




CONFERENCE CALL 2Q22

August 24th, 2022

DISCLAIMER

This presentation may include market outlooks and forward-looking statements, which are based on the beliefs and assumptions of Empresas Copec's management and on information currently available to the Company. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future. Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Empresas Copec and could cause results to differ materially from those expressed in such forward-looking statements.

This presentation contains certain performance measures that have been adjusted with respect to IFRS definitions, such as "EBITDA".

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- I. CONSOLIDATED RESULTS**
 - II. REVIEW BY BUSINESS DIVISION
 - III. HIGHLIGHTS OF THE QUARTER
 - IV. Q&A



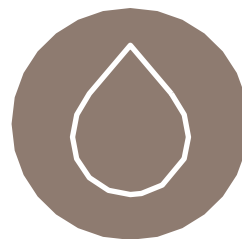
Highlights

Improved EBITDA YoY explained by better performances of forestry and energy businesses.



FORESTRY BUSINESS INCREASES YOY ON PULP AND WOOD PRODUCTS

- Sustained good performance in pulp and wood products during the last quarters.
- Higher margins in panels and sawn timber YoY, partly offset by lower volumes in panels.
- Lower volumes in pulp, partly offset by better prices.
- QoQ, EBITDA increased on wood products Segment, partly offset by a drop in the Pulp Segment.



FUEL VOLUMES ABOVE PRE-PANDEMIC LEVELS

- Recovery YoY continued during 2Q22, with volumes above pre-pandemic levels.
- Higher EBITDA at Copec Chile, Terpel and Mapco YoY and QoQ.
- Lower EBITDA YoY in the LG (liquid gas) business, related to reduced margins.



PROJECTS AND OTHER DEVELOPMENTS

- Mina Justa continued its ramp-up process in a positive price scenario.
- Production of first bale in Arauco line 3 (MAPA) is estimated by the end of October.
- ND/EBITDA decreased YoY from 3.6x to 1.9x.

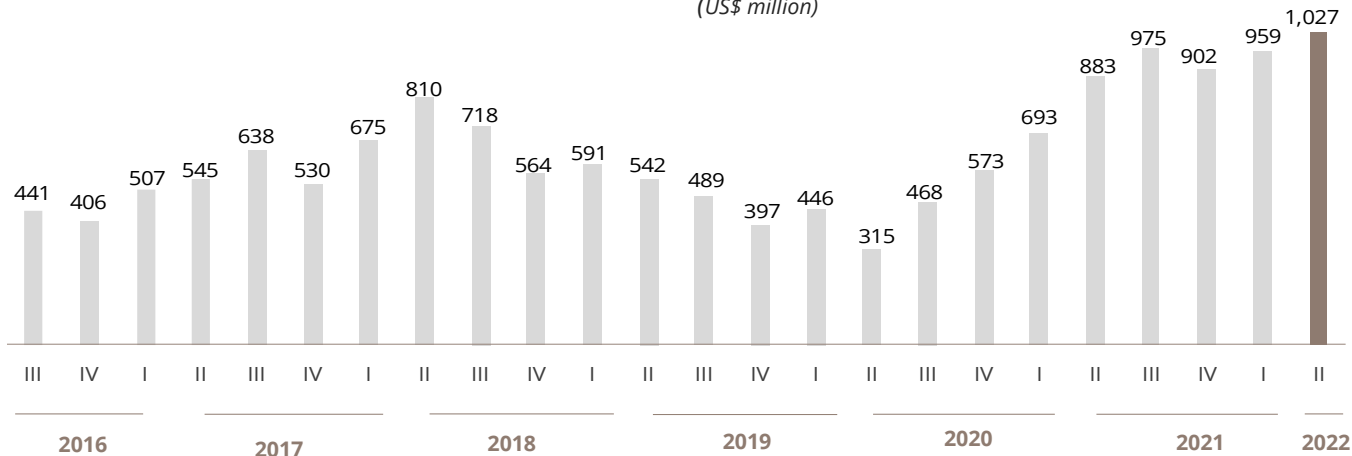
ESG MILESTONES

- Energy segment continued to make progress in electromobility and investments for driving energy transition.
- Arauco recertified its carbon neutrality for the 3rd year in a row.



I. CONSOLIDATED RESULTS – Quarterly Performance

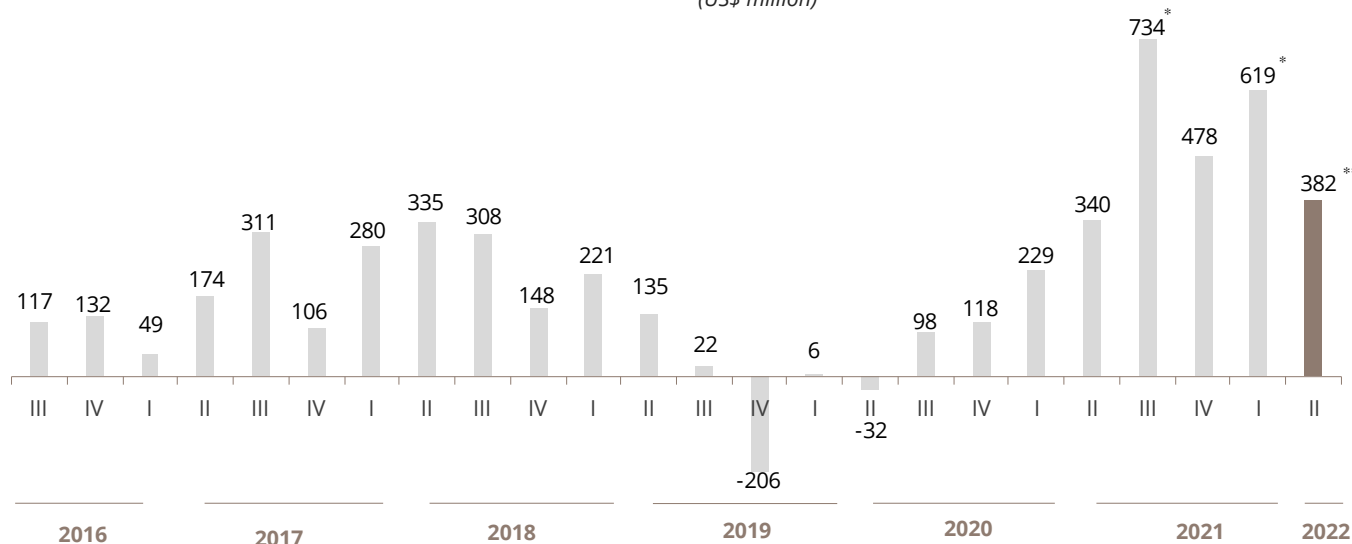
QUARTERLY EBITDA
(US\$ million)



1,027

EBITDA up 16.3% YoY and
7.0% QoQ.

QUARTERLY NET INCOME
(US\$ million)



382

Higher Net income 12.2% YoY,
but down 38.4% QoQ.

