



EMPRESAS COPEC

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2021

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

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# 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	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3.1	1,895,971	2,146,581
Other financial assets, current	3.2a	139,737	193,670
Other non-financial assets, current	9	270,111	205,154
Trade and other receivables, current	3.3	1,670,487	1,550,633
Related party receivables, current	18.1	37,691	41,109
Inventories	6	1,622,003	1,608,652
Biological assets, current	7	296,070	302,710
Tax assets, current	8	292,862	374,166
<b>Total current assets other than assets or disposal groups held for sale or for distribution to owners</b>		<b>6,224,932</b>	<b>6,422,675</b>
Non-current assets or disposal groups held for sale	10	492,976	373,631
Non-current assets or disposal groups held for distribution to owners		0	0
<b>Non-current assets or disposal groups held for sale or for distribution to owners</b>		<b>492,976</b>	<b>373,631</b>
<b>Total current assets</b>		<b>6,717,908</b>	<b>6,796,306</b>
<b>Non-current assets</b>			
Other financial assets, non-current	3.2 b	141,722	125,251
Other non-financial assets, non-current	9	180,276	169,251
Trade receivables, non-current	3.3	26,189	26,670
Related party receivables, non-current	18.1	7,869	7,797
Equity method investments	21	1,088,418	1,070,409
Intangible assets other than goodwill	11	894,124	928,072
Goodwill	12	387,651	399,159
Property, plant and equipment	13	11,405,246	11,453,955
Right-of-use assets	14	743,287	758,498
Biological assets, non-current	7	3,166,478	3,296,117
Investment properties	15	29,026	29,632
Deferred tax assets	16a	110,687	113,324
<b>Total non-current assets</b>		<b>18,180,973</b>	<b>18,378,135</b>
<b>Total assets</b>		<b>24,898,881</b>	<b>25,174,441</b>

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

## Interim Consolidated Statements of Financial Position

	Note	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Equity and liabilities</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other current financial liabilities	3.4	669,297	637,254
Lease liabilities, current	14	122,093	130,219
Trade and other payables, current	17	1,616,615	1,647,722
Related party payables, current	18.2	12,956	11,522
Other provisions, current	19	22,792	21,468
Tax liabilities, current	8	95,648	57,926
Employee benefits provisions, current	20	11,464	12,675
Other non-financial liabilities, current		210,216	130,117
<b>Total current liabilities other than liabilities included in asset disposal groups held for sale</b>		<b>2,761,081</b>	<b>2,648,903</b>
Liabilities included in asset disposal groups held for sale	10	194,362	192,622
<b>Total current liabilities</b>		<b>2,955,443</b>	<b>2,841,525</b>
<b>Non-current liabilities</b>			
Other financial liabilities, non-current	3.4	8,027,174	8,432,485
Lease liabilities, non-current	14	623,956	628,138
Payables, non-current		998	1,000
Accounts payable to related companies, non-current	18.2	1,870	1,899
Other provisions, non-current	19	67,328	68,405
Deferred tax liabilities	16a	1,879,176	1,887,409
Employee benefit provisions, non-current	20	121,084	123,080
Other non-financial liabilities, non-current		124,397	130,030
<b>Total non-current liabilities</b>		<b>10,845,983</b>	<b>11,272,446</b>
<b>Total liabilities</b>		<b>13,801,426</b>	<b>14,113,971</b>
<b>Equity</b>			
Share capital	23	686,114	686,114
Retained earnings (accumulated losses)	23	11,569,115	11,423,726
Share premium		0	0
Treasury shares		0	0
Other equity interests		0	0
Other reserves	23	(1,617,016)	(1,530,068)
<b>Equity attributable to owners of the parent company</b>		<b>10,638,213</b>	<b>10,579,772</b>
Non-controlling interests	23	459,242	480,698
<b>Total equity</b>		<b>11,097,455</b>	<b>11,060,470</b>
<b>Total liabilities and equity</b>		<b>24,898,881</b>	<b>25,174,441</b>

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

## Interim Consolidated Statements of Income

	Note	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Net Income (loss)</b>			
Operating revenue	24	5,353,311	5,404,827
Cost of sales	25	(4,396,704)	(4,678,538)
<b>Gross margin</b>		<b>956,607</b>	<b>726,289</b>
Distribution costs	25	(293,786)	(310,650)
Administrative expenses	25	(256,927)	(240,026)
<b>Net Operating Income</b>		<b>405,894</b>	<b>175,613</b>
Other income, by function	25	83,796	72,604
Other expenses, by function	25	(43,300)	(62,320)
Other gains (losses)		(527)	(507)
Financial income	26	8,729	10,650
Financial costs	26	(96,516)	(108,118)
Share of profits (losses) at associates and joint ventures accounted for using the equity method	21	6,172	(4,320)
Exchange differences	27	(6,894)	(31,435)
Gain (loss) on indexed assets and liabilities		(8,833)	(3,921)
Gain (loss) arising from the difference between the prior book value and the fair value of financial assets reclassified at fair value		0	0
<b>Net income (loss) before tax</b>		<b>348,521</b>	<b>48,246</b>
Income tax expense	16b	(97,537)	(36,414)
<b>Net income (loss) from continuing operations</b>		<b>250,984</b>	<b>11,832</b>
Profit (loss) from discontinued operations		0	0
<b>Net income (loss) for the year</b>		<b>250,984</b>	<b>11,832</b>
<b>Net income (loss) attributable to</b>			
Net income (loss) attributable to owners of the parent company		228,781	6,356
Net Income (loss) attributable to non-controlling interests		22,203	5,476
<b>Net income (loss) for the period</b>		<b>250,984</b>	<b>11,832</b>
<b>Earnings (losses) per share</b>			
<b>Basic earnings per share</b>			
Basic earnings per share from continuing operations		0.176005	0.004890
Basic earnings per share from discontinued operations		0.000000	0.000000
<b>Basic earnings per share</b>		<b>0.176005</b>	<b>0.004890</b>
<b>Diluted earnings per share</b>			
Diluted earnings (losses) per share from continuing operations		0.000000	0.000000
Diluted earnings (losses) per share from discontinued operations		0.000000	0.000000
<b>Diluted earnings per share</b>		<b>0.000000</b>	<b>0.000000</b>

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



## Interim Consolidated Statements of Comprehensive Income

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Statement of Comprehensive Income</b>		
<b>Net income (loss) for the period</b>	<b>250,984</b>	<b>11,832</b>
<b>Components of other comprehensive income that will not be reclassified to net income for the period, before taxes</b>		
Other comprehensive income from revaluation gains (losses), before taxes	0	0
Other comprehensive income from actuarial gains (losses) on defined-benefit pension plans, before taxes	48	131
Other comprehensive income from revaluation of defined-benefit pension plans, before taxes	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	2,401	0
<b>Other comprehensive income that will not be reclassified to net income for the year, before taxes</b>	<b>2,449</b>	<b>131</b>
<b>Components of other comprehensive income that may be reclassified to net income</b>		
Gain (loss) from foreign currency translation adjustments, before taxes	(151,700)	(490,980)
Reclassification adjustments on foreign currency translation adjustments, before taxes	0	0
<b>Other comprehensive income from foreign currency translation adjustments, before taxes</b>	<b>(151,700)</b>	<b>(490,980)</b>
<b>Financial assets held for sale</b>		
Gain (loss) from revaluations of financial assets held-for-sale, before taxes	0	0
Reclassification adjustments on financial assets held-for-sale, before taxes	0	0
<b>Other comprehensive income, financial assets held-for-sale, before taxes</b>	<b>0</b>	<b>0</b>
<b>Cash flow hedges</b>		
Gain (loss) from cash flow hedges, before taxes	39,112	(132,460)
Reclassification adjustments on cash flow hedges, before taxes	(275)	(2,797)
Adjustments for amounts transferred to initial book values of hedged items	0	0
<b>Other comprehensive income from cash flow hedges, before taxes</b>	<b>38,837</b>	<b>(135,257)</b>
Other comprehensive income from gains (losses) on investments in equity instruments, before taxes	1,435	0
Other comprehensive income from revaluation gains (losses), before taxes	(23)	(634)
Other comprehensive income from actuarial gains (losses) on defined-benefit pension plans, before taxes	(92)	(85)
Participation in other comprehensive income of equity method associates and joint ventures	7,195	(1,429)
<b>Other comprehensive income, before taxes</b>	<b>(104,348)</b>	<b>(628,385)</b>
<b>Income tax relating to components of other comprehensive income that will not be reclassified to net income for the period</b>	<b>0</b>	<b>0</b>
<b>Income tax related to defined benefit pension plans in other comprehensive income</b>	<b>0</b>	<b>0</b>

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Income tax related to components of other comprehensive income</b>		
Income tax related to foreign currency translation adjustments of other comprehensive income	0	0
Income tax related to investments in equity instruments of other comprehensive income	(308)	1,264
Income tax related to financial assets held-for-sale of other comprehensive income	0	0
Income tax related to cash flow hedges of other comprehensive income	(8,150)	33,769
Income tax related to changes in revaluation surpluses in other comprehensive income	0	0
Income tax related to defined benefit pension plans in other comprehensive income	(579)	(44)
Reclassification adjustments to income tax related to components of other comprehensive income	0	0
<b>Total income tax relating to components of other comprehensive income</b>	<b>(9,037)</b>	<b>34,989</b>
<b>Other comprehensive income (loss)</b>	<b>(110,936)</b>	<b>(593,265)</b>
<b>Total comprehensive income</b>	<b>140,048</b>	<b>(581,433)</b>
<b>Comprehensive income attributable to</b>		
Comprehensive income attributable to owners of the parent company	141,833	(543,183)
Comprehensive income attributable to non-controlling interests	(1,785)	(38,250)
<b>Total comprehensive income</b>	<b>140,048</b>	<b>(581,433)</b>

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

## Interim Consolidated Statements of Changes in Equity

CURRENT PERIOD - 03/2021 (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, 2021	686,114	0	3	218	(1,939,097)	(33,139)	(50,976)	492,923	(1,530,068)	11,423,726	10,579,772	480,698	11,060,470
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	(1,939,097)	(33,139)	(50,976)	492,923	(1,530,068)	11,423,726	10,579,772	480,698	11,060,470
Changes in equity													
Comprehensive income													
Net Income (loss)	0	0	0	0	0	0	0	0	0	228,781	228,781	22,203	250,984
Other comprehensive income	0	0	0	0	(122,222)	1,753	30,546	2,975	(86,948)	0	(86,948)	(23,988)	(110,936)
Comprehensive income	0	0	0	0	(122,222)	1,753	30,546	2,975	(86,948)	228,781	141,833	(1,785)	140,048
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	(72,320)	(72,320)	0	(72,320)
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	(11,072)	(11,072)	(19,671)	(30,743)
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	(122,222)	1,753	30,546	2,975	(86,948)	145,389	58,441	(21,456)	36,985
Closing balance current period March 31, 2021	686,114	0	3	218	(2,061,319)	(31,386)	(20,430)	495,898	(1,617,016)	11,569,115	10,638,213	459,242	11,097,455

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

PREVIOUS PERIOD - 03/2020 (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 prior 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 (loss)	0	0	0	0	0	0	0	0	0	6,356	6,356	5,476	11,832
Other comprehensive income	0	0	0	0	(448,962)	36	(100,353)	(260)	(549,539)	0	(549,539)	(43,726)	(593,265)
Comprehensive income	0	0	0	0	(448,962)	36	(100,353)	(260)	(549,539)	6,356	(543,183)	(38,250)	(581,433)
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	0	0	0	0
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	(4,794)	(4,794)	37	(4,757)	(22,484)	(27,241)
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	(448,962)	36	(100,353)	(5,054)	(554,333)	6,393	(547,940)	(60,734)	(608,674)
Closing balance previous period March 31, 2020	686,114	0	3	218	(2,208,052)	(34,630)	(87,638)	473,533	(1,856,566)	11,289,871	10,119,419	445,945	10,565,364

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

## Interim Consolidated Statements of Cash Flow

	Note	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Statement of cash flow</b>			
<b>Cash flow from (used by) operating activities</b>			
Proceeds from operating activities			
Proceeds from selling goods and providing services		5,386,748	5,699,590
Proceeds from royalties, installments, commissions and other operating income		1	0
Proceeds from contracts for brokerage or trading		0	0
Proceeds from premiums and claims, annuities and other benefits on policies		468	132
Proceeds from leasing and subsequent sale of these assets		0	0
Other proceeds from operating activities		127,651	198,936
Payments			
Payments to suppliers for goods and services		(4,655,698)	(5,379,842)
Payments for brokering or trading contracts		0	0
Payments to and on behalf of employees		(294,161)	(283,633)
Payments for premiums and claims, annuities and other policy obligations		(6,649)	(5,360)
Payments for building or acquiring leased assets and subsequently sell them		0	0
Other payments for operating activities		(58,653)	(151,026)
Dividends paid		(11,009)	0
Dividends received		22,225	1,941
Interest paid		(79,407)	(45,709)
Interest received		7,909	9,426
Income taxes received (paid)		28,444	(100,512)
Other proceeds (payments)		498	(96)
<b>Net cash flow from (used by) operating activities</b>		<b>468,367</b>	<b>(56,153)</b>
<b>Cash flow from (used by) investing activities</b>			
Proceeds from the loss of control of affiliates or other businesses		47,988	0
Payments to obtain control of affiliates or other businesses		0	(1,762)
Payments to purchase non-controlling interests		(44,000)	(60,330)
Proceeds from the sale of equity or debt instruments of other entities		6	7,389
Other payments to acquire equity or debt instruments of other entities		0	0
Proceeds from sale of joint ventures		0	0
Payments to acquire interests in joint ventures		(2,254)	0
Loans to related companies		0	0
Proceeds from sales of property, plant and equipment		13,604	3,361
Acquisitions of property, plant and equipment		(323,775)	(439,995)
Proceeds from sales of intangible assets		0	0
Acquisitions of intangible assets		(10,393)	(13,405)
Proceeds from sales of other long-term assets		1,672	3,271
Acquisitions of other long-term assets		(77,961)	(69,969)
Proceeds from government subsidies		0	0
Cash advances and loans to third parties		0	(362)
Proceeds from the repayment of advances and loans to third parties		1	107
Payments related to futures, forward, options and swap contracts		(181)	0
Proceeds from futures, forward, options and swap contracts		0	0
Proceeds from related companies		0	0
Dividends received		0	0
Interest received		0	0
Income taxes received (paid)		0	0
Other proceeds (payments)		50,134	(899)
<b>Cash flow from (used by) investing activities</b>		<b>(345,159)</b>	<b>(572,594)</b>

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Cash flow from (used by) financing activities</b>		
Proceeds from share issues	0	(20)
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	156,467	133,221
Proceeds from short-term loans	40,422	466,801
<b>Total proceeds from loans</b>	<b>196,889</b>	<b>600,022</b>
Loans from related companies	0	9
Loan repayments	(493,194)	(287,707)
Repayment of finance lease liabilities	(17,074)	(24,145)
Repayment of lease liabilities	(20,648)	(14,939)
Loan repayments to related companies	(816)	0
Proceeds from government subsidies	0	0
Dividends paid	0	0
Interest paid	0	0
Income taxes received (paid)	0	0
Other proceeds (payments)	904	87
<b>Net cash flow from (used by) financing activities</b>	<b>(333,939)</b>	<b>273,307</b>
<b>Net increase in cash &amp; cash equivalents before exchange rate effects</b>	<b>(210,731)</b>	<b>(355,440)</b>
<b>Effect of exchange rate variations on cash and cash equivalents</b>		
Effect of exchange rate variations on cash and cash equivalents	(39,879)	(83,837)
Net increase (decrease) in cash and cash equivalents	(250,610)	(439,277)
Cash and cash equivalents at the start of the period	3.1 2,146,581	2,214,887
Cash and cash equivalents at the end of the period	3.1 1,895,971	1,775,610

The attached notes numbered 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 group currently has two large specialist areas: 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. and
- (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 March 31, 2021 were approved by the Board of Directors at its Ordinary Meeting No. 2,682 held on May 27, 2021 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, 2020 were approved by the Board of Directors at its Extraordinary Meeting 2,679 held on March 05, 2021, 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 March 31, 2021 and December 31, 2020 is as follows:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Total equity	11,097,455	11,060,470
Interest-bearing loans	2,632,065	2,943,256
Finance leases	746,049	758,357
Bonds	5,969,334	6,031,618
<b>Total</b>	<b>20,444,903</b>	<b>20,793,701</b>



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim 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.

The 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 of Empresas Copec S.A. and affiliates cover the statement of financial position as of March 31, 2021 and December 31, 2020, the related statements of income by function and comprehensive income for the periods from January 1 to March 31, 2021 and 2020, the statements of changes in equity and cash flow for the periods from January 1 to March 31, 2021 and 2020.

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 apply 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 consolidated financial statements are described in Note 5.

New accounting pronouncements.

At 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, 2021.

Standards and amendments	Contents	Application date
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Amendments	Reference interest rate reform  Addresses the problems that arise from reference interest rate reform, and from replacing one reference rate with another.	January 1, 2021
IFRS 16 Amendment	Lease concessions The practical case for IFRS 16 Leases is extended by one year, to assist lessees in accounting for lease concessions related to the COVID-19 pandemic.	January 1, 2021

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 regarding the classification of liabilities. 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, 2023
IAS 1, Practice Statement and IAS 8 Amendments	Estimates and changes in accounting policies The amendments are intended to improve disclosures of accounting policies and to help financial statement users to distinguish between changes in accounting estimates and changes in accounting policies.	January 1, 2023
Conceptual Framework	Business combinations	January 1, 2022
IFRS 3 amendments	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.	
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 Standards 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 the assets delivered, the equity instruments issued and the liabilities incurred or assumed 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 acquired 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 transferred 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 March 31, 2021 and December 31, 2020 are detailed as follows:

Chilean ID number	Company	Ownership interest			12.31.2020 Total
		Direct	03.31.2021 Indirect	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.	99.9997	0.0003	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 March 31, 2021 and December 31, 2020, as a result of consolidating financial information for consolidated affiliates:

Chilean ID number	Company	Ownership interest			
		03.31.2021			12.31.2020
		Direct	Indirect	Total	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	99.9780	99.9780	99.9780
76,620,842-8	ARAUCO NUTRIENTES NATURALES SpA	0.0000	99.9781	99.9781	99.9781
76,000,605-K	ARCO ALIMENTOS LTDA.	0.0000	100.0000	100.0000	100.0000
85,840,100-3	COMPAÑIA DE SERVICIOS INDUSTRIALES LTDA.	0.0000	100.0000	100.0000	100.0000
96,668,110-1	COMPAÑIA LATINOAMERICANA PETROLERA S.A.	0.0000	60.0000	60.0000	60.0000
96,623,630-2	COMPAÑIA MINERA CAN CAN S.A.	0.0000	100.0000	100.0000	100.0000
76,188,354-2	COMPAÑIA MINERA LA MERCED S.A.	0.0000	100.0000	100.0000	100.0000
76,188,378-K	COMPAÑIA 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	200.0000
96,942,120-8	COPEC AVIATION S.A. (FORMERLY AIR BP COPEC S.A.)	0.0000	100.0000	100.0000	100.0000
76,208,888-6	EMOAC SpA.	0.0000	80.0000	80.0000	80.0000
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	99.9781	99.9781	99.9781
93,838,000-7	FORESTAL CHOLGUAN S.A.	0.0000	98.5976	98.5976	98.5976
78,049,140-K	FORESTAL LOS LAGOS S.A.	0.0000	79.9825	79.9825	79.9825
76,172,285-9	FLUX SOLAR ENERGÍAS RENOVABLES S.P.A	0.0000	80.0000	80.0000	80.0000
76,107,630-2	GAS LIQUADO MOTOR LTDA.	0.0000	99.2120	99.2120	99.2120
76,349,706-2	HUALPEN GAS S.A.	0.0000	99.2023	99.2023	99.2023
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	99.9780	99.9780	99.9780
79,990,550-7	INVESTIGACIONES FORESTALES BIOFOREST S.A.	0.0000	99.9781	99.9781	99.9781
96,510,970-6	MADERAS ARAUCO S.A. (FORMERLY PANELES ARAUCO S.A.)	0.0000	99.9780	99.9780	99.9780
96,929,960-7	ORIZON S.A.	0.0000	68.6939	68.6939	68.6939
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	99.9780	99.9780	99.9780
96,637,330-K	SERVICIOS LOGISTICOS ARAUCO S.A.	0.0000	99.9780	99.9780	99.9780
78,953,900-6	SERVICIOS Y TRANSPORTES SETRACOM LTDA.	1.0000	98.2103	99.2103	197.4206
79,904,920-1	TRANSPORTES DE COMBUSTIBLES CHILE LTDA.	0.0000	100.0000	100.0000	100.0000
79,874,200-0	VIA LIMPIA SpA.	0.0000	100.0000	100.0000	100.0000
-	AGENCIAMIENTO Y SERV. PROFESIONALES S.A.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO ARGENTINA S.A.	0.0000	99.9590	99.9590	99.9590
-	ARAUCO AUSTRALIA PTY LTD.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO CANADA (FORMERLY FLAKEBOARD COMPANY LTD)	0.0000	99.9776	99.9776	99.9776
-	ARAUCO COLOMBIA S.A.	0.0000	99.9779	99.9779	99.9779
-	ARAUCO DO BRASIL S.A.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO EUROPE COOPERATIEF U.A.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO FLORESTAL ARAPOTI S.A.	0.0000	79.9824	79.9824	79.9824
-	ARAUCO FOREST BRASIL S.A.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO QUÍMICA S.A. DE C.V.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO INDUSTRIA DE PAINES LTDA.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO INDUSTRIA DE MEXICO S.A. DE C.V	0.0000	99.9779	99.9779	99.9779
-	ARAUCO MIDDLE EAST DMCC	0.0000	99.9776	99.9776	99.9776
-	ARAUCO NORTH AMERICA, INC.	0.0000	99.9777	99.9777	99.9777
-	ARAUCO PERU S.A.	0.0000	99.9780	99.9780	99.9780
-	ARAUCO SERVQUIMEX DE C.V	0.0000	99.9780	99.9780	99.9780
-	ARAUCO WOOD CHINA COMPANY LIMITED.	0.0000	99.9780	99.9780	99.9780
-	ARAUCOMEX S.A. DE C.V.	0.0000	99.9780	99.9780	99.9780
-	ARAUCOMEX SERVICIOS S.A. DE C.V.	0.0000	99.9780	99.9780	99.9780
-	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
-	COPEC INC. S.A. (USA)	0.0000	100.0000	100.0000	100.0000
-	DURAGAS S.A.	0.0000	99.2023	99.2023	198.4046
-	EMPRENDIMIENTOS FLORESTAIS SANTA CRUZ LTDA.	0.0000	99.9774	99.9774	99.9774
-	GASAN DE COLOMBIA S.A. ESP.	0.0000	50.5145	50.5145	50.5145
-	LEASING FORESTAL S.A.	0.0000	99.9590	99.9590	99.9590
-	MADERAS ARAUCO COSTA RICA S.A.	0.0000	99.9780	99.9780	99.9780
-	MAHAL EMPRENDIMIENTOS E PARTICIPACIONES S.A.	0.0000	99.9780	99.9780	99.9780
-	MAPCO EXPRESS INC	0.0000	100.0000	100.0000	100.0000
-	NORTESANTANDEREANA DE GAS S.A. ESP	0.0000	50.5882	50.5882	50.5882
-	NOVO OESTE GESTAO DE ACTIVOS FLORESTAIS S.A.	0.0000	99.9780	99.9780	99.9780
-	ODD INDUSTRIES SpA	0.0000	86.5965	86.5965	86.5965
-	ORGANIZACIÓN TERPEL S.A.	0.0000	58.5100	58.5100	58.5100
-	ORIZON FOODS LLC.	0.0000	68.6939	68.6939	68.6939
-	PRIME - LINE, INC.	0.0000	99.9777	99.9777	99.9777
-	SBMAPESA	0.0000	99.2003	99.2003	99.2003
-	SOLGAS AMAZONIA S.A.	0.0000	99.1723	99.1723	99.1723
-	SOLGAS S.A.	0.0000	99.1720	99.1720	99.1720
-	TABLERED ARAUCOMEX S.A. DE C.V.	0.0000	99.9780	99.9780	99.9780

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 the 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: 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; and 2) Joint operations, where the parties have control over the transactions, 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 stake 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 Group 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 presented in the table below:

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 US 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 65.7% of assets, 81.3% of its liabilities, 51.3% of its gross margin and 58.2% of its consolidated EBITDA as of March 31, 2021. 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.

In consolidation, exchanges differences arising 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	03.31.2021	12.31.2020
Chilean peso (CLP)	721.82	710.95
Argentine pesos (A\$)	91.95	84.02
Brazilian real (R\$)	5.75	5.18
Unidad de Fomento (UF)	0.025	0.024
Euro (€)	0.85	0.82
Colombian pesos (COP\$)	3,728.73	3,474.51
Peruvian nuevo sol	3.76	3.62

## 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:

	<b>Average Useful Life (Years)</b>
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, which means that the fair value of biological assets is calculated using cash flows from continuing operations, that is, on the basis of sustainable forestry management plans considering the growth potential of these plantations. This valuation is performed on the basis of each stand identified and for each type of 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 the remaining 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.

