

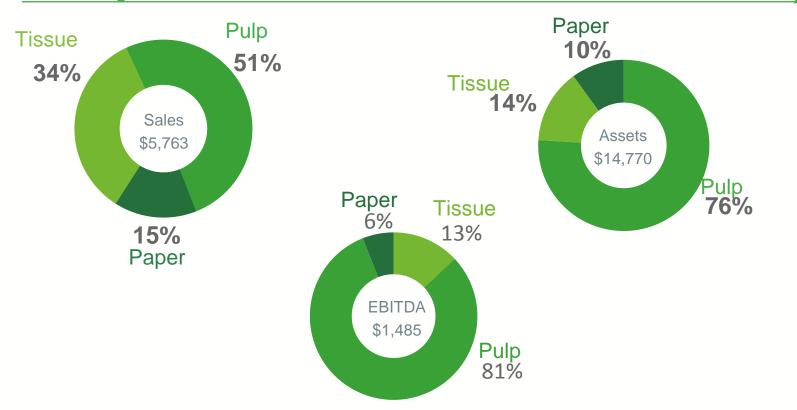




A Global Leader in P&P

CMPC is a P&P company, established in 1920, that produces solid wood products, pulp, paper and packaging products and tissue in Latin America.

CMPC Figures ¹







Competitive BEKP & BSKP Cash Cost

Investment
Grade
Company

Fitch: BBB (stable)
Moody's: Baa3 (stable)
S&P: BBB- (stable)

