



EMPRESAS COPEC

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2020

Limited review for the period ended June 30, 2020
Audited for the year ended December 31, 2019



INDEPENDENT AUDITOR'S REVIEW REPORT
(Free translation from the original in Spanish)

Santiago, August 21, 2020

To the Shareholders and Directors
Empresas Copec S.A.

We have reviewed the accompanying interim consolidated statement of financial position of Empresas Copec S.A. and subsidiaries as of June 30, 2020, the interim consolidated statements of income and comprehensive income for the three and six-month periods ended June 30, 2020 and 2019 and the related interim consolidated statements of changes in equity and cash flows for the six-month periods then ended.

Management's responsibility for the interim consolidated financial statements

Management is responsible for the preparation and fair presentation of the interim financial reporting in accordance with IAS 34 "Interim financial reporting" included in the International Financial Reporting Standards (IFRS). This responsibility includes the design, implementation and maintenance of an internal control sufficient to provide a reasonable basis for the preparation and fair presentation of the interim financial reporting, in accordance with the relevant framework of preparation and presentation financial reporting.

Auditor's responsibility

Our responsibility is to conduct our reviews in accordance with Chilean generally accepted auditing standards applicable to reviews of financial reporting. We have not reviewed the interim financial statements of the subsidiaries Compañía de Petróleos de Chile Copec S.A. and Pesquera Iquique Guanaye S.A. (in 2019), whose financial statements include assets representing 21.58% of the consolidated totals as of June 30, 2020 and 24.73% as of December 31, 2019. These financial statements were reviewed by other auditors and our conclusion, insofar as it concerns the amounts mentioned, is based solely on the reports of those auditors. A review of interim financial reporting consists mainly of applying analytical procedures and making inquiries with those responsible for accounting and financial matters. A review is substantially less in scope than an audit conducted in accordance with Chilean generally accepted auditing standards, whose purpose is to express an opinion on the financial reporting. Consequently, we do not express such an opinion.

Conclusion

Based on our reviews and the reports of other auditors, we are not aware of any material modifications that should be made to the interim financial reporting so that it is in conformity with IAS 34 as incorporated into International Financial Reporting Standards (IFRS).



Santiago, August 21, 2020
Empresas Copec S.A.
2

Other matters - Statement of consolidated financial position as of December 31, 2019

On March 6, 2020, we issued an unqualified opinion on the consolidated financial statements of Empresas Copec S.A. and subsidiaries, as of December 31, 2019 and 2018, which include the consolidated statement of financial position as of December 31, 2019 presented in the accompanying interim consolidated financial statements, together with the related notes.

Index to the interim consolidated financial statements of Empresas Copec S.A. and affiliates

Notes	Page
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	1
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	2
INTERIM CONSOLIDATED STATEMENTS OF NET INCOME.....	3
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME.....	4
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	6
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW	8
NOTE 1. CORPORATE INFORMATION	10
NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	12
2.1 BASES OF PRESENTATION.....	12
2.2 BASIS OF CONSOLIDATION.....	14
2.3 FINANCIAL INFORMATION OF OPERATING SEGMENTS	18
2.4 TRANSACTIONS IN CURRENCIES OTHER THAN THE FUNCTIONAL CURRENCY	19
2.5 PROPERTY, PLANT AND EQUIPMENT	21
2.6 BIOLOGICAL ASSETS.....	22
2.7 INVESTMENT PROPERTY	23
2.8 INTANGIBLE ASSETS	23
2.9 INTEREST COSTS.....	25
2.10 IMPAIRMENT LOSSES FOR NON-FINANCIAL ASSETS.....	26
2.11 FINANCIAL INSTRUMENTS.....	26
2.12 INVENTORIES.....	30
2.13 CASH AND CASH EQUIVALENTS.....	31
2.14 CAPITAL.....	31
2.15 INCOME TAX AND DEFERRED TAX	32
2.16 EMPLOYEE BENEFITS.....	33
2.17 PROVISIONS	33
2.18 REVENUE RECOGNITION	34
2.19 LEASES.....	34
2.20 NON-CURRENT ASSETS HELD FOR SALE	36
2.21 DIVIDENDS	36
2.22 ENVIRONMENT	36
2.23 BUSINESS COMBINATIONS.....	37
2.24 LOYALTY PROGRAM	37
2.25 IMPAIRMENT	37
2.26 STATEMENT OF CASH FLOWS	38
2.27 EARNINGS PER SHARE.....	39
2.28 CLASSIFICATION OF CURRENT AND NON-CURRENT BALANCES	39

2.29	OFFSETTING BALANCES AND TRANSACTIONS.....	39
	NOTE 3. FINANCIAL INSTRUMENTS.....	40
3.1	CASH AND CASH EQUIVALENTS.....	40
3.2	OTHER FINANCIAL ASSETS.....	40
3.3	TRADE AND OTHER RECEIVABLES.....	42
3.4	OTHER FINANCIAL LIABILITIES.....	44
3.5	OTHER FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS.....	62
3.6	FAIR VALUE HIERARCHY	63
3.7	HEDGING FINANCIAL INSTRUMENTS.....	64
	NOTE 4. FINANCIAL RISK MANAGEMENT.....	66
	NOTE 5. ESTIMATES, JUDGEMENTS AND ACCOUNTING CHANGES	86
	NOTE 6. INVENTORIES.....	88
	NOTE 7. BIOLOGICAL ASSETS.....	89
	NOTE 8. CURRENT TAX ASSETS AND LIABILITIES	93
	NOTE 9. OTHER NON FINANCIAL ASSETS	94
	NOTE 10. ASSETS AND LIABILITIES HELD FOR SALE	95
	NOTE 11. INTANGIBLE ASSETS	97
	NOTE 12. GOODWILL	100
	NOTE 13. PROPERTY, PLANT AND EQUIPMENT	102
	NOTE 14. LEASES	105
	NOTE 15. INVESTMENT PROPERTIES.....	109
	NOTE 16. DEFERRED TAXES.....	110
	NOTE 17. TRADE AND OTHER PAYABLES	114
	NOTE 18. RELATED PARTY BALANCES AND TRANSACTIONS.....	115
18.1	RELATED PARTY RECEIVABLES.....	116
18.2	RELATED PARTY PAYABLES.....	117
18.3	RELATED PARTY TRANSACTIONS.....	118
18.4	BOARD OF DIRECTORS AND SENIOR EXECUTIVES.....	120
	NOTE 19. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES	120
	NOTE 20. EMPLOYEE BENEFIT OBLIGATIONS.....	138
	NOTE 21. INVESTMENTS IN AFFILIATES AND ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD.....	139
	NOTE 22. NATIONAL AND FOREIGN CURRENCY	147
	NOTE 23. EQUITY	150

NOTE 24. OPERATING REVENUE	153
NOTE 25. EXPENDITURE BY FUNCTION	153
NOTE 26. FINANCIAL INCOME AND COSTS	156
NOTE 27. EXCHANGE DIFFERENCES.....	156
NOTE 28. ASSET IMPAIRMENT	157
NOTE 29. THE ENVIRONMENT	158
NOTE 30. OPERATING SEGMENTS.....	164
NOTE 31. BORROWING COSTS	170
NOTE 32. SUBSEQUENT EVENTS.....	170

ABBREVIATIONS

IFRS	International Financial Reporting Standards
IAS	International Accounting Standards
NIFCH	Chilean Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee
US\$	United States dollars
ThUS\$	Thousands of United States dollars
MUS\$	Millions of US dollars
Ch\$	Chilean pesos
MCh\$	Millions of Chilean pesos
COP	Colombian pesos
ThCOP	Thousands of Colombian pesos
PS/	Peruvian new sol
BR\$	Brazilian real
AR\$	Argentine peso
CN\$	Canadian dollar

Interim Consolidated Statements of Financial Position

	Note	06.30.2020 ThUS\$ Unaudited	12.31.2019 ThUS\$
Assets			
Current assets			
Cash and cash equivalents	3.1	2,064,069	2,214,887
Other financial assets, current	3.2a	138,270	124,918
Other non-financial assets, current	9	229,400	211,141
Trade and other receivables, current	3.3	1,444,878	1,675,937
Related party receivables, current	18.1	31,547	84,516
Inventories	6	1,668,648	1,823,893
Biological assets, current	7	276,606	275,792
Tax assets, current	8	231,461	263,957
Total current assets other than assets or disposal groups held for sale or for distribution to owners		6,084,879	6,675,041
Non-current assets or disposal groups held for sale	10	342,282	359,349
Non-current assets or disposal groups held for distribution to owners		0	0
Non-current assets or disposal groups held for sale or for distribution to owners		342,282	359,349
Total current assets		6,427,161	7,034,390
Non-current assets			
Other financial assets, non-current	3.2 b	142,339	108,072
Other non-financial assets, non-current	9	183,145	180,604
Trade receivables, non-current	3.3	15,022	19,870
Related party receivables, non-current	18.1	7,650	7,456
Equity method investments	21	1,037,320	1,026,173
Intangible assets other than goodwill	11	904,252	977,805
Goodwill	12	398,919	413,693
Property, plant and equipment	13	10,664,239	10,684,389
Right-of-use assets	14	728,173	801,961
Biological assets, non-current	7	3,323,730	3,393,634
Investment properties	15	25,722	35,300
Deferred tax assets	16a	539,299	484,563
Total non-current assets		17,969,810	18,133,520
Total assets		24,396,971	25,167,910

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Financial Position

	Note	06.30.2020 ThUS\$ Unaudited	12.31.2019 ThUS\$
Equity and liabilities			
Liabilities			
Current liabilities			
Other financial liabilities, current	3.4	1,027,400	795,723
Lease liabilities, current	14	118,476	129,228
Trade and other payables, current	17	1,319,364	1,793,854
Related party payables, current	18.2	10,973	6,197
Other provisions, current	19	19,238	18,999
Tax liabilities, current	8	42,780	25,102
Employee benefits provisions, current	20	11,668	11,810
Other non-financial liabilities, current		48,426	126,369
Total current liabilities other than liabilities included in asset disposal groups held for sale		2,598,325	2,907,282
Liabilities included in asset disposal groups held for sale	10	166,049	186,860
Total current liabilities		2,764,374	3,094,142
Non-current liabilities			
Other financial liabilities, non-current	3.4	8,026,670	7,689,047
Lease liabilities, non-current	14	597,749	658,704
Payables, non-current		852	3,189
Accounts payable to related companies, non-current	18.2	1,644	0
Other provisions, non-current	19	69,830	80,556
Deferred tax liabilities	16a	2,105,199	2,169,305
Employee benefit provisions, non-current	20	109,669	113,753
Other non-financial liabilities, non-current		146,767	185,176
Total non-current liabilities		11,058,380	10,899,730
Total liabilities		13,822,754	13,993,872
Equity			
Share capital	23	686,114	686,114
Retained earnings (accumulated losses)	23	11,279,450	11,283,478
Share premium		0	0
Treasury shares		0	0
Other equity interests		0	0
Other reserves	23	(1,824,421)	(1,302,233)
Equity attributable to owners of the parent company		10,141,143	10,667,359
Non-controlling interests	23	433,074	506,679
Total equity		10,574,217	11,174,038
Total liabilities and equity		24,396,971	25,167,910

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Net Income

		Unaudited			
	Note	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Net income					
Operating revenue	24	8,681,553	11,836,285	3,276,726	5,909,441
Cost of sales	25	(7,448,917)	(10,082,193)	(2,770,379)	(5,075,533)
Gross margin		1,232,636	1,754,092	506,347	833,908
Distribution costs	25	(566,669)	(668,736)	(256,019)	(318,913)
Administrative expenses	25	(459,713)	(524,552)	(219,687)	(263,855)
Net Operating Income		206,254	560,804	30,641	251,140
Other income, by function	25	140,346	168,125	67,742	95,250
Other expenses, by function	25	(125,643)	(68,509)	(63,323)	(37,815)
Other gains (losses)		(3,675)	1,942	(3,168)	(109)
Financial income	26	30,322	30,992	19,672	16,237
Financial costs	26	(206,782)	(210,365)	(98,664)	(111,482)
Share of profits (losses) at associates and joint ventures accounted for using the equity method	21	624	19,150	4,944	14,587
Exchange differences	27	(46,954)	(2,229)	(15,519)	(12,586)
Gain (loss) on indexed assets and liabilities		(5,499)	(7,656)	(1,578)	(7,636)
Gain (loss) arising from the difference between the prior book value and the fair value of financial assets reclassified at fair value		0	0	0	0
Net income (loss) before tax		(11,007)	492,254	(59,253)	207,586
Income tax expense	16b	(17,084)	(109,029)	19,330	(60,285)
Net income (loss) from continuing operations		(28,091)	383,225	(39,923)	147,301
Net income from discontinued operations		0	0	0	0
Net income (loss) for the year		(28,091)	383,225	(39,923)	147,301
Net income (loss) attributable to					
Net income (loss) attributable to owners of the parent company		(25,260)	356,542	(31,616)	135,259
Net Income (loss) attributable to non-controlling interests		(2,831)	26,683	(8,307)	12,042
Net income (loss) for the year		(28,091)	383,225	(39,923)	147,301
Earnings (losses) per share					
Basic earnings per share					
Basic earnings per share from continuing operations		(0.019433)	0.274294	(0.024323)	0.104057
Basic earnings per share from discontinued operations		0.000000	0.000000	0.000000	0.000000
Basic earnings per share		(0.019433)	0.274294	(0.024323)	0.104057
Diluted earnings per share					
Diluted earnings (losses) per share from continuing operations		0.000000	0.000000	0.000000	0.000000
Diluted earnings (losses) per share from discontinued operations		0.000000	0.000000	0.000000	0.000000
Diluted earnings per share		0.000000	0.000000	0.000000	0.000000

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Comprehensive Income

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Unaudited Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Statement of Comprehensive Income				
Net income (loss) for the year	(28,091)	383,225	(39,923)	147,301
Components of other comprehensive income that will not be reclassified to net income for the period, before taxes				
Other comprehensive income from revaluation gains (losses), before taxes	0	0	0	0
Other comprehensive income from actuarial gains (losses) on defined-benefit pension plans, before taxes	(531)	329	(662)	(356)
Other comprehensive income from revaluation of defined-benefit pension plans, before taxes	0	0	0	0
Participation in other comprehensive income of associates and joint ventures accounted for using the equity method that will not be reclassified to net income for the period, before taxes	0	0	0	0
Other comprehensive income that will not be reclassified to net income for the year, before taxes	(531)	329	(662)	(356)
Components of other comprehensive income that may be reclassified to net income				
Gain (loss) from foreign currency translation adjustments, before taxes	(472,175)	42,533	18,805	7,076
Reclassification adjustments on foreign currency translation adjustments, before taxes	0	0	0	0
Other comprehensive income from foreign currency translation adjustments, before tax	(472,175)	42,533	18,805	7,076
Financial assets held for sale				
Gain (loss) from revaluations of financial assets held-for-sale, before taxes	0	527	0	266
Reclassification adjustments on financial assets held-for-sale, before taxes	0	0	0	0
Other comprehensive income, financial assets held-for-sale, before taxes	0	527	0	266
Cash flow hedges				
Gain (loss) from cash flow hedges, before taxes	(99,039)	16,359	33,421	17,719
Reclassification adjustments on cash flow hedges, before taxes	(20,854)	(12,907)	(18,057)	(10,759)
Adjustments for amounts transferred to initial book values of hedged items	0	0	0	0
Other comprehensive income from cash flow hedges, before taxes	(119,893)	3,452	15,364	6,960
Other comprehensive income from gains (losses) on investments in equity instruments, before taxes	0	0	0	0
Other comprehensive income from revaluation gains (losses), before taxes	(3,939)	(6,926)	(3,305)	(2,460)
Other comprehensive income from actuarial gains (losses) on defined-benefit pension plans, before taxes	(152)	(111)	(67)	(168)
Participation in other comprehensive income of equity method associates and joint ventures	(2,969)	10,980	(1,540)	8,742
Other comprehensive income, before taxes	(599,128)	50,455	29,257	20,416
Income tax relating to components of other comprehensive income that will not be reclassified to net income for the period	0	0	0	0
Income tax related to defined benefit pension plans in other comprehensive income	0	0	0	0

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Income tax related to components of other comprehensive income				
Income tax related to foreign currency translation adjustments of other comprehensive income	0	0	0	0
Income tax related to investments in equity instruments of other comprehensive income	1,237	(2,171)	(27)	(2,034)
Income tax related to financial assets held-for-sale of other comprehensive income	0	0	0	0
Income tax related to cash flow hedges of other comprehensive income	28,231	(918)	(5,538)	(3,634)
Income tax related to changes in revaluation surpluses in other comprehensive income	0	0	0	0
Income tax related to defined benefit pension plans in other comprehensive income	221	(95)	265	107
Reclassification adjustments to income tax related to components of other comprehensive income	0	0	0	0
Total income tax relating to components of other comprehensive income (loss)	29,689	(3,184)	(5,300)	(5,561)
Other comprehensive income (loss)	(569,970)	47,600	23,295	14,499
Total comprehensive income	(598,061)	430,825	(16,628)	161,800
Comprehensive income attributable to				
Comprehensive income attributable to owners of parent company	(547,448)	395,859	(4,265)	150,445
Comprehensive income attributable to non-controlling interests	(50,613)	34,966	(12,363)	11,355
Total comprehensive income	(598,061)	430,825	(16,628)	161,800

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Changes in Equity

CURRENT PERIOD - 06/2020 (ThUS\$)	Ordinary shares		Legal and statutory reserves	Financial assets held for sale reserve	Foreign currency translation reserves	Defined benefit plan reserves	Hedge reserves	Other miscellaneous reserves	Total other reserves	Retained Earnings (Accumulated Losses)	Total Equity Attributable to Parent Company Shareholders	Non-controlling interests	Total equity
	Share capital	Share premium											
Opening balance current period January 1, 2020	686,114	0	3	218	(1,759,090)	(34,666)	12,715	478,587	(1,302,233)	11,283,478	10,667,359	506,679	11,174,038
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) due to error corrections	0	0	0	0	0	0	0	0	0	0	0	0	0
Opening balance restated	686,114	0	3	218	(1,759,090)	(34,666)	12,715	478,587	(1,302,233)	11,283,478	10,667,359	506,679	11,174,038
Changes in equity													
Comprehensive income													
Net income	0	0	0	0	0	0	0	0	0	(25,260)	(25,260)	(2,831)	(28,091)
Other comprehensive income	0	0	0	0	(426,122)	(451)	(93,599)	(2,016)	(522,188)	0	(522,188)	(47,782)	(569,970)
Comprehensive income	0	0	0	0	(426,122)	(451)	(93,599)	(2,016)	(522,188)	(25,260)	(547,448)	(50,613)	(598,061)
Capital increase	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	18,411	18,411	0	18,411
Increase (decrease) for other contributions by the owners	0	0	0	0	0	0	0	0	0	0	0	0	0
Decrease (increase) for other distributions to the owners	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) for transfers and other changes	0	0	0	0	0	0	0	0	0	2,821	2,821	(22,992)	(20,171)
Increase (decrease) for transactions with treasury shares	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) for changes in interests in affiliates that do not involve loss of control	0	0	0	0	0	0	0	0	0	0	0	0	0
Total changes in equity	0	0	0	0	(426,122)	(451)	(93,599)	(2,016)	(522,188)	(4,028)	(526,216)	(73,605)	(599,821)
Closing balance current period June 30, 2020	686,114	0	3	218	(2,185,212)	(35,117)	(80,884)	476,571	(1,824,421)	11,279,450	10,141,143	433,074	10,574,217

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

PREVIOUS PERIOD - 06/2019 (ThUS\$)	Ordinary shares		Legal and statutory reserves	Financial assets held for sale reserve	Foreign currency translation reserves	Defined benefit plan reserves	Hedge reserves	Other miscellaneous reserves	Total other reserves	Retained Earnings (Accumulated Losses)	Total Equity Attributable to Parent Company Shareholders	Non-controlling interests	Total equity
	Share capital	Share premium											
Opening balance previous period January 1, 2019	686,114	0	3	(309)	(1,644,811)	(27,068)	34,917	457,481	(1,179,787)	11,202,802	10,709,129	484,771	11,193,900
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0	0	(107)	(107)	0	(107)
Increase (decrease) due to error corrections	0	0	0	0	0	0	0	0	0	0	0	0	0
Opening balance restated	686,114	0	3	(309)	(1,644,811)	(27,068)	34,917	457,481	(1,179,787)	11,202,695	10,709,022	484,771	11,193,793
Changes in equity													
Comprehensive income													
Net income	0	0	0	0	0	0	0	0	0	356,542	356,542	26,683	383,225
Other comprehensive income	0	0	0	527	34,143	211	105	4,331	39,317	0	39,317	8,283	47,600
Comprehensive income	0	0	0	527	34,143	211	105	4,331	39,317	356,542	395,859	34,966	430,825
Capital increase	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	(150,344)	(150,344)	0	(150,344)
Increase (decrease) for other contributions by the owners	0	0	0	0	0	0	0	0	0	0	0	0	0
Decrease (increase) for other distributions to the owners	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) for transfers and other changes	0	0	0	0	0	0	0	0	0	554	554	(19,235)	(18,681)
Increase (decrease) for transactions with treasury shares	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) for changes in interests in affiliates that do not involve loss of control	0	0	0	0	0	0	0	0	0	0	0	0	0
Total changes in equity	0	0	0	527	34,143	211	105	4,331	39,317	206,752	246,069	15,731	261,800
Closing balance previous period June 30, 2019	686,114	0	3	218	(1,610,668)	(26,857)	35,022	461,812	(1,140,470)	11,409,447	10,955,091	500,502	11,455,593

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Cash Flow

	Note	06.30.2020 ThUS\$ Unaudited	06.30.2019 ThUS\$ Unaudited
Statement of cash flow			
Cash flow from (used by) operating activities			
Proceeds from operating activities			
Proceeds from selling goods and providing services		9,919,555	12,981,109
Proceeds from royalties, installments, commissions and other operating income		0	0
Proceeds from contracts for brokerage or trading		0	0
Proceeds from premiums and claims, annuities and other benefits arising on policies		175	344
Proceeds from leases and subsequent sale of assets		0	0
Other proceeds from operating activities		404,296	201,037
Payments for operating activities			
Payments to suppliers for goods and services		(8,864,122)	(11,542,601)
Payments for brokering or trading contracts		0	0
Payments to and on behalf of employees		(522,523)	(557,034)
Payments for premiums and claims, annuities and other policy obligations		(8,333)	(8,223)
Payments for building or acquiring assets held to lease to others and subsequently sell		0	0
Other payments for operating activities		(254,729)	(136,742)
Dividends paid		0	0
Dividends received		6,839	1,771
Interest paid		(139,073)	(113,421)
Interest received		18,685	22,782
Income taxes received (paid)		(6,301)	(299,730)
Other proceeds (payments)		4,132	359
Net cash flow from (used by) operating activities		558,601	549,651
Cash flow from (used by) investing activities			
Cash flows from the loss of control of affiliates or other businesses		2,000	117,376
Payments to obtain control of affiliates or other businesses		(4,170)	(150,862)
Payments to purchase non-controlling interests		(64,452)	(55,950)
Proceeds from the sale of equity or debt instruments of other entities		7,090	0
Other payments to acquire equity or debt instruments of other entities		459	0
Proceeds from sale of joint ventures		0	0
Payments to acquire interests in joint ventures		0	0
Loans to related companies		0	(5,271)
Proceeds from sales of property, plant and equipment		5,487	55,191
Acquisitions of property, plant and equipment		(806,775)	(609,139)
Proceeds from sales of intangible assets		0	0
Acquisitions of intangible assets		(27,199)	(24,935)
Proceeds from other long-term assets		6,007	2,927
Acquisitions of other long-term assets		(120,071)	(133,297)
Proceeds from government subsidies		0	0
Cash advances and loans to third parties		(345)	14
Proceeds from the repayment of advances and loans granted to third parties		100	7
Payments related to futures, forward, options and swap contracts		0	0
Proceeds from futures, forward, options and swap contracts		11,685	168
Proceeds from related companies		0	0
Dividends received		4,045	17,837
Interest received		44	33
Income taxes received (paid)		0	0
Other proceeds (payments)		17,178	48,699
Net cash flow from (used by) investing activities		(968,917)	(737,202)

	06.30.2020 ThUS\$ Unaudited	06.30.2019 ThUS\$ Unaudited
Cash flows from (used by) financing activities		
Proceeds from share issues	0	8,230
Proceeds from issuing other equity instruments	0	0
Payments to acquire treasury shares	0	0
Payments for other equity interests	0	0
Proceeds from long-term loans	537,459	1,073,536
Proceeds from short-term loans	505,085	428,168
Total proceeds from loans	1,042,544	1,501,704
Loans from related companies	0	0
Loan repayments	(489,392)	(639,204)
Repayment of finance lease liabilities	(65,868)	(57,395)
Repayment of lease liabilities	(2,273)	0
Loan repayments to related companies	0	(546)
Proceeds from government subsidies	0	0
Dividends paid	(84,532)	(289,383)
Interest paid	(53,494)	(72,143)
Income taxes received (paid)	0	0
Other proceeds (payments)	(13,053)	(5,125)
Net cash flow from (used by) financing activities	333,932	446,138
Net increase in cash & cash equivalents before exchange rate effects	(76,384)	258,587
Effect of exchange rate variations on cash and cash equivalents		
Effect of exchange rate variances on cash and cash equivalents	(74,434)	9,178
Net increase (decrease) in cash and cash equivalents	(150,818)	267,765
Cash and cash equivalents at the start of the period	3.1 2,214,887	1,713,803
Cash and cash equivalents at the end of the period	3.1 2,064,069	1,981,568

The attached notes 1 to 32 form an integral part of these interim consolidated financial statements.

NOTE 1. CORPORATE INFORMATION

Empresas Copec S.A. is a financial holding company that operates in a variety of business sectors through its affiliates and associates. Since its inception in 1934, the Parent Company has distributed liquid fuels. This business was transferred to a new affiliate in October 2003.

Empresas Copec S.A. group currently operates the two large specialist areas of natural resources and energy. The natural resources area covers the Company's businesses in the forestry, fishing and mining industries. The energy area covers the Company's businesses in distributing liquid fuel, liquid petroleum gas and natural gas, as well as electricity generation. All of these sectors are strongly linked to the growth and development of the country.

The Company's main affiliates and associates include Celulosa Arauco y Constitución S.A. (Arauco), Compañía de Petróleos de Chile Copec S.A. (Copec S.A.), Abastible S.A., Sociedad Nacional de Oleoductos S.A., Metrogas S.A., Corpesca S.A., Orizon S.A., Pesquera Iquique-Guanaye S.A., Inmobiliaria Las Salinas Ltda., Minera Camino Nevado Ltda. and Alxar Internacional SpA. The Group includes the affiliates Terpel and Nortesantandereana de Gas in Colombia, Mapco in the USA, Solgas in Peru, and Duragas in Ecuador through Copec S.A. and Abastible S.A., and the associate Tafisa in Spain/Portugal/Germany/South Africa through Arauco, and several other related international companies.

Empresas Copec S.A. is the group's Parent Company and is a publicly held corporation registered in the Securities Registry under No. 0028. The Company is regulated by the Chilean Financial Markets Commission (hereinafter the "FMC"). The Company's legal address is 150, El Golf Avenue, 17th floor, Las Condes, Santiago, Chile. Its Chilean identification number is 90,690,000-9.

Empresas Copec S.A. is controlled by Antarchile S.A., which holds 60.82% of the Company's shares. Antarchile S.A. is a publicly held corporation that is registered in the Securities Registry under No. 0342 and is regulated by the FMC.

The final controllers of Empresas Copec S.A. and AntarChile S.A. are Mr. Roberto Angelini Rossi and Ms. Patricia Angelini Rossi, who exercise control in the following manner:

- (i) Through Inversiones Angelini y Cía. Ltda., which owns 63.4015% of AntarChile S.A.
- (ii) Mr. Roberto Angelini Rossi through statutory control of Inversiones Golfo Blanco Ltda., which directly owns 5.77307% of AntarChile S.A. and Ms. Patricia Angelini Rossi, through the statutory control of Inversiones Senda Blanca Ltda., which directly owns 4.3298% of AntarChile S.A.

These interim consolidated financial statements were prepared on a going concern basis.

The interim consolidated financial statements as of June 30, 2020 were approved by the Board of Directors at its Extraordinary Meeting N°2,668 held on August 21, 2020 and their publication was approved on the same date. The financial statements of the affiliates were approved by their respective Management.

The consolidated financial statements as of December 31, 2019 were approved by the Board of Directors at its Extraordinary Meeting N°2,659 held on March 6, 2020, and their publication was approved on the same date. The financial statements of the affiliates were approved by their respective Management.

Capital Management

Capital management refers to managing the Company's equity. The purpose of the capital management policies of the Empresas Copec S.A. Group is:

- To safeguard the Company's normal operations and secure the long-term continuity of the business;
- To secure financing for new investments in order to maintain sustained growth;
- To maintain an appropriate capital structure, in accordance with economic cycles that affect the business and the nature of the industry;
- To maximize the Company's value, providing investors with an adequate return on their investment.

Capital requirements are tailored to meet the Company's financing needs, while at the same time taking care to maintain appropriate liquidity levels and to comply with the financial covenants established in its loan contracts. The Company manages its capital structure based on prevailing economic conditions in order to mitigate risks from adverse market conditions and take advantage of any opportunities that may arise to improve its liquidity position.

The financial structure of Empresas Copec S.A. and its affiliates as of June 30, 2020 and December 31, 2019 is as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Total equity	10,574,217	11,174,038
Interest-bearing loans	2,806,955	2,256,568
Finance leases	716,225	787,932
Bonds	5,895,684	6,069,355
Total	19,993,081	20,287,893

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), which have been adopted wholly, explicitly and without reserve.

These interim consolidated financial statements are presented in thousands of US dollars and have been prepared on the basis of the accounting records of Empresas Copec S.A., its affiliates and associates.

2.1 Bases of presentation

These interim consolidated financial statements for Empresas Copec S.A. and affiliates, include the interim consolidated statements of financial position as of June 30, 2020 and December 31, 2019, the corresponding interim consolidated statements of income by function and comprehensive income for the three and six month periods ending June 30, 2020 and 2019; and the interim consolidated statements of changes in equity and cash flows for the six month periods ended June 30, 2020 and 2019.

During the preparation of the interim consolidated financial statements, certain accounting estimates have been used to quantify some assets, liabilities, income and expenses. In addition, Management is required to use its judgment when applying the accounting policies of the Empresas Copec Group. The areas that involve a greater degree of judgment or complexity or in which the assumptions and estimates are significant for the interim consolidated financial statements are described in Note 5.

New accounting pronouncements.

As of the date these interim consolidated financial statements were issued, the following accounting pronouncements had been issued by the IASB, relating to new standards, interpretations and amendments. Those that are not yet mandatory as of the reporting date have not been adopted early.

Recent accounting pronouncements

a) The following standards, interpretations and amendments are mandatory for the first time for financial periods beginning on January 1, 2020.

Standards and amendments	Contents	Application date
IAS 1 and IAS 8	Presentation of financial statements and accounting policies, changes in accounting estimates and errors It introduces a consistent definition of materiality in all IFRS and the Conceptual Framework for Financial Information, and clarifies the explanation for the definition of material. It incorporates some of the guides in IAS 1 on immaterial information.	January 1, 2020
IFRS 3	Definition of a business Revises the definition of a business.	January 1, 2020
IFRS 9, IAS 39 and IFRS 7 Amendments	Reference interest rate reform. These amendments provide specific simplifications regarding reference rate reform.	January 1, 2020
IFRS 16	Lease concessions Provides tenants with an optional exemption from assessing whether a COVID-19-related lease is a lease amendment.	January 1, 2020
Conceptual framework	The IASB has issued a revised Framework to be used in standard-setting decisions with immediate effect.	January 1, 2020

Adopting the standards, amendments and interpretations described above does not have a significant impact on the consolidated financial statements.

b) Standards, interpretations and amendments issued, but not yet mandatory and which have not been adopted early.

Standards and amendments	Contents	Application date
IFRS 17	Insurance contracts Replaces IFRS 4. Changes the accounting for all entities that issue insurance contracts and investment contracts	January 1, 2023
IAS 1 Amendment	Presentation of financial statements Clarifies that liabilities will be classified as current or non-current depending on the rights at the end of the reporting period. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	January 1, 2022
Conceptual Framework - IFRS 3 amendments	Business combinations Minor amendments were made to IFRS 3 to update references to the conceptual framework for financial reporting and to add an exception for the recognition of liabilities and contingent liabilities.	January 1, 2022
IAS 16 Amendment	Property, plant and equipment Prohibits companies from deducting the proceeds from the sale of items produced while the company is preparing an asset for its intended use from the cost of property, plant and equipment.	January 1, 2022
IAS 37 Amendment	Provisions, contingent liabilities and contingent assets Clarifies the unavoidable costs that must be included when assessing whether an onerous contract will generate losses.	January 1, 2022
Annual Improvements to IFRS Cycle 2018-2020	IFRS 9: Financial instruments Clarifies the fees that should be included in the 10% test when derecognizing financial liabilities. IFRS 16: Leases Amendment to example 13 to remove the illustration of the lessor's payments for lease improvements. IFRS 1: First-time Adoption of International Financial Reporting Standards Allows entities that have valued their assets and liabilities at their book values in their parent company's accounts to also value cumulative translation differences using the amounts reported by the parent company. IAS 41: Agriculture Elimination of the requirement for entities to exclude tax cash flows when measuring fair value under IAS 41.	January 1, 2022
IFRS 10 and IAS 28 - Amendments	Asset sale or contribution between an investor and an associate or joint venture	Undetermined

Empresas Copec S.A. and affiliates believe that adopting the standards, amendments and interpretations described above will not significantly affect its consolidated financial statements.

2.2 Basis of consolidation

a) Affiliates

Affiliates are all companies (including special purpose vehicles) that expose the Group to, or give it the right to, variable returns arising from that investment, and the Group can affect such returns through its ability to direct the company's business. Affiliates are consolidated from the date on which control is transferred, and they are excluded from consolidation from the date on which control ceases.

The *acquisition method* is used to account for the acquisition of affiliates by the Group. Acquisition cost is the fair value of its assets, equity instruments and liabilities at the date of exchange. The identifiable assets, liabilities and contingencies assumed in a business combination are initially valued at fair value as of the acquisition date, regardless of the scope of minority interests. The excess of the acquisition cost over the fair value of the Group's share in the net identifiable assets is recognized as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired affiliate, the difference is recognized directly as a gain in income, as negative goodwill.

Intercompany transactions and balances and unrealized gains on transactions between entities are eliminated. Unrealized losses are also eliminated, unless that transaction provides evidence that the asset is impaired. The accounting policies of affiliates are amended, when it is necessary to ensure that Group policies have been consistently applied.

These interim consolidated financial statements include the consolidated figures of Abastible S.A. and affiliates, Celulosa Arauco y Constitución S.A. and affiliates, Compañía de Petróleos de Chile Copec S.A. and affiliates, Minera Camino Nevado Ltda. and affiliates, EC Investrade Inc., Pesquera Iquique-Guanaye S.A. and affiliates, Inmobiliaria Las Salinas Ltda., Sociedad Nacional de Oleoductos S.A. (included in held-for-sale) Inversiones Nueva Sercom Ltda. and Alxar Internacional SpA.

The direct and indirect shareholdings as of June 30, 2020 and December 31, 2019 are as follows:

Chilean ID Number	Company	Ownership interest			
		06.30.2020			12.31.2019
		Direct	Indirect	Total	Total
91,806,000-6	ABASTIBLE S.A.	99.2023	0.0000	99.2023	99.2023
93,458,000-1	CELULOSA ARAUCO Y CONSTITUCION S.A.	99.9780	0.0000	99.9780	99.9780
99,520,000-7	COMPAÑIA DE PETROLEOS DE CHILE COPEC S.A.	99.9996	0.0004	100.0000	100.0000
76,160,625-5	MINERA CAMINO NEVADO LTDA.	99.9986	0.0014	100.0000	100.0000
91,123,000-3	PESQUERA IQUIQUE-GUANAYE S.A.	50.4243	31.8439	82.2682	82.2682
88,840,700-6	INMOBILIARIA LAS SALINAS LTDA.	99.9740	0.0260	100.0000	100.0000
81,095,400-0	SOCIEDAD NACIONAL DE OLEODUCTOS S.A.	0.0000	52.6857	52.6857	52.6857
76,306,362-3	INVERSIONES NUEVA SERCOM LTDA.	99.9740	0.0260	100.0000	100.0000
76,879,169-4	ALXAR INTERNACIONAL SpA	100.0000	0.0000	100.0000	100.0000
Foreign	EC INVESTRADE INC.	100.0000	0.0000	100.0000	100.0000

The following companies indirectly form part of these interim consolidated financial statements as of June 30, 2020 and December 31, 2019, as a result of consolidating financial information for consolidated affiliates:

Chilean ID Number	Company	Ownership interest			12.31.2019 Total
		Direct	06.30.2020 Indirect	Total	
76,565,182-4	ABASTIBLE INTERNACIONAL SpA	0.0000	99.2023	99.2023	99.2023
79,927,130-3	ADM. CENTRAL DE ESTACIONES DE SERVICIOS LTDA.	0.0000	100.0000	100.0000	100.0000
79,689,550-0	ADM. DE ESTACIONES DE SERVICIOS SERCO LTDA.	0.0000	100.0000	100.0000	100.0000
77,614,700-1	ADM. DE SERVICIOS DE RETAIL LTDA.	0.0000	100.0000	100.0000	100.0000
79,927,140-0	ADM. DE SERVICIOS GENERALES LTDA.	0.0000	100.0000	100.0000	100.0000
77,215,640-5	ADM. DE VENTAS AL DETALLE LTDA.	0.0000	100.0000	100.0000	100.0000
96,547,510-9	ARAUCO BIOENERGIA S.A.	0.0000	99.9779	99.9779	99.9779
76,620,842-8	ARAUCO NUTRIENTES NATURALES SpA	0.0000	99.9779	99.9779	99.9779
76,000,605-K	ARCO ALIMENTOS LTDA.	0.0000	100.0000	100.0000	100.0000
85,840,100-3	COMPANIA DE SERVICIOS INDUSTRIALES LTDA.	0.0000	100.0000	100.0000	100.0000
96,668,110-1	COMPANIA LATINOAMERICANA PETROLERA S.A.	0.0000	60.0000	60.0000	60.0000
96,623,630-2	COMPANIA MINERA CAN CAN S.A.	0.0000	100.0000	100.0000	100.0000
76,188,354-2	COMPANIA MINERA LA MERCED S.A.	0.0000	100.0000	100.0000	100.0000
76,188,363-1	COMPANIA MINERA PASO SAN FRANCISCO S.A.	0.0000	0.0000	0.0000	100.0000
76,188,378-K	COMPANIA MINERA SIERRA NORTE S.A.	0.0000	100.0000	100.0000	100.0000
76,528,658-1	COMPLEMENTO FILIALES SpA	0.0000	100.0000	100.0000	100.0000
96,657,900-5	CONSORCIO PROTECCION FITOSANITARIA FORESTAL S.A.	0.0000	57.1039	57.1039	57.1039
77,107,835-4	COPEC VOLTEX SpA.	0.0000	100.0000	100.0000	100.0000
76,600,822-4	COPEC OVERSEAS SpA	0.0000	100.0000	100.0000	100.0000
96,942,120-8	COPEC AVIATION S.A. (FORMERLY AIR BP COPEC S.A.)	0.0000	100.0000	100.0000	50.0000
76,775,447-7	EMOAC SpA.	0.0000	80.0000	80.0000	0.0000
76,068,320-5	ESTUDIOS Y DESARROLLOS DE GAS LTDA.	0.0000	99.2102	99.2102	99.2102
85,805,200-9	FORESTAL ARAUCO S.A.	0.0000	99.9779	99.9779	99.9779
93,838,000-7	FORESTAL CHOLGUAN S.A.	0.0000	98.5967	98.5967	98.5967
78,049,140-K	FORESTAL LOS LAGOS S.A.	0.0000	79.9823	79.9823	79.9823
76,172,285-9	FLUX SOLAR ENERGÍAS RENOVABLES S.P.A	0.0000	80.0000	80.0000	80.0000
76,107,630-2	GAS LIQUIDO MOTOR LTDA.	0.0000	99.2079	99.2079	99.2079
76,895,330-3	HUALPEN GAS S.A.	0.0000	99.2023	99.2023	67.5816
85,759,000-7	INMOBILIARIA LAS SALINAS LTDA.	0.0000	100.0000	100.0000	100.0000
76,320,907-5	INVERSIONES ALXAR S.A. (FORMERLY INV. CAN CAN S.A.)	0.0000	100.0000	100.0000	100.0000
96,563,550-5	INVERSIONES ARAUCO INTERNACIONAL LTDA.	0.0000	99.9779	99.9779	99.9779
79,990,550-7	INVESTIGACIONES FORESTALES BIOFOREST S.A.	0.0000	99.9779	99.9779	99.9779
96,510,970-6	MADERAS ARAUCO S.A. (FORMERLY PANELES ARAUCO S.A.)	0.0000	99.9779	99.9779	99.9779
96,929,960-7	ORIZON S.A.	0.0000	68.6871	68.6871	68.6871
77,088,206-0	PRONTO BOX SPA	0.0000	100.0000	100.0000	100.0000
76,375,371-9	SERVICIOS AEREOS FORESTALES LTDA	0.0000	99.9779	99.9779	99.9779
96,637,330-K	SERVICIOS LOGISTICOS ARAUCO S.A.	0.0000	99.9779	99.9779	99.9779
78,953,900-6	SERVICIOS Y TRANSPORTES SETRACOM LTDA.	1.0000	98.2103	99.2103	99.2103
77,090,440-4	SOCIEDAD CONTRA CTUAL MINERA VILACOLLO	0.0000	0.0000	0.0000	100.0000
81,095,400-0	SOCIEDAD NACIONAL DE OLEODUCTOS S.A.	0.0000	52.7043	52.7043	52.7043
-	TRANSPORTES DE COMBUSTIBLES CHILE LTDA.	0.0000	100.0000	100.0000	100.0000
-	VIA LIMPA SpA.	0.0000	100.0000	100.0000	100.0000
-	AGENCIAMIENTO Y SERV. PROFESIONALES S.A.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO ARGENTINA S.A.	0.0000	99.9589	99.9589	99.9589
-	ARAUCO AUSTRALIA PTY LTD.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO CANADA (FORMERLY FLAKEBOARD COMPANY LTD)	0.0000	99.9779	99.9779	99.9779
-	ARAUCO COLOMBIA S.A.	0.0000	99.9778	99.9778	99.9778
-	ARAUCO DO BRASIL S.A.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO EUROPE COOPERATIEF U.A.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO FLORESTAL ARAPOTI S.A.	0.0000	79.9823	79.9823	79.9823
-	ARAUCO FOREST BRASIL S.A.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO QUÍMICA S.A. DE C.V.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO INDUSTRIA DE PAÑALES LTDA.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO INDUSTRIA DE MEXICO S.A. DE C.V.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO MIDDLE EAST DMCC	0.0000	99.9775	99.9775	99.9775
-	ARAUCO NORTH AMERICA, INC.	0.0000	99.9775	99.9775	99.9775
-	ARAUCO PERU S.A.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO SERVQUIMEX DE C.V.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO WOOD CHINA COMPANY LIMITED.	0.0000	99.9779	99.9779	99.9779
-	ARAUCOMEX S.A. DE C.V.	0.0000	99.9779	99.9779	99.9779
-	ARAUCOMEX SERVICIOS S.A. DE C.V.	0.0000	99.9779	99.9779	99.9779
-	CENTRO NACIONAL DE REPARACIÓN COLGAS S.A.	0.0000	50.5145	50.5145	50.5145
-	COMERCIAL INDUSTRIAL NACIONAL S.A.	0.0000	50.5919	50.5919	50.5919
-	COMPANIA TRANSPORTADORA DE COLOMBIA S.A.	0.0000	50.5919	50.5919	50.5919
-	COPEC CANAL INC.	0.0000	100.0000	100.0000	100.0000
-	DURAGAS S.A.	0.0000	99.2023	99.2023	99.2023
-	EMPRENDIMIENTOS FLORESTAIS SANTA CRUZ LTDA.	0.0000	99.9559	99.9559	99.9559
-	FORESTAL NUESTRA SEÑORA DEL CARMEN S.A.	0.0000	99.9592	99.9592	99.9592
-	FORESTAL TALAVERA S.A.	0.0000	99.9730	99.9730	99.9730
-	GASAN DE COLOMBIA S.A. ESP.	0.0000	50.5145	50.5145	50.5145
-	GREENAGRO S.A.	0.0000	97.9557	97.9557	97.9557
-	LEASING FORESTAL S.A.	0.0000	99.9589	99.9589	99.9589
-	MADERAS ARAUCO COSTA RICA S.A.	0.0000	99.9779	99.9779	99.9779
-	MAHAL EMPRENDIMIENTOS E PARTICIPACIONES S.A.	0.0000	99.9710	99.9710	99.9710
-	MAPCO EXPRESS INC	0.0000	100.0000	100.0000	100.0000
-	NORTESANTANDEREAÑA DE GAS S.A. ESP	0.0000	50.5932	50.5932	50.5932
-	NOVO OESTE GESTAO DE ACTIVOS FLORESTAIS S.A.	0.0000	99.9991	99.9991	99.9991
-	ORGANIZACIÓN TERPEL S.A.	0.0000	58.5100	58.5100	58.5100
-	ORIZON FOODS LLC.	0.0000	68.4141	68.4141	68.4141
-	PRIME - LINE, INC.	0.0000	99.9779	99.9779	99.9779
-	SAVITAR S.A.	0.0000	99.9629	99.9629	99.9629
-	SEMAPESA	0.0000	99.1978	99.1978	99.1978
-	SERVICIOS DEL NORDESTE S.A.	0.0000	0.0000	0.0000	0.0000
-	SOLGAS AMAZONIA S.A.	0.0000	99.0609	99.0609	99.0609
-	SOLGAS S.A.	0.0000	99.2023	99.2023	99.2023
-	TABLERED ARAUCOMEX S.A. DE C.V.	0.0000	99.9779	99.9779	99.9779

b) Non-controlling interests

The Group applies the policy of considering transactions with non-controlling interests as transactions with independent third parties. When non-controlling interests are acquired, the difference between the acquisition price and the corresponding interest in the book value of the affiliate's net assets is recognized in equity. Gains or losses on the disposal of non-controlling shares, whilst control is retained, are recognized in equity.

When the Group ceases to have control or significant influence, any retained interest in entity is valued at fair value through profit and loss. Fair value is the initial value when subsequently accounted for as an associate, joint venture or financial asset. The amounts previously recognized in other comprehensive income are reclassified to net income.

c) Joint ventures

As from January 1, 2013 the IASB issued IFRS 11 "Joint arrangements" that classifies joint agreements into two types, based on the rights and obligations of the parties to the agreement, the structure, the legal framework, the contractual terms and other events and circumstances. These are: 1) Joint ventures, where the parties have control over the agreement and rights over the net assets of the jointly controlled entity, which is accounted for using the equity method. 2) Joint operations, where the parties have control over the transactions and rights over the assets and liabilities that relate to the agreement, in which the joint operator must acknowledge its assets, liabilities and transactions, including its interest in those that it jointly operates.

d) Associates

Associates are entities over which the Parent Company exercises significant influence but does not have control. This is generally the result of an ownership interest of between 20% and 50% of the voting rights. Investments in associates are accounted for using the *equity method* and they are initially recognized at cost. The book value of these investments is increased or decreased to recognize the corresponding share of net income for the period and comprehensive income. Investments in associates include purchased goodwill (net of any accumulated impairment loss).

The share of losses or gains subsequent to the acquisition of associates is recognized in income, and the share of other comprehensive income subsequent to the acquisition is recognized in other comprehensive income. When the Group's share of the losses of an associate is greater than or equal to its investment, including any unsecured accounts receivable, additional losses are not recognized, unless the Group has incurred legal obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated in proportion to the ownership interest in such associates. Unrealized losses are also eliminated, unless the transaction provides evidence of a loss due to the impairment of the transferred asset. The accounting policies of associates are amended when it is necessary to ensure that Group policies have been consistently adopted.

