



CORPORATE PRESENTATION

December 2020

EMPRESAS COPEC AT A GLANCE



Chilean industrial group focused in natural resources and energy

Business Units

FUELS

- Main distributor of liquid fuels in Chile and Colombia
- Largest distributor of liquefied petroleum gas in Chile, Colombia, Peru and Ecuador
- Stake in the largest natural gas distributor in Chile

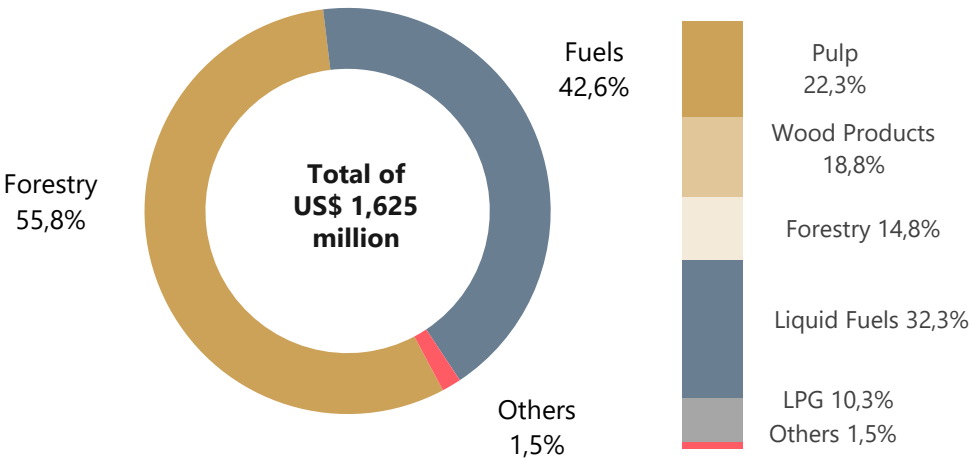
FORESTRY

- Second largest global market pulp producer
- Second largest global wood panels producer
- Largest sawn timber producer in LatAm

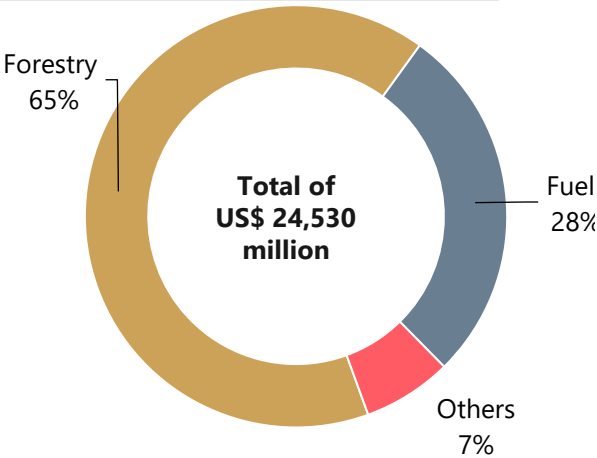
OTHERS

- Relevant operations in the fishing industry
- Participates in metal mining

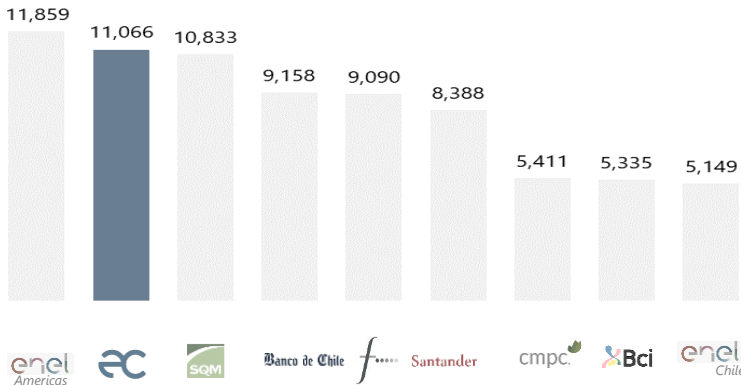
Consolidated EBITDA



Consolidated Assets



Market capitalization of Chilean companies(*)



Member of the most relevant global indexes in sustainability

Dow Jones Sustainability Indices
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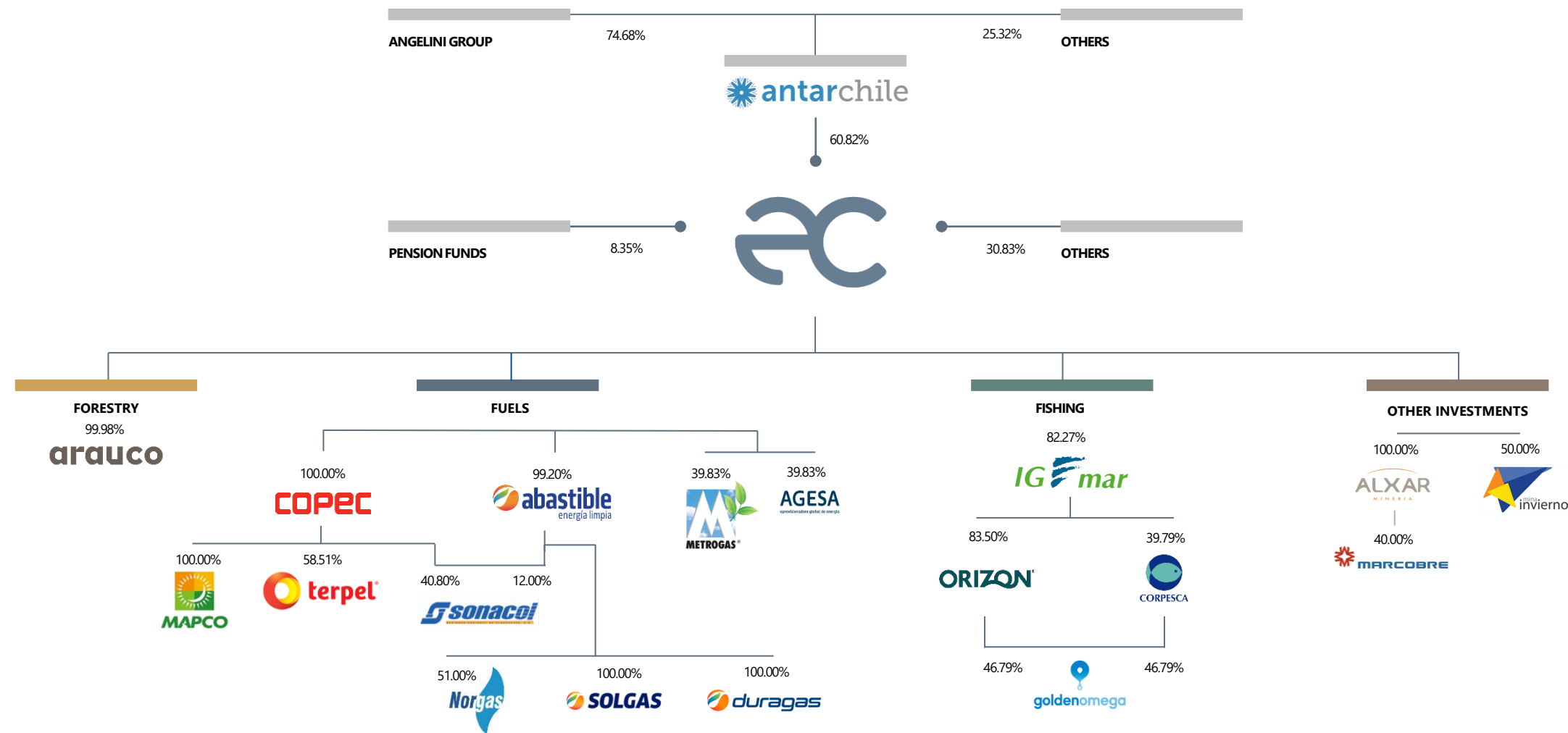
FTSE4Good