CMPC ENERGY INPUTS

32,500 GWhe38 Industrial Sites8 Countries

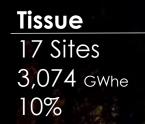


12% Natural Gas & LPG 3,864 GWhe

> 75% **Biomass** 24,383 GWhe



CMPC ENERGY INPUTS PER BUSINESS



Pulp 4 Sites 26,115 GWhe **80%**

<u>Packag</u>ing

11 Sites 2,029 GWhe 6%

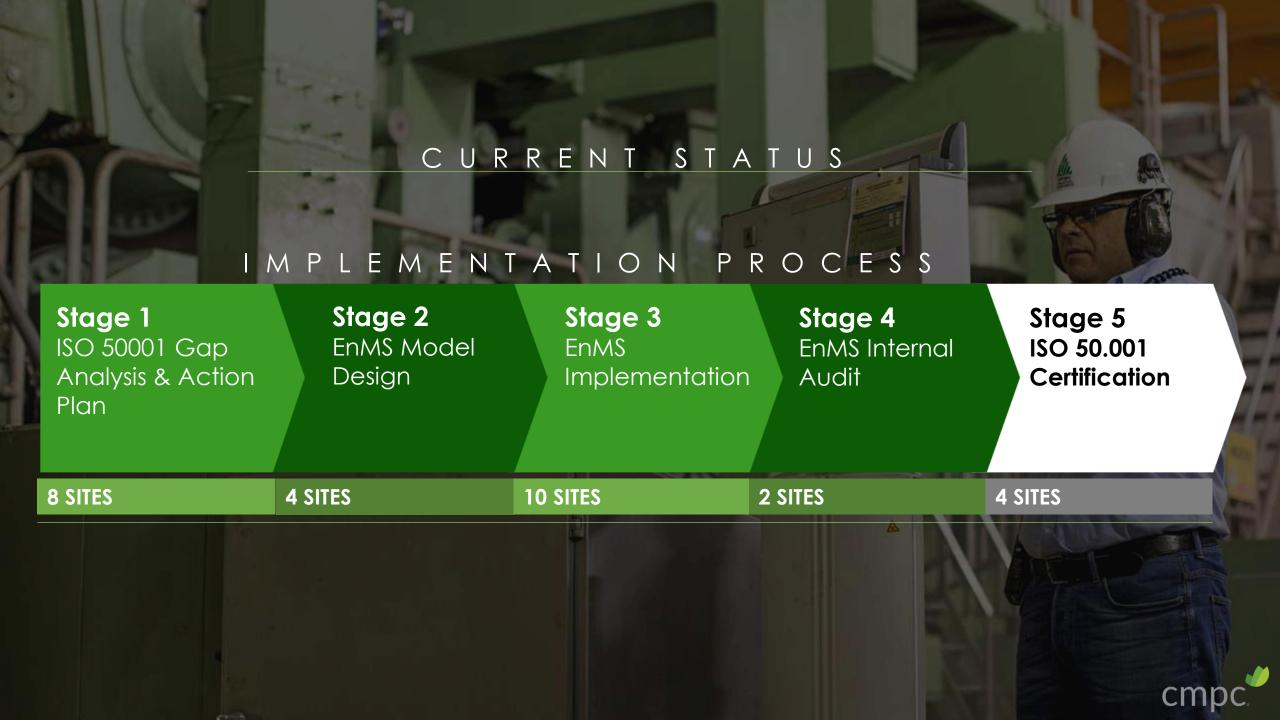
Wood

6 Sites 1,329 GWhe 4%









PHASE I PULP

S C O P E O F T H E S Y S T E M

CMPC started working in the beginning of **2013** in the EnMS implementation process of the **3 Mills** of Pulp in Chile and obtained the certification **ISO 50001** in October 2014

Pulp Mill	Production [Ton/year]	Product
Laja	360.000 70.000	Bleached Softwood Kraft Pulp, Unbleached Kraft Pulp Sack Kraft Paper
Pacifico	500.000	Bleached Softwood Kraft Pulp
Santa Fe	1.490.000	Bleached Eucalyptus Kraft Pulp

To process

Steam

Recovery
Boiler

White Liquor

Lime Kiln

Cutting
& Packing

Dryer

Tank

Bleaching

Annual Energy Consumption 17,324 GWhe



PHASE I PULP

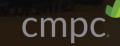
20/20 PLAN

After defining the EnMS base lines, a goal of reducing 20% the consumption of external energy sources per unit of produced pulp was established for the year 2020.

Focus of developed projects

- Biomass quality improvements, electricity savings (motors y lighting), steam savings and residual heat recoveries.
- Fuel use improvements and energy monitoring systems upgrades.
- New technologies for the use of: black liquor, fuel oil, biomass and insulation improvements.

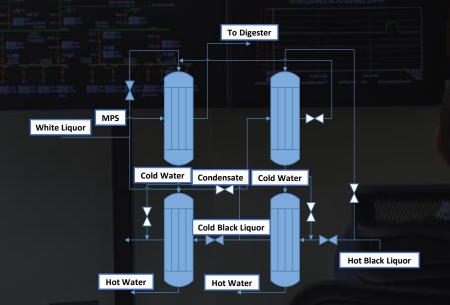
Until 2016, 32 energy efficiency projects were developed in relation to the EnMS, with a total investment of 12,6MM USD and an energy saving impact of over 137 GWh.

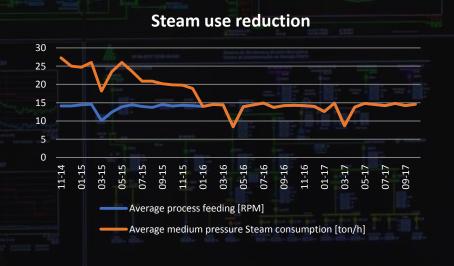


Pacifico's project "Steam use reduction via White Liquor preheating with heat recovered from the Black Liquor outlet" received the prize for best energy efficiency project within the Gold Seal price, given by the Chilean Ministry of Energy

This project provided the following benefits:

- Medium pressure steam (MPS) use reduction
- Cold water use reduction
- Availability of MPS to generate electricity





Results			
Thermal Energy Savings	53.1 GWh _t /year		
Electricity Generation	17.3 GWh _e /year		
Economic Benefit	1.1 MM USD/year		





LEGAL REQUIREMENTS CYCLE

+ Annual Compliance Audit



CMPC Area: Legal



Legal Identification: New Regulation Report (Regulations - Laws -

Decrees)



