Corporate Presentation
3Q 2020

renewables for a better life
ARAUCO at a glance
As of September 2020 LTM

Shareholder Structure

Angelini Group | 74.70%
Antar Chile | 60.82%
Empresas Copec | 99.98%

Credit Ratings

International Scale

Fitch Ratings
- BBB (Negative)
S&P
- BBB- (Negative)
Moody’s
- Baa3 (Stable)

National Scale

Fitch Ratings
- AA- (Negative)
Feller Rate
- AA (Stable)

Financial highlights
In US$ million

EBITDA | 902
EBITDA Margin | 20%
Net Debt/EBITDA | 5.4x
Net Income | -142
CAPEX | 1,718
Revenues | 4,582
Revenues
MUS$4,582

Adjusted EBITDA
MUS$902

DIVERSIFIED SALES
AROUND THE WORLD

As of September 2020 LTM
Revenues of Pulp and Wood Products divisions include sales of energy
## THREE STRATEGIC BUSINESS SEGMENTS

<table>
<thead>
<tr>
<th>Forestry</th>
<th>Pulp</th>
<th>Wood products</th>
<th>Solid Wood</th>
<th>Complementary energy operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>697 th. Ha (1)</td>
<td>5 Mills 2,857 th. t</td>
<td>Panels 2 Mills MDF: 515 th. m³ 340 th. m³</td>
<td>7 Sawmills: 2,646 th. m³ Plywood (3): 710 th. M³ 4 Rem. Facilities</td>
<td>10 Power Plants 606 MW Surplus: 219 MW</td>
</tr>
<tr>
<td>133 th. Ha (1)</td>
<td>1 Mill 350 th. t</td>
<td>Panels 2 Mills MDF: 300 th. m³ 260 th. m³</td>
<td>1 Sawmill: 318 th. m³ 1 Rem. Facility</td>
<td>2 Power Plants 82 MW Surplus: 8 MW</td>
</tr>
<tr>
<td>130 th. Ha (1)</td>
<td></td>
<td>Panels 4 Mills MDF: 1,530 th. m³ 720 th. m³</td>
<td></td>
<td>1 Power Plant 91 MW Surplus: 50 MW</td>
</tr>
<tr>
<td>79 th. Ha (1)(2)</td>
<td>1 Mill 710 th. t (2)</td>
<td>Panels 10 Mills (6) MDF: 1,470 th. m³ PB: 2,104 th. m³</td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 th. Ha (2)(3)</td>
<td></td>
<td>Panels 2 Mills MDF: 250 th. m³ PB: 339 th. m³</td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 th. Ha (4)</td>
<td></td>
<td>Panels 10 Mills (6)(4) MDF: 1,165 th. m³ PB: 741 th. m³ OSB: 258 th. m³ 1 Sawmill (11): 25 th. m³</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1.0 million ha</strong></td>
<td><strong>3.9 million t</strong></td>
<td><strong>10.0 million m³</strong></td>
<td><strong>3.7 million m³</strong></td>
</tr>
</tbody>
</table>

### Notes:
- As of December 2019
- (1) Considers hectares planted, in thousands
- (2) Considers 50% of Montes del Plata
- (3) Considers 50% of Sonae Arauco
- (4) One PB mill in South Africa is currently shut down
- (5) Considers 2 plywood mills.
- (6) As of the date of publication of this report, 2 MDF mills are shut down. Also, PB lines of three different mills are also shut down.
WE ARE A MAIN PLAYER IN THE GLOBAL MARKET

In market pulp capacity in the world

#2

Market Pulp Capacity (thousand tonnes)

- Suzano
- ARAUCO (*)
- IP (exc. Ilim)
- CMPC
- APRIL
- Metsa Group
- UPM-Kymmene
- Georgia Pacific
- Stora Enso
- APP (excl. PE)

MAPA’s new capacity

- Kronospan
- ARAUCO (*)
- Egger
- Norbord
- Swiss Krono
- Kastamonu
- Georgia Pacific
- Louisiana Pacific
- Pfleiderer
- Duratex

World Panels** Capacity (thousand m³)

- Kronospan
- ARAUCO (*)
- Egger
- Norbord
- Swiss Krono
- Kastamonu
- Georgia Pacific
- Louisiana Pacific
- Pfleiderer
- Duratex

0 2,000 4,000 6,000 8,000 10,000

World market pulp and panel competitors capacity as of December 2019

* Arauco capacity includes 50% of Montes del Plata, 50% Sonae Arauco, and MAPA Project, as of December 2019

** Panels refers to Composite Panels, which corresponds to MDF, PB and OSB.

Source: Hawkins Wright, Public fillings, Arauco estimations and Company information and fillings
MAXIMIZING THE VALUE OF OUR FORESTS