Investment property is initially recognized at cost, including transaction costs. Subsequently, investment property is valued at cost less accumulated depreciation and any accumulated impairment losses.

## 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 the entity being sold.

Goodwill is assigned to Cash Generating Units (CGUs) in order to test for impairment losses. The assignment is made to the 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 measured at cost less accumulated amortization. Amortization is calculated linearly over their expected useful lives.

Trademarks acquired through business combinations are measured 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, by the nature of these assets with indefinite useful lives, they are reviewed and tested for impairment annually and at any time when 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 the use of such rights, and 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 the use of these rights, and 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 the use of these rights, and 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 the use of these rights, and 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 shall 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 recognized 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.
- It is possible to use or sell the intangible asset;
- It is possible to demonstrate how the intangible asset will generate probable financial benefits in the future.
- The technical, financial or other resources necessary to complete the development and to use or sell the intangible asset are available; and
- 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 principal outstanding.

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 account 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 and/or been transferred and/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 the historical portfolio collection experience, which is adjusted for macroeconomic variables in order to obtain sufficient information to estimate and thus determine whether or not there is an impairment loss on the portfolio.

Therefore, the receivable'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 (net of any costs to obtain it).

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 operation (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 initially 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 the 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 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 criteria to be recognized using the accounting treatment 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

Inventories are 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 interim consolidated financial statements, there is no inventory pledged as collateral.

When the manufacturing costs of a product exceed its net realizable value as a result of market conditions, a provision is recorded for the difference. Such a provision also considers amounts related to obsolescence from 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 Share 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 obtained.

The Parent Company's dividend policy is to distribute 30% of annual net distributable income, as defined in Note 23. 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 contracts as of the date of these interim 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 determined 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 the 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 Empresas Copec S.A. 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, 2020 and as of March 31, 2021 have been calculated using the tax rate applicable when the temporary differences reverse, being 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. Such 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 as a result of past events, where a reliably estimated payment is likely to settle the obligation. The amount is the best possible estimate at 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 at the closing 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 where the Group is the lessor is recognized on a straight-line basis over the term of the lease. 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 a 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 at 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 Dividend distribution

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 immediately recognized 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 same company. Therefore, the Company values a deferred income liability based on the outstanding accumulated points at 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 measured 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 at 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 at 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. The recoverable value of an intangible asset is estimated as the higher of the asset's net selling price and its value in use. An impairment loss is recognized when the book value exceeds the recoverable value.

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: Inflows and outflows of cash or other equivalents including time investments with a term of three months or less that are highly liquid and with a low risk of variation 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 of any kind that would result in the diluted earnings per share differing from basic earnings per share.

## 2.28 Classification of current and non-current balances

In the accompanying consolidated statement of financial position, balances to be recovered or settled within 12 months are classified as current items and those to be 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 March 31, 2021 and December 31, 2020, 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:

<b>Cash and cash equivalents</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Bank balances	774,118	817,912
Short-term deposits	684,317	699,493
Mutual funds	433,188	614,172
Overnight investments	1,307	1,213
Other cash & cash equivalents	3,041	13,791
<b>Total</b>	<b>1,895,971</b>	<b>2,146,581</b>

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 March 31, 2021, the Group had approved credit lines totaling approximately US\$ 2,719 million (US\$ 2,992 million as of December 31, 2020).

As of March 31, 2021 and December 31, 2020, 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:

	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Mutual funds	656	663
Fixed income instruments	133,506	189,089
Hedging financial instruments		
Forwards	1,805	1,040
Swaps	166	32
Other financial assets	3,604	2,846
<b>Total other financial assets, current</b>	<b>139,737</b>	<b>193,670</b>

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

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Equity instruments (shares)	55,319	52,806
Hedging financial instruments		
Forwards	794	380
Swaps	77,025	67,645
Other financial assets (*)	8,584	4,420
<b>Total other non-current financial assets</b>	<b>141,722</b>	<b>125,251</b>

(\*) 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 includes 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 at 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 subscribed, 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 March 31, 2021 and December 31, 2020.

### 3.3 Trade and Other Receivables

a) This category contains the following balances:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Trade receivables	1,612,440	1,496,693
Less: Provision for impairment losses on trade receivables	(84,224)	(92,612)
<b>Trade receivables, net</b>	<b>1,528,216</b>	<b>1,404,081</b>
Other receivables	175,105	179,879
Less: Provision for impairment losses on other receivables	(6,645)	(6,657)
<b>Other receivables, net</b>	<b>168,460</b>	<b>173,222</b>
<b>Total</b>	<b>1,696,676</b>	<b>1,577,303</b>
<b>Less: Non-current portion</b>	<b>26,189</b>	<b>26,670</b>
<b>Current portion</b>	<b>1,670,487</b>	<b>1,550,633</b>

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 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 receivables expense" in the consolidated statement of income under Administration Expenses or Distribution Costs as appropriate.

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 03.31.2021											
	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	1,400,474	111,281	19,131	7,118	3,287	1,514	3,174	1,310	1,176	63,975	1,600,118	12,322
Impairment provision	(33,547)	(7,645)	(5,980)	(591)	(321)	(244)	(255)	(239)	(236)	(35,166)	(83,976)	(248)
Other gross receivables	149,320	8,701	918	336	166	150	394	136	742	14,242	156,883	18,222
Impairment provision	(2,497)	0	0	0	0	0	0	0	0	(4,148)	(2,538)	(4,107)
<b>Total</b>	<b>1,513,750</b>	<b>112,337</b>	<b>14,069</b>	<b>6,863</b>	<b>3,132</b>	<b>1,420</b>	<b>3,313</b>	<b>1,207</b>	<b>1,682</b>	<b>38,903</b>	<b>1,670,487</b>	<b>26,189</b>

Trade and other receivables	Balance as of 12.31.2020											
	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	1,299,877	102,877	17,217	4,712	3,694	2,940	3,757	2,164	1,585	57,870	1,480,092	16,601
Impairment provision	(20,142)	(17,676)	(10,828)	(543)	(249)	(357)	(284)	(420)	(173)	(41,940)	(91,781)	(831)
Other gross receivables	154,067	10,483	2,003	827	215	1,968	468	120	788	8,940	164,860	15,019
Impairment provision	(2,508)	0	0	0	0	0	0	0	0	(4,149)	(2,538)	(4,119)
<b>Total</b>	<b>1,431,294</b>	<b>95,684</b>	<b>8,392</b>	<b>4,996</b>	<b>3,660</b>	<b>4,551</b>	<b>3,941</b>	<b>1,864</b>	<b>2,200</b>	<b>20,721</b>	<b>1,550,633</b>	<b>26,670</b>

## c) Movement in the doubtful debts provision:

	03.31.2021		12.31.2020	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
	Current	Non-current	Current	Non-current
Opening balance	(54,377)	(6,977)	(57,899)	(6,751)
Impairment provision for trade and other receivables	(32,137)	2,622	3,522	(226)
<b>Closing balance</b>	<b>(86,514)</b>	<b>(4,355)</b>	<b>(54,377)</b>	<b>(6,977)</b>

### 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 March 31, 2021 and December 31, 2020, this category included obligations with banks and financial institutions and obligations to the public through bonds issued in US dollars, UF and Chilean pesos.

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Current</b>		
Bank loans	354,806	459,818
Bonds in UF, COP and CLP	239,544	104,924
Bonds in US\$	52,943	48,236
Other financial liabilities	22,004	24,276
<b>Total current</b>	<b>669,297</b>	<b>637,254</b>
<b>Non-current</b>		
Bonds in US\$	3,346,860	3,470,781
Bonds in UF, COP and CLP	2,329,987	2,407,677
Bank loans	2,277,259	2,483,438
Other financial liabilities	73,068	70,589
<b>Total non-current</b>	<b>8,027,174</b>	<b>8,432,485</b>
<b>Total other financial liabilities</b>	<b>8,696,471</b>	<b>9,069,739</b>

Capital plus interest on the Group's main financial and lease<sup>1</sup> liabilities that are subject to liquidity risk are presented undiscounted and grouped by maturity in the following tables.

<sup>1</sup> See Note 14

## Bank borrowings

## Fuel sector

As of March 31, 2021				Maturities					Total				
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\$	Effective rate	Nominal rate	Repayment Terms
91,806,000-6	Abastible S.A. - Chile	US\$	Banco Scotiabank - Chile	-	1	26,414	-	-	1	26,414	0.72%	0.72%	Six monthly
91,806,000-6	Abastible S.A. - Chile	US\$	Banco Scotiabank - Chile	-	1	30,479	-	-	1	30,479	0.72%	0.72%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco BCI - Chile	-	5,199	-	8,312	-	5,199	8,312	5.22%	5.22%	Annually
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	219	-	12,468	-	-	219	12,468	4.43%	4.43%	Six monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco Estado - Chile	-	6,278	-	-	-	6,278	-	2.03%	2.00%	Annually
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	1.17%	1.14%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	-	-	100,000	-	-	-	100,000	1.17%	1.14%	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	1.21%	1.15%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	BNP Paribas - Chile	-	-	50,000	-	-	-	50,000	1.17%	1.14%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Export Development Canada - Chile	-	-	75,000	-	-	-	75,000	1.27%	1.17%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Sumitomo Mitsui Banking Corporation - Chile	-	-	125,000	-	-	-	125,000	1.17%	1.14%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Itaú - Chile	-	13,854	-	-	-	13,854	-	0.50%	0.50%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Estado - Chile	-	41,562	-	-	-	41,562	-	0.48%	0.48%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Estado - Chile	66	-	-	-	-	66	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Itaú - Chile	459	1	-	-	-	460	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Santander - Chile	283	-	-	-	-	283	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco BCI - Chile	498	-	-	-	-	498	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	HSBC Bank - Chile	154	3	-	-	-	157	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	6	-	-	-	-	6	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	438	-	-	-	-	438	-	2.10%	2.10%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Chile	1,995	5,973	11,599	-	-	7,968	11,599	3.97%	3.97%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	1,280	3,829	7,387	-	-	5,109	7,387	3.79%	3.79%	Maturity
-	Duragas S.A. - Ecuador	US\$	Banco Estado - Chile	-	85	-	7,500	-	85	7,500	3.25%	3.25%	Six monthly
-	Duragas S.A. - Ecuador	US\$	Banco BCI - Chile	-	86	-	7,600	-	86	7,600	4.98%	4.98%	Six monthly
76,208,888-6	Emoac SpA - Chile	CLP	Banco Santander - Chile	2	-	-	-	-	2	-	0.00%	0.00%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco BCI - Chile	367	-	-	-	-	367	-	1.47%	1.47%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco Estado - Chile	236	-	-	-	-	236	-	3.00%	3.00%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	US\$	Banco de Chile - Chile	950	-	170	-	-	950	170	3.34%	3.34%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco Security - Chile	141	-	712	-	-	141	712	5.00%	5.00%	Monthly
-	Mapco Express, Inc - USA	US\$	Bank of America - USA	-	-	-	6,379	-	-	6,379	0.81%	0.81%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Banco BBVA - Colombia	-	3,000	-	-	-	3,000	-	0.94%	0.94%	Maturity
-	Petrolera Nacional S.A. - Panama	US\$	Scotiabank Colpatría - Panama	-	-	82,281	-	-	-	82,281	1.15%	1.15%	Maturity
-	Solgas S.A. - Peru	PS/.	Banco Scotiabank - Peru	6,401	6,719	-	56,705	-	13,120	56,705	5.50%	5.50%	Monthly
-	Terpel Comercial del Perú S.R.L. - Peru	PS/.	Banco de Bogotá NY - Peru	-	4,600	-	-	-	4,600	-	0.99%	0.99%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco de Bogotá NY - Ecuador	-	2,000	-	-	-	2,000	-	0.94%	0.94%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	6,000	-	-	-	6,000	-	2.94%	2.94%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	3,500	-	-	-	3,500	-	2.36%	2.36%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco Guayaquil - Ecuador	4	-	-	-	-	4	-	9.85%	9.43%	Monthly
Total bank borrowings				13,499	102,691	821,510	86,496	-	116,190	908,006			

## Bank borrowings

## Fuel sector

As of December 31, 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 Scotiabank - Chile	11,275	-	-	-	-	11,275	-	0.72%	0.72%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco BCI - Chile	2,292	-	-	11,253	-	2,292	11,253	5.22%	5.22%	Annually
91,806,000-6	Abastible S.A. - Chile	CLP	Banco de Chile - Chile	83	-	12,659	-	-	83	12,659	4.43%	4.43%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	27,101	-	-	-	-	27,101	-	3.84%	3.84%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Estado - Chile	8,691	-	-	-	-	8,691	-	3.84%	3.84%	Six monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Banco Scotiabank - Chile	19,731	-	-	-	-	19,731	-	0.72%	0.72%	Six monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco Estado - Chile	-	6,342	-	-	-	6,342	-	2.03%	2.00%	Annually
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	1.20%	1.17%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	-	-	100,000	-	-	-	100,000	1.20%	1.17%	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	1.26%	1.21%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	BNP Paribas - Chile	-	-	50,000	-	-	-	50,000	1.20%	1.17%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Export Development Canada - Chile	-	-	75,000	-	-	-	75,000	1.36%	1.26%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Sumitomo Mitsui Banking Corporation - Chile	-	-	125,000	-	-	-	125,000	1.20%	1.17%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco BCI - Chile	42,197	-	-	-	-	42,197	-	4.03%	3.24%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco de Chile - Chile	28,131	-	-	-	-	28,131	-	4.21%	3.42%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Scotiabank Sud Americano - Chile	35,164	-	-	-	-	35,164	-	4.20%	3.40%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Itaú - Chile	14,066	-	-	-	-	14,066	-	4.39%	3.60%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Estado - Chile	151	-	-	-	-	151	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Itaú - Chile	141	7	-	-	-	148	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco Santander - Chile	185	-	-	-	-	185	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	Banco BCI - Chile	226	-	-	-	-	226	-	2.20%	2.20%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	HSBC Bank - Chile	97	-	-	-	-	97	-	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	2,148	-	-	-	-	2,148	-	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	1,943	6,190	15,490	-	-	8,133	15,490	3.97%	3.97%	Maturity
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	US\$	JP Morgan Chase - Chile	1,246	3,971	9,922	-	-	5,217	9,922	3.79%	3.79%	Maturity
-	Duragas S.A. - Ecuador	US\$	Banco Estado - Chile	64	-	-	7,500	-	64	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	1	-	-	-	-	1	-	0.00%	0.00%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco BCI - Chile	373	-	-	-	-	373	-	1.47%	1.47%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco Estado - Chile	239	-	-	-	-	239	-	3.00%	3.00%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	US\$	Banco de Chile - Chile	415	-	173	-	-	415	173	3.34%	3.34%	Maturity
76,172,285-9	FluxSolar Energías Renovables SpA - Chile	CLP	Banco Security - Chile	141	-	461	-	-	141	461	5.00%	5.00%	Monthly
-	Mapco Express, Inc - USA	US\$	Bank of America - USA	-	-	-	10,672	-	-	10,672	0.85%	0.85%	Maturity
-	Petrolera Nacional S.A. - Panama	US\$	Scotiabank Colpatría - Panama	-	-	82,274	-	-	-	82,274	1.28%	1.28%	Maturity
-	Solgas S.A. - Peru	PS/.	Banco Scotiabank - Peru	6,603	-	20,686	20,686	20,928	6,603	62,300	6.50%	6.50%	Three monthly
-	Solgas S.A. - Peru	PS/.	Banco de Crédito del Perú - Peru	1,045	-	-	-	-	1,045	-	1.15%	1.15%	Monthly
-	Solgas S.A. - Peru	PS/.	Banco Scotiabank - Peru	1,797	-	-	-	-	1,797	-	0.80%	0.80%	Monthly
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco de Bogotá NY - Ecuador	-	4,600	-	-	-	4,600	-	0.75%	0.99%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	6,000	-	-	-	6,000	-	2.94%	2.94%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco BBVA - Ecuador	-	3,500	-	-	-	3,500	-	2.36%	2.36%	Maturity
-	Terpel Comercial Ecuador Cia Ltda. - Ecuador	US\$	Banco Guayaquil - Ecuador	11	4	-	-	-	15	-	9.85%	9.43%	Monthly
Total bank borrowings				205,622	30,614	791,665	57,711	20,928	236,236	870,304			



## Bank borrowings

### Forestry sector

As of March 31, 2021				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\$			
-	Arauco Florestal Arapotí S.A. - Brazil	R\$	Banco Votorantim - Brazil	15	211	211	-	-	226	211	5.00%	5.00%	Annually
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Votorantim - Brazil	13	187	187	-	-	200	187	5.00%	5.00%	Annually
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Bndes Subloan A - Brazil	30	89	59	-	-	119	59	7.30%	TJLP + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Bndes Subloan B - Brazil	18	54	36	-	-	72	36	8.30%	TJLP + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	US\$	Banco Bndes Subcrédito C - Brazil	37	108	84	-	-	145	84	5.71%	Basket + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	US\$	Banco Bndes Subloan D - Brazil	20	59	39	-	-	79	39	9.50%	TJLP + spread	Monthly
-	Arauco North America, Inc. - USA	US\$	Banco Estado - Chile	15,000	17,468	59,146	210,000	-	32,468	269,146	1.90%	Libor + spread	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	€	BNP Paribas - Chile	-	32,652	117,759	119,515	238,882	32,652	476,156	1.10%	1.06%	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	-	8,432	12,640	-	-	8,432	12,640	2.24%	Libor + spread	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Finnish Export Credit - Uruguay	-	46,202	46,776	-	-	46,202	46,776	3.20%	3.20%	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	DNB Nor ASA - Norway	-	16	-	-	-	16	-	1.47%	1.47%	Six monthly
-	Eufores S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	26,508	-	-	-	-	26,508	-	1.54%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Citibank - Uruguay	2,508	-	-	-	-	2,508	-	1.16%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Itaú - Uruguay	12,536	-	-	-	-	12,536	-	1.05%	1.05%	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Scotiabank - Uruguay	5,015	-	-	-	-	5,015	-	1.00%	1.00%	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Santander - Uruguay	27,078	-	-	-	-	27,078	-	1.00%	1.00%	Maturity
-	Stora Enso Uruguay S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	553	-	-	-	-	553	-	1.54%	Libor + spread	Maturity
-	Zona Franca Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	-	2,092	3,129	-	-	2,092	3,129	2.24%	Libor + spread	Six monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Banco BBVA - Uruguay	18,302	-	-	-	-	18,302	-	1.00%	1.00%	Six monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Banco Scotiabank - Uruguay	5,001	-	-	-	-	5,001	-	1.00%	1.00%	Six monthly
Total bank borrowings				112,634	107,570	240,066	329,515	238,882	220,204	808,463			

As of December 31, 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\$			
-	Arauco Florestal Arapotí S.A. - Brazil	R\$	Banco Votorantim - Brazil	-	255	243	-	-	255	243	5.00%	5.00%	Six monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Votorantim - Brazil	-	226	215	-	-	226	215	5.00%	5.00%	Six monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Bndes Subloan A - Brazil	36	106	100	-	-	142	100	7.46%	TJLP + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Banco Bndes Subloan B - Brazil	22	64	60	-	-	86	60	8.46%	TJLP + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	US\$	Banco Bndes Subcrédito C - Brazil	40	116	124	-	-	156	124	5.80%	Basket + spread	Monthly
-	Arauco Forest Brasil S.A. - Brazil	US\$	Banco Bndes Subloan D - Brazil	25	72	67	-	-	97	67	9.66%	TJLP + spread	Monthly
-	Arauco North America, Inc. - USA	US\$	Banco Estado - Chile	-	35,657	69,573	212,036	-	35,657	281,609	1.91%	Libor + spread	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Banco Scotiabank - Chile	1,379	1,378	204,466	-	-	2,757	204,466	1.35%	Libor + spread	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	€	BNP Paribas - Chile	-	31,224	114,163	111,909	216,997	31,224	443,069	1.06%	1.06%	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	4,517	4,466	17,373	-	-	8,983	17,373	2.33%	Libor + spread	Maturity
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Finnish Export Credit - Uruguay	25,589	25,200	73,334	-	-	50,789	73,334	3.20%	3.20%	Six monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	DNB Nor ASA - Norway	187	155	311	-	-	342	311	-	-	Annually
-	Eufores S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	-	26,551	-	-	-	26,551	-	1.54%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Citibank - Uruguay	-	2,514	-	-	-	2,514	-	1.16%	Libor + spread	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Itaú - Uruguay	-	12,564	-	-	-	12,564	-	1.05%	1.05%	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Scotiabank - Uruguay	-	5,025	-	-	-	5,025	-	1.00%	1.00%	Maturity
-	Eufores S.A. - Uruguay	US\$	Banco Santander - Uruguay	-	27,133	-	-	-	27,133	-	1.00%	1.00%	Maturity
-	Stora Enso Uruguay S.A. - Uruguay	US\$	Banco Republica Oriental de Uruguay - Uruguay	-	554	-	-	-	554	-	1.54%	Libor + spread	Maturity
-	Zona Franca Punta Pereira - Uruguay	US\$	Inter-American Development Bank - Uruguay	1,117	1,104	4,295	-	-	2,221	4,295	2.33%	Libor + spread	Six monthly
-	Zona Franca Punta Pereira - Uruguay	US\$	Banco BBVA - Uruguay	-	18,341	-	-	-	18,341	-	1.00%	1.00%	Maturity
Total bank borrowings				32,912	192,705	484,324	323,945	216,997	225,617	1,025,266			

**Bank borrowings**  
**Other sectors**

As of March 31, 2021				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	US\$	Credit Suisse AG - Switzerland	-	1,960	72,916	-	-	1,960	72,916	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	Mizuho Bank - USA	-	1,400	52,082	-	-	1,400	52,082	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	MUFG Bank - USA	-	1,960	72,916	-	-	1,960	72,916	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	Sumitomo Mitsui Banking Corporation - USA	-	1,960	72,916	-	-	1,960	72,916	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Canada	-	2,801	104,167	-	-	2,801	104,167	2.61%	Libor + spread	Six monthly
76,160,625-5	Minera Camino Nevado Ltda. - Chile	CLP	Banco Itaú - Chile	4,180	-	-	-	-	4,180	-	3.82%	TCP + spread	Six monthly
76,160,625-5	Minera Camino Nevado Ltda. - Chile	US\$	Banco BCI - Chile	9,753	-	-	-	-	9,753	-	3.82%	Libor + spread	Six monthly
97,004,000-5	Orizon S.A. - Chile	US\$	Banco de Chile - Chile	10,010	-	-	-	-	10,010	-	1.29%	1.29%	Maturity
97,023,000-9	Orizon S.A. - Chile	US\$	Banco Itaú - Chile	4,001	-	-	-	-	4,001	-	0.96%	1.79%	Maturity
59,203,500-6	Orizon S.A. - Chile	US\$	China Construction Bank, Agencia - Chile	93	-	-	8,000	-	93	8,000	3.75%	3.75%	Six monthly
97,030,000-7	Orizon S.A. - Chile	US\$	Banco Estado - Chile	118	2,500	5,000	2,500	-	2,618	7,500	3.70%	3.70%	Six monthly
97,018,000-1	Orizon S.A. - Chile	US\$	Banco Scotiabank - Chile	167	-	15,000	15,000	-	167	30,000	1.79%	Libor + spread	Six monthly
97,018,000-1	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	647	-	115,638	-	-	647	115,638	1.57%	Libor + spread	Six monthly
97,018,000-1	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	13	-	2,357	-	-	13	2,357	1.57%	Libor + spread	Six monthly
97,018,000-1	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	24	-	4,017	-	-	24	4,017	1.57%	Libor + spread	Six monthly
97,018,000-1	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	161	-	42,099	-	-	161	42,099	1.54%	Libor + spread	Six monthly
97,018,000-1	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	74	-	19,471	-	-	74	19,471	1.54%	Libor + spread	Six monthly
97,018,000-1	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	9	-	2,183	-	-	9	2,183	1.54%	Libor + spread	Six monthly
Total bank borrowings				29,250	12,581	580,762	25,500	-	41,831	606,262			

As of December 31, 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	US\$	Credit Suisse AG - Switzerland	977	972	73,904	-	-	1,949	73,904	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	Mizuho Bank - USA	698	694	52,789	-	-	1,392	52,789	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	MUFG Bank - USA	977	972	73,904	-	-	1,949	73,904	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	Sumitomo Mitsui Banking Corporation - USA	977	972	73,904	-	-	1,949	73,904	2.61%	Libor + spread	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	US\$	The Bank of Nova Scotia - Canada	1,396	1,389	105,578	-	-	2,785	105,578	2.61%	Libor + spread	Six monthly
76,160,625-5	Minera Camino Nevado Ltda. - Chile	CLP	Banco Itaú - Chile	-	4,245	-	-	-	4,245	-	3.82%	TCP + spread	Six monthly
76,160,625-5	Minera Camino Nevado Ltda. - Chile	US\$	Banco BCI - Chile	-	9,753	-	-	-	9,753	-	3.82%	Libor + spread	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Estado - Chile	-	2,526	5,000	2,500	-	2,526	7,500	3.70%	3.70%	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	Banco Scotiabank - Chile	-	31	15,000	15,000	-	31	30,000	1.79%	Libor + Spread	Six monthly
96,929,960-7	Orizon S.A. - Chile	US\$	China Construction Bank, Agencia - Chile	-	19	-	8,000	-	19	8,000	3.75%	3.75%	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	216	-	117,188	-	-	216	117,188	1.57%	Libor + Spread	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	4	-	2,389	-	-	4	2,389	1.57%	Libor + Spread	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	8	-	4,073	-	-	8	4,073	1.57%	Libor + Spread	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	60	-	42,529	-	-	60	42,529	1.54%	Libor + Spread	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	28	-	19,669	-	-	28	19,669	1.54%	Libor + Spread	Six monthly
91,123,000-3	Pesquera Iquique-Guanaye S.A. - Chile	US\$	Banco Scotiabank - Chile	3	-	2,203	-	-	3	2,203	1.54%	Libor + Spread	Six monthly
Total bank borrowings				5,344	21,573	588,130	25,500	-	26,917	613,630			