Investments in associates are described in Note 21.

2.3 Financial information of operating segments

IFRS 8 requires companies to adopt the "Management Approach" to disclose information about the results of their operating segments. In general, this is the information that Management uses internally to evaluate segment performance and to determine how to assign resources to segments. In this context Management means the Board of Directors.

A business segment is a group of assets and operations that supply products or services that are subject to risks and returns that differ from other business segments. A geographic segment provides products or services in a concrete financial environment that is subject to risks and returns that differ from other segments that operate in other financial environments.

The Company has chosen operating segments based on its main affiliates: Celulosa Arauco y Constitución S.A., Compañía de Petróleos de Chile Copec S.A., Abastible S.A., Sociedad Nacional de Oleoductos S.A. and Pesquera Iquique-Guanaye S.A.

Segment financial information is described in Note 30.

2.4 Transactions in currencies other than the functional currency

a) Functional currency and presentation currency

The entries included in the financial statements of each of the entities belonging to the Group are valued using the currency of the primary economic environment in which that entity operates ("functional currency"). The functional currencies of the Parent Company and the main affiliates and associates are as follows.

Company	Functional currency
Empresas Copec S.A.	US dollar
Celulosa Arauco y Constitución S.A.	US dollar
Compañía de Petróleos de Chile Copec S.A.	Chilean peso
Abastible S.A.	Chilean peso
Pesquera Iquique- Guanaye S.A.	US dollar
Sociedad Nacional de Oleoductos S.A.	Chilean peso
Metrogas S.A.	Chilean peso
Aprovisionadora Global de Energía S.A.	US dollar
Inversiones Laguna Blanca S.A.	US dollar
Minera Camino Nevado Ltda.	US dollar
Alxar Internacional SpA	US dollar
Inmobiliaria Las Salinas Ltda.	Chilean peso

The interim consolidated financial statements are presented in U.S. dollars, which is the functional currency of Empresas Copec S.A. The affiliates of the forestry and fishing sectors, whose functional currency is the US dollar, represent 67.5% of assets, 79.5% of its liabilities, 47.7% of its gross margin and 56.8% of its consolidated EBITDA. These are predominantly export sectors, and consequently, the majority of their revenue is denominated in US dollars. Likewise, a significant portion of their costs are indexed to the US dollar, and their financial liabilities are also US dollar-denominated. Both sectors perform their accounting in US dollars.

b) Transactions and balances

Transactions in currencies other than the functional currency are converted to the functional currency using the exchange rates prevailing as of the dates of the transactions. Losses and gains in foreign currency that arise from the settlement of these transactions and the conversion of foreign-currency-denominated monetary assets and liabilities to the period-end exchange rates are recognized in income, except when they are deferred to net equity, as is the case with cash flow hedges and net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currencies that are classified as held for sale are categorized as exchange differences resulting from changes in the amortized cost of the security or other changes in the book value of the security. Exchange differences are recognized in income for the period, and other changes in the book value are recognized in net equity.

Exchange differences for non-monetary items such as equity instruments at fair value through profit and loss are presented as part of the gain or loss in fair value. Exchange differences from non-cash items, such as equity instruments classified as financial assets held-for-sale, are included in equity, in the revaluation reserve.

c) Group entities

The income and financial position of all of the entities belonging to Empresas Copec Group (none of which uses the currency of a hyperinflationary economy) that have a functional currency other than the presentation currency are converted to the presentation currency as follows:

- i. Assets and liabilities of each statement are converted at the exchange rates as of the reporting date;
- ii. The income and expenses of each account are converted at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of exchange rates as of the transaction dates, in which case the income and expenses are converted on the transaction dates); and
- iii. All resulting exchange differences are recognized in comprehensive income.

Exchange differences arising on consolidation from the conversion of a net investment in foreign entities, or from foreign-currency-denominated loans and other instruments designated as hedges for those investments, are recorded in net equity. When the investments are sold, the resulting exchange differences are recognized in income as part of the loss or gain on the sale.

Adjustments to goodwill and fair value that arise from the acquisition of a foreign entity, or an entity with a functional currency other than the US dollar, are treated as assets and liabilities belonging to the foreign entity and are converted at the exchange rate as of the reporting date.

d) Translation basis

Assets and liabilities denominated in Chilean pesos, Unidades de Fomento or UF, which is an indexed Chilean peso currency, and other currencies have been converted in US dollars at the exchange rate as of the closing date of the interim consolidated financial statements, as follows:

Exchange rates to the US dollar	06.30.2020	12.31.2019
Chilean peso (CLP)	821.23	748.74
Argentinean pesos (A\$)	70.21	59.83
Brazilian real (R\$)	5.44	4.01
Unidad de Fomento (UF)	0.029	0.026
Euro (€)	0.89	0.89
Colombian pesos (COP\$)	3,747.53	3,271.55
Peruvian nuevo sol	3.53	3.31

2.5 Property, plant and equipment

Property, plant and equipment mainly includes forestry lands, production and storage plants, retail sales branches, service stations, offices and construction works in progress. These items are presented at historical cost less the corresponding depreciation.

Historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are added to the initial value of the asset or they are recognized as a separate asset, only when it is likely that the future financial benefits associated with these components will flow to the Company and the cost of the component can be reliably determined. The value of the component that was substituted is written off for accounting purposes. Other repairs and maintenance are charged to income for the period in which they are incurred.

Depreciation is calculated using the *straight-line method*, including any impairment adjustments. The amount presented in the consolidated statement of financial position represents the cost less accumulated depreciation and any impairment losses.

The average estimated useful lives of the main asset categories are as follows:

	Average Useful Life
Buildings and construction	54
Plant and equipment	24
IT equipment	5
Fixtures and fittings	15
Motor vehicles	6
Other property, plant and equipment	20

The residual value and useful lives of assets are reviewed, and adjusted if necessary, at the end of each annual reporting period.

When the book value of an asset exceeds its estimated recoverable amount, the book value is immediately reduced to the recoverable amount.

Losses and gains on the sale of property, plant and equipment are calculated by comparing the proceeds obtained with the book value, and they are recorded in the statement of comprehensive income.

Costs can also include losses and gains on qualified foreign currency cash flow hedges on the purchase of property, plant and equipment.

2.6 Biological assets

IAS 41 requires biological assets to be presented in the statement of financial position at fair value. Standing plantations are recorded at fair value less the estimated costs at harvesting, considering that the fair value of these assets can be reliably measured.

The valuation of plantations is based on discounted cash flow models, so the fair value of biological assets is calculated using cash flows from continuing operations, based on sustainable forestry management plans considering the growth potential of these plantations. This valuation is based on each identified stand and for each tree species.

The plantations presented in current assets are plantations that will be harvested and sold in the short term.

Biological growth and changes in fair value are recognized in the consolidated income statement under Other income by function.

The valuation of biological assets is described in Note 7.

2.7 Investment property

Investment properties are held to earn a long-term return, and they are not occupied by the Group. Investment property is accounted for at historical cost.

Lands held under operating lease contracts are classified as and accounted for as real estate investments when they meet all the conditions for a real estate investment.

Real estate investments also include lands whose future use has not yet been determined as of the reporting date.

2.8 Intangible Assets

a) Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of the Company's share of the net identifiable assets of the acquired affiliate on the acquisition date.

Goodwill that is recognized separately is tested for impairment on an annual basis or more frequently when events or circumstances indicate potential impairment, and is valued at cost less accumulated impairment losses. Gains and losses on the sale of an entity include the book value of goodwill related to that entity.

Goodwill is assigned to Cash Generating Units (CGUs) in order to test for impairment losses. Goodwill is assigned to those CGUs that are expected to benefit from the business combination that gave rise to the goodwill.

b) Patents and trademarks

Industrial patents are valued at historical cost. They have a finite useful life and are valued at cost less accumulated amortization. Amortization is calculated linearly over their expected useful lives.

Trademarks acquired through business combinations are valued at fair value at the date of acquisition. The fair value of an intangible asset reflects expectations about the likelihood that future economic benefits embodied in the asset will flow to the entity. The Company has determined that such intangible assets have indefinite useful lives and therefore are not subject to amortization. However, these assets with indefinite useful lives are reviewed and tested for impairment annually and at any time there is an indication that the asset may be impaired.

c) Concessions and other rights

Concessions and other rights are presented at historical cost. They have a finite useful life and are recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method over the terms established in the contracts.

d) Fishing rights

Authorizations for fishing activities are presented at historical cost. There is no finite useful life for these rights, therefore they are not subject to amortization. The affiliate tests intangible assets with indefinite useful lives for impairment on an annual basis and every time there is an indication that the intangible asset may be impaired. If detected, the Company adjusts their value with a charge to net income.

e) Water rights

Water rights acquired from third parties are presented at historical cost. There is no finite useful life for these rights, therefore they are not subject to amortization. The Company tests intangible assets with indefinite useful lives for impairment on an annual basis and every time there is an indication that the intangible asset may be impaired. If detected, the Company adjusts their value with a charge to net income.

f) Easements

Easement rights are presented at historical cost. There is no finite useful life for these rights, therefore they are not subject to amortization. The Company tests intangible assets with indefinite useful lives for impairment on an annual basis and every time there is an indication that the intangible asset may be impaired. If detected, the Company adjusts their value with a charge to net income.

g) Mining properties

Mining properties are presented at historical cost. There is no finite useful life for these rights, therefore they are not subject to amortization. The Company tests intangible assets with indefinite useful lives for impairment on an annual basis and every time there is an indication that the intangible asset may be impaired. If detected, the Company adjusts their value with a charge to net income.

h) IT programs

The costs of acquiring software licenses and preparing them to operate a specific program are capitalized. These costs are amortized over their estimated useful lives.

Expenses related to the development or maintenance of software programs are recognized as expenses when they are incurred. The costs directly related to the production of unique and identifiable software programs that are likely to generate financial benefits in excess of their costs for more than one year, are recognized as intangible assets. Direct costs include the expenses of the personnel that develop software programs, as well as an appropriate percentage of general expenses.

Development costs for IT programs recognized as assets are amortized over their estimated useful lives, which does not exceed five years.

i) Research and development expenses

Research expenses are recognized as expenses when they are incurred. Costs incurred on development projects related to the design and testing of new or improved products are recorded as an intangible asset when the following requirements are met.

- It is technically feasible to fully produce the intangible asset, to the point where it can be used or sold.
- Management intends to complete the intangible asset, and to use or sell it.
- The Company can use or sell the intangible asset.
- The Company can demonstrate how the intangible asset is likely to generate financial benefits in the future.
- The Company has sufficient technical, financial or other resources, to complete development and to use or sell the intangible asset.
- The expenditure attributable to developing it can be reliably measured.

Other development expenses are recognized as expenses when they are incurred. Development costs previously recognized as expenses are not recognized as assets in a subsequent period. Development projects with a finite useful life that have been capitalized are amortized using the straight-line method, from the date commercial production commences, over the period during which they are expected to generate benefits, which shall not exceed 10 years.

Development assets are tested for impairment losses annually, in accordance with IAS 36.

2.9 Interest costs

Interest costs incurred to construct any qualified asset are capitalized over the period required to complete and prepare the asset for its intended use. Other interest costs are recorded in the consolidated income statement by function.

2.10 Impairment losses for non-financial assets

Assets with an indefinite useful life are not amortized and they are tested for impairment losses annually. Assets that are amortized are tested for impairment losses when an event or change in circumstances indicates that the book value may not be recoverable. An impairment loss is recognized for the excess of the asset's book value over its recoverable amount. The recoverable amount is the greater of the fair value of an asset less its selling costs, or its value in use. In order to evaluate impairment losses, assets are grouped at the lowest level at which they separately generate identifiable cash flows (cash generating units).

Non-financial assets other than goodwill that have suffered impairment losses are reviewed as of each annual reporting date to see if the losses have been reversed.

2.11 Financial Instruments

IFRS 9 "Financial Instruments" came into force with effect from January 1, 2018, replacing IAS 39 "Financial Instruments: Recognition and Measurement". This standard amends the classifications of financial instruments, their impairment criteria and establishes new criteria for assigning hedging instruments.

2.11.1 Financial assets

Classification

The Group classifies its financial assets based on the applicable business model, and their contractual cash flows.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss, financial assets at amortized cost, and financial assets at fair value through comprehensive income. This classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and reviews this classification at each reporting date.

a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are financial assets held for investment purposes. A financial asset is classified in this category if acquired principally to sell in the short term.

Derivatives are also classified as acquired for investment purposes, unless they are designated as hedges. Assets in this category are classified as current assets, and the liability position of these instruments is presented in the consolidated statement of financial position under "Other financial liabilities."

Acquisitions and disposals of financial assets are recognized as of the date on which the Company commits to the acquisition or sale of the asset.

These assets are initially recorded at cost and subsequently their value is updated on the basis of their fair value, with changes in value being recognized in net income.

b) Financial assets at amortized cost

A financial asset is measured at amortized cost when it meets the following two conditions:

- i. The asset uses a business model whose objective is to hold the assets in order to collect contractual cash flows.
- ii. The contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal, and interest on the outstanding principal.

Trade and other receivables are classified in this category and initially recorded at fair value (nominal value including implicit interest), and they are subsequently recorded at their amortized cost using the effective interest rate method, less any impairment losses. When the nominal value of the receivable does not differ significantly from its fair value, the account is recognized at its nominal value.

Implicit interest must be disaggregated and recognized as financial income, to the extent that interest is being accrued.

c) Financial assets at fair value through comprehensive income

A financial asset is measured at fair value through comprehensive income when it meets the following two conditions:

- i. The financial asset uses a business model whose objective is to receive contractual cash flows and selling financial assets.
- ii. The contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal, and interest on the principal outstanding.

Recognition and measurement

Acquisitions and disposals of investments are recognized on the transaction date, or when the transaction is closed, which is the date when the Company commits to acquire or sell the asset. Investments are initially recognized at fair value plus the transaction costs for all financial assets not recorded at fair value through profit and loss. Financial assets at fair value through profit and loss are initially recognized at fair value, and their transaction costs are expensed.

Investments are written off for accounting purposes when the rights to receive cash flows from the investments have expired or been transferred or all of the risks and rewards of ownership have been substantially transferred. Financial assets held for sale and financial assets that are booked at fair value with changes taken to net income are recorded later at their fair value. Loans and receivables are accounted for at their amortized cost, in accordance with the effective interest method.

The fair value of investments in publicly traded securities is based on current purchase prices. If the market for a financial asset is not liquid (and for securities that are not publicly traded), fair value is determined using valuation techniques that include the use of recent arm's length transactions between knowledgeable, willing parties and that involve other instruments that are substantially the same; the analysis of discounted cash flows; and options price-setting models. In these cases market-based inputs are used to the greatest extent possible, whereas inputs specific to the entity are relied on as little as possible. In the event that none of the abovementioned techniques can be used to determine the fair value, the investments are recorded at acquisition cost net of any applicable impairment losses.

As of each reporting date, an evaluation is performed to determine whether there is objective evidence that a financial asset or group of financial assets may have been impaired. In order to determine whether capital securities classified as held for sale are impaired, the Company must determine whether there has been a significant or prolonged decrease in the fair value of the securities to below cost. If there is any such evidence for financial assets held for sale, the cumulative loss defined as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognized in gains or losses, is removed from equity and is recognized in net income. Impairment losses recognized in income for equity instruments are not reversed through the consolidated statement of net income.

Impairment

The Group performs a risk analysis based on its historical portfolio collection experience, which is adjusted for macroeconomic variables in order to obtain sufficient information to estimate and thus determine whether there is an impairment loss on the portfolio.

Therefore, the debtor's impairment provision is based on expected losses.

2.11.2 Financial liabilities

Financial liabilities are measured at amortized cost, except when they are measured at fair value through profit and loss or other specific cases. The Group has two classifications for financial liabilities.

Trade and other payables

Trade payables are initially recognized at fair value and subsequently at their amortized cost using the effective interest method. When the nominal value of the account payable does not differ significantly from its fair value, the account is recognized at its nominal value.

Other financial liabilities valued at amortized cost

Obligations to banks and financial institutions are initially recognized at fair value, net of any costs incurred in the transaction. Subsequently, third-party resources are valued according to their amortized cost; any difference between the proceeds (net of any necessary costs) and the reimbursement value is recognized in the consolidated statement of income during the term of the debt, in accordance with the effective interest method. The effective interest method involves applying the referential market rate for debts with similar characteristics to the debt (less any associated transaction costs).

Third-party resources are classified as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date.

2.11.3 Derivative financial instruments and hedges

Derivative financial instruments are initially recognized at fair value as of the date on which the derivative contract was executed, and they are subsequently revalued at fair value. Derivatives are designated as:

- a) Fair value hedges for recognized liabilities (fair value hedge);
- b) Hedges for a specific risk associated with a recognized liability or a highly probable forecast transaction (cash flow hedge); or
- c) Hedges for a net investment in a foreign business (net investment hedge).

The relationship between the hedging instruments and the hedged entries are documented at the beginning of the transaction, along with the risk management objectives and the strategy to manage several hedging transactions. The initial and ongoing evaluation of whether the derivatives used in hedging transactions are highly effective at offsetting changes in fair value or the cash flows of the hedged entries is also documented.

The total fair value of hedging derivatives is classified as a non-current asset or liability if the remaining term of the hedged entry is greater than 12 months, and as a current asset or liability if the remaining term of the hedged entry is less than 12 months. Traded derivatives are classified as current assets or liabilities.

The effective portion of changes in the fair value of cash flow hedges are recognized in the statement of other comprehensive income. The gain or loss related to the ineffective portion is immediately recognized in the statement of income under "Other operating income" or "Other miscellaneous operating expenses," respectively.

When a hedging instrument expires or is sold, or when it ceases to fulfill the accounting criteria for hedges, any accumulated gain or loss in equity as of that date remains in equity and is recognized when the forecast transaction affects the statement of income. When the forecast transaction is no longer expected to take place, the accumulated gain or loss in equity is immediately transferred to the statement of income.

2.12 Inventories

Inventory is valued at the lower of cost or net realizable value. Compañía de Petróleos de Chile Copec S.A. calculates cost using the FIFO (first in first out) method for fuels, and the weighted average price method for lubricants and other products. The cost of inventories in Organización Terpel S.A. and affiliates is calculated using the weighted average price method.

The cost of finished products and of products in progress at other companies includes the costs of design, raw materials, direct labor, other direct costs and general manufacturing expenses, but does not include interest costs.

The initial costs of harvested timber at Celulosa Arauco y Constitución S.A. are based on fair value less the selling costs following harvesting.

Biological assets are transferred to inventory as forests are harvested.

Net realizable value is the estimated sales price in the normal course of business, less any costs to complete production, less any applicable variable sales costs.

As of the date of these consolidated financial statements, there is no inventory pledged as collateral.

When the manufacturing costs of a product exceed its net realizable value because of market conditions, a provision is recorded for the difference. Such a provision also considers amounts related to obsolescence due to low turnover and technical obsolescence.

Minor spare parts to be consumed in a 12 month period are shown under inventories and are recorded in expenses in the period in which they are consumed.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in bank accounts, term deposits at financial institutions, mutual funds and other highly liquid short-term investments with an original term of three months or less, that are not likely to suffer changes in value.

2.14 Capital

Share capital is 1,299,853,848 single-series ordinary shares (see Note 23).

Incremental costs directly attributable to the issuance of new shares are presented in net equity as a deduction, net of taxes, from the proceeds.

The Parent Company's dividend policy is to distribute 30% of net distributable profits, as defined in Note 23, on an annual basis. This policy is confirmed each year at the Shareholders' Meeting.

Dividends on ordinary shares are recognized as a decrease in accumulated reserves as the benefit to shareholders accrues.

The item "Other reserves" in equity mainly consists of translation adjustment reserves and hedge reserves. Empresas Copec S.A. does not have any restrictions associated with these reserves.

The translation reserve consists of the foreign currency translation differences of Group affiliates that use a functional currency other than the US dollar.

Hedge reserves are the effective portion of the gain or loss on hedge swap contracts as of the date of these consolidated financial statements.

2.15 Income tax and deferred tax

a) Income tax

The income tax expense for the year is calculated on income before taxes, which is increased or decreased, as appropriate, for the permanent and temporary differences provided by tax legislation when calculating taxable income.

b) Deferred tax

Deferred taxes are calculated in accordance with IAS 12 using the liability method, over temporary differences that arise between the tax value of assets and liabilities and their book value in the consolidated financial statements. Deferred taxes are calculated using the approved tax rates or almost approved as of the reporting date and that are expected to apply when the corresponding deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is likely that there will be future tax benefits available to use these temporary differences.

Deferred taxes are recognized over differences that arise in investments in affiliates and associates, except in those cases where the date on which temporary differences are reversed can be controlled by the Group and it is likely that such differences will not be reversed in the foreseeable future.

The Company reviews its deferred tax assets and liabilities at each reporting date, in order to determine whether they remain current and make any necessary corrections based on the results of this analysis.

The Partially Integrated Regime applies to Copec and its affiliates by default with a corporate income tax rate of 27% for 2019, in accordance with the Tax Reform in Chile established by Law 20,780 and Law 20,899, published in 2014 and 2016, respectively. Law 20,732 on Tax Modernization became effective in 2020, which continues the Partially Integrated Regime and the tax rate of 27%.

Therefore, deferred taxes in Chile as of December 31, 2019 and as of June 30, 2020 have been calculated using the tax rate applicable when temporary differences reverse of 27%.

2.16 Employee benefits

a) Staff vacations

The Group recognizes the expense for staff vacations using the *accrual method*, and the expense is recorded at its nominal value.

Certain affiliates recognize a vacation bonus expense, where there is a contractual obligation to general staff, and this obligation is a fixed amount, in accordance with employment contracts. This vacation bonus is recorded as an expense when the employee uses his or her vacation time, and it is recorded at nominal value.

b) Production bonuses

The Group recognizes a provision when it is contractually obligated to do so or when past practice has created an implicit obligation and it is possible to reliably estimate the obligation. This bonus is recorded at its nominal value.

c) Staff severance indemnities

The liability recognized in the statement of financial position is the present value of the obligation for defined benefits as of the reporting date. This value is calculated annually by independent actuaries, and it is determined by discounting the estimated future outflows of cash at interest rates on instruments denominated in the currency in which such benefits will be paid and with terms similar to those of the corresponding obligations.

Losses and gains that arise from experience and from changes in the actuarial assumptions are charged or credited to income for the period in which they occur.

Costs for past services are immediately recognized in the statement of income.

2.17 Provisions

Provisions are recognized when a legal or implicit obligation arises because of past events, where a reliably estimated payment is likely to settle the obligation. The amount is the best possible estimate as of each reporting date.

Provisions are valued at the present value of the expected disbursements to settle the obligation using the best estimate available. The discount rate utilized to determine the present value reflects current market estimates of the time value of money as of the reporting date, and any specific risk related to the obligation.

2.18 Revenue recognition

Revenue is recorded at the fair value of the consideration received or receivable derived from that revenue. The Group analyzes all the relevant events and circumstances when applying each step of the IFRS 15 model to contracts with its customers: (i) contract identification, (ii) performance obligations identification, (iii) the transaction price, (iv) price assignment, and (v) revenue recognition. The Company also assesses the incremental costs of agreeing a contract and costs directly related to complying with a contract. The Group recognizes revenue when the steps set out in the IFRS have been successfully completed.

a) Revenue recognition from the sale of goods

Revenue from the sale of goods is recognized when an entity has transferred to the buyer control over those goods, when the revenue can be reliably quantified, when the Company cannot influence the management of those goods, when it is likely that the financial benefits of the transaction will be received by the Group and when the transaction costs can be reliably measured.

Revenue from sales are recognized based on the price established in the sales contract, net of volume discounts as of the date of the sale. There is no significant financing component, as sales have a short average payment term, which is in line with market practice.

b) Revenue recognition from providing services

Revenue from providing services is recognized when the performance obligation has been satisfied.

Revenue is accounted for considering the degree of completion of the service as of the reporting date, when the Company has an enforceable right to payment for the services provided.

2.19 Leases

Empresas Copec S.A. and its affiliates apply IFRS 16 to recognize leases in a manner consistent with contracts with similar characteristics and similar circumstances.

The Group's affiliates assess whether the contract contains a lease when the contract begins. A contract contains a lease if transfers the right to control an asset over a period of time, in exchange for a fee.

When the lease is initially recognized, the lessee recognizes the right to use an asset at cost.

The cost of the right to use an asset comprises:

- The initial measurement of the lease liability. This measurement is the present value of unpaid lease payments as of that date. Lease payments are discounted using the incremental interest rate for financial loans.
- Lease payments on or before the initial date, less any lease incentives received.

- Initial direct costs incurred by the lessee.
- An estimate of the lessee's costs to dismantle and eliminate the underlying asset, restore its location or restore the underlying asset to the condition required by the terms and conditions of the lease, unless such costs are incurred to produce inventory. The lessee incurs obligations as a result of these costs either at the initial date or as a result of having used the underlying asset during a specific period.

After the initial date, the lessee recognizes its right-of-use assets using the cost model, less accumulated depreciation, accumulated impairment losses and adjusted for any amended measurement of the leasing liability.

On the initial date, the lessee measures the leasing liability as the present value of the unpaid lease payments as of that date. Lease payments are discounted using the incremental interest rate for financial loans.

After the initial date, the lessee recognizes the leasing liability by increasing its book value to reflect any interest on leasing liabilities, reducing its book value to reflect any lease payments, changing its book value to reflect any new measurements and any essentially fixed lease payments that have been reviewed.

The Group presents its right-of-use assets and lease liabilities in the consolidated statement of financial position as described in Note 14.

Operating lease income is recognized on a straight-line basis over the term of the lease where the Group is the lessor. Any initial direct costs are added to the book value of the underlying asset and are recognized as an expense over the life of the lease on the same basis as the lease income. The respective leased assets are included in the statement of financial position in property, plant and equipment. The Group did not adjust the assets it owns as a lessor as a result of adopting IFRS 16.

When the assets are leased under a finance lease, the present value of the lease payments is recognized as a financial receivable. The difference between the gross amount receivable and the present value of the lease is recognized as a financial return on capital.

Empresas Copec S.A. and affiliates evaluate the financial basis of contracts that grant the right to use specific assets, to determine whether these are implicit leases. If so, the Group separates payments and receipts relating to the lease from those relating to other items in the contract, on the basis of their relative fair values at the beginning of the contract.

2.20 Non-current assets held for sale

The Group classifies as non-current assets held for sale any property, plant and equipment, intangible assets, investments in associates and groups subject to divestment (groups of assets to be disposed of together with their directly associated liabilities), which are in the process of being sold and this outcome is considered highly probable as of the reporting date.

These assets or groups subject to divestment are valued at the lower of their book value or estimated sale value less selling costs, and are no longer amortized from the time they are classified as non-current assets held for sale.

2.21 Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in the consolidated financial statements to the extent that the benefit is accrued, in accordance with the Company's dividend policy.

Article 79 of Chilean Corporate Law establishes that listed corporations should distribute an annual cash dividend to their shareholders, in proportion to their shares or the proportion established in the company's statutes if it has preference shares, of at least 30% of net income for each period, except when accumulated losses from prior years must be absorbed, and unless unanimously agreed otherwise by shareholders of all issued shares.

The Company's current dividend policy is to distribute to shareholders 30% of annual net distributable income as dividends, as defined in Note 23.

During the last quarter of each year, the Board shall decide whether to distribute an interim dividend. Such interim dividend is paid in December to the extent that the year-end results are expected to be positive and that the Company's available cash flow allows for such a distribution.

2.22 Environment

Disbursements relating to improvements and investments in production processes that improve environmental conditions are recorded as expenses for the period in which they are incurred. When such disbursements are part of capital projects, they are added to property, plant and equipment (see Note 29).

The group has established the following types of disbursements for environmental protection projects:

- a) Disbursements relating to improvements and investments in production processes that improve environmental conditions.
- b) Disbursements relating to verification and control of regulations and laws covering industrial processes and facilities.

- c) Other disbursements that affect the environment.

2.23 Business combinations

Business combinations are accounted for using the *acquisition method*. This involves recognizing identifiable assets (including intangible assets that have not been recognized previously) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value.

Purchased goodwill acquired in a business combination is initially measured at cost, which is the excess of the cost of the business combination over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at acquisition. After initial recognition, purchased goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment tests, purchased goodwill acquired in a business combination is assigned from the date of acquisition to each cash generating unit or group of cash generating units that are expected to benefit from the synergies of the combination, regardless of whether other Group assets or liabilities are assigned to those units or groups of units.

If the acquisition cost is less than the fair value of the net assets of the acquired affiliate, the difference is directly recognized in income and presented under "Other gains (losses)."

Transaction costs are treated as expenses at the time they are incurred. When business combinations are carried out in stages, the fair value of the acquired company is measured at each stage and the effects of changes in the share of net income are recognized in the period in which they occur.

2.24 Loyalty program

The indirect affiliate Mapco Express Inc. has a customer loyalty program, where customers can accumulate points that are subsequently redeemed against products offered by the company. Therefore, it values a deferred income liability based on the outstanding accumulated points as of the reporting date, together with an estimate of the points that are not likely to be redeemed ("breakage").

2.25 Impairment

Non-financial assets

The recoverable amount of property, plant and equipment and other long-term assets with finite useful lives are assessed whenever there is an indication that the value of an asset might be impaired. Factors that could indicate a decline in the market value of an asset include significant changes in the technological environment, the asset becomes obsolete, the asset is physically damaged, the use or expected use of the asset changes with the possibility that the asset falls into disuse, and other factors. The Company evaluates whether there is any such evidence as of each reporting date.

A previously recognized impairment loss can be reversed if there has been a change in the estimated recoverable amount. However, the reversal cannot be greater than the amount recognized in previous years.

Assets are grouped at the lowest level at which they separately generate identifiable cash flows for each cash generating unit, in order to evaluate impairment losses. Non-financial assets other than goodwill that have been impaired are reviewed as of every reporting date to identify whether any reversals have occurred.

"Cash-generating units" are the smallest identifiable group of assets whose continued use generates cash inflows that are largely independent of those generated by other assets or groups of assets.

Goodwill

Goodwill and intangible assets with indefinite useful lives are tested annually or when circumstances so indicate. An impairment loss is recognized when their book value exceeds their recoverable value. The recoverable value of an intangible asset is the higher of the asset's net selling price and its value in use.

A cash generating unit to which goodwill has been allocated is tested for impairment every year or more often if there is any indication that the unit may be impaired. If the recoverable value of the cash generating unit is less than its book value, the impairment loss is first allocated to reduce the book value of any goodwill allocated to the unit and then is proportionally allocated to other assets within the unit based on the book value of each asset. Any impairment loss for goodwill is recognized directly in the statement of income. Impairment losses recognized for goodwill are not reversed in subsequent periods.

Goodwill is assigned to cash-generating units for the purpose of impairment testing. It is distributed between those cash-generating units or groups of cash-generating units that are expected to benefit from the business merger that generated the goodwill.

2.26 Statement of cash flows

The statement of cash flows reflects cash movements during the period, determined using the direct method. The following terms are used in these cash flow statements.

- Cash flows: receipts and payments of cash or cash equivalents including highly liquid investments with a maturity of less than three months that are unlikely to suffer changes in value.
- Operating activities: these are the main revenue-producing activities of the Group and include other activities that are not investing or financing activities.
- Investing activities: these are the acquisition or disposal of long-term assets and other investments not included in cash equivalents.
- Financing activities: these produce changes in the size and composition of net equity and financial liabilities.

2.27 Earnings per share

Basic earnings per share is calculated as the quotient of the net income for the period attributable to the Company divided by the average weighted number of ordinary shares outstanding during that period, without including the average number of shares of the Company held by any affiliates, should that be the case. The Company and its affiliates have not undertaken any potentially diluting transactions that would result in the diluted earnings per share differing from basic earnings per share.

2.28 Classification of current and non-current balances

Balances in the consolidated statement of financial position that will be recovered or settled within 12 months are classified as current items and those recovered or settled in more than 12 months as non-current items.

If there are obligations whose maturities are less than twelve months, but whose long-term refinancing is guaranteed at the discretion of the Company through loan agreements unconditionally available with long-term maturities, these obligations could be classified as long-term liabilities.

2.29 Offsetting balances and transactions

As a general rule, assets and liabilities, or income and expenses, may not be offset unless offsetting is required or permitted by a standard and reflects the substance of the transaction.

Income and expenses originating from transactions that, for contractual or legal reasons, consider the possibility of offsetting and for which the Company intends either to settle on a net basis, or to recover the asset and settle the liability simultaneously, are stated net in the statement of comprehensive income and the statement of financial position. The interim consolidated financial statements as of June 30, 2020 and December 31, 2019, do not reflect any offset income and expenses in the statement of comprehensive income.

NOTE 3. FINANCIAL INSTRUMENTS**3.1 Cash and Cash Equivalents**

Group cash and cash equivalents are detailed as follows:

Cash and cash equivalents	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Bank balances	657,623	531,414
Short-term deposits	735,423	762,508
Mutual funds	651,312	901,647
Overnight investments	1,183	2,811
Other cash & cash equivalents	18,528	16,507
Total	2,064,069	2,214,887

The amortized cost of these financial instruments does not differ from their fair value.

Cash and cash equivalents are mainly cash, cash in banks, term deposits and mutual funds. These investments are readily convertible to cash in the short term and the risk of significant changes in value is low. The valuation of term deposits is calculated using the accrued purchase rate of each document.

As of June 30, 2020, the Group has approved lines of credit amounting to approximately US\$2,759 million (US\$2,142 million as of December 31, 2019).

As of June 30, 2020 and December 31, 2019, there were no significant restrictions to these funds.

3.2 Other Financial Assets

a) This category includes the following financial assets at fair value through profit and loss:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Mutual funds	603	636
Fixed income instruments	98,366	115,029
Derivative financial instruments		
Forwards	1,744	5,359
Swaps	69	117
Other financial assets (*)	37,488	3,777
Total other current financial assets	138,270	124,918

(*) The balance is mainly assets in collateral for derivatives at the affiliate Celulosa Arauco y Constitución S.A.

b) Non-current financial assets at fair value through profit and loss are classified as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Equity instruments (shares)	39,161	39,255
Derivative financial instruments		
Forwards	0	4,578
Swaps	97,874	59,831
Other financial assets (*)	5,304	4,408
Total other non-current financial assets	142,339	108,072

(*) Non-current other financial assets are mainly deposits with fiduciary responsibility, by the indirect affiliate Nortesantandereana de Gas S.A.E.S.P (formerly Inversiones del Nordeste S.A.S.)

Financial assets at fair value include fixed-income instruments (corporate bonds, mortgage bonds, bank bonds, term deposits and other similar items) that are managed on behalf of the company by third parties ("outsourced portfolios"). These assets are recorded at fair value, changes in value are recognized in income, and the assets are held for the purposes of liquidity and returns. Mutual funds are valued at unit market value as of the reporting date.

Swaps are mainly cross currency swap hedging instruments contracted to hedge exposure to the exchange rate, which arises from having debts in currencies other than the functional currency.

Forwards are initially recognized at fair value on the date on which the contract is signed, and they are subsequently revalued at fair value. Forwards are recorded as assets when their fair value is positive and as liabilities when their fair value is negative.

The fair value of foreign exchange forward contracts is calculated by reference to current foreign exchange rates from contracts with similar maturity profiles.

The Group does not have any investments held-to-maturity as of June 30, 2020 and December 31, 2019.

3.3 Trade and Other Receivables

a) This category contains the following balances:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Trade receivables	1,369,587	1,556,442
Less: Impairment provision on trade receivables	(85,228)	(53,291)
Trade receivables, net	1,284,359	1,503,151
Other receivables	184,131	200,719
Less: Impairment provision on other receivables	(8,590)	(8,063)
Other receivables, net	175,541	192,656
Total	1,459,900	1,695,807
Less: Non-current portion	15,022	19,870
Current portion	1,444,878	1,675,937

Trade and other receivables are classified as current assets except for those assets maturing in more than 12 months. Those assets maturing in more than 12 months are recorded at amortized cost using the effective interest method and are evaluated for expected credit losses.

Trade receivables represent enforceable rights arising from normal business transactions, where normal is defined as the Group's normal course of business.

Other receivables are receivables from sales, services or loans outside of the normal course of business.

Implicit interest is disaggregated and recognized as financial income as it accrues.

The impairment provision is the difference between the asset's book value and the present value of the estimated future cash flows, discounted at the effective interest rate.

The creation and reversal of the receivables impairment provision has been included as the "Doubtful debt provision" in the consolidated statement of income under Administrative Expenses.

The amortized cost of these financial instruments does not differ from their fair value.

b) Trade and Other Receivables includes:

Trade and other receivables	Balance as of 06.30.2020											
	Portfolio not overdue	Overdue 1-30 days	Overdue 31-60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 121-150 days	Overdue 151-180 days	Overdue 181-210 days	Overdue 211-250 days	Overdue over 251 days	Total current	Total non- current
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Gross trade receivables	1,165,724	93,543	21,435	14,478	20,898	2,824	2,953	1,262	1,706	44,764	1,360,314	9,273
Impairment provision	(14,342)	(8,296)	(6,513)	(7,298)	(16,689)	(696)	(485)	(654)	(885)	(29,370)	(83,174)	(2,054)
Other gross receivables	154,766	10,097	1,061	1,437	369	2,373	1,084	254	430	12,260	171,313	12,818
Impairment provision	(4,590)	(5)	(7)	(1)	(1)	(1)	(3)	(5)	(2)	(3,975)	(3,575)	(5,015)
Total	1,301,558	95,339	15,976	8,616	4,577	4,500	3,549	857	1,249	23,679	1,444,878	15,022

Trade and other receivables	Balance as of 12.31.2019											
	Portfolio not overdue	Overdue 1-30 days	Overdue 31-60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 121-150 days	Overdue 151-180 days	Overdue 181-210 days	Overdue 211-250 days	Overdue over 251 days	Total current	Total non- current
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Gross trade receivables	1,359,693	101,846	17,133	6,343	5,767	3,270	4,788	1,537	3,157	52,908	1,544,404	12,038
Impairment provision	(10,685)	(1,460)	(737)	(638)	(1,063)	(721)	(521)	(964)	(1,180)	(35,322)	(51,283)	(2,008)
Other gross receivables	167,574	14,936	1,087	1,383	195	2,190	399	54	2,491	10,410	185,910	14,809
Impairment provision	(3,995)	0	0	0	0	0	0	0	0	(4,068)	(3,094)	(4,969)
Total	1,512,587	115,322	17,483	7,088	4,899	4,739	4,666	627	4,468	23,928	1,675,937	19,870

c) Movement in the doubtful debts provision:

	06.30.2020		12.31.2019	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
	Current	Non-current	Current	Non-current
Opening balance	(57,899)	(6,751)	(60,990)	(6,841)
Impairment provision on trade and other receivables	(28,850)	(318)	3,091	90
Closing balance	(86,749)	(7,069)	(57,899)	(6,751)

3.4 Other Financial Liabilities

Financial liabilities valued at amortized cost are non-derivative instruments with contractual payment flows with fixed or variable interest rates. Financial instruments classified in this category are valued at amortized cost using the *effective interest method*.

As of June 30, 2020 and December 31, 2019, this category included obligations with banks and financial institutions and obligations to the public through bonds issued in US dollars, UF and Chilean pesos.

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Current		
Bank loans	732,323	428,956
Bonds in UF, COP and CLP	230,179	322,421
Bonds in US\$	51,019	35,432
Other financial liabilities	13,879	8,914
Total current	1,027,400	795,723
Non-current		
Bonds in US\$	3,464,938	3,465,510
Bonds in UF, COP and CLP	2,149,548	2,245,992
Bank loans	2,074,632	1,827,612
Other financial liabilities	337,552	149,933
Total non-current	8,026,670	7,689,047
Total other financial liabilities	9,054,070	8,484,770

Capital plus interest on the Group's main financial and lease¹ liabilities that are subject to liquidity risk are presented undiscounted and grouped by maturity in the following tables.

¹ See Note 14

Bank borrowings

Fuel sector

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
91,806,000-6	Abastible S.A. - Chile	US\$	Banco Santander - Chile	-	2,176	-	-	-	2,176	-	3.42%	3.42%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco BCI - Chile	-	175	-	13,090	-	175	13,090	5.22%	5.22%	Annually
91,806,000-6	Abastible S.A. - Chile	CLP	Banco BCI - Chile	19,685	-	-	-	-	19,685	-	3.89%	3.89%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	71	-	10,959	-	-	71	10,959	4.43%	4.43%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	9,859	-	-	-	-	9,859	-	4.52%	4.52%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	-	23,452	-	-	-	23,452	-	3.84%	3.84%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	-	7,380	-	-	-	7,380	-	3.84%	3.84%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	10,000	-	-	-	-	10,000	-	4.98%	4.98%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Scotiabank - Chile	17,239	-	-	-	-	17,239	-	4.20%	4.20%	Six monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco Estado - Chile	-	-	-	-	-	-	-	2.03%	2.00%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Tokyo - Mitsubishi UFJ Ltd - Chile	-	-	-	100,000	-	-	100,000	1.34%	1.31%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	-	-	-	100,000	-	-	100,000	1.34%	1.31%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	-	-	75,000	125,000	-	-	200,000	1.51%	1.46%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	BNP Paribas - Chile	-	-	-	50,000	-	-	50,000	1.34%	1.31%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Export Development Canada - Chile	-	-	75,000	-	-	-	75,000	1.81%	1.72%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Sumitomo Mitsui Banking Corporation - Chile	-	-	-	125,000	-	-	125,000	1.34%	1.31%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco BCI - Chile	-	36,531	-	-	-	36,531	-	4.03%	3.24%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco de Chile - Chile	-	24,354	-	-	-	24,354	-	4.21%	3.42%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Scotiabank Sud Americano - Chile	-	30,442	-	-	-	30,442	-	4.20%	3.40%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Itaú - Chile	-	12,177	-	-	-	12,177	-	4.39%	3.60%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Estado - Chile	-	48,707	-	-	-	48,707	-	2.37%	2.37%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Itaú - Chile	51	-	-	-	-	51	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco BCI - Chile	16	-	-	-	-	16	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	15	-	-	-	-	15	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	6	-	-	-	-	6	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	1,518	4,742	13,682	4,815	-	6,260	18,497	3.97%	3.97%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	967	3,028	8,779	3,087	-	3,995	11,866	3.79%	3.79%	Maturity
-	Duragas S.A. - Ecuador	US\$	Banco Estado - Chile	61	-	-	7,500	-	61	7,500	3.25%	3.25%	Six monthly
-	Duragas S.A. - Ecuador	US\$	Banco BCI - Chile	65	-	-	7,600	-	65	7,600	4.98%	4.98%	Six monthly
76,208,888-6	Emoac SpA - Chile	CLP	Banco Santander - Chile	-	-	-	-	-	-	-	0.00%	0.00%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco Estado - Chile	-	101	-	-	-	101	-	3.00%	3.00%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco BCI - Chile	-	323	-	-	-	323	-	1.47%	1.47%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco Security - Chile	-	160	-	522	-	160	522	5.00%	5.00%	Annually
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	US\$	Banco de Chile - Chile	-	317	-	-	-	317	-	3.34%	3.34%	Maturity
-	Mapco Express, Inc - USA	US\$	Bank of America - USA	-	-	-	18,121	-	-	18,121	0.88%	0.88%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Banco de Bogota - Colombia	-	26,603	-	-	-	26,603	-	6.06%	6.06%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Banco BBVA - Colombia	-	38,286	-	-	-	38,286	-	6.33%	6.33%	Maturity
-	Petrolera Nacional S.A. - Panama	US\$	Scotiabank Colpatría - Panama	-	-	82,259	-	-	-	82,259	2.80%	2.80%	Maturity
-	Solgas S.A. - Peru	PS/.	Banco Scotiabank - Peru	20,247	1,999	15,714	15,714	22,684	22,246	54,112	6.50%	6.50%	Monthly
-	Solgas S.A. - Peru	PS/.	Banco de Crédito del Perú - Peru	5,668	-	-	-	-	5,668	-	3.65%	3.65%	Three monthly
-	Terpel Comercial del Perú S.R.L. - Peru	PS/.	Scotiabank Perú - Peru	-	-	2,842	-	-	-	2,842	1.00%	1.00%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	6,000	-	-	-	-	6,000	-	3.81%	3.81%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	3,500	-	-	-	3,500	-	3.54%	3.54%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco Guayaquil - Ecuador	11	25	-	-	-	36	-	9.24%	8.87%	Monthly
Total bank borrowings				91,479	264,478	284,235	570,449	22,684	355,957	877,368			

Bank borrowings**Fuel sector**

As of December 31, 2019													
Debtor ID number	Debtor name	Currency	Creditor name	Maturities					Total		Effective rate	Nominal rate	Repayment Terms
				1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Scotiabank - Chile	-	18,737	-	-	-	18,737	-	2.60%	2.60%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	-	8,298	-	-	-	8,298	-	5.34%	5.34%	Annually
91,806,000-6	Abastible S.A. - Chile	US\$	Banco Santander - Chile	2,214	2,140	-	-	-	4,354	-	2.76%	2.76%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	-	10,868	-	-	-	10,868	-	4.98%	4.98%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco BCI - Chile	-	214	16,027	-	-	214	16,027	5.22%	5.22%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	-	78	12,020	-	-	78	12,020	4.43%	4.43%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	-	10,707	-	-	-	10,707	-	2.57%	2.57%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	-	25,518	-	-	-	25,518	-	2.57%	2.57%	Six monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Tokyo - Mitsubishi UFJ Ltd - Chile	-	-	-	100,000	-	-	100,000	2.89%	2.86%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	-	-	-	100,000	-	-	100,000	2.89%	2.86%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	-	-	-	200,000	-	-	200,000	2.98%	2.93%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	BNP Paribas - Chile	-	-	-	50,000	-	-	50,000	2.89%	2.86%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Export Development Canada - Chile	-	-	-	75,000	-	-	75,000	3.13%	3.03%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Sumitomo Mitsui Banking Corporation - Chile	-	-	-	125,000	-	-	125,000	2.89%	2.86%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco de Chile - Chile	203	-	-	-	-	203	-	3.10%	3.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Itaú - Chile	490	-	-	-	-	490	-	3.10%	3.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco de Crédito e Inversiones - Chile	982	-	-	-	-	982	-	3.10%	3.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	HSBC Bank - Chile	3	-	-	-	-	3	-	3.10%	3.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	26	-	-	-	-	26	-	3.10%	3.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	13	-	-	-	-	13	-	3.10%	3.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Santander Investment Securities Inc. - Chile	575	2,102	6,119	2,600	-	2,677	8,719	3.97%	3.97%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	335	1,255	3,700	1,553	-	1,590	5,253	3.79%	3.79%	Monthly
-	Duragas S.A. - Ecuador	US\$	Banco Estado - Chile	62	-	-	7,500	-	62	7,500	3.25%	3.25%	Six monthly
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	US\$	Various Banks - Chile	-	235	738	-	-	235	738	0.00%	0.00%	Quarterly
-	Mapco Express, Inc - USA	US\$	JP Morgan Chase - United States	333	15,253	-	-	-	15,586	-	3.41%	3.41%	Monthly
-	Organización Terpel S.A. - Colombia	US\$	Banco de Bogota - Colombia	20,347	-	-	-	-	20,347	-	5.65%	5.65%	Maturity
-	Organización Terpel S.A. - Colombia	US\$	Banco de Bogota - Colombia	-	21,055	-	-	-	21,055	-	5.67%	5.67%	Maturity
-	Organización Terpel S.A. - Colombia	US\$	Banco Popular - Colombia	27,463	-	-	-	-	27,463	-	5.84%	5.83%	Maturity
-	Petrolera Nacional S.A. - Panama	US\$	Scotiabank Colpatría - Panama	-	-	82,242	-	-	-	82,242	3.04%	3.04%	Maturity
-	Solgas S.A. - Peru	PS/	Banco Scotiabank - Peru	943	-	18,681	24,337	17,028	943	60,046	6.50%	6.50%	Monthly
-	Solgas S.A. - Peru	PS/	Banco de Crédito del Perú - Peru	26,286	-	-	-	-	26,286	-	3.65%	3.65%	Three monthly
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	6,000	-	-	-	6,000	-	3.81%	3.81%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	3,500	-	-	-	3,500	-	3.54%	3.54%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco Guayaquil - Ecuador	11	33	12	-	-	44	12	9.08%	8.72%	Monthly
Total bank borrowings				80,286	125,993	139,539	685,990	17,028	206,279	842,557			