WOOD PRODUCTS

- Pulp Mills
- Wood Products Mills

Pulp

- Dissolving Pulp
- Fluff
- UKP
- BSKP
- EKP

Wood Products

- Sawn Timber
- Rem. Wood Products

Heat Production

Energy & Steam

- MDF/PB
- Plywood

Surplus

277 MW

National Grid
BUSINESS SEGMENTS
**FORESTRY BUSINESS**

### Total Plantations

<table>
<thead>
<tr>
<th>Year</th>
<th>Hectares</th>
<th>2003</th>
<th>2005</th>
<th>2007</th>
<th>2009</th>
<th>2011</th>
<th>2013</th>
<th>2015</th>
<th>2017</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>1,038</td>
</tr>
</tbody>
</table>

Includes plantations in Chile, Argentina, Brazil and Uruguay.

### Planting and harvesting

<table>
<thead>
<tr>
<th>Year</th>
<th>Planted hectares</th>
<th>Harvested hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>23 ha</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>37 ha</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>42 ha</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>55 ha</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>37 ha</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>42 ha</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>55 ha</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>37 ha</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>23 ha</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>42 ha</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>55 ha</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>37 ha</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>23 ha</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>42 ha</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>55 ha</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>37 ha</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>23 ha</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>42 ha</td>
<td></td>
</tr>
</tbody>
</table>

### Hectares Planted

- **1.8 million (*)** hectares owned
- **1.0 million** hectares planted
- **667 th.** of Pine
- **349 th.** of Euca
- **22 th.** Others

### Environmental Certifications

Our forests plantations have international certification in Forestry Management and Chain of Custody.

For detailed information about each certification, you can visit our web site [www.arauco.com](http://www.arauco.com)

(*) includes 515 th. hectares of native forest plantations.

As of December 2019
Bioforest research and development

Bioforest was formed in 1990 by Arauco and one of the achievements has been the increase in the plantation yields by 40%.

Highly trained researchers

work in order to develop and apply the best technologies, maximizing the forestry and industrial resources.

- Bioforest has a wide participation in local and international organizations that are leaders in the forestry-industrial scientific knowledge.
- In addition, Bioforest aims to fulfill the environmental objectives for the protection and conservation of biodiversity present in our native forests.
Pulp Sales

MUS $1,842

Does not include energy sales
As of September 2020 LTM

Sales volume: 3.6 million tonnes

(1) Eucalyptus Kraft Pulp
(2) Bleached Softwood Kraft Pulp
(3) Unbleached Kraft Pulp
(4) Dissolving Pulp

As of September 2020 LTM
PULP BUSINESS
OUR MILLS
in thousand tonnes
As of September 2020

MAPA PROJECT (2021)
NEW LINE 3
1,560 EKP
Line 1 will be shut down upon completion.

LICANCEL
160 UKP

CONSTITUCION
355 UKP

ARAUCO MILL
LINE 1: 290 EKP
LINE 2: 510 BSKP

NUEVA ALDEA
520 EKP
520 BSKP

VALDIVIA
502 DP

ALTO PARANA
350 BSKP & Fluff Swing mill

MONTES DEL PLATA
1,414 EKP
Arauco owns 50%
PULP BUSINESS
COMPETITIVE ADVANTAGES

1. Logistic Efficiency

Average distances from Forests to Mills
- Chile: 85 Km
- Argentina: 80 Km
- Uruguay: 282 Km

Average distances from Mills to Ports
- Licancel: 420 Km
- Constitucion: 316 Km
- Nueva Aldea: 63 Km
- Arauco: 35 Km
- Valdivia: 301 Km
- Alto Paraná: 1,200 Km
- Montes del plata: 0 Km

Weighted Avg.: 205 (1) 161 (2)

Source: ARAUCO, as of December 2019
(1) Calculated using sales volume for 2019
(2) Calculated including sales volume from ARAUCO’s Line 3 expected capacity and assuming Line 1’s shutdown

2. Cost Advantages

Source: Hawkins Wright, as of December 2020
Other world includes Argentina, China and Oceania.
3. Product Diversification

**Projected Capacity**
- **5.2 million tonnes**
  - **HARDWOOD** (52%)  
    - EKP 39%  
    - BSKP 26%  
    - UKP 13%  
    - Fluff 9%
  - **SOFTWOOD** (48%)
    - BSKP 26%  
    - UKP 13%

**Current Capacity**
- **4.0 million tonnes**
  - **HARDWOOD**
    - EKP 39%  
    - BSKP 26%  
    - UKP 13%  
    - Fluff 9%
  - **SOFTWOOD** (37%)
    - BSKP 26%  
    - UKP 13%

Including MAPA’s added capacity

Source: ARAUCO, as of September 2020

(1) Dissolving Pulp
The Valdivia mill will keep the ability to switch from producing dissolving pulp to paper grade (EKP).