**Bond obligations**  
**Fuel sector**

As of March 31, 2021				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.	-	-	-	26,723	-	-	26,723	5.84%	5.72%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	38,472	-	38,472	4.81%	4.73%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	66,143	-	-	-	66,143	4.74%	4.66%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 18 years IPC E.A.	-	-	-	-	25,808	-	25,808	5.03%	4.94%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 7 years IPC E.A.	-	-	40,372	-	-	-	40,372	4.84%	4.76%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 15 years IPC E.A.	-	-	-	-	66,529	-	66,529	5.72%	5.61%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Bonds series A, 7 years fixed rate	-	-	-	75,249	-	-	75,249	4.48%	4.41%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	-	-	51,912	-	51,912	5.22%	5.12%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	81,163	-	81,163	5.48%	5.37%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	85,618	-	85,618	5.64%	5.53%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	60,376	-	60,376	5.21%	5.11%	Maturity
Total bond obligations				-	-	106,515	101,972	409,878	-	618,365			

As of December 31, 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.	-	-	-	29,091	-	-	29,091	5.84%	5.72%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	41,883	-	41,883	5.04%	4.95%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	72,005	-	-	-	72,005	4.89%	4.81%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 18 years IPC E.A.	-	-	-	-	28,096	-	28,096	5.19%	5.09%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 7 years IPC E.A.	-	-	43,947	-	-	-	43,947	5.07%	4.98%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series 2 bonds 15 years IPC E.A.	-	-	-	-	72,427	-	72,427	5.88%	5.76%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Bonds series A, 7 years fixed rate	-	-	-	81,915	-	-	81,915	4.41%	4.34%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 10 years IPC E.A.	-	-	-	-	56,514	-	56,514	5.14%	5.05%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 15 years IPC E.A.	-	-	-	-	88,359	-	88,359	5.41%	5.30%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	93,210	-	93,210	5.57%	5.46%	Maturity
-	Organización Terpel S.A. - Colombia	COP	Series C bonds 25 years IPC E.A.	-	-	-	-	65,730	-	65,730	5.44%	5.33%	Maturity
Total bond obligations				-	-	115,952	111,006	446,219	-	673,177			

**Bond obligations**  
**Forestry sector**

As of March 31, 2021				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	12,194	9,255	35,426	35,855	71,809	21,449	143,090	4.24%	4.21%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - F	4,878	3,702	14,331	14,457	28,936	8,580	57,724	4.25%	4.21%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - P	3,047	-	37,190	37,144	129,992	3,047	204,326	3.96%	3.96%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - Q	10,344	-	-	-	-	10,344	-	2.96%	2.98%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - R	3,633	-	-	-	202,847	3,633	202,847	3.57%	3.57%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - S	1,835	-	-	-	198,162	1,835	198,162	2.43%	2.39%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - W	1,212	-	-	-	119,168	1,212	119,168	2.12%	2.09%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - X	2,853	-	-	-	215,998	2,853	215,998	2.70%	2.68%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2022	-	127,218	-	-	-	127,218	-	4.77%	4.75%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2024	-	3,750	-	495,979	-	3,750	495,979	4.52%	4.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2027	8,019	-	-	-	490,339	8,019	490,339	3.90%	3.88%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2047	9,105	-	-	-	393,901	9,105	393,901	5.50%	5.50%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2029	8,913	-	-	-	491,593	8,913	491,593	4.27%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2049	11,535	-	-	-	487,278	11,535	487,278	5.51%	5.50%	Six monthly
93,458,000-2	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2030	-	3,617	-	-	494,158	3,617	494,158	4.21%	4.20%	Six monthly
93,458,000-3	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2050	-	4,435	-	-	490,582	4,435	490,582	5.16%	5.15%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2014	35	105	215	-	-	140	215	4.03%	3.75%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2013	92	273	777	857	1,278	365	2,912	4.03%	3.75%	Six monthly
Total bond obligations				77,695	152,355	87,939	584,292	3,816,041	230,050	4,488,272			

As of December 31, 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	-	25,426	48,507	45,380	81,380	25,426	175,267	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - F	-	10,170	19,403	18,152	32,552	10,170	70,107	4.25%	4.25%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - P	-	8,098	52,264	49,318	149,427	8,098	251,009	4.00%	4.00%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - Q	-	10,375	-	-	-	10,375	-	3.00%	3.00%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - R	-	7,295	14,590	14,590	273,750	7,295	302,930	3.60%	3.60%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - S	-	4,878	9,756	9,756	209,325	4,878	228,837	2.40%	2.40%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - W	-	2,563	5,126	5,126	130,356	2,563	140,608	2.10%	2.10%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Barau - X	-	6,032	12,064	12,064	333,461	6,032	357,589	2.70%	2.70%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2022	2,996	2,996	129,164	-	-	5,992	129,164	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	522,500	-	22,500	567,500	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	538,750	19,375	616,250	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	884,000	22,000	972,000	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	574,375	21,250	659,375	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	1,146,250	27,500	1,256,250	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	594,500	21,000	678,500	4.20%	4.20%	Six monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Yankee 2050	12,875	12,875	51,500	51,500	1,130,875	25,750	1,233,875	5.15%	5.15%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2014	128	384	1,024	1,024	1,493	512	3,541	4.84%	4.84%	Six monthly
-	Prime-Line, Inc. - USA	US\$	Bond ADFA 2013	38	113	261	-	-	151	261	4.00%	4.00%	Six monthly
Total bond obligations				37,787	203,080	610,909	951,660	6,080,494	240,867	7,643,063			

**Bond obligations**  
**Other sectors**

As of March 31, 2021				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	-	11,989	23,978	35,967	333,019	11,989	392,964	4.30%	4.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP E	853	52,940	-	-	-	53,793	-	3.40%	3.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP G	1,365	1,365	3,276	4,914	101,808	2,730	109,998	2.88%	2.88%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP H	-	3,268	95,000	-	-	3,268	95,000	4.75%	4.75%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP I	-	1,304	2,346	3,519	57,012	1,304	62,877	30.00%	2.44%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP - K	-	1,211	2,422	3,633	54,756	1,211	60,811	2.30%	2.26%	Six monthly
Total bond obligations				2,218	72,077	127,022	48,033	546,595	74,295	721,650			

As of December 31, 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	-	12,021	30,054	30,054	333,916	12,021	394,024	4.30%	4.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP E	856	53,939	-	-	-	54,795	-	3.40%	3.25%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP G	-	2,738	4,107	4,107	102,082	2,738	110,296	2.88%	2.88%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP H	2,212	1,843	1,844	96,084	-	4,055	97,928	4.75%	4.75%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP I	654	654	3,269	3,269	57,166	1,308	63,704	30.00%	2.44%	Six monthly
90,690,000-9	Empresas Copec S.A. - Chile	CLP	BECOP - K	607	607	3,035	3,035	55,511	1,214	61,581	2.30%	2.26%	Six monthly
Total bond obligations				4,329	71,802	42,309	136,549	548,675	76,131	727,533			

**Finance leases**  
**Fuel sector**

As of March 31, 2021				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	Miscellaneous-Chile	205	1,780	3,868	3,509	-	1,985	7,377	5.52%	5.52%	Monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Miscellaneous-Chile	89	979	2,026	997	-	1,068	3,023	3.54%	3.54%	Monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco BCI - Chile	-	115	-	-	-	115	-	4.48%	4.48%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco BCI - Chile	590	1,853	4,150	1,104	-	2,443	5,254	1.94%	2.00%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco Estado - Chile	18	55	98	-	-	73	98	0.55%	0.56%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco BCI - Chile	1	4	6	-	-	5	6	1.53%	1.53%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Estado - Chile	4	78	216	230	622	82	1,068	2.25%	2.25%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco de Chile - Chile	971	2,953	8,184	8,655	38,506	3,924	55,345	1.95%	1.95%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Other property, plant and equipment	14,406	29,413	67,725	62,422	255,756	43,819	385,903	-	-	Monthly
-	Duragas S.A. - Ecuador	US\$	Miscellaneous-Ecuador	6	-	-	-	-	6	-	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Certegy Check Services/Fis - USA	8	2	-	-	-	10	-	2.14%	2.14%	Monthly
-	Mapco Express, Inc - USA	US\$	Giddens, Elmo - USA	38	104	263	64	-	142	327	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Regions Equipment Finance - USA	38	13	-	-	-	51	-	2.99%	2.99%	Monthly
-	Nortesantandereana de Gas S.A.E.S.P. - Colombia	COP	Miscellaneous-Colombia	140	443	738	775	-	583	1,513	9.77%	9.36%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Bancolombia - Colombia	479	1,351	532	532	-	1,830	1,064	0.61%	0.61%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Vinder SAS - Colombia	9	29	140	140	2,947	38	3,227	1.00%	1.00%	Monthly
-	Solgas S.A. - Peru	US\$	Miscellaneous-Peru	144	1,541	2,023	2,315	-	1,685	4,338	6.80%	6.80%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco de Chile - Chile	91	275	260	-	-	366	260	2.80%	2.76%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco BCI - Chile	564	1,706	2,394	148	-	2,270	2,542	1.30%	1.30%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco Scotiabank - Chile	259	911	2,307	221	-	1,170	2,528	2.22%	2.22%	Monthly
Total finance leases				18,060	43,605	94,930	81,112	297,831	61,665	473,873			

As of December 31, 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	Miscellaneous-Chile	475	1,470	3,468	3,199	9,558	1,945	16,225	5.52%	5.52%	Monthly
91,806,000-6	Abastible S.A. - Chile	CLP	Miscellaneous-Chile	267	801	2,046	1,024	-	1,068	3,070	3.54%	3.54%	Monthly
77,215,640-5	Administradora de Ventas al Detalle Ltda. - Chile	CLP	Banco BCI - Chile	43	117	-	-	-	160	-	4.48%	4.48%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco BCI - Chile	495	1,561	3,468	1,096	-	2,056	4,564	1.94%	2.00%	Monthly
85,840,100-3	Cia. de Servicios Industriales Ltda. - Chile	CLP	Banco Estado - Chile	18	55	118	-	-	73	118	0.55%	0.56%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco BCI - Chile	1	4	7	-	-	5	7	1.53%	1.53%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco Estado - Chile	25	77	215	230	655	102	1,100	2.25%	2.25%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Banco de Chile - Chile	968	2,944	8,160	8,629	39,777	3,912	56,566	1.95%	1.95%	Monthly
99,520,000-7	Compañía de Petróleos de Chile Copec S.A. - Chile	CLP	Other property, plant and equipment	12,474	36,264	65,625	60,103	254,657	48,738	380,385	-	-	Monthly
-	Duragas S.A. - Ecuador	US\$	Miscellaneous-Ecuador	3	9	7	-	-	12	7	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Certegy Check Services/Fis - USA	6	11	-	-	-	17	-	2.14%	2.14%	Monthly
-	Mapco Express, Inc - USA	US\$	Giddens, Elmo - USA	36	107	286	109	-	143	395	8.81%	8.81%	Monthly
-	Mapco Express, Inc - USA	US\$	Regions Equipment Finance - USA	38	51	-	-	-	89	-	2.99%	2.99%	Monthly
-	Nortesantandereana de Gas S.A.E.S.P. - Colombia	COP	Miscellaneous-Colombia	196	589	807	840	-	785	1,647	9.77%	9.36%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Bancolombia - Colombia	512	1,584	784	784	-	2,096	1,568	0.66%	0.66%	Monthly
-	Organización Terpel S.A. - Colombia	COP	Vinder SAS - Colombia	10	31	148	148	3,228	41	3,524	1.00%	1.00%	Monthly
-	Solgas S.A. - Peru	US\$	Miscellaneous-Peru	394	1,242	2,223	2,223	242	1,636	4,688	6.80%	6.80%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco de Chile - Chile	90	275	354	-	-	365	354	2.80%	2.76%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco BCI - Chile	544	1,658	2,773	200	20	2,202	2,993	1.30%	1.30%	Monthly
79,904,920-1	Transportes de Combustibles Chile Ltda. - Chile	CLP	Banco Scotiabank - Chile	94	659	1,754	354	31	753	2,139	1.60%	1.60%	Monthly
Total finance leases				16,689	49,509	92,243	78,939	308,168	66,198	479,350			

**Finance leases**  
**Forestry sector**

As of March 31, 2021				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	128	289	36	-	-	417	36	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	IT Equipment	13	39	22	-	-	52	22	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Plant and equipment	347	1,040	2,292	418	-	1,387	2,710	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Motor vehicles	811	2,023	3,250	375	-	2,834	3,625	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Buildings and construction	25	78	4	-	-	103	4	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Motor vehicles	13	41	148	30	-	54	178	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Facilities, fixtures and fittings	123	290	-	-	-	413	-	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	Buildings and construction	41	122	326	-	-	163	326	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	IT Equipment	31	41	34	-	-	72	34	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	Motor vehicles	92	278	216	-	-	370	216	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Motor vehicles	6	8	16	-	-	14	16	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Buildings and construction	19	33	150	63	-	52	213	-	-	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	IT Equipment	5	4	3	-	-	9	3	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	IT Equipment	6	14	11	-	-	20	11	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Land	1,016	3,049	8,128	8,128	6,145	4,065	22,401	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Plant and equipment	-	666	735	-	-	666	735	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Plant and equipment	-	288	131	-	-	288	131	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Buildings and construction	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Land	-	6	16	9	-	6	25	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Land	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Other property, plant and equipment	3	9	4	-	-	12	4	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Facilities, fixtures and fittings	9	26	49	-	-	35	49	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	IT Equipment	13	38	23	-	-	51	23	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Motor vehicles	108	324	53	-	-	432	53	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Buildings and construction	242	822	2,441	3,007	3,115	1,064	8,563	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Motor vehicles	38	118	385	119	-	156	504	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	MXN	Buildings and construction	466	328	2,984	1,193	-	794	4,177	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	US\$	Buildings and construction	26	81	223	-	-	107	223	-	-	Monthly
-	Araucocomex Servicios S.A. de C.V. - Mexico	MXN	Motor vehicles	-	75	118	62	-	75	180	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	426	1,257	2,351	-	-	1,683	2,351	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	196	492	790	200	14	688	1,004	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	18	54	72	-	-	72	72	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Plant and equipment	484	967	-	-	-	1,451	-	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	4,979	14,936	21,835	-	-	19,915	21,835	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Motor vehicles	45	121	-	-	-	166	-	-	-	Monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Plant and equipment	192	531	1,185	1,186	7,572	723	9,943	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Land	832	4,080	11,403	10,181	33,340	4,912	54,924	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Plant and equipment	306	917	2,444	2,444	2,139	1,223	7,027	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Buildings and construction	70	169	234	20	-	239	254	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Motor vehicles	523	1,500	2,328	926	170	2,023	3,424	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Land	-	-	-	-	-	-	-	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	US\$	Land	60	180	480	480	660	240	1,620	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Plant and equipment	1,028	1,582	986	-	-	2,610	986	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Plant and equipment	180	113	188	-	-	293	188	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	1,239	3,379	2,398	15	-	4,618	2,413	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	71	213	47	-	-	284	47	-	-	Monthly
79,990,550-7	Investigaciones Forestales Bioforest S.A. - Chile	CLP	Motor vehicles	21	28	58	5	-	49	63	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	3,602	9,811	15,026	-	-	13,413	15,026	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	124	292	362	26	1	416	389	-	-	Monthly
96,637,330-K	Servicios Logísticos Arauco S.A. - Chile	CLP	Motor vehicles	24	56	67	-	-	80	67	-	-	Monthly
Total finance leases				18,001	50,808	84,052	28,887	53,156	68,809	166,095			

## Finance leases - Forestry sector

As of December 31, 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	116	334	34	-	-	450	34	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	IT Equipment	13	39	35	-	-	52	35	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Other property, plant and equipment	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Plant and equipment	347	1,040	2,388	668	-	1,387	3,056	-	-	Monthly
-	Arauco Argentina S.A. - Argentina	US\$	Motor vehicles	744	2,316	3,393	750	-	3,060	4,143	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Other property, plant and equipment	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Buildings and construction	25	78	9	-	-	103	9	-	-	Monthly
-	Arauco Canada Limited - Canada	C\$	Motor vehicles	13	41	148	34	-	54	182	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Buildings and construction	10	-	-	-	-	10	-	-	-	Monthly
-	Arauco Colombia S.A. - Colombia	US\$	Facilities, fixtures and fittings	137	411	-	-	-	548	-	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	Buildings and construction	75	226	602	75	-	301	677	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	US\$	IT Equipment	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	IT Equipment	34	64	52	-	-	98	52	-	-	Monthly
-	Arauco Do Brasil S.A. - Brazil	R\$	Motor vehicles	84	252	408	-	-	336	408	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Motor vehicles	8	12	21	-	-	20	21	-	-	Monthly
-	Arauco Europe Cooperatief U.A. - Holland	€	Buildings and construction	17	52	156	88	-	69	244	-	-	Monthly
-	Arauco Florestal Arapoti S.A. - Brazil	R\$	IT Equipment	5	8	5	-	-	13	5	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	IT Equipment	7	17	18	-	-	24	18	-	-	Monthly
-	Arauco Forest Brasil S.A. - Brazil	R\$	Land	676	2,027	5,178	5,404	4,728	2,703	15,310	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Plant and equipment	261	-	-	-	-	261	-	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Plant and equipment	94	288	131	-	-	382	131	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Buildings and construction	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	MXN	Land	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Industria de México, S.A. de C.V. - Mexico	US\$	Land	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Other property, plant and equipment	3	10	8	-	-	13	8	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	IT Equipment	14	42	39	-	-	56	39	-	-	Monthly
-	Arauco Industria de Paineis S.A. - Brazil	R\$	Motor vehicles	118	355	177	-	-	473	177	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Land	-	-	-	-	-	-	-	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Buildings and construction	267	822	2,441	3,007	3,275	1,089	8,723	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Motor vehicles	38	118	385	123	-	156	508	-	-	Monthly
-	Arauco North America, Inc. - USA	US\$	Other property, plant and equipment	-	-	-	-	-	-	-	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	MXN	Buildings and construction	26	80	210	-	-	106	210	-	-	Monthly
-	Araucocomex S.A. de C.V. - Mexico	US\$	Buildings and construction	358	970	4,110	1,815	-	1,328	5,925	-	-	Monthly
-	Araucocomex Servicios S.A. de C.V. - Mexico	MXN	Motor vehicles	20	59	17	-	-	79	17	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	428	1,283	2,767	-	-	1,711	2,767	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	197	527	915	229	27	724	1,171	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Buildings and construction	18	55	92	-	-	73	92	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Plant and equipment	1,612	-	-	-	-	1,612	-	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	CLP	Motor vehicles	5,055	15,165	27,225	-	-	20,220	27,225	-	-	Monthly
93,458,000-1	Celulosa Arauco y Constitución S.A. - Chile	US\$	Motor vehicles	45	136	30	-	-	181	30	-	-	Monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Plant and equipment	139	418	767	768	7,094	557	8,629	-	-	Monthly
-	Celulosa y Energía Punta Pereira - Uruguay	US\$	Buildings and construction	-	-	-	-	-	-	-	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Land	975	2,980	11,293	10,064	32,721	3,955	54,078	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Other property, plant and equipment	-	-	-	-	-	-	-	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Plant and equipment	306	917	2,444	2,444	2,445	1,223	7,333	-	-	Monthly
-	Eufores S.A. - Uruguay	US\$	Buildings and construction	70	210	234	49	-	280	283	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	COP	Motor vehicles	527	1,563	2,635	1,000	271	2,090	3,906	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	COP	Plant and equipment	1,511	2,005	1,451	-	-	3,516	1,451	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	COP	Plant and equipment	384	259	229	-	-	643	229	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	1,518	3,812	4,505	-	-	5,330	4,505	-	-	Monthly
85,805,200-9	Forestal Arauco S.A. - Chile	CLP	Other property, plant and equipment	72	217	120	-	-	289	120	-	-	Monthly
79,990,550-7	Investigaciones Forestales Bioforest S.A. - Chile	CLP	Motor vehicles	21	40	59	5	-	61	64	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	3,906	10,298	18,576	-	-	14,204	18,576	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Motor vehicles	125	322	450	34	2	447	486	-	-	Monthly
96,510,970-6	Maderas Arauco S.A. - Chile	CLP	Land	-	-	-	-	-	-	-	-	-	Monthly
-	Novo Oeste Gestao de Ativos Florestais S.A. - Brazil	R\$	Land	-	-	-	-	-	-	-	-	-	Monthly
96,637,330-K	Servicios Logísticos Arauco S.A. - Chile	CLP	Motor vehicles	24	62	86	-	-	86	86	-	-	Monthly
Total finance leases				20,443	49,930	93,843	26,557	50,563	70,373	170,963			



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

Changes in obligations from financial activities were as follows:

	Opening balance 01.01.2021 ThUS\$	Restated opening balance	Cash Flow			Accrued interest ThUS\$	Indexation Exchange dif. ThUS\$	Other items ThUS\$	Closing balance 03.31.2021 ThUS\$
			New Loans ThUS\$	Loans Repayment ThUS\$	Interest Payment ThUS\$				
Bank loans	2,943,256	2,943,256	196,889	(469,290)	(14,373)	26,268	(43,274)	(7,411)	2,632,065
Leasing liabilities	758,357	758,357	0	(37,722)	(2,447)	7,941	4,163	15,757	746,049
Hedging liabilities	94,865	94,865	0	0	(7,225)	476	4,463	2,493	95,072
Bonds and promissory notes	6,031,618	6,031,618	0	(23,904)	(55,362)	66,764	1,817	(51,599)	5,969,334
<b>Total</b>	<b>9,828,096</b>	<b>9,828,096</b>	<b>196,889</b>	<b>(530,916)</b>	<b>(79,407)</b>	<b>101,449</b>	<b>(32,831)</b>	<b>(40,760)</b>	<b>9,442,520</b>

9	Opening balance 01.01.2020 ThUS\$	Restated opening balance	Flow			Accrued interest ThUS\$	Indexation Exchange dif. ThUS\$	Other items ThUS\$	Closing balance 12.31.2020 ThUS\$
			New Loans ThUS\$	Payments Loans ThUS\$	Payment Interest ThUS\$				
Bank loans	2,256,568	2,256,568	1,526,772	(1,037,564)	(76,134)	103,914	35,059	134,641	2,943,256
Leasing liabilities	787,932	787,932	0	(138,379)	(12,983)	31,121	70,650	20,016	758,357
Hedging liabilities	158,847	158,847	0	(37,127)	(32,993)	33,639	21,765	(49,266)	94,865
Bonds and promissory notes	6,069,355	6,069,355	131,457	(283,318)	(269,721)	240,710	120,019	23,116	6,031,618
<b>Total</b>	<b>9,272,702</b>	<b>9,272,702</b>	<b>1,658,229</b>	<b>(1,496,388)</b>	<b>(391,831)</b>	<b>409,384</b>	<b>247,493</b>	<b>128,507</b>	<b>9,828,096</b>

As of March 31, 2021, 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 95.0% of the Group's consolidated financial borrowing, which is as follows:

	Amortized Cost		Fair Value	
	03.31.2021 ThUS\$	12.31.2020 ThUS\$	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Bonds issued in USD	3,399,803	3,519,017	3,845,938	3,970,081
Bonds issued in UF	2,485,468	2,409,188	2,582,329	2,687,475
Bonds issued in COP	2,509	2,857	2,509	2,857
Bonds issued in CLP	81,554	100,556	81,554	100,556
Bank loans in USD	1,900,823	2,114,619	1,886,592	2,143,501
Bank loans in other currencies	731,242	828,637	750,944	872,726
Finance leases	746,049	758,357	746,049	758,357
Trade and other payables	1,385,928	1,432,958	1,385,928	1,432,958

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 03.31.2021 ThUS\$	Amount as of 12.31.2020 ThUS\$	Interest coverage ≥ 2.0x	Borrowing ratio <sup>1</sup> ≤ 1.2x
Local bonds	2,569,531	2,512,601	N/A	√
Foreign bonds	3,399,803	3,519,017	Safeguards are not required	
Syndicated loan (1)	0	200,022	√	√
Banco Estado Syndicated Loan - Grayling (2)	301,614	300,121	√	√
BNP Paribas Bank ECA Loan (3)	508,808	531,181	√	√
International syndicated loan (5)	359,174	361,383	N/A	√
Syndicated loan (4)	499,006	498,823	N/A	N/A
Other loans (4)	321,498	387,792	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)

As of March 31, 2021, the risk ratings for debt instruments are as follows.