Bank borrowings

Forestry sector

As of June 30, 2020													
Debtor ID number	Debtor name	Currency	Creditor name	Maturities					Total		Effective rate	Nominal rate	Repayment Terms
				1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
-	Arauco Argentina S.A. - Argentina	US\$	Banco Macro - Argentina	5,050	-	-	-	-	5,050	-	4.25%	4.25%	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Banco Macro - Argentina	5,077	-	-	-	-	5,077	-	4.80%	4.80%	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	Banco Votorantim - Brazil	22	-	473	-	-	22	473	5.00%	5.00%	Six monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Votorantim - Brazil	20	-	418	-	-	20	418	5.00%	5.00%	Six monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco BNDES Subloan A - Brazil	5	104	162	-	-	109	162	7.85%	TJLP + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Bndes Subloan B - Brazil	3	63	98	-	-	66	98	8.85%	TJLP + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	US\$	Banco Bndes Subcrédito C - Brazil	5	113	202	-	-	118	202	6.92%	Basket + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Bndes Subloan D - Brazil	4	72	110	-	-	76	110	10.05%	TJLP + spread	Monthly
-	Arauco North America, Inc. - USA	US\$	Banco Estado - Chile	-	21,986	70,749	229,465	-	21,986	300,214	2.83%	Libor + spread	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Banco Scotiabank - Chile	2,216	1,477	5,958	201,502	-	3,693	207,460	2.94%	Libor + spread	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	€	BNP Paribas - Chile	-	3,995	95,472	93,666	203,811	3,995	392,949	1.06%	1.06%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Banco BCI - Chile	40,365	-	-	-	-	40,365	-	1.80%	1.80%	Maturity
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Banco Santander - Chile	101,021	-	-	-	-	101,021	-	2.02%	2.02%	Maturity
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	4,638	4,575	17,715	4,280	-	9,213	21,995	2.79%	Libor + spread	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	11,460	-	-	-	-	11,460	-	2.54%	Libor + spread	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Finnish Export Credit - Uruguay	25,996	25,589	98,585	-	-	51,585	98,585	3.20%	3.20%	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	DNB Nor ASA - Norway	152	129	305	22	-	281	327	0.00%	0.00%	Annually
-	Eufores S.A. - Uruguay	US\$	Banco BBVA - Uruguay	14,222	-	-	-	-	14,222	-	3.22%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	-	26,609	-	-	-	26,609	-	1.96%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	-	555	-	-	-	555	-	1.96%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Citibank - Uruguay	-	3,529	-	-	-	3,529	-	1.67%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Heritage - Uruguay	1,355	-	-	-	-	1,355	-	1.60%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Itaú - Uruguay	-	12,603	-	-	-	12,603	-	1.71%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Santander - Uruguay	20,203	-	-	-	-	20,203	-	2.04%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Santander - Uruguay	-	5,049	-	-	-	5,049	-	1.96%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Scotiabank - Uruguay	-	3,020	-	-	-	3,020	-	1.69%	Libor + spread	Maturity
-	Mahal Empreendimentos Pat. S.A. - Brazil	R\$	Banco BNDES Subloan E - Brazil	419	-	-	-	-	419	-	7.85%	TJLP + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	R\$	Banco BNDES Subloan I - Brazil	47	-	-	-	-	47	-	7.85%	TJLP + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	R\$	Banco BNDES Subloan F - Brazil	252	-	-	-	-	252	-	8.85%	TJLP + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	R\$	Banco BNDES Subloan J - Brazil	28	-	-	-	-	28	-	8.85%	TJLP + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	R\$	Banco BNDES Subloan H - Brazil	281	-	-	-	-	281	-	10.05%	TJLP + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	R\$	Banco BNDES Subloan L - Brazil	31	-	-	-	-	31	-	10.05%	TJLP + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	US\$	Banco BNDES Subloan G - Brazil	466	154	-	-	-	620	-	6.92%	Basket + spread	Monthly
-	Mahal Empreendimentos Pat. S.A. - Brazil	US\$	Banco BNDES Subloan K - Brazil	52	17	-	-	-	69	-	6.92%	Basket + spread	Monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	1,147	1,131	4,381	1,058	-	2,278	5,439	2.79%	Libor + spread	Six monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	2,833	-	-	-	-	2,833	-	2.54%	Libor + spread	Six monthly
Total bank borrowings				237,370	110,770	294,628	529,993	203,811	348,140	1,028,432			

Bank borrowings

Forestry sector

As of December 31, 2019													
Debtor ID number	Debtor name	Currency	Creditor name	Maturities					Total		Effective rate	Nominal rate	Repayment Terms
				1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
-	Arauco Florestal Arapoti S.A.	R\$	Banco Votorantim - Brazil	-	30	641	-	-	30	641	5.00%	5.00%	Six monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	Banco Votorantim - Brazil	-	27	569	-	-	27	569	5.00%	5.00%	Six monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	Banco Bndes Subloan A - Brazil	7	63	315	-	-	70	315	8.48%	TJLP + spread	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	Banco Bndes Subloan B - Brazil	5	39	190	-	-	44	190	9.48%	TJLP + spread	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	US\$	Banco Bndes Subcrédito C - Brazil	5	43	283	-	-	48	283	7.22%	Basket + spread	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	Banco Bndes Subloan D - Brazil	6	45	214	-	-	51	214	10.68%	TJLP + spread	Monthly
-	Arauco North America, Inc. - USA	US\$	Banco Estado - Chile	-	10,895	80,043	252,199	213,803	10,895	546,045	3.56%	Libor + spread	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Banco Scotiabank - Chile	3,179	3,014	11,958	205,979	-	6,193	217,937	3.14%	Libor + spread	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	€	BNP Paribas	-	1,209	22,108	28,213	14,038	1,209	64,359	1.06%	1.06%	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	4,919	4,838	18,455	8,702	-	9,757	27,157	4.10%	Libor + spread	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	11,754	11,536	-	-	-	23,290	-	3.85%	Libor + spread	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Finnish Export Credit - Uruguay	26,366	26,008	100,109	24,065	-	52,374	124,174	3.20%	3.20%	Six monthly
-	Eufores S.A. - Uruguay	US\$	Banco BBVA - Uruguay	-	14,222	-	-	-	14,222	-	3.22%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	-	27,328	-	-	-	27,328	-	3.22%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Citibank - Uruguay	-	4,062	-	-	-	4,062	-	3.14%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Itaú - Uruguay	-	12,695	-	-	-	12,695	-	3.20%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Heritage - Uruguay	1,361	-	-	-	-	1,361	-	3.21%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Santander - Uruguay	20,328	-	-	-	-	20,328	-	3.29%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Santander - Uruguay	-	5,080	-	-	-	5,080	-	3.21%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Scotiabank - Uruguay	-	2,541	-	-	-	2,541	-	3.22%	Libor + spread	Maturity
-	Mahal Emprendimientos Pat. S.A. - Brazil	R\$	Bndes Subloan E-I - Brazil	658	1,279	-	-	-	1,937	-	8.48%	TJLP + spread	Monthly
-	Mahal Emprendimientos Pat. S.A. - Brazil	R\$	Bndes Subloan F-J - Brazil	397	769	-	-	-	1,166	-	9.48%	TJLP + spread	Monthly
-	Mahal Emprendimientos Pat. S.A. - Brazil	R\$	Bndes Subloan H-L - Brazil	444	858	-	-	-	1,302	-	10.68%	TJLP + spread	Monthly
-	Mahal Emprendimientos Pat. S.A. - Brazil	US\$	Bndes Subloan G-K - Brazil	537	1,217	-	-	-	1,754	-	7.22%	Basket + spread	Monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	1,216	1,196	4,563	2,152	-	2,412	6,715	4.10%	Libor + spread	Six monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	2,906	2,852	-	-	-	5,758	-	3.85%	Libor + spread	Six monthly
Total bank borrowings				74,088	131,846	239,448	521,310	227,841	205,934	988,599			

Bank borrowings
Other sectors

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
76,160,625-5	Minera Camino Nevado Ltda. - Chile	CLP	Banco Itaú - Chile	-	7,386	-	-	-	7,386	-	3.82%	TCP + spread	Six monthly
76,160,625-5	Minera Camino Nevado Ltda. - Chile	US\$	Banco BCI - Chile	-	19,832	-	-	-	19,832	-	3.82%	Libor + spread	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	11,011	-	-	-	-	11,011	-	2.43%	2.43%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Estado - Chile	7,011	25	5,000	5,000	-	7,036	10,000	3.20%	3.20%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Scotiabank - Chile	-	33	-	30,000	-	33	30,000	Libor + Spread	Libor + Spread	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	China Construcción Bank, Agencia - Chile	-	18	-	8,000	-	18	8,000	3.75%	3.75%	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	-	119,044	-	-	-	119,044	Libor + Spread	Libor + Spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	-	2,427	-	-	-	2,427	Libor + Spread	Libor + Spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	-	4,141	-	-	-	4,141	Libor + Spread	Libor + Spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	-	43,247	-	-	-	43,247	Libor + Spread	Libor + Spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	-	20,002	-	-	-	20,002	Libor + Spread	Libor + Spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	-	2,242	-	-	-	2,242	Libor + Spread	Libor + Spread	Maturity
Total bank borrowings				18,022	27,294	196,103	43,000	-	45,316	239,103			

As of December 31, 2019				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
76,160,625-5	Minera Camino Nevado Ltda. - Chile	CLP	Banco Itaú - Chile	-	8,297	4,056	-	-	8,297	4,056	3.82%	TCP + spread	Six monthly
76,160,625-5	Minera Camino Nevado Ltda. - Chile	US\$	Banco BCI - Chile	-	20,150	9,836	-	-	20,150	9,836	3.82%	Libor + spread	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	-	23	5,000	5,000	-	23	10,000	3.70%	3.70%	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	2,003	-	-	-	-	2,003	-	2.59%	2.59%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	1,502	-	-	-	-	1,502	-	2.59%	2.59%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	2,001	-	-	-	-	2,001	-	2.68%	2.68%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	4,004	-	-	-	-	4,004	-	2.60%	2.60%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Estado - Chile	2,004	-	-	-	-	2,004	-	2.51%	2.51%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Internacional - Chile	2,004	-	-	-	-	2,004	-	2.51%	2.51%	Maturity
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Itaú - Chile	-	63	-	30,000	-	63	30,000	Libor + Spread	Libor + spread	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Scotiabank - Chile	-	18	-	8,000	-	18	8,000	3.75%	3.75%	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	14	40,000	-	-	14	40,000	Libor + Spread	Libor + spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	7	18,500	-	-	7	18,500	Libor + Spread	Libor + spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	1	2,172	-	-	1	2,172	Libor + Spread	Libor + spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	455	110,000	-	-	455	110,000	Libor + Spread	Libor + spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	18	4,009	-	-	18	4,009	Libor + Spread	Libor + spread	Maturity
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	-	9	2,242	-	-	9	2,242	Libor + Spread	Libor + spread	Maturity
Total bank borrowings				13,518	29,055	195,815	43,000	-	42,573	238,815			

Bond obligations
Fuel sector

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
-	Organización Terpel S.A. - Colombia	COP	Series A bonds 5 years IPC E.A.	-	-	-	26,561	-	-	26,561	5.84%	5.72%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	38,245	-	38,245	6.58%	6.42%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	65,744	-	-	-	65,744	6.71%	6.55%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 18 years IPC E.A.	-	-	-	-	25,655	-	25,655	7.01%	6.83%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 7 years IPC E.A.	-	-	40,123	-	-	-	40,123	6.77%	6.60%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 15 years IPC E.A.	-	-	-	-	66,133	-	66,133	7.71%	7.50%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Bonds series A, 7 years fixed rate	-	-	-	74,789	-	-	74,789	5.81%	5.69%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	-	-	51,602	-	51,602	6.55%	6.39%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	80,683	-	80,683	6.82%	6.65%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	85,115	-	85,115	6.98%	6.80%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	60,022	-	60,022	6.96%	6.79%	Maturity
Total bond obligations				-	-	105,867	101,350	407,455	-	614,672			

As of December 31, 2019				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	-	85,769	-	-	85,769	6.83%	6.66%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	59,184	-	59,184	7.58%	7.37%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	92,541	-	92,541	7.85%	7.63%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	97,626	-	97,626	8.01%	7.78%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Bonds series A, 7 years fixed rate	73,543	-	-	-	-	73,543	-	5.65%	5.53%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	-	75,401	-	-	75,401	7.07%	6.89%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 18 years IPC E.A.	-	-	-	-	29,425	-	29,425	7.37%	7.18%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 7 years IPC E.A.	-	-	-	46,012	-	-	46,012	6.95%	6.77%	Maturity
Total bond obligations				73,543	-	-	207,182	278,776	73,543	485,958			

Bond obligations
Forestry sector

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - F	-	22,062	42,120	39,448	78,990	22,062	160,558	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - F	-	8,825	16,849	15,779	31,596	8,825	64,224	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - J	177,533	-	-	-	-	177,533	-	3.25%	3.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - P	-	6,920	37,194	42,776	137,998	6,920	217,968	4.00%	4.00%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - Q	-	17,862	-	-	-	17,862	-	3.00%	3.00%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - R	-	6,234	12,468	12,468	237,058	6,234	261,994	3.60%	3.60%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - S	-	4,168	8,336	8,336	180,969	4,168	197,641	2.40%	2.40%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - W	-	2,190	4,380	4,380	112,494	2,190	121,254	2.10%	2.10%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - X	-	5,154	10,308	10,308	287,545	5,154	308,161	2.70%	2.70%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2022	2,996	2,996	132,161	-	-	5,992	132,161	4.75%	4.75%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2024	11,250	11,250	45,000	533,750	-	22,500	578,750	4.50%	4.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2027	-	19,375	38,750	38,750	548,438	19,375	625,938	3.88%	3.88%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2047	-	22,000	44,000	44,000	895,000	22,000	983,000	5.50%	5.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2029	-	21,250	42,500	42,500	585,000	21,250	670,000	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2049	-	27,500	55,000	55,000	1,160,000	27,500	1,270,000	5.50%	5.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2030	10,500	10,500	42,000	42,000	605,000	21,000	689,000	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2050	12,875	12,875	51,500	51,500	1,143,750	25,750	1,246,750	5.50%	5.50%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2014	128	384	1,024	1,024	1,749	512	3,797	4.84%	4.84%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2013	38	114	298	37	-	152	335	4.00%	4.00%	Six monthly
Total bond obligations				215,320	201,659	583,888	942,056	6,005,587	416,979	7,531,531			

As of December 31, 2019				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - F	-	33,928	64,820	60,772	134,219	33,928	259,811	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - J	3,047	192,098	-	-	-	195,145	-	3.25%	3.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - P	-	7,488	31,992	46,966	160,636	7,488	239,594	4.00%	4.00%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - Q	-	19,609	9,593	-	-	19,609	9,593	3.00%	3.00%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - R	-	6,746	13,492	13,492	259,880	6,746	286,864	3.60%	3.60%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - S	-	4,510	9,020	9,020	198,071	4,510	216,111	2.40%	2.40%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - W	-	2,370	4,740	4,740	122,909	2,370	132,389	2.10%	2.10%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - X	-	5,577	11,154	11,154	313,926	5,577	336,234	2.70%	2.70%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2022	2,996	2,996	135,157	-	-	5,992	135,157	4.75%	4.75%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2024	11,250	11,250	45,000	545,000	-	22,500	590,000	4.50%	4.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2027	-	19,375	38,750	38,750	558,125	19,375	635,625	3.88%	3.88%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2047	-	22,000	44,000	44,000	906,000	22,000	994,000	5.50%	5.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2029	-	21,250	42,500	42,500	595,625	21,250	680,625	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2049	-	27,500	55,000	55,000	1,173,750	27,500	1,283,750	5.50%	5.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2030	5,250	10,500	42,000	42,000	615,500	15,750	699,500	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2050	6,438	12,875	51,500	51,500	1,156,625	19,313	1,259,625	5.50%	5.50%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2014	128	384	1,024	1,024	2,005	512	4,053	4.84%	4.84%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2013	38	114	301	112	-	152	413	4.00%	4.00%	Six monthly
Total bond obligations				29,147	400,570	600,043	966,030	6,197,271	429,717	7,763,344			

Bond obligations
Other sectors

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP C	-	10,288	30,862	20,575	290,896	10,288	342,333	4.30%	4.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP E	732	732	46,158	-	-	1,464	46,158	3.40%	3.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP G	-	2,343	8,200	87,358	-	2,343	95,558	2.88%	2.88%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP - H	1,915	1,915	86,373	-	-	3,830	86,373	4.75%	4.75%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP I	559	559	3,356	2,238	49,480	1,118	55,074	2.30%	2.44%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP - K	519	519	3,116	2,078	48,023	1,038	53,217	2.30%	2.26%	Six monthly
Total bond obligations				3,725	16,356	178,066	112,248	388,399	20,081	678,713			

As of December 31, 2019				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP C	-	11,132	18,553	37,105	320,329	11,132	375,987	4.30%	4.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP E	792	792	50,738	-	-	1,584	50,738	3.40%	3.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP G	-	2,535	3,380	6,761	94,525	2,535	104,666	2.88%	2.88%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP - H	2,101	2,101	6,303	90,533	-	4,202	96,836	4.75%	4.75%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP I	605	605	3,630	2,423	54,145	1,210	60,198	2.30%	2.44%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP - K	562	562	3,372	2,249	52,525	1,124	58,146	2.30%	2.26%	Six monthly
Total bond obligations				4,060	17,727	85,976	139,071	521,524	21,787	746,571			

Finance leases

Fuel sector

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name Loan or Lease	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
91,806,000-6	Abastible S.A. - Chile	CLP	Other property, plant and equipment	193	1,151	3,129	2,871	8,279	1,344	14,279	5.52%	5.52%	Monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Other property, plant and equipment	225	673	2,084	1,042	-	898	3,126	3.54%	3.54%	Monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco BCI - Chile	36	112	64	-	-	148	64	4.48%	4.48%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco BCI - Chile	163	491	1,011	254	-	654	1,265	1.94%	2.00%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco Estado - Chile	16	48	129	5	-	64	134	0.55%	0.56%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco BCI - Chile	1	3	8	-	-	4	8	1.53%	1.53%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Estado - Chile	21	65	181	193	610	86	984	2.25%	2.25%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco de Chile - Chile	816	2,481	6,876	7,272	35,875	3,297	50,023	1.95%	1.95%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Other property, plant and equipment	12,310	33,278	61,050	52,918	235,926	45,588	349,894	-	-	Monthly
-	Duragas S.A. - Ecuador	US\$	Other property, plant and equipment	7	22	41	29	-	29	70	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Certegy Check Services/Fis - USA	6	18	2	-	26	24	28	2.14%	2.14%	Monthly
-	Mapco Express, Inc - USA	US\$	Giddens, Elmo - USA	38	104	263	154	-	142	417	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Regions Equipment Finance - USA	38	111	12	-	-	149	12	2.99%	2.99%	Monthly
-	Nortesantandereana de Gas S.A.E.S.P. - Colombia	COP	Other property, plant and equipment	96	288	534	530	-	384	1,064	9.77%	9.36%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Bancolombia - Colombia	440	1,384	1,208	1,208	-	1,824	2,416	0.82%	0.82%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Vinder SAS - Colombia	8	26	126	126	2,983	34	3,235	1.00%	1.00%	Monthly
-	Solgas S.A. - Peru	US\$	Other property, plant and equipment	678	1,036	1,910	1,910	1,597	1,714	5,417	6.80%	6.80%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco de Chile - Chile	76	231	447	13	-	307	460	2.80%	2.76%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco BCI - Chile	414	1,252	2,727	241	83	1,666	3,051	1.10%	1.10%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco Scotiabank - Chile	37	112	259	119	87	149	465	2.22%	2.22%	Monthly
Total finance leases				15,619	42,886	82,061	68,885	285,466	58,505	436,412			

As of December 31, 2019				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name Loan or Lease	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
91,806,000-6	Abastible S.A. - Chile	CLP	Other property, plant and equipment	318	1,044	3,476	3,208	9,470	1,362	16,154	5.52%	5.52%	Monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco BCI - Chile	39	120	152	-	-	159	152	4.48%	4.48%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco BCI - Chile	90	277	580	-	-	367	580	1.94%	2.00%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco Estado - Chile	17	53	182	-	-	70	182	0.55%	0.56%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco BCI - Chile	1	3	9	2	-	4	11	1.53%	1.53%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Estado - Chile	23	69	193	205	713	92	1,111	2.25%	2.25%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco de Chile - Chile	870	2,647	7,337	7,760	40,827	3,517	55,924	1.95%	1.95%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Other property, plant and equipment	12,306	35,668	63,310	57,104	241,160	47,974	361,574	-	-	Monthly
-	Duragas S.A. - Ecuador	US\$	Other property, plant and equipment	14	43	34	34	-	57	68	8.81%	8.81%	Monthly
-	Inversiones del Nordeste S.A.S. - Colombia	COP	Other property, plant and equipment	99	342	700	600	19	441	1,319	9.77%	9.36%	Monthly
-	Mapco Express, Inc - USA	US\$	Certegy Check Services/Fis - USA	5	17	14	-	-	22	14	2.14%	2.14%	Monthly
-	Mapco Express, Inc - USA	US\$	Giddens, Elmo - USA	30	105	255	229	-	135	484	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Regions Equipment Finance - USA	36	110	88	-	-	146	88	2.99%	2.99%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Bancolombia - Colombia	478	1,519	1,922	1,922	-	1,997	3,844	0.85%	0.85%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Vinder SAS - Colombia	9	29	138	138	3,459	38	3,735	1.00%	1.00%	Monthly
-	Solgas S.A. - Peru	US\$	Other property, plant and equipment	433	1,301	2,921	1,798	2,193	1,734	6,912	6.80%	6.80%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco de Chile - Chile	81	247	597	68	-	328	665	2.80%	2.76%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco BCI - Chile	266	806	1,883	349	196	1,072	2,428	1.30%	1.30%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco Scotiabank - Chile	39	120	298	128	159	159	585	2.22%	2.22%	Monthly
Total finance leases				15,154	44,520	84,089	73,545	298,196	59,674	455,830			

Finance leases

Forestry sector

As of June 30, 2020				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name Loan or Lease	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
-	Arauco Argentina S.A. - Argentina	US\$	Buildings and construction	122	347	252	-	-	469	252	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Computer equipment	13	39	62	-	-	52	62	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Other property, plant and equipment	347	1,040	2,580	1,169	-	1,387	3,749	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Motor vehicles	382	1,033	1,706	595	-	1,415	2,301	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Other property, plant and equipment	1	1	2	2	1	2	5	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Motor vehicles	-	2	132	40	-	2	172	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Buildings and construction	9	18	-	-	-	27	-	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Facilities, fixtures and fittings	125	376	250	-	-	501	250	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	US\$	Buildings and construction	94	258	602	182	-	352	784	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	US\$	Computer equipment	14	43	81	-	-	57	81	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	US\$	Motor vehicles	102	-	-	-	-	102	-	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Motor vehicles	7	17	21	2	-	24	23	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Buildings and construction	16	49	146	103	-	65	249	-	-	Monthly
-	Arauco Florestal Arapot S.A. - Brazil	R\$	Computer equipment	5	14	8	-	-	19	8	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Computer equipment	6	19	27	-	-	25	27	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Land	653	1,957	4,991	4,540	6,480	2,610	16,011	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Machinery	-	447	233	1	-	447	234	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Machinery	-	205	565	-	-	205	565	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Buildings and construction	-	3	14	2	-	3	16	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Land	-	2	-	-	-	2	-	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Land	-	162	305	-	-	162	305	-	-	Six monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Other property, plant and equipment	12	18	13	-	-	30	13	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Computer equipment	13	40	64	-	-	53	64	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Motor vehicles	112	337	392	-	-	449	392	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Land	1	4	276	-	-	5	276	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Buildings and construction	14	54	4,042	2,700	4,414	68	11,156	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Motor vehicles	-	2	155	-	-	2	155	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Other property, plant and equipment	2	3	142	-	-	5	142	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	MXN	Buildings and construction	30	113	4,951	2,236	-	143	7,187	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	US\$	Buildings and construction	84	-	-	-	-	84	-	-	-	Monthly
-	Araucocomex Servicios S.A. de C.V. - Mexico	US\$	Other property, plant and equipment	-	164	567	80	-	164	647	-	-	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	376	1,103	2,774	322	-	1,479	3,096	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	184	514	981	247	57	698	1,285	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	18	50	112	-	-	68	112	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Other property, plant and equipment	-	1,612	-	-	-	1,612	-	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	4,376	13,128	31,197	1,123	-	17,504	32,320	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Motor vehicles	45	136	121	-	-	181	121	-	-	Monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Other property, plant and equipment	262	536	833	746	7,089	798	8,668	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Land	917	2,454	10,737	9,908	36,098	3,371	56,743	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Other property, plant and equipment	306	917	2,444	2,444	3,056	1,223	7,944	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Buildings and construction	119	259	316	107	-	378	423	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Motor vehicles	453	1,358	2,819	990	415	1,811	4,224	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	3,837	7,430	6,380	-	-	11,267	6,380	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	734	1,297	493	-	-	2,031	493	-	-	Monthly
79,990,550-7	Investigaciones Forestales Bioforest S.A. - Chile	US\$	Motor vehicles	24	54	61	10	-	78	71	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	3,468	10,016	19,692	2,137	-	13,484	21,829	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	US\$	Motor vehicles	109	321	536	44	5	430	585	-	-	Monthly
96,637,330-K	Servicios Logísticos Arauco S.A. - Chile	CLP	Motor vehicles	21	62	106	-	-	83	106	-	-	Monthly
Total finance leases				17,413	48,014	102,181	29,730	57,615	65,427	189,526			

Finance leases

Forestry sector

As of December 31, 2019				Maturities					Total		Effective rate	Nominal rate	Repayment Terms
Debtor ID number	Debtor name	Currency	Creditor name Loan or Lease	1 - 3 months ThUS\$	3 - 12 months ThUS\$	1 - 3 years ThUS\$	3 - 5 years ThUS\$	Over 5 years ThUS\$	Current ThUS\$	Non-current ThUS\$			
-	Arauco Argentina - Argentina	US\$	Buildings and construction	122	361	485	-	-	483	485	-	-	Monthly
-	Arauco Argentina - Argentina	US\$	Computer equipment	13	39	88	-	-	52	88	-	-	Monthly
-	Arauco Argentina - Argentina	US\$	Other property, plant and equipment	347	1,040	2,772	1,670	-	1,387	4,442	-	-	Monthly
-	Arauco Argentina - Argentina	US\$	Motor vehicles	382	1,145	1,971	981	-	1,527	2,952	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Other property, plant and equipment	2	3	142	-	-	5	142	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Motor vehicles	-	2	155	-	-	2	155	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Buildings and construction	10	31	10	-	-	41	10	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Facilities, fixtures and fittings	137	411	548	-	-	548	548	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	Buildings and construction	272	655	847	470	-	927	1,317	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Motor vehicles	7	17	23	7	-	24	30	-	-	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	Computer equipment	6	17	18	-	-	23	18	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Computer equipment	6	17	29	-	-	23	29	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Land	871	2,612	6,676	13,062	-	3,483	19,738	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Motor vehicles	-	772	578	-	-	772	578	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Motor vehicles	-	139	808	-	-	139	808	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Buildings and construction	-	-	16	11	-	-	27	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Land	-	-	5	-	-	-	5	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Land	-	-	609	-	-	-	609	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Other property, plant and equipment	192	577	1,010	-	-	769	1,010	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Motor vehicles	4	13	27	-	-	17	27	-	-	Monthly
-	Arauco North America (formerly Flakeboard America Ltd.) - USA	US\$	Land	1	4	276	-	-	5	276	-	-	Monthly
-	Arauco North America (formerly Flakeboard America Ltd.) - USA	US\$	Buildings and construction	15	55	4,044	2,702	4,415	70	11,161	-	-	Monthly
-	Arauco North America (formerly Flakeboard America Ltd.) - USA	US\$	Motor vehicles	-	2	132	40	-	2	172	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	MXN	Buildings and construction	549	614	3,865	3,618	904	1,163	8,387	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	US\$	Buildings and construction	125	125	80	-	-	250	80	-	-	Monthly
-	Araucocomex Servicios S.A. de C.V. - Mexico	US\$	Buildings and construction	-	-	554	370	-	-	924	-	-	Monthly
-	Araucocomex Servicios S.A. de C.V. - Mexico	US\$	Motor vehicles	-	25	168	16	-	25	184	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	407	1,217	3,059	1,082	-	1,624	4,141	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	201	593	1,228	419	106	794	1,753	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	19	58	140	17	-	77	157	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Other property, plant and equipment	1,612	-	1,612	-	-	1,612	1,612	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	4,800	14,399	38,398	6,651	-	19,199	45,049	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Motor vehicles	45	136	211	-	-	181	211	-	-	Monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Buildings and construction	1,477	4,432	11,818	11,818	76,821	5,909	100,457	-	-	Monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Other property, plant and equipment	262	786	746	746	7,275	1,048	8,767	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Land	546	1,637	10,623	9,809	34,676	2,183	55,108	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Other property, plant and equipment	306	917	2,444	2,444	3,667	1,223	8,555	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Buildings and construction	119	358	397	166	-	477	563	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Motor vehicles	465	1,462	3,391	1,505	649	1,927	5,545	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	4,644	9,357	11,399	38	-	14,001	11,437	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Land	-	16	32	32	190	16	254	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	860	2,431	1,144	74	-	3,291	1,218	-	-	Monthly
79,990,550-7	Investigaciones Forestales Bioforest S.A. - Chile	CLP	Land	-	22	44	44	109	22	197	-	-	Monthly
79,990,550-7	Investigaciones Forestales Bioforest S.A. - Chile	CLP	Motor vehicles	30	75	91	25	-	105	116	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	3,804	11,411	25,580	5,545	-	15,215	31,125	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	126	359	732	123	7	485	862	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Land	-	5	10	10	55	5	75	-	-	Monthly
-	Novo Oeste Gestao de Ativos Florestais S.A. - Brazil	R\$	Land	595	1,389	-	-	-	1,984	-	-	-	Monthly
96,637,330-K	Servicios Logísticos Arauco S.A. - Chile	CLP	Motor vehicles	22	67	144	15	-	89	159	-	-	Monthly
Total finance leases				23,401	59,803	139,179	63,510	128,874	83,204	331,563			

The aforementioned maturities include interest to be paid in each period.

Changes in obligations from financial activities were as follows:

	Opening balance 01.01.2020 ThUS\$	Increase (decrease) due to changes in accounting policy	Restated opening balance	Cash Flow			Accrued interest ThUS\$	Indexation Exchange Dif. ThUS\$	Others ThUS\$	Closing balance 06.30.2020 ThUS\$
				New loans ThUS\$	Loan repayments ThUS\$	Interest payments ThUS\$				
Bank loans	2,256,568	0	2,256,568	917,472	(408,455)	(54,944)	28,613	3,304	64,397	2,806,955
Leasing liabilities	787,311	0	787,311	0	(67,843)	(4,698)	15,172	6,649	(20,366)	716,225
Hedging liabilities	158,847	0	158,847	0	0	(21,054)	18,477	10,619	184,542	351,431
Bonds and promissory notes	6,069,178	0	6,069,178	125,072	(81,235)	(111,871)	135,222	(302,273)	61,591	5,895,684
Total	9,271,904	0	9,271,904	1,042,544	(557,533)	(192,567)	197,484	(281,701)	290,164	9,770,295

	Opening balance 01.01.2019 ThUS\$	Increase (decrease) due to changes in accounting policy	Restated opening balance	Cash Flow			Accrued interest ThUS\$	Indexation Exchange Dif. ThUS\$	Others ThUS\$	Closing balance 12.31.2019 ThUS\$
				New loans ThUS\$	Loan repayments ThUS\$	Interest payments ThUS\$				
Bank loans	2,389,993	0	2,389,993	781,669	(799,034)	(147,160)	82,897	(6,361)	(45,436)	2,256,568
Leasing liabilities	156,103	700,021	856,124	0	(139,792)	(28,352)	34,491	(19,358)	84,819	787,932
Hedging liabilities	76,393	0	76,393	0	0	(69,044)	30,283	(20,406)	141,621	158,847
Bonds and promissory notes	4,842,578	0	4,842,578	1,986,088	(630,982)	(206,276)	260,429	(103,451)	(79,031)	6,069,355
Total	7,465,067	700,021	8,165,088	2,767,757	(1,569,808)	(450,832)	408,100	(149,576)	101,973	9,272,702

The Parent Company Empresas Copec S.A. and the affiliates Celulosa Arauco y Constitución S.A. and Compañía de Petróleos de Chile Copec S.A. hold 94.7% of the Company's consolidated financial borrowing, which is as follows:

	Amortized Cost		Fair Value	
	06.30.2020 ThUS\$	12.31.2019 ThUS\$	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Bonds issued in USD	3,515,957	3,500,942	3,584,223	3,554,538
Bonds issued in UF	2,289,184	2,397,600	2,626,430	2,039,132
Bonds issued in COP	3,325	77,265	3,325	77,265
Bonds issued in CLP	87,218	93,548	87,218	93,548
Bank loans in USD	1,968,192	1,306,256	2,272,294	1,407,455
Bank loans in other currencies	838,763	950,312	896,910	842,526
Finance leases	716,225	787,932	716,225	787,932
Trade and other payables	1,160,844	1,585,918	1,160,844	1,585,918

The Parent Company and the affiliates Celulosa Arauco y Constitución S.A. and Compañía de Petróleos de Chile Copec S.A. are subject to the following financial restrictions:

Instrument	Amount as of 06.30.2020 ThUS\$	Amount as of 12.31.2019 ThUS\$	Interest coverage ≥ 2.0x	Borrowing ratio ¹ ≤ 1.2x
Local bonds	2,379,727	2,568,413	N/A	√
Foreign bonds	3,515,957	3,500,942	Safeguards are not required	
Syndicated loan (1)	200,314	200,703	√	√
Banco Estado Syndicated Loan - Grayling (2)	300,990	301,452	√	√
BNP Paribas Bank ECA Loan (3)	401,443	116,259	√	√
Syndicated loan (4)	498,874	499,124	√	√
Other loans (4)	490,200	328,503	Safeguards are not required	

N/A: Does not apply to the instrument

(1) Borrowing ratio (financial debt divided by equity plus non- controlling interests)

(2) Borrowing ratio (financial debt divided by total assets)

(3) Financial safeguards regarding the loan to Forestal Rio Grande S.A. only apply to that company's financial statements.

As of June 30, 2020, the risk ratings for debt instruments are as follows.

Instrument	Standard & Poor's	Fitch Ratings	Moody's	Feller Rate	ICR
Empresas Copec					
Local bonds	-	AA-	-	AA	-
Arauco					
Local bonds	-	AA-	-	AA	-
Foreign bonds	BBB-	BBB	Baa3	-	-
Organización Terpel					
Local bonds	-	AAA	-	-	-

Syndicated loans

- (1) The affiliate Celulosa Arauco y Constitución S.A. received a 3 year syndicated loan on June 25, 2013. On September 28, 2015 it was extended to September 27, 2018 and was renovated for a further 5 years to September 27, 2023. The value of the syndicated loan was ThUS\$ 200,314 as of June 30, 2020. It was agreed with The Bank of Nova Scotia (administrative agent and lead arranger), Banco del Estado of Chile - New York Branch and Sumitomo Mitsui Banking Corporation.
- (2) A 7 year loan disbursed over 2 years with repayments beginning in the fifth year was arranged through the North American affiliate of Arauco, Arauco North America, Inc (formerly Flakeboard America Limited) on April 28, 2017. The value of the loan was ThUS\$ 300,990 as of June 30, 2020. It was agreed with The Bank of Nova Scotia (lead arranger), Banco del Estado of Chile - New York Branch (administrative agent) and Export Development Canada.
- (3) On April 1, 2019, Arauco arranged an ECA (Export Credit Agency) loan with BNP Paribas Bank to finance the main MAPA project equipment. This loan carries a fixed interest rate of 1.06% and matures in December 2029.
- (4) Meanwhile, Compañía de Petróleos de Chile Copec S.A. and affiliates have international loans that mainly finance the acquisition of companies owned by Mobil Petroleum Overseas Company Ltd. and ExxonMobil Ecuador Holding B.V. The value of these loans was ThUS\$989,074 as of June 30, 2020, which include:
 - Financing signed on March 13, 2018 with The Bank of Nova Scotia and Export Development Canada for US\$150 million, with bullet maturity in March 2023, and interest at 180 day Libor plus spread.
 - An international loan with The Bank of Tokyo Mitsubishi UFJ, Ltd. was renewed on November 26, 2018 for US\$500 million, with bullet maturity in November 2023, and interest at 90-day Libor plus spread.

Financial obligations and safeguards

The consolidated financial debt totals ThUS\$9,720,070 as of June 30, 2020 (ThUS\$9,481,502 as of December 31, 2019). The group affiliates must comply with the following indicators:

i) Celulosa Arauco y Constitución S.A.

Debt over consolidated equity as of June 30, 2020	
	ThUS\$
Consolidated debt	
+ Short-term debt	659,697
+ Long-term debt	5,620,274
= Total Debt	6,279,971
Consolidated equity	6,901,607
Debt over consolidated equity	0.91
Limit	1.2
Interest Coverage Ratio for the period ended June 30, 2020	
	ThUS\$
Consolidated EBITDA	
+ Net Income (loss)	(207,200)
+ Financial costs (including capitalized interest)	
Financial costs reflected in the income statement	284,403
Capitalized Interest	30,214
- Financial income	(37,256)
+ Income tax expense	(75,541)
+ Depreciation and amortization	391,468
- Gain on changes in the fair value of biological assets	(168,439)
+ Harvested crop cost at fair value	311,135
- Other	170,197
- Exchange differences	55,372
= Consolidated EBITDA	754,353
Consolidated interest expense	
+ Financial costs (including capitalized interest)	314,617
- Financial income	(37,256)
= Net consolidated Interest expense	277,361
Interest coverage ratio	2.7
Minimum interest coverage ratio	2.0

ii) **Compañía de Petróleos de Chile Copec S.A.****Debt over consolidated equity
as of June 30, 2020**

	MCh\$
Total Debt	
All obligations on borrowed funds	1,733,381
+ Bond obligations	0
+ Notes or similar instruments	0
+ Debt guarantees from third parties	0
+ Finance lease obligations	0
+ Securitization of amounts that appear as financial debt	0
+ Debt with Empresas Copec	294,038
- Cash and cash equivalents	(376,337)
- Hedging financial assets, financial liabilities offset by hedges included in financial liabilities	(81,571)
- IFRS 16 adjustments	(324,782)
= Total Debt	1,244,729
Equity including increase (decrease) in goodwill	1,422,332
Debt / Equity	0.88
Limit	1.4

**Interest Coverage Ratio for the period
ended June 30, 2020**

	MCh\$
EBITDA	
+ Gross margin	900,925
+ Distribution costs	(387,614)
+ Administrative costs	(285,961)
+ Administration costs, IFRS 16 adjustments	(6,323)
+ Depreciation	138,728
+ Depreciation, IFRS 16 adjustments	(43,292)
+ Amortization	53,743
+ Dividends received from non-consolidated affiliates	13,546
= EBITDA	383,752
Interest expense	
+ Financial costs	91,913
+ Financial costs, IFRS 16 adjustments	(14,822)
- Financial income	(6,488)
Net interest expense	70,603
Interest coverage ratio	5.44
Minimum interest coverage ratio	2.0

iii) **Empresas Copec S.A.****Debt over consolidated equity
as of June 30, 2020**

	ThUS\$
Consolidated financial debt	
+ Other financial liabilities, current	1,027,400
+ Other financial liabilities, non-current	8,026,670
+ Third-party guarantees	666,000
= Total consolidated financial debt	9,720,070
Cash on hand	
+ Cash and cash equivalents	2,064,069
+ Other financial assets, current	138,270
- Derivative financial instruments:	
Forwards	(1,744)
Swaps	(69)
= Total Cash	2,200,526
Net Debt	7,519,544
Consolidated equity	
+ Non-controlling interests	433,074
+ Equity attributable to owners of the parent company	10,141,143
= Consolidated Equity	10,574,217
Borrowing ratio	0.71
Limit	1.2

**Consolidated net tangible assets
as of June 30, 2020**

	ThUS\$
+ Total issuer's assets	24,396,971
- Intangible assets other than goodwill	(904,252)
- Goodwill	(398,919)
- Total current liabilities	(2,764,374)
+ Short-term portion of long-term obligations with banks and financial institutions	185,218
+ Short-term bond obligations	258,286
Total Consolidated Net Tangible Assets	20,772,930

In addition to the financial restrictions mentioned above, some loans have restrictions on liens and dividends.

Consolidated Net Tangible Assets

In accordance with the provisions of Chapter VIII, Clause Twenty Five of the bond issue contracts between Empresas Copec S.A. and Banco Santander Chile, agreed on November 2, 2009, under Registries 21,122-2009 and 21,123-2009, as amended, and in accordance with the provisions of Chapter VII, Clause Twenty Four of the bond issue contracts between Empresas Copec S.A. and Banco Santander Chile, agreed on September 9, 2014, under Registries 28,648-2014 and 28,649-2014, as amended, we report that as of June 30, 2020, the concepts identified in subsections /a/ and /b/ of the definition of consolidated net tangible assets were ThUS\$ 185,218 and ThUS\$ 258,286, respectively (ThUS\$ 317,049 and ThUS\$ 360,739 as of December 31, 2019). In accordance with the provisions of Chapter III, Clauses Nine and Ten of the contracts in Registries 21,122-2009 and 21,123-2009, and the provisions of Chapter III, Clause Nine of the contracts in Registries 28,648-2009 and 21,649-2009, we report that as of June 30, 2020 and December 31, 2019 Empresas Copec S.A. has complied with its obligations under these contracts, in particular with regard to the financial indicator defined in subsection /c/ of these clauses.

The calculation of the indebtedness ratio is as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Total consolidated financial debt	9,720,070	9,481,502
Total Cash	2,200,526	2,334,329
(A) Net debt (Total financial debt - Total cash)	7,519,544	7,147,173
(B) Consolidated equity	10,574,217	11,174,038
Borrowing ratio = (A) / (B)	0.71	0.64
Limit allowed	1.20	1.20

3.5 Other Financial Liabilities at Fair Value through Profit And Loss

The Group has the following financial liabilities at fair value through profit and loss:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Swaps	345,669	153,711
Forwards	5,762	5,136
Total	351,431	158,847

Financial liabilities at fair value through profit and loss include both liabilities designated as such upon initial recognition and liabilities classified as tradable. Tradable liabilities and derivatives that are financial liabilities are valued at fair value. Gains and losses are recorded in the statement of net income.

This liability is included under "Current and non-current other financial liabilities".

3.6 Fair Value Hierarchy

The financial assets and liabilities that have been recognized at fair value in the consolidated statement of financial position as of June 30, 2020 have been measured using methods described in IFRS 13. These methods have been applied to each class of financial instruments and are classified by hierarchy as follows:

- Level I: Values or prices in active markets for identical assets and liabilities.
- Level II: Information from sources other than the market prices in Level I, but observable in the market for those assets and liabilities, whether directly (prices) or indirectly (obtained on the basis of prices).
- Level III: Information on assets or liabilities that is not based on observable market data.

	Fair Value	Measurement Method		
	June 2020 ThUS\$	Level I ThUS\$	Level II ThUS\$	Level III ThUS\$
Financial assets at fair value				
Investment Swap (asset)	97,943	0	97,943	0
Forwards	1,744	0	1,744	0
Mutual funds	651,915	651,915	0	0
Other financial assets at fair value	42,792	42,792	0	0
Fixed income instruments	98,366	98,366	0	0
Financial liabilities at fair value				
Investment Swap (liability)	345,669	0	345,669	0
Forward (liability)	5,762	0	5,762	0

	Fair Value	Measurement Method		
	December 2019 ThUS\$	Level I ThUS\$	Level II ThUS\$	Level III ThUS\$
Financial assets at fair value				
Investment Swap (asset)	59,948	0	59,948	0
Forwards	9,937	0	9,937	0
Mutual funds	902,283	902,283	0	0
Guarantee contribution	0	0	0	0
Other financial assets at fair value	8,185	8,185	0	0
Fixed income instruments	115,029	115,029	0	0
Financial liabilities at fair value				
Investment Swap (liability)	153,711	0	153,711	0
Forward (liability)	5,136	0	5,136	0

3.7 Hedging Financial Instruments

Hedging financial instruments are cash flow hedges and are recorded in Other non-current financial assets and Other non-current financial liabilities depending on whether they are assets or liabilities.

The Parent Company Empresas Copec S.A. receives dividends from its fuel affiliates in Chilean pesos. However, it pays its shareholders dividends in US dollars (which are translated into Chilean pesos at the exchange rate prevailing 5 working days before the payment date). The Company mitigates this potential mismatching by entering into hedges through forward contracts with financial institutions. All the amounts receivable from its fuel affiliates as of June 30, 2020, with regard to dividends payable in May 2021 are hedged.

As of June 30, 2020, the market value of all the *forwards* expressed in US dollars at the exchange rate prevailing on the reporting date is ThUS\$ 500 (ThUS\$ 966 as of December 31, 2019).

The affiliate Arauco is exposed to changes in the US dollar exchange rate in order to meet its bond obligations denominated in other currencies, such as bonds issued in indexed Chilean pesos (UF).

Arauco mitigates this exchange rate risk by contracting cross currency swaps for the F, J, P, R, Q, S, W and X series, with a market value of ThUS\$ (219,336) as of June 30, 2020.

Given that the affiliate Celulosa Arauco y Constitución S.A. has a high percentage of its assets in US dollars and obligations in indexed Chilean pesos, it needs to minimize its exchange rate risk. The purpose of this swap position is to eliminate uncertainty related to the exchange rate by exchanging flows from obligations in indexed Chilean pesos from the bonds described above for flows in US dollars (Arauco's functional currency) at a fixed exchange rate determined at the contract's date of execution.

These hedge instruments can be classified as highly effective under hedge effectiveness testing in accordance with IFRS 9, and within an acceptable range for Arauco in order to eliminate exchange rate risks for commitments related to hedges.

Compañía de Petróleos de Chile Copec S.A. and its affiliates comply with its risk management policy by taking out derivative contracts on interest rates and exchange rates, and classifies its hedges as:

- Cash flow hedges: Those that hedge the cash flows of the hedged underlying item.
- Fair values hedges: Those that hedge the fair value of the hedged underlying item.
- Non hedge derivatives: Financial derivatives that do not meet the requirements established by IFRS to be designated as hedge instruments. They are recorded at fair value through profit and loss (assets held for sale).

The financial derivative contracts held by Compañía de Petróleos de Chile Copec S.A. as of June 30, 2020 and December 31, 2019 are as follows:

Financial derivative assets (liabilities)	June 30, 2020	
	Fair value ThUS\$	Notional value ThUS\$
Interest rate hedges	(36,418)	0
Exchange rate hedges	97,937	545,970
Derivatives not treated as hedges	1,302	71,523
Total	62,821	617,493

Financial derivative assets (liabilities)	December 31, 2019	
	Fair value ThUS\$	Notional value ThUS\$
Interest rate hedges	(18,237)	0
Exchange rate hedges	55,156	602,708
Derivatives not treated as hedges	(282)	247,547
Total	36,637	850,255

NOTE 4. FINANCIAL RISK MANAGEMENT

- Financial risk factors:

The Group has businesses in various sectors related to natural resources and energy that operate through its affiliates and associates. The relevant risk factors vary depending on the type of business. Accordingly, the Management of each affiliate carries out its own risk management in collaboration with their respective business units.

As of June 30, 2020, the most important affiliates are Celulosa Arauco y Constitución S.A., which operates in the forestry sector, and Compañía de Petróleos de Chile Copec S.A., which operates in the fuel sector. Together these two companies represent approximately 87% of the Group's consolidated assets, 85% of EBITDA. Additionally, they represent around 91% of receivables and 89% of bonds and long-term financial borrowing. Together with the Parent Company, they represent 96% of consolidated investments.