EMPRESAS COPEC AT A GLANCE



Chilean industrial group focused in natural resources and energy



HISTORY



Chilean industrial group focused in natural resources and energy

1934 Incorporation



1950-1960 Expansion in fuels

- Abastible
- Sonacol
- Lubricants

1970-1980 Diversification

- Forestry
- Mining
- Power distribution
- Fishing

1986 Entry of Angelini group

- Financial restructuring
- Strategic Development Plan

1986-2000 Investments and growth

- Alto Paraná
- Arauco II
- Licancel
- Metrogas

2000-2005 Consolidation and strategic focus

- Angelini assumes control of the Company
- Divestiture of shares in non-core businesses
- Focus in fuels, forestry and fishing

2003 Corporate restructuring

Creation of Empresas Copec



2005-2010 A world scale player

Arauco becomes the second largest market pulp producer in the world and the third main panel producer

2010-2019 Internationalization in core segments

- Expansion of liquid fuels and LPG to Colombia
- Montes del Plata pulp mill in Uruguay start-up⁽¹⁾
- Consolidation of the panel business
- Terpel completes its restructuring process
- Arauco acquires a 50% stake in Tafisa⁽²⁾
- Abastible acquires Solgas in Peru and Duragas in Ecuador⁽³⁾
- Copec completes the acquisition of Mapco in the US
- Arauco acquires Masisa's assets in Brazil and Mexico
- Copec acquires ExxonMobil's lubricants and liquid fuels assets in Colombia, Ecuador and Peru
- Alxar acquires 40% stake of Mina Justa project in Peru⁽⁴⁾

Source: Empresas Copec

(1) Arauco participates in a *joint venture* with Stora Enso (50% participation each)

(2) Tafisa is the subsidiary of the Portuguese group Sonae Indústria, dedicated to the panel business, which has plants in Spain, Portugal, Germany and South Africa

(3) Abastible acquired Repsol's LPG operations in Peru and Ecuador

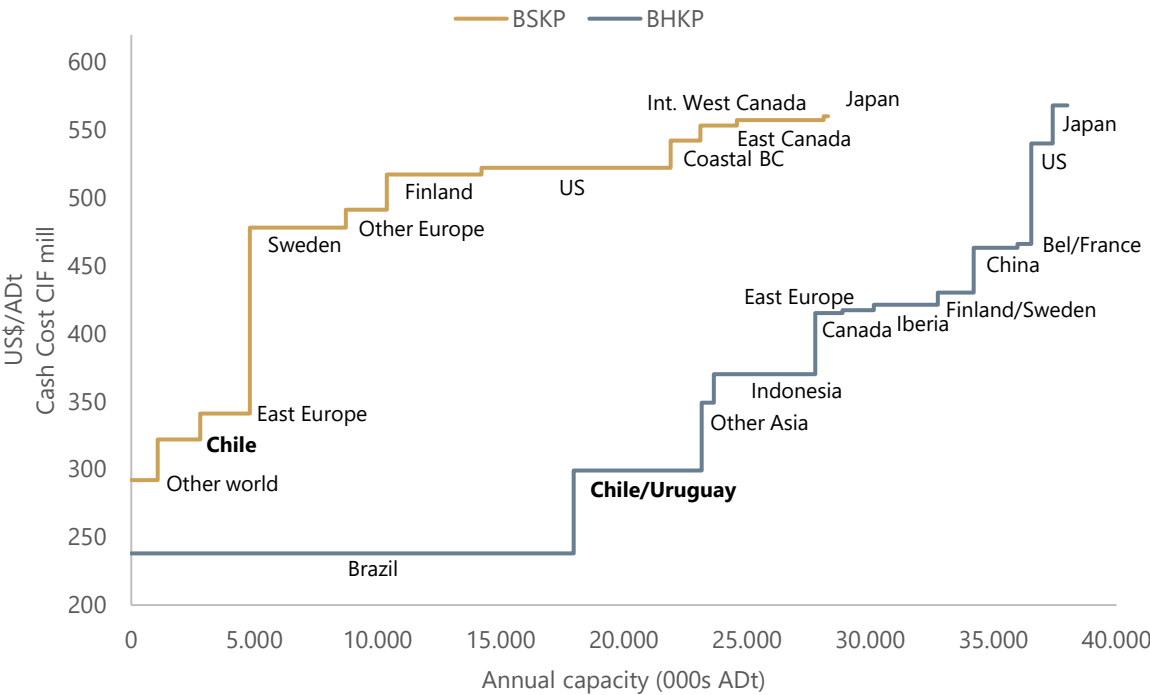
(4) Mina Justa is a copper mining Project, located in Ica, Peru. The remaining 60% stake is owned by Minsur, which is controlled by the Breca group

COMPETITIVE ADVANTAGES

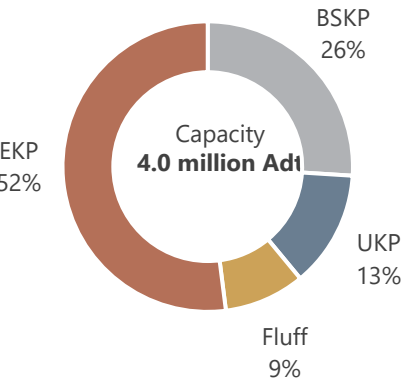


LOW PULP CASH COST

Hawkins Wright, as of April 2020



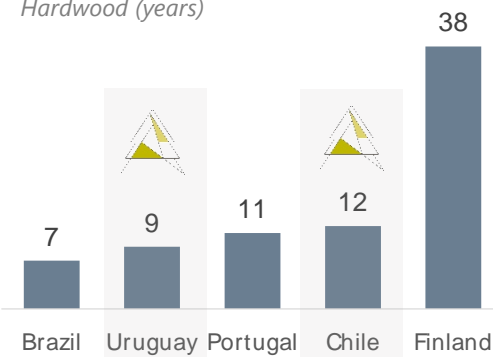
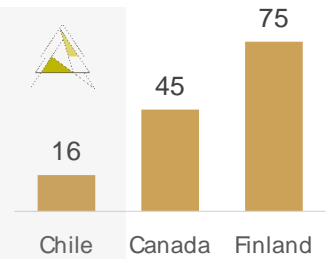
EXPOSURE TO DIFFERENT FIBERS