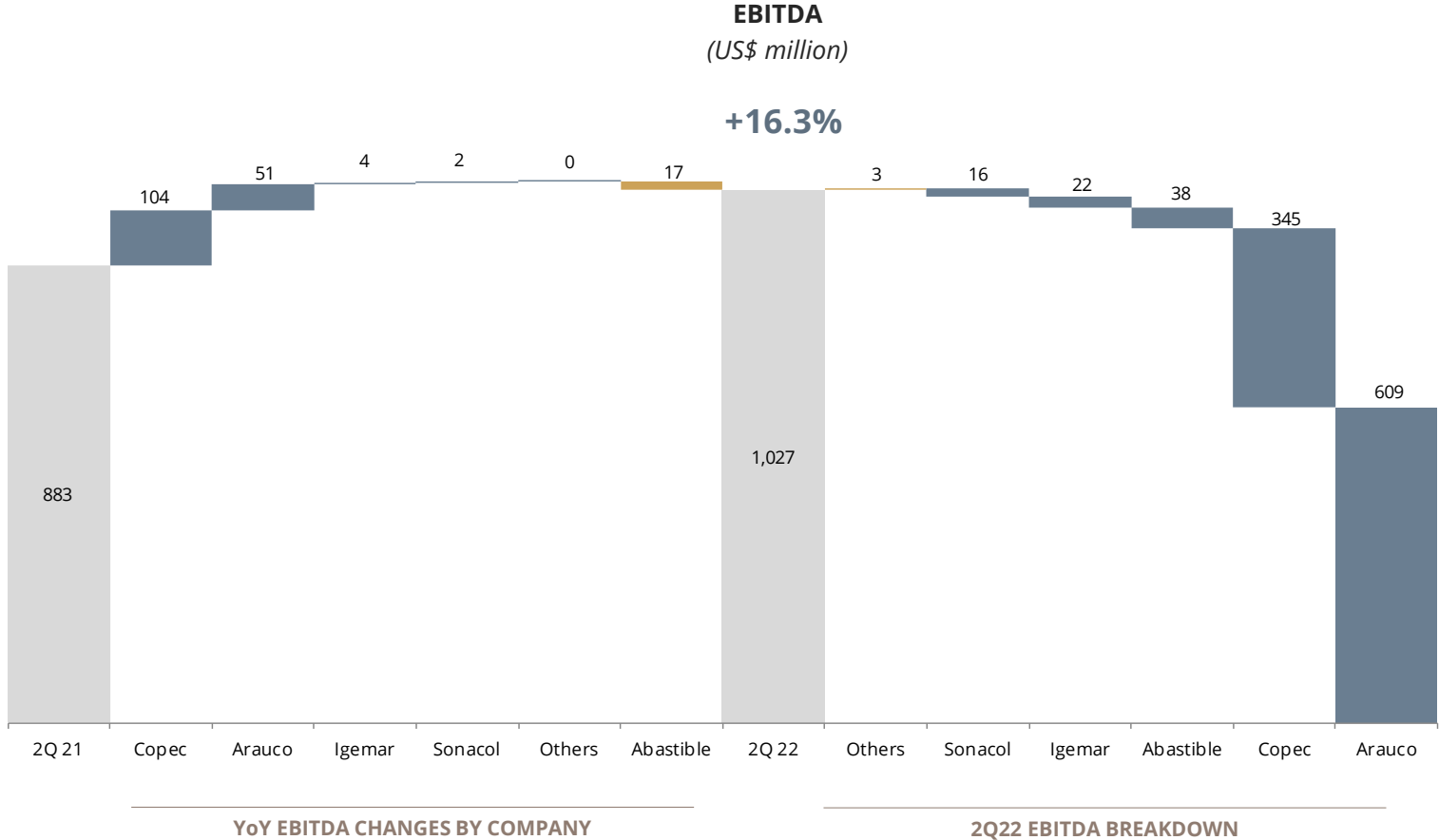
*3Q21 and 1Q22 includes US\$ 240 million and US\$ 70 million in asset sales
** Includes loss of US\$ 91 million in Metrogas due to provision



I. CONSOLIDATED RESULTS – Quarterly Performance

EBITDA increased in Copec mainly due to higher volumes and better margins, partly offset by a drop on Abastible.

In the forestry sector, EBITDA was higher related to better performance in pulp and wood products.





Net Income improved because of higher operating results, offset by unfavorable non operating income.

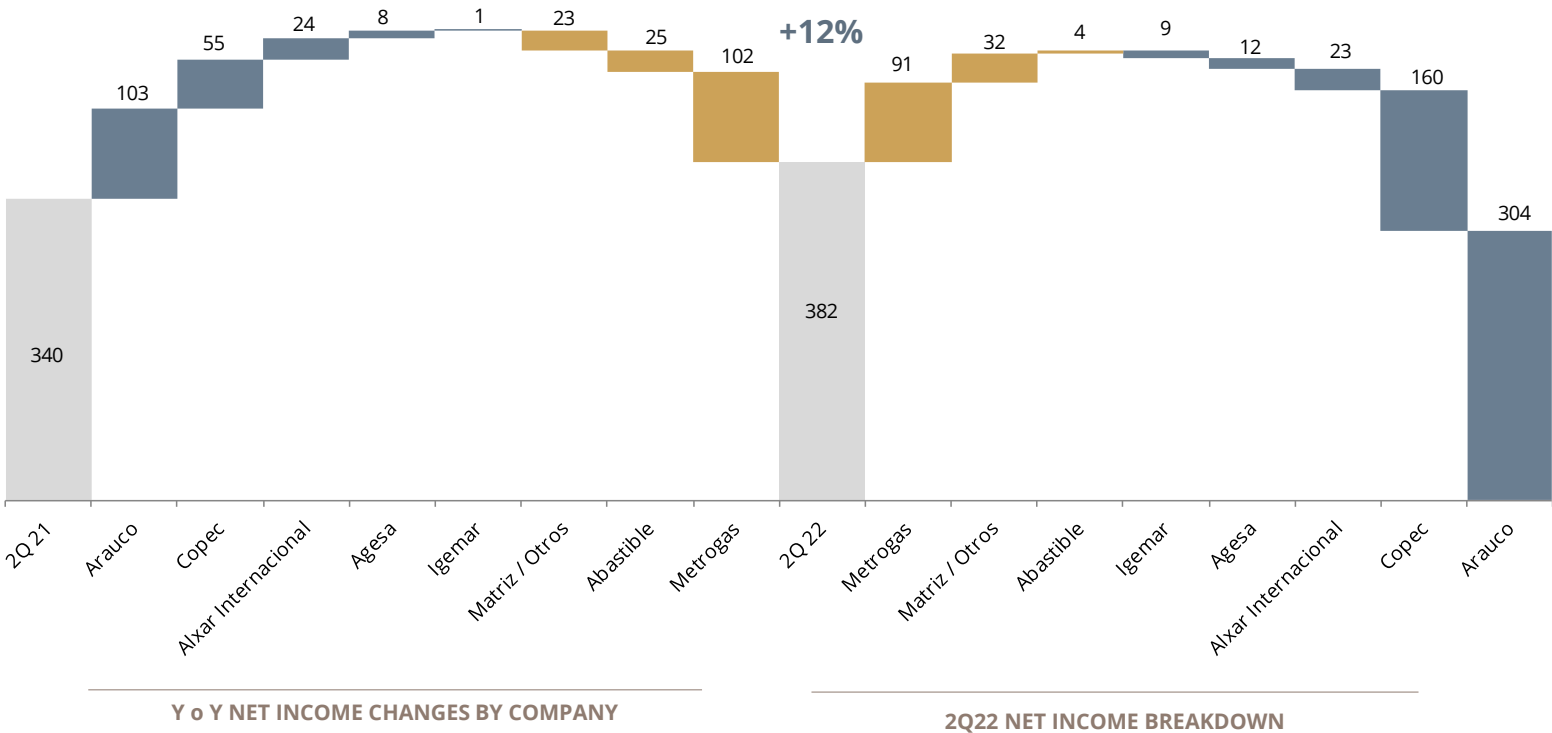
Arauco and Copec had better operating, and non operating result.

Negative exchange differences at Empresas Copec.

Significant contribution from Mina Justa to Alxar Internacional's results.

Partly offset by a loss of US\$ 91 million at Metrogas related to a long-standing dispute with an Argentinean transportation supplier.