Instrument	Standard & Poor's	Fitch Ratings	Moody's	Feller Rate
<b>Empresas Copec</b>				
Local bonds	-	AA-	-	AA
<b>Arauco</b>				
Local bonds	-	AA-	-	AA
Foreign bonds	BBB-	BBB	Baa3	-
<b>Organización Terpel</b>				
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 loan was arranged with The Bank of Nova Scotia (administrative agent and lead arranger), Banco del Estado de Chile - New York Branch and Sumitomo Mitsui Banking Corporation, and it was repaid during 2021.
- (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\$ 301,614 as of March 31, 2021. 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\$ 820,504 as of March 31, 2021, 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.
- (5) On August 27, 2020, Empresas Copec S.A. received an international loan of ThUS\$ 360,000 over a 3 year term from Credit Suisse AG, Mizuho Bank Ltd, MUFG Bank, Sumitomo Mitsui Banking Corporation and The Bank of Nova Scotia.

**Financial obligations and safeguards**

Consolidated financial loans amounted to ThUS\$ 9,064,471 as of March 31, 2021 (ThUS\$ 9,386,539 as of December 31, 2020). The group affiliates must comply with the following indicators:

**i) Celulosa Arauco y Constitución S.A. (Unaudited)**

**Debt over consolidated equity  
as of March 31, 2021**

	ThUS\$
Consolidated debt	
+ Short-term debt	510,257
+ Long-term debt	5,437,956
<b>= Total Debt</b>	<b>5,948,213</b>
<b>Consolidated equity</b>	<b>7,440,282</b>
<b>Debt over consolidated equity</b>	<b>0.80</b>
<b>Limit</b>	<b>1.2</b>

**Interest Coverage Ratio for the period  
as of March 31, 2021**

	ThUS\$
Consolidated EBITDA	
+ Net Income (loss)	157,379
+ Financial costs (including capitalized interest)	
Financial costs reflected in the income statement	257,390
Capitalized Interest	47,002
- Financial income	(29,076)
+ Income tax expense	94,253
+ Depreciation and amortization	517,331
- Gain on changes in the fair value of biological assets	(172,240)
+ Harvested crop cost at fair value	306,279
- Other	86,527
- Exchange differences	44,163
<b>= Consolidated EBITDA</b>	<b>1,309,008</b>
Consolidated interest expense	
+ Financial costs (including capitalized interest)	304,392
- Financial income	(29,076)
<b>= Net consolidated Interest expense</b>	<b>275,316</b>
<b>Interest coverage ratio</b>	<b>4.8</b>
<b>Minimum interest coverage ratio</b>	<b>2.0</b>

ii) **Compañía de Petróleos de Chile Copec S.A. (Unaudited)****Debt over consolidated equity  
as of March 31, 2021**

	<b>MCh\$</b>
Total Debt	
All obligations on borrowed funds	1,436,360
+ 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	289,612
- Cash and cash equivalents	(380,760)
- Hedging financial assets, financial liabilities offset by hedges included in financial liabilities	(33,519)
- IFRS 16 adjustments	(310,183)
<b>= Total Debt</b>	<b>1,001,510</b>
<b>Equity including increase (decrease) in goodwill</b>	<b>1,375,756</b>
<b>Debt / Equity</b>	<b>0.73</b>
<b>Limit</b>	<b>1.4</b>

**Interest Coverage Ratio for the period  
as of March 31, 2021**

	<b>MCh\$</b>
EBITDA	
+ Gross margin	869,844
+ Distribution costs	(344,091)
+ Administrative costs	(282,740)
+ Administration costs, IFRS 16 adjustments	(10,454)
+ Depreciation	143,098
- Depreciation, IFRS 16 adjustments	(46,743)
+ Amortization	55,934
+ Dividends received from non-consolidated affiliates	8,301
<b>= EBITDA</b>	<b>393,149</b>
Interest expense	
+ Financial costs	83,951
+ Financial costs, IFRS 16 adjustments	(14,230)
- Financial income	(5,359)
<b>Net interest expense</b>	<b>64,362</b>
<b>Interest coverage ratio</b>	<b>6.11</b>
<b>Minimum interest coverage ratio</b>	<b>2.0</b>

iii) **Empresas Copec S.A. (Unaudited)****Debt over consolidated equity  
as of March 31, 2021**

	ThUS\$
Consolidated financial debt	
+ Other financial liabilities, current	669,297
+ Other financial liabilities, non-current	8,027,174
+ Third-party guarantees	368,000
<b>= Total consolidated financial debt</b>	<b>9,064,471</b>
Cash on hand	
+ Cash and cash equivalents	1,895,971
+ Other financial assets, current	139,737
- Derivative financial instruments:	
Forwards	(1,805)
Swaps	(166)
<b>= Total Cash</b>	<b>2,033,737</b>
<b>Net Debt</b>	<b>7,030,734</b>
Consolidated equity	
+ Non-controlling interests	459,242
+ Equity attributable to owners of the parent company	10,638,213
<b>= Consolidated Equity</b>	<b>11,097,455</b>
<b>Borrowing ratio</b>	<b>0.63</b>
<b>Limit</b>	<b>1.2</b>

**Consolidated net tangible assets  
as of March 31, 2021**

	ThUS\$
+ Total issuer's assets	24,903,720
- Intangible assets other than goodwill	(894,124)
- Goodwill	(387,651)
- Total current liabilities	(2,960,282)
+ Short-term portion of long-term obligations with banks and financial institutions	163,273
+ Short-term bond obligations	105,010
<b>Total Consolidated Net Tangible Assets</b>	<b>20,929,946</b>

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 March 31, 2021, the concepts identified in subsections /a/ and /b/ of the definition of consolidated net tangible assets were ThUS\$ 163,273 and ThUS\$ 105,010 respectively (ThUS\$ 297,379 and ThUS\$ 113,948 as of December 31, 2020). In accordance with the provisions of Chapter III, Clause 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 March 31, 2021 and December 31, 2020 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:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Total consolidated financial debt	9,064,471	9,386,539
Total Cash	2,033,737	2,339,179
<b>(A) Net debt (Total financial debt - Total cash)</b>	<b>7,030,734</b>	<b>7,047,360</b>
<b>(B) Consolidated equity</b>	<b>11,097,455</b>	<b>11,060,470</b>
<b>Borrowing ratio = (A) / (B)</b>	<b>0.63</b>	<b>0.64</b>
<b>Limit allowed</b>	<b>1.20</b>	<b>1.20</b>

### 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:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Swaps	87,230	83,198
Forwards	7,842	11,593
Other items	0	74
<b>Total</b>	<b>95,072</b>	<b>94,865</b>

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 March 31, 2021 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		
	March 2021 ThUS\$	Level I ThUS\$	Level II ThUS\$	Level III ThUS\$
<b>Financial assets at fair value</b>				
Investment Swap (asset)	77,191	0	77,191	0
Forwards	2,599	0	2,599	0
Mutual funds	433,844	433,844	0	0
Other financial assets at fair value	12,188	12,188	0	0
Fixed income instruments	133,506	133,506	0	0
<b>Financial liabilities at fair value</b>				
Investment Swap (liability)	87,230	0	87,230	0
Forward (liability)	7,842	0	7,842	0

	Fair Value	Measurement Method		
	December 2020 ThUS\$	Level I ThUS\$	Level II ThUS\$	Level III ThUS\$
<b>Financial assets at fair value</b>				
Investment Swap (asset)	67,677	0	67,677	0
Forwards	1,420	0	1,420	0
Mutual funds	614,835	614,835	0	0
Guarantee contribution	0	0	0	0
Other financial assets at fair value	7,266	7,266	0	0
Fixed income instruments	189,089	189,089	0	0
<b>Financial liabilities at fair value</b>				
Investment Swap (liability)	83,198	0	83,198	0
Forward (liability)	11,593	0	11,593	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 March 31, 2021, with regard to dividends payable in May 2021 are hedged.

As of March 31, 2021, the market value of all the forwards expressed in US dollars at the exchange rate prevailing on the reporting date is ThUS\$ (4,097) (ThUS\$ (5,307) as of December 31, 2020).

Empresas Copec S.A. received an international loan during 2020 at a variable interest rate of a margin over 6 months Libor. The Company uses swap contract hedges with the banks MUFG, Mizuho and SMBC, to mitigate this interest rate risk. As of March 31, 2021, the market value of these hedging financial instruments was ThUS\$ 238 (ThUS\$ (1,485) as of December 31, 2020).

Empresas Copec contracted a forward derivative instrument in December 2020, to hedge the translation differences as a result of acquiring an interest in Metrogas S.A. As of March 31, 2021, the market value of these hedges was ThUS\$ (140) (ThUS\$ (379) as of December 31, 2020).

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, P, R, Q, S, W and X series, with a market value of ThUS\$ 5,090 as of March 31, 2021.

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 hedging 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 March 31, 2021 and December 31, 2020 are as follows:

Financial derivative assets (liabilities)	March 31, 2021	
	Fair value ThUS\$	Notional value ThUS\$
Interest rate hedges	(32,063)	0
Exchange rate hedges	45,901	567,544
Derivatives not treated as hedges	(1,372)	369,048
<b>Total</b>	<b>12,466</b>	<b>936,592</b>

Financial derivative assets (liabilities)	December 31, 2020	
	Fair value ThUS\$	Notional value ThUS\$
Interest rate hedges	(38,762)	0
Exchange rate hedges	38,556	572,437
Derivatives not treated as hedges	(1,558)	147,596
<b>Total</b>	<b>(1,764)</b>	<b>720,033</b>

## 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 of the affiliates carries out its own risk management in collaboration with their respective business units.

As of March 31, 2021, 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 86% of the Group's consolidated assets, 92% of EBITDA. Additionally, they represent around 93% of receivables and 84% 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 for the management of investments that establish the objectives of obtaining the maximum return for acceptable levels of risk, maintaining sufficient liquidity, and limiting exposure to the different types of risk. These policies identify the instruments that are allowed, and they establish limits by type of instrument, issuer and risk rating. In addition, they determine investment controls and procedures.

Risk management is managed by the finance department, which complies with the policies approved by Management, and receives advice 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 types of instrument, credit ratings, currencies and other criteria. These managers are in turn monitored by the Company's finance 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 in accordance with its investment policy, primarily consist of fixed-income instruments in the form of deposits, bonds, mortgage bonds,

fixed-income mutual funds and other similar items. 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 0.60 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.

On August 27, 2020 Empresas Copec received an international loan of ThUS\$ 360,000 from a syndicate of foreign banks. This loan has a 3-year term and a bullet structure with semi-annual interest payments and repayment at maturity. The interest rate is variable at a margin over 6 months Libor. Interest Rate Swaps (IRS) were contracted for the notional value of the loan to mitigate movements in the Libor interest rate.

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:

<b>Aggregate term (years)</b>	<b>0.60</b>	
<b>Total portfolio value (US\$)</b>	<b>497,052</b>	
<b>Interest rate sensitivity analysis:</b>	<b>March 31, 2021</b>	
<b>Change in Rate</b>	<b>Change in Value</b>	<b>Total portfolio value</b>
%	ThUS\$	ThUS\$
2.0%	(5,965)	491,087
1.0%	(2,982)	494,069
0.5%	(1,491)	495,560
-0.5%	1,491	498,543
-1.0%	2,982	500,034
-2.0%	5,965	503,016

## 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 March 31, 2021, approximately 83% of the aggregate portfolio is denominated in US dollars and 17% in Chilean pesos and UF. The Company's objective is to achieve a portfolio with approximately 60% to 80% in US

dollars, in accordance with its forecast investments. Temporary deviations may occur when certain investments require a higher proportion of a particular currency, which would be duly approved by the Board.

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		17.0%	
Total portfolio value (US\$)		497,052	
Exchange rate sensitivity analysis		March 31, 2021	
	Exchange differences	Change in Value	Total portfolio value
	%	ThUS\$	ThUS\$
Depreciation	10.0%	(8,369)	488,684
	5.0%	(4,185)	492,867
Appreciation \$	-5.0%	4,185	501,238
	-10.0%	8,369	505,421

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 risk at the Parent level.

### 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. In this regard, risk ratings must be issued by recognized local or international rating agencies.

The main counterparties as of March 31, 2021 and December 31, 2020 are detailed as follows:

Main counterparties	03.31.2021		12.31.2020	
	%	ValueThUS\$	%	ValueThUS\$
MUFG Bank New York	12.40%	61,740	0.00%	0
JP Morgan NY	12.20%	60,419	10.10%	52,943
BNP Paribas New York	11.20%	55,533	5.80%	30,425
Banco Credit Suisse	9.10%	45,136	7.60%	40,042
Citibank New York	6.60%	33,013	9.50%	50,044
Santander Mutual Funds	5.10%	25,547	6.90%	36,201
Banco ItauCorp	4.60%	23,016	10.10%	53,169
BTG Pactual Mutual Funds	3.60%	17,926	3.50%	18,415
The US Treasury	3.00%	14,889	3.00%	15,578
Banco Chile	2.30%	11,403	6.10%	31,883
Banchile Mutual Funds	2.30%	11,396	0.00%	0
BCI Mutual Funds	2.20%	10,913	0.00%	0
Banco Scotiabank	2.20%	10,794	0.00%	0
Itau Mutual Funds	2.10%	10,639	2.00%	10,690
Banco HSBC	2.10%	10,490	2.00%	10,634
Banco Santander	0.00%	0	10.30%	54,108
Scotiabank Mutual Funds	0.00%	0	2.30%	11,859
Bice Mutual Funds	0.00%	0	1.50%	8,111
Banco BCI	0.00%	0	0.00%	0
Other items	19.00%	94,198	19.30%	102,005
<b>Total</b>	<b>100.00%</b>	<b>497,052</b>	<b>100.00%</b>	<b>526,107</b>

#### 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 of time, 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 Paineis 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. These guarantees cover US\$ 100.7 million of debt as of March 31, 2021. The guarantee procedure is regulated by the guarantee policy, which controls 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 standards and procedures for the proper control and management of the risk of sales on credit are governed by the Credit Policy.

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 March 31, 2021, Arauco's trade receivables totaled ThUS\$ 680,985 of which 57.44% were sales on credit, 41.28% were sales with letters of credit, and 1.29% were other sales. These receivables covered 2,583 customers. The customer with the greatest Open Account debt represented 2.47% 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 95.5% of the total, consequently Arauco's portfolio exposure amounts to 4.5%.

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.

Aging of receivables as of March 31, 2021 and December 31, 2020 respectively were as follows:

**March 31, 2021**

Days	Not yet due	1-30	31-60	61-90	91-120	121-150	151-180	181-210	211-250	Over 250	Total
ThUS\$	659,795	15,365	270	125	34	9	48	10	12	5,317	680,985
%	96.89%	2.26%	0.04%	0.02%	0.00%	0.00%	0.01%	0.00%	0.00%	0.78%	100.00%

**December 31, 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\$	625,225	21,502	474	96	636	11	70	72	299	5,036	653,421
%	95.68%	3.29%	0.07%	0.01%	0.10%	0.00%	0.01%	0.01%	0.05%	0.78%	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.

Investment policy:

Regarding the credit risk of term deposits, repurchase agreements and mutual funds, Arauco has a policy that minimizes this risk through guidelines for managing cash flow surpluses in low-risk institutions. The policy identifies the financial instruments and entities in which Celulosa Arauco y Constitución S.A. is 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. If it requires short or long-term borrowing from another company, the transaction will require the express authorization of Arauco's Chief Financial Officer.

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



Intermediaries (banks, stockbrokers and mutual funds agencies, and these latter two must be affiliates of banks) are subject to a process that evaluates the relative degree of risk of each bank or financial institution in terms of its financial statements and securities. 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 that is necessary 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.

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

## 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 on the basis of 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:

(Thousands of US dollars)	March 2021					Total
	Under 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	Over 5 years	
<b>Maturity</b>						
Finance leases	0	18,001	50,142	112,124	53,156	233,423
Bank loans	0	118,079	108,775	573,239	216,997	1,017,090
Bonds issued in UF and US dollars	0	87,961	279,057	1,701,104	6,056,729	8,124,851
<b>Total</b>	<b>0</b>	<b>224,041</b>	<b>437,974</b>	<b>2,386,467</b>	<b>6,326,882</b>	<b>9,375,364</b>

(Thousands of US dollars)	December 2020					Total
	Under 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	Over 5 years	
<b>Maturity</b>						
Finance leases	0	20,443	49,930	120,400	50,563	241,336
Bank loans	0	32,912	192,705	809,269	216,997	1,251,883
Bonds issued in UF and US dollars	0	37,787	203,080	1,562,569	6,080,494	7,883,930
<b>Total</b>	<b>0</b>	<b>91,142</b>	<b>445,715</b>	<b>2,492,238</b>	<b>6,348,054</b>	<b>9,377,149</b>

iii) Market risk - exchange rate

This risk arises from the likelihood of losses from changes in the exchange rates of the currencies in which the assets and liabilities of Arauco are denominated 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 as of March 31, 2021. 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 +/- 14.74% (equivalent to +/- ThUS\$ 15,085), and a change in equity of +/- 0.20% (equivalent to +/- ThUS\$ 15,085).

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 obligations to the public, 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 March 31, 2021, 6% of bonds and loans with banks accrue interest at a variable rate. Therefore, a change of +/- 10% in the interest rate would change net income after tax by +/- 0.05% (equivalent to +/- ThUS\$ 54) and equity by +/- 0.001% (equivalent to +/- ThUS\$ 54).

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 March 31, 2021, operating revenue from the sale of wood pulp represented about 42.7% 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, providing tools to evaluate trends and adjust 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 pulp prices by maintaining a strategy of low-cost production, allowing it to deal with possible 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 +/- 37.84% in net income after tax (equivalent to +/- US\$ 38.6 million) and +/- 0.52% in equity (equivalent to +/- US\$ 38.6 million).

The changes shown in the reported sensitivity analysis for exchange rates, interest rates and cellulose 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 operations.

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: 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 structure, 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 repayment 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 March 31, 2021, 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 April 1, 2021, is as follows:

**As of March 31, 2021**

ThUS\$	Change %	Ch\$/US\$	Total (MCh\$)	(Loss) Gain MCh\$	(Loss) Gain MUS\$
790,955	15%	830.09	656,566	(85,639)	(119)
790,955	10%	794.00	628,020	(57,093)	(79)
790,955	5%	757.91	599,474	(28,546)	(40)
790,955	-	721.82	570,927	-	-
790,955	-5%	685.73	542,381	28,546	40
790,955	-10%	649.64	513,835	57,093	79
790,955	-15%	613.55	485,288	85,639	119

**Organización Terpel and affiliates**

Risk management individually assesses each risk exposure. This assessment determines whether financial hedge instruments are taken out, 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 36% as of March 31, 2021, meaning 64% 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/or 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.

The foreign exchange market has been affected by upward pressures due to the decrease in oil prices, and the increase in risk premiums due to the uncertainty and risk aversion caused by the COVID-19 pandemic, which has been reflected in high volatility among global currencies. As of March 31, 2021 this situation had begun to ease, but pre-pandemic rates did not return in any of the Group's regions.

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 options to match this risk.

There were no hedging financial instruments for the price of fuel as of March 31, 2021.

However, the effect on net income of positive price variations of 2.5% and 5.0% would be increases of ThUS\$ 4,525 and ThUS\$ 9,049, respectively, based on inventories at the end of the period. There would be decreases for these amounts if prices decreased by the same percentages.

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 the movements in cost, 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 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 has 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 supply of fuel available 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 us with volume and keep prices competitive. Mapco's exposure to fuel price fluctuations is limited as our fuel turnover is low. Fuel costs are not hedged, and excess inventory is not kept other than inventory in store tanks. The risk of sudden changes in the fuel prices is mainly mitigated by the natural hedging of the retail market where prices can be adjusted accordingly. Mapco group's fuel purchasing strategy is monitored by its 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, no significant financial risk exists.

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. Exceptionally, loans maturing in over 90 days were drawn down to address the COVID-19 pandemic during 2020.

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 and is also exposed to the inflation rate. 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), so that inflation volatility would be controlled by that institution.

The COVID-19 pandemic had no impact on interest rate risk, as of March 31, 2021.

#### Organización Terpel and affiliates

##### - Cash flow sensitivity analysis for variable rate instruments

Terpel Group's debt as of March 31, 2021 was ThUS\$ 723,516 of which 4% is at a fixed interest rate and 96% is at variable rates, of which 85% is indexed to the CPI, 1.5% to Libor and 0.4% to FTD.

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.

A bond was issued on the Colombian stock market on February 27, 2020, in order to replace debt. The bond issue totaled ThUS\$ 142,256, with quarterly interest payments indexed to the CPI.

Variable-rate debt in Colombia is composed of bonds and short-term Treasury bills. They represent 96% and 4%, respectively of total variable-rate debt. Bonds issued in Colombia at a variable rate are indexed to the CPI for 12 months. As of March 31, 2021, this amounts to ThUS\$ 592,433. A quarterly loss of ThUS\$ 84 would arise following an interest rate increase of 5 points, and a quarterly gain of ThUS\$ 61 would arise following a similar decrease.

As of March 31, 2021, there were no outstanding loans in Colombia, as they had all been fully repaid before the end of 2020.

The interest rates on the Panama and Ecuador loans are indexed to the Libor, and total ThUS\$ 101,429. A quarterly loss of ThUS\$ 12 would arise following an increase of 5 Libor basis points, and a quarterly gain of ThUS\$ 12 would arise following a similar decrease.

Leasing debt in Colombia as of March 31, 2021 was ThUS\$ 2,894 and the weighted average contract rate is 0.61%. This debt is indexed to FTD (Fixed Term Deposit) movements. The change in the FTD was 0.0395% last quarter. Such an increase would generate a quarterly loss of ThUS\$ 3.75, or such a decrease would generate a quarterly gain of ThUS\$ 3.75.

The COVID-19 pandemic had no impact negative on interest rate risk, as of March 31, 2021. As 82% of the Terpel Group's debt is indexed to the CPI, this indicator has decreased due to the measures taken by the issuer in Colombia. However, the Terpel Group will monitor any changes to this indicator, in order to determine the economic impact in the future.

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, they cause no risk exposure.

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 2,000, and the administrative units of the sales department perform this analysis for customers with lines below UF 2,000. As of March 31, 2021, customers under UF 2,000 make up 11.68% of the portfolio, and customers over UF 2,000 make up 88.32% 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 March 31, 2021, credit risk had decreased during the COVID-19 pandemic, mainly due to the mobility restrictions, which has led to an increase in sales and an improvement in payments from various customers, which has been reflected in a decrease in the provision for doubtful receivables. However, the aviation business continues to be affected by falling volumes, which has led to some customers falling into arrears. During June 2020, an airline group filed for Chapter 11 under US law (corporate restructuring), which led to a portfolio provision for their entire obligations for approximately ThUS\$ 29,000. As of March 31, 2021, this situation remains unchanged due to delays in opening airports. We are still waiting for payment agreements to be reached in Chile. 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. Copec can block customers that have not fulfilled their payment commitments or have reached their credit limits.

The following table shows receivables in arrears by net sales as of March 31, 2021 and December 31, 2020 respectively:

**March 31, 2021**

Days	Not Overdue	1-30	31-60	61-90	91-120	121-150	151-180	181-210	211-250	Over 250	Total
ThUS\$	661,072	54,321	11,624	5,488	2,860	1,141	714	993	843	13,080	752,136
%	87.89%	7.22%	1.55%	0.73%	0.38%	0.15%	0.09%	0.13%	0.11%	1.74%	100.00%

**December 31, 2020**

Days	Not Overdue	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 on the basis of 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 46% 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 and/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 March 31, 2021.

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 percentage of 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.

The aeronautical sector continues to be affected by falling business volumes, which has led to most payment agreements falling into arrears to date. During June, two large airline groups filed for Chapter 11 under US law (corporate restructuring), which led to a portfolio provision for their entire obligations for approximately US\$ 9 million. As of March 31, 2021, this sector had gradually recovered, so various airlines in Colombia have complied with their payment agreements.

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	2021
	ThUS\$
Colombia	135,944
Peru	31,376
Panama	32,817
Ecuador	34,788
Dominican Republic	6,646
Chile	48
<b>Total</b>	<b>241,619</b>

The Terpel Group had cash and cash equivalents of ThUS\$ 150,846 as of March 31, 2021, 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.

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 credits 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 94% 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 March 31, 2021, 65.46% of sales were through concessionaires, which are very fragmented, with an average payment term of less than 3 days, and 31.07% of sales were 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 March 31, 2021, the company has liquidity of US\$ 345 million in cash and cash equivalents and US\$ 74 million in long term unconditional lines of credit. While as of December 31, 2020, the Group had liquidity of US\$ 416 million in cash and cash equivalents and US\$ 75 million in long term unconditional lines of credit.

As of December 31, 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, ThUS\$ 173,173 was drawn down in short-term domestic loans to increase liquidity, of which ThUS\$ 117,758 had been repaid as of March 31, 2021 and ThUS\$ 55,415 had been renewed until March 2022. 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 the obligations and surpluses of cash 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 and lease contracts, among others.