CMPC Area: Energy - External



Quarterly
Legal Requirements
Compliance
Cycle

Breakdown of Legal Bodies by Articles

Verifiers Recommendation



CMPC Area: Plants - Energy - External



Analisys Meeting

6 Compliance



5

CMPC Area: Energy and Mills

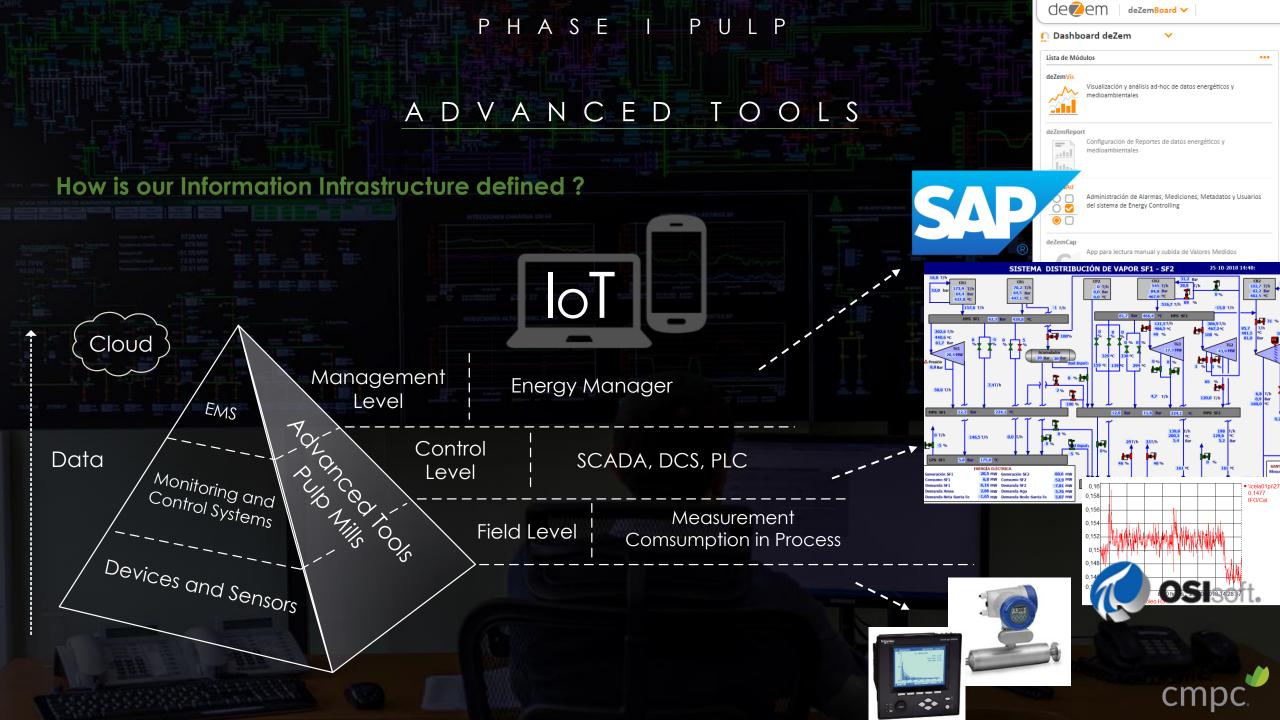


Load Verifiers to Compliance Software

CMPC Area: Environment



Compliance Software



RESULTS

CMPC has achieved a **22% of improvement** of its energy performance of its 3 certified Pulp Mills in 3 years

ENERGY COSTS SAVINGS

TOTAL INVESTMENTS

TOTAL ENERGY SAVED

40,2 MM USD

BETWEEN 2014 & 2017

12,6 MM USD

IN PROJECTS, TRAININGS & MANTEINANCE OF THE ENMS

5.000 GWhe

BETWEEN 2014 & 2017







RECOMMENDATIONS & BEST PRACTICES

Organizational

- Continuous and explicit Management support, ensuring resources
- Dedicated Energy Management Leader with support in every business
- Clear Energy Policy with ambitious goals
- Energy teams definition at the beginning o each implementation process
- Consideration for local cultures and legislations
- i-Cel

Resources

- CMPC Operating Model
- Integration with existing management systems (ISO standards, Lean, TPM)
- Procedure standardization if possible
- Energy monitoring tools as early as possible
- Minimum competencies establishment, trainings and awareness
- External implementation consultancy support



