding other legal liabilities or penalties, which shall be applied to each particular case, based on this document and/or applicable law.



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better life



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