Therefore, a significant portion of the risks faced by the Group lie within these three units. The specific risks that affect each unit are analyzed below.

a) Risks associated with Empresas Copec S.A., the Parent Company

The risks of the Parent Company are fundamentally associated with its financial investments. These are exposed to a several risks, including interest rate risk and exchange rate risk and credit risk. Management provides written policies to manage investments that establish the objectives of obtaining the maximum return for acceptable levels of risk, maintaining sufficient liquidity, and limiting risk exposure. These policies identify the instruments that are allowed, and they establish limits by instrument, issuer and risk rating. In addition, they determine investment controls and procedures.

Risk management is managed by the investment department, which complies with the policies approved by Management, and has assistance from external experts. Part of the investment portfolio is managed by reputable managers, chosen in competitive processes under strict policies of diversification and limits to instruments, credit ratings, currencies and other criteria. These managers are in turn monitored by the Company's investment department and are subject to regular internal and external audits.

The financial instruments held by the Company have been categorized as cash or financial assets at fair value through profit and loss, as these instruments can be sold in the short term.

i) Interest rate risk

The assets affected by this risk are the Parent Company's financial investments, which primarily consist of fixed-income instruments in the form of deposits, bonds, mortgage bonds, fixed-income mutual funds and other similar items, in accordance with its investment policy. The duration is used as a measurement of the sensitivity of the portfolio's value in the face of changes in market interest rates. Given that the market value of such instruments varies according to changes in interest rates, a limit on the aggregate duration of the portfolio has been set at two years. Currently, the aggregate portfolio has duration of 0.73 years.

The Parent Company has placed bonds in the local market, specifically the BECOP-C, BECOP-E, BECOP-G, BECOP-H, BECOP-I and BECOP- K series. All of these bonds have been issued at fixed rates, thus mitigating the risk of movements in interest rates.

The table below shows the possible effects on pre-tax income of changes in the value of the Company's investment portfolio as a result of changes in interest rates:

Aggregate term (years)		0.73
Total portfolio value (US\$)		391,277,907
Interest rate sensitivity analysis:		June 30, 2020
Change in Rate	Change in Value	Total portfolio value
%	US\$	US\$
2.0%	(5,712,657)	385,565,250
1.0%	(2,856,329)	388,421,578
0.5%	(1,428,164)	389,849,743
-0.5%	1,428,164	392,706,071
-1.0%	2,856,329	394,134,236
-2.0%	5,712,657	396,990,564

ii) Exchange rate risk

The Parent Company's investment policy authorizes it to invest in U.S. dollars and Chilean pesos in order to address possible cash requirements in these currencies, which would result from the needs of certain affiliates and associates, as well as new potential businesses in which the Parent Company may wish to participate. Such resources can be invested in local or international mutual funds, term deposits under third-party management, through a specific mandate.

Variations in the exchange rate affect the value of peso-denominated instruments when expressing them in US dollars. A depreciation of the Chilean peso would have a negative effect when expressing peso-denominated investments in US dollars, whereas an appreciation of the peso would have a positive effect

As of June 30, 2020, approximately 70% of the aggregate portfolio is denominated in US dollars and 30% in Chilean pesos and UF. The Company's objective is to achieve a portfolio with approximately 50% to 80% in US dollars, in accordance with the forecasted use for its investments.

A table showing the possible effects on pre-tax income of changes in the value of the investment portfolio (measured in US dollars), as a result of fluctuations in the exchange rate, is presented below:

Percentage of portfolio in Chilean pesos		30.0%	
Total portfolio value (US\$)		391,277,907	
Exchange rate sensitivity analysis		June 30, 2020	
	Exchange rate change	Change in Value	Total portfolio value
	%	US\$	US\$
Depreciation	10.0%	(11,924,156)	379,353,752
	5.0%	(5,962,078)	385,315,829
Appreciation \$	-5.0%	5,962,078	397,239,986
	-10.0%	11,924,156	403,202,063

Additionally, the Company consolidates affiliates that perform their accounting in Chilean pesos, which is the case for Compañía de Petróleos de Chile Copec S.A., Abastible S.A. and Inmobiliaria Las Salinas Limitada, which record their financial information as described in Note 2.4 (c). The consolidated net income of Empresas Copec S.A. can be affected by movements in the exchange rate when the peso-denominated results of these affiliates are converted to US dollars. Likewise, affiliates such as Celulosa Arauco y Constitución S.A. and the affiliates in the fishing sector are also affected by movements in the exchange rate, as a portion of their operating costs are denominated in Chilean pesos.

The Parent Company has placed bonds in the local market from the C, E, G, H, I and K series. Although the nominal currency of these liabilities is mostly UF and differs from the US dollar, which is the Parent Company's functional currency, these bonds have been transferred to the fuels sector affiliates, whose functional currency is the Chilean peso, to eliminate consolidated exposure to this exchange risk. This transfer also eliminates all liquidity risks for the Parent Company.

iii) Credit risk

The financial investments held by the Parent Company consist predominantly of fixed-income instruments. In accordance with the investment policy, limits per issuer and limits on the categories of instrument have been established, depending on the risk rating of such issuers. Risk ratings must be issued by recognized local or international rating agencies.

The main counterparties as of June 30, 2020 and December 31, 2019 are detailed as follows:

Main counterparties	06.30.2020		12.31.2019	
	%	Value US\$	%	Value US\$
Santander Mutual Funds	11.40%	44,447,673	10.70%	45,063,270
Citibank New York	9.80%	38,300,600	0.00%	0
Banco ItauCorp	8.70%	33,902,633	8.30%	34,668,296
Mizuho New York	7.80%	30,479,653	0.00%	0
Banchile Mutual Funds	7.10%	27,890,357	9.20%	38,703,846
Itau Mutual Funds	6.20%	24,286,545	8.70%	36,346,442
Banco HSBC	5.50%	21,452,316	0.00%	0
Scotiabank Mutual Funds	4.40%	17,282,671	8.10%	33,920,580
Banco BCI	4.30%	16,890,571	7.90%	33,023,978
The US Treasury	4.00%	15,540,488	3.90%	16,402,357
BNP Paribas New York	3.90%	15,387,248	3.20%	13,447,252
SMBC New York	2.60%	10,005,723	0.00%	0
Banco Bice	2.10%	8,108,148	0.00%	0
JP Morgan NY	1.00%	4,059,082	0.00%	0
Banco Scotiabank	0.40%	1,588,328	6.30%	26,534,701
Central Bank and Treasury	0.40%	1,446,966	0.00%	0
BTG Pactual Mutual Funds	0.40%	1,660,513	0.00%	0
BCI Mutual Funds	0.00%	0	8.50%	35,837,612
Bice Mutual Funds	0.00%	0	3.20%	13,282,752
Banco Security	0.00%	0	1.60%	6,512,760
Others	20.00%	78,548,391	20.40%	85,587,440
Total	100.00%	391,277,906	100.00%	419,331,286

b) Risks associated with Celulosa Arauco y Constitución S.A. (forestry sector)

The affiliate's financial assets are exposed to a number of financial risks: credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and price risk).

The global risk management program considers uncertainty in the financial markets and tries to minimize the potential adverse effects on financial yields.

Financial risk management is administered by the Corporate Finance department. This department identifies, evaluates and hedges financial risks in close collaboration with the operating units. The Company does not actively participate in the trading of its financial assets for speculative purposes.

i) Credit risk

Credit risk refers to financial uncertainty over several periods, in relation to the fulfillment of obligations subscribed by counterparties at the point in time when contractual rights to receive cash or other financial assets are exercised.

Arauco's exposure to credit risk is directly related to the individual ability of its customers to fulfill their contractual commitments and is reflected in trade receivables, leasing receivables and miscellaneous receivables. Credit risk also arises for assets that are held by third parties such as deposits, covenants and mutual funds.

Arauco has insurance policies that minimize the credit risk on term sales (Open Account) in accordance with its policy that covers the export sales of Celulosa Arauco y Constitución S.A., Maderas Arauco S.A., Forestal Arauco S.A., and Arauco do Brasil S.A., and for the local sales of Araucomex Servicios S.A. de C.V., Arauco Colombia S.A., Arauco Perú S.A., Arauco North America Inc., Arauco Canada Ltd., Celulosa Arauco y Constitución S.A., Maderas Arauco S.A., Arauco Florestal Arapoti, Arauco Forest Brasil S.A., Arauco do Brasil S.A. Arauco Industria de Paiméis Ltda. and Arauco Nutrientes S.P.A. Arauco uses the credit insurance company Euler Hermes World Agency (Aa3 rating according to the risk-rating company Moody's and AA according to S&P), with 90% coverage of each invoice with no deductible for nominated customers, and 90% for discretionary customers. Discretionary customers have been granted credit lines less than ThUS\$100 (or its equivalent in the invoicing currency) in local sales for Arauco Perú S.A., Arauco Colombia S.A., Arauco México S.A. de C.V., Arauco Do Brasil S.A., Arauco Argentina S.A. and Maderas Arauco S.A. Nominated customers have been granted credit lines over this value.

In order to support a line of credit approved by the Credit Committee, Arauco has guarantees such as mortgages, pledges, stand-by letters of credit, bank guarantees, checks, promissory notes, loans and other similar items that could be enforced in accordance with the legislation of each country. The debt covered by these guarantees amounts to US\$ 86.3 million as of June 30, 2020. The guarantee procedure is regulated by the guarantee policy, the purpose of which is to control the accounting, expiration and valuation of guarantees.

The Credit and Collections area reports to the Treasury department and is responsible for minimizing the credit risk of receivables. This area monitors overdue accounts and approves or denies credit limits for all term sales. The Credit Policy governs the standards and procedures for the proper control and management of the risk of sales on credit.

A procedure for the approval and modification of customer lines of credit has been established and must be followed by all companies belonging to the Arauco group. Requests for lines of credit are registered in a Credit Evaluation model, where all available information is analyzed, including the amount of the line granted by the credit insurance company. Subsequently, these requests are approved or denied by the internal committees in each company belonging to the Arauco group, according to the maximum amount authorized by the Credit Policy. If the line of credit exceeds that amount, it is analyzed by the Corporate Committee. Credit lines are renewed annually through this internal process.

As of June 30, 2020, Arauco's trade receivables totaled ThUS\$ 584,905, of which 60.20% were sales on credit, 39.09% were sales with letters of credit, and 0.71% were other sales. These receivables covered 2,561 debtors. The customer with the greatest Open Account debt represented 1.91% of total receivables as of that date.

Arauco has not entered into any refinancing or renegotiations with its customers, which involve amendments to invoice due dates. Any renegotiation of debt with a customer, if necessary, will be analyzed on a case by case basis and must be approved by the Corporate Finance Department.

Sales on credit (Open Account) covered by various insurance policies and guarantees amount to 92.5% of the total, consequently Arauco's portfolio exposure amounts to 7.5%.

Sales with letters of credit are mainly to the Asian and Middle East markets. The creditworthiness associated with banks issuing letters of credit is regularly evaluated, in order to obtain a score based on ratings issued by the main risk raters, their country risk and their financial statements. Depending on the result of this evaluation, the issuing bank is either approved or a confirmation of the letter of credit is requested.

All sales are controlled using a credit verification system, the parameters of which have been defined to block orders from customers that have a certain percentage of overdue payments or whose line of credit has been exceeded or expired at the time the product would be shipped.

Debtors by net sales per range as of June 30, 2020 and December 31, 2019 respectively were as follows:

June 30, 2020

Days	Not yet due	1-30	31-60	61-90	91-120	121-150	151-180	181-210	211-250	Over 250	Total
ThUS\$	543,235	23,207	5,434	582	86	196	68	1,305	23	10,769	584,905
%	92.89%	3.97%	0.93%	0.10%	0.01%	0.03%	0.01%	0.22%	0.00%	1.84%	100.00%

December 31, 2019

Days	Not yet due	1-30	31-60	61-90	91-120	121-150	151-180	181-210	211-250	Over 250	Total
ThUS\$	531,881	28,469	899	309	18	846	22	34	389	12,311	575,178
%	92.47%	4.95%	0.16%	0.05%	0.00%	0.15%	0.00%	0.01%	0.07%	2.14%	100.00%

Arauco has implemented a Guarantee Policy in order to control accounting, valuation and expiration dates of guarantees received, and a Corporate Credit Policy.

Regarding the credit risk of term deposits, repurchase agreements and mutual funds, Arauco has a policy that minimizes this risk through guidelines for depositing cash flow surpluses with low-risk institutions.

Investment policy:

The affiliate Arauco has an investment policy that identifies and limits the financial instruments and the entities in which the companies, in particular Celulosa Arauco y Constitución S.A., are authorized to invest.

Treasury management is handled centrally in Chile. The Parent Company invests, deposits surplus cash, and arranges short and long-term borrowing from banks, financial institutions and the public. The exception to this rule occurs in short and long-term debt subscriptions for specific transactions that must be carried out through other companies, in which case the express authorization of the Corporate Finance Manager at Arauco is required.

Investments are restricted to fixed income instruments with appropriate liquidity. Each instrument has a rating and certain limits apply depending on its duration and issuer.

The risk of associated with the financial statements and securities of intermediaries (banks, stockbrokers and mutual funds agencies, and these latter two must be affiliates of banks) are evaluated. Each institution is assigned a score, which ultimately determines a relative risk ranking that Arauco uses to define the investment limits for each institution.

The background information required to evaluate these various criteria is obtained from the official financial statements of the banks and from the rating of their current short and long-term debt securities, as defined by the supervisory organization, the FMC, and assigned by the risk rating agencies authorized by this organization, which in this case are Fitch Ratings Chile, Humphreys and Feller Rate.

The Chief Financial Officer at Arauco must expressly authorize any exceptions that may be necessary, mainly in relation to the investment limits in a particular instrument or entity.

ii) Liquidity risk

Liquidity risk is the ability to meet payment obligations as they fall due. The exposure to liquidity risk affects obligations with the public, banks and financial institutions, creditors and other payables, and it is related to the ability to meet net cash requirements under both normal and exceptional conditions.

The Finance department constantly monitors the Company's cash projections based on short and long-term forecasts, as well as forecasts of alternative financing options available. The Company has an investment policy, in order to control the risk exposure for its available financial assets.

The capital committed under each of the main financial liabilities subject to liquidity risk is detailed in the table below and grouped by maturity date:

(In thousands of US dollars)	June 2020					Total
	Under 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	Over 5 years	
Maturity						
Finance leases	0	17,413	48,014	131,811	57,615	254,853
Bank loans	0	237,370	110,770	824,621	203,811	1,376,572
Bonds issued in UF and US dollars	0	215,320	201,659	1,525,944	6,005,587	7,948,510
Total	0	470,103	360,443	2,482,376	6,267,013	9,579,935

(In thousands of US dollars)	December 2019					Total
	Under 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	Over 5 years	
Maturity						
Finance leases	0	23,401	59,803	202,689	128,874	414,767
Bank loans	0	74,088	131,846	760,758	68,044	1,034,736
Bonds issued in UF and US dollars	0	29,147	400,570	1,566,073	6,197,271	8,193,061
Total	0	126,636	592,219	2,529,520	6,394,189	9,642,564

iii) Market risk - exchange rate

This risk arises from fluctuations in the exchange rates that affect the assets and liabilities of Arauco that are denominated in currencies other than its functional currency.

The affiliate Arauco is exposed to the risk of changes in the exchange rate of the US dollar (functional currency) with respect to sales, purchases and obligations that are denominated in other currencies, such as the Chilean peso, Euro, Real or others. The Chilean peso is the currency with the greatest risk in the event of a significant exchange rate fluctuation.

Sensitivity analyses are performed to determine the effect of this variable on equity and net income.

The sensitivity analysis assumes a variation of + / - 10% in the closing exchange rate to the Chilean peso. Keeping all other variables constant, a US dollar exchange rate variation of +/- 10% in relation to the Chilean peso would mean a change in the net income after tax of +/- 34.45% (equivalent to +/- ThUS\$ 29,506), and a change in equity of +/- 0.43% (equivalent to +/- ThUS\$ 29,506).

iv) Market risk – interest rate

Interest rate risk refers to the sensitivity of the value of financial assets and liabilities to changes in interest rates.

The affiliate Arauco is also exposed to the risk of changes in the interest rate on bonds, loans from banks and financial institutions and variable-rate interest-bearing financial instruments.

The affiliate Arauco performs a risk analysis by reviewing the exposure to changes in the interest rate. As of June 30, 2020, 10.4% of bonds and loans with banks accrue interest at a variable rate. Therefore, a change of +/- 10% in the interest rate would have an effect of +/- 1.44% on net income after tax (equivalent to +/- ThUS\$ 1,235) and affect equity by +/- 0.02% (equivalent to +/- ThUS\$ 1,235).

v) Market risk – Wood pulp price

The price of wood pulp is determined by the world market and by conditions in each regional market. Prices fluctuate as a function of demand, production capacity, business strategies adopted by large forestry companies and pulp and paper producers, and the availability of substitutes.

The prices of wood pulp are reflected in the operating revenue in the statement of income and directly affect net income for the period.

As of June 30, 2020, operating revenue from the sale of wood pulp represented about 43.6% of total revenue. Forward contracts and other financial instruments are not used for wood pulp sales; instead, the price is set on a monthly basis according to the market.

This risk is handled in a number of ways. Arauco has a specialized team that performs regular market and competition analyses, using tools that evaluate trends and adjusting forecasts accordingly. Similarly, financial sensitivity analyses on variable prices enable the company to take the precautions required to address various situations. Additionally, Arauco mitigates the risk of wood pulp prices by maintaining a strategy of low-cost production, allowing it to deal with price fluctuations in economic cycles.

The sensitivity analysis assumes a variation of + / - 10% in the average price of wood pulp. Keeping all other variables constant, a change of +/- 10% in the average price of wood pulp would result in a change of +/- 77.5% in net income after tax (equivalent to +/- US\$ 66.3 million) and +/- 0.96% in equity (equivalent to +/- US\$ 66.3 million).

The changes shown in the reported sensitivity analysis for exchange rates, interest rates and wood pulp prices, are fluctuation ranges that are considered possible given current market conditions.

c) Risks associated with Compañía de Petróleos de Chile Copec S.A. (fuel sector)

The business at Copec S.A. and its affiliates is exposed to a number of financial risks, specifically market risk, credit risk, interest rate risk, liquidity risk and investment in foreign assets risk, with Copec S.A., its Colombian affiliate Organización Terpel S.A. and the US affiliate Mapco as the companies most exposed to these risks. Risk management at these companies is based on the diversification of the business and of customers, the financial evaluation of customers, and the use of derivative instruments when required.

Risk management at Copec S.A is administered by the Finance department in accordance with the guidelines issued by the Company's general management and Board of Directors. Risk management at the affiliate Organización Terpel S.A. is performed at similar hierarchical levels. Specifically, the Board of Directors is

responsible for establishing and supervising the risk management structure, and management at the affiliate ensures compliance with its standards and procedures. Financial risk at Mapco Express Inc. is managed by the Finance and Administration Department in accordance with the policies approved by Senior Management and the Board of Directors. Then in all three cases, financial risks are identified, assessed and covered jointly by the financial, operating and commercial departments in each company.

An analysis of each risk is presented separately.

i) Exchange rate risk

Copec S.A.

The primary market risk facing the company is the exchange rate risk (Chilean peso/U.S. dollar) resulting from fuel import transactions on the Chilean market and export transactions, both of which are very-short-term transactions.

Management has established a policy of managing the risk of exchange rates between foreign and local currency, in order to minimize the net exposure in foreign currency. The Company's Finance department achieves this using forward contracts with local financial entities. These contracts have very short terms, which are less than 30 days for fuel import hedges and around 30 days for export transactions.

The exchange rate risk of financial investments in foreign currency is not managed, as these are operating positions of one or two days.

The Company has international loans of US\$650 million, of which US\$500 million has a bullet repayment, quarterly interest payments and will mature in November 2023. The notional and interest components of this loan facility are entirely covered by *cross currency swap* contracts. The remaining US\$150 million has a bullet structure with interest paid every six months at variable rates (Libor) and will mature in March 2023. Both the notional amount and interest are not covered with hedging instruments, because the debt was used to finance investment abroad in the US company Mapco Express Inc.

As of June 30, 2020, the Company has hedging derivative instruments to cover the foreign exchange risk associated with international loans and fuel imports.

Sensitivity analysis on changes in the exchange rate of total payables in US dollars including the aforementioned loan for US\$650 million, using the formal US dollar exchange rate as of July 1, 2020, is as follows:

ThUS\$	Change %	Ch\$/US\$	Investment MCh\$	(Loss) Gain MCh\$	(Loss) Gain MUS\$
727,812	15%	944.41	687,357	(89,655)	-109
727,812	10%	903.35	657,472	(59,770)	-73
727,812	5%	862.29	627,586	(29,885)	-36
727,812	-	821.23	597,701	0	0
727,812	-5%	780.17	567,816	29,885	36
727,812	-10%	739.11	537,931	59,770	3
727,812	-15%	698.05	508,046	89,655	109

Organización Terpel and affiliates

Risk management individually assesses each risk exposure. This assessment determines whether financial hedge instruments are required, whether there are natural hedging mechanisms in place, or whether the associated risk is simply assumed, because it is not considered to be critical for the business and the transaction.

Foreign exchange transactions involving trade creditors and other payables in Colombia, exceed foreign exchange transactions involving trade and other receivables by 29% as of June 30, 2020, meaning 71% of these transactions are covered. This mitigates a large proportion of the Group's exchange rate risk exposure, as those foreign currencies collected are entirely used to pay suppliers and/or third parties that bill in US dollars and require payment in that currency. Foreign exchange requirements vary every month. When surpluses arise, these are held in reserve to meet future payment commitments and sold when the exchange rate is favorable. Otherwise management buys foreign exchange at the best market rate to meet its foreign currency commitments. Each Terpel affiliate uses the locally accepted currency in its country, and financial borrowing is also in this local currency in order to avoid any foreign exchange exposure. Treasury departments in various countries cover all of their requirements locally.

Mapco Express, Inc.

Mapco is not significantly exposed to foreign exchange risks on trade receivables, other receivables, payables and financial obligations, as all transactions are denominated in US dollars, which is the local currency.

ii) Fuel price risk

Copec S.A.

Inventory values are affected by fluctuations in international fuel prices. Therefore, the Company is constantly analyzing hedging instruments that match this risk.

There are no hedging financial instruments for the price of fuel as of June 30, 2020.

However, considering period-end inventories, positive price variations of 2.5% and 5.0% would have a favorable effect on net income of ThUS\$ 2,685 and ThUS\$ 5,369, respectively. Negative price variations by the same percentages would have unfavorable effects of the same values.

Organización Terpel and affiliates

Variations in the cost of gasoline, diesel and jet fuel in Colombia can impact the company's financial performance. This is due to the lag between buying and selling fuels and fluctuations in costs, since these are derived from indicators associated with international oil prices, which are denominated in US dollars.

Prices in Colombia are regulated and the local price calculation formula is adjusted by the Mining Ministry every month for gasoline and diesel and every week for jet fuel. Therefore, the company is exposed to the lags between buying fuel and selling it, and its inventories represent a risk when the reference price changes. This exposure depends on inventory levels at the end of each period and is mitigated by the same price regulation, which does not allow gasoline and diesel prices changes of over +/-3% from one period to the next. The exposure to jet fuel prices is higher, but it is mitigated using inventory management. Although net income may be affected during a period, the effect on cash flow is the opposite and tends to be offset by a reduction or increase in working capital.

There is also a risk of fluctuations in inventory costs for these products in Panama and Peru.

There is an exposure associated with fluctuations in the cost of raw materials to produce lubricants, since base materials and additives represent 82% of these costs, which are imported and fluctuate in relation to international oil prices that are negotiated in US dollars. These variations cannot be entirely transferred to finished product prices, given the behavior of the market, so increases in raw material prices and devaluations in the exchange rate can reduce margins, or vice versa, depending on these fluctuations.

This exposure affects both Colombia and Peru, as the Terpel Group produces lubricants in these countries and imports the raw materials. However, the exposure in Peru is lower as lubricant customers are billed in US dollars. Lubricants are imported from Peru into Ecuador, so increases in the cost of lubricants also represents a risk to its inventories there.

Finally, there is an exposure within the Liquid Natural Gas (LNG) business in Colombia, where supplies and transportation costs are in US dollars. Therefore, any devaluation may impact the company's financial performance.

Currently, the Terpel Group has no exchange rate or raw material hedges. The Terpel Group recently reviewed its risk exposure and prepared a risk management and monitoring policy.

Mapco Express, Inc.

Margins on fuel sales may be adversely affected by factors beyond Mapco Group's control, including the availability of fuel supplies in the retail market, uncertainty or volatility in the wholesale market, increases in wholesale fuel costs and price competition from other sellers. The wholesale market for crude oil and petroleum products is significantly volatile and is affected by general political conditions and instability in oil-producing regions such as the Middle East and South America.

Currently, Mapco Group purchases fuel from a variety of distributors to diversify supply risk and a significant amount is purchased through a limited number of contracts with suppliers. These contracts provide it with volume and keep prices competitive. Mapco's exposure to fuel price fluctuations is limited as fuel turnover is low. Fuel costs are not hedged, and excess inventory is not kept other than the inventories in store tanks. The risk of sudden changes in the fuel prices is mainly mitigated by natural hedging within the retail market where prices can be adjusted accordingly. Mapco group's fuel purchasing strategy is monitored by the Company's board of directors and reviewed annually.

iii) Interest rate risk

Copec S.A.

The Company has no significant short-term investments, other than those related to cash variations, which are invested over a period from 1 to 7 days. Business income and expenses are independent of changes in interest rates. Therefore, there are no significant financial risks.

Management understands that there is no significant interest rate risk on short-term financial liabilities, as these liabilities relate to the financing of operating cash flows, with terms mainly between 1 and 90 days.

Furthermore, the syndicated loan signed by Copec S.A. is subject to international interest rate risk. This 5 year loan financed the acquisition of its affiliates in Colombia, at an interest rate of Libor 90 days. Copec S.A. policy is to individually evaluate the use of interest rate swaps to mitigate the risk associated with variable rates. Currently the loan with an interest rate of Libor 90 days is entirely covered, so the interest rate in CLP is fixed. This loan was refinanced at the end of 2018.

Also, there are three long-term loans with Empresas Copec, one for ThUF2,470, one for ThUF5,344 and another one for MCh\$67,840. The first one matures in October 2024, the second one in November 2030 and the third one on September 15, 2023. The first two have bullet repayments at maturity and pay interest of ThUF150 semi-annually. The third one pays interest semi-annually and principal repayments begin in year five.

Furthermore, the Company owns a lease of ThUF 1,670 that expires in 2033 that is exposed to inflation. Currently the inflation risk is not hedged, as the company's margins are indexed to the UF, and because the Chilean Central Bank's mission is to keep it at an annual rate of 3.0% (with +/-1.0% tolerance), inflation volatility would be controlled by that institution.

Organización Terpel and affiliates

- Cash flow sensitivity analysis for variable rate instruments

Terpel Group's debt as of June 30, 2020 is ThUS\$ 781,021, of which 4% is at a fixed interest rate and 96% is at variable rates, of which 76% is indexed to the CPI, 12% to Libor and 8% to IBR.

Cash surpluses are mainly held in savings accounts and collective sight portfolios, a market rate of return is received.

The loans are taken with a prepayment option without penalty, which permits the debt to be restructured at any time if market conditions change. The company has no interest rate hedges.

On February 27, 2020, a new bond was issued on the Colombian stock market, in order to replace debt. The issue was for a total of ThUS\$ 125,036,627, with interest paid quarterly and indexed to the CPI.

The variable-rate debt in Colombia is composed of bonds and short-term Treasury bills. They represent 78% and 9%, respectively of total variable-rate debt. Bonds issued in Colombia at a variable rate are indexed to the CPI for 12 months. As of June 30, 2020, the outstanding amount is ThUS\$ 588,966. A loss of ThUS\$ 71 would arise following an increase of 5 points, and a gain of ThUS\$ 65 would arise following a similar decrease.

Debt taken as syndicated corporate loans and Treasury bills in Colombia is indexed to the latest half yearly RBI (Reference Bank Indicator). As of June 30, 2020, the outstanding amount is ThUS\$ 66,509. A change of 5 basis points in this indicator by the end of the reporting period is possible. The effect of an increase of 5 points would be a loss of ThUS\$ 8 and a gain of ThUS\$ 8 given the same decrease.

The interest rate on the Panama loan is indexed to the Libor, and equivalent to ThUS\$ 91,861. A loss of ThUS\$ 11 would arise following an increase of 5 Libor basis points, and a gain of ThUS\$ 11 would arise following a similar decrease.

Leasing debt in Colombia as of June 30, 2020 is ThUS\$ 4,241 and the weighted average contract rate is 0.82%. This debt is indexed to FTD (Fixed Term Deposit) movements. The change in the FTD was 0.0706% last quarter. Such an increase would generate a loss of ThUS\$ 9.6, or such a decrease would generate a gain of ThUS\$ 9.6.

- Sensitivity analysis on fair values of fixed-rate instruments:

Fixed rate financial liabilities are not recorded at fair value through profit and loss, and derivatives are not used as hedging instruments. Therefore, there is no risk exposure.

A long-term loan of ThUS\$ 2,842 (ThCh\$ 2,333,704) in Peru was acquired at the best market conditions with a special rate under an economic reactivation program derived from the difficult situation caused by COVID-19. The loan represents 9.6% of total fixed rate debt, where the other 90.4% is fixed rate bonds issued in Colombia.

Mapco Express, Inc.

Mapco has no short-term investments. Revenue and expenses are independent of fluctuations in interest rates. Consequently, there is no significant financial risk. Management understands that neither is there any significant interest rate risk on its short-term financial liabilities. Mapco has financial leases with a fixed interest rate of 4.65%.

iv) Credit risk

Copec S.A.

The Company faces credit risk resulting from the composition of its portfolio of trade receivables and its portfolio of financial investments.

The Company assigns a credit line to each customer, after performing an individual analysis of their financial and market condition, in order to manage the credit risk of trade receivables in Chile. The Finance department is responsible for performing this analysis for customers with lines exceeding UF 1,000, and the administrative units of the sales department perform this analysis for customers with lines below UF 1,000. As of June 30, 2020, customers under UF 2,000 make up 7.56% of the portfolio, and customers over UF 2,000 make up 92.42% of the portfolio. The Company produces reports by customer indicating the daily status of its portfolio, which is analyzed into accounts that are not yet due, late and overdue. In the latter case, collection action may be taken.

As of June 30, 2020, the Covid-19 pandemic had affected credit risk, since despite the total portfolio decreasing as sales fell, the portfolio in arrears has increased, which has been reflected in an increase in the doubtful debt provision. As of June 30, 2020, this totaled ThUS\$ 5,038 (ThCh\$ 4,137,000). A significant proportion of this increase in the loan portfolio in arrears has been renegotiated with customers into payment installments that have mostly been paid. During this pandemic, the customer portfolio is being closely monitored to quickly detect any increased risks, and the Credit Committees meet with greater frequency to evaluate the status of the portfolio and analyze individual customers with arrears.

The Finance department issues monthly reports on the status of the portfolio, and the Chief Executive Officer holds regular meetings with the sales and finance departments to analyze the status of the overall portfolio, as well as the portfolios of individual customers, in order to take corrective action if necessary. The Company can block customers that have not fulfilled their payment commitments or have reached their credit limits.

The following table shows the arrears percentage by net sales as of June 30, 2020 and December 31, 2019 respectively:

June 30, 2020

Days	Not yet due	1-30	31-60	61-90	91-120	121-150	151-180	181-210	211-250	Over 250	Total
ThUS\$	540,036	39,448	11,835	4,788	2,832	1,709	608	542	646	4,979	607,423
%	88.91%	6.49%	1.95%	0.79%	0.47%	0.28%	0.10%	0.09%	0.11%	0.82%	100.00%

December 31, 2019

Days	Not yet due	1-30	31-60	61-90	91-120	121-150	151-180	181-210	211-250	Over 250	Total
ThUS\$	795,062	67,910	19,431	6,874	1,083	753	955	1,994	692	8,691	903,445
%	88.00%	7.52%	2.15%	0.76%	0.12%	0.08%	0.11%	0.22%	0.08%	0.96%	100.00%

The Company has a portfolio of financial investments to manage surplus cash; the terms of investment for this portfolio are mostly around one to seven days. In order to manage this credit risk, Management has established an investment policy for fixed-income instruments with low-risk financial entities. The Finance department manages these investments, and establishes a group of financial entities in which investment is authorized and assigns a maximum credit line and portfolio composition to each entity. The credit lines per institution are granted based on an analysis of equity and solvency risk for banks and equity, and composition and term for mutual funds.

Organización Terpel and affiliates

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, which arises mainly on trade receivables, other receivables and cash and cash equivalents.

Working capital or revolving loans are granted specifically for the purchase of products marketed by the Group. All loans granted must comply with the information requirements established according to the type of customer and the guarantee offered. The documentation submitted must ensure that the Group has all the information required to understand its customers and their general, commercial and taxation circumstances and a general understanding of the customer's financial situation.

The exposure to credit risk is affected mainly by the individual characteristics of each customer, segment and country.

The Group's risk policy requires a financial analysis of each new individual customer based on external ratings, when available. This process is performed before the start of the business relationship. Lines of credit and credit limits are established for each customer and approved in accordance with levels of authorization established by the Board of Directors. Customer's lines of credits are constantly reviewed and adjusted according to the customer's creditworthiness and business need.

All active customers in risk centers are reviewed on a semi-annual basis to monitor whether their financial position has been impaired. The report from this review determines the need for an additional guarantee, annulment of the credit, sale against prepayment, or even annulment of the business relationship if the risk is sufficiently high.

The Group monitors the economic and political environment in its operating countries in order to make prompt decisions regarding credit extended to customers.

More than 45% of the Group's customers have carried out transactions with it for more than 4 years and no impairment losses have been recognized against these customers. When monitoring the customer's credit risk, these are grouped according to their credit characteristics.

Trade and other receivables where payment delays are possible are monitored weekly using portfolio reports for every business and customer. These reports are used to determine when to suspend services, amend credit terms or require guarantees, as appropriate.

The Terpel Group has established a guarantee requirement, which covers trade receivables in case of non-payment. This guarantee is pledged by certain customers and sectors that allow it for business purposes. The guarantees accepted by Terpel Group include mortgages up to 75% of the commercial appraisal, payment compliance policies, endorsed Fixed Term Deposit Certificates, and bank guarantees. Furthermore, Terpel Group has taken out credit insurance policies.

Approximately 46% of the portfolio in Colombia was supported by guarantees as of June 30, 2020.

The Group has no significant concentrations of credit risk and has policies to ensure that wholesale sales are to customers with an appropriate credit history.

The maximum credit risk exposure for trade receivables, other receivables and cash and cash equivalents by geographical region at the reporting date was:

Credit risk exposure by geographical location	2020 ThUS\$
Colombia	262,667
Peru	36,698
Panama	34,180
Ecuador	25,244
Dominican Republic	7,731
Chile	562
Total	367,082

The Terpel Group had cash and cash equivalents of ThUS\$164,377 as of June 30, 2020, which represents its maximum credit risk exposure on these particular assets. Cash and cash equivalents are held at banks and financial institutions with AAA credit ratings.

The Terpel Group's policy is to evaluate and approve a corporate guarantee for its affiliates if required by financial institutions.

The percentage loans in the customer portfolio with repayments in arrears has increased during the pandemic in all countries. However, IFRS 9 requires portfolio impairment assessments to include a forecast of future economic conditions including macroeconomic information, in order to assess whether there has been a significant increase in credit risk and measure expected credit losses. The Terpel Group reviewed each segment, country and customer to negotiate payment agreements and extension of terms, after analyzing the situation encountered in each sector and the guarantees provided by each customer, in order to estimate the maximum exposure and calculate the loss factor for non-compliance with the new conditions.

Mapco Express, Inc.

Credit risk is the risk of financial loss for Mapco, if a customer or counterparty for a financial instrument does not comply with its contractual obligations, and arises mainly from Mapco's cash and cash equivalents, trade and other receivables. Any loan granted by Company must comply with the information requirements applicable to that customer and guarantee. The documentation submitted must ensure that Mapco has all the information required to understand its customers and their general, trade and taxation circumstances and a general understanding of that customer's financial situation.

Mapco's Management believes that there is no significant risk to trade and other receivables, where 83% of trade and other receivables have balances with a maturity of less than 30 days. The Mapco Group has few wholesale customers who are granted credit for a maximum of one week at a time. Mapco has established a credit policy for these customers, which requires that each customer is individually analyzed to determine their creditworthiness, before they are offered general delivery and payment conditions.

v) Liquidity risk

Copec S.A.

The Company's liquidity management policy aims to provide sufficient cash to meet its liabilities. As of June 30, 2020, 62.49% of sales were made through concessionaires, which are very fragmented, with an average payment term of less than 3 days, and 34.23% of sales were made to low-risk industrial customers (with A and B ratings from a scale from A to D, where A is the lowest risk), with an average credit terms of less than 40 days. Therefore, for the purposes of liquidity risk management, the Finance department uses a period of 60 days for its daily cash flow forecasts, and it has access to immediately available lines of credit with the main financial entities in the local market, which are solvent and have good risk ratings.

As of June 30, 2020, the Company has liquidity of US\$ 250 million in cash and cash equivalents and US\$ 65 million in long term unconditional lines of credit. Also at December 31, 2019, the Group had liquidity of US\$ 122 million in cash and cash equivalents and US\$ 71 million in long term unconditional lines of credit.

As of 30 June 2020, there was no impact on liquidity as a result of the Covid-19 pandemic, since lower sales were partly offset by reduced expenses, postponed investments and adjustments to fuel purchase plans. During the first quarter, short-term domestic loans were taken to increase liquidity. Weekly meetings monitor the Company's cash flow, including its short and medium term forecasts, in order to anticipate any additional requirements.

Organización Terpel and affiliates

The Terpel Group monitors this risk every day through Treasury positions and forecasts, which uses its obligations and cash surpluses to determine its cash sources and destinations.

The Terpel Group's objective is to maintain a balance between continuity and flexibility of funding using bank overdrafts, bank loans, lease contracts and other sources.

The Terpel Group aims to hold sufficient cash, cash equivalents and other sight investments to meet all of its cash requirements. The current debt profile enables the Group to meet its debt servicing commitments as they fall due.

As of June 30, 2020, the Group has approved credit facilities of US\$ 73 million, which is fully available to be used as overdrafts, treasury credit or both short and long term finance. Interest rates are agreed at the time the obligation is acquired, in accordance with market conditions.

As of June 30, 2020, the Group updated its cash flow forecasts based on a shift in portfolio recovery and drew down debt totaling ThUS\$ 66,509 to safeguard its business continuity in Colombia during March and April as a result of the Covid-19 pandemic, and ThUS\$ 2,842 in Peru. The Group prepared additional cash flow forecasts for the second quarter of the year with new assumptions regarding sales reductions and portfolio recoveries based on a potential postponement of mandatory confinement in all countries. It reviewed and reduced expenditure to match this situation and negotiated the extension of payment terms with strategic suppliers.

Mapco Express, Inc.

Liquidity risk is the risk that Mapco will encounter difficulties in meeting its obligations associated with its financial liabilities that are settled by disbursing cash or other financial assets. Mapco and its affiliates monitor this risk on a daily basis, as its treasury department forecasts and monitors its obligations and cash surpluses, to determine the source and destination of its financial resources. The objective is to maintain a balance between the continuity and flexibility of funding using bank overdrafts, lease contracts and other sources.

Mapco aims to hold sufficient cash resources to meet its financial liabilities falling due in the next 30 days. The current debt profile enables it to meet its debt servicing commitments as they fall due.

On January 30, 2020, Mapco Express Inc. obtained a new line of credit for ThUS\$100,000, with an interest rate that varies according to its borrowing, and which matures in January 2025.

vi) Investment in foreign assets risk

Copec S.A.

Copec has foreign investments as of June 30, 2020 that control 58.52% of the Colombian company Organización Terpel S.A. and its affiliates, whose functional currency is the Colombian peso, and all of the US company MAPCO, whose functional currency is the US dollar. As a result, Copec is exposed to an equivalent of COP\$ 2,140,996 million for Terpel in its consolidated statement of financial position as of June 30, 2020, and of US\$ 597 million for Mapco. The effects of significant exchange rate changes are recorded in reserves.

Sensitivity analysis was performed on the exposure resulting from the investment in Colombia, which is as follows:

Investment MCOP	Change %	Ch\$/COP\$	Investment MCh\$	(Loss) Gain MCh\$	(Loss) Gain MUS\$
2,140,996	15%	0.2515	538,456	70,233	86
2,140,996	10%	0.2406	515,045	46,822	57
2,140,996	5%	0.2296	491,634	23,411	29
2,140,996	-	0.2187	468,222	0	0
2,140,996	-5%	0.2078	444,811	(23,411)	(29)
2,140,996	-10%	0.1968	421,400	(46,822)	(57)
2,140,996	-15%	0.1859	397,989	(70,233)	(86)

An additional sensitivity analysis was performed on the exposure due to investments in the USA, as follows:

Investment ThUS\$	Change %	Ch\$/US\$	Investment MCh\$	(Loss) Gain MCh\$	(Loss) Gain MUS\$
596,795	15%	944.41	563,622	73,516	90
596,795	10%	903.35	539,117	49,011	60
596,795	5%	862.29	514,611	24,505	30
596,795	-	821.23	490,106	0	0
596,795	-5%	780.17	465,601	(24,505)	(30)
596,795	-10%	739.11	441,095	(49,011)	(60)
596,795	-15%	698.05	416,590	(73,516)	(90)

Management does not have any financial hedges covering its foreign businesses, since investing abroad implies accepting the currency exchange risk of that country as an indivisible component of the business. Each affiliate should have an optimum capital structure from a risk classification perspective. Therefore, each affiliate's borrowings should be in the same currency as its assets, in order to eliminate fluctuations in equity in the functional currency. If borrowings are below or above the optimum, these differences in each affiliate may be managed by Copec using financial instruments.

Organización Terpel and affiliates

The exchange rate risk on investments in foreign companies is not managed. Investments in foreign companies are denominated in US dollars and are translated at the period end exchange rate.

Debt is currently denominated in Colombian pesos and any changes to its book value resulting from fluctuations in exchange rates are recognized in Terpel's equity. There is no liquidity exposure and therefore no financial position hedges, since such gains or losses would only materialize when one of these companies is sold.

NOTE 5. ESTIMATES, JUDGEMENTS AND ACCOUNTING CHANGES

The preparation of consolidated financial statements in accordance with the accounting records detailed in Note 2 requires Management to make subjective estimates and assumptions, which affect the reported amounts. The estimates are based on historical experience and various other assumptions that are believed to be reasonable, but actual results may differ from those estimates. Management believes that the accounting estimates presented below represent issues that require judgment that can lead to major changes in the financial statements.

The Group makes estimates and judgments in relation to the future. The resulting accounting estimates, by definition, will rarely be equal to the corresponding actual results. There are no risks that could significantly affect the consolidated financial statements as of June 30, 2020.

a) Staff severance indemnities

The present value of obligations for staff severance indemnities depends on a number of factors that are calculated using actuarial methods based on various assumptions, including the interest rate, staff turnover rates, salary increments, discount rates, and inflation rates. Any changes in these assumptions will affect the book value of these obligations. Additional information about the assumptions is presented in Note 20.

b) Biological assets

The valuation of plantations is based on discounted cash flow models, using the cash flows from continuing operations; on the basis of sustainable forest management plans, considering the growth potential of the plantations. This valuation is performed on the basis of each identified stand and for each tree species.

These discounted cash flows require estimates about the growth, harvest, sales price and costs. Therefore, the quality of the estimates of future sales and cost trends is important, as are regular studies of the plantations to establish the volumes of timber available for harvest and the current growth rates. The main considerations used for the calculation of the valuation of forestry plantations are presented in Note 7.

c) Taxes

Tax assets and liabilities are reviewed regularly, and the balances are adjusted accordingly. The Group considers that it has recorded sufficient provisions to cover future taxation obligations, based on current events, circumstances and tax laws. However, the tax position could change, giving rise to different results and having a significant impact on the consolidated financial statements (See Note 2.15b).

d) Lawsuits and contingencies

Empresas Copec S.A. and its affiliates are involved in lawsuits that have not yet been resolved, and Management has estimated their consequences, in collaboration with its legal advisors. The Company uses its judgment to

interpret the reports of its legal advisors, who update their estimates as of each period-end and after each substantial amendment to these lawsuits.

e) Goodwill

Goodwill is the excess acquisition cost over the fair value of the Group's share of the acquired affiliate's net identifiable assets on the acquisition date. Fair value is calculated using either valuations or the discounted cash flow method based on assumptions, such as sales prices, industry indices, and other assumptions.

f) Measurement of fair value

Several of the Group's accounting policies and disclosures require it to measure the fair value of financial and non-financial assets and liabilities.

The Group has established a control framework for measuring fair values. This includes a valuation team, which has overall responsibility for supervising all significant fair value measurements.

The valuation team regularly reviews the significant non-observable variables and valuation adjustments. When third party information is used to measure fair values, such as broker's quotes or pricing services, the valuation team evaluates the evidence provided by those third parties to support the conclusion that these valuations satisfy the requirements of IFRS, including the corresponding valuation level within the fair value hierarchy.

When measuring the fair value of an asset or liability, the Group uses observable market data whenever possible. Fair values are classified into levels within a fair value hierarchy that are based on the variables used by the estimation technique, as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.
- Level 2: data other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly from prices or indirectly derived from prices.
- Level 3: data on the asset or liability that is not based on observable market data.

If the variables used to measure the fair value of an asset or liability can be classified into the fair value hierarchy, then the fair value measurement is entirely classified into the same fair value hierarchy level as the lowest level variable that is significant for the total measurement.

g) Cylinder guarantees

The affiliate Abastible S.A. receives guarantees for its cylinders, which are valued according to the current value of this obligation, so their book value might differ from their actual value.

h) Other estimates and professional criteria relate to the following concepts:

- Loyalty program (see Note 2.24)
- Useful lives of property, plant and equipment (see Note 2.5)
- Trademark valuations to identify any potential impairment losses.

NOTE 6. INVENTORIES

As of June 30, 2020 and December 31, 2019, inventories at affiliates were as follows:

	06.30.2020	12.31.2019
	ThUS\$	ThUS\$
Raw materials	186,433	185,068
Merchandise	398,364	548,397
Production supplies	151,596	146,767
Work in progress	67,160	74,482
Finished goods	619,540	621,007
Other inventory	245,555	248,172
Total	1,668,648	1,823,893

As of June 30, 2020, 62% of inventories relate to the forestry sector, 34% to the fuel sector and 4% to the fisheries sector.

As of December 31, 2019, 58% of inventories relate to the forestry sector, 39% to the fuel sector and 3% to the fisheries sector.

Changes in inventory charged to the net income statement are as follows:

	06.30.2020	06.30.2019
	ThUS\$	ThUS\$
Cost of Sales	7,427,474	10,022,866
Obsolescence provision	17,505	11,620
Write offs	3,607	4,576
Total	7,448,586	10,039,062

As of June 30, 2020 and December 31, 2019, there were no inventories pledged in guarantee.

The obsolescence provision is calculated by considering the product sale conditions and inventory age (rotation).

NOTE 7. BIOLOGICAL ASSETS

Current and non-current biological assets as of June 30, 2020 and December 31, 2019 were as follows:

	06.30.2020	12.31.2019
	ThUS\$	ThUS\$
Current	276,606	275,792
Non-current	3,323,730	3,393,634
Total	3,600,336	3,669,426

As of June 30, 2020 and December 31, 2019, the composition of current and non-current biological assets was detailed as follows:

	06.30.2020			12.31.2019		
	Current	Non-current	Total	Current	Non-current	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Forestry	276,606	3,323,730	3,600,336	275,792	3,393,634	3,669,426
Total	276,606	3,323,730	3,600,336	275,792	3,393,634	3,669,426

The biological assets of the affiliate Arauco are plantations, which are mainly radiata and loblolly pine and to a lesser extent eucalyptus. These plantations are located in Chile, Argentina, Brazil and Uruguay, on 1.7 million hectares as of June 30, 2020, of which 1 million hectares are for plantations, 511 thousand hectares are for native forests, 107 thousand hectares are for other uses and 111 thousand hectares remain to be planted.