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 March 31, 2021, the Group has approved credit facilities of US\$ 70 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 March 31, 2021, the Group has been gradually recovering from the COVID-19 pandemic. There were no liquidity requirements and interest obligations have been paid in accordance with the conditions initially agreed with the financial entities and investors in the bond market.

The Group prepared additional cash flow forecasts for the second quarter of the year with new assumptions of sales reductions and portfolio recovery 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, which secured its operational continuity.

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 March 31, 2021 that control 58.52% of the Colombian company Organización Terpel S.A. and its affiliates, whose functional currency is the Colombian peso, and owns all of the US company MAPCO, whose functional currency is the US dollar. As a result, Copec is exposed to an equivalent of COP\$ 2,348,457 million for Terpel and of US\$ 581 million for Mapco in its consolidated statement of financial position as of March 31, 2021. 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\$
2,348,457	15%	0.2269	532,786	69,494	96
2,348,457	10%	0.2127	509,622	46,329	64
2,348,457	5%	0.2071	486,457	23,165	32
2,348,457	-	0.1973	463,292	0	0
2,348,457	-5%	0.1874	440,128	(23,165)	(32)
2,348,457	-10%	0.1775	416,963	(46,329)	(64)
2,348,457	-15%	0.1677	393,798	(69,494)	(96)

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\$
581,054	15%	830.09	482,329	62,912	87
581,054	10%	794.00	461,358	41,942	58
581,054	5%	757.91	440,387	20,971	29
581,054	-	721.82	419,416	0	0
581,054	-5%	685.73	398,446	(20,971)	(29)
581,054	-10%	649.64	377,475	(41,942)	(58)
581,054	-15%	613.55	356,504	(62,912)	(87)

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 Combustible 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 significant risks that could cause a material adjustment to the consolidated financial statements as of December 31, 2020.

### a) Staff severance indemnities

The present value of obligations for staff severance indemnities depends on a number of factors that are based on actuarial methods using 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, on the basis of current events, circumstances and tax laws. However, the tax position could change, giving rise to different results and having a significant impact on the amounts in 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, the future effects of which must be estimated by the Company's Management, 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 modification in these lawsuits.

e) 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 (i.e. prices) or indirectly (i.e. price derivatives).
- 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.

f) 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.

g) 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 March 31, 2021 and December 31, 2020 inventories at affiliates were as follows:

	<b>03.31.2021</b>	<b>12.31.2020</b>
	ThUS\$	ThUS\$
Raw materials	126,530	128,581
Merchandise	486,340	458,113
Production supplies	150,404	154,104
Work in progress	62,618	70,367
Finished goods	532,355	533,254
Other inventory	263,756	264,233
<b>Total</b>	<b>1,622,003</b>	<b>1,608,652</b>

As of March 31, 2021, 56% of inventories relate to the forestry sector, 40% to the fuel sector and 4% to the fisheries sector.

As of December 31, 2020, 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:

	<b>03.31.2021</b>	<b>12.31.2020</b>
	ThUS\$	ThUS\$
Cost of Sales	4,376,918	4,665,844
Obsolescence provision	4,832	9,575
Write offs	94	1,405
<b>Total</b>	<b>4,381,844</b>	<b>4,676,824</b>

As of March 31, 2021 and December 31, 2020, there were no inventories pledged in guarantee.

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

The creation and reversal of obsolescence provisions has been included in the consolidated statement of income under Cost of sales or Other gains (losses), as appropriate.

**NOTE 7. BIOLOGICAL ASSETS**

Current and non-current biological assets as of March 31, 2021 and December 31, 2020 were as follows:

	<b>03.31.2021</b>	<b>12.31.2020</b>
	ThUS\$	ThUS\$
Current	296,070	302,710
Non-current	3,166,478	3,296,117
<b>Total</b>	<b>3,462,548</b>	<b>3,598,827</b>

The affiliate Arauco has biological assets that are plantations mainly of 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 March 31, 2021, of which 1 million hectares are for plantations, 493 thousand hectares are for native forests, 109 thousand hectares are for other uses and 88 thousand hectares remain to be planted.

Log harvests were 4.9 million m<sup>3</sup> as of March 31, 2021, (4.3 million m<sup>3</sup> as of March 31, 2020).

The fair value of Arauco's biological assets are measured 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:

- The affiliate Arauco uses discounted future cash flows to value its plantations, and the company forecasts harvests of its plantations as of the reporting date.
- Harvests from plantations are forecast over time assuming that the total volume will not decrease, with the minimum equal to current harvests.
- 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.
- Cash flow forecasts are based on expected harvest volumes and 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 interim consolidated statement of income under "Other income by function", which as of March 31, 2021 amounted to ThUS\$ 41,309 (ThUS\$ 52,017 as of March 31, 2020). 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\$ 47,549 as of March 31, 2021 (ThUS\$ 32,676 as of March 31, 2020).

- 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 5% and 16%.
- 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\$
<b>Discount rate (points)</b>	0.5	(149,319)
	(0.5)	159,220
<b>Margins (%)</b>	10.0	442,062
	(10.0)	(442,062)

Significant unobservable data used to value the fair value of biological assets are discount rates and selling margins for the products that are harvested from the forest. Increases (decreases) in any of this data considered in isolation would result in a lower or higher fair value valuation.

The gain (loss) from changes in fair value less estimated point-of-sale costs of biological assets is recorded in the consolidated statement of income in the line Other Income or Other Expenses, respectively.

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

Fire insurance covers plantations, which combined 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 March 31, 2021, there are no plantations pledged in guarantee.

b) Biological assets with restricted ownership:

As of the date of these 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

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Opening balance</b>	<b>3,598,827</b>	<b>3,669,426</b>
<b>Changes in Incurred Cost</b>		
Additions through acquisition	63,385	185,336
Decreases through sales	(1,072)	(47,110)
Decreases through harvesting	(23,063)	(99,300)
Increase (decrease) in foreign currency translation	(27,498)	(98,282)
Decreases due to damaged biological assets	(5,106)	(9,861)
Decreases due to loss of control of affiliates	(23,074)	0
Transfers to non-current assets held for sale	(69,978)	(4)
<b>Changes in fair value</b>		
Gain (loss) on changes in fair value less estimated selling costs	41,309	182,950
Increases (decreases) through sales	(1,233)	15,184
Decreases through harvesting	(47,619)	(182,753)
Decreases due to damaged biological assets	(11,792)	(16,759)
Decreases due to loss of control of affiliates	(8,369)	
Transfers to non-current assets held for sale	(22,169)	0
<b>Total Changes</b>	<b>(136,279)</b>	<b>(70,599)</b>
<b>Closing balance</b>	<b>3,462,548</b>	<b>3,598,827</b>

**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:

<b>Current tax assets</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Provisional monthly tax payments	14,812	19,906
Recoverable income tax on prior year	261,780	309,907
Credit for SENCE	574	1,118
Credits for fixed assets	15	16
Income tax provision	(61)	400
Credits for dividends received	4,100	16,185
Equity tax	7,031	16,409
Customer retentions	0	1
Other recoverable taxes (*)	4,611	10,224
<b>Total</b>	<b>292,862</b>	<b>374,166</b>

(\*) 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.

<b>Current tax liabilities</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Corporate income tax provision	71,017	47,762
Provisional monthly tax payable	23,718	919
Tax on disallowed expenses	0	0
Other taxes (*)	913	9,245
<b>Total</b>	<b>95,648</b>	<b>57,926</b>

(\*) Social contribution and income taxes in 2020 for affiliates of Celulosa Arauco y Constitución S.A. in Brazil.

**NOTE 9. OTHER NON FINANCIAL ASSETS**

As of March 31, 2021 and December 31, 2020, current and non-current non-financial assets were as follows.

<b>Other non-financial assets, current</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Unamortized roads, current	52,837	55,000
Unamortized insurance	51,115	20,185
VAT recoverable	2,357	2,314
Recoverable taxes (VAT and similar)	85,101	91,337
Expenses paid in advance	25,667	20,406
Leases	1,904	1,810
Fishing permits (1)	16,663	915
Municipal licenses	142	0
Guarantees	0	0
Others (2)	34,325	13,187
<b>Total</b>	<b>270,111</b>	<b>205,154</b>

  

<b>Other non-financial assets, non-current</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Unamortized roads, non-current	98,746	91,441
Unamortized prepayments (freight, insurance, others)	4,250	4,707
Lease guarantees	93	93
Long-term building convention contribution	829	896
Compensation asset (3)	13,313	13,313
Contract asset (4)	37,284	37,073
Deferred expenses	17,471	14,437
Other items	8,290	7,291
<b>Total</b>	<b>180,276</b>	<b>169,251</b>

(1) The unamortized balance as of March 31, 2021. This balance is the advance payment for the 2021 fishing patent and the acquisition of the indirect affiliate Orizon S.A

(2) As of March 31, 2021 and December 31, 2020 the item "Others" includes 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 cost adjusted under IFRS and depreciation rates for fixed assets in Peru.

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

**NOTE 10. ASSETS AND LIABILITIES HELD FOR SALE**

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

<b>Assets</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
<b>Sale of interests in companies</b>		
Sonacol* (1)	290,156	290,031
Gasmar** (2)	25,193	25,579
Mining Companies* (3)	16,727	16,747
<b>Sale of assets</b>		
Forests	92,146	0
Land (4)	45,831	21,597
Fleet assets	5,489	5,479
Buildings	1,918	2,781
Plant and equipment	6,460	6,467
Other items	9,056	4,950
<b>Total</b>	<b>492,976</b>	<b>373,631</b>
<b>Liabilities</b>	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
<b>Sale of interests in companies</b>		
Sonacol* (1)	190,774	189,028
Mining Companies* (3)	3,588	3,594
<b>Total</b>	<b>194,362</b>	<b>192,622</b>

\* 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 Fair Trade Court 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 Fair Trade Court 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.

- (4) The affiliate Arauco invited tenders for the sale of 80,489 hectares of forestry land, and several domestic and foreign companies submitted bids. These bids were received from interested parties in December 2020, and Arauco selected the bid submitted by a consortium led by BTG Pactual Timberland Investment Group LLC, which included British Columbia Investment Management Corporation and APG Asset Management N.V. (hereinafter the "Consortium"), as this bid had the highest price and also proposed a working procedure to reach a final agreement within reasonable terms (see Note 32).
- (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.

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 March 31, 2021 and December 31, 2020 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:

	03.31.2021			12.31.2020		
	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	207,363	0	207,363	218,294	0	218,294
Patents, trademarks and other rights with finite lives	838,413	(428,870)	409,543	876,183	(448,346)	427,837
Computer software	265,234	(191,510)	73,724	259,754	(188,053)	71,701
Other identifiable intangible assets	129,139	(49,607)	79,532	133,679	(48,582)	85,097
Fishing permits	15,736	0	15,736	15,736	0	15,736
Water rights	6,170	0	6,170	6,177	0	6,177
Mining projects	68,138	0	68,138	68,153	(15)	68,138
Customer portfolio	75,911	(41,993)	33,918	75,626	(40,534)	35,092
<b>Total intangible assets</b>	<b>1,606,104</b>	<b>(711,980)</b>	<b>894,124</b>	<b>1,653,602</b>	<b>(725,530)</b>	<b>928,072</b>
Finite lives	1,376,835	(711,980)	664,855	1,413,395	(725,530)	687,865
Indefinite lives	229,269	0	229,269	240,207	0	240,207
<b>Total intangible assets</b>	<b>1,606,104</b>	<b>(711,980)</b>	<b>894,124</b>	<b>1,653,602</b>	<b>(725,530)</b>	<b>928,072</b>

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
<b>Opening balance as of January 1, 2021</b>	<b>646,131</b>	<b>71,701</b>	<b>15,736</b>	<b>6,177</b>	<b>85,097</b>	<b>68,138</b>	<b>35,092</b>	<b>928,072</b>
<b>Increase (decrease) due to changes in accounting policy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Restated opening balance</b>	<b>646,131</b>	<b>71,701</b>	<b>15,736</b>	<b>6,177</b>	<b>85,097</b>	<b>68,138</b>	<b>35,092</b>	<b>928,072</b>
<b>Movements in identifiable intangible assets</b>								
Disposals	0	(62)	0	0	(234)	0	0	(296)
Additions	4,503	3,166	0	0	881	0	0	8,550
Additions on business mergers	0	0	0	0	0	0	0	0
Removals	(46)	0	0	0	0	0	0	(46)
Amortization	(14,341)	(6,882)	0	0	(1,844)	0	(1,299)	(24,366)
Increase (decrease) for revaluation and impairment losses recognized in equity	0	0	0	0	0	0	0	0
Increase (decrease) for revaluation in statement of net income	0	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	(29,797)	(1,414)	0	(7)	(1,338)	0	125	(32,431)
Other increases (decreases)	10,456	7,215	0	0	(3,030)	0	0	14,641
<b>Total movements in identifiable intangible assets</b>	<b>(29,225)</b>	<b>2,023</b>	<b>0</b>	<b>(7)</b>	<b>(5,565)</b>	<b>0</b>	<b>(1,174)</b>	<b>(33,948)</b>
<b>Closing balance as of March 31, 2021</b>	<b>616,906</b>	<b>73,724</b>	<b>15,736</b>	<b>6,170</b>	<b>79,532</b>	<b>68,138</b>	<b>33,918</b>	<b>894,124</b>
	Patents, trademarks and other rights with finite lives	Computer software	Fishing permits	Water rights	Other intangible assets	Mining projects	Customer portfolio	Total
<b>Opening balance as of January 1, 2020</b>	<b>687,708</b>	<b>76,427</b>	<b>15,736</b>	<b>6,402</b>	<b>84,032</b>	<b>68,126</b>	<b>39,981</b>	<b>978,412</b>
<b>Increase (decrease) due to changes in accounting policy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Restated opening balance</b>	<b>687,708</b>	<b>76,427</b>	<b>15,736</b>	<b>6,402</b>	<b>84,032</b>	<b>68,126</b>	<b>39,981</b>	<b>978,412</b>
<b>Movements in identifiable intangible assets</b>								
Disposals	0	107	0	0	0	0	0	107
Additions	33,576	25,310	0	38	5,273	14	0	64,211
Additions on business mergers	1,915	1,062	0	0	6,063	0	0	9,040
Disposals	(84)	(364)	0	0	0	0	0	(448)
Amortization	(54,786)	(25,593)	0	0	(6,493)	(2)	(5,120)	(91,994)
Increase (decrease) for revaluation and impairment losses recognized in equity	0	0	0	0	0	0	0	0
Increase (decrease) for revaluation in statement of net income	0	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	(17,818)	(1,817)	0	7	(3,778)	0	231	(23,175)
Other increases (decreases)	(4,380)	(3,431)	0	(270)	0	0	0	(8,081)
<b>Total movements in identifiable intangible assets</b>	<b>(41,577)</b>	<b>(4,726)</b>	<b>0</b>	<b>(225)</b>	<b>1,065</b>	<b>12</b>	<b>(4,889)</b>	<b>(50,340)</b>
<b>Closing balance as of December 31, 2020</b>	<b>646,131</b>	<b>71,701</b>	<b>15,736</b>	<b>6,177</b>	<b>85,097</b>	<b>68,138</b>	<b>35,092</b>	<b>928,072</b>

## c) Impairment

As of March 31, 2021 and December 31, 2020, there was no additional impairment.

d) The useful lives applied to intangible assets as of March 31, 2021 and December 31, 2020 are as follows:

	Finite useful lives (years)		Indefinite lives
	Minimum	Maximum	
Commercial relationships with dealers and customers	7	15	-
Patents, trademarks and other rights	-	-	X
Trademarks, Accel of Panama	-	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 and/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 in early 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	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Arauco (Flakeboard, Piên and others) (a)	57,387	59,567
Organización Terpel and others (b)	95,086	101,901
MAPCO (c)	152,362	152,362
Solgas (c)	73,367	75,880
Copec (Flux Solar, EMOAC, Copec Aviation) (d)	5,776	5,776
Orizon (e)	3,673	3,673
<b>Total</b>	<b>387,651</b>	<b>399,159</b>

- a) Arauco's goodwill totaled ThUS\$ 57,387 (ThUS\$ 59,567 as of December 31, 2020). "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, and resulted in goodwill of ThUS\$ 40,823. Goodwill of ThUS\$ 732 arose from 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, which represents the cycle for this business, subject to a discount of between 7% and 8%, which reflects current market assessments for the panel segment in North America.

Goodwill of ThUS\$ 15,832 as of March 31, 2021 (ThUS\$ 17,357 as of December 31, 2020) was generated by investing in a panel plant in Pien Brazil.

The recoverable value of the CGU in Pien Brazil was based on calculations of value in use, using cash flow projections based on an operating plan approved by Management covering 5 years, 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 March 31, 2021 and December 31, 2020 do not exceed their recoverable value. Therefore, no additional impairment losses have been recognized.

- b) Goodwill at Organización Terpel S.A. amounts to ThUS\$ 95,086 as of March 31, 2021 (ThUS\$ 101,901 as of December 31, 2020). 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) As of March 31, 2021, goodwill of ThUS\$ 1,039, arose from the acquisition of Flux Solar S.A.

Goodwill was provisionally recognized as of March 31, 2021 of ThUS\$ 3,156 and ThUS\$ 1,581 respectively that arose from the business combination of EMOAC SpA. and Copec Aviation S.A. (formerly Air BP Copec S.A.).

- e) 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 March 31, 2021, the goodwill associated with this acquisition remained unchanged.

Purchased goodwill was ThUS\$ 387,651 as of March 31, 2021 (ThUS\$ 399,159 as of December 31, 2020), and the movements each year are as follows:

	Figures in ThUS\$ to 03.31.2021			Figures in ThUS\$ to 03.31.2020		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Opening balance	399,159	0	399,159	413,693	0	413,693
Additions (1)	0	0	0	4,737	0	4,737
Business combination adjustment (2)	0	0	0	204	0	204
Increase (decrease) in foreign currency translation	(11,508)	0	(11,508)	(19,475)	0	(19,475)
Closing balance	387,651	0	387,651	399,159	0	399,159

(1) The additions during 2020 were the acquisition of EMOAC SpA and Copec Aviation S.A.

(2) The business combination adjustment for 2020 is the acquisition of Flux Solar S.A.

**NOTE 13. PROPERTY, PLANT AND EQUIPMENT**

## a) Classes of Property, Plant and Equipment, Net

	Figures in ThUS\$ to 03.31.2021			Figures in ThUS\$ as of 12.31.2020		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Construction in progress	2,302,889	0	2,302,889	2,187,860	0	2,187,860
Land	1,713,593	0	1,713,593	1,781,158	0	1,781,158
Buildings	5,862,672	(2,685,994)	3,176,678	5,848,828	(2,652,514)	3,196,314
Plant and equipment	8,057,729	(4,601,216)	3,456,513	8,102,972	(4,587,277)	3,515,695
IT equipment	165,484	(114,911)	50,573	165,041	(113,989)	51,052
Fixtures and fittings	285,126	(144,654)	140,472	287,778	(141,929)	145,849
Motor vehicles	196,635	(117,850)	78,785	201,176	(118,516)	82,660
Leasehold improvements	83,291	(37,937)	45,354	80,952	(37,549)	43,403
Other property, plant and equipment	864,157	(423,768)	440,389	875,633	(425,669)	449,964
<b>Total property, plant and equipment</b>	<b>19,531,576</b>	<b>(8,126,330)</b>	<b>11,405,246</b>	<b>19,531,398</b>	<b>(8,077,443)</b>	<b>11,453,955</b>

Depreciation expense as of March 31, 2021 and 2020 was as follows:

Depreciation expense (*)	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Cost of sales	141,260	133,160
Administrative expenses	8,635	8,558
Other miscellaneous operating expenses	5,149	4,621
<b>Total</b>	<b>155,044</b>	<b>146,339</b>

(\*) Depreciation is the charge to the statement of net income for 2021 and 2020, excluding the portion included in inventories.

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

As of March 31, 2021

	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\$
<b>Opening balance</b>	<b>2,187,860</b>	<b>1,781,158</b>	<b>3,196,314</b>	<b>3,515,695</b>	<b>51,052</b>	<b>145,849</b>	<b>82,660</b>	<b>43,403</b>	<b>449,964</b>	<b>11,453,955</b>
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0	0	0
<b>Restated opening balance</b>	<b>2,187,860</b>	<b>1,781,158</b>	<b>3,196,314</b>	<b>3,515,695</b>	<b>51,052</b>	<b>145,849</b>	<b>82,660</b>	<b>43,403</b>	<b>449,964</b>	<b>11,453,955</b>
<b>Changes</b>										
Additions	266,428	1,283	2,053	6,413	440	1,284	1,928	2,702	2,625	285,156
Acquisitions through business combinations	0	0	0	0	0	0	0	0	0	0
Transfers of closed works in progress	(70,824)	0	28,816	41,204	1,158	(935)	137	0	444	0
Disposals	0	(2)	(420)	(10,762)	(167)	0	(126)	0	(203)	(11,680)
Transfers to (from) construction in progress	(49,198)	3,283	26,936	7,183	2,573	3,565	676	2,110	2,873	1
Transfers to (from) non-current assets held for sale	(2,311)	(26,516)	250	1,597	0	0	0	0	131	(26,849)
Removals	(16,413)	0	0	(238)	(2)	(10)	(295)	0	(1,290)	(18,248)
Depreciation	0	0	(49,589)	(85,955)	(3,646)	(5,673)	(3,755)	(1,548)	(6,668)	(156,834)
Impairment	0	0	(1,019)	11,380	(21)	0	(5)	0	(105)	10,230
Increase (decrease) for revaluation and impairment losses	0	0	0	0	0	0	0	0	(11)	(11)
Reclassification from operating lease to PPE	0	0	0	5,077	0	0	0	0	0	5,077
Increase (decrease) in foreign currency translation	(11,213)	(29,294)	(28,238)	(34,185)	(814)	(2,076)	(2,435)	(727)	(7,134)	(116,116)
Other increases (decreases)	(1,440)	(16,319)	1,575	(896)	0	(1,532)	0	(586)	(237)	(19,435)
<b>Total Changes</b>	<b>115,029</b>	<b>(67,565)</b>	<b>(19,636)</b>	<b>(59,182)</b>	<b>(479)</b>	<b>(5,377)</b>	<b>(3,875)</b>	<b>1,951</b>	<b>(9,575)</b>	<b>(48,709)</b>
<b>Closing balance</b>	<b>2,302,889</b>	<b>1,713,593</b>	<b>3,176,678</b>	<b>3,456,513</b>	<b>50,573</b>	<b>140,472</b>	<b>78,785</b>	<b>45,354</b>	<b>440,389</b>	<b>11,405,246</b>

As of December 31, 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\$
<b>Opening balance</b>	<b>1,435,387</b>	<b>1,777,329</b>	<b>3,118,167</b>	<b>3,623,313</b>	<b>44,043</b>	<b>134,382</b>	<b>82,383</b>	<b>45,420</b>	<b>423,965</b>	<b>10,684,389</b>
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0	0	0
<b>Restated opening balance</b>	<b>1,435,387</b>	<b>1,777,329</b>	<b>3,118,167</b>	<b>3,623,313</b>	<b>44,043</b>	<b>134,382</b>	<b>82,383</b>	<b>45,420</b>	<b>423,965</b>	<b>10,684,389</b>
<b>Changes</b>										
Additions	1,442,089	29,763	14,063	56,686	2,489	18,024	5,758	6,155	19,368	1,594,395
Acquisitions through business combinations	14,833	0	1,611	2,002	3	0	1,199	0	123	19,771
Transfers of closed works in progress	(437,935)	6	181,825	235,776	11,796	4,834	3,149	0	549	0
Disposals	0	(14,957)	(545)	(8,323)	(5)	(1)	(197)	0	(1,583)	(25,611)
Transfers to (from) construction in progress	(235,502)	24,111	104,870	41,337	9,690	16,983	6,686	2,657	29,108	(60)
Transfers to (from) non-current assets held for sale	0	0	(1,085)	0	(13)	(626)	0	(29)	0	(1,753)
Removals	(6,281)	(15,141)	(3,951)	(6,188)	(127)	(994)	(1,579)	0	(800)	(35,061)
Depreciation	0	0	(197,541)	(332,601)	(15,553)	(22,750)	(16,049)	(6,714)	(25,288)	(616,496)
Impairment	0	0	(23,524)	(47,208)	(550)	(561)	(107)	0	(50)	(72,000)
Increase (decrease) for revaluation and impairment losses	(13,506)	0	762	12,519	55	123	0	0	47	0
Reclassification from operating lease to PPE	0	0	0	2,411	0	0	375	0	0	2,786
Increase (decrease) in foreign currency translation	(878)	(21,914)	(652)	(62,260)	81	(5,223)	965	(970)	222	(90,629)
Other increases (decreases)	(10,347)	1,961	2,314	(1,769)	(857)	1,658	77	(3,116)	4,303	(5,776)
<b>Total Changes</b>	<b>752,473</b>	<b>3,829</b>	<b>78,147</b>	<b>(107,618)</b>	<b>7,009</b>	<b>11,467</b>	<b>277</b>	<b>(2,017)</b>	<b>25,999</b>	<b>769,566</b>
<b>Closing balance</b>	<b>2,187,860</b>	<b>1,781,158</b>	<b>3,196,314</b>	<b>3,515,695</b>	<b>51,052</b>	<b>145,849</b>	<b>82,660</b>	<b>43,403</b>	<b>449,964</b>	<b>11,453,955</b>

**Property, plant and equipment pledged in guarantee:**

There were no significant assets given in guarantee in these Consolidated Financial Statements.