NET INCOME
(US\$ million)





Higher net income from increased operating results, partly offset by unfavorable non operating performances.

IMPROVED OPERATING INCOME

- Higher results at **Arauco**, explained by better prices in pulp and higher margins in wood products. Partly offset by a drop on volumes in pulp and panels.
- Increased results in **Copec**, related to higher volumes and better industrial channel performance.
- Partly offset by a drop in Abastible's result due to lower margins.

UNFAVORABLE NON-OPERATING INCOME

- Lower profits in associates and JV's, related to a loss of US\$ 91 million in Metrogas due to a provision of US\$ 95 million associated to a court ruling against this Company.
- A drop in other expenses explained by the fire in the Valdivia mill.
- Other income increased due to higher gains on the revaluation of biological assets.

STABLE TAXES

CONSOLIDATED INCOME STATEMENT

Million USD	2Q 22	2Q 21	Change
Net income	382	340	41
Operating income	693	594	99
Non operating income	(114)	(59)	(55)
Other Income	102	53	49
Other expenses	(70)	(41)	(29)
Other profit (loss)	(1)	(1)	(0)
Financial Income	22	9	13
Financial expense	(92)	(91)	(1)
Profit in associates and JV's	(26)	26	(52)
Exchange Differences	(22)	(8)	(14)
Gain (losses) on net monetary position	(28)	(6)	(21)
Taxes	(175)	(176)	0
EBITDA	1,027	883	144



I. CONSOLIDATED RESULTS – Financial Ratios

FINANCIAL RATIOS

Profitability	2Q 22	1Q 22	2Q 21
Operating margin	8.7%	9.1%	10.1%
EBITDA margin	12.9%	13.1%	15.1%
ROCE	16.0%	15.5%	9.4%

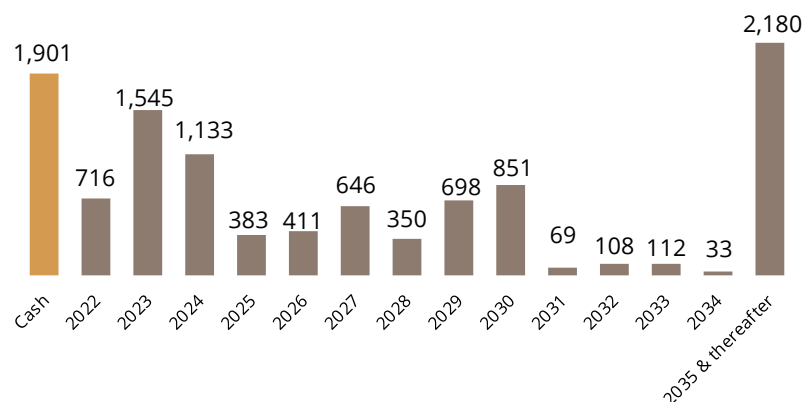
Leverage	2Q 22	1Q 22	2Q 21
EBITDA / net interest expense	14.0	12.9	7.3
Net debt / EBITDA	1.9x	1.9x	2.8x

COMMENTS

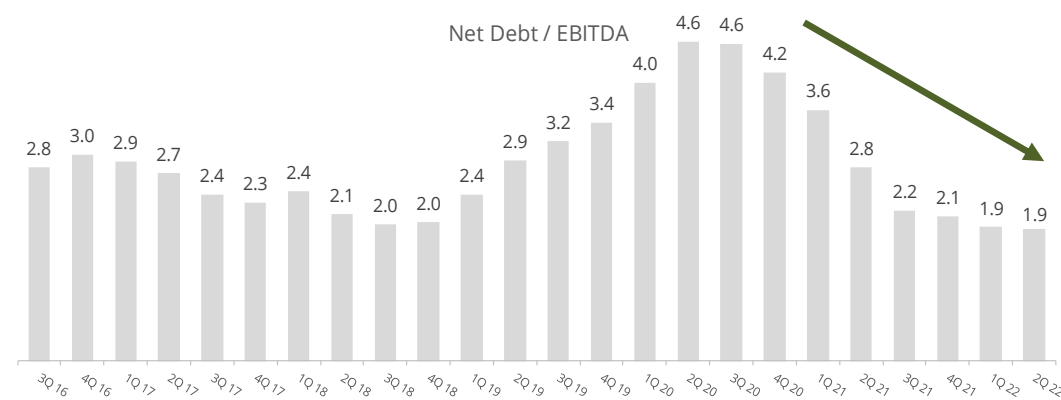
- Net debt / EBITDA decreased YoY.
- EBITDA margin increased YoY.
- Well-balanced debt schedule for the coming years.
- During 2Q22, Empresas Copec issued two local bonds for US\$ 207 million to refinance debt maturing in 2023.

FINANCIAL DEBT MATURITIES


Figures in US\$ million



NET FINANCIAL DEBT / EBITDA





- 
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FORESTRY





ARAUCO Net income increased due to better non operating result and lower taxes.

STABLE OPERATING INCOME

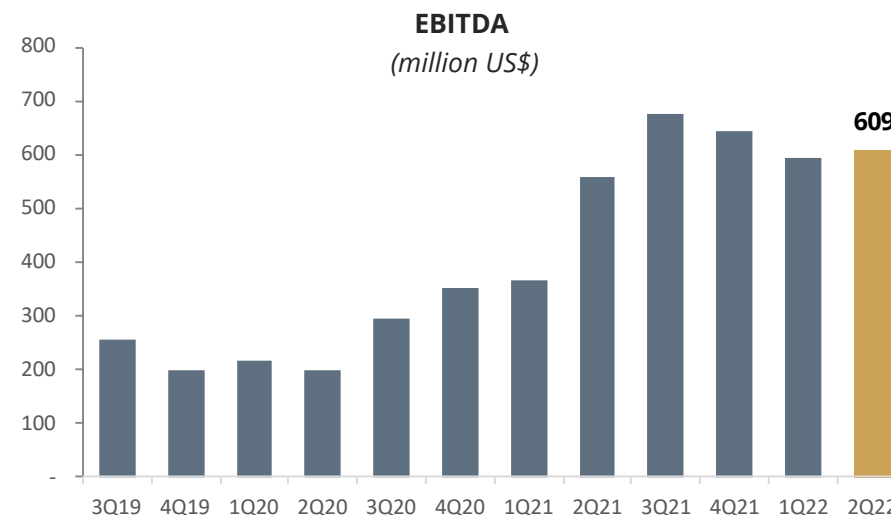
- Improved margins in wood products, associated to higher prices in sawn timber and panels. Partly offset by a drop in volumes in panels.
- Lower volumes and higher costs due to logistics and chemicals in pulp, partly offset by better prices.

FAVORABLE NON-OPERATING INCOME

LOWER TAXES

ARAUCO – INCOME STATEMENT

Million US\$	2Q 22	2Q 21	Change
Net income	304	201	103
Operating income	357	358	(1)
Non operating income	21	(34)	55
Taxes	(75)	(123)	48
EBITDA	609	558	51





Pulp

- **YoY:** EBITDA down, explained by lower volumes, partly offset by higher prices.

unit costs were higher for dissolving pulp, bleached hardwood, bleached softwood and unbleached softwood of 21.6%, 16.6%, 16.2% and 6.6%, respectively.

- **QoQ:** EBITDA down due to lower volumes, partly offset by higher prices.