SHORT HARVESTING CYCLE

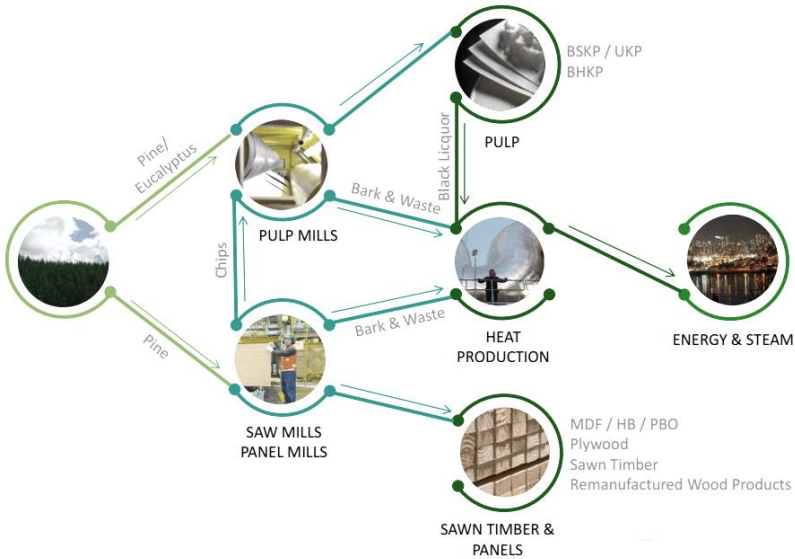
Softwood (years)

Hardwood (years)



Source: Empresas Copec

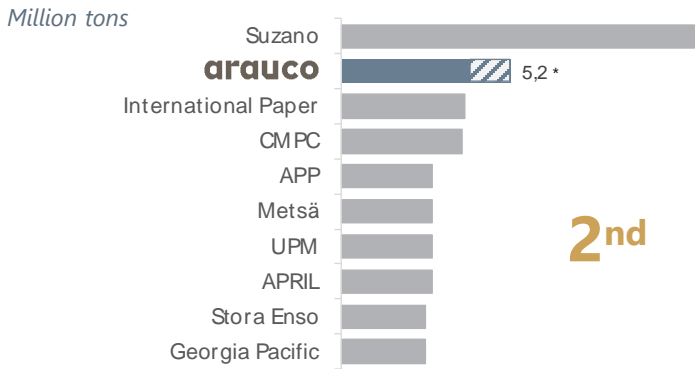
MAXIMIZING THE VALUE OF EVERY TREE



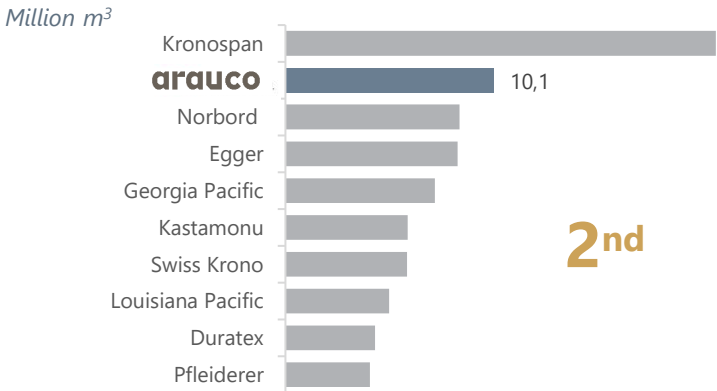
EFFICIENT LOGISTICS BETWEEN FORESTS → MILLS → PORTS



MARKET PULP INSTALLED CAPACITY



WORLD PANEL INSTALLED CAPACITY



* Including MAPA

As of December 2019. Source: Hawkins Wright, Public Filings, and Arauco estimates

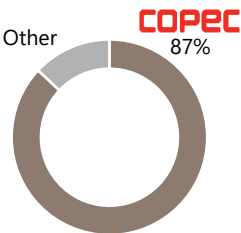
LARGE SCALE, COVERAGE AND SYNERGIES

- More than 3,300 gas stations*
- Distribution of 22.9 million m³ of liquid fuels*
- Import facilities
- Storage plants
- Industrial clients
- Convenience stores
- Lubricants

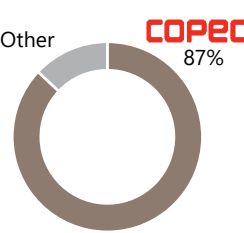


STRONG BRAND RECOGNITION

Favorite Brand

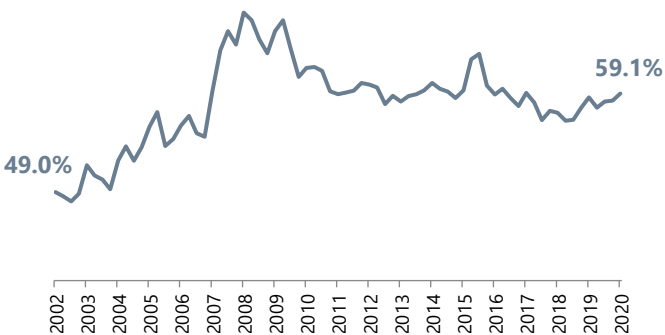


Usual Brand

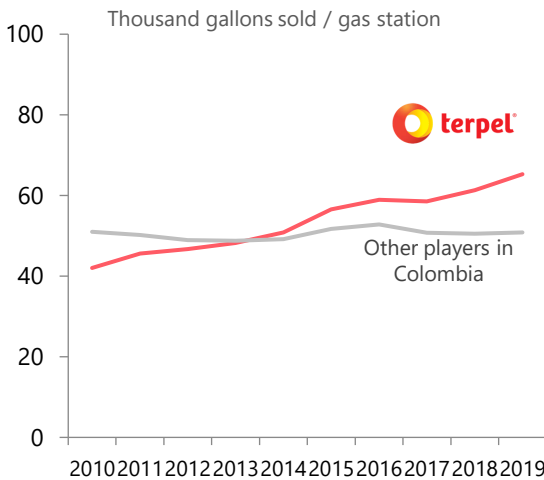
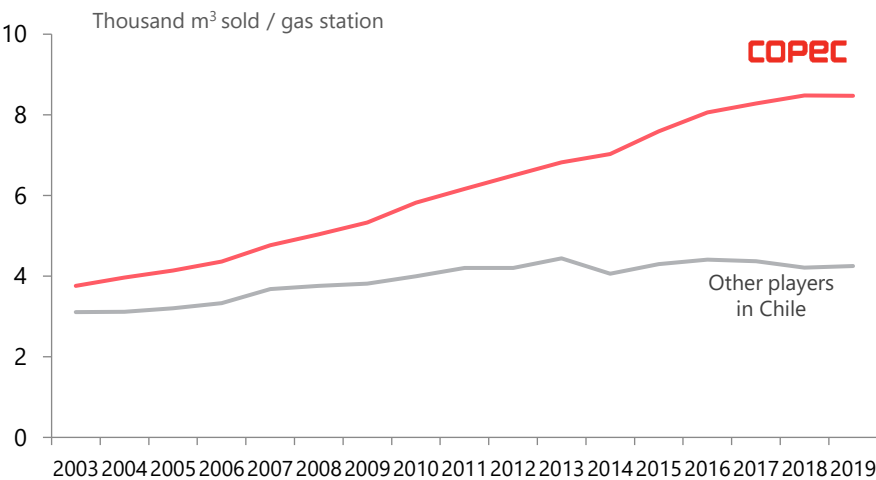