**BCP shipment by end-use, 2021 estimate** (2)

- Tissue 41%
- P&W 24%
- Specialty 16%
- Fluff 10%
- Packaging 9%

(2) Source: Hawkins Wright, as of December 2020
BCP: Bleached Chemical Pulp, which includes all bleached kraft pulp (and not unbleached) and sulphite pulp.
WOOD PRODUCTS BUSINESS

Revenues MUS $2,492

Sales evolution

US$ billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Panels</th>
<th>Solid wood</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2.8</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>Sep 2020 LTM</td>
<td>2.5</td>
<td></td>
</tr>
</tbody>
</table>

Subdivisions

PANELS

SOLID WOOD

Does not include energy sales
As of September 2020 LTM
WOOD PRODUCTS BUSINESS: PANELS

Panels Sales
MUS
$1,672

Does not include energy sales
As of September 2020 LTM

Production

Sales volume: 5.6 million m³

As of September 2020 LTM
Does not include Sonae Arauco volumes
*OSB, HB, Retail and Composite panels
** EMEA, Asia, Oceania and Rest of Latam
As of December 2019
*Arauco owns 50% of Sonae Arauco
**As of the date of publication of this report, 2 MDF mills are shut down. Also, the PB lines of three different mills are also shut down.
***One PB mill in South Africa is currently shut down

Legend

MDF: Medium Density Fiberboard
PB: Particle Board
OSB: Oriented Strand Board

8 mills (***)
1,000 m³ MDF
2,104 m³ PB

2 mills
470 m³ MDF

2 mills
339 m³ PB
250 m³ MDF

4 mills
1,530 m³ MDF
720 m³ PB

4 mills *
974 m³ PB
886 m³ MDF
516 m³ OSB

2 mills *
340 m³ MDF
428 m³ PB

2 mills *
372 MDF
456 PB

2 mills *

3 mills
515 m³ MDF
340 m³ PB

2 mills
300 m³ MDF
260 m³ PB

2 mills

472 m³ PB***
84 m³ MDF

PANELS
OUR MILLS
in thousands
WOOD PRODUCTS BUSINESS: SOLID WOOD

Solid Wood Sales
MUS
$820

Does not include energy sales
As of September 2020 LTM

Sales volume: 2.6 million m³

Production

Sales by Product:

- Sawn Timber: 27%
- Kiln-dried lumber: 34%
- plywood: 20%
- Reman. Wood products: 17%

Geographic Sales:

- Chile: 14%
- Rest of Latam: 7%
- Asia and Oceania: 34%
- North America: 34%
- EMEA: 11%
- Rest of World: 7%

As of September 2020 LTM
Does not include Sonae Arauco volumes
* Pallets
SOLID WOOD
OUR MILLS
in thousands

Legend
ST: Sawn Timber
Rem: Remanufactured Wood Products

As of December 2019
*Arauco owns 50% of Sonae Arauco
As of September 2018

Highlights

Arauco generates renewable energy from forestry biomass and uses it in the production processes.

In Chile, Argentina and Uruguay, we are self-sufficient in net electricity consumption and we sell the surplus to the local grid.

5 cogeneration plants in Chile and 1 plant in Uruguay are registered under the Kyoto Protocol Clean Development Mechanism (CDM).

We expect MAPA will generate an additional surplus of 142MW available for the national grid.
FINANCIAL HIGHLIGHTS
**MAIN FIGURES**

### Adjusted EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA</th>
<th>Adjusted EBITDA Mg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,280 US$ million</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1,290 US$ million</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1,067 US$ million</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>1,353 US$ million</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1,851 US$ million</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>1,147 US$ million</td>
<td></td>
</tr>
</tbody>
</table>

As of September 2020

(*) UF or “Unidad de Fomento” is a Chilean inflation-indexed currency

### Net Debt

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Debt</th>
<th>Net Debt/ EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4,107 US$ million</td>
<td>3.2x</td>
</tr>
<tr>
<td>2015</td>
<td>3,805 US$ million</td>
<td>2.9x</td>
</tr>
<tr>
<td>2016</td>
<td>3,889 US$ million</td>
<td>3.6x</td>
</tr>
<tr>
<td>2017</td>
<td>3,684 US$ million</td>
<td>2.7x</td>
</tr>
<tr>
<td>2018</td>
<td>3,434 US$ million</td>
<td>1.9x</td>
</tr>
<tr>
<td>2019</td>
<td>4,490 US$ million</td>
<td>3.9x</td>
</tr>
<tr>
<td>Sep 2020</td>
<td>4,902 US$ million</td>
<td>5.4x</td>
</tr>
</tbody>
</table>