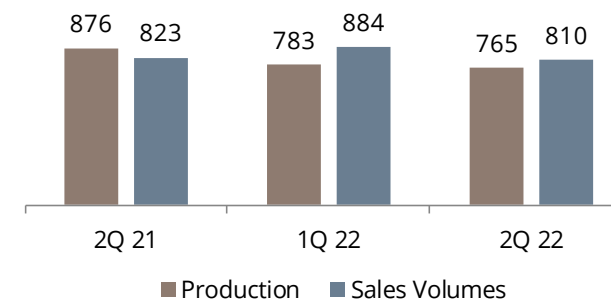
Unit sale costs of bleached softwood, dissolving pulp and bleached softwood increased 12.2%, 6.3% and 6.0%, respectively, partly offset by a drop in unbleached hardwood costs of 0.8%.

MAINTENANCE STOPPAGES (DAYS)

País	Planta	2022			2023	
		2Q	3Q	4Q	1Q	2Q
Chile	Arauco L2		12			
	Constitución					10
	Licancel			12		
	Nueva Aldea	20				
	Valdivia	35	47	30	40	
Argentina	Esperanza	30				
Uruguay	Montes del Plata					9

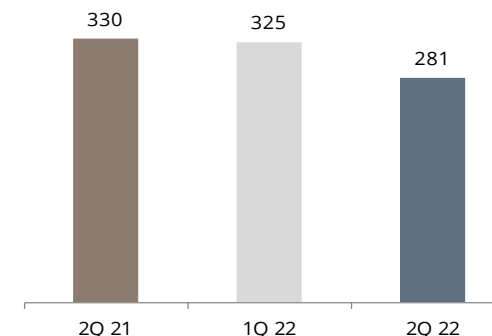
PULP - Production & sales volumes

(Th. tons)



PULP - EBITDA

(Million US\$)



	Net Sales	Price	Sales Volume
Y o Y	6.7%	8.2%	-1.6%
Q o Q	2.4%	12.5%	-8.4%



Pulp

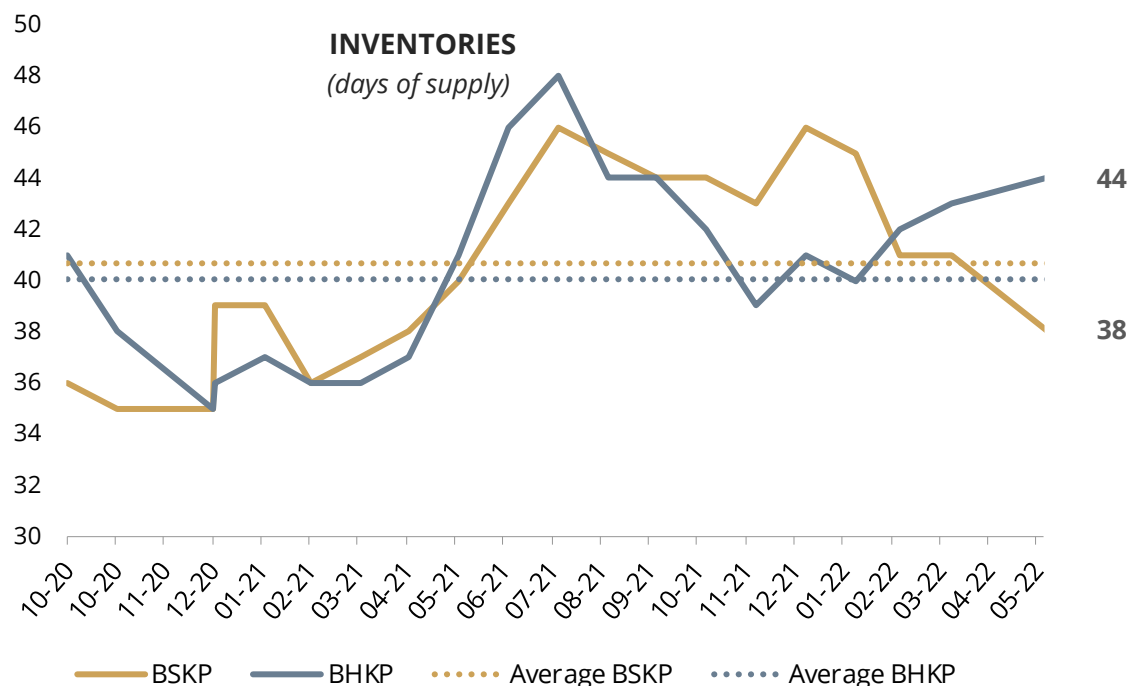
- Pulp prices increased in all markets due to logistic issues, inflation and restricted supply. Finland was directly affected by the conflict between Russia and Ukraine, due to the ban on using Russian raw material, causing a supply shortages in hardwood; on the other hand, pulp demand remained stable.
- In China, the market was affected because of an increase in cases related with covid-19 causing mobility and port area restrictions, confinements in cities, among others, leading to a reduction of economic activity. Despite these facts, prices of hardwood and softwood rose significantly because of supply shortages.
- In Europe there was a very strong demand in every type of fiber leading to higher prices, allowing the hike in costs to be transferred to the final products.
- Demand for dissolving pulp remained stable, but prices increased approximately 20% due to low supply.

GLOBAL BCP DEMAND VARIATION

(In '000 tonnes)

	may-21	may-22	%
North America	2,750	2,780	1.1%
Europe	6,790	6,930	2.1%
China	8,740	7,755	-11.3%
Other Asia	3,705	4,215	13.8%
Rest of the world	1,825	1,860	1.9%
Total (th. tons)	23,810	23,540	-1.1%