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

	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Disbursements for property, plant and equipment in construction	206,803	336,474
	<b>03.31.2021</b> ThUS\$	<b>12.31.2020</b> ThUS\$
Commitments to acquire property, plant and equipment	571,392	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 March 31, 2021 and December 31, 2020.

## 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 March 31, 2021 and December 31, 2020.



**NOTE 14. LEASES****14.1 Lessee**

The Group did not apply the IFRS 16 disclosure requirements to recognize right-of-use assets and a lease liability for leases that will terminate within 12 months of January 1, 2019, nor for leases where the underlying asset has a value below ThUS\$ 5.

## Right-of-use leased assets

## a) Classes of right-of-use leased assets

	Figures in ThUS\$ to 03.31.2021			Figures in ThUS\$ as of 12.31.2020		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Land	515,984	(94,230)	421,754	500,377	(85,192)	415,185
Buildings	207,978	(42,991)	164,987	200,403	(34,746)	165,657
Plant and equipment	51,667	(13,501)	38,166	83,909	(44,200)	39,709
IT equipment	3,364	(2,434)	930	3,476	(1,970)	1,506
Fixtures and fittings	4,889	(2,443)	2,446	4,888	(2,258)	2,630
Motor vehicles	198,589	(99,084)	99,505	199,804	(86,348)	113,456
Other right of use assets	20,556	(5,057)	15,499	21,574	(1,219)	20,355
<b>Total</b>	<b>1,003,027</b>	<b>(259,740)</b>	<b>743,287</b>	<b>1,014,431</b>	<b>(255,933)</b>	<b>758,498</b>

## b) Movements in right-of-use leased assets

Movements in right-of-use leased assets as of March 31, 2021 and December 31, 2020, are as follows:

**As of March 31, 2021**

	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\$
<b>Opening balance</b>	<b>415,185</b>	<b>165,657</b>	<b>39,709</b>	<b>1,506</b>	<b>2,630</b>	<b>113,456</b>	<b>20,355</b>	<b>758,498</b>
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0
<b>Restated opening balance</b>	<b>415,185</b>	<b>165,657</b>	<b>39,709</b>	<b>1,506</b>	<b>2,630</b>	<b>113,456</b>	<b>20,355</b>	<b>758,498</b>
<b>Changes</b>								
Additions	10,477	11,224	1,577	27	0	1,033	0	24,338
Disposals	0	0	0	(89)	0	(53)	0	(142)
Depreciation	(9,333)	(8,520)	(2,798)	(495)	(185)	(13,080)	(543)	(34,954)
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	19	0	0	0	0	(5,077)	(5,058)
Increase (decrease) in foreign currency translation	5,425	(1,596)	157	(7)	1	(1,790)	0	2,190
Other increases (decreases)	0	(1,797)	(479)	(12)	0	(61)	764	(1,585)
<b>Total Changes</b>	<b>6,569</b>	<b>(670)</b>	<b>(1,543)</b>	<b>(576)</b>	<b>(184)</b>	<b>(13,951)</b>	<b>(4,856)</b>	<b>(15,211)</b>
<b>Closing balance</b>	<b>421,754</b>	<b>164,987</b>	<b>38,166</b>	<b>930</b>	<b>2,446</b>	<b>99,505</b>	<b>15,499</b>	<b>743,287</b>

**As of December 31, 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\$
<b>Opening balance</b>	<b>410,424</b>	<b>160,789</b>	<b>59,679</b>	<b>2,269</b>	<b>3,241</b>	<b>147,976</b>	<b>17,583</b>	<b>801,961</b>
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0	0
<b>Restated opening balance</b>	<b>410,424</b>	<b>160,789</b>	<b>59,679</b>	<b>2,269</b>	<b>3,241</b>	<b>147,976</b>	<b>17,583</b>	<b>801,961</b>
<b>Changes</b>								
Additions	40,104	30,288	0	203	0	21,090	3,750	95,435
Disposals	(4,717)	(88)	(5,087)	0	0	(862)	(435)	(11,189)
Depreciation	(37,248)	(33,571)	(17,670)	(884)	(705)	(52,636)	(2,802)	(145,516)
Impairment	0	(48)	0	0	0	0	0	(48)
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	(2,786)	(2,786)
Increase (decrease) in foreign currency translation	6,784	9,975	1,505	(18)	94	(2,741)	0	15,599
Other increases (decreases)	(162)	(1,688)	1,282	(64)	0	629	5,045	5,042
<b>Total Changes</b>	<b>4,761</b>	<b>4,868</b>	<b>(19,970)</b>	<b>(763)</b>	<b>(611)</b>	<b>(34,520)</b>	<b>2,772</b>	<b>(43,463)</b>
<b>Closing balance</b>	<b>415,185</b>	<b>165,657</b>	<b>39,709</b>	<b>1,506</b>	<b>2,630</b>	<b>113,456</b>	<b>20,355</b>	<b>758,498</b>

- c) Depreciation on right-of-use leased assets that was charged to the statement of net income as of March 31, 2021 and 2020 was as follows.

Depreciation on right of use leased assets in the statement of net income for the period (*)	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Cost of sales	27,782	23,290
Administrative expenses	2,947	3,947
Other miscellaneous operating expenses	1,606	6,544
<b>Total</b>	<b>32,335</b>	<b>33,781</b>

(\*) Depreciation is the charge to the statement of net income for 2021 and 2020, excluding the portion included in inventories.

- d) Lease liabilities are as follows.

Lease liabilities	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Current	122,093	130,219
Non-current	623,956	628,138
<b>Total lease liabilities</b>	<b>746,049</b>	<b>758,357</b>

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	03.31.2021		
	Gross ThUS\$	Interest ThUS\$	Value ThUS\$
Under one year	112	(11)	101
One to five years	5	0	5
Over five years	0	0	0
<b>Total</b>	<b>117</b>	<b>(11)</b>	<b>106</b>

  

Minimum lease receipts, finance leases	12.31.2020		
	Gross ThUS\$	Interest ThUS\$	Value ThUS\$
Under one year	121	(12)	109
One to five years	26	0	26
Over five years	0	0	0
<b>Total</b>	<b>147</b>	<b>(12)</b>	<b>135</b>

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 impairment, contingent lease payments or reportable restrictions for finance leases as lessee or lessor shown in the tables above.

## NOTE 15. INVESTMENT PROPERTIES

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Opening balance</b>	<b>29,632</b>	<b>35,300</b>
Additions	0	141
Disposals through sales of businesses	0	(112)
Transfers from property, plant and equipment	0	0
Transfer to held-for-sale	0	(7,027)
Depreciation expense	(9)	(35)
Increase (decrease) in foreign currency translation	(597)	1,365
<b>Total Changes in Investment Property</b>	<b>(606)</b>	<b>(5,668)</b>
<b>Closing balance</b>	<b>29,026</b>	<b>29,632</b>

As of March 31, 2021 and December 31 2020, 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 March 31, 2021 amounts to ThUS\$ 56,920 (ThUS\$ 57,835 as of December 31, 2020).

**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 Mexico, 34% in Brazil, 25% in Uruguay, 21% in the United States (federal rate), 29.5% in Peru, 25% in Ecuador, 25% in Argentina and 31% in Colombia.

The tax rates in Argentina and Colombia for the year ended December 31, 2020 were 30% and 32%, respectively.

a) Deferred tax assets and liabilities are as follows:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Deferred tax assets relating to</b>		
Inventory	14,149	9,617
Doubtful receivables allowance	18,213	19,851
Provision for vacations	3,375	3,602
Prepaid income	10,189	3,487
Obligations for post-employment benefits	33,158	32,001
Revaluations of financial instruments	71,127	79,765
Revaluations of property, plant and equipment	24,323	24,397
Tax losses	262,423	210,937
Differences on accrued liabilities	7,318	8,107
Differences on intangible assets revaluations	3,540	3,713
Differences on impairment provision revaluations	9,859	14,193
Differences on trade and other receivables revaluations	1,772	2,427
Differences on tax credits	19,703	20,898
Provisions	34,759	23,662
Other items	49,953	30,350
<b>Total deferred tax assets</b>	<b>563,861</b>	<b>487,007</b>
Offset by deferred tax liabilities	(453,174)	(373,683)
<b>Net effect</b>	<b>110,687</b>	<b>113,324</b>

  

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Deferred tax liabilities relating to</b>		
Differences between financial & taxation depreciation	199,470	198,458
Provisions	61	(7,021)
Obligations for post-employment benefits	0	2,205
Revaluation of property, plant and equipment on initial IFRS adoption	1,142,828	1,091,819
Biological asset valuations	644,351	644,348
Prepaid expenditure valuations	44,378	42,319
Intangible assets	200,234	212,398
Revaluations of financial instruments	26,404	27,351
Inventories	36,088	33,895
Other items	38,205	15,080
Permanent foreign investments	331	240
<b>Total deferred tax liabilities</b>	<b>2,332,350</b>	<b>2,261,092</b>
Offset by deferred tax liabilities	(453,174)	(373,683)
<b>Net effect</b>	<b>1,879,176</b>	<b>1,887,409</b>

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

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Current tax income (expense)</b>		
Current tax expense	(95,419)	(41,382)
Tax benefit arising from previously unrecognized tax assets used to reduce current tax expenses	0	0
Adjustments to prior period current tax	379	(9)
Other current tax expense	3,559	(688)
<b>Total current tax income (expense), net</b>	<b>(91,481)</b>	<b>(42,079)</b>
<b>Deferred tax income (expense)</b>		
Deferred tax income (expense) relating to origination and reversal of temporary differences	(59,840)	(9,357)
Deferred tax expense related to changes in the tax rate or new rates	(177)	(262)
Tax benefit arising from assets for previously unrecognized taxes used to reduce deferred tax expense	53,810	8,411
Other deferred tax expense	151	6,873
<b>Total deferred tax income (expense), net</b>	<b>(6,056)</b>	<b>5,665</b>
<b>Total income tax income (expense)</b>	<b>(97,537)</b>	<b>(36,414)</b>

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

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Current foreign taxes	(5,443)	15,602
Current national taxes	(86,038)	(57,681)
<b>Total Current Tax</b>	<b>(91,481)</b>	<b>(42,079)</b>
Deferred foreign taxes	(7,243)	(25,973)
Deferred national taxes	1,187	31,638
<b>Total Deferred Tax</b>	<b>(6,056)</b>	<b>5,665</b>
<b>Total Income Tax</b>	<b>(97,537)</b>	<b>(36,414)</b>

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

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Income tax expense using the statutory rate</b>	<b>(164,609)</b>	<b>(27,078)</b>
Tax effect of rates in other jurisdictions		
Tax effect of rates in other jurisdictions	(453)	(2,373)
Tax effect of non-taxable revenue	73,604	9,346
Tax effect of non-deductible expenditure	(5,704)	(20,399)
Tax effect of using previously unrecognized tax losses	(89)	14,865
Tax effect of tax benefit not previously recognized in income statement	(8,342)	1,784
Tax effect of reassessment of unrecognized deferred tax assets	1,941	(880)
Tax effect of changes in tax rates	0	270
Tax effect of under or over provided tax in prior periods	491	11
Taxation calculated at the applicable rate	(248)	(589)
Other increase (decrease) in statutory tax charge	5,872	(11,371)
<b>Total adjustments to tax expense using statutory rate</b>	<b>67,072</b>	<b>(9,336)</b>
<b>Tax expense using the effective rate</b>	<b>(97,537)</b>	<b>(36,414)</b>

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	03.31.2021		12.31.2020	
	Deductible Difference	Taxable Difference	Deductible Difference	Taxable Difference
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Deferred tax assets	290,516	0	263,933	0
Tax losses	273,345	46	223,074	46
Deferred tax liabilities	0	2,332,304	0	2,261,046
<b>Total</b>	<b>563,861</b>	<b>2,332,350</b>	<b>487,007</b>	<b>2,261,092</b>

Effect of deferred taxes on net income	03.31.2021 ThUS\$	03.31.2021 ThUS\$
Deferred tax assets	2,849	(2,188)
Tax losses	12,366	10,634
Deferred tax liabilities	46,843	18,376
Decreases in foreign currency translation	(68,114)	(21,157)
<b>Total</b>	<b>(6,056)</b>	<b>5,665</b>

**NOTE 17. TRADE AND OTHER PAYABLES**

Trade and other payables are detailed as follows:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Current</b>		
Trade payables	1,385,928	1,432,958
Prepaid income	204,546	199,048
Other payables	26,141	15,716
<b>Total</b>	<b>1,616,615</b>	<b>1,647,722</b>

The Group's main suppliers as of March 31, 2021 and December 31, 2020 are Andritz Oy., Constructora Huequecura Ltda., Elaboradora de Envases S.A., Enap Refinerías S.A., Oxiquim S.A., Transelec S.A. and Terracon Ingeniería y Servicios Ltda.

The stratification of trade payables as of March 31, 2021 and December 31, 2020 is as follows:

As of March 31, 2021

**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	761,914	30,702	8,173	1,935	187	424	803,335
Services	449,431	22,239	5,228	8,247	19	15	485,179
Others (*)	17,369	5,413	3,448	3,308	0	0	29,538
<b>TotalThUS\$</b>	<b>1,228,714</b>	<b>58,354</b>	<b>16,849</b>	<b>13,490</b>	<b>206</b>	<b>439</b>	<b>1,318,052</b>

**TRADE PAYABLES OVERDUE**

Supplier	Amounts by days overdue						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Products	9,236	10,638	986	16,551	3,129	5,795	46,335
Services	12,391	2,530	734	997	969	3,710	21,331
Others (*)	0	210	0	0	0	0	210
<b>TotalThUS\$</b>	<b>21,627</b>	<b>13,378</b>	<b>1,720</b>	<b>17,548</b>	<b>4,098</b>	<b>9,505</b>	<b>67,876</b>

<b>TotalThUS\$</b>	<b>1,250,341</b>	<b>71,732</b>	<b>18,569</b>	<b>31,038</b>	<b>4,304</b>	<b>9,944</b>	<b>1,385,928</b>
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As of December 31, 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	741,272	43,071	8,259	1,711	252	401	794,966
Services	464,805	30,657	3,072	7,486	1,341	277	507,638
Others (*)	14,769	6,154	3,514	3,371	0	0	27,808
<b>TotalThUS\$</b>	<b>1,220,846</b>	<b>79,882</b>	<b>14,845</b>	<b>12,568</b>	<b>1,593</b>	<b>678</b>	<b>1,330,412</b>

**TRADE PAYABLES OVERDUE**

Supplier	Amounts by days overdue						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Products	53,805	16,389	1,691	799	932	828	74,444
Services	18,921	3,656	752	412	1,048	3,013	27,802
Others (*)	0	0	300	0	0	0	300
<b>TotalThUS\$</b>	<b>72,726</b>	<b>20,045</b>	<b>2,743</b>	<b>1,211</b>	<b>1,980</b>	<b>3,841</b>	<b>102,546</b>

<b>TotalThUS\$</b>	<b>1,293,572</b>	<b>99,927</b>	<b>17,588</b>	<b>13,779</b>	<b>3,573</b>	<b>4,519</b>	<b>1,432,958</b>
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(\*) 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	03.31.2021 ThUS\$	12.31.2020 ThUS\$
76,037,855-0 Inversiones Laguna Blanca S.A.	Chile	Joint venture	10,250	9,250
77,155,079-9 Inversiones de Electromovilidad CK SpA	Chile	Indirect associate	9,021	8,688
96,505,760-9 Colbún S.A.	Chile	Director in common	5,540	369
96,893,820-7 Corpesca S.A.	Chile	Indirect associate	2,815	599
99,500,140-3 Eka Chile S.A.	Chile	Joint venture	2,127	1,251
96,722,460-K Metrogas S.A.	Chile	Associate	1,691	10,513
76,879,577-0 E2E S.A.	Chile	Indirect associate	1,355	1,387
65,097,218-K Fundación Acerca Redes	Chile	Affiliate is founder and contributor	1,157	968
- Montagas S.A. ESP	Colombia	Indirect associate	1,054	210
96,532,330-9 CMPC Pulp SpA.	Chile	Common shareholder	947	883
96,925,430-1 Servicios Corporativos Sercor S.A.	Chile	Indirect associate	370	366
76,122,974-5 Algae Fuels S.A.	Chile	Indirect associate	367	375
79,895,330-3 Compañía Puerto Coronel S.A.	Chile	Indirect associate	195	194
95,304,000-K CMPC Maderas S.A.	Chile	Common shareholder	106	101
96,529,310-8 CMPC Tissue S.A.	Chile	Common shareholder	91	105
76,044,336-0 Golden Omega S.A.	Chile	Indirect associate	82	1
96,532,330-9 CMPC Celulosa S.A.	Chile	Common shareholder	71	117
77,072,740-5 Agrícola Siemel Ltda	Chile	Common shareholder	67	16
91,440,000-7 Forestal Mininco S.A.	Chile	Common shareholder	52	65
76,037,864-K Portuaria Otway Ltda	Chile	Indirect associate	50	43
89,201,400-0 Envases Impresos S.A.	Chile	Common shareholder	45	4
76,037,872-0 Rentas y Construcciones Fitz Roy Ltda.	Chile	Joint venture	40	36
96,731,890-6 Cartulinas CMPC S.A.	Chile	Common shareholder	32	1,874
76,456,800-1 Mina Invierno S.A.	Chile	Joint venture	21	21
76,037,869-0 Equipos Mineros Rio Grande Ltda.	Chile	Indirect associate	21	18
- Fibroacero S.A.	Ecuador	Indirect associate	18	43
92,580,000-7 Entel S.A.	Chile	Common shareholder	17	14
96,783,150-6 St. Andrews Smoky Delicacies S.A.	Chile	Indirect associate	15	0
96,853,150-6 Papeles Cordillera S.A.	Chile	Common shareholder	12	49
79,943,600-0 Forsac SpA.	Chile	Common shareholder	12	1
76,659,730-0 Elemental S.A.	Chile	Indirect associate	8	6
88,566,900-K Empresa Distribuidora de Papeles y Cartones	Chile	Common shareholder	8	4
76,218,856-2 Colbún Transmisión S.A.	Chile	Director in common	6	0
76,037,858-5 Producción y Servicios Mineros Ltda.	Chile	Joint venture	5	19
96,641,810-9 Gas Natural Producción S.A.	Chile	Indirect associate	5	5
79,943,600-0 PROPA S.A.	Chile	Common shareholder	5	2
94,283,000-9 Astilleros Arica S.A.	Chile	Common shareholder	5	0
- PGNT GasNorte SAC Colombia	Colombia	Indirect associate	3	8
99,555,680-4 Parque Zoológico Buin Zoo	Chile	Director in common	3	2
- PGNT GasSur SAC Colombia	Colombia	Indirect associate	2	5
77,155,085-1 Administradora de Electromovilidad SpA.	Chile	Indirect associate	0	1,717
- Unillin Arauco Pisos Ltda	Brazil	Joint venture	0	829
79,825,060-4 Forestal del Sur S.A.	Chile	Common shareholder	0	575
- Arauco Sonae Portugal S.A.	Portugal	Indirect associate	0	369
96,636,520-K Gasmar S.A.	Chile	Indirect associate	0	6
76,044,336-0 Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	0	1
<b>Total</b>			<b>37,691</b>	<b>41,109</b>
Related party receivables, non-current	Country	Relationship	03.31.2021 ThUS\$	12.31.2020 ThUS\$
76,040,469-1 Logística Ados Ltda.	Chile	Shareholder in indirect associate	7,869	7,797
<b>Total</b>			<b>7,869</b>	<b>7,797</b>

## 18.2 Related party payables

Related party payables, current	Country	Relationship	03.31.2021 ThUS\$	12.31.2020 ThUS\$
96,636,520-K Gasmar S.A.	Chile	Indirect associate	7,849	6,236
96,556,310-5 AntarChile S.A.	Chile	Parent company	73	73
76,307,309-2 Naviera Los Inmigrantes S.A.	Chile	Indirect contributor	3,250	3,250
82,040,600-1 Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	677	350
- Fibroacero S.A.	Ecuador	Indirect associate	363	382
79,895,330-3 Compañía Puerto de Coronel S.A.	Chile	Indirect associate	246	236
71,625,800-8 Arauco Educational Foundation	Chile	Indirect contributor	135	694
92,580,000-7 Entel S.A.	Chile	Common shareholder	87	78
96,925,430-1 Servicios Corporativos Sercor S.A.	Chile	Indirect associate	79	69
96,783,150-6 St. Andrews Smoky Delicacies S.A.	Chile	Indirect associate	64	65
76,659,730-0 Elemental S.A.	Chile	Indirect associate	32	0
76,724,000-7 Woodtech S.A.	Chile	Indirect associate	32	0
96,555,810-1 Inst. Fisheries Research Eighth Region	Chile	Common Executive	22	25
96,893,820-7 Corpesca S.A.	Chile	Indirect associate	14	14
78,096,080-9 Portaluppi, Guzmán y Bezanilla Abogados	Chile	Partner Director	14	12
86,370,800-1 Red To Green S.A.	Chile	Common shareholder	10	21
96,722,460-K Metrogas S.A.	Chile	Associate	3	3
78,138,547-K Mega Archivos S.A.	Chile	Common shareholder	3	3
76,349,975-8 Mega Frio Chile S.A.	Chile	Common shareholder	2	1
96,953,090-2 Boat Parking	Chile	Joint venture	0	10
96,505,760-9 Colbún S.A.	Chile	Director in common	1	0
<b>Total</b>			<b>12,956</b>	<b>11,522</b>

  

Related party payables, non-current	Country	Relationship	03.31.2021 ThUS\$	12.31.2020 ThUS\$
76,775,447-7 EMOAC SpA.	Chile	Indirect associate	1,870	1,899
<b>Total</b>			<b>1,870</b>	<b>1,899</b>

## 18.3 Related party transactions

As of March 31, 2021

Chilean ID number	Related company	Country	Relationship	Goods or Services	Transaction Value without VAT ThUS\$	Effect on net income ThUS\$
77,072,740-5	Agricola Siemel Ltda	Chile	Common shareholder	Sale of gas	68	68
77,072,740-5	Agricola Siemel Ltda	Chile	Common shareholder	Sale of fuel	35	35
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of lubricants	35	35
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Other sales	117	117
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of fuel	2	2
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Sale of lubricants	125	125
96,532,330-9	CMPC Celulosa S.A.	Chile	Common shareholder	Other sales	74	74
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of lubricants	150	150
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Fuel sales	9	9
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of gas	3	3
96,532,330-9	CMPC Pulp SpA.	Chile	Common shareholder	Wood chips, timber and other sales	2,293	2,293
96,532,330-9	CMPC Pulp SpA.	Chile	Common shareholder	Sale of gas	5	5
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Fuel sales	87	87
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of gas	52	52
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of lubricants	30	(30)
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of fuel	11,780	11,780
96,505,760-9	Colbún S.A.	Chile	Director in common	Electricity	196	196
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of lubricants	5	5
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of fuel	359	359
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of lubricants	31	31
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Mobilization and stevedoring	249	(249)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Other sales	2	2
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Wharf rental	34	(34)
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of fuel	3,049	3,049
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of lubricants	130	130
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Other sales	6	6
76,879,577-0	E2E S.A.	Chile	Indirect associate	Timber, plywood and panels	211	211
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Electricity	4,866	4,866
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Purchase of sodium chlorate	9,208	(9,208)
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Sale of fuel	113	113
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Telephone services	245	(245)
82,201,400-0	Envases Impresos S.A.	Chile	Common shareholder	Sale of fuel	4	4
82,201,400-0	Envases Impresos S.A.	Chile	Common shareholder	Sale of lubricants	6	6
82,201,400-0	Envases Impresos S.A.	Chile	Common shareholder	Sale of gas	66	66
76,037,869-0	Equipos Mineros Rio Grande Ltda.	Chile	Indirect associate	Sale of fuel	53	53
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Harvesting services	7,329	7,329
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Wood and logs	433	(433)
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of fuel	67	67
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of gas	26	26
96,636,520-K	Gasmar S.A.	Chile	Indirect associate	Sale of fuel	3	3
96,636,520-K	Gasmar S.A.	Chile	Indirect associate	Purchase of fuel	36,443	(36,443)
76,044,336-0	Golden Omega S.A.	Chile	Indirect associate	Sale of gas	59	59
76,044,336-0	Golden Omega S.A.	Chile	Indirect associate	Leases	36	36
94,082,000-6	Inversiones Siemel S.A.	Chile	Common shareholder	Facilities rental	124	(124)
96,722,460-K	Metrogas S.A.	Chile	Associate	Purchase natural gas	116	(116)
96,722,460-K	Metrogas S.A.	Chile	Associate	Sale of fuel	23	23
93,628,000-5	Molibdenos y Metales S.A.	Chile	Common shareholder	Sale of fuel	148	148
78,096,080-9	Portaluppi, Guzmán y Bezanilla Abogados	Chile	Partner Director	Legal advisory services	252	(252)
76,037,864-K	Portuana Otway Ltda.	Chile	Indirect associate	Sale of fuel	107	107
76,037,858-5	Producción y Servicios Mineros Ltda.	Chile	Indirect associate	Sale of fuel	22	22
86,370,800-1	Red To Green S.A.	Chile	Common shareholder	IT services	111	(111)
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	Chile	Indirect associate	Sale of fuel	58	58
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	Chile	Indirect associate	Other sales	53	53
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Other purchases	49	(49)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Other advisory services	7	(7)
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	Storage services	841	(841)
76,724,000-7	Woodtech S.A.	Chile	Common shareholder	Timber volume measurement services	487	(487)