Log harvests were 9.1 million m³ as of June 30, 2020, (10.3 million m³ as of June 30, 2019).

The fair value of Arauco's biological assets are valued under Level 3, as input data is not observable. However, this information reflects the assumptions that market participants would use in pricing the asset, including assumptions about risk.

This unobservable data was collected using the best information available and include Arauco's own information. It may change if the available information indicates that other market participants would use different information or there is something specific at Arauco that is not available to other market participants.

The main considerations in calculating the fair value of biological assets for the affiliate Arauco are:

- It uses discounted future cash flows to value its plantations, therefore the Company forecasts harvests of its plantations as of the reporting date.
- Current plantations are projected with total volume increases, with a minimum growth equivalent to the current supply.
- Future plantations are not included.
- The purpose of harvesting plantations is to supply raw materials for the rest of the products produced and sold by Arauco. By directly controlling the development of the plantations to be processed, Arauco is assured of the quality of the timber to be used in each of its products.
- Flows are based on the harvest and expected sales of timber products, which are associated with demand at the Company's own factories and sales to third parties at market prices. In addition, this valuation takes into consideration the sales margins of the products that are harvested from the plantations. Changes that arise in the value of plantations are accounted for in income for the year, in accordance with the provisions of IAS 41. These changes are presented in the consolidated statement of net income under "Other income by function", which as of June 30, 2020 amounted to ThUS\$ 88,143 (ThUS\$ 74,410 as of June 30, 2019). The valuation of biological assets produces a cost of timber sold that is greater than the real cost incurred, which is presented under "Cost of sales" and amounts to ThUS\$ 85,298 as of June 30, 2020 (ThUS\$ 95,056 as of June 30, 2019).
- Plantations are harvested in accordance with the demand requirements at Arauco's production plants.
- The discount rates used in Chile, Brazil, Uruguay and Argentina vary between 6% and 11%.
- The prices of harvested timber are considered to be constant in real terms, based on market prices.
- Cost expectations with respect to the lifetime of plantations are constant and are based on estimated costs included in projections prepared by the affiliate Arauco.

The average harvest age of these plantations in years, by country and species is as follows.

	Chile	Argentina	Brazil	Uruguay
Pine	24	15	15	-
Eucalyptus	12	10	7	10

The sensitivity analysis below shows changes to the value of biological assets following changes in significant assumptions used in calculating the fair value of those assets:

		ThUS\$
Discount rate (points)	0.5	(138,767)
	(0.5)	148,220
Margins (%)	10.0	443,180
	(10.0)	(443,180)

Significant unobservable data used to value the fair value of biological assets are discount rates and selling margins for forestry products. Increases (decreases) in any of this data considered in isolation would result in a lower or higher fair value valuation. A change in the assumption used for discount rates is associated with a change in the opposite direction in the assumption used for a sales margins.

Movements in the valuation of biological assets are recorded in the consolidated statement of net income under Other operational income or Other operational expenses depending on whether it is a gain or a loss.

Plantations classified as current biological assets are those that are harvested and sold within 12 months.

Fire insurance covers plantations, which combine with its own resources, can reduce the risks associated with these claims.

As of the date of these interim consolidated financial statements, no disbursements have been committed for the acquisition of biological assets.

a) Biological assets pledged in guarantee.

As of June 30, 2020, there are no plantations pledged in guarantee.

b) Biological assets with restricted ownership:

As of the date of these interim consolidated financial statements, there are no biological assets with restricted ownership.

c) Government subsidies related to agricultural operations.

No significant subsidies have been received.

Biological assets movements

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Opening balance	3,669,426	3,655,360
Changes in Incurred Cost		
Additions through acquisition	103,042	226,757
Decreases through sales	(1,542)	(2,722)
Decreases through harvesting	(48,684)	(138,650)
Increase (decrease) in foreign currency translation	(115,735)	(18,392)
Decreases due to damaged biological assets	(2,779)	(3,823)
Other increases (decreases)	0	(205)
Changes in fair value		
Gain (loss) on changes in fair value less estimated selling costs	88,143	154,705
Decreases through sales	(1,913)	(4,015)
Decreases through harvesting	(87,204)	(198,089)
Decreases due to damaged biological assets	(2,418)	(3,718)
Other increases (decreases)	0	2,218
Total Changes	(69,090)	14,066
Closing balance	3,600,336	3,669,426

NOTE 8. CURRENT TAX ASSETS AND LIABILITIES

Current taxes are offset in assets or liabilities, provided they refer to the same legal entity and the same tax jurisdiction.

Receivables for taxes are detailed as follows:

	06.30.2020	12.31.2019
Current tax assets	ThUS\$	ThUS\$
Provisional monthly tax payments	27,332	179,530
Recoverable income taxes from previous period	162,894	40,247
Credit for SENCE	56	1,166
Credits for fixed assets	4	364
Income tax provision	3,720	4,080
Credits for dividends received	0	7,993
Equity tax	17,005	4,682
Customer retentions	645	0
Other recoverable taxes (*)	19,805	25,895
Total	231,461	263,957

(*) Other recoverable taxes at Arauco Argentina, foreign income credit and credits from previous years of affiliates of Celulosa Arauco y Constitución in Colombia and Brazil.

	06.30.2020	12.31.2019
Current tax liabilities	ThUS\$	ThUS\$
Corporate income tax provision	21,753	21,333
Provisional monthly tax payable	8,694	435
Tax on disallowed expenses	15	16
Other taxes (*)	12,318	3,318
Total	42,780	25,102

(*) Social contribution and income taxes at affiliates of Celulosa Arauco y Constitución S.A. in Brazil.

NOTE 9. OTHER NON FINANCIAL ASSETS

As of June 30, 2020 and December 31, 2019, current and non-current non-financial assets were as follows.

Other non-financial assets, current	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Unamortized roads, current	44,318	48,380
Unamortized insurance	32,425	19,756
VAT recoverable	1,107	2,497
Recoverable taxes (VAT and similar)	113,688	102,875
Assets held for sale	0	757
Expenses paid in advance	16,544	17,228
Leases	2,747	5,080
Fishing permits (1)	2,074	0
Municipal licenses	266	0
Guarantees	0	839
Others (2)	16,231	13,729
Total	229,400	211,141

Other non-financial assets, non-current	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Unamortized roads, non-current	112,968	96,530
Unamortized prepayments (freight, insurance, others)	4,171	5,160
Lease guarantees	101	134
Long-term building convention contribution	920	1,139
Compensation asset (3)	13,313	23,188
Contract asset (4)	31,656	30,818
Deferred expenses	13,504	4,583
Other recoverable assets (5)	271	9,561
Others	6,241	9,491
Total	183,145	180,604

(1) Balance consists of fishing rights purchased from third parties, 2019 specific tax provision, LTP-B for the purchase of jack mackerel, anchovy and sardine fishing quotas, the fishing license for 2020 and a prepayment for the fishing license for 2021 for the indirect affiliate Orizon S.A.

(2) As of June 30, 2020 and December 31, 2019, the item "Others" covers items such as recoverable securities and dividends receivable.

(3) Taxation contingencies relating to the business combination between Exxon Mobil Peru and Ecuador, and includes from 2001 to 2008 in Peru and from 1994 to 2013 in Ecuador. These taxation contingencies represent doubtful receivable provisions, unsupported write-offs, discounts, rebates, bonuses, disposal costs adjusted under IFRS and depreciation rates for fixed assets in Peru.

(4) Assets belonging to the affiliate Abastible S.A., according to IFRS 15.

(5) Recoverable value due to tax reform in Colombia associated with sales tax, where Law 2010 dated December 2019 allows the indirect affiliate Organización Terpel S.A. to claim this balance.

NOTE 10. ASSETS AND LIABILITIES HELD FOR SALE

The Group's assets and liabilities classified as held for sale or disposal are as follows.

Assets	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Sale of interests in companies		
Sonacol* (1)	254,785	275,620
Gasmar** (2)	32,818	39,716
Mining Companies* (3)	16,225	23,550
Sonamar** (4)	36	1,102
Sale of assets		
Land (5)	25,713	7,852
Fleet assets	5,555	5,279
Buildings	5,197	4,131
Plant and equipment	1,820	1,966
Others	133	133
Total	342,282	359,349
Liabilities	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Sale of interests in companies		
Sonacol* (1)	162,805	179,810
Mining Companies* (3)	3,244	7,050
Total	166,049	186,860

* Interests in affiliated companies.

** Interests in associated companies.

- (1) On December 20, 2019, Compañía de Petróleos de Chile Copec S.A. and Abastible S.A. both affiliates of Empresas Copec S.A. together with Esmax Inversiones S.A. and Empresa Nacional de Energía Enx S.A. have informed the Chairman of the Board of Sociedad Nacional de Oleoductos S.A. ("Sonacol") that a mandate has been granted to Goldman Sachs as an investment bank, to structure and lead a process that will evaluate the sale of all the shares of Sonacol that they respectively own, in a competitive sale.
- (2) On January 17, 2018, the Anti Trust Authority issued Resolution 51, which ordered the shareholders of Gasmar S. A. (Abastible S.A. and Gasco S.A.) to dispose of their interest in that company. The affiliate Abastible filed an appeal against this resolution with the Supreme Court, which received this appeal together with appeals filed by other affected companies, rejected all these appeals on November 13, 2019. Therefore, the Anti Trust Authority ruling became final and enforceable. The disposal of the interest in Gasmar should take place within 18 months.
- (3) The indirect affiliate Inversiones Alxar S.A. is selling its affiliate companies that own the El Bronce, Botón de Oro, Choquelimpie and Planta Copiapó projects.

On May 14, 2020, Inversiones Alxar S.A. and Minera Camino Nevado Limitada signed a share purchase agreement with Inversiones y Servicios Loma Larga SpA and José Enrique Correa Tocornal. Under this

agreement, the buyers jointly acquired all the shares in Sociedad Contractual Minera Vilacollo (Choquelimpie) for ThUS\$ 2,000.

On 14 April 2020, Inversiones Alxar S.A. and Minera Camino Nevado Limitada signed a share purchase agreement with RIO2 Limited and RIO2 S.A.C. Under this agreement, the buyers jointly acquired all the shares of Compañía Minera Paso San Francisco S.A. (Copiapó Plant) for ThUS\$1,500, which was duly paid.

Both investments were valued at the lower of their book value and fair value less costs to sell as of December 31, 2019. Therefore, the effect on net income of the sale was not material.

- (4) The company is being wound up.
- (5) On January 22, 2020, Compañía de Petróleos de Chile Copec S.A. authorized the sale of 71 unrequired properties that were mainly houses, land and buildings with no strategic value to the company.

On June 30, 2019, Compañía de Petróleos de Chile Copec S.A. authorized the sale of 45 unrequired properties that were houses, land, commercial stores and parking lots with no strategic value to the company.

The Group estimates that the book values of the assets held for sale are not less than their fair value less selling costs.

NOTE 11. INTANGIBLE ASSETS

The main classes of intangibles assets as of June 30, 2020 and December 31, 2019 are patents, trademarks, IT programs, water and fishing rights, easements, mining properties and other acquired rights. They are generally recorded at historical cost.

Patents, trademarks, water and fishing rights, mining properties, easements and other acquired rights have indefinite useful lives, as neither the start nor the end of the period during which these rights are expected to generate cash flows is clear.

These rights are not amortized, but they are tested regularly for impairment.

a) Classes of intangible assets other than goodwill:

	06.30.2020			12.31.2019		
	Gross value ThUS\$	Accumulated amortization ThUS\$	Net value ThUS\$	Gross value ThUS\$	Accumulated amortization ThUS\$	Net value ThUS\$
Patents, trademarks and other rights with indefinite lives	206,441	0	206,441	224,762	0	224,762
Patents, trademarks and other rights with defined lives	807,623	(389,065)	418,558	875,889	(412,943)	462,946
Computer software	243,914	(163,289)	80,625	236,179	(160,359)	75,820
Other identifiable intangible assets	113,004	(41,362)	71,642	119,089	(35,057)	84,032
Fishing permits	15,736	0	15,736	15,736	0	15,736
Water rights	6,117	0	6,117	6,402	0	6,402
Mining projects	68,139	(1)	68,138	68,126	0	68,126
Customer portfolio	74,263	(37,268)	36,995	74,723	(34,742)	39,981
Total intangible assets	1,535,237	(630,985)	904,252	1,620,906	(643,101)	977,805
Finite lives	1,306,943	(630,985)	675,958	1,374,006	(643,101)	730,905
Indefinite lives	228,294	0	228,294	246,900	0	246,900
Total intangible assets	1,535,237	(630,985)	904,252	1,620,906	(643,101)	977,805

b) The detail and movement of the main classes of intangible assets other than goodwill is as follows:

	Patents, trademarks and other rights	Computer software	Fishing permits	Water rights	Other intangible assets	Mining projects	Customer portfolio	Total
Opening balance as of January 1, 2020	687,708	75,820	15,736	6,402	84,032	68,126	39,981	977,805
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0
Restated opening balance	687,708	75,820	15,736	6,402	84,032	68,126	39,981	977,805
Movements in identifiable intangible assets								
Disposals	0	0	0	0	0	0	0	0
Additions	9,474	6,211	0	35	3,767	12	0	19,499
Additions on business mergers	0	1,062	0	0	901	0	0	1,963
Disposals	(66)	(174)	0	0	0	0	0	(240)
Amortization	(26,993)	(11,383)	0	0	(3,155)	0	(2,570)	(44,101)
Increase (decrease) for revaluation and impairment losses recognized in net equity	0	0	0	0	0	0	0	0
Increase (decrease) for revaluation recognized in statement of net income	0	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	(50,952)	(3,648)	0	(38)	(4,879)	0	(416)	(59,933)
Other increases (decreases)	5,828	12,737	0	(282)	(9,024)	0	0	9,259
Total movements in identifiable intangible assets	(62,709)	4,805	0	(285)	(12,390)	12	(2,986)	(73,553)
Closing balance as of June 30, 2020	624,999	80,625	15,736	6,117	71,642	68,138	36,995	904,252

	Patents, trademarks and other rights	Computer software	Fishing permits	Water rights	Other intangible assets	Mining projects	Customer portfolio	Total
Opening balance as of January 1, 2019	722,037	56,309	15,736	6,303	85,195	120,391	41,634	1,047,605
Increase (decrease) due to changes in accounting policy	0	0	0	0	(492)	0	0	(492)
Restated opening balance	722,037	56,309	15,736	6,303	84,703	120,391	41,634	1,047,113
Movements in identifiable intangible assets								
Disposals	0	(67)	0	0	(1,372)	0	0	(1,439)
Additions	33,932	39,669	0	155	4,845	96	0	78,697
Additions on business mergers	7,696	167	0	0	1,300	0	2,800	11,963
Disposals	(2,509)	(41)	0	0	0	0	0	(2,550)
Amortization	(59,220)	(22,381)	0	0	(6,672)	0	(4,769)	(93,042)
Increase (decrease) for revaluation and impairment losses recognized in net equity	0	0	0	0	0	(43,634)	0	(43,634)
Increase (decrease) for revaluation recognized in statement of net income	0	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	(4,554)	452	0	(11)	(1,306)	0	316	(5,103)
Other increases (decreases)	(9,674)	1,712	0	(45)	2,534	(8,727)	0	(14,200)
Total movements in identifiable intangible assets	(34,329)	19,511	0	99	(671)	(52,265)	(1,653)	(69,308)
Closing balance as of December 31, 2019	687,708	75,820	15,736	6,402	84,032	68,126	39,981	977,805

c) Impairment

The indirect affiliate Inversiones Alxar S.A. accounted for impaired mining projects totaling ThUS\$ 43,634 during 2019. As at June 30, 2020, there was no additional impairment.

d) The useful lives applied to intangible assets as of June 30, 2020 and December 31, 2019 are as follows:

	Finite useful life (years)		Indefinite lives
	Minimum	Maximum	
Commercial relationships with dealers and customers	7	15	-
Patents, trademarks and other rights	-	-	X
Accel Trademarks in Panamá	-	2	-
Industrial patents	10	50	-
Software programs	3	16	-
Other identifiable intangible assets	3	25	-
Fishing permits	-	-	X
Water rights	-	-	X
Capitalized mining projects	3	10	-
Mining properties	-	-	X

Movement during the period is amortization of intangible assets, and it is recorded in assets or expenses. This charge is reflected in any of the following items: Cost of sales, distribution costs and administration costs.

Additions to intangible assets are primarily flag rights (Organización Terpel S.A.), capitalized research into mining projects, and other assets.

e) Intangible assets – Brands

The brands Accel, Terpel, Oiltec, Maxter, Celerity, Tergas and Gazel have been registered in the consolidated financial statements at their fair values, as a result of the valuation of intangible assets arising on the purchase of Organización Terpel S.A. and its affiliates. They all have an indefinite useful lives, except Accel. Trade Relations with Customers have also been recognized as intangible assets related to the business of the acquired companies, which have been assigned a finite useful life depending on the length of those contracts. Amortization is calculated linearly over their expected useful lives.

When the affiliates Abastible in Peru and Ecuador were acquired in June and October 2016 respectively, the following brands were registered: Solgas Artefactos, Solgas Auto, Gas Canalizado, Segurogas, Masgas, Duragas & Diseño, Auto Gas, Duragas, Duragas Express and Semapesa.

Following the acquisition of Mapco in November 2016 by the affiliate Compañía de Petróleos de Chile Copec S.A., the following brands were registered: MapcoMart, Delta Express, Discount Food Mart, East Coast, Fast, Favorite Markets and Mapco Express.

NOTE 12. GOODWILL

Purchased goodwill represents the excess of the acquisition cost over the fair value of the Group's share in the net identifiable assets of the affiliate/associate acquired on the acquisition date.

Purchased goodwill is not amortized, but it is tested annually for impairment. It is allocated to the groups of cash generating units identified in the operating segments in which it originates. The transactions that generated goodwill are the investments in Arauco Canada (Flakeboard), Arauco do Brasil (formerly, Tafisa), and the successive purchases of Organización Terpel, Mapco, Solgas S.A., ExxonMobil, and the acquisition of two business lines from Comercializadora Novaverde through the indirect affiliate Orizon S.A. as follows:

Company	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Arauco (Flakeboard, Piên and others) (a)	58,537	65,751
Organización Terpel and others (b)	99,564	108,095
MAPCO (c)	152,362	152,362
Solgas (c)	77,609	82,977
Flux Solar SpA (d)	1,039	835
EMOAC SpA (e)	3,156	0
Copec Aviation (f)	2,979	0
Orizon (g)	3,673	3,673
Total	398,919	413,693

- a) "Flakeboard" (now Arauco Canada Ltd.) is a company that directly or through affiliates owns and operates seven panel plants, which Arauco acquired on September 24, 2012 at a price of ThUS\$242,502 for all the shares in that company. This resulted in goodwill of ThUS\$40,648 (ThUS\$ 40,765 as of December 31, 2019). The remaining balance of ThUS\$732 represents the acquisition of all the shares of Prime-Line Inc. on September 1, 2019 for ThUS\$18,880 by Arauco North America Inc, an affiliate of Arauco Canada Ltd.

The recoverable amount of the "Flakeboard" CGU was based on calculations of value in use, using cash flow projections covering 7 years, subject to a discount of between 7% and 8%, which reflects current market assessments for the panel segment in North America.

Goodwill of ThUS\$ 16,472 as of June 30, 2020 (ThUS\$ 22,378 as of December 31, 2019) was generated by investing in a panel plant in Pien Brazil.

The recoverable amount of the CGU in Pien Brazil was based on calculations of its value in use, using cash flow projections based on an operating plan approved by Management covering the expected useful life of the line, subject to a discount of between 7% and 8%, which reflects current market assessments for the panel segment in Brazil.

The book values of these panel plants recorded in their financial statements as of June 30, 2020 and December 31, 2019 do not exceed their recoverable value. Therefore, no additional impairment losses have been recognized.

- b) Goodwill generated in Organización Terpel S.A. as of June 30, 2020 was ThUS\$ 99,564 (ThUS\$ 108,095 as of December 31, 2019). The decrease is due to fluctuations in exchange rates.
- c) Goodwill arose during 2016 as a result of acquiring MAPCO and Solgas by Compañía de Petróleos de Chile Copec S.A. and Abastible S.A., respectively.
- d) A business combination increase of ThUS\$ 204 was recognized as of June 30, 2020, associated with the acquisition of Flux Solar SpA. Goodwill can be amended within one year of taking control, in accordance with IFRS 3.
- e) Provisional goodwill was ThUS\$ 3,156 as of June 30, 2020, as a result of the business combination of EMOAC SpA.
- f) Provisional goodwill was ThUS\$ 2,979 as of June 30, 2020, as a result of the business combination of Copec Aviation S.A. (formerly Air BP Copec S.A.)
- g) The indirect affiliate Orizon S.A. acquired two businesses from Comercializadora Novaverde S.A. during August 2018. These are distributing General Mills' products in Chile, and distributing and marketing processed avocado pears. As of June 30, 2020, the goodwill associated with this acquisition remained unchanged.

This purchased goodwill was ThUS\$ 398,919 as of June 30, 2020 (ThUS\$ 413,693 as of December 31, 2019), and the movements each year are as follows:

	Figures in ThUS\$ as of 06.30.2020			Figures in ThUS\$ as of 12.31.2019		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Opening balance	413,693	0	413,693	432,729	0	432,729
Additions (1)	6,339	0	6,339	1,567	0	1,567
Business combination adjustment (2)	0	0	0	(18,244)	0	(18,244)
Increase (decrease) in foreign currency translation	(21,113)	0	(21,113)	(2,359)	0	(2,359)
Closing balance	398,919	0	398,919	413,693	0	413,693

- (1) The additions during 2019 were the acquisition of Flux Solar S.A. and Prime-Line, Inc. The additions during 2020 were EMOAC SpA, Copec Aviation S.A. and Flux Solar S.A.
- (2) A goodwill adjustment arising from the acquisition of ExxonMobil in Peru and Ecuador in 2019.

NOTE 13. PROPERTY, PLANT AND EQUIPMENT

a) Classes of Property, Plant and Equipment, Net

	Figures in ThUS\$ to 06.30.2020			Figures in ThUS\$ as of 12.31.2019		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Construction in progress	1,672,442	0	1,672,442	1,435,387	0	1,435,387
Land	1,691,793	0	1,691,793	1,777,329	0	1,777,329
Buildings	5,590,864	(2,494,186)	3,096,678	5,558,915	(2,440,748)	3,118,167
Plant and equipment	7,872,819	(4,385,574)	3,487,245	8,025,521	(4,402,208)	3,623,313
IT equipment	151,595	(106,579)	45,016	147,125	(103,082)	44,043
Fixtures and fittings	280,489	(147,582)	132,907	276,572	(142,190)	134,382
Motor vehicles	196,144	(115,463)	80,681	199,431	(117,048)	82,383
Leasehold improvements	74,007	(29,418)	44,589	75,513	(30,093)	45,420
Other property, plant and equipment	783,494	(370,606)	412,888	815,909	(391,944)	423,965
Total property, plant and equipment	18,313,647	(7,649,408)	10,664,239	18,311,702	(7,627,313)	10,684,389

Depreciation expense as of June 30, 2020 and 2019 was as follows:

Depreciation expense (*)	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Cost of sales	268,937	272,516	135,771	136,691
Administrative expenses	17,433	16,937	8,567	8,861
Miscellaneous operating expenses	11,705	10,960	6,112	5,741
Total	298,075	300,413	150,450	151,293

(*) Depreciation is the charge to the statement of net income for 2020 and 2019, excluding the portion included in inventories.

b) Movements in categories property, plant and equipment are detailed as follows.

As of June 30, 2020

	Construction in progress	Land	Buildings	Plant and equipment	IT equipment	Fixtures and fittings	Motor vehicles	Leasehold improvements	Other property, plant and equipment	Property, plant and equipment
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	1,435,387	1,777,329	3,118,167	3,623,313	44,043	134,382	82,383	45,420	423,965	10,684,389
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0	0	0
Restated opening balance	1,435,387	1,777,329	3,118,167	3,623,313	44,043	134,382	82,383	45,420	423,965	10,684,389
Changes										
Additions	676,962	11,889	5,231	17,733	443	3,401	2,434	2,547	13,783	734,423
Acquisitions through business combinations	53	0	1,624	2,294	0	0	1,203	0	118	5,292
Transfers of closed works in progress	(285,919)	6	146,030	128,521	5,274	2,788	3,193	0	107	0
Disposals	0	(147)	(27)	(7,541)	0	0	(72)	0	(1)	(7,788)
Transfers to (from) construction in progress	(98,811)	8,758	31,158	20,481	3,743	9,330	4,178	3,691	17,473	1
Transfers to (from) non-current assets held for sale	(9,921)	0	274	9,474	55	84	0	0	34	0
Disposals	(358)	(5,583)	(1,354)	(1,012)	(111)	(845)	(571)	(237)	(325)	(10,396)
Depreciation	0	0	(96,603)	(169,094)	(6,824)	(10,758)	(7,796)	(3,008)	(12,560)	(306,643)
Impairment	0	0	(16,040)	(31,476)	(312)	0	(76)	0	0	(47,904)
Increase (decrease) for revaluation and impairment losses	0	0	0	0	0	0	0	0	0	0
Reclassification from operating lease to PPE	0	0	0	609	0	0	102	0	0	711
Increase (decrease) in foreign currency translation	(31,783)	(96,165)	(94,158)	(105,870)	(1,638)	(4,266)	(4,181)	(823)	(29,469)	(368,353)
Other increases (decreases)	(13,168)	(4,294)	2,376	(187)	343	(1,209)	(116)	(3,001)	(237)	(19,493)
Total Changes	237,055	(85,536)	(21,489)	(136,068)	973	(1,475)	(1,702)	(831)	(11,077)	(20,150)
Closing balance	1,672,442	1,691,793	3,096,678	3,487,245	45,016	132,907	80,681	44,589	412,888	10,664,239

As of December 31, 2019

	Construction in progress	Land	Buildings	Plant and equipment	IT equipment	Fixtures and fittings	Motor vehicles	Leasehold improvements	Other property, plant and equipment	Property, plant and equipment
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	1,330,692	1,797,491	2,986,433	3,416,455	49,692	134,168	85,734	49,968	420,627	10,271,260
Increase (decrease) due to changes in accounting policy	0	(23,665)	0	(63,188)	0	(1,051)	(1,713)	0	(17,237)	(106,854)
Restated opening balance	1,330,692	1,773,826	2,986,433	3,353,267	49,692	133,117	84,021	49,968	403,390	10,164,406
Changes										
Additions	1,157,519	16,151	22,681	58,774	2,405	9,229	9,060	6,887	18,844	1,301,550
Acquisitions through business combinations	12,839	10,786	24,118	111,649	238	156	313	0	6,272	166,371
Transfers of closed works in progress	(804,729)	1,494	300,392	506,594	2,735	(711)	340	0	(6,115)	0
Disposals	0	(2,450)	(2,731)	(7,038)	(97)	(506)	(427)	0	(584)	(13,833)
Transfers to (from) construction in progress	(227,348)	15,046	76,077	50,099	6,356	15,327	16,019	2,852	57,503	11,931
Transfers to (from) non-current assets held for sale	0	(903)	(2,683)	(3,023)	(52)	(21)	(70)	0	(37)	(6,789)
Disposals	(7,537)	(5,129)	(5,588)	(26,051)	(196)	(1,629)	(3,548)	0	(14,633)	(64,311)
Depreciation	0	0	(183,030)	(349,970)	(14,470)	(18,857)	(16,250)	(6,746)	(26,529)	(615,852)
Impairment	0	0	(15,398)	(60,219)	(337)	(14)	(74)	0	0	(76,042)
Increase (decrease) for revaluation and impairment losses	0	0	0	0	0	0	0	0	0	0
Reclassification from operating lease to PPE	0	0	0	1,633	0	0	10	0	0	1,643
Increase (decrease) in foreign currency translation	(11,942)	(35,483)	(40,087)	(16,498)	(1,075)	(1,834)	(6,988)	101	(9,414)	(123,220)
Other increases (decreases)	(14,107)	3,991	(42,017)	4,096	(1,156)	125	(23)	(7,642)	(4,732)	(61,465)
Total Changes	104,695	3,503	131,734	270,046	(5,649)	1,265	(1,638)	(4,548)	20,575	519,983
Closing balance	1,435,387	1,777,329	3,118,167	3,623,313	44,043	134,382	82,383	45,420	423,965	10,684,389

Property, plant and equipment pledged in guarantee:

There were no significant assets given in guarantee in these interim consolidated financial statements.

Disbursement commitments for projects or to acquire property, plant and equipment

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Disbursements for property, plant and equipment in construction	101,103	336,474
	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Commitments to acquire property, plant and equipment	853,569	1,237,485

c) Components temporarily out of service

There were no significant components of property, plant, and equipment that were temporarily out of service as of June 30, 2020 and December 31, 2019.

d) Impairment

Details of impaired property, plant and equipment are described in Note 28.

e) Items fully depreciated, but still in use

There were no significant components of property, plant, and equipment that were fully depreciated and still in use as of June 30, 2020 and December 31, 2019.

NOTE 14. LEASES**14.1 Lessee**

The Group did not apply the IFRS 16 disclosure requirements regarding recognizing right-of-use assets and lease liabilities for leases that will terminate within 12 months of January 1, 2019, nor for leases where the underlying asset has a low value.

Right-of-use leased assets

a) Right-of-use leased assets

	Figures in ThUS\$ to 06.30.2020			Figures in ThUS\$ as of 12.31.2019		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Land	452,568	(71,124)	381,444	459,830	(49,406)	410,424
Buildings	175,666	(28,251)	147,415	179,908	(19,119)	160,789
Plant and equipment	81,658	(37,014)	44,644	86,676	(26,997)	59,679
IT equipment	2,852	(1,509)	1,343	3,104	(835)	2,269
Fixtures and fittings	4,159	(1,858)	2,301	4,490	(1,249)	3,241
Motor vehicles	199,894	(67,554)	132,340	196,726	(48,750)	147,976
Other right of use assets	19,277	(591)	18,686	19,580	(1,997)	17,583
Total	936,074	(207,901)	728,173	950,314	(148,353)	801,961

b) Movements in right-of-use leased assets

Movements in right-of-use leased assets as of June 30, 2020 and December 31, 2019, are as follows:

As of June 30, 2020								
	Land	Buildings	Plant and equipment	IT equipment	Fixtures and fittings	Motor vehicles	Other Property, Plant and Equipment	Property, plant and equipment
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	410,424	160,789	59,679	2,269	3,241	147,976	17,583	801,961
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0
Restated opening balance	410,424	160,789	59,679	2,269	3,241	147,976	17,583	801,961
Changes								
Additions	25,740	6,157	0	203	0	9,437	3,205	44,742
Disposals	(1,971)	(52)	(3,018)	0	0	(95)	0	(5,136)
Depreciation	(23,020)	(9,945)	(10,027)	(725)	(609)	(25,106)	(1,391)	(70,823)
Impairment	0	0	0	0	0	0	0	0
Increase (decrease) for revaluation and impairment losses	0	0	0	0	0	0	0	0
Reclassification from operating lease to PPE	0	0	0	0	0	0	(711)	(711)
Increase (decrease) in foreign currency translation	(29,525)	(8,896)	(2,212)	(363)	(331)	(199)	0	(41,526)
Other increases (decreases)	(204)	(638)	222	(41)	0	327	0	(334)
Total Changes	(28,980)	(13,374)	(15,035)	(926)	(940)	(15,636)	1,103	(73,788)
Closing balance	381,444	147,415	44,644	1,343	2,301	132,340	18,686	728,173
As of December 31, 2019								
	Land	Buildings	Plant and equipment	IT equipment	Fixtures and fittings	Motor vehicles	Other Property, Plant and Equipment	Property, plant and equipment
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy	404,852	96,673	83,265	2,626	1,801	168,779	17,237	775,233
Restated opening balance	404,852	96,673	83,265	2,626	1,801	168,779	17,237	775,233
Changes								
Additions	28,764	27,143	5,817	449	1,595	26,152	4,745	94,665
Disposals	0	(2,577)	(13,750)	0	0	0	0	(16,327)
Depreciation	(44,850)	(17,947)	(26,861)	(797)	(1,203)	(48,251)	(2,756)	(142,665)
Impairment	0	0	0	0	0	0	0	0
Increase (decrease) for revaluation and impairment losses	0	0	0	0	0	0	0	0
Reclassification from operating lease to PPE	0	0	0	0	0	0	(1,643)	(1,643)
Increase (decrease) in foreign currency translation	(2,913)	(2,900)	103	(9)	(3)	(396)	0	(6,118)
Other increases (decreases)	24,571	60,397	11,105	0	1,051	1,692	0	98,816
Total Changes	5,572	64,116	(23,586)	(357)	1,440	(20,803)	346	26,728
Closing balance	410,424	160,789	59,679	2,269	3,241	147,976	17,583	801,961

- c) Depreciation on right-of-use leased assets charged to the statement of net income as of June 30, 2020 and 2019 was as follows.

Depreciation on right of use leased assets in the statement of net income for the period (*)	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Cost of sales	58,997	63,815	30,548	33,337
Administrative expenses	3,097	2,313	1,512	1,752
Other miscellaneous operating expenses	5,851	5,181	2,139	1,829
Total	67,945	71,309	34,199	36,918

(*) Depreciation is the charge to the statement of net income for 2020 and 2019, excluding the portion included in inventories.

- d) Lease liabilities are as follows.

Lease liabilities	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Current	118,476	129,228
Non-current	597,749	658,704
Total lease liabilities	716,225	787,932

The affiliate Compañía de Petróleos de Chile Copec S.A. has a leasing asset as it leases its corporate building. It was sold on November 29, 2018 through an agreement with Banco de Chile, and subsequently leased-back with an option to purchase it for ThUS\$73,054, payable in 180 monthly installments of UF 11,322,27, maturing in December 2033.

The dates that lease liabilities mature are included in Note 3.4.

14.2 Lessor

IFRS 16 keeps the lessor's accounting requirements described in IAS 17 substantially unchanged. Consequently, the Group has continued to classify its leases as operating or finance, as appropriate.

Reconciliation of minimum finance lease payments, Lessor

Minimum lease receipts, finance leases	06.30.2020		
	Gross ThUS\$	Interest ThUS\$	Value ThUS\$
Under one year	722	(35)	687
One to five years	92	0	92
Over five years	0	0	0
Total	814	(35)	779

Minimum lease receipts, finance leases	12.31.2019		
	Gross ThUS\$	Interest ThUS\$	Value ThUS\$
Under one year	960	(48)	912
One to five years	200	0	200
Over five years	0	0	0
Total	1,160	(48)	1,112

These leasing receivables are shown in the consolidated statement of financial position under current and non-current trade and other receivables, depending on their due dates.

The Group has finance leases. Some of these contracts include machinery and equipment, covering periods not exceeding five years and at market interest rates. They also include early termination options, according to the general and special conditions established in each contract.

There are no contingent lease payments or reportable restrictions for finance leases as lessee or lessor shown in the tables above.

NOTE 15. INVESTMENT PROPERTIES

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Opening balance	35,300	40,583
Additions	0	765
Disposals through sales of businesses	(104)	(3,364)
Transfers from property, plant and equipment	0	499
Transfer to held-for-sale	(6,505)	(332)
Depreciation expense	(17)	(46)
Increase (decrease) in foreign currency translation	(2,952)	(2,805)
Total Changes in Investment Property	(9,578)	(5,283)
Closing balance	25,722	35,300

As of June 30, 2020 and December 31 2019, investment properties are land, minor facilities and their respective depreciation.

There are no significant rental income or operating expenses for investment properties.

There are no contractual obligations for the acquisition, construction or development of investment properties, or for their repair, maintenance or improvement.

The fair value of investment properties as of June 30, 2020 amounts to ThUS\$ 50,171 (ThUS\$ 55,017 as of December 31, 2019).

NOTE 16. DEFERRED TAXES

Deferred tax assets and liabilities can only be offset if this right has been legally recognized and the assets and liabilities refer to the same tax authority.

The tax rate applicable to the parent company's main affiliates is 27% in Chile, 30% in Argentina and Mexico, 34% in Brazil, 25% in Uruguay, 21% in the United States (federal rate), 32% in Colombia, 29.5% in Peru and 25% in Ecuador.

Law 27,430 was published in Argentina on December 29, 2017, which reduced the income tax rate from 35% for the year ended December 31, 2017 to 30% for 2018 and 2019 and 25% for 2020 and onwards. Law 27,541 suspended the tax rate reduction for 2020, so it has remained at 30%.

On March 25, 2019, the indirect affiliate Arauco Argentina S.A. exercised the tax revaluation option established in Title X - Chapter 1 of Law 27,430. The option was exercised for all property, plant and equipment included in the depreciable property category under income tax law, which was adjusted for inflation using the coefficients published by that law for calculating such tax. The special tax levied under this option was US\$ 3 million, which was paid in six installments during 2019. Furthermore, these tax assets increased in value due to this adjustment, which resulted in a decrease in the deferred tax liability for 2019 of ThUS\$ 12,629. The special tax loss and the gain on decreasing deferred taxes are disclosed within income taxes for 2019.

a) Deferred tax assets and liabilities are as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Deferred tax assets relating to		
Depreciation	4	0
Inventories	12,069	14,300
Doubtful receivables allowance	18,353	11,311
Provision for vacations	3,075	3,582
Prepaid income	9,172	7,696
Obligations for post-employment benefits	30,186	31,996
Financial instrument revaluations	67,334	68,390
Revaluations of property, plant and equipment	20,263	16,609
Tax losses	259,696	230,243
Differences on accrued liabilities	8,711	7,193
Differences on intangible assets revaluations	4,022	6,044
Differences on impairment provision revaluations	25,444	20,169
Differences on trade and other receivables revaluations	4,409	4,349
Differences on tax credits	19,155	8,029
Provisions	23,721	27,578
Others	33,685	27,074
Total deferred tax assets	539,299	484,563
	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Deferred tax liabilities relating to		
Differences between financial & taxation depreciation	160,095	180,637
Provisions	0	9
Revaluation of property, plant and equipment on initial IFRS adoption	961,571	975,402
Biological asset valuations	635,451	642,221
Prepaid expenditure valuations	44,673	41,338
Intangible assets	209,311	233,486
Financial instrument revaluations	28,564	26,095
Inventories	41,167	40,304
Others	23,891	28,381
Permanent foreign investments	476	1,432
Total deferred tax liabilities	2,105,199	2,169,305

b) Income (expenses) from current and deferred income taxes are as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Current income tax expense				
Current tax expense	(55,965)	(151,358)	(21,389)	(69,253)
Tax benefit arising from previously unrecognized tax assets used to reduce current tax expenses	3,552	3,771	3,552	3,771
Adjustments to prior period current tax	4,942	(1,291)	4,992	1,570
Other current tax expense	(3,177)	(711)	(2,488)	(307)
Total current tax expense, net	(50,648)	(149,589)	(15,333)	(64,219)
	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Deferred tax expense				
Deferred tax expense related to creation and reversal of temporary differences	3,137	12,903	12,693	(7,628)
Deferred expense for taxes related to changes to tax rate or new rates	0	2,526	0	3,801
Tax benefit arising from assets for previously unrecognized taxes used to reduce deferred tax expense	28,956	25,136	20,807	8,419
Other deferred tax expense	1,471	(5)	1,163	(658)
Deferred tax expense, net, total	33,564	40,560	34,663	3,934
Total income tax expense	(17,084)	(109,029)	19,330	(60,285)

c) Income (expenses) from foreign and Chilean income taxes are as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Current foreign taxes	4,815	(44,180)	(18,118)	(29,500)
Current national taxes	(55,463)	(105,409)	2,785	(34,719)
Total Current Tax	(50,648)	(149,589)	(15,333)	(64,219)
Deferred foreign taxes	(13,963)	37,489	12,209	16,268
Deferred national taxes	47,527	3,071	22,454	(12,334)
Total Deferred Tax	33,564	40,560	34,663	3,934
Total Income tax (expense) benefit	(17,084)	(109,029)	19,330	(60,285)

d) Reconciliation of the tax expense using statutory rate with tax expense using the effective rate.

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Income tax expense using the statutory rate	7,563	(215,318)	40,947	(125,155)
Tax effect of rates in other jurisdictions				
Tax effect of rates in other jurisdictions	(11,732)	(2,951)	(9,359)	(1,321)
Tax effect of non-taxable revenue	(8,027)	144,507	(23,328)	88,699
Tax effect of non-deductible expenditure	(13,984)	(45,542)	4,859	(18,689)
Tax effect of using previously unrecognized tax losses	11	13	4	(7)
Tax effect of tax benefit not previously recognized in income statement	23,112	(5,082)	9,469	(4,947)
Tax effect of reassessment of unrecognized deferred tax assets	(2,561)	19,225	(3,465)	6,388
Tax effect of changes in tax rates	(13,753)	0	(14,023)	0
Tax effect of over provided tax in prior periods	2,198	(3,193)	2,187	647
Taxation calculated at the applicable rate	(1,401)	(466)	(812)	(1,839)
Other increase (decrease) in statutory tax charge	1,490	(222)	12,851	(4,061)
Total adjustments to tax expense using statutory rate	(24,647)	106,289	(21,617)	64,870
Tax expense using the effective rate	(17,084)	(109,029)	19,330	(60,285)

Deferred tax assets from negative tax bases that have not yet been offset are recognized to the extent that it is likely that the corresponding benefit will be recovered in the future. In this regard, there are no unrecognized deferred tax assets.

Description	Deductible Difference ThUS\$	Taxable Difference ThUS\$	Deductible Difference ThUS\$	Taxable Difference ThUS\$
Deferred tax assets	281,946	0	254,517	0
Tax losses	257,353	46	230,046	46
Deferred tax liabilities	0	2,105,153	0	2,169,259
Total	539,299	2,105,199	484,563	2,169,305

Effect of deferred taxes on net income	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Deferred tax assets	29,785	36,358	22,785	18,246
Tax losses	21,582	32,513	11,725	11,767
Deferred tax liabilities	(16,273)	(28,080)	1,336	(27,154)
Decreases in foreign currency translation	(1,530)	(231)	(1,183)	1,075
Total	33,564	40,560	34,663	3,934

NOTE 17. TRADE AND OTHER PAYABLES

Trade and other payables are detailed as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Current		
Trade payables	1,160,844	1,585,918
Prepaid income	137,312	193,351
Other payables	21,208	14,585
Total	1,319,364	1,793,854

The Group's main suppliers as of June 30, 2020 and December 31, 2019 are Andritz Oy., Constructora Huequecura Ltda., Elaboradora de Envases S.A., Oxiquim S.A. and Transelec S.A.

The stratification of trade payables as of June 30, 2020 and December 31, 2019 is as follows:

As of June 30, 2020

TRADE CREDITORS NOT OVERDUE

Supplier	Amount by payment terms in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-365	Over 366	
Products	647,860	45,359	7,849	5,842	698	1,552	709,160
Services	337,485	29,123	2,992	11,816	189	0	381,605
Others (*)	22,085	4,810	4,309	3,654	0	0	34,858
TotalThUS\$	1,007,430	79,292	15,150	21,312	887	1,552	1,125,623

TRADE PAYABLES OVERDUE

Supplier	Amounts by days overdue						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Products	18,265	1,442	980	745	579	556	22,567
Services	8,052	1,539	484	260	501	648	11,484
Others (*)	445	95	227	193	210	0	1,170
TotalThUS\$	26,762	3,076	1,691	1,198	1,290	1,204	35,221

TotalThUS\$	1,034,192	82,368	16,841	22,510	2,177	2,756	1,160,844
--------------------	------------------	---------------	---------------	---------------	--------------	--------------	------------------

As of December 31, 2019

TRADE CREDITORS NOT OVERDUE

Supplier	Amount by payment terms in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-365	Over 366	
Products	952,248	50,615	2,271	1,457	2,964	0	1,009,555
Services	449,155	33,402	5,192	9,068	7,585	0	504,402
Others (*)	3,468	1,112	0	0	0	0	4,580
TotalThUS\$	1,404,871	85,129	7,463	10,525	10,549	0	1,518,537

TRADE PAYABLES OVERDUE

Supplier	Amounts by days overdue						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Products	38,853	1,578	1,329	793	1,675	94	44,322
Services	18,534	1,205	865	757	428	1,116	22,905
Others (*)	67	13	6	8	60	0	154
TotalThUS\$	57,454	2,796	2,200	1,558	2,163	1,210	67,381

TotalThUS\$	1,462,325	87,925	9,663	12,083	12,712	1,210	1,585,918
--------------------	------------------	---------------	--------------	---------------	---------------	--------------	------------------

(*) The *Other* item is deferred revenue, tax liabilities other than on net income, staff payables and other payables.

The Parent Company, Empresas Copec S.A. has a maximum payment period of 30 days. The average payment period for each affiliate varies depending on their business.

NOTE 18. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties are the entities defined in IAS 24, in the standards issued by the Financial Markets Commission (FMC, formerly the Superintendent of Securities and Insurance) and in Corporate Law.

Balances receivable from and payable to related parties as of each period-end primarily arise from business transactions. They are denominated in Chilean pesos and U.S. dollars, they have payment terms that do not exceed 60 days, and in general do not have any indexation or interest clauses.

As of the date of these consolidated financial statements, no guarantees have been granted and there are no doubtful receivables allowances in relation to balances between related parties.

The "Transactions" table includes all transactions with related parties that total over ThUS\$ 200 per annum in any period (which is 0.001% of operating revenues and 0.001% of cost of sales).

18.1 Related party receivables

Related Party Receivables, Current	Country	Relationship	06.30.2020 ThUS\$	12.31.2019 ThUS\$
96,942,120-8 AIR BP COPEC S.A.(1)	Chile	Joint venture	0	40,814
79,825,060-4 Forestal del Sur S.A.	Chile	Common shareholder	654	10,519
76,037,855-0 Laguna Blanca S.A.	Chile	Joint venture	18,000	18,000
96,893,820-7 Corpesca S.A.	Chile	Indirect associate	1,376	2,999
99,500,140-3 Eka Chile S.A.	Chile	Joint venture	1,326	1,834
96,731,890-6 Cartulinas CMPC S.A.	Chile	Common shareholder	714	1,477
76,879,577-0 E2E S.A.	Chile	Indirect associate	1,658	1,336
65,097,218-K Fundación Acerca Redes	Chile	Affiliate is founder and contributor	872	1,319
71,625,800-8 Arauco Educational Foundation	Chile	Affiliate is founder and contributor	826	931
96,532,330-9 CMPC Pulp SpA.	Chile	Common shareholder	828	834
79,895,330-3 Compañía Puerto Coronel S.A.	Chile	Indirect associate	164	799
96,505,760-9 Colbún S.A.	Chile	Director in common	1,338	693
96,532,330-9 CMPC Celulosa S.A.	Chile	Common shareholder	176	472
76,349,706-2 Hualpén Gas S.A.	Chile	Indirect associate	0	427
76,122,974-5 Algae Fuels S.A.	Chile	Indirect associate	323	354
93,628,000-5 Molibdenos y Metales S.A.	Chile	Common shareholder	51	302
- Montagas S.A. ESP	Colombia	Indirect associate	1,496	265
- Unillín Arauco Pisos Ltda	Brazil	Joint venture	253	197
95,304,000-K CMPC Maderas S.A.	Chile	Common shareholder	117	179
96,925,430-1 Servicios Corporativos Sercor S.A.	Chile	Indirect associate	278	147
76,037,864-K Portuaria Otway Ltda	Chile	Indirect associate	65	113
76,037,872-0 Rentas y Construcciones Fitz Roy Ltda.	Chile	Joint venture	54	91
76,037,858-5 Producción y Servicios Mineros Ltda.	Chile	Joint venture	0	88
91,440,000-7 Forestal Mininco S.A.	Chile	Common shareholder	24	58
92,580,000-7 Entel S.A.	Chile	Common shareholder	48	49
- Fibrocero S.A.	Ecuador	Indirect associate	10	34
76,037,869-0 Equipos Mineros Rio Grande Ltda.	Chile	Indirect associate	6	29
96,853,150-6 Papeles Cordillera S.A.	Chile	Common shareholder	35	28
96,529,310-8 CMPC Tissue S.A.	Chile	Common shareholder	69	26
76,456,800-1 Mina Invierno S.A.	Chile	Joint venture	21	22
96,783,150-6 St. Andrews Smoky Delicacies S.A.	Chile	Indirect associate	16	20
77,072,740-5 Agrícola Siemel Ltda	Chile	Common shareholder	16	19
76,659,730-0 Elemental S.A.	Chile	Indirect associate	6	13
89,201,400-0 Envases Impresos S.A.	Chile	Common shareholder	22	6
79,943,600-0 PROPA S.A.	Chile	Common shareholder	8	6
96,641,810-9 Gas Natural Producción S.A.	Chile	Indirect associate	5	5
94,283,000-9 Astilleros Arica S.A.	Chile	Common shareholder	4	5
96,636,520-K Gasmar S.A.	Chile	Indirect associate	276	2
- PGNT GasNorte SAC Colombia	Colombia	Indirect associate	2	2
- PGNT GasSur SAC Colombia	Colombia	Indirect associate	4	1
76,218,856-2 Colbún Transmisión S.A.	Chile	Director in common	0	1
- Arauco Sonae Portugal S.A.	Portugal	Indirect associate	393	0
76,044,336-0 Golden Omega S.A.	Chile	Indirect associate	1	0
88,566,900-K Empresa Distribuidora de Papeles y Cartones	Chile	Common shareholder	2	0
79,943,600-0 Forsac SpA.	Chile	Common shareholder	7	0
84,764,200-9 Empresa Pesquera Apiao S.A.	Chile	Indirect associate	2	0
76,839,949-2 Parque Eólico Ovejeras del Sur S.A.	Chile	Indirect associate	0	0
76,044,336-0 Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	1	0
Total			31,547	84,516

(1) Current Copec Aviation S.A., indirect affiliate since June 30, 2020.

