

PULP NEWSLETTER

• innovation • sustainability • customer •



Shanghai Pulp Week 2019

As every year CMPC participated in Shanghai Pulp Week from March 18th to March 22nd.

This annual event organized by the Chamber of Commerce of the Paper and Pulp Industry of China, brings together the main pulp and paper producers. It is an opportunity to discuss about topics related to the Chinese economic context, paper and pulp market situation, among others.

Also, CMPC organized a great dinner with our main customers in China, an instance to strengthen the excellent relationships we have with our customers.



Short news



Welcome Jaime Argüelles

On January 1st, Jaime Argüelles assumed the position of Chief Executive Officer of CMPC Pulp division. Jaime Argüelles has ample experience in the pulp and energy market. He has been Chairman of EPIS (Association of European Pulp Manufacturers) since 2018 and the Commission of Energy Efficiency and Industrial Safety of the Association of Chemical Industries and Processes of Asturias. Until December 2017, he was also President of ACCIB (Association of Liquefied Pulp Marketers). He completed his academic training at the Polytechnic University of Gijón, where he qualified as an industrial engineer. He also holds an International MBA from EOI Madrid, and a position of Directive Development Program in IESE Business School.

Certification SS Index 2018

With the objective of promoting and consolidating ethical behaviors, CMPC joined a group of companies that implement the STAKEHOLDERS SUSTAINABLE INDEX (SSIndex). The process was led by the company ESG COMPASS, a neutral and certifying entity that uses intelligent software to gather information from different stakeholders. The result of SSIndex 2018 was 72%, a very positive score for CMPC Pulp, where "employees, customers, suppliers and communities measured, agree and strongly agree with the risk management and sustainability in the company" likewise, it highlights the score in customers with 81%, which has allowed CMPC PULP not only to be certified in this group, but also to obtain specific information for an improvement process that continues throughout the year.



MEMBER OF

**Dow Jones
Sustainability Index**

In Collaboration with RobecoSAM

CMPC is a member
of Dow Jones
Sustainability
Index Chile
and MILA

It is a set of indexes that assess the sustainability of companies, based on an analysis of their economic, environmental and social performance, as well as assessing issues such as governance, risks, brand, mitigation of climate change, supply chain and labor practices (ESG).

Eco design

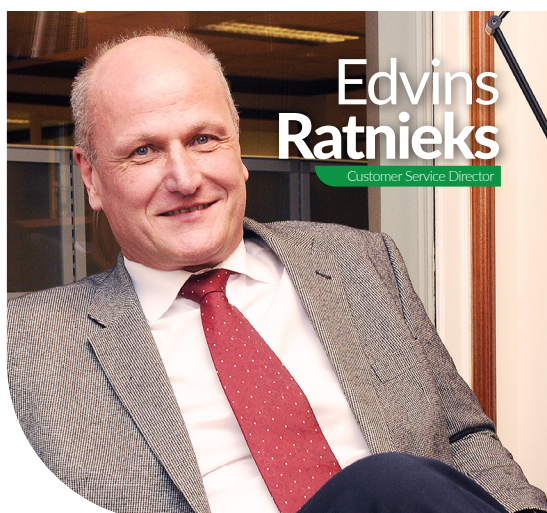
“Los Angeles” building inauguration

The project designed by the Izquierdo Lehmann architecture office, National Architecture Award, is the first building in Chile to receive FSC Chain of Custody certification for Project 2018.

Woods used in the construction of the building come from CMPC forests, managed and certified under FSC standard and were made in the industrial centers of our company with FSC chain of custody certificates.



Profesional interview



Edvins Ratnieks
Customer Service Director

How long have you been in CMPC?

— The purchase of the Guaíba mill in Brazil during 2009 was the first international move of CMPC Pulp outside Chile. I was then working in new mill study in Brazil as an employee of a Brazilian pulp producer. I was asked then to lead the technical database construction and the technical meetings during the due diligence initiated by CMPC towards the purchase of the asset. When the time came to announce the purchase of

Guaíba, it was my choice to stay there with the new owner or to stay on the seller side. My personal decision was to stay in Guaíba and start a new professional period within CMPC. The very probable expansion of the Guaíba mill appealed to me very much. One of the biggest mill projects in the world.

What are you doing in your actual position?

— For more than 5 years now, a strategic plan is in place. We moved from a reactive situation towards a proactive position with respect to our customers. My role has been to lead the proactive actions, bringing in opportunities to move side-by-side with our customers in technical discussions of raw materials capabilities and their wishes in products development. In a broad sense, it means adding our group as one contributing actor in a world of open innovation. We believe that communication matters, sharing is a two-way road and we muse to surprise our customers with original contributions.

How is the interaction between the customer and the customer services group? Give us an example on how your group usually help them?

— The technical support group has been in contact with our sale agents, existing customers and potential ones all over the world. We deliver products specifications, solve doubts, requests and claims. This is our first approach: - be available, be fast, be precise. Our aim is to have all the products information available online via a web portal, no matter if they are simple

questions or the pulp lots quality delivered to the customers. We are driving fast towards this goal.

“be available, be fast, be precise”.

A continuous program of meetings and seminars with the customers is a key starting point to develop trust, understanding of common goals and challenges. Hence, we aim at contributing to the design of customer's future perspectives concerning products. We insist on the repeated live meetings as the very human mode to cooperate. We trust that we can bring in new perspectives of technical cooperation acting as a linking agent among other parties or even acting as a leading agent for a technical change.

As an example of our proactive work, we deem we can provide expertise contribution in pulp stock preparation. It is an important area of papermaking, generally designed during the mill project and frozen after the mill startup. However, it is common to find unexpected potential in this area. Energy expenditure and final product quality can be deeply affected by playing around

with those equipment. We offer our customers opinions, surveys, audits and design modifications. We are working on other value added products to better serve our customer needs.

What is a typical question? And what has been the most difficult one? (maybe your biggest challenge)

— A typical question is: "What makes your product unique/suitable to me?". The most difficult one: "Do you plan to prepare a pulp that blends the best of both short and long fibers?".

What should the customer know about CMPC's customer services?

— We are a group always available to serve and especially to surprise our customers. Excellent services mean to us win-win interactions.

Innovation news



CMPC Bosques del Plata mill in Argentina celebrates zero accident rate in 2018.

The record shows that between the years 2003-2007, the average accident rate was 3.5%; between 2008-2012 it fell to 1.5% and in the 2013-2017 period it was possible to reduce it to 0.8% with sustained and continuous work over time, achieving in 2018 an accident rate of 0%.

Moving towards the Circular Economy: CMPC receives certification in clean production

18 companies in the sector, received the certification from the Sustainability and Climate Change Agency (ASCC) in Chile, after implementing the Clean Production Agreement (APL) promoted by the Center for Packaging and Packaging of Chile (CENEM).



CMPC is awarded in innovation for sustainable packaging

On November 2018 the Environmental Recognition of the Chilean-British Chamber (Britcham) was carried out. Three subsidiaries of CMPC received recognition for its submitted projects: Forestal Mininco for the "Eucahydro" initiative, CMPC Maderas for the "Eco-sustainable Villa" and Printed Containers for "Salmon EcoBox".



Softys: Tissue subsidiaries unifications

The unification of all CMPC's denominations of its tissue business subsidiaries in the eight countries was officially announced under the name of Softys, on January 11.

CMPC receives energy efficiency award in Uruguay

The subsidiary of CMPC Tissue was selected - in the Industry category - for the continuous improvement in energy efficiency, with which it managed to reduce its annual energy consumption by 8%. This Award ceremony was organized by the Ministry of Industry, Energy and Mining of Uruguay.