MARKET SHARE EVOLUTION

Copec Liquid Fuels, Chile



LOGISTIC EFFICIENCY



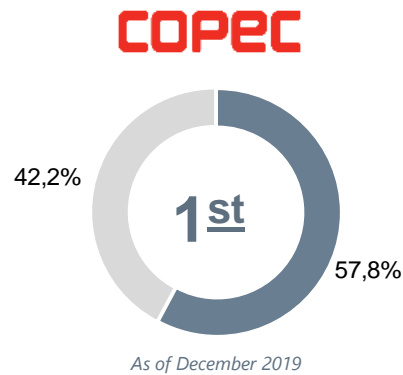
* Copec Chile + Terpel + Mapco

COMPETITIVE ADVANTAGES

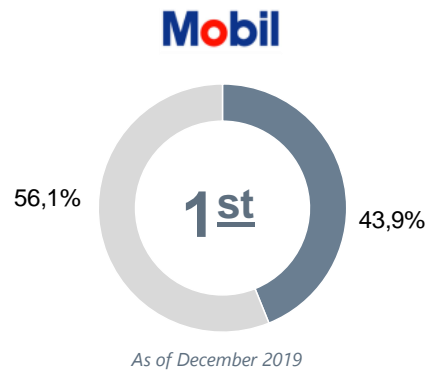


Leadership allows capturing economies of scale

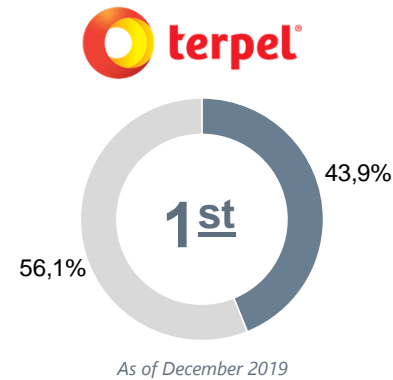
FUELS DISTRIBUTION CHILE



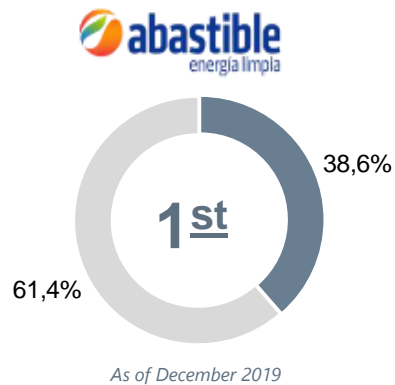
LUBRICANTS DISTRIBUTION CHILE



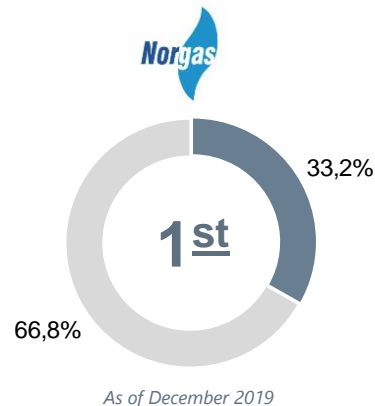
FUELS DISTRIBUTION COLOMBIA



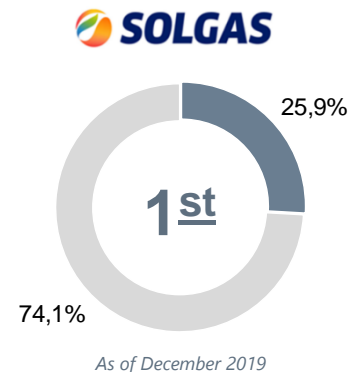
LPG DISTRIBUTION CHILE



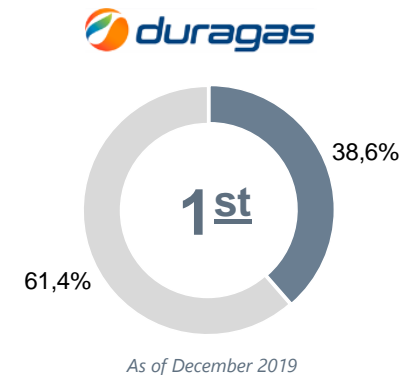
LPG DISTRIBUTION COLOMBIA



LPG DISTRIBUTION PERU



LPG DISTRIBUTION ECUADOR



| STRATEGIC FOCUS

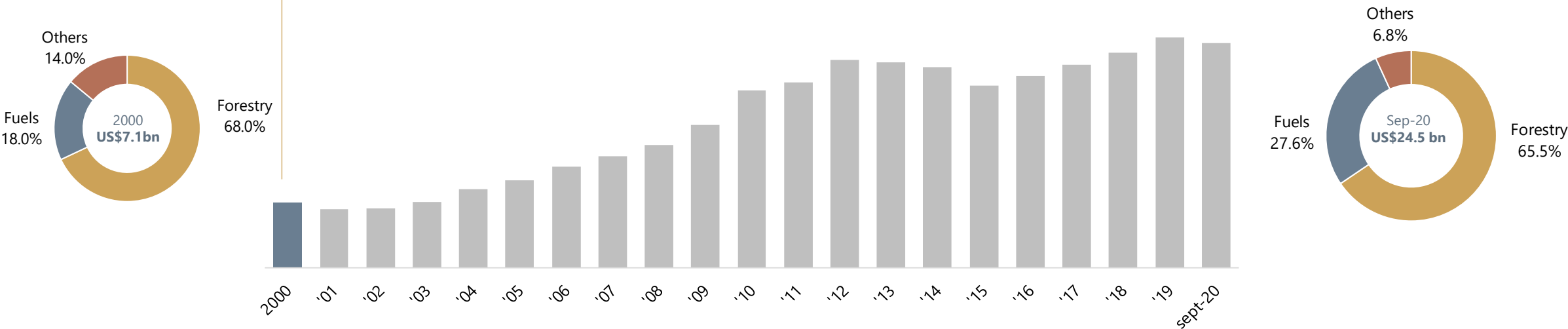


STRATEGIC FOCUS



Growth concentrated in core segments, while keeping other options for value creation