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As of March 31, 2020

Chilean ID number	Related company	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 fuel	68	68
96,942,120-8	AIR BP COPEC S.A.	Chile	Joint venture	Sale of fuel	100,104	100,104
96,942,120-8	AIR BP COPEC S.A.	Chile	Joint venture	Various purchases	56	(56)
96,952,090-2	Boat Parking	Chile	Indirect associate	Rental of wharves	70	(70)
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of lubricants	49	49
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Other sales	85	85
96,731,890-6	Cartulinas CMPC S.A.	Chile	Common shareholder	Sale of fuel	1,331	1,331
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	226	226
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.	24	24
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of fuel	36	36
95,304,000-K	CMPC Maderas S.A.	Chile	Common shareholder	Sale of lubricants	157	157
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	12	12
96,532,330-9	CMPC Pulp SpA.	Chile	Common shareholder	Timber and wood chips	1,772	1,772
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of lubricants	49	49
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of gas	46	46
96,529,310-8	CMPC Tissue S.A.	Chile	Common shareholder	Sale of fuel	51	51
96,505,760-9	Colbún S.A.	Chile	Director in common	Sale of fuel	4,419	4,419
96,505,760-9	Colbún S.A.	Chile	Director in common	Electricity	78	22
76,218,856-2	Colbún Transmisión S.A.	Chile	Director in common	Electricity	84	(78)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of fuel	518	518
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Sale of lubricants	28	28
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Mobilization and stevedoring	3,650	(3,650)
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Other sales	8	8
79,895,330-3	Compañía Puerto de Coronel S.A.	Chile	Indirect associate	Wharf rental	30	(30)
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of fuel	3,075	3,075
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Sale of lubricants	146	146
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Other sales	11	11
96,893,820-7	Corpesca S.A.	Chile	Indirect associate	Office leases	66	66
76,879,577-0	EZE S.A.	Chile	Indirect associate	Timber, plywood and panels	273	273
76,879,577-0	EZE S.A.	Chile	Indirect associate	Loan	6	6
76,037,869-0	Equipos Mineros Rio Grande Ltda.	Chile	Indirect associate	Sale of fuel	35	35
76,037,869-0	Equipos Mineros Rio Grande Ltda.	Chile	Indirect associate	Other sales	20	20
76,037,869-0	Equipos Mineros Rio Grande Ltda.	Chile	Indirect associate	Sale of lubricants	4	4
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Electricity	4,842	4,842
99,500,140-3	Eka Chile S.A.	Chile	Joint venture	Purchase of sodium chlorate	9,408	(9,408)
76,659,730-0	Elemental S.A.	Chile	Indirect associate	Other purchases	248	(248)
76,659,730-0	Elemental S.A.	Chile	Indirect associate	Other sales	0	0
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Sale of fuel	129	129
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Sale of lubricants	0	0
92,580,000-7	Empresa Nacional de Telecomunicaciones S.A.	Chile	Common shareholder	Telephone services	275	(275)
82,201,400-0	Envases Impresos S.A.	Chile	Common shareholder	Sale of fuel	7	7
82,201,400-0	Envases Impresos S.A.	Chile	Common shareholder	Sale of lubricants	6	6
82,201,400-0	Envases Impresos S.A.	Chile	Common shareholder	Sale of gas	54	54
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Harvesting services	8,246	8,246
79,825,060-4	Forestal del Sur S.A.	Chile	Common shareholder	Wood and logs	1,365	(1,365)
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of fuel	172	172
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Logs and other purchases/sales	9	9
91,440,000-7	Forestal Mininco S.A.	Chile	Common shareholder	Sale of gas	4	4
71,625,000-8	Arauco Educational Foundation	Chile	Affiliate & contributor	IT services	59	59
96,636,520-K	Gasmar S.A.	Chile	Indirect associate	Sale of fuel	1	1
96,555,810-1	Instituto de Investigación Pesquera S.A.	Chile	Related Affiliate	Consultancy and other services	52	(52)
94,082,000-6	Inversiones Siemel S.A.	Chile	Common shareholder	Facilities rental	139	(139)
76,340,975-8	Mega Frio Chile S.A.	Chile	Common shareholder	Purchase of services	150	(150)
96,722,460-K	Metrogas S.A.	Chile	Associate	Other purchases	191	(191)
96,722,460-K	Metrogas S.A.	Chile	Associate	Sale of fuel	36	36
93,628,000-5	Molibdenos y Metales S.A.	Chile	Common shareholder	Sale of fuel	195	195
93,628,000-5	Molibdenos y Metales S.A.	Chile	Common shareholder	Sale of gas	30	30
76,839,949-2	Parque Eólico Ovejera Sur SpA.	Chile	Indirect associate	Leases	100	100
78,096,080-9	Portaluppi, Guzmán y Bezanilla Abogados	Chile	Partner Director	Legal advisory services	219	(219)
76,037,864-K	Portuaria Otway Ltda.	Chile	Indirect associate	Sale of fuel	237	237
76,037,864-K	Portuaria Otway Ltda.	Chile	Indirect associate	Sale of lubricants	2	2
76,037,864-K	Portuaria Otway Ltda.	Chile	Indirect associate	Other sales	1	1
76,037,858-5	Producción y Servicios Mineros Ltda.	Chile	Indirect associate	Sale of fuel	209	209
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	69	(69)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Management consultancy services	119	(119)
96,925,430-1	Servicios Corporativos Sercor S.A.	Chile	Indirect associate	Administrative services	158	(158)
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	Storage services	906	(906)
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	Chile	Indirect associate	Other sales	1	1
96,783,150-6	St. Andrews Smoky Delicacies S.A.	Chile	Indirect associate	Sales	58	(58)
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	Chile	Indirect associate	Sale of fuel	68	68
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	Chile	Indirect associate	Other sales	68	68
-	Unillin Arauco Pisos Ltda.	Brazil	Joint venture	Timber	807	807
76,724,000-7	Woodtech S.A.	Chile	Common shareholder	Timber volume measurement services	466	(466)

## 18.4 Significant restrictions on affiliates' ability to transfer funds to related parties

Long-term borrowing from related parties - Mutual agreement with Arauco Argentina S.A.

During 2020, the Central Bank of Argentina established limitations on access to foreign exchange, so Arauco Argentina S.A. was prevented from paying two principal installments of ThUS\$ 12,500 each, which were due during that year under a loan agreement signed in 2017 with its parent company Celulosa Arauco y Constitución S.A. Therefore, Celulosa Arauco y Constitución S.A. agreed to extend the principal repayments due during 2020 to May 30, 2021. Interest on these delayed principal repayments shall accrue until they are totally or partially paid, at a rate similar to the interest rate that applies to the principal not yet due, over the corresponding period. As of March 31, 2021, the total principal due under this loan agreement was ThUS\$ 160,000.

## 18.5 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 compensation for Directors and senior executives are as follows:

Remuneration for senior executives and directors	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Remuneration and bonuses	26,798	23,951
Director's fees	1,755	1,695
Termination benefits	575	627
<b>Total remuneration for senior executives</b>	<b>29,128</b>	<b>26,273</b>

## NOTE 19. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

### I. Lawsuits and other legal actions of the affiliate Celulosa Arauco y Constitución S.A. (“Arauco”) and its affiliates:

#### 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 2019 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. This measure is being discussed by the Company. 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\$ 2,160,896,000 (equivalent to ThUS\$ 23,488 as of March 31, 2021) 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 ThUS\$ 6,555, plus interest from the transfer notification date, for export duties paid between March 2005 and March 2007 as a result of 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. On November 5,

2020, the Chamber took into account the statements made by Arauco and called it to hear sentence.

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\$ 435,952,315 (equivalent to ThUS\$ 4,739 as of March 31, 2021).

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 by Celulosa Arauco y Constitución S.A. on April 16, 2001 and October 31, 2001, and requested the reimbursement of amounts returned 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\$ 6,333 as of March 31, 2021). 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\$ 1,675 as of March 31, 2021), leaving an amount in dispute of Ch\$ 3,362,265,453 (equivalent to ThUS\$ 4,658 as of March 31, 2021) 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 its position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of March 31, 2021.

## 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\$ 6,657 as of March 31, 2021). 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 its position is based on solid legal arguments. Therefore, Arauco has not created any provisions for this contingency as of March 31, 2021.

## 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\$ 791 as of March 31, 2021) in damage compensation and in subsidy (a) Ch\$ 11,189,270,050 (equivalent to ThUS\$ 15,501 as of March 31, 2021), 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, and (c) Ch\$ 5,000,000,000 (equivalent to ThUS\$ 6,927 as of March 31, 2021) 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. The case is currently archived.

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 March 31, 2021.

### 3. Forestal Arauco S.A.:

3.1 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.

On September 1, 2020, a resolution was issued to admit the case to evidence, and the parties have not yet been notified by certified letter.

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 March 31, 2021.

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

Consequently, an indemnity was requested of Ch\$ 3,486,187,431 (equivalent to ThUS\$ 4,830 as of March 31, 2021).

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\$ 584 as of March 31, 2021).

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 March 31, 2021.

3.3 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 Higuera Sur Poniente of the Higuera Sur of the Quivolgo Estate" (ii) "Lomas de Quivolgo" and, (iii) "Higuera 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.

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 March 31, 2021.

3.4 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 Higuera Sur de la Hacienda Quivolgo" and "Lomas de Quivolgo". The damages are estimated to be Ch\$ 100,000,000 (equivalent to ThUS\$ 138 as of March 31, 2021).

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 Higuera Sur Poniente of the Higuera Sur of the Quivolgo Estate" (ii) "Lomas de Quivolgo" and, (iii) "Higuera 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 evidence stage began on November 11, 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 March 31, 2021.

3.5 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), where the plaintiff alleges that the property called "Predio que forma parte de la Higuera Sur Poniente, de la Higuera 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.

Currently, the discussion period is over.

On February 16, 2021, the court summoned the parties to a reconciliation hearing on March 25, 2021, which was not

held as not all the parties were notified of the resolution summoning them to the hearing. On April 1, 2021, Forestal Arauco S.A. filed a motion to abandon these proceedings, which is pending resolution.

Currently, the Court intends to set a new date and time for the 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 March 31, 2021.

#### 4. Arauco do Brasil S.A.:

The Federal Reserve of Brazil challenged the amortization of goodwill on the acquisitions of Placas do Paraná, Tafibrás, Tafisa and Dynea.

On July 20, 2015, Arauco do Brasil was notified of a decision at the first administrative level, to partially uphold the penalty. In response, Arauco filed an appeal ("Recurso Voluntario") with CARF (Conselho Administrativo de Recursos Fiscais de Brasil), at the second administrative level. The CARF ruled on May 16, 2017, to reduce the penalty for Arauco, because it accepted some of the company's arguments, but maintained other charges. On September 27, 2018, Arauco was notified of the CARF's decision and filed an appeal, in order to clarify some points of the decision. On January 25, 2019, CARF indicated that there were no clarifications or omissions, so the period for the filing the last appeal in the administrative sphere ("Special Appeal") began, and was submitted to the CARF Superior Chamber of Fiscal Resources (CSRF) on February 11, 2019, where the company's defense was reiterated.

On August 28, 2020 the company was told that the CARF issued an interim decision regarding the interlocutory appeal that split the charges into two parts:

(i) Part that is still waiting for the administrative decision on the Special Appeal to the CSRF (the issue of the isolated 50% fine and interest moratorium) estimated at BR\$ 29,250,417 (equivalent to ThUS\$ 5,159 as of March 31, 2021). However, interest and inflation adjustments will be added to that figure with effect from January 31, 2019 until the administrative decision is issued.

(ii) Part that closes the administrative decision for contractual expenses relating to the acquisition of Tafisa, legal expenses on debts in the amnesty program, and payment of IRPJ and CSLL in the second part of 2010. The second part totals BR\$ 31,774,176 (equivalent to ThUS\$ 5,604 as of March 31, 2021) and interest and inflation adjustments will be added to that figure with effect from August 28, 2020 until the final judicial decision (initiated on September 23, 2019), in order to continue responding to this part of the charges. Therefore, a Tax Debt Annulment Action was filed and a guarantee was filed to suspend the enforceability of the penalties and to obtain the Tax Compliance Certificates under the final resolution of the Tribunal.

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 March 31, 2021.

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

- a) On August 21, 2020, the affiliate Copec was granted approval for its "Terminal de Productos Pacífico" project, in the district of Coronel through Resolution 202099101534 issued by the Executive Director of the Environmental Assessment Service (DESEA)

2,322 people, including independent fishermen, shore collectors and divers, have filed an Invalidation Appeal against this resolution under Article 53 of Law 19,880, and a Protection Appeal against the Environmental Assessment Service, and the Coronel Municipality filed an appeal against this approval before the Environmental Court. Copec became a party to these appeals.

Processing this permit required compliance with all legal requirements and those requested by the environmental authorities, so the chances of these appeals being accepted are remote.

- b) A group of 107 Mejillones fishermen filed a claim for damages against the affiliate Copec, which is being processed before the Antofagasta Appeals Court. 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) 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 affiliate Copec 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 submitted by Martinez against Copec, which is in addition to the first. First and second instance rulings rejected the claim. Currently, the case is with the summoned parties to hear sentence. The case is covered by insurance policies.

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

- d) SEC fines

We have no record of SEC fines as of the reporting date.

e) 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 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 subsidiary 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.

f) Organización Terpel S.A. and affiliates

- 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.
- 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.

- 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, 2020, 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. The Court reversed its decision in accordance with the Supreme Court's ruling, and sent the file to the original office to continue with enforcement. Terpel requested the Constitutional Court to review the file without being selected, so that the sentence is already final (Terpel proceeded to pay the sentence of approximately US\$ 995,000).
- Ludesa and Casamotor (former distributors of Mobil lubricants), filed a claim for unfair competition against Primax de Colombia S.A. and Organización Terpel S.A. The plaintiff company requests a declaration that the defendants committed acts of unfair competition when they allegedly designed, planned and executed a systematic strategy aimed at removing Ludesa from the market for the distribution of Mobil brand lubricants; by diverting current and potential customers from Ludesa; through business disorganization and inducing contractual rupture. Consequently, they requested the payment of approximately US\$ 34 million. On November 20, 2020 Terpel filed an appeal for reconsideration against the admissory order. Primax filed a response to the lawsuit on December 16, 2020. Organización Terpel S. A. is responsible for the outcome of this process, since it agreed as already mentioned to indemnify Inversiones Primax S.A.S. and Primax Holdings S.A.S. who are the third party acquirers of ExxonMobil Colombia's fuel business, against any lawsuit or claim related to the Mobil lubricants business in Colombia.
- 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. On May 21, the judgment resolving the appeal confirmed the arguments in favor of TERPEL and terminated the judicial process.

- 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 Free Trade Commission, 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 Fair Trade Court 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 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.

## 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 March 31, 2021

GUARANTEE	TRANSACTION	ThUS\$	COMPANY	RELATIONSHIP
Mortgage	Fuel and Lubricant Supply Contract	946	EST DE SERV VEGA ARTUS LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	419	COMERCIAL Y SERVICIOS PINGAL LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	693	AMELIA MARTINEZ RASSE Y COMPAÑIA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	688	PATRICIO ABRAHAM GHIARDO JEREZ	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	610	JAIME ALEJANDRO VILLANUEVA LOZANO	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	591	DINO PEIRANO Y CIA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	511	ALTO MELIMOYU S.A.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	505	SOCIEDAD COMERCIAL RINCON LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	493	COMBUSTIBLES Y SERVICIOS LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	493	DISTR. DE COMB. COKE LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	490	COMERCIAL Y SERVICIOS FERSOF LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	486	COMERCIAL DE PABLO Y MARIN LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	476	GAJARDO E HIJOS LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	469	COMERCIAL LINCOYAN LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	450	COMERCIALIZADORA LONCOMILLA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	769	AUTOMOTRIZ Y COMERCIAL LONCOMILLA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	442	COMERCIAL F. Y. H. LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	437	COMERCIAL MAHO LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	418	COMERCIAL Y SERVICIOS SAN IGNACIO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	400	SOCIEDAD COMERCIAL CAROLINA HERNANDEZ	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	399	MARTINEZ RASSE Y CIA. LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	393	DE LA FUENTE MARTINEZ Y COMPAÑIA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	393	INV Y COM LIRAY LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	390	COM. Y DISTRIBUIDORA LOS LIRIOS LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	227	COMERCIAL Y SERVICIOS DG LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	384	GARCIA Y COMPAÑIA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	379	ESTACION DE SERVICIO VIÑA DEL MAR LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	377	COMERCIAL BEFFERMANN E HIJOS LTDA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	374	ROSENBERG Y SEPULVEDA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	373	ADMINIST.DE E/S AUTONOMA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	373	STEFFENS Y COMPAÑIA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	369	DELAC S.A.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	366	COMERCIALIZADORA Y DISTRIBUIDORA DEL NORTE LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	353	SANTA LUISA DE NAVA DEL REY LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	63	COMERCIAL ONE STOP LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	349	COMERCIAL ONE STOP LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	346	SERVICIOS KAYFER LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	341	COMERCIAL ELIZABETH OCARANZA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	338	COMERCIAL J & C MOYA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	338	SOCIEDAD COMERCIAL LAS VIOLETAS LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	1,094	COMERCIAL SOZA Y ARAVENA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	334	COMERCIAL Y SERVICIOS EL TATIO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	329	COMERCIAL Y SERVICIOS PALAU LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	326	DISTRIBUIDORA VALLE GRANDE LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	325	EST. DE SERV. COLON TOMAS MORO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	318	SOCIEDAD COMERCIAL EL PARRON LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	318	COMERCIAL Y SERVICIOS LA ROCHELLE LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	304	COMERCIAL VARELA Y COMPAÑIA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	302	COMBUSTIBLES VARELA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	302	INVERSIONES JOTAS LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	290	COMERCIAL E INVERSIONES SANTA CATA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	289	RAMIS Y RAMIS LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	285	COMERCIAL Y SERVICIOS SEGUEL- BEYZA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	284	DISTRIBUIDORA PERCAB LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	283	COMERCIAL MAHANA Y COMPAÑIA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	282	FL COMERCIAL LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	278	COMERCIAL GRUPO MYDO LIMITADA	Concession - consignment

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GUARANTEE	TRANSACTION		COMPANY	RELATIONSHIP
Mortgage	Fuel and Lubricant Supply Contract	219	COM Y DIST PIRQUE LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	274	COMERCIAL Y SERVICIOS S & J FULL LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	273	COMERCIAL E INVERSIONES SALARES LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	273	COMERCIAL MALLKU LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	271	EXPENDIO DE COMBUSTIBLES Y LUBRICANTES LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	270	COMERCIAL DOMINGA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	269	GERMAN LUIS CONTRERAS CHAVEZ	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	268	COMERCIAL Y SERVICIOS NEWEN LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	267	SOCIEDAD LUIS FONG VERGARA Y COMPAÑÍA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	265	DE LA PAZ MERINO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	263	DISTRIBUIDORA B & B LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	262	COMERCIAL Y SERVICIOS RIMED LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	262	SOCIEDAD COMERCIAL PEREZ Y POBLETE LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	260	COMERCIAL CAUTIN LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	331	COMERCIAL Y SERVICIOS M & C LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	256	BODEGAJE, LOGISTICA Y DISTRIBUCION FERNANDEZ OSSA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	255	DANIEL VILLAR Y CIA. LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	254	MUÑOZ Y DIMTER LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	254	SOCIEDAD COMERCIAL QUINWER LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	253	AUTOMOTRIZ CRISTOBAL COLON LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	251	COMERCIAL CSC LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	250	COMERCIAL Y SERVICIOS FUTRONO LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	249	GRANESE Y ROSSELLI LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	247	NTEC SERVICIOS Y COMERCIALIZADORA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	243	SOCIEDAD COMERCIAL URQUIETA HUERTA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	242	COMERCIAL Y SERVICIOS BALMA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	241	COM Y SERVICIOS SAN ALFONSO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	239	ANGELA HENRIQUEZ MAGGIOLO Y COMPAÑIA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	235	MARIA DE LOS ANGELES PRADO DE PABLO CIA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	233	SOCIEDAD HERRERA PRADO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	232	COMERCIAL GRONA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	229	SOC COM SHARPE HNAS LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	226	COMERCIAL Y SERVICIOS RIGA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	226	GEOMAZ COMERCIAL Y SERVICIOS LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	225	COMERCIAL E INVERSIONES BORQUEZ HULSE LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	225	COMERCIAL Y SERVICIOS BRAXO LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	224	COMERCIAL Y SERVICIOS LENGIA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	223	COMERCIAL Y SERVICIOS R & R LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	223	DISTRIBUIDORA DIAZ Y COMPAÑIA LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	222	COMERCIAL Y SERVICIOS ALESSANDRIA LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	185	COMERCIAL LOS CONQUISTADORES LIMITADA	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	156	DIST DE COMBUST SAN IGNACIO LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	89	COMERCIAL Y SERVICIOS MEDNAV LTDA.	Concession - consignment
Mortgage	Fuel and Lubricant Supply Contract	1,042	VALLE DORADO S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	746	DISTRIBUIDORA DE LUBRICANTES SAN JAVIER LTDA.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	543	COMERCIAL RENGU LUBRICANTES S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	505	SOCIEDAD LUBRICANTES Y SERVICIOS LTDA.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	498	COMERCIAL HARAMBOUR LIMITADA	Distributor
Mortgage	Fuel and Lubricant Supply Contract	456	LUBRICANTES ARTIGUES S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	456	LUBRICANTES ARTIGUES S.A.	Distributor
Mortgage	Fuel and Lubricant Supply Contract	393	SOCIEDAD COMERCIALIZADORA NUEVA LONCOMILLA LIMITADA	Distributor
Mortgage	Fuel and Lubricant Supply Contract	1,165	TRANSPORTES MARITIMOS KOCHIFAS S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	824	BUSES METROPOLITANA S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	824	BUSES METROPOLITANA S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	719	PULLMAN CARGO S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	712	FUENTES SALAZAR SANDRA	Industrial
Mortgage	Fuel and Lubricant Supply Contract	452	SOTALCO II LTDA.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	451	COMERCIAL CALAMA S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	442	PINTO LAGOS MIGUEL ANGEL	Industrial
Mortgage	Fuel and Lubricant Supply Contract	750	PETROMAULE LTDA.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	750	PETROMAULE LTDA.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	288	SOCIEDAD COMERCIAL E INMOBILIARIA LA CUMBRE S.A.	Industrial
Mortgage	Fuel and Lubricant Supply Contract	253	OSCAR GILBERTO HURTADO LOPEZ TRANSPORTES E.I.R.L.	Industrial
Guarantee	Fuel and Lubricant Supply Contract	554	ASOCIACION GREMAL DE DUEÑOS DE CAMIONES DE LA SEXTA REGION	Industrial
Guarantee	Fuel and Lubricant Supply Contract	277	SOCIEDAD ELECTRICAS DE MEDELLIN SA	Industrial
Guarantee	Fuel and Lubricant Supply Contract	127	TRANSPORTE PUBLICO DE PASAJEROS RUTA LAS PLAYAS S.A.	Industrial
Guarantee	Fuel and Lubricant Supply Contract	103	HUILO HUILO DESARROLLO TURISTICO	Industrial
Pledge	Fuel and Lubricant Supply Contract	104	FUENTES SALAZAR SANDRA	Industrial
Pledge	Fuel and Lubricant Supply Contract	104	RICARDO LEIVA Y CIA. LTDA.	Industrial
Pledge	Fuel and Lubricant Supply Contract	99	RICARDO LEIVA Y CIA. LTDA.	Industrial
Pledge	Fuel and Lubricant Supply Contract	99	SALAZAR CRANE JULIA	Industrial
Time deposits	Fuel and Lubricant Supply Contract	50	SOCIEDAD HERRERA BRAVO LTDA.	Concession - consignment
Time deposits	Fuel and Lubricant Supply Contract	18	COMERCIAL MAR Y SOL LTDA.	Concession - consignment
Time deposits	Fuel and Lubricant Supply Contract	38	TANGOUR Y LOYOLA LTDA.	Concession - consignment

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

At the date of these interim consolidated financial statements, the affiliate Arauco has approximately US\$ 39 million in financial assets transferred to third parties (beneficiaries), as direct guarantees. If the obligation is not satisfied by Arauco, the beneficiary may enforce this guarantee.