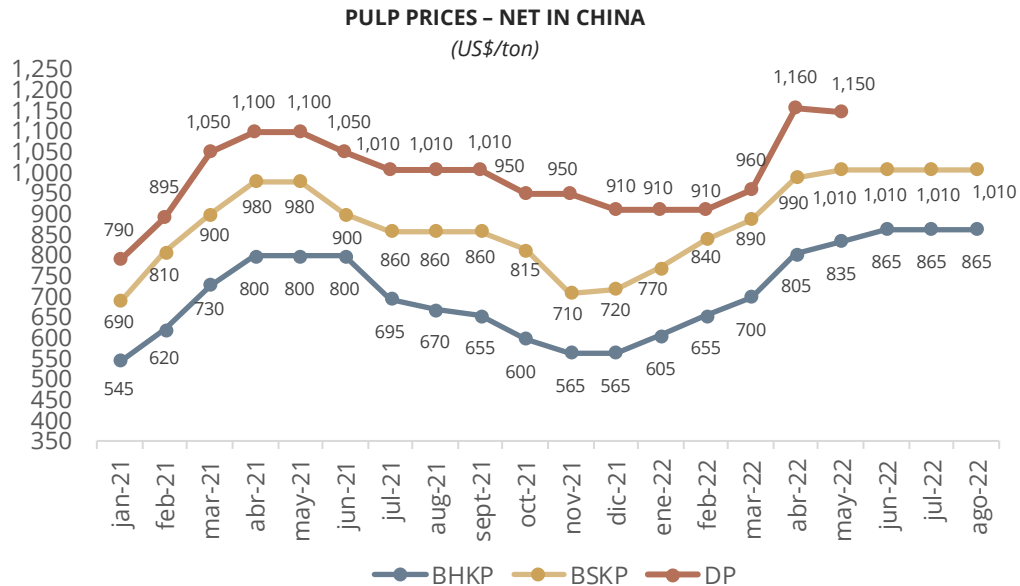
* Accumulated as of May, 2022



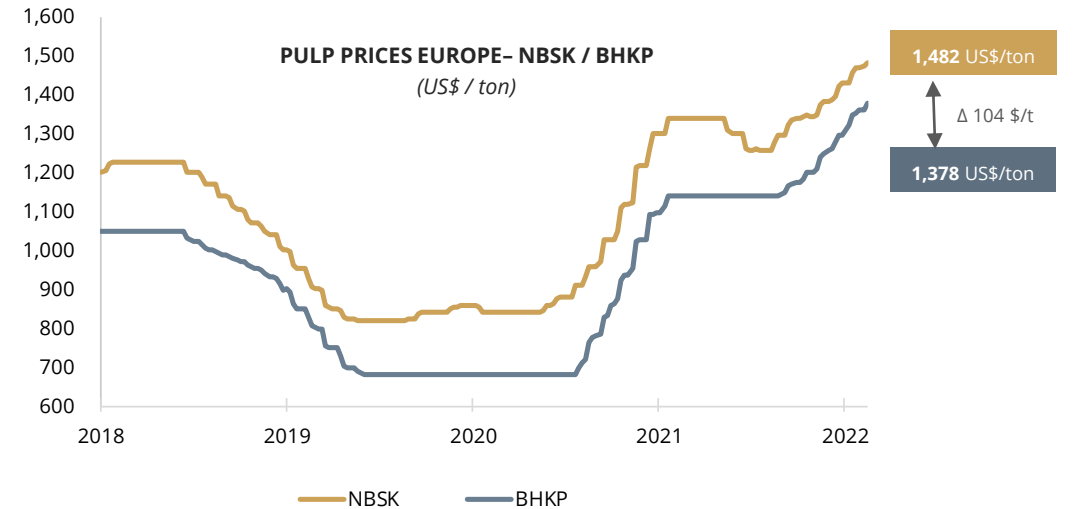
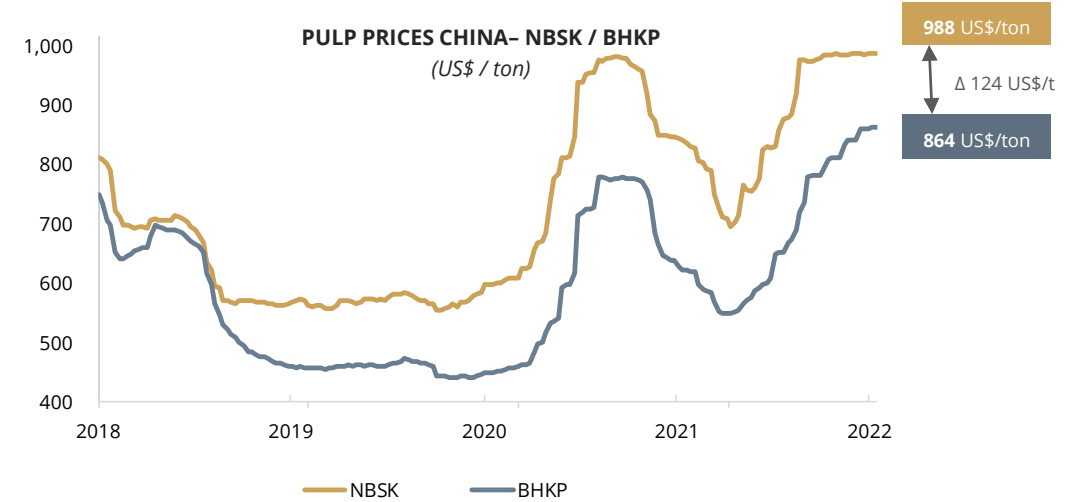


Outlook

- Market looks stable at a high levels. Summer season is normally slower but so far not affecting prices.
- China under some pressure to the unexpected low growth of Q2 economy and Covid restrictions.
- Inventories are still at a low level, especially in hardwood.
- The only sector where lower demand and higher supply is expected is the packaging market affecting the unbleached pulp, explained by lower demand and more supply from Russia and Belarus.



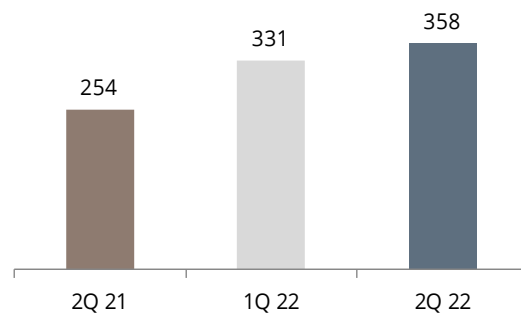
II. REVIEW BY BUSINESS DIVISION - FORESTRY - Pulp



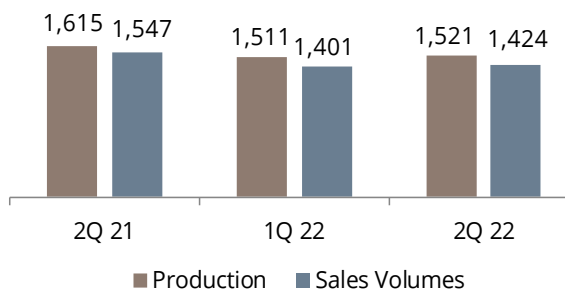


Wood Products

WOOD PRODUCTS - EBITDA
(Million US\$)



PANELS
Production & sales volumes
(Th. m³)

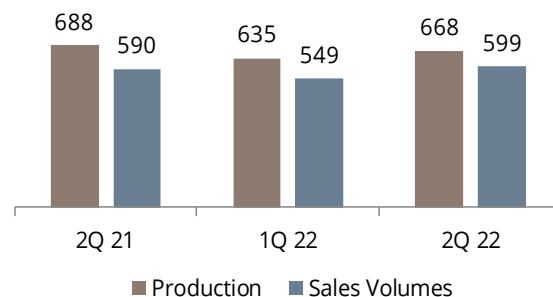


Panels

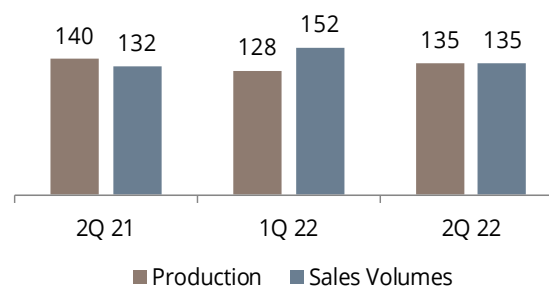
	Price	Sales Volume
Y o Y	51.9%	-7.9%
Q o Q	15.5%	1.6%

*MDF, PBO and HB.

SAWN TIMBER
Production & sales volumes
(Th. m³)



PLYWOOD
Production & sales volumes
(Th. m³)



*Solid Wood**

	Price	Sales Volume
Y o Y	25.4%	1.7%
Q o Q	1.3%	4.8%

*Includes sawn timber, remanufactured solid wood and plywood.