Total Assets 2000-2020

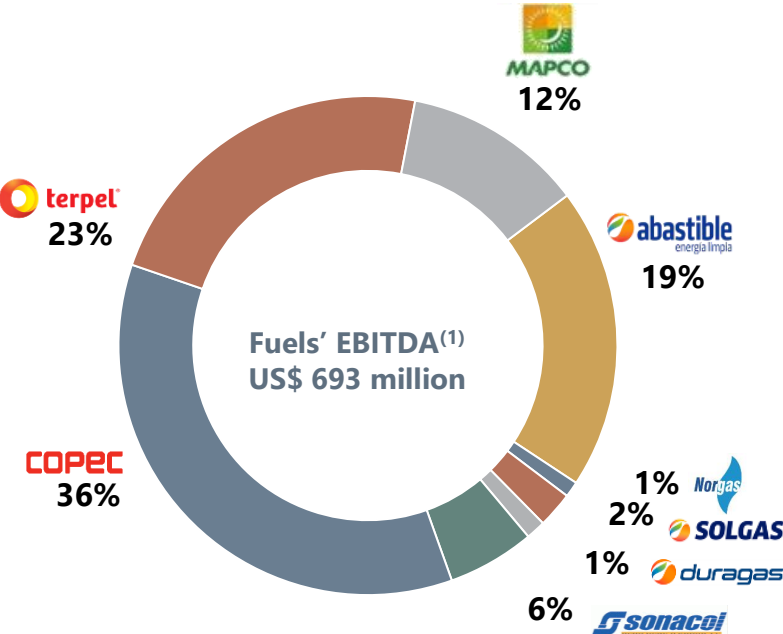


* Asset held for sale

Diversification within core businesses of Fuels and Forestry

MULTIPRODUCT FUELS PLATFORM

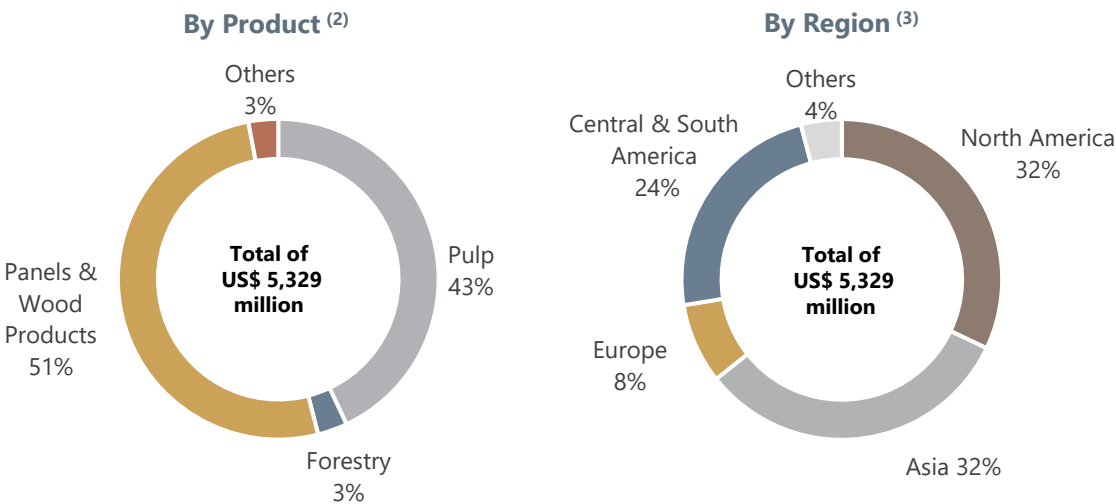
Includes liquid fuels, liquid petroleum gas, natural gas, and infrastructure



DIVERSIFIED FORESTRY BUSINESS

Exposure to wood pulp, panels and other wood products in the forestry business

Arauco Consolidated Revenues⁽²⁾



⁽¹⁾ Figures as of September 2020 (L12M)

⁽²⁾ Figures as of December 2019 (L12M)

⁽³⁾ By country of destination. Includes sales of goods produced in each country plus exports to each country. Figures as of December 2019

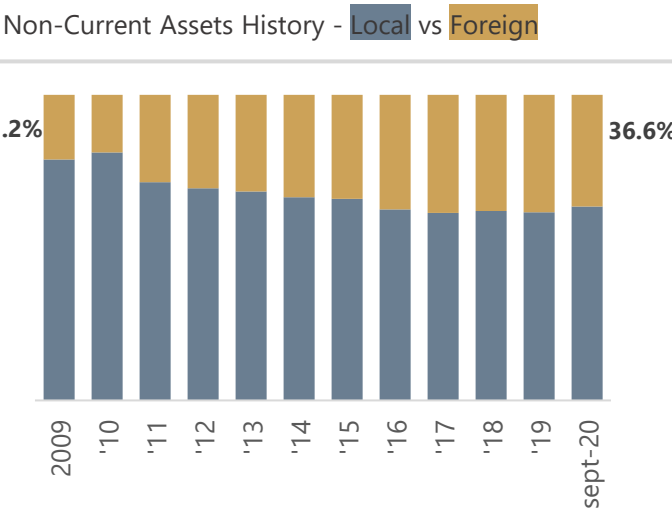
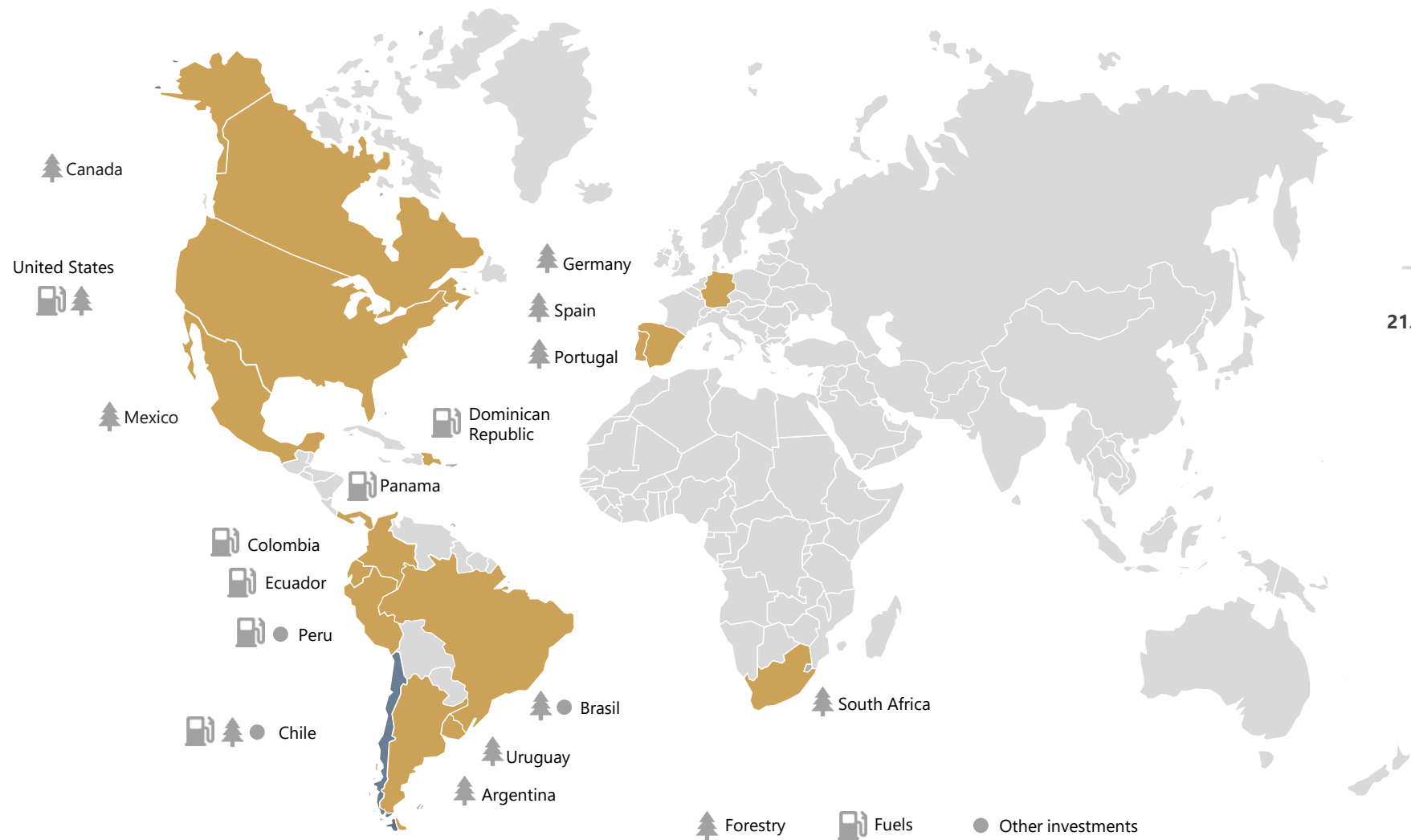
INTERNATIONALIZATION



INTERNATIONALIZATION



Productive assets in 16 countries, commercial presence in 23, and sales in more than 80



INTERNATIONALIZATION



Two strategic lines of growth outside Chile

REPLICATING OUR KNOW-HOW IN LATAM

Terpel: High growth potential in the Colombian market

- Colombia's vehicular penetration and highway flows are lower than in Chile.
- Low market penetration of convenience stores business.
- Copec's efficiency in its gas stations operation.