Related party receivables, non-current	Country	Relationship	06.30.2020 ThUS\$	12.31.2019 ThUS\$
76,040,469-1 Logística Ados Ltda.	Chile	Shareholder in indirect associate	7,650	7,456
Total			7,650	7,456

18.2 Related party payables

Related party payables, current		Country	Relationship	06.30.2020 ThUS\$	12.31.2019 ThUS\$
96,636,520-K	Gasmar S.A.	Chile	Indirect associate	8,814	4,002
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	589	475
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	696	447
-	Fibroacero S.A.	Ecuador	Indirect associate	264	427
76,384,550-8	Sociedad Nacional Marítima S.A.	Chile	Indirect associate	89	202
92,580,000-7	Entel S.A.	Chile	Common shareholder	99	179
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	253	117
96,556,310-5	AntarChile S.A.	Chile	Parent company	73	73
76,349,975-8	Mega Frio Chile S.A.	Chile	Common shareholder	64	72
78,096,080-9	Portaluppi, Guzmán y Bezanilla Abogados	Chile	Partner Director	2	68
96,722,460-K	Metrogas S.A.	Chile	Associate	0	66
96,942,120-8	AIR BP COPEC S.A.(1)	Chile	Joint venture	0	36
86,370,800-1	Red To Green S.A.	Chile	Common shareholder	7	13
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	12	13
76,659,730-0	Elemental S.A.	Chile	Indirect associate	4	4
96,555,810-1	Inst. Fisheries Research Eighth Region	Chile	Common Executive	0	3
78,138,547-K	Mega Archivos S.A.	Chile	Indirect associate	7	0
Total				10,973	6,197

(1) Current Copec Aviation S.A., indirect affiliate since June 30, 2020.

Related party payables, non-current		Country	Relationship	06.30.2020 ThUS\$	12.31.2019 ThUS\$
76,775,447-7	EMOAC SpA.	Chile	Indirect associate	1,644	0
Total				1,644	0

18.3 Related party transactions

As of June 30, 2020

Chilean ID Number	Related Entity	Country	Relationship	Goods or Services	Transaction value without VAT ThUS\$	Effect on net income ThUS\$
77,072,740-5	Agrícola Siemel Ltda	Chile	Common shareholder	Sale of gas	136	136
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of lubricants	105	105
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Other sales	166	166
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of fuel	2,198	2,198
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of gas	9	9
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sale of lubricants	415	415
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sale of fuel	22	22
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sales of material, etc.	48	48
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sale of gas	11	11
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of fuel	40	40
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of lubricants	289	289
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of gas	5	5
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Logs	38	(38)
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Other sales	19	19
96,532,330-9	CMPC Pulp SpA.	Chile	Common shareholder	Timber and wood chips	3,738	3,738
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of lubricants	87	87
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Pulp	3,681	3,681
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of fuel	76	76
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of gas	75	75
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Other sales	8	8
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of fuel	6,357	6,357
96,505,760-9	Colbún S.A.	Chile	Director in common	Electricity	51	51
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of lubricants	7	7
96,505,760-9	Colbún S.A.	Chile	Director in common	Electricity	28	(28)
76,218,856-2	Colbún Transmisión S.A.	Chile	Director in common	Electricity	211	(205)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of fuel	977	977
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of lubricants	61	61
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Mobilization and stevedoring	7,836	(7,836)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Other sales	14	14
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Wharf rental	4,879	(4,879)
96,942,120-8	Copec Aviation S.A. (formerly AIR BP Copec S.A.)	Chile	Indirect associate	Purchase of fuel	25	(25)
96,942,120-8	Copec Aviation S.A. (formerly AIR BP Copec S.A.)	Chile	Indirect associate	Loading on the wing	69	(69)
96,942,120-8	Copec Aviation S.A. (formerly AIR BP Copec S.A.)	Chile	Indirect associate	Sale of fuel	112,103	112,103
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of fuel	7,568	7,568
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of lubricants	375	375
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Other sales	12	12
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Office leases	6	6
76,879,577-0	EZE S.A.	Chile	Indirect associate	Timber, plywood and panels	372	372
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Electricity	9,087	9,087
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Purchase of sodium chloride	20,474	(20,474)
76,659,730-0	Elemental S.A.	Chile	Indirect associate	Other purchases	333	(333)
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Sale of fuel	233	233
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Telephone services	467	(467)
76,037,869-0	Equipos Mineros Río Grande Ltda.	Chile	Indirect associate	Sale of fuel	49	49
76,037,869-0	Equipos Mineros Río Grande Ltda.	Chile	Indirect associate	Other sales	19	19
76,037,869-0	Equipos Mineros Río Grande Ltda.	Chile	Indirect associate	Sale of lubricants	4	4
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Harvesting services	17,574	17,574
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Wood and logs	2,550	2,550
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of fuel	228	228
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Logs and other purchases/sales	20	20
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of gas	6	6
71,625,000-8	Arauco Educational Foundation	Chile	Affiliate & contributor	IT services	189	189
96,636,520-K	Gasmar S.A.	Chile	Indirect associate	Gas purchases	56,275	(56,275)
76,044,336-0	Golden Omega S.A.	Chile	Indirect associate	Leases	66	66
76,044,336-0	Golden Omega S.A.	Chile	Indirect associate	Canned food sales	224	224
94,082,000-6	Inversiones Siemel S.A.	Chile	Common shareholder	Facilities rental	196	(196)
76,340,975-8	Mega Frío Chile S.A.	Chile	Common shareholder	Storage services	140	(140)
96,722,460-K	Metrogas S.A.	Chile	Associate	Purchase natural gas	307	(307)
96,722,460-K	Metrogas S.A.	Chile	Associate	Sale of fuel	57	57
93,628,000-5	Molibdenos y Metales S.A.	Chile	Common shareholder	Sale of fuel	358	358
93,628,000-5	Molibdenos y Metales S.A.	Chile	Common shareholder	Sale of gas	52	52
76,839,949-2	Parque Eólico Ovejera Sur SpA.	Chile	Indirect associate	Leases	100	100
78,096,080-9	Portaluppi, Guzmán y Bezanilla Attorneys	Chile	Partner Director	Legal advisory services	835	(835)
76,037,864-K	Portuaria Otway Ltda.	Chile	Indirect associate	Sale of fuel	401	401
76,037,864-K	Portuaria Otway Ltda.	Chile	Indirect associate	Other sales	11	11
76,037,858-5	Producción y Servicios Mineros Ltda.	Chile	Indirect associate	Sale of fuel	207	207
76,037,858-5	Producción y Servicios Mineros Ltda.	Chile	Indirect associate	Other sales	1	1
86,370,800-1	Red To Green S.A.	Chile	Common shareholder	IT services	146	(146)
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	Chile	Indirect associate	Sale of fuel	146	146
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	Chile	Indirect associate	Other sales	131	131
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Management consultancy services	415	(415)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Other sales	16	16
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	Storage services	1,712	(1,712)
-	Unillin Arauco Pisos Ltda.	Brazil	Joint venture	Timber	1,278	1,278
76,724,000-7	Woodtech S.A.	Chile	Common shareholder	Timber volume measurement services	739	(739)

Empresas Copec S.A. - Interim Consolidated Financial Statements as of June 30, 2020

As of June 30, 2019

Chilean ID Number	Related Entity	Country	Relationship	Goods or Services	Transaction value without VAT ThUS\$	Effect on net income ThUS\$
96,942,120-8	AIR BP COPEC S.A.	Chile	Joint venture	Sale of fuel	204,343	204,343
96,942,120-8	AIR BP COPEC S.A.	Chile	Joint venture	Expense reimbursement	528	528
96,942,120-8	AIR BP COPEC S.A.	Chile	Joint venture	Loading on the wing	157	(157)
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of lubricants	75	75
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Other sales	249	249
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of fuel	2,018	2,018
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sale of lubricants	435	435
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sale of fuel	22	22
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Other sales	46	46
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of fuel	53	53
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of lubricants	247	247
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Other sales	14	14
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Logs	86	(86)
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of lubricants	102	102
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of fuel	97	97
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of fuel	7,036	7,036
96,505,760-9	Colbún S.A.	Chile	Director in common	Electricity	140	140
96,505,760-9	Colbún S.A.	Chile	Director in common	Expense reimbursement	1	1
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of lubricants	13	13
76,218,856-2	Colbún Transmisión S.A.	Chile	Director in common	Electricity	126	(126)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of fuel	1,129	1,129
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of lubricants	58	58
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Mobilization and stevedoring	5,318	(5,318)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Other sales	4	4
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of fuel	14,512	14,512
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of lubricants	573	573
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Other sales	19	19
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Purchase of fishing rights	6,661	(6,661)
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of gas	11	11
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Electricity	10,627	10,627
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Purchase of sodium chlorate	19,371	(19,371)
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Telephone services	181	(181)
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Sale of fuel	334	334
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Other purchases	462	(462)
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Harvesting services	17,085	17,085
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Wood and logs	4,009	(4,009)
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of fuel	317	317
96,636,520-K	Gasmar S.A.	Chile	Indirect associate	Purchase of fuel	5	(5)
76,044,336-0	Golden Omega S.A.	Chile	Indirect associate	Leases	1,501	1,501
76,044,336-0	Golden Omega S.A.	Chile	Indirect associate	Canned food sales	1	1
76,349,706-2	Hualpén Gas S.A.	Chile	Indirect associate	Purchase of services	72,704	(72,704)
76,349,706-2	Hualpén Gas S.A.	Chile	Indirect associate	Leases	10	10
96,555,810-1	Instituto de Investigación Pesquera S.A.	Chile	Related Affiliate	Consultancy and other services	101	(101)
94,082,000-6	Inversiones Siemel S.A.	Chile	Common shareholder	Facilities rental	132	(132)
96,722,460-K	Metrogas S.A.	Chile	Associate	Purchase natural gas	695	(695)
96,722,460-K	Metrogas S.A.	Chile	Associate	Sale of fuel	99	99
93,628,000-5	Molibdenos y Metales S.A.	Chile	Common shareholder	Sale of fuel	462	462
78,096,080-9	Portaluppi, Guzmán y Bezanilla Abogados	Chile	Partner Director	Legal advisory services	548	(548)
96,959,030-1	Puerto Lirquén S.A. (ex Portuaria Sur de Chile S.A.)	Chile	Indirect associate	Port services	2,206	(2,206)
86,370,800-1	Red To Green S.A.	Chile	Common shareholder	IT services	190	(190)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Management consultancy services	404	(404)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Other purchases	14	(14)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Other sales	2	2
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Reimbursable expenses	1	(1)
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	Storage services	2,333	(2,333)
-	Unillin Arauco Pisos Ltda.	Brazil	Joint venture	Timber	1,548	1,548
76,724,000-7	Woodtech S.A.	Chile	Common shareholder	Timber volume measurement services	758	(758)

18.4 Board of Directors and Senior Executives

Remuneration of senior executives includes directors, managers and deputy managers and comprises a fixed monthly amount, as well as discretionary annual bonuses.

The remuneration for Directors and senior executives are as follows:

Remuneration for senior executives and directors	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Remuneration and bonuses	45,698	52,148	20,887	25,338
Director's fees	3,190	3,583	906	1,332
Termination benefits	3,121	3,510	2,494	580
Total remuneration for senior executives	52,009	59,241	24,287	27,250

NOTE 19. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES**I. Lawsuits and other legal actions of the affiliate Celulosa Arauco y Constitución S.A. ("Arauco"), its affiliates and associates:**

1. Arauco Argentina S.A.

Within the scope of Law No.25,080, the former Department of Agriculture, Livestock, Fisheries and Food was authorized to approve Resolution 952/2000 containing forestry and forestry-industrial investment projects submitted by Arauco Argentina S.A. These projects allowed the Company to plant: 1) 4,777 hectares of forests during 2000 in compliance with the annual plan; and 2) 23,012 hectares between 2000 and 2006 as part of its multiple year forestation plan. It also built a sawmill with installed capacity to produce 250,000 m³ of timber per year.

On January 11, 2001, Arauco Argentina S.A. presented an extension to the approved forestry-industrial project. This extension was approved by Resolution 84/03 by the former Department of Agriculture, Livestock, Fisheries and Food. The Company complied with its obligations by building an MDF panel board plant and planted 8,089 hectares of forest between 2001 and 2006.

The Company has submitted annual forestry plans from 2007 through to 2018 for its plantations located in the provinces of Misiones and Buenos Aires.

The Agriculture, Livestock and Fisheries Secretariat approved Resolution 2019-55-APN-SECAGYP#MPYT on March 25, 2019, which approved the 2007 annual forest plan. It also approved the annual forest plan for 2009 on June 12, 2019 through Resolution 2019-114-APN-SECAGYP#MPYT, and approved the annual forest plan for 2008 on November 29, 2019 through Resolution 2019-228-APN-SECAGYP#MPYT. Therefore, Arauco Argentina S.A. will be able to calculate the income tax exemptions with effect from 2019 on the forestry value of the plantations it harvests from the land included in these plans.

In March 2005 the Department of Agriculture, Livestock and Forestation issued Note 145/05, which suspended the exemption of export duties that Arauco Argentina S.A. had enjoyed until that date, in accordance with Law 25,080. The Company is discussing this measure. On November 8, 2006, the Fifth Court of the National Appeals Chamber for Contentious, Federal and Administrative Matters issued a decision authorizing Arauco Argentina S.A. to continue enjoying the export duty exemption as it had done previously before the suspension issued in Note 145/05. But that goods should be released using the guarantee regime established in Article 453(a) of the Customs Code, for the export duty exempt from payment. The legal measure was enforced from March 2007 by pledging guarantees through providing bail policies for each of the shipping permits exempt from export duty. Arauco Argentina S.A. has a provision for AR\$ 1,406,696,320 (equivalent to ThUS\$ 19,967 as of June 30, 2020) for the export duties guaranteed during 2007 to 2015, presented in the heading "Other long-term provisions". The Company also initiated a repetition claim for US\$ 6,555,207, plus interest from the transfer notification date, for export duties paid between March 2005 and March 2007 due to Note 145/05 issued by the Department of Agriculture, Livestock and Forestry being enforced. The Company's claim is being processed in Case 21830/2006 before Federal Administrative Litigation Court 4. On October 28, 2019, a first instance ruling was issued that rejected the claim and imposed the costs on Arauco. The Company filed an appeal against this ruling and expressed its grievances in December 2019.

Furthermore, in April 2016 the Department of Agriculture, Livestock, Fisheries and Food issued resolution 154-E/2016 requiring the owners of undertakings that received certain fiscal benefits in accordance with Law 25,080 to pledge guarantees to cover a third of the project duration with a minimum of five years. In May 2019, the Company amended its guarantee constituted in accordance with this Resolution, to become a total of AR\$ 384,317,563 Argentine pesos (equivalent to ThUS\$ 5,455 as of June 30, 2020).

The Company believes that it has met all its obligations under Law 25,080.

2. Celulosa Arauco y Constitución S.A.:

2.1 On August 25, 2005, the Chilean Servicio de Impuestos Internos (the "Chilean IRS") issued tax calculations 184 and 185 of 2005. These challenged the capital reduction transactions effected by Arauco on April 16, 2001 and October 31, 2001, and requested the Company to reimburse amounts returned to it in respect of tax losses, and to amend to its taxable profits and losses carried forward. Therefore, the tax calculations required the reimbursement of the historical amount of Ch\$4,571,664,617 as of October 31, 2002 (equivalent to ThUS\$ 5,567 as of June 30, 2020). On November 7, 2005, the Company requested a Review of Tax Inspections (Revisión de la Actuación Fiscalizadora, or "RAF"), and a claim was filed against tax calculations 184 and 185 of 2005. The RAF was resolved on January 9, 2009 by the Chilean IRS, which only partially sustained Arauco's request and reduced the sum to Ch\$1,209,399,164 (equivalent to ThUS\$ 1,473 as of June 30, 2020), leaving an amount in dispute of Ch\$3,362,265,453 (equivalent to ThUS\$ 4,094 as of June 30, 2020) plus fines, interest and indexation. On February 19, 2010, the Court issued an order in which the claim was filed against the RAF.

On September 26, 2014, Arauco requested to submit this complaint to the jurisdiction of the new tax and customs courts. Subsequently, on October 10, 2014, Arauco's request was granted, and the case was submitted to the new Courts under RUC 14-9-0002087-3. On September 20, 2017, the Court passed judgment of first instance, confirming the assessments.

On October 12, 2017, Arauco filed an appeal requesting the Santiago Appeals Court to revoke the first instance sentence, and on June 29, 2018, the Santiago Appeals Court issued a second instance sentence, confirming the first instance. On July 19, 2018, Arauco submitted an appeal to the Supreme Court, Case 24,758-2018.

On June 21, 2019, Celulosa Arauco y Constitución S.A. filed an application for inapplicability before the Constitutional Court, due to unconstitutionality with respect to the legal precept contained in Article 53, paragraph 3 of the Tax Code.

On October 29, 2019, the Constitutional Court upheld the request filed by Celulosa Arauco y Constitución S.A., declaring unconstitutionally inapplicable Article 53, paragraph 3 of the Tax Code in the proceedings entitled "Celulosa Arauco y Constitución S.A. con SII Dirección Grandes Contribuyentes", before the Supreme Court, for the appeal submitted under Case 24,758-2018.

The case is currently before the Supreme Court.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

Plants

2.2 The Environment Superintendent ("SMA" in Spanish) issued Resolution 1 dated January 8, 2016, notified on January 14, 2016, which leveled 11 allegations against the Company for breaches in Environmental Approval Resolutions at the Valdivia plant and DS 90/2000. The 11 allegations were classified by the SMA as follows: 1 very serious, 5 serious and 5 minor.

On February 12, 2016, the company presented its defense.

On December 15, 2017, the SMA issued Resolution 1487, terminating the administrative proceedings, acquitting one allegation and upholding ten allegations with a penalty of UTA 7,777 (equivalent to ThUS\$ 5,724 as of June 30, 2020). On December 22, 2017, the company filed an appeal with the SMA against Resolution 1487, requesting to be acquitted of all allegations, with the exception of allegation number 7 (late submission of the water quality report for the Cruces River).

The SMA notified the Company of Resolution 357 on March 23, 2018, which rejected the appeal submitted by the company. Therefore, on April 5, 2018 a judicial appeal was submitted to the Third Environmental Tribunal. On November 12, 2018, the case was settled and Minister Sibel Villalobos Volpi was appointed to prepare the judgement.

Subsequently, on 11 February 2020, the appeal was partially upheld, arguing that one of the charges was wrongly classified as serious. Accordingly, on February 28, 2020, both Arauco and the SMA filed appeals that are currently waiting for the Supreme Court to process.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

Celulosa Arauco y Constitución S.A., Forestal Arauco S.A., Maderas Arauco S.A. and Servicios Logísticos Arauco S.A.

2.3 On August 13, 2018, the Asociación Gremial de Dueños de Camiones de Constitución ("Asoducam") filed a lawsuit for forced compliance plus damages against Forestal Arauco S.A., Servicios Logísticos Arauco S.A., Celulosa Arauco y Constitución S.A. and Maderas Arauco S.A. The lawsuit was based on alleged breaches of the 2001 and 2005 cargo allocation, distribution and supply agreements entered into by Asoducam's associates with Forestal Arauco S.A. initially, and then allegedly, according to the plaintiff, with Servicios Logísticos Arauco S.A., in favor of the other two defendants, Celulosa Arauco y Constitución S.A. and Maderas Arauco S.A. It requests forced performance of the contract, plus Ch\$575,000,000 (equivalent to ThUS\$ 700 as of June 30, 2020) in damage compensation and in subsidy. (a) Ch\$11,189,270,050 (equivalent to ThUS\$ 13,625 as of June 30, 2020), for emergent damages. (b) Ch\$11,189,270,050 per month in loss of profit during the entire duration of the lawsuit, until the contract is declared terminated in the final ruling. (c) Ch\$5,000,000,000 (equivalent to ThUS\$ 6,088 as of June 30, 2020) for moral damages.

Celulosa Arauco y Constitución S.A., Forestal Arauco S.A. and Maderas Arauco S.A. were notified of the demand on August 28, 2018. Servicios Logísticos Arauco S.A. has not yet been notified.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

3. Forestal Arauco S.A.:

3.1 On July 11, 2017, the Company was notified of a civil lawsuit claiming land ownership, filed by Ms. Carmen Muñoz Dominguez in representation of Forestal Ezrece S.A. She alleges that her client is the owner by assignment and sale of 87.5% of the inheritance rights of the rural property called "Pino Huacho" located in Los Alamos and Cañete, in the Lebu province, Biobio Region. The land has an area of 5,144.22 hectares, alleged to be owned by Forestal Arauco S.A., and requesting the Court to resolve that Forestal Arauco S.A. should be ordering to restore the land to its rightful owner. Forestal Arauco S.A. responded to the demand, requesting that it should completely rejected with costs, and adding a counterclaim based on the statute of limitations.

On July 30, 2019, a ruling was issued fully rejecting both the main claim and the counterclaim. (Case C-109-2017 at Lebu Civil Court)

On August 12, 2019, the plaintiff filed an appeal against the final judgment. On September 2, 2019, Forestal Arauco S.A. joined the appeal. On July 2, 2020, the Appeals Court ratified the judgment handed down by the court of first instance.

On July 19, 2020, the plaintiff submitted an appeal. The appeals are waiting to be processed by the Supreme Court.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

3.2 Ms. Estela Jaramillo filed a lawsuit in special indigenous proceedings before the First Court of Osorno (Case C-2540-2018), requesting the absolute nullity of the purchase agreement entered into in 1999, by which Consorcio Forestal S.A. sold to Forestal Valdivia S.A., now Forestal Arauco S.A., a 1505.6 hectare piece of land called Fundo San Nicolás Dos Lote Uno Norte. It also claimed damages for the exploitation, use and enjoyment of indigenous lands against Forestal Arauco S.A.

On November 10, 2018, Forestal Arauco S.A. was notified of the lawsuit. On January 16, 2019, the Tribunal withdrew the lawsuit against Consorcio Forestal S.A., which had not been notified of the demand.

On March 18, 2019, a response and conciliation hearing was held, and the case was received on the evidence of the summons.

On May 11, 2020, a ruling was issued fully rejecting the claims. On June 9, 2020, the ruling was certified as binding. Case closed.

3.3 Inversiones Forestales Los Alpes Limitada and Forestal Neltume-Carranco S.A. filed a claim against Forestal Arauco S.A. before the Angol Court (Case C-502-2015), in which they requested that Forestal Arauco S.A. returns its ownership of 1,855.9 hectares, which is part of their property "Resto del Fundo Los Alpes" that covers approximately 2,700 hectares. They also request that the plaintiffs are declared exclusive owners of the property, that its civil and natural benefits are restored, plus any deterioration of the property, with costs.

On May 29, 2019, the lawsuit was contested and a counterclaim of acquisitive prescription was filed.

The reconciliation hearing was held on March 3, 2020, and a ruling on the case is pending.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

3.4 On August 2, 2019, the company was notified of a lawsuit filed by "Sociedad Recuperadora de Fibra S.A." before the First Valdivia Civil Court (Case C-2215-2019). The plaintiff in this lawsuit challenged the early termination of a contract by Forestal Arauco. It also alleges that the company may have breached various contractual obligations in respect of two groups of contracts:

- A. (i) Gravel Transportation Contract and (ii) Platforms and Storage Production, Loading, Storage Handling and Construction Contract.
- B. (i) Aggregates Production Services Contract, (ii) Aggregates Long Freight Services Contract and (iii) Aggregates Short Freight and Granular Storage Construction Services Contract.

Consequently, it requests an indemnity amounting to Ch\$3,486,187,431 (equivalent to ThUS\$ 4,245 as of June 30, 2020).

On September 17, 2019, Forestal Arauco S.A. responded to the demand and filed a counterclaim for damages, requesting that the plaintiff be ordered to pay Ch\$421,723,281 (equivalent to ThUS\$ 513 as of June 30, 2020).

The evidence stage began on January 9, 2020, with both parties notified.

Currently, the evidence stage has been suspended due to the pandemic.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

3.5 On April 15, 2020, Forestal Arauco S.A. was notified of a claim filed against it by Agrícola, Forestal, Transportes e Inversiones El Quillay SpA before the Constitutional Court (case C-298-2020), in which the plaintiff requested that Forestal Arauco S.A. return to it an area of 3,424.59 hectares described as follows. (i) "Property that forms part of the Hijueta Sur Poniente of the Hijueta Sur of the Quivolgo Estate" (ii) "Lomas de Quivolgo" and, (iii) "Hijueta Astillero". The plaintiff alleges that these properties are part of "Bodega de la subdelegación de Quivolgo", and he has a 4.17% interest in it. He also requests that the registration of these properties in the name of Forestal Arauco S.A. be cancelled, as it is holding them in bad faith.

The discussion period is now over, and the Court will now summon the parties to a reconciliation hearing.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

3.6 Forestal Arauco S.A. filed a lawsuit with the Constitutional Court (case C-353-2019) against Ricardo Guzmán Reyes for damages caused as a result of illegal logging of trees within the boundaries of Forestal Arauco's property, known as the "Parte Sur-Poniente de la Hijueta Sur de la Hacienda Quivolgo" and "Lomas de Quivolgo". These damages are valued at Ch\$100,000,000.

On May 2, 2020, Mr. Ricardo Guzmán responded to the lawsuit, and filed a counterclaim, in which he requested that Forestal Arauco S.A. return to him 3,424.59 hectares described as follows. (i) "Property that forms part of the Hijueta Sur Poniente of the Hijueta Sur of the Quivolgo Estate" (ii) "Lomas de Quivolgo" and, (iii) "Hijueta Astillero". The plaintiff alleges that these properties are part of "Bodega de la subdelegación de Quivolgo", and he has a 2.38% interest in it. He also requests that the registration of these in the name of Forestal Arauco S.A. be cancelled, as it is holding them in bad faith.

The discussion period is now over, and the Court will now summon the parties to a reconciliation hearing.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

3.7 On May 11, 2020, Forestal Arauco S.A. was notified of a demand filed against it by Agrícola, Forestal, Transportes e Inversiones El Quillay SpA before the Constitutional Court (case C-323-2020). The plaintiff alleges that the property called "Predio que forma parte de la Hijueta Sur Poniente, de la Hijueta Sur del Fundo Quivolgo", owned by Forestal Arauco S.A, should in fact be 498 hectares, and consequently the defendant should not own the proportion of that property that totals 1,768.20 hectares. Therefore, the plaintiff requests the court to confirm the foregoing, and declare that the area is part of a property called "La Bodega de la Subdelegación de Quivolgo", owned by the estate of José Arcos González, in which the plaintiff has an interest.

The discussion period is now over, and the Court will now summon the parties to a reconciliation hearing.

There is a reasonable possibility of obtaining a favorable result for Arauco, as the Company's position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of June 30, 2020.

4. Arauco do Brasil S.A.:

On November 8, 2012, Brazilian Tax Authorities issued an Infraction Notice against a Brazilian affiliate, Arauco do Brasil S.A., for alleged unpaid taxes purportedly payable for the years 2006 to 2010. In particular, the Tax Authorities (i) objected to the deduction of certain payments and expenses (including premium amortization, interest and legal expenses) by Arauco do Brasil between 2005 and 2010 and (ii) alleged that Arauco do Brasil had underpaid its Brazilian Corporate Income Tax ("IRPJ") and the Brazilian Social Contribution on Net Profits ("CSLL") obligations during 2010.

On July 20, 2015, Arauco do Brasil was notified of a decision at the first administrative level, to partially uphold the case, with an estimated value of BR\$ 164,159,000 (ThUS\$ 29,978 as of June 30, 2020). An appeal was submitted against this decision, to revoke the Infraction Notice with the CARF (the Brazilian Taxation Appeals Administrative Council), which is the second administrative level. The CARF reached a decision on May 16, 2017 having considering some of the Company's arguments regarding the premiums, but retaining other charges. Arauco do Brasil was notified of a CARF decision on September 27, 2018 presenting the current value at BR\$ 57,556,262 (ThUS\$ 10,511 as of June 30, 2020), plus interest and inflation adjustments until the discussion is closed. Arauco do Brasil filed an appeal, to request clarification by CARF of some of its decision points.

On January 25, 2019, the CARF indicated that there were no further clarifications or omissions to be submitted, and that the period to submit the last administrative appeal ("Recurso Especial") had begun. This appeal was submitted to the Upper Fiscal Appeals Chamber of the CARF (CSRF) on February 11, 2019, reiterating the Company's defense arguments on the issues and charges in that process.

On July 17, 2019, the Company heard that an intermediate decision had been issued by CARF, which examined the legal criteria for admitting the Special Appeal, and only admitted point "4", which is the challenge to the isolated 50% fine. The other points within the appeal are as follows. 1. Details of contractual costs deducted in the purchase of Tafisa; 2. Details of interest and legal costs on debts paid in the amnesty program; 3. Lower IRPJ and CSLL during the second part of 2010. CARF believed that there were no legal criteria for admitting these appeals. Thus, the appeal under point "4" will go to the CSRF for trial.

The Company filed another administrative appeal ("Agravo de Instrumento") with respect to points 1, 2 and 3, to amend the inadmissibility of these points.

Based on the last declaration embargos decision, the CARF set the current value under discussion at BR\$58,059,580 (ThUS\$ 10,603 as of June 30, 2020) on the January 31, 2019 base, and interest and inflation indexation would be added to this value with effect from January 31, 2019 until the case is finalized.

The Company believes that its objection to the Infraction Notice is supported by solid legal arguments and that there is a reasonable likelihood that this matter will result in a favorable outcome for the Company. Otherwise, the next step would be for the Company to challenge the notification with Brazilian Justice.

Therefore, Arauco has not made any provision for this contingency as of June 30, 2020.

II. Lawsuits or other legal actions of the affiliate **Compañía de Petróleos de Chile Copec S.A.** and its affiliates:

1. Compensation for damages

- a) Mr. Mauricio Madrid Marticorena and Luis Sepulveda Marticorena filed three lawsuits in the Third Civil Court of Santiago. The first lawsuit in summary proceedings for damages caused by an alleged breach in Law 17,336 on Intellectual Property, during negotiations to launch a business making Biodiesel from algae. The amount claimed is ThUS\$ 1,135.

The plaintiffs are seeking compensation for damages before the same court and for the same events, alleging that COPEC has breached business secrecy rules, namely Law 19,039 on Intellectual Property. The amount claimed is ThUS\$ 311.

Finally, based on the same events, the plaintiffs brought an ordinary action for damages of tort. The amount is ThCh\$ 895,000.

Both cases ruled in Copec's favor in the first instance. Subsequently, the Appeal Court partially upheld one of the demands and ordered Copec to pay ThCh\$ 40,000. As a result, Copec appealed to the Supreme Court, and its ruling is pending.

The possibility of an unfavorable outcome is remote.

- b) A group of 107 Mejillones fishermen filed a claim for damages against the Company, which is being processed before the 13th Civil Court of Santiago. The case is based on the damages suffered by the fishermen following a fuel spill on August 2018 at Mejillones beach. Each plaintiff is claiming damages of Ch\$10,000,000 so the lawsuit amounts to ThCh\$1,070,000. Currently the case is pending judgment, but it is covered by insurance policies. The possibility of a contingent liability arising that is not covered by insurance is remote.
- c) The family of the child María Isabel Díaz Moyano, who died as a result of an accidental collision caused by a Company employee in a Company vehicle, filed a claim for damages against the Company with the 7th Civil Court of Santiago. The plaintiffs have claimed total damages of ThCh\$1,400,000. This is covered by insurance policies and the claim is plausible but for smaller amounts than those claimed by the plaintiffs.
- d) Mr. Iván Juvenal Torrejón Villar is a former Pau Padros Marras employee and concessionaire of the facility located at Camino a Farellones. He filed a demand against his former employer and jointly and severally with Compañía de Petróleos de Chile COPEC S.A. and Empresas Copec S.A. This demand is a claim for damages due to an occupational accident while performing his job. The demand was filed before the First Labor Court of Santiago, RIT O-4449-2020, requiring the defendants to jointly and severally pay Ch\$80,000,000. This is covered by insurance policies and the claim is plausible but for smaller amounts than those claimed by the plaintiff.

2. Pureo Plant

On September 6, 2011, there was a spill of diesel fuel in the Fuel Storage Plant located in Pureo, Calbuco, which had the following consequences:

- A group of mussel farmers sued the Company in Puerto Montt for compensation for the damages following the fuel spill at the plant in Calbuco, Pureo. The demand totaled ThCh\$ 830,200. The plaintiffs withdrew their claim, so the farmer's case is closed.
- Subsequently, a second lawsuit for ThCh\$ 1,501,701, for consequential damages, lost profits and moral damage, was presented by Martinez, which is in addition to the first. First and second instance rulings rejected the claim. At present, the second case is now before the Supreme Court following an appeal filed by the plaintiff.

According to Management and its legal counsel, the contingency is remote.

3. SEC fines

There are several fines imposed by the Superintendence of Electricity and Fuels for approximately ThUS\$10,000.

According to Management and its legal counsel, an unfavorable result is possible.

4. Quintero Lubricants Plant

The Union of Independent Workers, Artisanal Fishermen, Sea-food Divers and similar trades in Horcón bay and other people in the area filed a demand with the second Santiago Environmental Court. The demand is for environmental damage caused by several companies operating in the "Ventanas Industrial Complex", which is located in the Quintero and Ventanas bays, including Empresas Copec S.A. as alleged operator of the Lubricants Plant located on the edge of Quintero Bay, Loncura sector, which is described in Case file D-30-2016, and notified on November 10, 2016.

The alleged environmental damage is based on operating an industrial plant that Empresas Copec does not control, as it is owned and operated by its affiliate Compañía de Petróleos de Chile Copec S.A. Therefore, Empresas Copec S.A. filed a defense that it is not responsible for this alleged environmental damage and requested that the case be dropped. Subsequently, the case went to trial, and the court decided that the dilatory exceptions will be resolved in the final judgment. The reconciliation has not been successful, so it is expected that the case will be resumed and the evidence stage will begin.

According to the legal advisers, the Company's defense is sufficiently strong to expect that the court will reject the demand.

5. Affiliates

Organización Terpel S.A.

- As a result of purchasing the Cartagena plant in Colombia, Organización Terpel S.A. undertook to indemnify the

Third Party Acquirer (Inversiones Primax S.A.S. and Primax Holdings S.A.S.) against any of the following events:

- a. Any lawsuit or claim related to the Mobil lubricants business that was transferred by DAC to Terpel, for a maximum term equal to the statute of limitations under Colombian law (10 years) and up to an amount equal to the final price of the Fuels Resale SPA - Share Purchase Agreement (after adjustments). This value has not yet been defined since the adjustments have not been made. A claim has been filed, which is at the initial stage, according to an evaluation by the Organization. The contingency will become clearer as the case progresses, depending on what happens at the evidentiary stage.
 - b. On environmental issues, only for a breach or inaccuracy in the representations and guarantees established in the SPA, for a period of 10 years and limited to ThUS\$ 5,000.
 - c. On transfer prices, only for a breach or inaccuracy of the representations and guarantees established in the Fuels Resale SPA for a period of five and a half years and limited to ThUS\$ 5,000.
- On July 3, 2013, the DIAN (the Colombian Directorate of Taxes and Customs) rejected the deduction of US\$38.497 million, being amortization of goodwill generated on the acquisition of shares in GAZEL included in the income declaration presented by TERPEL for the fiscal year 2010. Organización Terpel S.A. responded to this special requirement stating how it had satisfied all the requirements established by law to deduct as an expense the amortization of goodwill in the 2010 tax year and accordingly asked the DIAN to accept the declaration with this deduction, but as a result of its rejection, legal action was taken. In June 2018, the court of first instance ruled in favor of TERPEL, so the fiscal authority filed an appeal within the legal terms and conditions, July 10, 2018. Once the appeal has been resolved, the extraordinary review appeal will be processed by the Council of State, whose final decision could take up to four years. According to legal counsel, the likelihood of success is high.
 - PGN GASNORTE S.A.C. filed a lawsuit against the Lima Metropolitan Municipality, Peru and Protransporte for a breach of the Concession Agreement for Gasocentro Norte, which caused the following damages: a) Accrued interest, b) Finance costs overrun on the accrued interest on the Loan with Interbank, and c) Lower income received by PGN GASNORTE. The amount claimed was US\$3.2 million, and the arbitral award that resolved the dispute was recently reported and upheld PGN GASNORTE S.A.C. However, the Lima Metropolitan Municipality filed a clarification appeal before the Second Commercial Chamber of the Judicial Branch, which was resolved on September 23, 2019, declaring the appeal unfounded and therefore the arbitration award valid. This will enable the execution stage to begin.
 - PGN GASUR S.A.C. filed a lawsuit against the Lima Metropolitan Municipality, Peru and PROTRANSPORTE for a breach of the Concession Agreement for Gasocentro Sur, which caused the following damages: a) Financial costs overrun on the accrued interest on the Loan with Interbank, and b) Lower income received by PGN GASUR S.A.C. The amount claimed was US\$1.0 million, and the arbitral award that resolved the dispute was recently reported and upheld PGN GASUR S.A.C. However, the Lima Metropolitan Municipality filed a clarification appeal before the First Commercial Chamber of the Judicial Branch, which was finally dismissed because the appeal had expired, as the appeal submitted by the Lima Metropolitan Municipality was filed too late. Consequently, the Judicial Branch declared the arbitral award valid, thus initiating the execution stage.
 - The entire NGV industry in Peru (including the affiliate Terpel Peru) is being investigated for alleged price agreements between 2011 and 2015, and a technical report was issued by the secretary of the competition authority (INDECOPI) who recommended applying sanctions to the affiliate of US\$17.5 million. On August 7,

2018, Gazel Peru was granted an audience before the Anti Trust Authority, in order to undermine the recommendation in the technical report. New hearings were scheduled for October 12, 15 and 16 this year following the resignation of one of the Commissioners. The closing arguments were completed in January 2019. The related companies Bacthor and Bacpetrol, affiliates of Terpel Peru, were linked and were notified in Resolution 104-2018/CLC-INDECOPI of the following fines:

- Terpel, approx. US\$17 million.
- Bacthor and Bacpetrol, approx US\$1.5 million.

On February 1, 2019, an appeal was filed, which will be resolved by the Anti Trust Authority during the second half of 2020. If the appeal decision is not favorable (which is to be expected, given that the decision is made by the same entity that sanctioned it), the demands would be filed before the contentious jurisdiction against the resolution that imposed the sanction. This process will take approximately 5 years.

After the appeal was filed, INDECOPI unofficially reduced Terpel's fine by approximately US\$5 million, to leave a total fine of approximately US\$12 million. This is not a decision resulting from the appeal, as this has not yet been decided.

On May 3, 2019, a protection appeal was filed against INDECOPI with the purpose of nullifying the imposition of the fine imposed on TERPEL PERU, BACPETROL and BACTHOR, for deficiencies in the process. This appeal was filed before the 11th Sub-Specialized Constitutional Court on Tax, Customs and Market Issues under Case 2631-2019 and was admitted on June 17, 2019. On September 27, 2019, Resolution 3 notified the defendant with copies of the claim statement and appendices. Estimated time to complete the process is two and a half years.

- Ludesa and Casamotor (former distributors of Mobil lubricants) filed a lawsuit for approximately US\$85 million against Distribuidora Andina de Combustibles S.A. (formerly ExxonMobil de Colombia S.A., now Primax Colombia S.A.), alleging a commercial agency contract since 1962. They also allege unjustified termination of the business relationship. Organización Terpel S. A. is responsible for the outcome of this process, since it agree to indemnify Inversiones Primax S.A.S. and Primax Holdings S.A.S. who are the third party acquirers of ExxonMobil Colombia's business, against any lawsuit or claim related to the Mobil lubricants business in Colombia. The proceedings have reached an initial stage (response to the demand). To date, the plaintiffs have not proved the business relationship since 1962. The plaintiffs were created in 2013 and 1996. Additionally, there is documentation confirming that the commercial relationship covered distribution of lubricants by purchases for resale, which was legally terminated as the agreed term expired. The plaintiffs (Ludesa and Casamotor) submitted an amendment to the lawsuit, which was admitted on October 16, 2019. Subsequently, Terpel filed an appeal against admitting the amended lawsuit, arguing undue accumulation of claims and lack of clarity, which affects its ability to adequately exercise its right of defense. A ruling from the judicial authority is pending.
- Héctor Mario Gomez is a former affiliate of EDS Bandera Terpel, and sued the company seeking compensation for alleged damage caused by the termination of negotiations to renew the fuel supply contract. Mr. Gomez estimates his damages at US\$2.3 million. The defense requested recognition that the demand by Mr. Gomez is unlawful, because his previous contract and the negotiation were with Estación de Servicio el Grande EU. Additionally, it is argued that the termination of the negotiations was not unjustified and untimely, Terpel Organization was not obliged to sign a new contract with Mr. Gomez and within the negotiation of the contract, there were good reasons to determine that it was not convenient to renew it. The evidence stage has been

completed and a date for a trial hearing had been set for May 14, 2020. However, judicial proceedings have been suspended, as decreed by the Superior Council of the Judiciary due to Covid-19, so it could not be held. A new date for this hearing is awaited.

- The service station maintenance provider, L&H Ingeniería Hernández Ltda. filed a lawsuit against Terpel requesting that it be held liable for financial and non-financial damages, estimated at US\$3.9 million, caused by the alleged improper termination of the contractual relationship. The defense arguments are aimed at demonstrating that the contract ended due to the expiration of its term. The evidentiary stage has been completed, and a ruling in favor of Terpel was issued on October 10, 2019. The plaintiff appealed against this ruling, which was admitted and is currently before the Barranquilla High Court.
- The competitor Importadora Fertilizantes Tasajero S.A.S. filed a lawsuit against Terpel, alleging unfair competition for breaches in the regulations at a supply plant without adequate permission for dumping, and requests that Terpel be ordered to pay US\$3.52 million. The defense is aimed at demonstrating that no regulations were breached, as the plant had all the environmental and hydrocarbon sector permits. As a result, Terpel was not an illegitimate market operator, as the plaintiff alleges. Furthermore, the defense will try to demonstrate that the lawsuit is statute-barred. The case is at the evidence stage.
- The aviation customer Aerosucre filed a lawsuit requesting that Terpel be declared civilly responsible for breaking the law, by collecting VAT on products that are expressly exempt from this tax under the law. Therefore, it requests that Terpel be ordered to reimburse all the resulting damages caused between 2011 and 2013, estimated at US\$1 million. The process is invalid as it does not comply with the correct process and the judge lacks jurisdiction, so the corresponding annulment was filed, which was denied in the first instance. An appeal was filed on October 10, 2019 in response to this decision, which was ruled in favor of Terpel and all proceedings were declared null and void. On April 17, 2020, Aerosucre filed a protective action against the ruling that declared the process void. On May 4, 2020, the Supreme Court ordered the Barranquilla Judicial District High Court to issue a new ruling. On May 7, Terpel challenged the decision of the Supreme Court, which ruled in favor of Aerosucre and as a result, the High Court was again asked to rule, taking into consideration that the Supreme Court believed that its decision exceeded the procedures. This implies that the case will return to the High Court to comply with the order of the Supreme Court and issue a ruling, which we hope will be favorable. Additional legal measures are being considered in the event of an adverse ruling.

6. Guarantees

Guarantees are received from third parties in favor of the Company and are mortgages, pledges and retentions on concession and consignment agreements, fuel supply contracts, lines of credit and construction contracts.