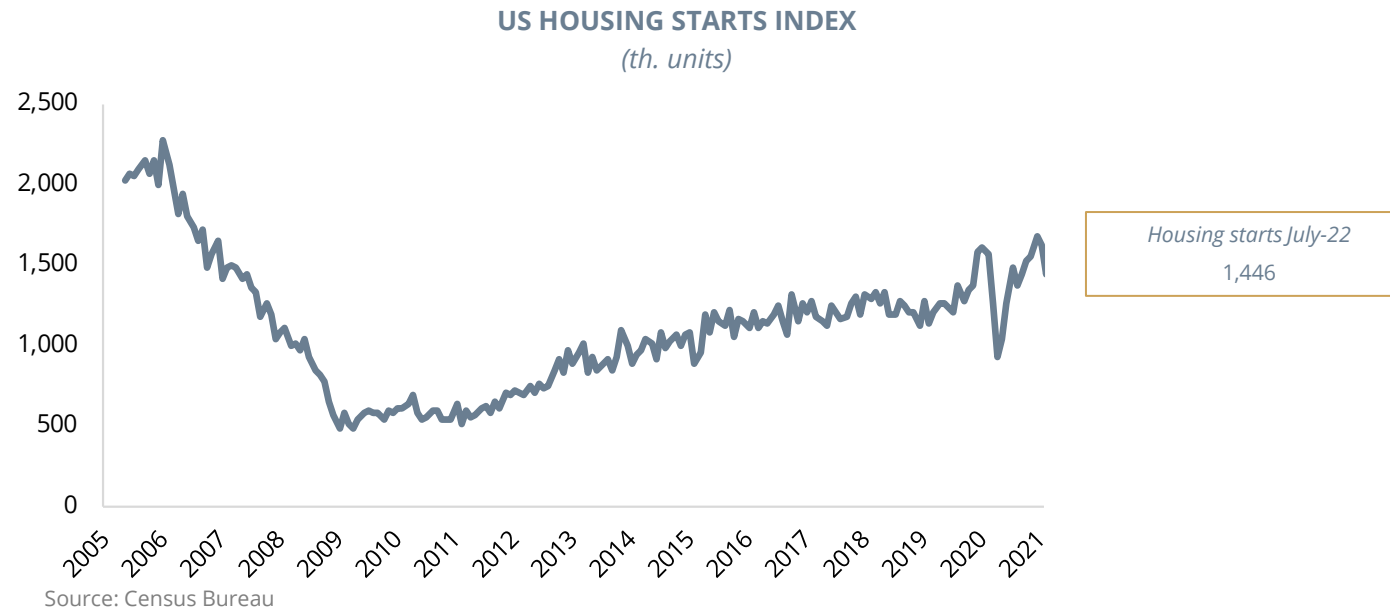


Outlook

North America

59%

- **PB / MDF:** consumption remains solid, most MDF applications are still high, but demand to supply is becoming more balanced today than 12 months ago.
- Raw demand has weakened somewhat mainly driven by the OEM's demand slowing. Cabinet OEMs & furniture manufacturers are consuming less and are working through increased inventory levels.
- West Coast market will be affected by the fire at Martell PB.
- **Remanufactured products:** late shipments arrivals and a bit slower demand. Fundamentals remain solid, such as Repair & Remodeling.
- Housing Starts strong from April through June 2022 yet decreased during July 2022. Once the inventory is controlled, market should be fine for the rest of the year.
- **Plywood:** markets should remain stable for the rest of the year given the lower supply from Europe due to the current geopolitical situation between Russia and Ukraine.





Outlook

South & Central America

28%

- **Brazil:** domestic market is slower than last year, with more supply coming on MDF.
- Given the big volume that is produced in this country, there are more exports that affect different markets.
- **Chile:** construction has slowed down during 2022, affecting sales, but prices have remained stable.
- This year should be slower than 2021 on MDF and PB.
- **Argentina:** market was strong during second quarter of 2022. The market is expected to remain positive for the rest of the year.

Asia & Oceania

9%

- **Asia and Oceania:** complicated in lumber due to Covid restrictions, geopolitical situation and less construction projects.
- Hopes on China´s recovery program and cautiously optimistic for the rest of the year.

Other markets amount for approximately 4% of the revenues.



ENERGY





COPEC Better operating income, partly offset by unfavorable non-operating results and higher taxes.

INCREASED OPERATING INCOME

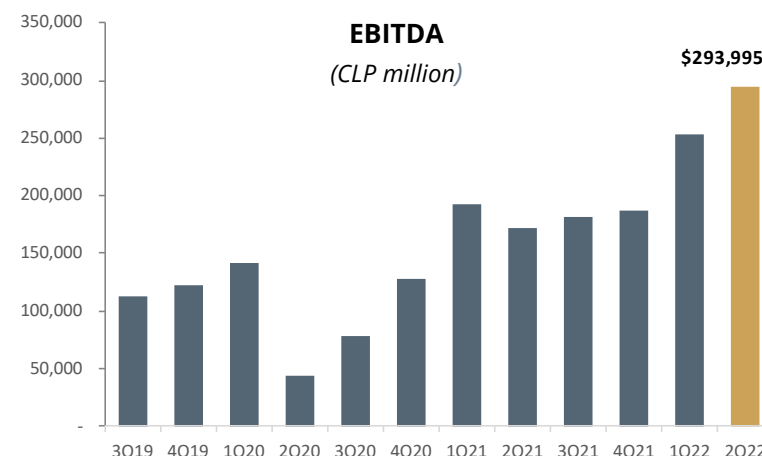
- Higher margins in Copec Chile, Terpel and Mapco.
- YoY positive effect on inventory revaluation due to Terpel.
- Volumes climbed 19.4% in Terpel and 26.2% in Chile, reflecting an increase in the total number of vehicles in Chile, together with the lifting of restrictions related to the pandemic.
- Lubricant segment favored by volume increases resulting from new commercial strategies. Margins affected by higher costs.

UNFAVORABLE NON-OPERATING RESULT

HIGHER TAX

COPEC – INCOME STATEMENT

Million Chilean Pesos	2Q 22	2Q 21	Change
Net income	134,262	74,911	59,351
Operating income	239,466	123,998	115,468
Non operating income	(29,566)	(12,434)	(17,132)
Taxes	(64,728)	(29,791)	(34,937)
EBITDA	293,995	172,421	121,574



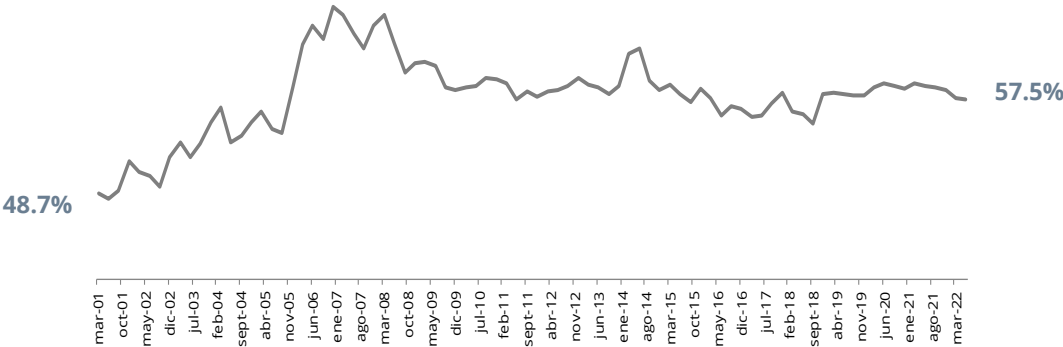


II. REVIEW BY BUSINESS DIVISION – ENERGY - Copec

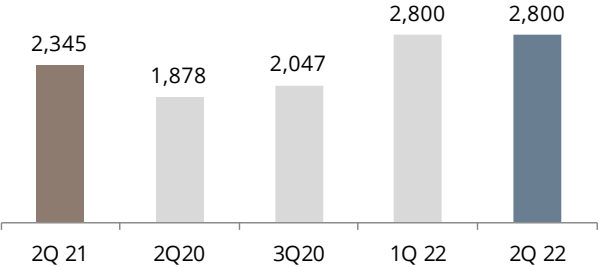
MARKET SHARE
(accumulated April-2022)



LIQUID FUELS MARKET SHARE EVOLUTION
(quarterly data April-2022)



FUEL VOLUMES IN CHILE
(th. m³)



- Industrial Channel: volumes 22.7% up YoY.
- Gas Stations: volumes increased 17.1% YoY.