Strong potential in Norgas, Duragas, Solgas:

- Acquisition of a market leader
- Operations to benefit from Abastible's know how

Arauco acquires Panels assets from Masisa in Mexico and Brazil:

- Option to capture regional synergies



PURSuing SELECTED OPPORTUNITIES IN DEVELOPED ECONOMIES

Arauco acquires panel's productive facilities in North America:

- Good opportunities in the low part of the cycle.
- Significant synergies between facilities.
- Access to commercial channels.
- Significant upside potential.

Copec acquires Mapco in the US:

- Underperforming Assets ready for improvement
- Potential for consolidation

LATEST EXPANSIONS



arauco

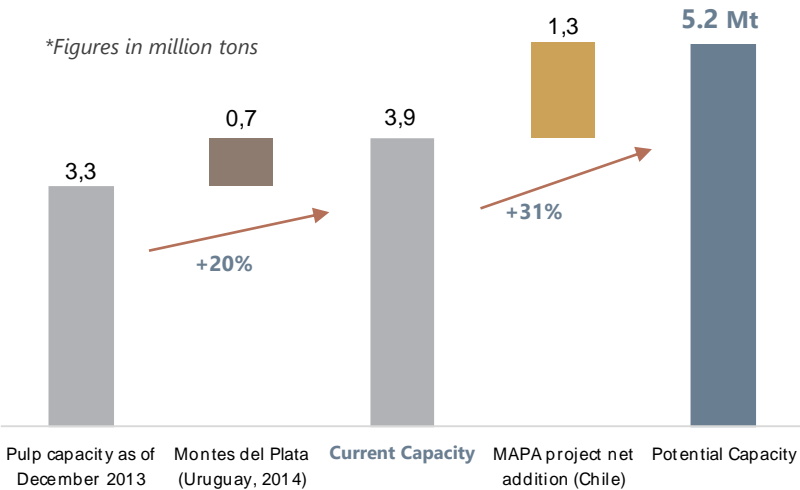
MAPA Project - Pulp

- New 1.56 million ton short fiber line in Arauco Mill, Line 3. Considers the closure of Arauco’s 290 th. ton Line 1 of short fiber pulp, once the new line is operating. Thus the net increase in production will be 1.27 million tons.
- Efficient cash cost and estimated investment of US\$ 2.35 billion.
- It includes an electric cogeneration plant based on biomass that will generate a surplus of approximately 132 MW.
- Advancement of 63% in September 2020, as planned. Expected start-up for 4Q21.

State of the art productive facility to increase 31% the pulp capacity at a low cash cost



Model of the project for 2021



arauco

Valdivia Project – Dissolving Pulp

- Conversion of the Valdivia mill into swing capacity, providing flexibility to produce either dissolving pulp or paper grade pulp.
- The Dissolving Pulp Project was completed in February 2020 with an investment of US\$ 195 million and started producing in June. The laboratory analysis conducted by Arauco have been very successful in terms of assessed quality.
- Dissolving pulp is a product used in the textile industry as a substitute for cotton as well as to soften, shine and purify fibers. It can also be used in the cellophane and flexible packaging industries.
- Arauco will be the first company to produce this kind of pulp in Chile.

Arauco is entering a new market, that could offer higher margins than regular market pulp.



arauco

Growth in the Panel Division

Grayling

- Total investment of approx. US\$ 450 million, with an installed capacity of 800 th. m³ of PB.
- The mill is currently producing and commercializing products.

Masisa do Brasil

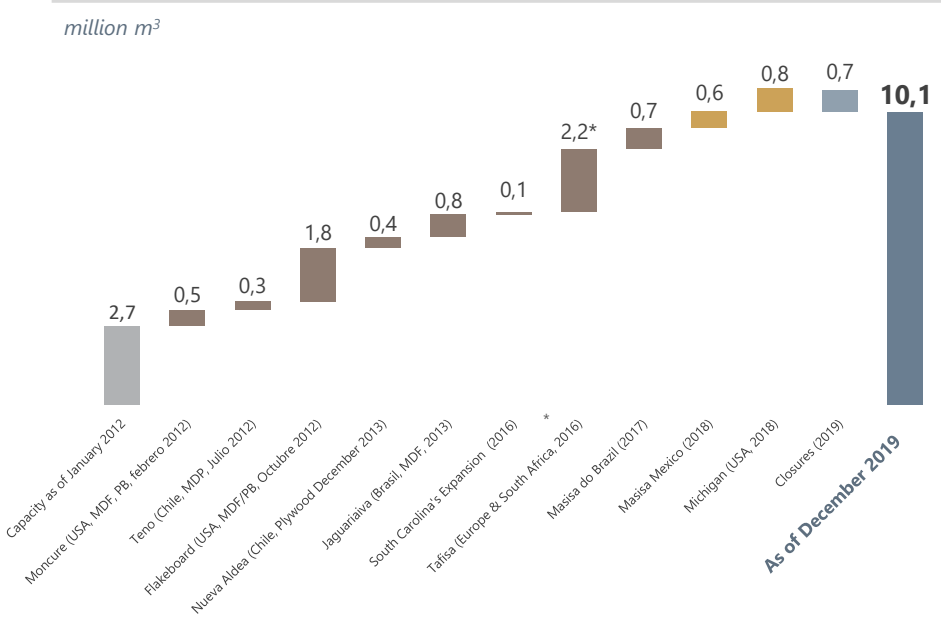
- On September, 2017, Arauco acquired Masisa’s assets in Brasil in US\$ 102.8 million.
- Transaction includes two panel mills, at Parana and Rio Grande do Sul.
- Capacity of 310 th. m³ in MDF and 410 th. m³ in MDP a year.

Masisa in Mexico

- On December, 2017, Arauco acquired Masisa’s assets in Mexico in US\$ 160 million.
- Transaction comprises two panel mills, at Durango and Zitacuaro.
- Capacity of 300 th. m³ in PB and 250 th. m³ in MDF a year.

Arauco to consolidate as the second largest producer of composite panels in the world, with an annual production capacity of ~10 million m³.

Installed capacity growth of panels



* Corresponds to 50% of the production capacity of Sonae-Arauco



Mina Justa – Copper Mining

- Partnership with likeminded investor in a world class project:
 - Low cash cost and high grade.
 - Low development risk.
 - LOM of 16 years and significant exploration potential.
 - Production of app 100 th. tons per year of fine copper in full operation.
 - Total resource base of 432 million tons and a copper grade of 0.75%.
 - Attractive upside potential
- Capex: USD\$1,600 million in 3 years. Project finance of US\$900 million. The remaining amount will be financed through capital contributions proportional to ownership in three years.
- On May 2018, Alxar Internacional acquired 40% stake of Cumbres Andinas, controller of Marcobre, which owns the Mina Justa project.
- As of September 2020, the project has a construction progress of 92%.