The main guarantees as of the reporting date were as follows:

As of June 30, 2020

GUARANTEE	TRANSACTION	ThUS\$	COMPANY	RELATIONSHIP
Mortgage	Fuel and Lubricant Supply Contract	832	EST DE SERV VEGA ARTUS LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	609	COMERCIAL Y SERVICIOS PINCAL LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	605	AMELIA MARTINEZ RASSE Y COMPAÑIA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	536	PATRICIO ABRAHAM GHIARDO JEREZ	Concession
Mortgage	Fuel and Lubricant Supply Contract	520	JAIME ALEJANDRO VILLANUEVA LOZANO	Concession
Mortgage	Fuel and Lubricant Supply Contract	449	DINO PEIRANO Y CIA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	444	ALTO MELIMOYU S.A.	Concession
Mortgage	Fuel and Lubricant Supply Contract	433	SOCIEDAD COMERCIAL RINCON LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	433	COMBUSTIBLES Y SERVICIOS LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	431	DISTR. DE COMB. COKE LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	427	COMERCIAL Y SERVICIOS FERSOF LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	419	COMERCIAL DE PABLO Y MARIN LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	413	GAJARDO E HIJOS LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	396	COMERCIAL LINCOYAN LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	393	COMERCIALIZADORA LONCOMILLA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	388	AUTOMOTRIZ Y COMERCIAL LONCOMILLA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	384	COMERCIAL F. Y H. LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	368	COMERCIAL MAHO LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	368	COMERCIAL Y SERVICIOS SAN IGNACIO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	352	SOCIEDAD COMERCIAL CAROLINA HERNANDEZ	Concession
Mortgage	Fuel and Lubricant Supply Contract	351	MARTINEZ RASSE Y CIA. LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	345	DE LA FUENTE MARTINEZ Y COMPAÑIA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	345	INV Y COM LIRAY LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	343	COM. Y DISTRIBUIDORA LOS LIRIOS LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	338	COMERCIAL Y SERVICIOS DG LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	333	GARCIA Y COMPAÑIA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	331	ESTACION DE SERVICIO VIÑA DEL MAR LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	329	COMERCIAL BEFFERMANN E HIJOS LTDA	Concession
Mortgage	Fuel and Lubricant Supply Contract	328	ROSENBERG Y SEPULVEDA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	328	ADMINIST.DE E/S AUTONOMA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	324	STEFFENS Y COMPAÑIA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	322	DELAC S.A.	Concession
Mortgage	Fuel and Lubricant Supply Contract	310	COMERCIALIZADORA Y DISTRIBUIDORA DEL NORTE LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	307	SANTA LUISA DE NAVA DEL REY LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	306	COMERCIAL ONE STOP LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	304	COMERCIAL ONE STOP LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	300	SERVICIOS KAYFER LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	297	COMERCIAL ELIZABETH OCARANZA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	297	COMERCIAL J & C MOYA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	295	SOCIEDAD COMERCIAL LAS VIOLETAS LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	293	COMERCIAL SOZA Y ARAVENA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	289	COMERCIAL Y SERVICIOS EL TATIO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	287	COMERCIAL Y SERVICIOS PALAU LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	286	DISTRIBUIDORA VALLE GRANDE LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	279	EST. DE SERV. COLON TOMAS MORO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	279	SOCIEDAD COMERCIAL EL PARRON LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	268	COMERCIAL Y SERVICIOS LA ROCHELLE LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	266	COMERCIAL VARELA Y COMPAÑIA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	266	COMBUSTIBLES VARELA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	255	INVERSIONES JOTAS LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	254	COMERCIAL E INVERSIONES SANTA CATA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	251	RAMIS Y RAMIS LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	249	COMERCIAL Y SERVICIOS SEGUEL- BEYZA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	249	DISTRIBUIDORA PERCAB LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	248	COMERCIAL MAHANA Y COMPAÑIA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	245	FL COMERCIAL LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	241	COMERCIAL GRUPO MYDO LIMITADA	Concession

GUARANTEE	TRANSACTION	ThUS\$	COMPANY	RELATIONSHIP
Mortgage	Fuel and Lubricant Supply Contract	241	COM Y DIST PIRQUE LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	240	COMERCIAL Y SERVICIOS S & J FULL LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	240	COMERCIAL E INVERSIONES SALARES LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	238	COMERCIAL MALLKU LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	238	EXPENDIO DE COMBUSTIBLES Y LUBRICANTES LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	236	COMERCIAL DOMINGA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	235	GERMAN LUIS CONTRERAS CHAVEZ	Concession
Mortgage	Fuel and Lubricant Supply Contract	235	COMERCIAL Y SERVICIOS NEWEN LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	233	SOCIEDAD LUIS FONG VERGARA Y COMPAÑIA	Concession
Mortgage	Fuel and Lubricant Supply Contract	231	DE LA PAZ MERINO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	230	DISTRIBUIDORA B & B LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	230	COMERCIAL Y SERVICIOS RIMED LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	228	SOCIEDAD COMERCIAL PEREZ Y POBLETE LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	227	COMERCIAL CAUTIN LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	225	COMERCIAL Y SERVICIOS M & C LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	224	BODEGAJE, LOGISTICA Y DISTRIBUCION FERNANDEZ OSSA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	223	DANIEL VILLAR Y CIA. LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	223	MUÑOZ Y DIMTER LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	222	SOCIEDAD COMERCIAL QUINWER LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	221	AUTOMOTRIZ CRISTOBAL COLON LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	220	COMERCIAL CSC LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	219	COMERCIAL Y SERVICIOS FUTRONO LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	217	GRANESE Y ROSSELLI LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	214	NTEC SERVICIOS Y COMERCIALIZADORA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	213	SOCIEDAD COMERCIAL URQUIETA HUERTA	Concession
Mortgage	Fuel and Lubricant Supply Contract	212	COMERCIAL Y SERVICIOS BALMA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	210	COM Y SERVICIOS SAN ALFONSO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	207	ANGELA HENRIQUEZ MAGGIOLO Y COMPAÑIA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	205	SOCIEDAD HERRERA PRADO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	204	COMERCIAL GRONA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	201	SOC COM SHARPE HNAS LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	199	COMERCIAL Y SERVICIOS RIGA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	199	GEOMAZ COMERCIAL Y SERVICIOS LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	198	COMERCIAL E INVERSIONES BORQUEZ HULSE LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	198	COMERCIAL Y SERVICIOS BRAXO LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	198	COMERCIAL Y SERVICIOS LENGUA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	197	COMERCIAL Y SERVICIOS R & R LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	196	DISTRIBUIDORA DIAZ Y COMPAÑIA LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	196	COMERCIAL Y SERVICIOS ALESSANDRIA LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	163	COMERCIAL LOS CONQUISTADORES LIMITADA	Concession
Mortgage	Fuel and Lubricant Supply Contract	137	DIST DE COMBUST SAN IGNACIO LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	78	COMERCIAL Y SERVICIOS MEDNAV LTDA.	Concession
Mortgage	Fuel and Lubricant Supply Contract	801	VALLE DORADO S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	777	DISTRIBUIDORA DE LUBRICANTES SAN JAVIER LTDA.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	655	COMERCIAL RENGU LUBRICANTES S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	477	SOCIEDAD LUBRICANTES Y SERVICIOS LTDA.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	444	COMERCIAL HARAMBOUR LIMITADA	Distributor
Mortgage	Fuel and Lubricant Supply Contract	438	LUBRICANTES ARTIGUES S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	345	SOCIEDAD COMERCIALIZADORA NUEVA LONCOMILLA LIMITADA	Distributor
Mortgage	Fuel and Lubricant Supply Contract	1,448	TRANSPORTES MARITIMOS KOCHIFAS S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	1,024	BUSES METROPOLITANA S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	659	PULLMAN CARGO S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	632	FUENTES SALAZAR SANDRA	Industrial
Mortgage	Fuel and Lubricant Supply Contract	626	SOTALCO II LTDA.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	397	COMERCIAL CALAMA S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	396	PINTO LAGOS MIGUEL ANGEL	Industrial
Mortgage	Fuel and Lubricant Supply Contract	389	PETROMAULE LTDA.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	253	SOCIEDAD COMERCIAL E INMOBILIARIALA CUMBRE S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	253	OSCAR GILBERTO HURTADO LOPEZ TRANSPORTES E.I.R.L.	Industrial
Promissory Note	Fuel and Lubricant Supply Contract	487	ASOCIACION GREMIAL DE DUEÑOS DE CAMIONES DE LA SEXTA REGION	Industrial
Promissory Note	Fuel and Lubricant Supply Contract	244	SOCIEDAD ELECTRICAS DE MEDELLIN SA	Industrial
Promissory Note	Fuel and Lubricant Supply Contract	112	TRANSPORTE PUBLICO DE PASAJEROS RUTA LAS PLAYAS S.A.	Industrial
Promissory Note	Fuel and Lubricant Supply Contract	91	DISTRIBUIDORA DE COMBUSTIBLES	Industrial
Pledge	Fuel and Lubricant Supply Contract	183	FUENTES SALAZAR SANDRA	Industrial
Pledge	Fuel and Lubricant Supply Contract	87	RICARDO LEIVA Y CIA. LTDA.	Industrial
Pledge	Fuel and Lubricant Supply Contract	87	SALAZAR CRANE JULIA	Industrial
Instrument	Fuel and Lubricant Supply Contract	44	SOCIEDAD HERRERA BRAVO LTDA.	Concession
Instrument	Fuel and Lubricant Supply Contract	33	COMERCIAL MAR Y SOL LTDA.	Concession
Instrument	Fuel and Lubricant Supply Contract	16	TANGOUR Y LOYOLA LTDA.	Concession

Guarantees Granted**Celulosa Arauco y Constitución S.A.**

At the date of these interim consolidated financial statements, the affiliate Arauco has approximately US\$ 30 million in financial assets transferred to third parties (beneficiaries), as direct guarantees. If Arauco does not satisfy the obligation, the beneficiary may enforce this guarantee.

As of June 30, 2020, there are assets pledged as indirect guarantees amounting to US\$ 496 million. Unlike direct guarantees, indirect guarantees safeguard an obligation assumed by a third party.

On September 29, 2011, Arauco signed a Guarantee Agreement under which it granted a non-several commitment to guarantee 50% of the obligations of two Uruguayan companies (joint operations) Celulosa y Energía Punta Pereira S.A. and Zona Franca Punta Pereira S.A., under the IDB Facility Agreement for US\$454 million and the Finnvera Guaranteed Facility Agreement for US\$900 million.

Below is a breakdown of the main direct and indirect guarantees granted by Arauco:

Direct

Affiliate	Guarantee	Asset Committed	Currency	ThUS\$	Guarantee Beneficiary
Celulosa Arauco y Constitución S.A.	Performance bond	-	Chilean peso	488	General Directorate of Maritime Territory and the Merchant Navy
Celulosa Arauco y Constitución S.A.	Performance bond	-	Chilean peso	209	General Directorate of Maritime Territory and the Merchant Navy
Arauco Forest Brasil S.A.	Endorsement of ADB	-	Reals	389	Banco Votorantim S.A.
Arauco Forest Brasil S.A.	Mortgage of ADB's Jaguariava Industrial Plant	Property, plant and equipment	Reals	27,997	BNDES
Arauco Florestal Arapoti S.A.	Endorsement of ADB	-	Reals	439	Banco Votorantim S.A.
Total				29,522	

Indirect

Affiliate	Guarantee	Asset Committed	Currency	ThUS\$	Guarantee Beneficiary
Celulosa Arauco y Constitución S.A.	Non several and non cumulative guarantee	-	US dollars	193,058	Joint Ventures (Uruguay)
Celulosa Arauco y Constitución S.A.	Full guarantee	-	US dollars	300,000	Arauco North America (ex Flakeboard America Ltd.) (USA)
Celulosa Arauco y Constitución S.A.	Guarantee letter	-	US dollars	974	Arauco Forest Brasil y Mahal (Brazil)
Celulosa Arauco y Constitución S.A.	Guarantee letter	-	Reals	1,608	Arauco Forest Brasil y Mahal (Brazil)
Total				495,640	

Abastible S.A.

The indirect affiliate Solgas pledged to Banco Scotiabank Perú S.A.A. assets totaling ThUS\$112,238, to guarantee borrowings from financial institutions of ThUS\$92,188 (equivalent to PS/ 303,300,000). The term is 7 years from January 2019.

Compañía de Petróleos de Chile Copec S.A.

The Company has furnished performance bonds to guarantee delivery of fuels to customers and to guarantee works on public thoroughfares and other similar roads for a total of ThUS\$ 70,874 (ThUS\$ 60,108 as of December 31, 2019).

Pesquera Iquique – Guanaye S.A.

The indirect affiliate Orizon S.A. pledged 124,150 shares in the associate Boat Parking S.A. in favor of that company, in order to ensure compliance with all current or future contractual obligations of Orizon S.A. to Boat Parking S.A.

Alxar Internacional SpA

On May 16, 2018, an Extraordinary Shareholders' Meeting held by Empresas Copec agreed to provide guarantees to the Mina Justa project, under the following terms:

- 1) To secure up to 40% of Marcobre's obligations with a syndicate of loan agencies, financial institutions and banks, who would provide a "Project Finance" loan during the project's construction and commissioning phase. This loan would be between US\$ 800 million and US\$ 900 million, and the guarantee is limited to US\$ 360 million, which is 40% of the maximum figure.
- 2) Provided it is acceptable to the respective counterparties, to assume 40% of the guarantees provided by Minsur in favor of Ausenco, to guarantee Marcobre obligations under EPCM contracts in relation to the project. Or if for any reason it could not assume these guarantees, to authorize Empresas Copec to sign a back-to-back guarantee agreement, provided Minsur requires it, in order to reimburse Minsur or its related parties (as the case may be), of 40% of all costs payable by Minsur or its related parties under such guarantee. These contracts are valued at US\$ 75.4 million, and the guarantee was limited to 40% of this value, plus 10%, being US\$ 33.2 million.

Accordingly, on August 15, 2018, Grupo Cumbres Andinas S.A.C. signed a syndicated loan with a group of lenders composed of Export Development Canada, Export Finance and Insurance Corporation, KFW IPEX-Bank GMBH, the Export-Import Bank of Korea, Banco Bilbao Viscaya Argentaria, S.A. Hong Kong, Banco de Crédito del Peru and other lenders. The total value is US\$ 900 million with a Libor variable interest rate covered with a hedge. As of June 30, 2020, the Group had received disbursements of US\$ 666 million.

As of the date of these interim consolidated financial statements, there are no other contingencies that could significantly affect its financial or operating conditions.

Disclosure information regarding provisions

Provisions are recognized when there is a legal or constructive obligation as a consequence of past events, it is likely that a payment will be necessary to settle the obligation, and the amount of such payment can be reliably estimated. The amount is the best possible estimate at each reporting date.

Provisions	Current		Non-current	
	06.30.2020 ThUS\$	12.31.2019 ThUS\$	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Legal claims provision	10,403	9,693	10,049	11,286
Onerous contracts provision	0	0	13,313	23,188
Decommissioning, restoration and rehabilitation provision	226	260	20,742	20,256
Profit shares and bonuses provision	0	0	304	304
Other provisions	8,609	9,046	25,422	25,522
Total	19,238	18,999	69,830	80,556

Changes in provisions ThUS\$	Guarantee provision	Legal claims provision	Onerous contracts provision	Decommissioning restoration and rehabilitation provision	Profit shares and bonuses provision	Other provisions	Total
Opening balance as of January 1, 2020	0	20,979	23,188	20,516	304	34,568	99,555
Movements in provisions							
Increase (decrease) in provisions	0	2,893	(8,546)	268	0	23,851	18,466
Onerous contracts provision, current	0	0	0	0	0	0	0
Acquisitions through business combinations	0	0	0	0	0	0	0
Disposals through divestitures of businesses	0	0	0	0	0	0	0
Provisions used	0	(2,115)	0	(41)	0	(23,518)	(25,674)
Reversal of unused provisions	0	(164)	0	0	0	0	(164)
Increase for adjustment of the time value of money	0	0	0	0	0	0	0
Increase (decrease) from changes in discount rates	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	0	9	9
Increase (decrease) in foreign currency translation	0	(2,186)	(1,329)	225	0	253	(3,037)
Additional provisions	0	1,558	0	0	0	0	1,558
Other increases (decreases)	0	(513)	0	0	0	(1,132)	(1,645)
Total changes in provisions	0	(527)	(9,875)	452	0	(537)	(10,487)
Closing balance as of June 30, 2020	0	20,452	13,313	20,968	304	34,031	89,068

Changes in provisions ThUS\$	Guarantee provision	Legal claims provision	Onerous contracts provision	Decommissioning restoration and rehabilitation provision	Profit shares and bonuses provision	Other provisions	Total
Opening balance as of January 1, 2019	0	23,094	23,188	27,722	1,346	34,646	109,996
Movements in provisions							
Increase (decrease) in provisions	0	757	0	(519)	0	35,402	35,640
Onerous contracts provision, current	0	0	0	0	0	0	0
Acquisitions through business combinations	0	815	0	0	0	0	815
Disposals through divestitures of businesses	0	0	0	(289)	(1,042)	(1,109)	(2,440)
Provisions used	0	(4,263)	0	0	0	(35,213)	(39,476)
Reversal of unused provisions	0	(251)	0	0	0	0	(251)
Increase for adjustment of the time value of money	0	1,438	0	1,628	0	0	3,066
Increase (decrease) from changes in discount rates	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	0	(2,453)	0	(1,419)	0	(35)	(3,907)
Additional provisions	0	1,196	0	0	0	866	2,062
Other increases (decreases)	0	646	0	(6,607)	0	11	(5,950)
Total changes in provisions	0	(2,115)	0	(7,206)	(1,042)	(78)	(10,441)
Closing balance as of December 31, 2019	0	20,979	23,188	20,516	304	34,568	99,555

The provision for legal claims covers primarily labor and tax related lawsuits, and the term of payment is undetermined. The recognition of investments in associates with negative equity as of the reporting date is presented in Other provisions.

The Group recognizes a provision for the present value of the dismantling, restoration and rehabilitation costs that will be incurred in the restoration of the locations of certain plants and service stations on property belonging to third parties and mine closures. The expected payment date is not yet known.

Other Matters

As a result of purchasing the Cartagena plant, Organización Terpel S.A. undertakes to indemnify the Third Party Acquirer (Inversiones Primax S.A.S. and Primax Holdings S.A.S.) against any of the following events:

- a) Any lawsuit or claim related to the Mobil lubricants business that was transferred by DAC to Terpel, for a maximum term equal to the statute of limitations under Colombian law (10 years) and up to an amount equal to the final price of the Fuels Resale SPA -Share Purchase Agreement (after adjustments). This value has not yet been defined since the adjustments have not been made.
- b) On environmental issues, only for a breach or inaccuracy in the representations and guarantees established in the SPA, for a period of 10 years and limited to ThUS\$ 4,394.
- c) On transfer prices, only for a breach or inaccuracy of the representations and guarantees established in the Fuels Resale SPA for a period of five and a half years and limited to ThUS\$ 4,394.

NOTE 20. EMPLOYEE BENEFIT OBLIGATIONS

These amounts are mainly obligations for service termination indemnities for certain employees, based on the provisions in collective and individual employment contracts.

Description	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Vacation benefits	124	141
Post-employment benefits	11,544	11,669
Total current benefits	11,668	11,810
Post-employment benefits	109,669	113,753
Total non-current benefits	109,669	113,753
Total employee benefits	121,337	125,563

Reconciliation of post-employment benefits	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Opening balance	125,563	122,618
Current service cost	5,987	10,947
Gain on business combination	0	462
Interest costs	2,426	5,927
Actuarial (gains) losses on changes in assumptions	386	6,787
Past service costs	0	58
Actuarial (gains) losses due to experience	218	1,211
Benefits paid (provisioned)	(2,797)	(12,409)
Increase (decrease) on foreign currency fluctuations	(10,446)	(10,038)
Changes for the period	(4,226)	2,945
Closing Balance	121,337	125,563

The liability recognized in the consolidated statement of financial position is the present value of the obligation for defined benefits as of the reporting date based on actuarial calculations using the projected unit-credit method. This liability is for the defined benefits based on actuarial calculations in accordance with the projected unit-credit method. This calculation discounts the estimated future outflows of cash at interest rates on instruments denominated in the currency in which such benefits will be paid and with terms similar to those of the corresponding obligations.

Actuarial gains or losses arising from experience and from changes in actuarial assumptions are charged or credited to the changes in equity statement in the period in which they occur.

Costs for past services are recognized immediately in the consolidated statement of net income.

NOTE 21. INVESTMENTS IN AFFILIATES AND ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

1. The ownership interest of the Empresas Copec S.A. Group in its main associates accounted for using the equity method are the following:

As of June 30, 2020

Chilean ID Number	Name	Percentage interest %	Country	Relationship	Functional Currency	Cost of Investments in associates ThUS\$	06/30/2020 Net income ThUS\$
-	Vale do Corisco S.A.	49.00	Brazil	Indirect associate	Real	28,174	597
-	Cumbres Andinas S.A.	40.00	Peru	Indirect associate	US dollar	387,634	(8,218)
96,722,460-K	Metrogas S.A.	39.83	Chile	Associate	Chilean peso	74,471	8,886
96,893,820-7	Corpesca S.A.	39.79	Chile	Indirect associate	US dollar	90,197	(3,392)
96,785,680-0	Inversiones Puerto Coronel S.A.	50.00	Chile	Indirect associate	US dollar	58,047	3,009
99,500,140-3	Eka Chile S.A.	50.00	Chile	Joint venture	Chilean peso	20,534	907
76,307,309-2	Naviera Los Inmigrantes S.A.	50.00	Chile	Joint venture	Chilean peso	7,387	(56)
76,384,550-8	Sociedad Nacional Marítima S.A.	39.33	Chile	Indirect associate	US dollar	0	(3)
96,942,120-8	Copec Aviation S.A. (formerly AIRBP Copec S.A.)	50.00	Chile	Joint venture	Chilean peso	0	(6,628)
-	Unillin Arauco Pisos Ltda.	49.99	Brazil	Joint venture	Real	2,621	106
-	Montagas S.A. ESP	33.33	Colombia	Indirect associate	Colombian peso	2,909	869
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	33.33	Chile	Indirect associate	Chilean peso	2,056	643
96,953,090-2	Boat Parking S.A.	21.36	Chile	Joint venture	Chilean peso	899	4
76,349,706-2	Hualpén Gas S.A. (*)	67.58	Chile	Indirect associate	US dollar	0	84
70,037,855-0	Inversiones Laguna Blanca S.A.	50.00	Chile	Joint venture	US dollar	49,543	(2,233)
-	PGN Gasnorte S.A.C	50.00	Colombia	Indirect associate	Colombian peso	1,219	141
-	PGN Gasur S.A.C	50.00	Colombia	Indirect associate	Colombian peso	676	85
76,122,974-5	Algae Fuels S.A.	44.64	Chile	Indirect associate	Chilean peso	0	0
-	Energas S.A. ESP	28.33	Colombia	Indirect associate	Colombian peso	390	40
96,925,430-1	Servicios Corporativos Sercor S.A.	20.00	Chile	Indirect associate	Chilean peso	176	17
76,659,730-0	Elemental S.A.	40.00	Chile	Indirect associate	Chilean peso	217	(13)
76,077,468-5	Consorcio Tecnológico Bionercol S.A.	20.00	Chile	Indirect associate	Chilean peso	7	0
76,839,949-2	Parque Eólico Ovejeras del Sur SpA.	49.99	Chile	Indirect associate	Chilean peso	847	(34)
76,879,577-0	E2E S.A.	49.99	Chile	Indirect associate	Chilean peso	16,119	(378)
76,743,130-9	Genómica Forestal S.A.	25.00	Chile	Indirect associate	Chilean peso	6	7
76,044,336-0	Golden Omega S.A.	25.00	Chile	Indirect associate	US dollar	19,774	(643)
76,456,800-1	Mina Invierno S.A.	0.10	Chile	Joint venture	US dollar	649	1
76,242,018-K	Forestal y Ganadera Estancia Invierno S.A.	14.39	Chile	Joint venture	Chilean peso	6	0
76,037,858-5	Producción y Servicios Mineros Ltda.	0.01	Chile	Joint venture	Chilean peso	(22)	0
-	Sonae Arauco	50.00	Spain	Joint venture	Euros	159,701	(4,681)
76,578,731-9	Aprovisionadora Global de Energía S.A.	39.83	Chile	Associate	US dollar	34,907	9,466
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	0.01	Chile	Joint venture	Chilean peso	(102)	(1)
96,919,150-4	Minera Invierno S.A.	0.01	Chile	Joint venture	US dollar	(25)	0
76,037,864-K	Portuaria Otway Ltda.	0.01	Chile	Joint venture	US dollar	(80)	(1)
-	Fibroacero S.A.	26.00	Ecuador	Indirect associate	US dollar	2,856	(145)
76,996,827-K	Inversiones Caleta Vitor S.A.	39.79	Chile	Indirect associate	US dollar	58,075	1,228
96,783,150-6	St Andrews Smoky Delicacies S.A.	0.17	Chile	Indirect associate	US dollar	11,557	767
84,764,200-9	Empresa Pesquera Apiao S.A.	0.17	Chile	Indirect associate	Chilean peso	4,077	231
77,750,270-0	Agrícola San Gerardo SpA	0.00	Chile	Joint venture	Chilean peso	1,909	(38)
76,037,869-0	Equipos Mineros Río Grande Ltda.	0.01	Chile	Joint venture	Chilean peso	(91)	0
TOTAL						1,037,320	624

* Hualpén Gas S.A. became a Group affiliate as of January 31, 2020.

Empresas Copec S.A. - Interim Consolidated Financial Statements as of June 30, 2020

As of December 31, 2019

Chilean ID Number	Name	Percentage interest %	Country	Relationship	Functional Currency	Cost of Investments in associates ThUS\$	06/30/2019 Net income ThUS\$
-	Vale do Corisco S.A.(ex Centaurus Holding Brasil)	49.00	Brazil	Indirect associate	Real	38,370	24
-	Cumbres Andinas S.A.	40.00	Peru	Indirect associate	US dollar	345,701	(3,224)
96,722,460-K	Metrogas S.A.	39.83	Chile	Associate	Chilean peso	87,156	11,193
96,893,820-7	Corpesca S.A.	39.79	Chile	Indirect associate	US dollar	94,564	(1,030)
82,777,100-7	Puertos y Logística S.A.	23.16	Chile	Indirect associate	US dollar	0	2
96,785,680-0	Inversiones Puerto Coronel S.A.	50.00	Chile	Indirect associate	US dollar	55,029	1,494
96,636,520-K	Gasmar S.A.	36.25	Chile	Indirect associate	US dollar	0	4,583
99,500,140-3	Eka Chile S.A.	50.00	Chile	Joint venture	Chilean peso	22,522	1,182
76,307,309-2	Naviera Los Inmigrantes S.A.	50.00	Chile	Joint venture	Chilean peso	7,436	375
76,384,550-8	Sociedad Nacional Marítima S.A.	39.33	Chile	Indirect associate	US dollar	0	(61)
96,942,120-8	AIR BP Copec S.A.	50.00	Chile	Joint venture	Chilean peso	6,221	357
-	Unillin Arauco Pisos Ltda.	49.99	Brazil	Joint venture	Real	3,441	(21)
-	Montagas S.A. ESP	33.33	Colombia	Indirect associate	Colombian peso	3,725	545
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	33.33	Chile	Indirect associate	Chilean peso	3,462	1,109
96,953,090-2	Boat Parking S.A.	21.36	Chile	Joint venture	Chilean peso	983	8
76,349,706-2	Hualpén Gas S.A.	67.58	Chile	Indirect associate	US dollar	1,765	207
70,037,855-0	Inversiones Laguna Blanca S.A.	50.00	Chile	Joint venture	US dollar	51,776	(22,242)
-	PGN Gasnorte S.A.C	50.00	Colombia	Indirect associate	Colombian peso	1,453	284
-	PGN Gasur S.A.C	50.00	Colombia	Indirect associate	Colombian peso	721	161
76,122,974-5	Algae Fuels S.A.	44.64	Chile	Indirect associate	Chilean peso	0	0
-	Energas S.A. ESP	28.33	Colombia	Indirect associate	Colombian peso	542	23
96,925,430-1	Servicios Corporativos Sercor S.A.	20.00	Chile	Indirect associate	Chilean peso	173	24
76,659,730-0	Elemental S.A.	40.00	Chile	Indirect associate	Chilean peso	253	13
76,077,468-5	Consorcio Tecnológico Bionercel S.A.	20.00	Chile	Indirect associate	Chilean peso	7	0
76,839,949-2	Parque Eólico Ovejeras del Sur SpA.	49.99	Chile	Indirect associate	Chilean peso	796	(24)
76,879,577-0	E2E S.A.	49.99	Chile	Indirect associate	Chilean peso	1,738	(377)
76,044,336-0	Golden Omega S.A.	25.00	Chile	Indirect associate	US dollar	21,981	(1,099)
76,456,800-1	Mina Invierno S.A.	0.10	Chile	Joint venture	US dollar	648	(7)
76,242,018-K	Forestal y Ganadera Estancia Invierno S.A.	14.39	Chile	Joint venture	Chilean peso	8	0
76,037,858-5	Producción y Servicios Mineros Ltda.	0.01	Chile	Joint venture	Chilean peso	(22)	(2)
-	Sonae Arauco	50.00	Spain	Joint venture	Euros	168,880	7,353
76,578,731-9	Aprovisionadora Global de Energía S.A.	39.83	Chile	Associate	US dollar	25,321	14,361
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	0.01	Chile	Joint venture	Chilean peso	(101)	0
96,919,150-4	Minera Invierno S.A.	0.01	Chile	Joint venture	US dollar	(24)	(3)
76,037,864-K	Portuaria Otway Ltda.	0.01	Chile	Joint venture	US dollar	(80)	1
-	Fibroacero S.A.	26.00	Ecuador	Indirect associate	US dollar	3,018	41
76,996,827-K	Inversiones Caleta Vitor	39.79	Chile	Indirect associate	US dollar	62,121	2,384
96,783,150-6	St Andrews Smoky Delicacies S.A.	0.00	Chile	Indirect associate	US dollar	10,791	1,523
84,764,200-9	Empresa Pesquera Apiao S.A.	0.00	Chile	Indirect associate	Chilean peso	3,727	0
77,750,270-0	Agrícola San Gerardo SpA	0.00	Chile	Joint venture	Chilean peso	2,162	0
76,037,869-0	Equipos Mineros Rio Grande Ltda.	0.01	Chile	Joint venture	Chilean peso	(91)	(7)
TOTAL						1,026,173	19,150

Summarized financial information of associates:

	06.30.2020		12.31.2019	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Associates, current	1,107,271	964,631	947,775	880,612
Associates, non-current	4,788,938	2,118,046	3,725,291	1,466,420
Total Associates	5,896,209	3,082,677	4,673,066	2,347,032

	06.30.2020 ThUS\$	06.30.2019 ThUS\$
Operating revenue at Associates	1,084,719	1,604,647
Operating expenditure at Associates	(1,064,830)	(1,514,606)
	19,889	90,041

2. Interest in joint ventures:

Interests in joint ventures is accounted for using the equity method.

3. Movements in investments in associates are as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Equity method investments in associates		
Opening balance	1,026,173	1,156,742
Additions, investments in associates and joint ventures	64,452	158,545
Disposals of investments in associates and joint ventures	0	(67,324)
Immediately recognized purchased goodwill	0	0
Gain on incorporating joint ventures	0	0
Share of associates net profit (loss)	(1,751)	(91,128)
Share of prior period amounts	0	0
Dividends received	(10,884)	(67,408)
Impairment losses	2,292	0
Impairment loss reversals	0	0
Increase (decrease) in foreign currency translation	(33,223)	(33,274)
Other increases (decreases)	79,618	(9,295)
Exchange differences	(89,357)	(20,685)
Total changes	11,147	(130,569)
Closing balance	1,037,320	1,026,173

4. The principal purchases and sales of shares, capital increases and decreases, mergers and divisions for indirect affiliates and associates are as follows.

A) Energy Sector

Creation and acquisition of companies from the affiliate Compañía de Petróleos de Chile Copec S.A.

- On June 30, 2020, Compañía de Petróleos de Chile Copec S.A. and the indirect affiliate Complemento Filiales SpA. obtained control of Copec Aviation S.A. (formerly Air BP Copec S.A.) by acquiring all its shares held by a third party. This increased the Group's participation to 100% at a total cost of ThUS\$ 1,055. Its business is the wholesale or retail storage, supply, maintenance, transport, marketing and distribution of aviation fuels in general. Prior to this acquisition, the investment was treated as a joint venture.

- On May 8, 2020, Compañía de Petróleos de Chile Copec S.A. obtained control of EMOAC SpA by acquiring an 80% interest for ThUS\$2,394. Its business is providing consultancy services, developing negotiation processes for supply contracts, undertaking market and investment research, creating opportunities and developing projects and technologies in the electricity business.

- On October 14, 2019, Compañía de Petróleos de Chile Copec S.A. took control of Flux Solar Energías Renovables S.P.A. when it acquired an 80% interest for ThUS\$1,969. Flux Solar is a specialist in the engineering, design, development and construction of solar energy and energy efficiency projects, focusing on distributed injection solar projects under the Net-Billing Law 20,571 and Small Distributed Generation Projects (PMGD). It is also a distributor and provides technical services for solar products and integrated solutions.

- On October 22, 2019, Pronto Box SpA was incorporated through Compañía de Petróleos de Chile Copec S.A. with a total subscribed share capital of ThUS\$1. Its main purpose is to develop and commercialize technological applications and operate retail establishments.

- On December 10, 2019, Copec Voltex SpA was incorporated through Compañía de Petróleos de Chile Copec S.A. with a total subscribed share capital of ThUS\$1,556. Its main purpose is to store and commercialize energy and provide electrical services.

Nortesantandereana de Gas S.A.E.S.P. Merger

During 2019, there were changes to the shareholder composition of Inversiones del Nordeste and affiliates, which was formalized on November 1, 2019. This process resulted in the absorption by Nortessantandereana de Gas S.A.E.S.P (Norgas) of: Compañías Asociadas de Gas S.A.E.S.P, Colgas de Occidente S.A.E.S.P, Gases de Antioquia S.A.E.S.P, Servicios del Nordeste S.A. and Inversiones del Nordeste S.A.

B) Forestry Sector

- On January 31, 2019, the affiliates Inversiones Arauco Internacional Ltda. and Arauco Mex, S.A. de C.V. acquired all the shares of the Mexican companies Maderas y Sintéticos de México, S.A. de C.V. (currently Arauco Industria de Mexico, S.A. de C.V.), Maderas y Sintéticos Servicios S.A. de C.V. (currently Araucomex Servicios,

S.A. de C.V.), Masisa Manufactura, S.A. de C.V. (currently Arauco Serviquirex, S.A. de C.V.), Placacentro Masisa México, S.A. de C.V. (currently Tablered Araucomex, S.A. de C.V.) and Masnova Química, S.A. de C.V. (currently Arauco Química S.A. de C.V.). The final transaction price was ThUS\$ 168,680, which was paid during 2019.

After estimating fair values for acquiring these companies in Mexico, Arauco recorded in Other gains (losses) in the consolidated statement of net income a gain of ThUS\$21,674 during 2019.

- On September 1, 2019, Prime-Line, Inc. was acquired through the affiliate Arauco North America, Inc. The price was ThUS\$12,626. This acquisition generated goodwill of ThUS\$732.

C) Fishing Sector

- During January 2019, the indirect affiliate Orizon S.A. approved a capital increase of ThUS\$50,000, of which ThUS\$41,750 was contributed by Pesquera Iquique-Guanaye S.A.

- On January 29, 2019, Orizon S.A. signed a capital increase and supply agreement with St. Andrews Smoky Delicacies S.A. and Empresa Pesquera Apiao S.A. in order to consolidate its mitylid production and processing, and market it abroad. This transaction was completed by the indirect affiliate Orizon S.A. contributing the assets used in this business (fixed assets such as the freezing plant machinery and equipment, inventories, biomass, concessions and associated land and production inputs) to both companies for ThUS\$14,299, as payment of a capital increase agreed on the same date by both receiving companies, equivalent to 20% of their respective capital.

- On July 19, 2019, the Financial Market Commission approved the request to cancel the registration of Pesquera Iquique-Guanaye S.A. in the Securities Registry, which was agreed at the Extraordinary Shareholders' Meeting held on April 24, 2018. In accordance with Article 69 of Law 18,046 on Corporations, some Igemar shareholders exercised the right of withdrawal of 14,621,618 shares totaling ThUS\$761. This resulted in a capital decrease from ThUS\$347,457 to ThUS\$346,696.

- During September 2019, a document called "Confirmation of Put Option Exercise" was signed with the CJ Cheil Jedang Corporation group, containing the terms of a transaction to sell 10% of the shares in Selecta held by the indirect associate Corpesca do Brasil. On October 11, 2019, the share transfer and corresponding payment of ThUS\$40,448 were completed.

D) Other Investments

- On April 5, 2019, the Group sold its interest in Puertos y Logística S.A. to the DP World Group for ThUS\$117,268. This transaction generated a net gain after tax of ThUS\$22,089.

5. Interests in joint arrangements

- During the first quarter of 2020, ThCh\$ 12,000,000 (equivalent to ThUS\$ 15,022) was contributed to E2E through the indirect affiliate Maderas Arauco S.A.

- During the first half of 2020, ThUS\$ 190 was contributed to Parque Eólico Ovejera Sur SpA through the affiliate Arauco Bioenergía.

- On April 1, 2019, Arauco signed a shareholders' agreement regarding Agrícola San Gerardo SpA through its affiliate Forestal Arauco S.A. Agrícola San Gerardo SpA was formed for the special purpose of developing an agricultural project in Molina. The capital contributed by Forestal Arauco S.A. was ThCh\$ 1,570,000 (equivalent to ThUS\$ 2,162).

- As of June 30, 2020 and December 31, 2019, Arauco had not made any capital contributions to its two Uruguay companies, Celulosa y Energía Punta Pereira S.A. and Zona Franca Punta Pereira S.A.

The investments in Uruguay are considered a joint operation. As stated in the "*Pulp Supply Agreement*", both Arauco and its partner Stora Enso are obliged to acquire all the total annual production of pulp produced by the joint operation. Arauco has recognized assets, liabilities, income and expenses in connection with its ownership interest from January 1, 2013 in accordance with IFRS 11.

- Arauco has a 50% interest in Sonae Arauco, which manufactures and markets wooden MDF, PB and OSB panels and cut timber, at two panel plants and a sawmill in Spain; two panel plants and one resin plant in Portugal; four panel plants in Germany and two panel plants in South Africa.

- Arauco has a 50% interest in a Brazilian company Unilin Arauco Pisos Laminados Ltda., and in Eka Chile SA, which sells sodium chlorate to pulp mills in Chile. Arauco has a contractual agreement with it that involves a financial undertaking under joint control, classified as a joint venture.

- On June 30, 2020, Compañía de Petróleos de Chile Copec S.A. and the indirect affiliate Complemento Filiales S.p.A. obtained control of Copec Aviation S.A. (formerly - AirBp Copec S.A.) by acquiring all the shares held by a third party, which increased the Group's interest to 100% for a total cost of ThUS\$ 1,055.

- The Company has a 50% ownership interest in Inversiones Laguna Blanca S.A. through its affiliate Camino Nevado Limitada. The former is the result of a strategic alliance started in 2007 between Empresas Copec S.A. and Inversiones Ultraterra in equal parts. The company was incorporated in order to develop the Mina Invierno project, to explore and produce coal from Riesco Island, located north of Punta Arenas in the Magellan Region. Therefore, in 2007 the company was awarded CORFO tenders for coal exploration with purchase options on two coal areas located in that island, where the biggest proven sub-bituminous coal reserves in Chile are located.

During 2020, the financial and operational performance of Inversiones Laguna Blanca S.A. has continued to be deeply affected by the cessation of its mining and port business, and its lack of revenue as coal sales have ceased. This situation came about as a result of the ruling by the Third Environmental Court of Valdivia at the end

of August 2019, which annulled the Environmental Approval that authorized blasting as a complementary method to extract overburden.

Accordingly, the remaining coal that had already been cleared was completed during the first months of 2020 and the last coal shipments sailed at the beginning of April 2020. The company has continued to reduce its own and the third party workforce, as well as third party services, and reduced its mining and port activities to match the suspension of its business.

Therefore, it was unable to continuing operating and in order to comply with current regulations, the Partial Temporary Closure Plan for the "Isla Riesco Port Complex" and the Partial Temporary Closure Plan for the "Mina Invierno" mine were submitted for approval by the National Geology and Mining Service (Sernageomin). These plans were approved in Resolution 774 dated 2020 with respect to the "Isla Riesco Port Complex", and Resolutions 131 and 453 dated 2020 with respect to the "Mina Invierno" mine.

The company has continued to seek a reversal of the unfavorable ruling by the Third Environmental Court of Valdivia by preparing an appeal, which was filed in September 2019. It will be heard and resolved by the Supreme Court, but no progress has been achieved to date.

This sequence of events has led to a progressive suspension of all production, including the extraction of overburden and the extraction and sale of coal, through to the current situation where its mining and port business has completed ceased. This process has resulted in tremendous financial losses. Management performed a thorough and detailed analysis of the business and deadlines, and given the lack of progress with the appeal to the Supreme Court, the Board of Directors approved the decision to permanently cease all mining at Mina Invierno and the Isla Riesco Port Complex at its July 2020 meeting. Therefore, the Closure Plans for these facilities are being amended to become permanent, in order to adapt the closure of these sites before the end of their useful lives, which will be submitted to Sernageomin for approval.

At the end of 2019, Inversiones Laguna Blanca S.A. reviewed the impairment indicators with respect to its non-current assets and assessed their recoverable values as of December 31, 2019. As a result of this evaluation, an impairment loss was calculated on property, plant and equipment, intangible assets and tax credits as of December 31, 2019. The recoverable value of coal inventories as work in progress and spare parts and components inventories was evaluated and write-offs were recognized for both inventories, considering their recoverability over the short-term. The impairment losses recognized by Inversiones Laguna Blanca S.A. (Mina Invierno project) in 2019 amounted to US\$245 million.

The assets associated with this investment by Empresas Copec S.A. as of June 30, 2020 amount to US\$ 49.5 million.

There are no contingent liabilities relating to the Group's interest in joint ventures.

6. The most significant joint arrangements are outlined below:

June 30, 2020									
		Assets		Liabilities		Net Equity	Revenue	Expenses	Gain (Loss)
		Current	Non-current	Current	Non-current				
Joint venture	Eka Chile S.A.	15,177	33,636	3,203	4,541	41,069	20,035	(18,221)	1,814
	Inversiones Laguna Blanca S.A.	15,080	139,773	2,859	52,183	99,811	16,899	(21,372)	(4,473)
	Air BP Copec S.A.	17,142	10,184	30,614	560	(3,848)	109,832	(123,088)	(13,256)
	Sonae Arauco S.A.	207,456	701,490	198,266	391,278	319,402	363,122	(371,177)	(8,055)
	Agrícola San Gerardo SpA.	1,084	2,761	12	14	3,819	0	(56)	(56)
	Parque Eólico Ovejera del Sur SpA.	1,687	18	11	0	1,694	0	(69)	(69)
	E2E S.A.	8,428	27,362	2,312	1,240	32,238	800	(1,556)	(756)
	Unillin Arauco Pisos Ltda	4,877	3,201	2,795	41	5,242	5,844	(5,631)	213
Joint Operation	Forestal Conor Sur S.A.	55,087	157,068	3,961	10,177	198,017	16,658	(17,953)	(1,295)
	Eurofores S.A.	126,599	843,144	206,613	128,475	634,655	123,568	(118,958)	4,610
	Celulosa Energía Punta Pereira S.A.	313,937	2,123,986	194,348	384,970	1,858,605	311,311	(296,789)	14,522
	Zona Franca Punta Pereira S.A.	6,873	458,686	113,731	23,402	328,426	9,117	(15,298)	(6,181)

December 31, 2019									
		Assets		Liabilities		Net Equity	Revenue 06-30-2019	Expenses 06-30-2019	Gain (Loss)
		Current	Non-current	Current	Non-current				
Joint venture	Eka Chile S.A.	21,449	33,442	4,930	4,917	45,044	23,185	(20,821)	2,364
	Inversiones Laguna Blanca S.A.	26,037	144,567	13,775	52,545	104,284	193,711	(192,339)	1,372
	Air BP Copec S.A.	50,520	5,075	42,541	611	12,443	210,790	(210,077)	713
	Sonae Arauco S.A.	216,342	695,902	215,632	358,851	337,761	474,880	(460,175)	14,705
	Agrícola San Gerardo SpA.	0	2,162	0	0	2,162	0	0	0
	Parque Eólico Ovejera del Sur SpA.	95	1,505	2	5	1,593	0	(49)	(49)
	E2E S.A.	3,045	3,099	1,331	1,336	3,477	28	(653)	(625)
	Unillin Arauco Pisos Ltda	6,674	4,024	3,761	55	6,882	7,742	(7,641)	101
Joint Operation	Foresta Conor Sur S.A.	37,625	172,913	2,180	9,046	199,312	12,324	(10,180)	2,144
	Eurofores S.A.	148,550	808,647	209,665	117,443	630,089	122,951	(125,624)	(2,673)
	Celulosa Energía Punta Pereira S.A.	346,498	2,158,586	206,683	444,181	1,854,220	478,258	(311,763)	166,495
	Zona Franca Punta Pereira S.A.	5,823	464,151	115,627	19,740	334,607	9,086	(9,593)	(507)

7. Dividends received from associates

As of June 30, 2020, the parent company, Empresas Copec S.A., did not receive any dividends from its associates (as of June 30, 2019, it received ThUS\$ 7,666 from Metrogas S.A. and ThUS\$ 1,842 from Aprovechadora Global de Energía).

Celulosa Arauco y Constitución S.A. received ThUS\$ 4,042 in dividends from its associates during 2020 (as of June 30, 2019 it received ThUS\$ 6,705).

Compañía de Petróleos de Chile Copec S.A. and affiliates received ThUS\$ 2,213 in dividends from its associates during 2020 (as of June 30, 2019 it received ThUS\$ 1,100).

As of June 30, 2020, Abastible S.A. received ThUS\$4,626 from its associates (as June 30, 2019 it received ThUS\$ 655).

Pesquera Iquique-Guanaye S.A. did not receive any dividends from its associates during 2020 (as of June 30, 2019 it received ThUS\$ 605).

NOTE 22. NATIONAL AND FOREIGN CURRENCY

Foreign Currency Assets	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Liquid assets	2,202,339	2,339,805
US dollar	1,161,184	1,775,780
Euros	25,612	2,301
Other currencies	272,472	204,563
Non-indexed Chilean peso	727,161	357,154
UF	15,910	7
Cash and cash equivalents	2,064,069	2,214,887
US dollar	1,042,365	1,674,807
Euros	25,612	2,301
Other currencies	272,407	204,346
Non-indexed Chilean peso	707,775	333,426
UF	15,910	7
Other financial assets, current	138,270	124,918
US dollar	118,819	100,973
Euros	0	0
Other currencies	65	217
Non-indexed Chilean peso	19,386	23,728
UF	0	0
Receivables, current and non-current	1,484,075	1,767,909
US dollars	604,527	655,719
Euros	15,120	8,483
Other currencies	259,408	339,555
Non-indexed Chilean peso	596,871	718,577
UF	8,149	45,576
Trade and other receivables, current	1,444,878	1,675,937
US dollars	578,026	588,374
Euros	15,120	8,483
Other currencies	257,632	339,094
Non-indexed Chilean peso	589,998	699,302
UF	4,102	40,684
Related party receivables, current	31,547	84,516
US dollars	18,851	59,889
Euros	0	0
Other currencies	1,776	461
Non-indexed Chilean peso	6,873	19,275
UF	4,047	4,892
Related party receivables, non-current	7,650	7,456
US dollars	7,650	7,456
Euros	0	0
Other currencies	0	0
Non-indexed Chilean peso	0	0
UF	0	0
Other assets	20,710,557	21,060,196
US dollars	14,796,088	14,331,074
Euros	163,933	172,945
Other currencies	2,624,718	3,418,225
Non-indexed Chilean peso	3,123,296	3,133,444
UF	2,522	4,508
Total assets	24,396,971	25,167,910
US dollar	16,561,799	16,762,573
Euros	204,665	183,729
Other currencies	3,156,598	3,962,343
Non-indexed Chilean peso	4,447,328	4,209,175
UF	26,581	50,091

Foreign Currency Liabilities	06.30.2020		12.31.2019	
	ThUS\$		ThUS\$	
	Under 90 days	91 days to 1 year	Under 90 days	91 days to 1 year
Current liabilities				
Other financial liabilities, current	717,962	309,438	205,668	590,055
US dollar	430,846	33,021	138,426	254,492
Euros	179	0	24	69
Other currencies	36,890	75,220	86,414	26,875
Non-indexed Chilean peso	96,378	230,625	8,792	109,372
UF	237,926	4,791	16,774	283,713
Bank loans	443,151	289,172	183,406	245,550
US dollar	358,886	19,672	106,246	145,041
Euros	93	0	0	41
Other currencies	27,214	72,485	76,925	18,003
Non-indexed Chilean peso	56,958	197,015	235	82,465
UF	0	0	0	0
Bank overdraft	0	0	0	0
US dollars	0	0	0	0
Euros	0	0	0	0
Other currencies	0	0	0	0
Non-indexed Chilean peso	0	0	0	0
UF	0	0	0	0
Other loans	274,811	20,266	22,262	344,505
US dollar	52,130	5,377	20,187	98,647
Euros	0	0	0	0
Other currencies	0	0	0	0
Non-indexed Chilean peso	0	11,249	0	1,248
UF	222,681	3,640	2,075	244,610
Finance leases	84,257	34,219	44,762	84,466
US dollar	19,830	7,972	11,993	10,804
Euros	86	0	24	28
Other currencies	9,676	2,735	9,489	8,872
Non-indexed Chilean peso	39,420	22,361	8,557	25,659
UF	15,245	1,151	14,699	39,103
Other current liabilities	1,103,998	514,500	1,545,210	623,981
US dollar	283,329	261,143	610,647	324,269
Euros	6,839	0	20,473	0
Other currencies	355,720	0	444,870	5,825
Non-indexed Chilean peso	430,002	253,357	437,353	239,009
UF	28,108	0	31,867	54,878
Total Current Liabilities	1,906,217	858,157	1,795,640	1,298,502
US dollars	714,175	294,164	749,073	578,761
Euros	7,018	0	20,497	69
Other currencies	392,610	75,220	531,284	32,700
Non-indexed Chilean peso	526,380	483,982	446,145	348,381
UF	266,034	4,791	48,641	338,591

	06.30.2020		12.31.2019	
	ThUS\$		ThUS\$	
	1 to 5 years	Over 5 years	1 to 5 years	Over 5 years
Non-current liabilities				
Other financial liabilities, non-current	1,687,735	6,338,935	2,799,584	4,889,463
US dollar	1,019,671	4,373,400	2,303,992	2,926,736
Euros	401,350	0	51,884	64,334
Other currencies	242,665	430,139	251,990	371,654
Non-indexed Chilean peso	24,049	81,826	34,272	89,104
UF	0	1,453,570	157,446	1,437,635
Bank loans	1,643,973	430,659	1,309,370	518,242
US dollar	1,013,355	0	972,715	82,254
Euros	401,350	0	51,884	64,334
Other currencies	205,219	430,139	251,990	371,654
Non-indexed Chilean peso	24,049	520	32,781	0
UF	0	0	0	0
Bank overdraft	0	0	0	0
US dollar	0	0	0	0
Euros	0	0	0	0
Other currencies	0	0	0	0
Non-indexed Chilean peso	0	0	0	0
UF	0	0	0	0
Other loans	43,762	5,908,276	1,490,214	4,371,221
US dollar	6,316	4,373,400	1,331,277	2,844,482
Euros	0	0	0	0
Other currencies	37,446	0	0	0
Non-indexed Chilean peso	0	81,306	1,491	89,104
UF	0	1,453,570	157,446	1,437,635
Finance leases	417,545	180,204	470,244	188,460
US dollar	194,014	26,895	177,582	44,974
Euros	248	0	13,306	8,993
Other currencies	112,716	4,580	104,756	6,493
Non-indexed Chilean peso	90,000	140,450	74,087	116
UF	20,567	8,279	100,513	127,884
Other liabilities, non-current	1,819,576	614,385	1,201,559	1,350,420
US dollar	1,114,113	21,757	417,714	635,760
Euros	0	0	0	0
Other currencies	406,100	0	457,155	35,354
Non-indexed Chilean peso	299,363	393,822	326,690	78,590
UF	0	198,806	0	600,716
Total non-current liabilities	3,924,856	7,133,524	4,471,387	6,428,343
US dollar	2,327,798	4,422,052	2,899,288	3,607,470
Euros	401,598	0	65,190	73,327
Other currencies	761,481	434,719	813,901	413,501
Non-indexed Chilean peso	413,412	616,098	435,049	167,810
UF	20,567	1,660,655	257,959	2,166,235

NOTE 23. EQUITY

1) Share capital

The Company's subscribed and paid capital as of June 30, 2020 was ThUS\$ 686,114 (ThUS\$ 686,114 as of December 31, 2019). Such capital is composed of 1,299,853,848 ordinary shares, all of the same value.