### CAPEX

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX (US$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>614</td>
</tr>
<tr>
<td>2015</td>
<td>469</td>
</tr>
<tr>
<td>2016</td>
<td>665</td>
</tr>
<tr>
<td>2017</td>
<td>654</td>
</tr>
<tr>
<td>2018</td>
<td>921</td>
</tr>
<tr>
<td>2019</td>
<td>1,350</td>
</tr>
</tbody>
</table>

### Debt Breakdown

**By Instrument**
- Leasing: 4%
- Banks: 20%
- Bonds: 76%

**By Currency**
- U.S. Dollar: 72%
- Other Currencies: 10%
- UF (*): 18% swapped to U.S. Dollar

U.S. Dollar 72%
FUTURE INVESTMENTS
Modernization and Expansion of the Arauco Mill (MAPA) consists in the construction of a third pulp line of 1.56 million tonnes of short fiber production capacity.

The investment for this project is approximately **US$ 2,350 million**.

The Project also considers the shut down of Arauco’s line 1 of **290 th. tonnes** of short fiber pulp once the new line (line 3) is operating, and the construction of a cogeneration plant that we expect will generate a surplus of 142 MW to be made available for the national grid.

It is expected that the new line will start its operations by the beginning of the fourth quarter of 2021, increasing ARAUCO’s total pulp production capacity to more than **5 million tonnes**.
July 2018
The Board of Directors approved the MAPA Project.

October 2018
Arauco signed main equipment contracts with Andritz and Valmet.

February 2019
Earth-moving works start.

May 2019
Contracts awarded for construction companies, totaling approximately US$ 680 million.

April 2019
On April 1st, 2019, Arauco signed an ECA* agreement for a total of Eur 555 million. This financing is mainly associated with the suppliers contracts signed on October 2018.

End of January 2021: 75% progress
Main equipment and parts on-site and construction continues.

2021
The new Line 3 is expected to start operating by the beginning of the fourth quarter 2021, while Line 1 is shutdown.

April 2011
Arauco’s first environmental studies for MAPA Project.

(*) Export Credit Agency
Combining science, innovation and technology with the goal of unlocking the full potential of our plantations.

Developing high standard, quality-oriented products that always aim to be the superior choice for our customers.

Responsibly managing our operations using best-in-class environmental practices and promoting the safety of ARAUCO’s workers.

Being a virtuous actor in the areas where we maintain operations to become an active agent for their social and economic development.

Towards a Bioeconomy

With products that come from responsible management of natural and renewable resources.

SUSTAINABILITY STRATEGY
IN FACING THE CHALLENGES FOR A MORE SUSTAINABLE WORLD, WE ARE NOT NEUTRAL

ARAUCO, THE WORLD’S FIRST CARBON NEUTRAL FORESTRY COMPANY

A SIGNIFICANT AND REAL CONTRIBUTION TO FIGHT THE CLIMATE CRISIS
WHAT WAS MEASURED?

CAPTURES BY FOREST PLANTATIONS AND CARBON STORED IN PRODUCTS

+ ARAUCO’S CARBON FOOTPRINT

+ EMISSIONS FROM FIRES

GREATER IN ABSOLUTE TERMS
ARAUCO achieved neutrality in 2018, generating a surplus of 2,599,753 tons of CO2e.

**CARBON NEUTRAL 2020**

**NET EMISSIONS -2.59 MMTCO$_2$**

<table>
<thead>
<tr>
<th>Scope 1+2+3+Fires</th>
<th>captures</th>
<th>emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native Forests</td>
<td>-1,40</td>
<td>4,33</td>
</tr>
<tr>
<td>Captures by forest plantations and carbon stored in products</td>
<td>-5,53</td>
<td></td>
</tr>
</tbody>
</table>
Deloitte officially validated our carbon neutrality for 2018 (Method applied in accordance with the Deloitte Neutrality Protocol guidelines)

Price Waterhouse Coopers audited the entire estimation process of captures and storage in forestry products

ARAUCO is the first company to successfully apply this protocol

The goal is to be able to expand the use of this protocol which may be applied to other firms and industries
SUSTAINABILITY STRATEGY

Engagement with 220 communes over 50 programs with communities

Around US$56 million invested during 2019 in environmental projects

We maintain and protect, 63 Areas of High Biological Conservation Value

128 Areas of High Social, Cultural or Religious Conservation Value

In alignment with the UN more than 70,000 direct beneficiaries

Source: ARAUCO Sustainability Report
FOR FURTHER INFORMATION, PLEASE CONTACT:

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