Interesting growth option in a sector where Copec can take advantage of existing capabilities and historical presence








ExxonMobil - Lubricants and liquid fuels

World class brand that strongly benefits our portfolio.

- In March 2018, Terpel acquired the lubricants and fuels distribution assets of ExxonMobil in Colombia, Peru and Ecuador.

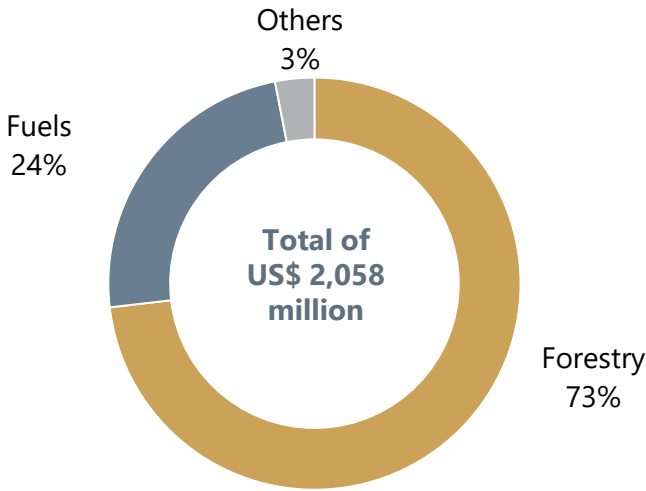


ExxonMobil’s Market Share*

Country	Lubricants	Liquid Fuels
 Colombia	30%	25%
 Peru	30%	19%**
 Ecuador	9%	6%

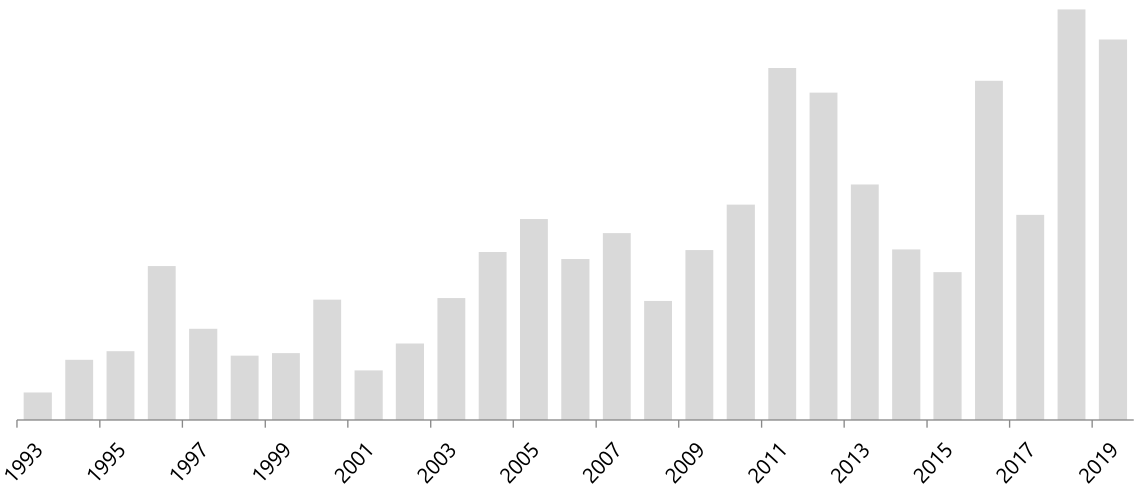
(*) Market shares are approximated
(**) Of the aviation market in Peru

CAPEX IN 2019



CAPEX HISTORY

Figures in US\$ million



*2020 figure subject to revision.

PRUDENT FINANCIAL MANAGEMENT



INVESTMENT GRADE SINCE 1995

Historically healthy cash flows have allowed to:

- Finance investment plans
- Distribute stable dividends
- Maintain low levels of leverage

International

FitchRatings **BBB** (Stable)

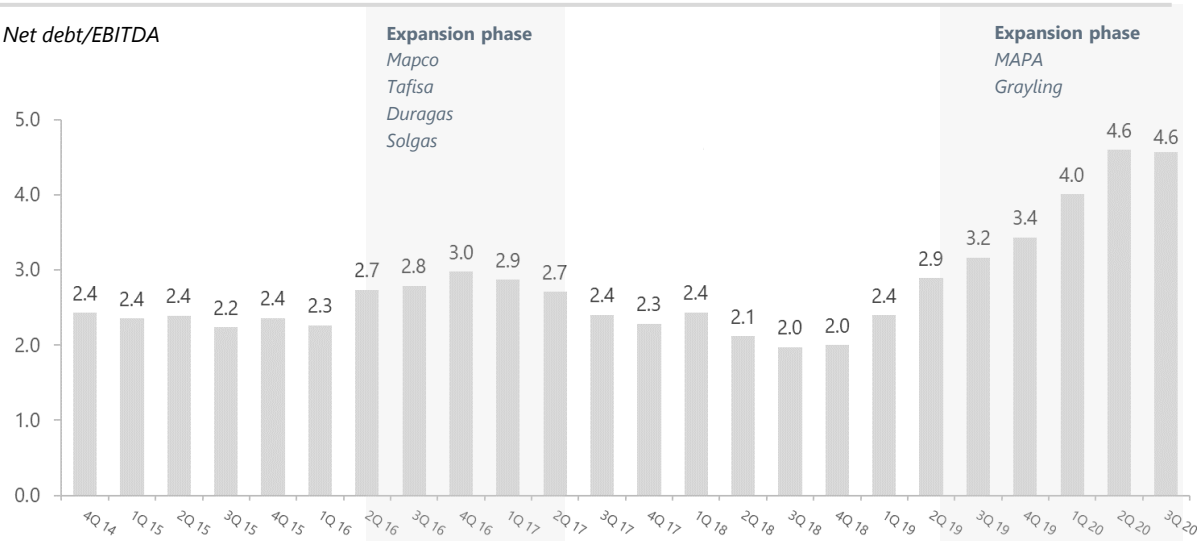
STANDARD & POOR'S **BBB-** (Stable)

Local

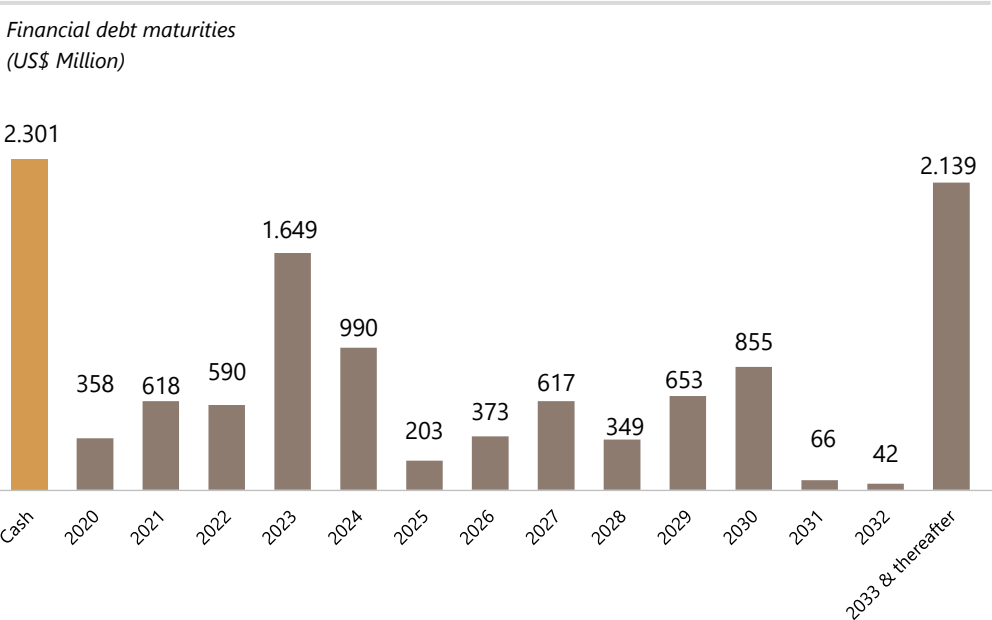
FitchRatings **AA-** (Stable)