There were no capital increases as of June 30, 2020 and December 31, 2019.

2) Reserves

Other reserves as of June 30, 2020 and 2019 were as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$
Legal reserves	3	3
Held-for-sale reserves	218	218
Translation reserves	(2,185,212)	(1,610,668)
Defined benefit plan reserves	(35,117)	(26,857)
Hedge reserves	(80,884)	35,022
Miscellaneous reserves	476,571	461,812
Total Reserves	(1,824,421)	(1,140,470)

Movements in reserves for the periods indicated are the following:

	Legal reserves	Held-for-sale reserves	Translation reserves	Defined benefit plan reserves	Hedge reserves	Miscellaneous reserves	Total Reserves
Opening balance 01.01.2020	3	218	(1,759,090)	(34,666)	12,715	478,587	(1,302,233)
Effect on comprehensive income	0	0	(426,122)	(451)	(93,599)	(2,016)	(522,188)
No effect on comprehensive income	0	0	0	0	0	0	0
Closing balance 06.30.2020	3	218	(2,185,212)	(35,117)	(80,884)	476,571	(1,824,421)

	Legal reserves	Held-for-sale reserves	Translation reserves	Defined benefit plan reserves	Hedge reserves	Miscellaneous reserves	Total Reserves
Opening balance 01.01.2019	3	(309)	(1,644,811)	(27,068)	34,917	457,481	(1,179,787)
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0
Effect on comprehensive income	0	527	34,143	211	105	4,331	39,317
No effect on comprehensive income	0	0	0	0	0	0	0
Closing balance 06.30.2019	3	218	(1,610,668)	(26,857)	35,022	461,812	(1,140,470)

3) Other comprehensive income

The Parent Company includes movements under this concept for conversion adjustments from the recognition of foreign investments, adjustments to financial instruments, its other adjustments, and those of its affiliates. The amounts are shown in the consolidated statement of changes in equity.

4) Retained earnings (accumulated losses)

Movements in retained earnings during the years ended June 30, 2020 and 2019 were as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$
Opening balance	11,283,478	11,202,802
Increase (decrease) due to changes in accounting policy	0	(107)
Net income for the year	(25,260)	356,542
Interim dividends	18,411	(150,344)
Others	2,821	554
Closing balance	11,279,450	11,409,447

5) Non-controlling interests

Non-controlling interests as of June 30, 2020 and 2019 were as follows:

Chilean ID Number	Company	% non-controlling interest	Non-controlling interests		Non-controlling interests	
			Equity 06.30.2020 ThUS\$	Net Income 06.30.2020 ThUS\$	Equity 06.30.2019 ThUS\$	Net Income 06.30.2019 ThUS\$
-	Organización Terpel S.A.	41.49%	241,074	(17,508)	274,603	10,514
-	Nortesantandereana de Gas S.A.E.S.P	49.00%	44,730	4,556	57,795	4,187
96,929,960-7	Orizon S.A.	33.20%	39,896	1,963	40,579	1,349
91,123,000-3	Pesquera Iquique - Guanaye S.A.	17.73%	30,445	895	35,689	1,017
-	Arauco Forestal Arapoti S.A.	20.00%	14,972	(123)	23,185	99
78,049,140-K	Forestal Los Lagos S.A.	20.00%	7,307	(321)	7,623	76
93,838,000-7	Forestal Cholguan S.A.	1.48%	5,323	261	5,047	190
91,806,000-6	Abastible S.A.	0.80%	3,292	154	3,534	350
93,458,000-1	Celulosa Arauco y Constitución S.A.	0.02%	1,515	(19)	1,633	40
76,172,285-9	FluxSolar SpA	20.00%	100	(143)	0	0
96,668,110-1	Compañía Latinoamericana Petrolera S.A.	40.00%	204	6	234	(4)
93,838,000-7	Solgas S.A.	0.14%	175	(8)	198	(24)
96,657,900-5	Consortio Protección Fitosanitaria Forestal S.A.	42.86%	168	1	215	(1)
76,268,260-5	Muelle Pesquero María Isabel Ltda.	32.00%	160	(14)	183	4
-	Arauco Argentina S.A.	0.02%	110	(3)	117	4
76,208,888-6	EMOAC SpA	80.00%	230	69	0	0
-	Lutexsa Industrial Comercial Cia. Ltda.	0.01%	20	(1)	12	(1)
81,095,400-0	Sociedad Nacional de Oleoductos S.A.	47.20%	43,353	7,404	49,855	8,883
Total			433,074	(2,831)	500,502	26,683

6) Earnings per share

The Board of Directors of Empresas Copec S.A. agreed to establish as a general policy that the net income eligible for distribution as dividends shall be based on earned income, subtracting any significant variations in the value of unrealized assets and liabilities, which shall be included when those assets and liabilities are recovered or settled.

Therefore, the Company's net distributable income to calculate mandatory minimum and additional dividends excludes the following unrealized income for the period:

a) Income related to the recording at fair value of forestry assets regulated by IAS 41; such income is reintegrated into net income when these assets are recovered. For this purpose, the portion of such increases in fair value are recovered when such assets are sold or disposed of by some other means.

b) Income from the acquisition of entities. These results will be reintegrated into net income upon recovery. For this purpose, this is when income is generated by the entities following their acquisition, or when these entities are sold.

The effects of deferred taxes associated with the items mentioned in points a) and b) will follow the same accounting procedure as the originating item.

	06.30.2020 ThUS\$	06.30.2019 ThUS\$
Net income attributable to the parent company	(25,260)	356,542
Adjustments:		
Biological assets		
Unrealized	(88,618)	(73,784)
Realized	88,680	98,200
Deferred taxes	1,636	(5,098)
Biological assets (net)	1,698	19,318
Gain on incorporating joint venture	0	0
Net gain on advantageous purchase	0	0
Total adjustments	1,698	19,318
Net Distributable Income	(23,562)	375,860

The Board meeting held on March 26, 2020 approved an amendment to the Company's dividend policy by lowering the percentage of annual net distributable income that can be distributed as dividends from 40% to 30%. It also allowed for a potential interim dividend at the end of the year.

As of June 30, 2020, there is no minimum dividend provision for 2020 in the interim consolidated statement of financial position (as of June 30, 2019 there was ThUS\$ 150,344).

Annual General Shareholders' Meeting 85 was held on April 22, 2020. It ratified the dividend policy and approved a final dividend of US\$ 0.0425 per share, which will be paid on May 14, 2020.

Annual General Shareholders' Meeting 84 was held on April 24, 2019. It approved a final dividend of US\$ 0.2053353 per share, which was paid on May 9, 2019.

Earnings per share are calculated by dividing income attributable to the Company's shareholders by the weighted average number of common shares in circulation. The Company does not have diluted shares.

Earnings (losses) per share	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Earnings (loss) attributable to owners of the parent company	(25,260)	356,542	(31,616)	135,259
Weighted average number of shares	1,299,853,848	1,299,853,848	1,299,853,848	1,299,853,848
Earnings (loss) per share (US\$ per share)	(0.019433)	0.274294	(0.024323)	0.104057

Rights, Privileges and Restrictions on Ordinary Share Capital:

As at June 30, 2020 and December 31, 2019, there were no rights, privileges nor restrictions on ordinary share capital.

NOTE 24. OPERATING REVENUE

Operating revenue is as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Goods sold	8,474,439	11,557,318	3,186,779	5,745,013
Services provided	207,114	278,967	89,947	164,428
Total	8,681,553	11,836,285	3,276,726	5,909,441

NOTE 25. EXPENDITURE BY FUNCTION:

Expenditure and income by function for Empresas Copec S.A. as of June 30, 2020 and 2019 are detailed as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Cost of sales	(7,448,917)	(10,082,193)	(2,770,379)	(5,075,533)
Distribution costs	(566,669)	(668,736)	(256,019)	(318,913)
Administrative expenses	(459,713)	(524,552)	(219,687)	(263,855)
Other expenses, by function	(125,643)	(68,509)	(63,323)	(37,815)
Other income, by function	140,346	168,125	67,742	95,250

Cost of sales are as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Direct production costs	6,499,549	9,094,829	2,328,958	4,572,978
Depreciation	318,290	322,346	161,842	160,251
Remuneration costs	184,934	200,494	85,857	99,968
Maintenance costs	112,551	139,417	53,614	65,376
Other production costs	310,577	299,227	117,095	164,569
Amortization	23,016	25,880	23,013	12,391
Total cost of sales	7,448,917	10,082,193	2,770,379	5,075,533

Distribution costs are as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Transport of goods cost	303,805	345,299	140,616	171,540
Remuneration	50,180	70,333	22,352	36,821
Insurance and basic service costs	21,472	30,110	17,996	14,364
Marketing and promotion costs	62,967	84,820	15,577	28,955
Consultancy and professional service costs	13,798	18,685	3,837	3,844
Maintenance and repair costs	23,503	34,541	9,309	15,290
Other distribution costs	42,349	36,604	24,101	19,403
Lease costs	15,726	19,123	6,971	12,694
Depreciation	23,858	19,459	12,691	11,781
Unrecoverable taxes	6,332	9,621	1,181	4,667
Amortization	2,679	141	1,388	(446)
Total Distribution Costs	566,669	668,736	256,019	318,913

Sales and administration expenses are as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Remuneration	201,487	226,439	92,761	112,252
Marketing and promotional expenses	12,550	20,843	2,796	7,923
Maintenance expenses	20,785	23,404	11,372	13,677
Insurance and basic service expenses	28,526	28,437	13,003	12,187
Consultancy and professional service expenses	37,518	45,004	15,527	23,021
Depreciation	23,872	29,023	11,367	16,646
Amortization	20,869	19,490	16,074	10,162
Subscriptions, property and municipal taxes	11,706	10,384	6,441	5,563
Computational services	22,789	26,816	14,208	15,395
Unrecoverable taxes	5,779	6,413	3,122	2,390
Donations	9,447	6,879	6,549	3,055
Lease expenses	3,918	5,797	1,980	1,359
Other administrative expenses	60,467	75,623	24,487	40,225
Total Administration and Sales Expenses	459,713	524,552	219,687	263,855

Other expenses by function are as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Unrecoverable taxes	14,175	15,730	5,679	7,987
Plant closure expenses	22,697	6,744	8,715	3,384
Other expenses, by function	8,024	7,569	3,721	5,349
Consultancy and professional service expenses	4,097	4,883	2,206	(6,343)
Depreciation	0	894	0	337
Derecognition and write-off of property, plant and equipment	56,097	13,637	36,846	9,599
Employee termination costs	6,775	9,078	3,225	9,078
Accident expenses	5,532	960	1,944	689
Fines and sanctions	1,595	1,300	155	714
Donations	1,454	1,505	691	812
Forestry incidents	5,197	6,209	141	6,209
Total Other Expenses by Function	125,643	68,509	63,323	37,815

Other income by function is as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Dividends on investments in other companies	4,265	603	4,262	395
Tax indexation, prepaid tax, tax credits	345	309	63	309
Reimbursement of costs and expenses	24,118	2,134	22,773	845
Fair value of biological assets	88,143	74,410	36,126	37,429
Income from export promotion	508	680	232	322
Easements	35	0	35	0
Sale of fishing rights	0	0	0	0
Gain on sales of property, plant and equipment	2,582	30,897	835	5,135
Income from compensation claims	2,269	1,266	2,243	275
Real estate leases	1,528	2,111	791	1,109
Sale of fishing rights	275	46,906	(7,071)	44,319
Gain on business combination	6,793	3,472	5,681	2,798
Others	9,485	5,337	1,772	2,314
Total income, by function	140,346	168,125	67,742	95,250

Finally, depreciation and amortization are as follows:

Description	Accumulated as of 6.30.2020 ThUS\$	Accumulated as of 6.30.2019 ThUS\$	Apr - Jun 20 ThUS\$	Apr - Jun 19 ThUS\$
Depreciation	366,020	371,722	185,900	189,015
Amortization	46,564	45,511	40,475	22,107
Total	412,584	417,233	226,375	211,122

NOTE 26. FINANCIAL INCOME AND COSTS

Financial costs are as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Interest and indexation on bank loans	(66,770)	(72,696)	(38,017)	(42,066)
Financial cost of employee obligations	(1,634)	(2,279)	(795)	(1,171)
Other financial costs	(13,318)	(15,212)	(3,579)	(6,390)
Bond interest and issue expenses	(101,951)	(94,421)	(45,045)	(47,321)
Financial expenses on right-of-use assets	(13,154)	(15,332)	(6,434)	(7,715)
Interest on leasing liabilities	(9,801)	(10,256)	(4,806)	(6,689)
Financial cost of remediation provision	(154)	(167)	12	(130)
Translation differences	0	(2)	0	0
Total financial costs	(206,782)	(210,365)	(98,664)	(111,482)

Financial income is as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Interest income on financial instruments	6,415	9,726	14,113	12,649
Income from financial assets at fair value through profit and loss	0	2,552	0	2,552
Interest on loans and receivables	13,082	13,158	(3,676)	(3,500)
Other income	10,825	5,556	9,235	4,536
Total financial income	30,322	30,992	19,672	16,237

NOTE 27. EXCHANGE DIFFERENCES

The effect of exchange differences is as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	Apr - Jun 2020 ThUS\$	Apr - Jun 2019 ThUS\$
Exchange differences on assets				
Cash equivalents	4,868	2,898	3,454	4,462
Mutual Fund investments, term deposits and covenants	(14,755)	178	3,475	(993)
Trade and other receivables	(7,449)	2,516	5,541	1,557
Tax receivables	(8,405)	2,565	8,882	127
Related company receivables	5,648	1,072	6,471	(1,911)
Other financial assets	(713)	2,843	415	2,609
Other assets	(9,179)	(877)	(3,546)	(230)
Total	(29,985)	11,195	24,692	5,621
Exchange differences on liabilities				
Trade and other payables	(22,738)	932	(29,280)	(6,990)
Related party payables	(9,113)	(1,545)	(2,090)	(346)
Loans from financial institutions (includes bonds)	(887)	(1,286)	(58)	(1,958)
Dividends payable	(857)	601	(1,136)	655
Other financial liabilities	(2,297)	326	(462)	912
Other liabilities	18,923	(12,452)	(7,185)	(10,480)
Total	(16,969)	(13,424)	(40,211)	(18,207)
Total	(46,954)	(2,229)	(15,519)	(12,586)

NOTE 28. ASSET IMPAIRMENT**Asset impairment details for the affiliate Celulosa Arauco y Constitución S.A.**

Impairment provisions at two timber plants in the USA totaled ThUS\$ 14,900 as of June 30, 2020 (ThUS\$ 43,181 as of December 31, 2019), as a result of falling prices and subsequent impairment tests carried out on the CGUs.

A CGU impairment provision has been recorded for the assets of Line 1 of the Arauco Plant totaling ThUS\$ 67,380 as of June 30, 2020 (ThUS\$ 33,570 at December 31, 2019), due to the Arauco Plant Modernization and Expansion project ("MAPA"). Line 1 of the Arauco Plant will be closed once MAPA begins to operate.

Both of these impairment losses are presented in the consolidated statement of net income under "Other Expenditure by Function".

As of June 30, 2020 and December 31, 2019, there are impairment provisions for property, plant and equipment as a result of obsolescence at the affiliate Arauco.

Disclosure of asset impairment

Principal asset classes affected by impairment losses and reversals Principal facts and circumstances that led to impairment losses and reversals	Machinery and equipment Technical obsolescence and claims	
	06.30.2020 ThUS\$	12.31.2019 ThUS\$
Impairment information	15,931	13,774

NOTE 29. THE ENVIRONMENT

Sustainability at Empresas Copec S.A. and its affiliates requires a management strategy that incorporates values, commitments and standards, together with the adoption of the best practices and technologies available in the industry, to secure constant improvements in the company's environmental management. The Environment department has specialists in each business area, and ensures that these guidelines are put into practice every day.

All the production units at the affiliate Arauco have certified environmental management systems that reinforce the Company's commitment to environmental performance and ensure the traceability of raw materials.

The affiliate Arauco uses various inputs, such as timber, chemicals, water, etc., in its production processes, which in turn generate liquid and gaseous emissions. Significant advances have been made in reducing consumption and emissions, in order to improve the company's operating efficiency.

Environmental investments relating to atmospheric emission control, processes improvements, water management, waste management and sewage treatments have been undertaken, in order to improve environmental performance within business units of the affiliate Arauco.

These investments are reflected in Arauco's consolidated financial statements in property, plant and equipment when they relate to disbursements for major works and are reflected in the expenditure when they relate to improvements or disbursements not directly connected with investment projects.

The affiliate Abastible S.A. has continued to make investments this year that mitigate its impact on the environment, with regard to the Maritime Terminal located in the Biobio Region. These investments are referred to within the environmental appraisal report on the project.

The indirect affiliate Orizon S.A. invested in its production facilities, which were aimed at recovering solids, avoiding unscheduled stoppages in productive processes, reducing thermal energy leakage, increasing the overall system efficiency, and ensuring compliance with environmental regulations. Similarly, improvements to the unloading and storage of raw materials systems increased the storage capacity in temperature controlled conditions so avoiding raw material deterioration, improved raw material unloading time, and ensured that rails complied with environmental commitments.

On April 3, 2018, Sernageomin approved the closure plan presented by Compañía Minera Paso San Francisco S.A. for the "Planta y Depósito de Ripios Filtrados" mine in Resolution 0946, and the respective guarantee was duly extended until April 3, 2020. The sale company was sold in April 2020, and its new owners are replacing this guarantee with an insurance policy.

On July 25, 2016, Sernageomin approved the closure plan submitted by the indirect affiliate Compañía Minera Can-Can S.A. for the El Bronce mine, by issuing Resolution 1530, whose guarantee was duly extended until July 25, 2021.

Expenditures incurred and committed during the period relating to environmental protection are detailed below:

Forestry Sector

Company	06.30.2020	Disbursements in 2020			Committed Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$ Estimated Date
Arauco Forestal Arapoti S.A.	Managing the implementation of environmental improvements	In progress	0	Asset	Property, plant and equipment	241 2020
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	90	Expense	Administrative expenses	2,235 2020
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	1,250	Asset	Property, plant and equipment	9,668 2020
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	In progress	11,231	Asset	Property, plant and equipment	43,041 2020
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	In progress	6,198	Expense	Operational costs	6,807 2020
Celulosa Arauco y Constitución S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	4,534	Asset	Property, plant and equipment	4,142 2020
Arauco Argentina S.A.	Construction of outlets	In progress	0	Asset	Property, plant and equipment	697 2020
Arauco Argentina S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	292	Asset	Property, plant and equipment	10,777 2020
Arauco Argentina S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	75	Asset	Property, plant and equipment	268 2020
Maderas Arauco S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	251	Expense	Operational costs	251 2020
Maderas Arauco S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	116	Asset	Property, plant and equipment	373 2020
Celulosa y Energía Punta Pereira S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	226	Asset	Property, plant and equipment	2,659 2020
Celulosa y Energía Punta Pereira S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	545	Asset	Property, plant and equipment	0 2020
Celulosa y Energía Punta Pereira S.A.	Managing the implementation of environmental improvements	Finished	231	Expense	Administrative expenses	0 2020
Celulosa y Energía Punta Pereira S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	Finished	553	Asset	Property, plant and equipment	0 2020
Forestal Arauco S.A. (formerly Forestal Celco S.A.)	Managing the implementation of environmental improvements	In progress	154	Expense	Administrative expenses	396 2020
Forestal Los Lagos S.A.	Managing the implementation of environmental improvements	In progress	73	Expense	Operational costs	175 2020
Arauco North America, Inc.	Managing the implementation of environmental improvements	In progress	925	Asset	Property, plant and equipment	0 2020
Arauco North America, Inc.	Managing the implementation of environmental improvements	In progress	327	Asset	Property, plant and equipment	0 2020
Total			27,071		81,730	

Company	12.31.2019	Disbursements in 2019				Committed Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$	Estimated Date
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	21,927	Expense	Administrative expenses	0	2020
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	267	Asset	Property, plant and equipment	792	2020
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	3,535	Asset	Property, plant and equipment	6,595	2020
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	In progress	15,570	Expense	Operational costs	0	-
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	375	Expense	Operational costs	0	-
Celulosa Arauco y Constitución S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	348	Asset	Property, plant and equipment	0	-
Celulosa Arauco y Constitución S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	7,745	Expense	Operational costs	0	-
Arauco Argentina S.A.	Construction of outlets	In progress	40	Asset	Property, plant and equipment	697	2020
Arauco Argentina S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	1,174	Asset	Property, plant and equipment	1,816	2020
Arauco Argentina S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	987	Asset	Property, plant and equipment	343	2020
Maderas Arauco S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	208	Expense	Operational costs	0	-
Maderas Arauco S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	647	Expense	Operational costs	0	-
Maderas Arauco S.A.	Managing the implementation of environmental improvements	In progress	305	Asset	Property, plant and equipment	0	-
Celulosa y Energía Punta Pereira S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	684	Asset	Property, plant and equipment	2,567	2020
Celulosa y Energía Punta Pereira S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	400	Asset	Property, plant and equipment	100	2020
Celulosa y Energía Punta Pereira S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	Finished	448	Asset	Property, plant and equipment	0	-
Forestal Arauco S.A. (formerly Forestal Celco S.A.)	Managing the implementation of environmental improvements	In progress	626	Expense	Administrative expenses	401	2020
Forestal Los Lagos S.A.	Managing the implementation of environmental improvements	In progress	210	Expense	Operational costs	63	2020
Arauco North America, Inc.	Managing the implementation of environmental improvements	In progress	945	Asset	Property, plant and equipment	530	2020
Total			56,441			13,904	

Fuel Sector

Company	06.30.2020	Disbursements in 2020			Committed Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$ Estimated Date
Compañía de Petróleos de Chile Copec S.A.	Sprinklers	Current	424	Asset	Work in Progress	1,953 2020
Compañía de Petróleos de Chile Copec S.A.	Waste disposal	Current	14	Expense	Administrative expenses	1 2020
Compañía de Petróleos de Chile Copec S.A.	Wastewater treatment and environmental assessment	Current	5	Expense	Administrative expenses	0 2020
Compañía de Petróleos de Chile Copec S.A.	Foam supplies	Current	14	Asset	Work in Progress	0 2020
Compañía de Petróleos de Chile Copec S.A.	Plant repairs	Current	29	Expense	Administrative expenses	0 2020
Via Limpia SpA.	Disposal of oil, filters, batteries and industrial waste	Current	1	Expense	Operating costs	0 2020
Mapco Express, Inc.	Contamination from leaking tanks	In progress	76	Expense	Administrative expenses	0 2020
Organización Terpel	Treatment plants for effluents and sewage	Current	29	Asset	Finished	46 2020
Organización Terpel	Sensors in airport tanks	Current	0	Asset	Work in Progress	5 2020
Organización Terpel	Replacement of filling arms at plants	Current	0	Asset	Work in Progress	29 2020
Organización Terpel	Fire protection system	Current	36	Asset	Work in Progress	1 2020
Organización Terpel	Foam supplies	Current	36	Asset	Work in Progress	36 2020
Organización Terpel	Jockey pump at plants	Current	3	Asset	Finished	0 2020
Organización Terpel	Pavement repairs at plants and airports	Current	16	Asset	Works suspended for isolation purposes	25 2020
Organización Terpel	Improvements in pavements, perimeter fences, treatment systems	Current	249	Asset	Work in Progress	0 2020
Organización Terpel	Environmental evacuation	In progress	109	Expense	Administrative expenses	0 2020
Organización Terpel	Waste disposal	In progress	89	Expense	Administrative expenses	0 2020
Organización Terpel	Sewage treatment plant	In progress	20	Expense	Administrative expenses	0 2020
Abastible S.A.	Managing the implementation of environmental improvements	In progress	40	Investment	Asset	40 2020
Abastible S.A.	Environmental management	In progress	26	Expense	Expense	22 2020
Sonacol S.A.	Improvement of cathodic protection system	In progress	598	Asset	Work in Progress	0 2020
Sonacol S.A.	Improving and deepening pipelines in agricultural areas SF-M	In progress	511	Asset	Work in Progress	0 2020
Sonacol S.A.	Improving pipeline post inspection CC-M-LPG	Finished	225	Asset	Work in Progress	0 2020
Sonacol S.A.	Improvement internal post inspection and post integrity evaluation of San Fernando pipeline	In progress	251	Asset	Deferred charges	0 2020
Total			2,801			2,158

Company	12.31.2019	Disbursements in 2019			Committed Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$ Estimated Date
Compañía de Petróleos de Chile Copec S.A.	Fire protection system	Current	1	Asset	Work in Progress	0 -
Compañía de Petróleos de Chile Copec S.A.	Waste disposal	Current	94	Expense	Administrative expenses	0 -
Compañía de Petróleos de Chile Copec S.A.	Wastewater treatment and environmental assessment	Current	11	Expense	Administrative expenses	0 -
Compañía de Petróleos de Chile Copec S.A.	Plant repairs	In progress	2	Expense	Administrative expenses	0 -
Compañía de Petróleos de Chile Copec S.A.	Environmental evaluation	Current	43	Expense	Administrative expenses	0 -
Compañía de Petróleos de Chile Copec S.A.	Treatment plants for effluents and sewage	Current	4	Asset	Work in Progress	0 -
Compañía de Petróleos de Chile Copec S.A.	Foam supplies	Current	132	Asset	Work in Progress	16 2020
Via Limpia SpA.	Disposal of oil, filters, batteries and industrial waste	Current	10	Expense	Operating costs	0 -
Mapco Express, Inc.	Contamination from leaking tanks	In progress	68	Expense	Administrative expenses	0 -
Abastible S.A.	Managing the implementation of environmental improvements	In progress	149	Expense	Expense	149 2020
Abastible S.A.	Environmental management	In progress	79	Expense	Expense	79 2020
Sonacol S.A.	Improvement of cathodic protection system	In progress	1,061	Asset	Work in Progress	0 -
Sonacol S.A.	Improving and deepening pipelines in agricultural areas SF-M	In progress	1,090	Asset	Work in Progress	0 -
Sonacol S.A.	Improving pipeline post inspection CC-M-LPG	Finished	1,146	Asset	Work in Progress	0 -
Sonacol S.A.	Improvement internal post inspection and post integrity evaluation of San Fernando pipeline	In progress	2,613	Asset	Deferred charges	0 -
Sonacol S.A.	Improving pipeline integrity CC-M10" and 16" and LPG Q-CC10"	In progress	503	Asset	Deferred charges	0 -
Total			7,006			244

Fishing Sector

Company	06.30.2020	Disbursements in 2020				Committed Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$	Estimated Date
Pesquera Iquique - Guanaye S.A.	Suitability of systems in plants	In progress	454	Asset	Property, plant and equipment	571	2020
Pesquera Iquique-Guanaye S.A.	Unloading improvements for independent fishermen	In progress	65	Asset	Property, plant and equipment	41	2020
Total			519			612	

Company	12.31.2019	Disbursements in 2019				Committed Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$	Estimated Date
Pesquera Iquique-Guanaye S.A.	Suitability of systems in plants	In progress	284	Asset	Property, plant and equipment	284	2020
Pesquera Iquique-Guanaye S.A.	Unloading improvements for independent fishermen	In progress	364	Asset	Property, plant and equipment	364	2020
Total			648			648	

NOTE 30. OPERATING SEGMENTS

Operating segments have been defined in accordance with the manner in which senior management internally analyze segments in order to make operating decisions and to allocate resources. In addition, the availability of relevant financial information has also been considered when defining operating segments.

Segments have been defined according to the main direct affiliates: Celulosa Arauco y Constitución S.A., Compañía de Petróleos de Chile Copec S.A., Abastible S.A., Pesquera Iquique-Guanaye S.A. and Sociedad Nacional Oleoductos S.A. These companies together represent more than 90% of the sales, EBITDA, net income, and consolidated assets and liabilities.

- Celulosa Arauco y Constitución S.A.

Arauco has provided a wide variety of high quality and sustainable products for the paper, construction, packaging and furniture industries since 1979, in order to improve people's lives. It has established itself as one of the leading forestry companies in Latin America, in terms of area and plantation yields, kraft pulp manufacturing, and sawn timber and panel production.

Arauco's plantations and land cover 1.7 million hectares in Chile, Argentina, Brazil and Uruguay. It has modern industrial facilities that include 7 pulp mills, 5 in Chile, 1 in Argentina and 1 in Uruguay (50% owned by Arauco) with a total production capacity of 4 million tons. It has 8 sawmills, 7 in Chile and 1 in Argentina, which process 3.0 million m³ of timber per year and 20 panel plants, 4 in Chile, 2 in Argentina, 4 in Brazil, 2 in Mexico and 8 in the United States and Canada, with a total production capacity of 7.6 million m³.

It has a joint venture called Sonae Arauco (Arauco has a 50% interest in its results), which manufactures and sells MDF, PB and OSB panels, and sawn timber. It has 2 panel plants and 1 sawmill in Spain; 2 panel plants and 1 resin plant in Portugal; 4 panel plants in Germany and 2 panel plants in South Africa, with a total productive capacity of 1.5 million m³ of MDF, 2.3 million m³ of PB, 516,000 m³ of OSB and 70,000 m³ of sawn timber.

Arauco has plants with a total production capacity of 4.4 million m³ of MDF, 4.5 million m³ of PB, 258,000 m³ of OSB and 3.0 million m³ of sawn timber, including 50% of Sonae Arauco.

As of June 30, 2020, Arauco's production totaled 1.8 million tons of cellulose and 3.8 million m³ of sawn timber and panels.

Sales totaled US\$ 2,177 million, of which 43.57% was for pulp, 53.59% for sawn timber and panels and 2.84% for other segments.

36% of total sales was sold in the Chilean market and the rest overseas, primarily to Asia and the Americas.

- Compañía de Petróleos de Chile Copec S.A.

Compañía de Petróleos de Chile Copec S.A. is one of the country's most important sellers and distributors of fuel for domestic and industrial use. It was established in 1934 and the following year began selling gasoline. Over time it expanded its business and diversified its activities. Copec has 672 service stations throughout the country, forming the most extensive network in Chile, which includes 92 Pronto convenience stores and 309 Punto stores. The company also manages an industrial channel that supplies nearly 4,000 customers, belonging to the most important segments of the Chilean economy. It manages the lubricant trademark Mobil and Esso for vehicles and machinery. This requires 15 fuel storage plants between Arica and the Chacabuco Port, with a total capacity of 384 thousand m³.

Copec's physical sales in Chile totaled 4.5 million m³ as of June 30, 2020, and its market share of the liquid fuels business was 58.8%.

It began to internationalize its fuels business following the takeover of the Colombian company Terpel in 2010, and now operates in five markets: Colombia, Ecuador, Panama, Peru and Mexico.

Organizacion Terpel has a network of 2,315 service stations and 1,934 of these are service stations for liquid fuels in Colombia its home country.

The Company also has 243 natural gas sales points for vehicles through its brand Gazel, which represents 47.2%² of this segment in Colombia.

It is the main wholesale distributor in Colombia with more than 3,072 customers in industry, transport and aviation. It has a 40.7%³ share of the diesel market, a 42.7%² share of the gasoline market and a 71.6%² share of the jet fuel market in the country.

- Abastible S.A.

Abastible S.A. was incorporated in 1956 to market liquefied petroleum gas for domestic, commercial and industrial use. Today this company has become a major player in the Chilean energy sector, basing its strategy on delivering a quality, safe and timely service to all customers. In 2011, Abastible S.A. started to internationalize through the acquisition of a 51% interest in Inversiones del Nordeste (now Nortesantandereana de Gas), a Colombian company. Abastible S.A. acquired a Liquefied Petroleum Gas (LPG) business in Peru and Ecuador from Repsol S.A. in April 2016, and became the third largest LPG supplier in Latin America. In June 2016, Abastible took operational control of Solgas S.A. and Solgas de la Amazonía in Peru. In October it took operational control of Duragas, in Ecuador.

The Company operates throughout Chile from the northernmost region (Arica) to the southernmost (Magallanes) with a complete and modern infrastructure for its liquefied gas business. The Company has 10 storage and filling facilities, plus 7.7 million cylinders and 80,000 tanks, supported by a network of approximately 1,350 distributors and 29 sales, distribution and agency offices in all the major cities of the country. Additionally, in the Biobio Region it has a port

² Figures as of June 2020

³ Figures as of March 2020

terminal for loading and unloading liquefied gas and liquid fuels and a plant with a capacity for storing 40,000 m³ managed by an affiliate Hualpén Gas S.A.

- Pesquera Iquique-Guanaye S.A.

Empresas Copec S.A. invested in the Chilean commercial fishing sector in 1980 through Pesquera Guanaye Ltda., which many years later merged with Pesquera Iquique S.A. producing Pesquera Iquique-Guanaye Igemar as a result.

Igemar operates in the north of Chile through its associates Corpesca S.A. and Inversiones Caleta Vitor S.A., while in the country's central-south region it operates with its affiliate Orizon S.A.

These companies' products include fishmeal, which is mainly used as a raw material in food production for aquaculture and livestock, due to its high level of protein, Omega 3 fatty acids and favorable digestibility. Another of its products is fish oil, which is used extensively in aquaculture. However, in recent years, it has been gaining importance as a nutritional supplement in human nutrition and the pharmaceutical industry. Canned and frozen products, using mackerel as the main raw material, are produced for human consumption. Canned and frozen mussels are produced.

In an effort to expand its portfolio of products, the company entered the grocery market selling beans, rice and lentils under the brand San Jose, for the domestic market. In August 2018, the indirect affiliate Orizon S.A. purchased two businesses from Sociedad Comercializadora Novaverde S.A. These distribute General Mills' products in Chile, and distribute and market processed avocado pears.

- During January 2019, Orizon S.A. signed a capital increase and supply agreement with St. Andrews Smoky Delicacies S.A. and Empresa Pesquera Apiao S.A. in order to consolidate its mitylid production and processing, and market it abroad.

The primary destinations for these products are local, Asian, African and European markets.

- Sociedad Nacional Oleoductos S.A.

Sonacol has served the energy industry in Chile since 1957, providing a permanent transport system to develop productive activities in the central area.

The company's revenues are from transporting fuels through a network of 465 km of its own pipe lines from Quintero to San Fernando, which transport 98% of the fuel for the Metropolitan Region. Additionally, the company has 9 pump stations, a delivery terminal and a dispatch center strategically located at its corporate headquarters.

On January 31, 2020, Sonamar was wound up.

The financial figures associated with these segments, as of June 30, 2020 and 2019 are as follows:

Segments 2020	Arauco ThUS\$	Copec ThUS\$	Abastible ThUS\$	Sonacol ThUS\$	Igemar ThUS\$	Others ThUS\$	Subtotal ThUS\$	Eliminations ThUS\$	Total ThUS\$
Operating revenues from external customers	2,176,990	5,906,389	459,058	18,827	120,059	230	8,681,553	0	8,681,553
Inter-segment operating revenues	50	33,658	2,320	10,085	0	479	46,592	(46,592)	0
Interest income	19,519	3,958	741	16	220	5,868	30,322	0	30,322
Interest expense	(137,704)	(54,681)	(7,774)	(1,425)	(4,279)	(919)	(206,782)	0	(206,782)
Interest expense, net	(118,185)	(50,723)	(7,033)	(1,409)	(4,059)	4,949	(176,460)	0	(176,460)
Operating income	19,453	103,641	48,477	21,787	20,661	(7,765)	206,254	0	206,254
Depreciation	243,500	89,556	26,258	0	6,466	240	366,020	0	366,020
Amortization	7,342	34,033	4,920	0	268	1	46,564	0	46,564
Fair value of timber harvested	142,285	0	0	0	0	0	142,285	0	142,285
EBITDA	412,580	227,230	79,655	21,787	27,395	(7,524)	761,123	0	761,123
Income (loss) from the reporting segment	(85,643)	25,664	23,869	15,687	6,995	(14,663)	(28,091)	0	(28,091)
Share in income (loss) of associates	(488)	(5,775)	848	0	(1,805)	7,844	624	0	624
Income tax expense	29,111	(26,971)	(13,249)	(4,166)	(3,538)	1,729	(17,084)	0	(17,084)
Investments by segment									
Additions to property, plant and equipment	682,830	91,589	23,203	5,368	3,785	0	806,775	0	806,775
Payments to acquire biological assets	120,071	0	0	0	0	0	120,071	0	120,071
Payments to acquire affiliates and associates	15,212	2,137	1,574	0	0	49,240	68,163	0	68,163
Acquisitions of intangible assets	11,565	13,851	1,783	0	0	0	27,199	0	27,199
Total investment	829,678	107,577	26,560	5,368	3,785	49,240	1,022,208	0	1,022,208
Operating revenue by country									
Operating revenue from Chilean companies	1,179,944	3,130,740	216,740	18,827	120,059	230	4,666,540	0	4,666,540
Operating revenue from foreign companies	997,046	2,775,649	242,318	0	0	0	4,015,013	0	4,015,013
Total operating revenue	2,176,990	5,906,389	459,058	18,827	120,059	230	8,681,553	0	8,681,553
Assets by segment	15,987,271	5,263,929	1,226,761	254,784	510,442	1,153,784	24,396,971	0	24,396,971
Equity method investments	288,141	4,168	6,155	0	184,579	554,277	1,037,320	0	1,037,320
Segment liabilities	9,056,273	3,531,976	769,053	162,935	298,690	3,827	13,822,754	0	13,822,754
Nationality of non-current assets									
Chile	8,302,304	1,602,276	470,828	0	369,791	775,006	11,520,205	0	11,520,205
Foreign	4,077,741	1,876,815	495,049	0	0	0	6,449,605	0	6,449,605
Total non-current assets	12,380,045	3,479,091	965,877	0	369,791	775,006	17,969,810	0	17,969,810
Cash flows by segment									
Cash flow from (used by) operating activities	249,238	234,631	47,442	20,323	10,869	(434)	562,069	(3,468)	558,601
Cash flow from (used by) investing activities	(816,735)	(99,808)	(24,255)	(7,951)	(3,723)	20,109	(932,363)	(36,554)	(968,917)
Cash flow from (used by) financing activities	266,708	82,700	(28,143)	(11,889)	3,511	(19,324)	293,563	40,369	333,932
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(300,789)	217,523	(4,956)	483	10,657	351	(76,731)	347	(76,384)

Segments 2019	Arauco ThUS\$	Copec ThUS\$	Abastible ThUS\$	Sonacol ThUS\$	Igemar ThUS\$	Others ThUS\$	Subtotal ThUS\$	Eliminations	Total ThUS\$
Operating revenues from external customers	2,739,756	8,411,697	558,649	26,836	99,078	269	11,836,285	0	11,836,285
Inter-segment operating revenue	0	48,202	3,736	14,545	2	562	67,047	(67,047)	0
Interest income	14,845	4,828	1,187	60	360	9,712	30,992	0	30,992
Interest expense	(126,940)	(64,343)	(10,771)	(1,886)	(5,017)	(1,408)	(210,365)	0	(210,365)
Interest expense, net	(112,095)	(59,515)	(9,584)	(1,826)	(4,657)	8,304	(179,373)	0	(179,373)
Operating income	258,203	212,480	62,112	28,379	10,645	(11,015)	560,804	0	560,804
Depreciation	247,101	88,865	25,248	4,875	5,118	515	371,722	0	371,722
Amortization	6,242	37,717	1,352	0	188	12	45,511	0	45,511
Fair value of timber harvested	154,421	0	0	0	0	0	154,421	0	154,421
EBITDA	665,967	339,062	88,712	33,254	15,951	(10,488)	1,132,458	0	1,132,458
Income (loss) from the reporting segment	183,527	127,581	48,037	18,820	6,983	(1,723)	383,225	0	383,225
Share in income (loss) of associates	9,657	9,622	7,585	0	1,786	(9,500)	19,150	0	19,150
Income tax expense	(46,965)	(42,239)	(11,578)	(7,018)	1,850	(3,079)	(109,029)	0	(109,029)
Investments by segment									
Additions to property, plant and equipment	443,637	100,183	52,125	10,092	3,100	2	609,139	0	609,139
Acquisitions of other long-term assets	133,051	0	246	0	0	0	133,297	0	133,297
Payments to acquire affiliates and associates	151,332	0	0	0	20,000	35,480	206,812	0	206,812
Acquisitions of intangible assets	8,788	15,288	859	0	0	0	24,935	0	24,935
Total investment	736,808	115,471	53,230	10,092	23,100	35,482	974,183	0	974,183
Operating revenue by country									
Operating revenue from Chilean companies	1,312,618	4,237,206	256,930	26,836	99,078	269	5,932,937	0	5,932,937
Operating revenue from foreign companies	1,427,138	4,174,491	301,719	0	0	0	5,903,348	0	5,903,348
Total operating revenue	2,739,756	8,411,697	558,649	26,836	99,078	269	11,836,285	0	11,836,285
Assets by segment	15,926,592	5,852,230	1,360,354	302,600	545,073	1,297,016	25,283,865	0	25,283,865
Equity method investments	304,971	56,641	59,212	0	201,484	556,361	1,178,669	0	1,178,669
Segment liabilities	8,452,055	3,963,824	859,205	196,973	306,752	49,463	13,828,272	0	13,828,272
Nationality of non-current assets									
Chile	7,550,934	1,849,939	582,273	290,315	390,781	854,436	11,518,678	0	11,518,678
Foreign	4,545,730	1,928,050	557,260	0	0	0	7,031,040	0	7,031,040
Total non-current assets	12,096,664	3,777,989	1,139,533	290,315	390,781	854,436	18,549,718	0	18,549,718
Cash flows by segment									
Cash flow from (used by) operating activities	132,035	364,750	59,763	19,918	(21,327)	(12,867)	542,272	7,379	549,651
Cash flow from (used by) investing activities	(619,229)	(73,723)	(45,573)	(10,092)	(22,341)	337,988	(432,970)	(304,232)	(737,202)
Cash flow from (used by) financing activities	655,603	(228,157)	(35,401)	(6,735)	1,279	(236,535)	150,054	296,084	446,138
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	168,409	62,870	(21,211)	3,091	(42,389)	88,586	259,356	(769)	258,587

Operating revenue by country is as follows:

	06.30.2020 ThUS\$	06.30.2019 ThUS\$	06.30.2020 %	06.30.2019 %
Operating revenue by country				
Argentina	176,172	198,212	2.0%	1.7%
Brazil	176,011	245,959	2.0%	2.1%
Chile	4,666,540	5,932,937	53.8%	50.1%
Colombia	1,686,756	2,570,306	19.4%	21.7%
Panama	210,271	371,314	2.4%	3.1%
Dominican Republic	152,813	213,997	1.8%	1.8%
Ecuador	91,090	144,882	1.1%	1.2%
Mexico	134,771	57,235	1.6%	0.5%
Peru	123,140	290,793	1.4%	2.5%
Uruguay	168,363	228,632	1.9%	1.9%
USA/Canada	1,095,626	1,582,018	12.6%	13.4%
Total	8,681,553	11,836,285	100.0%	100.0%

Non-current assets by country are as follows:

	06.30.2020 ThUS\$	12.31.2019 ThUS\$	06.30.2020 %	12.31.2019 %
Non-current assets				
Argentina	750,708	781,693	4.2%	4.3%
Brazil	698,008	947,265	3.9%	5.2%
Chile	11,520,205	11,153,493	64.1%	61.4%
Colombia	815,998	935,749	4.5%	5.2%
Panama	631,454	613,417	3.5%	3.4%
Dominican Republic	261,481	266,186	1.5%	1.5%
Ecuador	278,441	299,352	1.5%	1.7%
USA	2,923	3,267	0.0%	0.0%
Mexico	124,136	155,900	0.7%	0.9%
Peru	377,824	416,194	2.1%	2.3%
Uruguay	1,717,738	1,724,698	9.6%	9.5%
Spain	3,743	3,736	0.0%	0.0%
USA/Canada	787,151	832,570	4.4%	4.6%
Total	17,969,810	18,133,520	100.0%	100.0%

NOTE 31. BORROWING COSTS

The Group capitalizes interest on current investment projects. Interest is calculated using the average rate on loans intended to finance such investment projects.

As of the date these financial statements were issued, the affiliate Arauco had capitalized interest associated with the Arauco Plant Modernization and Expansion (MAPA) project in Chile.

As of June 30, 2020, the indirect affiliate Organización Terpel S.A. had capitalized interest related to the acquisition and construction of service stations.

Capitalized interest for property, plant and equipment	January - June		April - June	
	2020 ThUS\$	2019 ThUS\$	2020 ThUS\$	2019 ThUS\$
Rate of capitalized interest for property, plant and equipment	4.55%	4.15%	4.57%	4.02%
Capitalized interest for property, plant and equipment	18,567	13,148	9,775	6,041

NOTE 32. SUBSEQUENT EVENTS

Between June 30, 2020 and the date these interim consolidated financial statements were issued, the following significant events have occurred.

Celulosa Arauco y Constitución S.A.**On July 28, 2020, the following was communicated:**

"The undersigned, as representative of the privately-held corporation Celulosa Arauco y Constitución S.A., hereinafter the "Company" or "Arauco", both domiciled in the Metropolitan Region at Avenida El Golf 150, floor 14, Las Condes, registered in the Securities Registry as No. 42, Chilean Identification Number 93,458,0001, and fully authorized, communicate the following material event regarding the Company and its businesses, in accordance with Articles 9 and paragraph 2 of Article 10 of Law 18,045 and General Regulation 30 issued by this Commission:

The Board of Arauco held a meeting today, where a new General Habituality Policy was approved with respect to Company transactions with related parties, which shall be construed as normal within the nature of the Company's business, for the purposes of Article 147(b) of Law 18,046 on Corporations. This new General Habituality Policy became effective as of this date, and replaces the previous one.

This new Policy will be available to Arauco shareholders at its corporate offices at Avenida El Golf No. 150, Floor 14, Las Condes, Metropolitan Region, and on the Company's website www.arauco.cl."