OUTLOOK

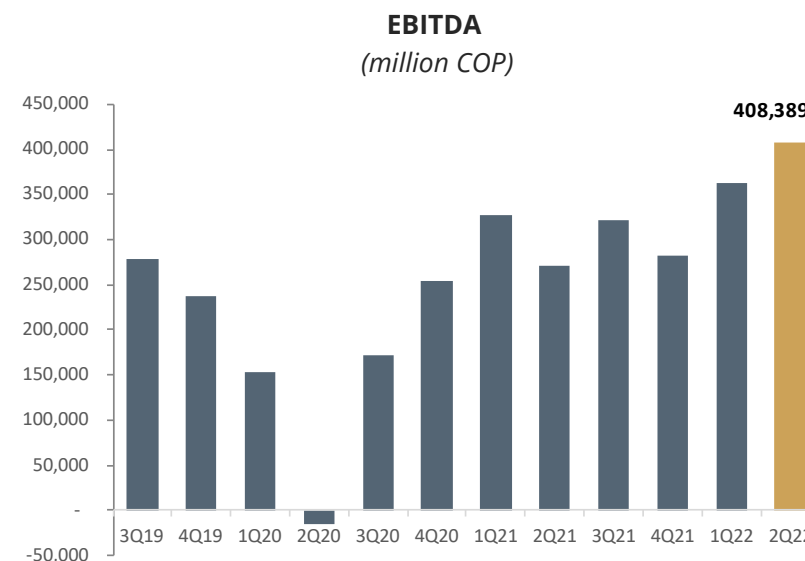
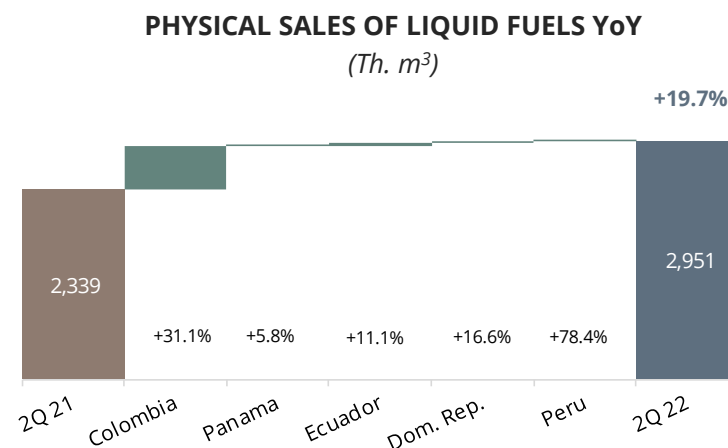
- Gas Stations volumes growing and above pre-pandemic levels.
- Real margins under pressure given high inflation. Potential FIFO effects and industrial variations.
- Sustained leadership in gas stations due to strong network positioning.



TERPEL Increased operating and non-operating income.

- Higher EBITDA due to improved margins on better volumes and revaluation of inventories effect.
- Liquid fuels volumes increased 26.2% YoY, explained by climbs in Colombia, Panama, Ecuador, Dominican Republic and Peru.
- Volumes related to aviation at pre-pandemic levels.
- Higher taxes.

Million COP	2Q 22	2Q 21	Change
Revenues	8,814,625	5,118,214	3,696,410
EBITDA	408,389	270,035	138,354
Operating income	324,327	172,252	152,075
Non-operating income	(109,577)	(38,061)	(71,516)
Net income	131,453	94,270	37,183

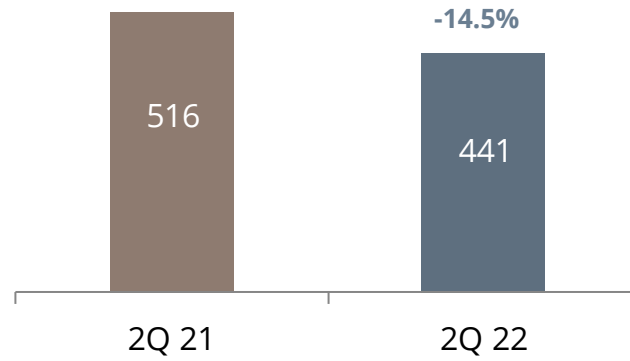




MAPCO Higher EBITDA due to margin increases.

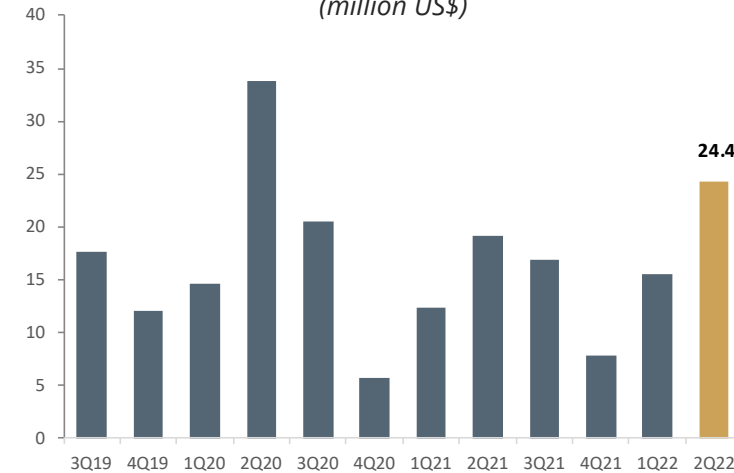
- Greater margins in fuels distribution and retail, while volumes decreased compared with last year.
- Focus on margin stabilization on fuels, operational efficiency, improvement of the product mix at convenience stores, gas stations renewal and network optimization.

PHYSICAL SALES OF LIQUID FUELS YoY
(Th. m³)



Million US\$	2Q 22	2Q 21	Change
Revenues	619.0	497.2	121.7
EBITDA	24.4	19.1	5.2

EBITDA
(million US\$)





ABASTIBLE Lower operating and non-operating income and higher taxes.

DECREASED OPERATING INCOME

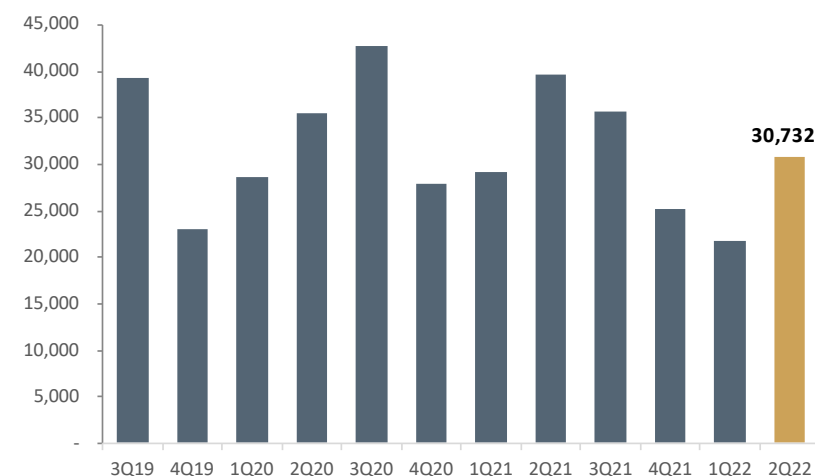
- Lower margins on higher costs associated to increased international propane prices.
- Better volumes in Chile, Colombia and Ecuador, increasing 2.0%, 4.5% and 6.3%, respectively, partly offset by decreased volumes in Peru by 2.4%.