Feller Strategic Insights **AA** (Stable)

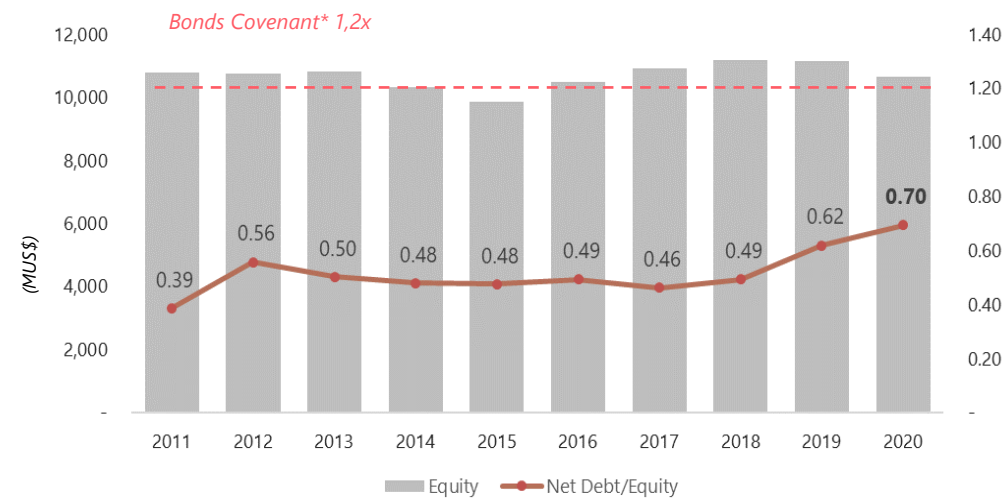
LEVERAGE REFLECTING EXPANSION PHASES AND PULP CYCLE



BALANCED DEBT SCHEDULE



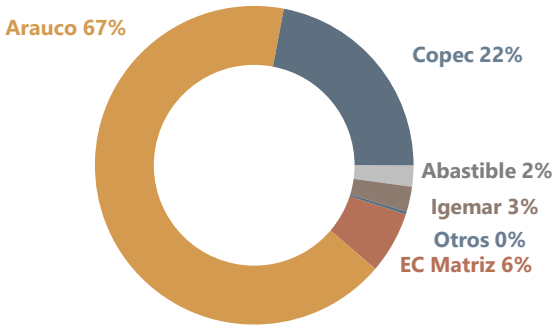
EQUITY AND NET DEBT/EQUITY



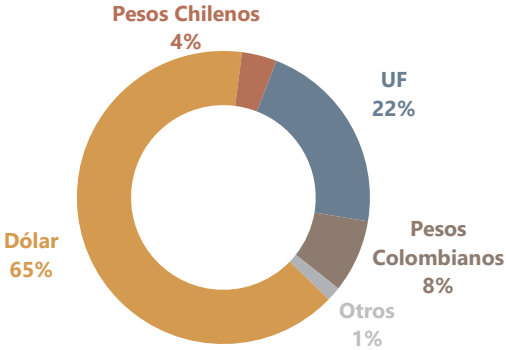
CONSOLIDATED FINANCIAL DEBT 3Q20: MMUS\$ 9,724

(CASH AND EQUIVALENT: MMUS\$ 2,301)

Distribution by affiliate



Distribution by currency



COMMITMENT TO SUSTAINABLE DEVELOPMENT



COMMITMENT TO SUSTAINABLE DEVELOPMENT



Responsible use of resources



WATER

- **Water Management Strategy** in Arauco, based on:
 - Knowledge of physical processes and environment interactions,
 - Preventive planning of water requisites
 - Collaboration with local communities regarding their access to the resource
 - 4.1% reduction in water consumption in 2019



CONSCIOUS USE OF ENERGY

- Renewable sources account for 90% of the energy used by Arauco.
- The company is one of the biggest NCRE in Chile, with an installed capacity of 781 MW, and contributed to the Chilean National Grid



LAND MANAGEMENT

- Arauco **maintains 29%** of its territory as wild forest and conservation areas
- Compliance with Forest Stewardship Council® and Programme for the Endorsement of Forest Certification®
 - FSC® in Chile (FSC-C108276) and Brasil (FSC-C010673; FSC-C116843; FSC-010303)
 - PEFC/CERFOAR Sustainable Forestry Management in Argentina
- Arauco continually reviews its **fire prevention** and suppression programs.
 - Recent developments related to equipment, training and coordination with communities implies that budget for the 19'-20' season reached MMUS\$ 48

Empresas Copec is part of the most relevant global indexes in sustainability



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COMMITMENT TO SUSTAINABLE DEVELOPMENT



Managing our footprint



LIMITING ATMOSPHERIC EMISSIONS

- Arauco will be the first **certified carbon neutral** company in the industry
- Copec is committed to achieving carbon neutrality in 2030
- Environment related** investment of MMUS\$ 61.5 in Empresas Copec
- Arauco announced its intention to align with the *"Science Based Targets"*

CARBON
NEUTRAL
2020



REDUCING WASTE GENERATION

- Solid waste **re-use target:** Arauco
50%
of non toxic waste
sold to third-parties

Arauco issued the first sustainable bond in LatAm. The company commits a contribution to environmental and social initiatives, in accordance with the *Sustainability Bond Framework*.

Empresas Copec is part of the most relevant global indexes in sustainability



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COMMITMENT TO SUSTAINABLE DEVELOPMENT



Best practices in governance



CORPORATE GOVERNANCE

- **Best board practices**
 - Independent Board Members
 - Non-executive Board Members
- Systematic documentation of Corporate Governance principles
- Permanent external assessment in audit, risk management and compliance
- Solid relationship with stakeholders



SOCIAL

- Long-term relationship with communities, based on participation and dialogue
- MMUS\$18.9 in community and social development investment in 2019
- Strong support to diverse educational projects and initiatives
- Staff training reached 85% of employees in 2019



EMBRACING CHANGE

- Copec becomes a leader in **new mobility technologies**
 - Redefines its mission, aiming to become a mobility company
 - Builds the Voltex EV charging network, the longest in LatAm with 1,400 km
 - Signs a Electromobility Public-Private Partnership with Chile's Government
 - Aims to extend the charging points beyond the gas stations
 - Invests in complementary emerging technologies

Empresas Copec is part of the most relevant global indexes in sustainability



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