UNFAVORABLE NON-OPERATING RESULT

HIGHER TAX

ABASTIBLE – INCOME STATEMENT

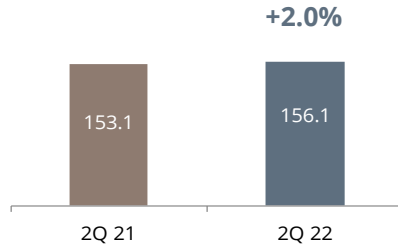
Million Chilean Pesos	2Q 22	2Q 21	Change
Net income	(3,025)	15,456	(18,481)
Operating income	16,978	26,872	(9,894)
Non operating income	(8,205)	(4,891)	(3,314)
Taxes	(10,617)	(5,542)	(5,075)
EBITDA	30,732	39,688	(8,955)



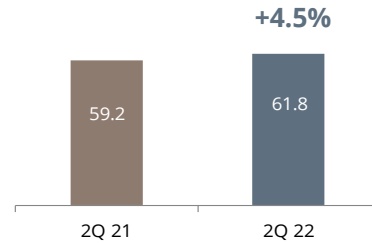


II. REVIEW BY BUSINESS DIVISION – ENERGY - Abastible

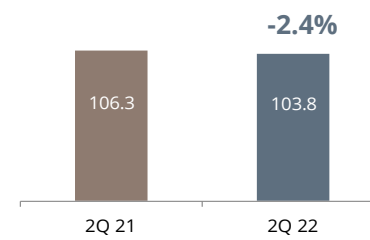
VOLUMES IN CHILE Y/Y
(Th. tons)



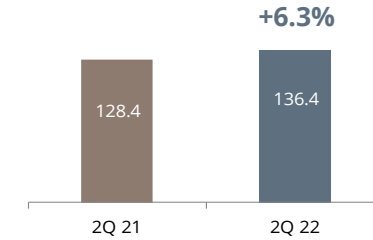
VOLUMES IN COLOMBIA Y/Y
(Th. tons)



VOLUMES IN PERU Y/Y
(Th. tons)



VOLUMES IN ECUADOR Y/Y
(Th. tons)



Chile:

- Volumes in the bottled segment decreased YoY, mainly associated to higher propane prices.
- Volumes in the bulk segment continue to recover, with growth YoY, partly offset by lower margins.
- Market share increases YoY.

Colombia:

- Bulk segment volumes grew YoY, while margins decreased mainly due to higher costs.
- Contraction in the bottled segment demand, because high propane prices have encouraged consumption of substitutes.
- Market share decreases YoY.

Peru:

- Constant increases in propane prices have led to some consumers opting for informal brands or even adopting firewood again.
- Bulk segment volumes reached better than expected levels.
- Market share decreases YoY.
- Margins expand due to the new strategy of the company.

Ecuador:

- Bottled segment volumes increase.
- Bulk segment volumes improved YoY, associated to a post pandemic recovery.
- Market share increases YoY.



OTHER INVESTMENTS





OTHER INVESTMENTS

ALXAR INTERNACIONAL (MINA JUSTA): Increased **net income** YoY, in the context of project ramp-up, boosted by favorable price scenario.

QoQ, **net income** dropped due to a lower sales and a higher cash cost related to logistical, chemical and labor cost.

CUMBRES ANDINAS	2Q 22	1Q 22	2Q22 / 1Q22
Sales	204,5	332,0	(38,4%)
EBITDA	144,2	275,2	(47,6%)
Net income	58,6	160,3	(63,4%)
Physical sales			
Cathodes (kT)	5,7	4,8	20,1%
Concentrates (kT)	20,5	25,5	(19,7%)
Treated Ore (kT)	3.371,8	3.108,8	8,5%
Cash-cost (C1) (US\$/lb)	1,4	1,1	24,7%

Figures in US\$ million

*Ebitda = Operating Income + Depreciation + Amortization

SONACOL: Better **operating income**, explained by higher volumes pipelined.

IGEMAR: Favorable results due to an increase in **operating income**, related to better gross margins.

METROGAS: Decreased **net income**, mainly explained by a provision due to a court ruling against this company.

AGESA: Increased **net income**, reflecting better operating income.


AFFILIATES AND ASSOCIATES – QUARTERLY NET INCOME

	2Q 22	2Q 21	Change
Affiliated Companies			
Alxar Internacional	23.2	(1.2)	24.3
Sonacol*	6,571	5,586	985
Igemar	10.6	8.8	1.7
Associated Companies			
Metrogas	(228.0)	28.1	(256.2)
AGESA	30.8	11.6	19.3

Figures in US\$ million

* Figures in million chilean pesos



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 - IV. Q&A: PLEASE START SUBMITTING YOUR QUESTIONS**



MAPA PROJECT PROGRESS

The MAPA Project is at the end of construction, in parallel with commissioning stage works at several areas. At the moment the main areas in operation are:

- Water Intake and Water Treatment Plant
- External Biomass system reception and storage
- Wood yard with logs reception (partial)
- Power Boiler in operation with biomass
- Recovery Boiler in operation with Diesel Oil and ready to burn black liquor
- Demineralized Water Plant
- Air Compressors
- Spill Ponds
- 220 KV electrical grid + main electrical substation.
- Effluent outfall

Additionally, in the second quarter:

- Workshop and Warehouse
- Successful Bailer Machine Test
- Wood Preparations Area
- Lime kiln Area
- Beam assembly for road access and internal railway

Production of first bale estimated for the end of October.

Final capex of the project estimated at approximately US\$ 2.85 billion.





Sucuriú Project

- A collaboration agreement was signed with the government of Mato Grosso do Sul in Brazil.
- This agreement is an important step that will allow Arauco to continue with the evaluation of a new pulp mill.
- This project is subject to several variables including market conditions, environmental permits, wood supply, financing, and the approval of Arauco's Board of Directors.
- Construction of this plant could start in 2025.
- Capex of the project could amount to US\$ 3.0 billion.
- Capacity would be 2.5 million tons of hardwood.
- Located 50 kilometers from the town of Inocência, an area that has a large number of logistical benefits.





ESG HIGHLIGHTS





PUBLICATION OF EMPRESAS COPEC SUSTAINABILITY REPORT

In July, Empresas Copec published its sustainability report for the year 2021, which highlights the progress made on the following subjects:

- Copec: new climate change strategy, in which it includes carbon neutrality goal, zero waste goal for 2029, and investment target of MMUS\$ 70 in energy transition goal.
- Arauco: recertification of carbon neutrality for 3rd year in a row, higher investment in fire prevention and fighting, community engagement strategy, and zero waste goal for 2030.
- Abastible: new technology of meters that protect health and safety, and portfolio of innovative energy solutions.
- Orizon: commitment to operate only with renewable energy by 2024.

This report is available at Empresas Copec's corporate and investor website:

<https://investor.empresascopecl.cl>





COPEC VOLTEX CONSOLIDATES NEW PROGRESS WITH ELECTROMOBILITY

Copec Voltex was awarded the tender to install 94 charging points for Codelco's buses:

- Copec reported that it was awarded a tender from Codelco to implement the largest electromobility project developed in the mining industry.
- Copec Voltex will be in charge of providing 94 charging points that will energize more than 150 electric personnel transport buses
- It will provide energy to three divisions of the national mining company: El Teniente, Andina and Chuquicamata.

COPEC[®]
VOLTEX




COPEC WILL SUPPLY GREEN HYDROGEN TO SANTIAGO AIRPORT

- Copec, together with Air Liquide and Colbún, signed a memorandum with airport operator, Nueva Pudahuel, to promote the use of green hydrogen in its operations.
- The Arturo Merino Benítez Airport will become the first airport in Latin America to incorporate the use of hydrogen into its operations.
- It is expected that the airport will use green hydrogen in 2025 for ground operations and that in 2035 it will be able to receive zero CO₂ emissions planes.
- Copec will develop infrastructure for H₂ dispensing services.





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