As of March 31, 2021 there are assets pledged as indirect guarantees amounting to US\$ 422 million. Unlike direct guarantees, indirect guarantees are provided to 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
Celulosa Arauco y Constitución S.A.	Performance bond	-	Chilean peso	2,570	General Directorate of Roads, Bio Bio region
Celulosa Arauco y Constitución S.A.	Performance bond	-	Chilean peso	2,240	Ministries of Public Works (MOP)
Forestal Arauco S.A.	Performance bond	-	Chilean peso	5,378	Transelec S.A.
Arauco Forest Brasil S.A.	Mortgage of ADB's Jaguariava Industrial Plant	Property, plant and equipment	Reals	26,910	BNDES
Arauco do Brasil S.A.	Endorsement of ADB	-	Reals	374	Banco Votorantim S.A.
Arauco Florestal Arapoti S.A.	Endorsement of ADB	-	Reals	422	Banco Votorantim S.A.
<b>Total</b>				<b>38,591</b>	

**Indirect**

Affiliate	Guarantee	Asset Committed	Currency	ThUS\$	Guarantee Beneficiary
Celulosa Arauco y Constitución S.A.	Non several and non cumulative guarantee	-	US dollars	121,053	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	229	Arauco Forest Brasil y Mahal (Brazil)
Celulosa Arauco y Constitución S.A.	Guarantee letter	-	Reals	404	Arauco Forest Brasil y Mahal (Brazil)
<b>Total</b>				<b>421,686</b>	

### **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\$ 77,609 (ThUS\$ 84,295 as of December 31, 2020).

### **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.

In 2019, the indirect associate Golden Omega S.A. restructured its long-term loans that totaled ThUS\$ 111,008, in which Orizon S.A. and Corpesca S.A. were committed as joint guarantors of these loans for 50% each.

### **Alxar Internacional SpA**

On May 16, 2018 at an Extraordinary Shareholders' Meeting held by Empresas Copec S.A. and in relation to the Mina Justa project, it was agreed to provide guarantees under the following terms:

- 1) To secure during the project's construction and commissioning phase up to 40% of Marcobre's obligations with a syndicate of loan agencies, financial institutions and banks, who would provide a "Project Finance" loan. 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 Perú and other lenders, where it obtained a US\$ 900 million line of credit with a Libor variable interest rate covered with a hedge. As of March 31, 2021, the Group had received disbursements of US\$ 900 million.

As of the date of these interim consolidated financial statements, there are no other contingencies which 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	
	03.31.2021 ThUS\$	12.31.2020 ThUS\$	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Legal claims provision	11,107	10,777	8,855	9,133
Onerous contracts provision	0	0	13,313	13,313
Decommissioning, restoration and rehabilitation provision	215	507	19,682	20,471
Profit shares and bonuses provision	0	0	0	0
Other provisions	11,470	10,184	25,478	25,488
<b>Total</b>	<b>22,792</b>	<b>21,468</b>	<b>67,328</b>	<b>68,405</b>

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
<b>Opening balance as of January 1, 2021</b>	<b>0</b>	<b>19,910</b>	<b>13,313</b>	<b>20,978</b>	<b>0</b>	<b>35,672</b>	<b>89,873</b>
<b>Movements in provisions</b>							
Increase (decrease) in provisions	0	3,476	0	330	0	2,450	6,256
Current onerous contracts provision	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
Provision used	0	(3,409)	0	(723)	0	(215)	(4,347)
Reversal of unused provision	0	0	0	0	0	0	0
Increase for adjustment of the time value of money	0	0	0	0	0	0	0
Increase (decrease) from changes in discount rate	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	0	(720)	0	(416)	0	(53)	(1,189)
Additional provisions	0	655	0	0	0	0	655
Other increases (decreases)	0	50	0	(272)	0	(906)	(1,128)
<b>Total changes in provisions</b>	<b>0</b>	<b>52</b>	<b>0</b>	<b>(1,081)</b>	<b>0</b>	<b>1,276</b>	<b>247</b>
<b>Closing balance as of March 31, 2021</b>	<b>0</b>	<b>19,962</b>	<b>13,313</b>	<b>19,897</b>	<b>0</b>	<b>36,948</b>	<b>90,120</b>

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
<b>Opening balance as of January 1, 2020</b>	<b>0</b>	<b>20,979</b>	<b>23,188</b>	<b>20,805</b>	<b>1,346</b>	<b>35,683</b>	<b>102,001</b>
<b>Movements in provisions</b>							
Increase (decrease) in provisions	0	2,697	0	1,720	(279)	31,658	35,796
Current onerous contracts provision	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	(289)	(1,042)	(1,109)	(2,440)
Provision used	0	(4,360)	0	(73)	0	(31,757)	(36,190)
Reversal of unused provision	0	0	0	0	0	0	0
Increase for adjustment of the time value of money	0	0	0	0	0	0	0
Increase (decrease) from changes in discount rate	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	0	0	0
Increase (decrease) in foreign currency translation	0	(2,308)	(643)	(1,185)	(25)	1,221	(2,940)
Additional provisions	0	3,257	(9,232)	0	0	0	(5,975)
Other increases (decreases)	0	(355)	0	0	0	(24)	(379)
<b>Total changes in provisions</b>	<b>0</b>	<b>(1,069)</b>	<b>(9,875)</b>	<b>173</b>	<b>(1,346)</b>	<b>(11)</b>	<b>(12,128)</b>
<b>Closing balance as of December 31, 2020</b>	<b>0</b>	<b>19,910</b>	<b>13,313</b>	<b>20,978</b>	<b>0</b>	<b>35,672</b>	<b>89,873</b>

The provision for legal claims primarily corresponds to labor and tax related lawsuits, and the term of payment is undetermined.

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 of collective and individual employment contracts.

Description	03.31.2021 ThUS\$	12.31.2020 ThUS\$
Vacation benefits	185	216
Post-employment benefits	11,279	12,459
<b>Total current benefits</b>	<b>11,464</b>	<b>12,675</b>
Post-employment benefits	121,084	123,080
<b>Total non-current benefits</b>	<b>121,084</b>	<b>123,080</b>
<b>Total employee benefits</b>	<b>132,548</b>	<b>135,755</b>

Reconciliation of post-employment benefits	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Opening balance</b>	<b>135,755</b>	<b>125,563</b>
Current service cost	2,439	10,988
Additions on business mergers	0	225
Interest costs	1,358	5,622
Actuarial (gains) losses on changes in assumptions	(2,209)	664
Past service costs	0	(26)
Actuarial (gains) losses due to experience	147	(94)
Benefits paid (provisioned)	(2,590)	(13,523)
Increase (decrease) on foreign exchange	(2,352)	6,336
<b>Changes for the period</b>	<b>(3,207)</b>	<b>10,192</b>
<b>Closing Balance</b>	<b>132,548</b>	<b>135,755</b>

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 net 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 March 31, 2021

Chilean ID Number	Name	Percentage Interest %	Country	Relationship	Functional Currency	Costs Investment in associates ThUS\$	03/31/2021 Net income ThUS\$
-	Cumbres Andinas S.A.	40.00	Peru	Indirect associate	US dollar	472,634	(969)
-	Sonae Arauco	50.00	Spain	Joint venture	Euros	180,477	3,331
96,722,460-K	Metrogas S.A.	39.83	Chile	Associate	Chilean peso	99,125	2,920
96,893,820-7	Corpesca S.A.	39.79	Chile	Indirect associate	US dollar	76,950	(3,368)
76,996,827-K	Inversiones Caleta Vitor S.A.	39.79	Chile	Indirect associate	US dollar	67,368	1,624
96,785,680-0	Inversiones Puerto Coronel S.A.	50.00	Chile	Indirect associate	US dollar	55,906	(417)
70,037,855-0	Inversiones Laguna Blanca S.A.	50.00	Chile	Joint venture	US dollar	7,174	390
76,578,731-9	Aprovisionadora Global de Energía S.A.	39.83	Chile	Associate	US dollar	5,435	2,561
-	Vale do Corisco S.A.	49.00	Brazil	Indirect associate	Real	26,357	302
99,500,140-3	Eka Chile S.A.	50.00	Chile	Joint venture	Chilean peso	22,067	460
76,044,336-0	Golden Omega S.A.	25.00	Chile	Indirect associate	US dollar	19,163	(477)
76,879,577-0	E2E S.A.	49.99	Chile	Indirect associate	Chilean peso	16,051	(1,061)
96,783,150-6	St Andrews Smoky Delicacies S.A.	0.17	Chile	Indirect associate	US dollar	11,562	2
76,307,309-2	Naviera Los Inmigrantes S.A.	50.00	Chile	Joint venture	Chilean peso	3,479	14
84,764,200-9	Empresa Pesquera Apiao S.A.	0.17	Chile	Indirect associate	Chilean peso	4,635	167
77,209,739-5	Agrícola El Paque SpA.	23.16	Chile	Indirect associate	US dollar	3,625	10
-	Montagas S.A. ESP	33.33	Colombia	Indirect associate	Colombian peso	3,007	278
-	Fibroacero S.A.	26.00	Ecuador	Indirect associate	US dollar	2,919	2
-	Unillín Arauco Pisos Ltda.	49.99	Brazil	Joint venture	Real	0	0
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	33.33	Chile	Indirect associate	Chilean peso	3,050	176
77,750,270-0	Agrícola San Gerardo SpA	49.99	Chile	Joint venture	Chilean peso	2,033	(142)
-	PGN Gasnorte S.A.C	50.00	Colombia	Indirect associate	Colombian peso	1,102	122
96,953,090-2	Boat Parking S.A.	21.36	Chile	Joint venture	Chilean peso	975	15
76,839,949-2	Parque Eólico Ovejeras del Sur SpA.	49.99	Chile	Indirect associate	Chilean peso	1,175	(6)
-	PGN Gasur S.A.C	50.00	Colombia	Indirect associate	Colombian peso	627	77
76,456,800-1	Mina Invierno S.A.	0.10	Chile	Joint venture	US dollar	646	0
-	Energas S.A. ESP	28.33	Colombia	Indirect associate	Colombian peso	470	34
76,659,730-0	Elemental S.A.	40.00	Chile	Indirect associate	Chilean peso	287	5
96,925,430-1	Servicios Corporativos Sercor S.A.	20.00	Chile	Indirect associate	Chilean peso	205	21
77,155,079-7	Inversiones de Electromovilidad CK SpA	50.00	Chile	Joint venture	Chilean peso	198	100
76,242,018-K	Forestal y Ganadera Estancia Invierno S.A.	14.39	Chile	Joint venture	Chilean peso	2	0
76,077,468-5	Consorcio Tecnológico Bionerel S.A.	20.00	Chile	Indirect associate	Chilean peso	1	0
76,743,130-9	Genómica Forestal S.A.	25.00	Chile	Indirect associate	Chilean peso	7	0
76,384,550-8	Sociedad Nacional Marítima S.A.	39.33	Chile	Indirect associate	US dollar	0	0
96,942,120-8	Copec Aviation S.A. (formerly AIR AIRBP Copec S.A.) (**)	50.00	Chile	Joint venture	Chilean peso	0	0
76,349,706-2	Hualpén Gas S.A.(*)	67.58	Chile	Indirect associate	US dollar	0	0
76,037,858-5	Producción y Servicios Mineros Ltda.	0.01	Chile	Joint venture	Chilean peso	(27)	0
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	(112)	0
77,252,724-1	Ampere-Copec SpA	51.00	Chile	Joint venture	Chilean peso	106	1
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	0.01	Chile	Joint venture	Chilean peso	(141)	0
76,037,869-0	Equipos Mineros Río Grande Ltda.	0.01	Chile	Joint venture	Chilean peso	(95)	0
<b>TOTAL</b>						<b>1,088,418</b>	<b>6,172</b>

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

\*\* Copec Aviation S.A. became a Group affiliate as of June 30, 2020.

Empresas Copec S.A. - Interim Consolidated Financial Statements as of March 31, 2021

As of December 31, 2020

Chilean ID Number	Name	Percentage Interest %	Country	Relationship	Functional Currency	Costs Investment in associates ThUS\$	03/31/2020 Net income ThUS\$
-	Vale do Corisco S.A.(ex Centaurus Holding Brasil)	49.00	Brazil	Indirect associate	Real	29,205	367
76,037,858-5	Producción y Servicios Mineros Ltda.	0.01	Chile	Joint venture	Chilean peso	(26)	0
96,722,460-K	Metrogas S.A.	39.83	Chile	Associate	Chilean peso	100,862	(1,389)
-	Cumbres Andinas S.A.	40.00	Peru	Indirect associate	US dollar	431,417	(7,180)
-	Fibroacero S.A.	26.00	Ecuador	Indirect associate	US dollar	2,919	48
77,209,739-5	Agrícola El Paque SpA.	0.00	Chile	Indirect associate	US dollar	3,693	0
76,349,706-2	Hualpén Gas S.A.	67.58	Chile	Indirect associate	US dollar	0	90
-	Sonae Arauco	50.00	Spain	Associate	Euros	184,191	(613)
96,636,520-K	Gasmar S.A.	36.25	Chile	Indirect associate	US dollar	0	0
76,743,130-9	Genómica Forestal S.A.	25.00	Chile	Joint venture	Chilean peso	7	7
76,996,827-K	Inversiones Caleta Vitor	39.79	Chile	Indirect associate	US dollar	67,449	9
99,500,140-3	Eka Chile S.A.	50.00	Chile	Indirect associate	Chilean peso	21,607	226
76,384,550-8	Sociedad Nacional Marítima S.A.	39.33	Chile	Indirect associate	US dollar	0	(4)
96,783,150-6	St Andrews Smoky Delicacies S.A.	0.00	Chile	Joint venture	US dollar	11,560	319
-	Unillin Arauco Pisos Ltda.	49.99	Brazil	Indirect associate	Real	3,197	39
-	Montagas S.A. ESP	33.33	Colombia	Indirect associate	Colombian peso	3,852	479
96,942,120-8	AIR BP Copec S.A.	50.00	Chile	Indirect associate	Chilean peso	0	238
76,037,864-K	Portuaria Otway Ltda.	0.01	Chile	Indirect associate	US dollar	(112)	0
84,764,200-9	Empresa Pesquera Apiao S.A.	0.00	Chile	Indirect associate	Chilean peso	4,334	41
96,953,090-2	Boat Parking S.A.	21.36	Chile	Joint venture	Chilean peso	906	3
76,839,949-2	Parque Eólico Ovejeras del Sur SpA.	49.99	Chile	Indirect associate	Chilean peso	1,199	(4)
70,037,855-0	Inversiones Laguna Blanca S.A.	50.00	Chile	Joint venture	US dollar	6,782	(1,243)
82,040,600-1	Sociedad de Inversiones de Aviación Ltda.	33.33	Chile	Indirect associate	Chilean peso	2,918	465
76,077,468-5	Consorcio Tecnológico Bionercol S.A.	20.00	Chile	Joint venture	Chilean peso	1	0
-	PGN Gasnorte S.A.C	50.00	Colombia	Indirect associate	Colombian peso	1,152	125
76,879,577-0	E2E S.A.	49.99	Chile	Indirect associate	Chilean peso	15,300	(195)
76,044,336-0	Golden Omega S.A.	25.00	Chile	Joint venture	US dollar	19,141	(405)
76,122,974-5	Algae Fuels S.A.	44.64	Chile	Indirect associate	Chilean peso	0	0
96,925,430-1	Servicios Corporativos Sercor S.A.	20.00	Chile	Indirect associate	Chilean peso	187	(8)
-	Energas S.A. ESP	28.33	Colombia	Indirect associate	Colombian peso	477	24
76,456,800-1	Mina Invierno S.A.	0.10	Chile	Joint venture	US dollar	651	0
76,659,730-0	Elemental S.A.	40.00	Chile	Joint venture	Chilean peso	286	(85)
76,578,731-9	Aprovisionadora Global de Energía S.A.	39.83	Chile	Indirect associate	US dollar	14,567	5,969
96,893,820-7	Corpesca S.A.	39.79	Chile	Indirect associate	US dollar	80,127	(3,426)
96,785,680-0	Inversiones Puerto Coronel S.A.	50.00	Chile	Indirect associate	US dollar	56,314	1,752
76,307,309-2	Naviera Los Inmigrantes S.A.	50.00	Chile	Joint venture	Chilean peso	3,464	(20)
-	PGN Gasur S.A.C	50.00	Colombia	Indirect associate	Colombian peso	655	69
76,242,018-K	Forestal y Ganadera Estancia Invierno S.A.	14.39	Chile	Joint venture	Chilean peso	2	0
76,037,872-0	Rentas y Construcciones Fitz Roy Ltda.	0.01	Chile	Joint venture	Chilean peso	(141)	0
96,919,150-4	Minera Invierno S.A.	0.01	Chile	Joint venture	US dollar	(25)	0
77,750,270-0	Agrícola San Gerardo SpA	49.99	Chile	Joint venture	Chilean peso	2,038	(18)
77,155,079-7	Inversiones de Electromovilidad CK SpA	50.00	Chile	Joint venture	Chilean peso	242	0
77,252,724-1	Ampere-Copec SpA	51.00	Chile	Joint venture	Chilean peso	107	0
76,037,869-0	Equipos Mineros Río Grande Ltda.	0.01	Chile	Joint venture	Chilean peso	(96)	0
TOTAL						1,070,409	(4,320)

## Summarized financial information of associates:

	03.31.2021		12.31.2020	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Associates, current	890,179	969,353	1,074,593	1,086,428
Associates, non-current	5,462,795	2,375,997	5,004,964	2,038,958
<b>Total Associates</b>	<b>6,352,974</b>	<b>3,345,350</b>	<b>6,079,557</b>	<b>3,125,386</b>

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Associates, operating revenue	550,067	1,317,423
Associates, operating expenditure	(529,150)	(1,322,475)
	<b>20,917</b>	<b>(5,052)</b>

## 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:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Equity method investments in associates</b>		
<b>Opening balance</b>	<b>1,070,409</b>	<b>1,026,173</b>
Additions to investments in associates and joint ventures	43,254	115,481
Disposals of investments in associates and joint ventures	(3,197)	(943)
Immediately recognized purchased goodwill	0	0
Goodwill	0	0
Gain on incorporating joint ventures	0	0
Share in operating income (loss) in associates	6,172	(25,233)
Share of prior period amounts	(3)	0
Dividends received	(22,225)	(51,876)
Impairment losses	0	0
Impairment loss reversals	0	2,292
Increase (decrease) in foreign currency translation	(15,721)	24,208
Other increases (decreases)	9,666	(19,693)
Exchange differences	63	0
<b>Total changes</b>	<b>18,009</b>	<b>44,236</b>
<b>Closing balance</b>	<b>1,088,418</b>	<b>1,070,409</b>

## 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.

## B) Forestry Sector

- On March 26, 2021, Arauco Nutrientes Naturales SpA merged into the indirect affiliate Forestal Arauco S.A. This transaction had no effect on the results of Arauco or any of the companies involved in the merger.

- On March 10, 2021, the affiliate Arauco sold its total interest in Forestal Los Lagos SpA (formerly S.A.) for ThUS\$ 48,000 through its affiliate Forestal Arauco S.A. This operation generated a gain of ThUS\$ 20,381, which is presented in Other income.

- In December 2020, the affiliate Arauco's indirect affiliate Maderas Arauco S.A. acquired 86.6155% of ODD Industries SpA, a pioneer in industrial artificial intelligence (IAI) for ethical purposes. The price for the shares acquired in this transaction was equivalent to ThUS\$ 5,064 as of March 31, 2021, out of a total equivalent to ThUS\$ 9,144.

The affiliate Arauco initially registered the acquisition based on the information available to date, using a preliminary estimate of fair value allocation. The value of assets and liabilities acquired were considered provisional values and may be adjusted during the acquisition measurement period to reflect new information about facts and circumstances at the acquisition date that would have affected the valuations recognized at that date had they been known.

- On May 19, 2020, a capital increase at the affiliate Celulosa Arauco y Constitución S.A. was approved for up to US\$ 700 million, by issuing shares. On September 24, 2020, a portion of this capital increase was subscribed and paid by the Company's shareholders, amounting to US\$ 250 million.

## C) Other investments

- During 2021, the Group disbursed ThUS\$ 41,000 (ThUS\$ 95,240 in 2020) through the affiliate Alxar Internacional SpA., being 40% of the total contributions to the Mina Justa project from the partners of Cumbres Andinas S.A.

## 5. Interests in joint arrangements

### A) Forestry sector

- On January 12, 2021, Arauco sold all of its 50% interest in Unilin Arauco Pisos Ltda., through its subsidiary Arauco do Brasil S.A. This transaction generated a loss before tax of ThUS\$ 431.

- On July 29, 2020, a shareholders' agreement was signed with Agrícola El Paque SpA, through the indirect affiliate Forestal Arauco S.A., in order to plant, construct agricultural assets and integrally manage this agricultural project. The capital contributed by Forestal Arauco S.A. was ThCh\$ 3,651,895 (equivalent to ThUS\$ 4,753).

- During the first quarter of 2020, ThCh\$ 12,000,000 was contributed to E2E (equivalent to ThUS\$ 15,022) through the indirect affiliate Maderas Arauco S.A., which represents a 50% interest in that company. In January 2021, ThCh\$ 1,600,000 was contributed (equivalent to ThUS\$ 2,254).

- Between February and December 2020, ThUS\$ 354 was contributed to Parque Eólico Ovejera Sur SpA, representing a 50% interest in this company, through the affiliate Arauco Bioenergía.

- As of March 31, 2021 and December 31, 2020, 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.

- Moreover, Arauco has a 50% interest 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.

### B) Energy Sector

- 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.

### **C) Other investments**

- 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.

The company has continued to seek a reversal of the unfavorable ruling by the Third Environmental Court of Valdivia by presenting an appeal, which was filed in September 2019. It will be heard and resolved by the Supreme Court.

The assets associated with this investment by Empresas Copec S.A. as of March 31, 2021 amount to US\$ 7 million.

There are no contingent liabilities relating to the Group's interest in joint ventures.

## 6. The most significant joint arrangements are outlined below:

March 31, 2021									
		Assets		Liabilities		Net Equity	Revenue	Expenses	Gain (Loss)
		Current	Non-Current	Current	Non-Current				
Joint venture	Eka Chile S.A.	17,539	35,576	4,329	4,652	44,134	9,399	(8,479)	920
	Inversiones Laguna Blanca S.A.	10,817	37,528	2,297	31,137	14,911	1,002	(219)	783
	Air BP Copec S.A.	9,925	64,180	6,518	63,525	4,062	1,969	(1,370)	599
	Sonae Arauco S.A.	232,221	724,190	288,244	307,213	360,954	255,337	(248,590)	6,747
	Agrícola San Gerardo SpA.	2,840	7,574	275	0	10,140	0	(6)	(6)
	Parque Eólico Ovejera del Sur SpA.	305	2,050	6	0	2,349	0	(13)	(13)
	E2E S.A.	8,128	27,422	2,063	1,385	32,102	208	(2,328)	(2,120)
	Agrícola El Parque SpA.	2,840	7,574	274	0	10,140	0	(6)	(6)
Joint operation	Unillin Arauco Pisos Ltda	0	0	0	0	0	0	0	0
	Forestal Conor Sur S.A.	53,290	161,783	2,158	9,838	203,077	9,739	(8,615)	1,124
	Eurofores S.A.	153,506	881,015	234,500	137,054	662,967	55,504	(53,842)	1,662
	Celulosa Energía Punta Pereira S.A.	279,615	2,088,221	192,356	271,497	1,903,983	154,775	(130,210)	24,565
	Zona Franca Punta Pereira S.A.	7,066	450,836	107,446	19,340	331,116	4,529	(6,908)	(2,379)

December 31, 2020									
		Assets		Liabilities		Net Equity	Revenue	Expenses	Gain (Loss)
		Current	Non-Current	Current	Non-Current				
Joint venture	Eka Chile S.A.	16,551	35,599	4,154	4,782	43,214	9,971	(9,519)	452
	Inversiones Laguna Blanca S.A.	11,038	31,151	3,340	31,420	7,429	10,688	(13,173)	(2,485)
	Air BP Copec S.A.	10,931	66,473	4,761	68,441	4,202	104,540	(103,664)	876
	Sonae Arauco S.A.	258,058	765,712	276,127	379,260	368,383	885,812	(887,230)	(1,418)
	Agrícola San Gerardo SpA.	4,562	5,782	69	0	10,275	0	0	0
	Parque Eólico Ovejera del Sur SpA.	367	2,057	26	0	2,398	0	(8)	(8)
	E2E S.A.	9,196	27,044	4,232	1,407	30,601	456	(846)	(390)
	Agrícola El Parque SpA.	4,562	5,782	69	0	10,275	0	0	0
Joint operation	Unillin Arauco Pisos Ltda	8,050	3,747	4,995	408	6,394	2,704	(2,626)	78
	Forestal Conor Sur S.A.	44,684	170,028	2,121	10,637	201,954	16,472	(18,102)	(1,630)
	Eurofores S.A.	115,971	870,093	192,443	131,893	661,728	59,773	(75,662)	(15,889)
	Celulosa Energía Punta Pereira S.A.	262,446	2,103,903	163,887	325,894	1,876,568	144,574	(143,505)	1,069
	Zona Franca Punta Pereira S.A.	6,233	453,572	107,131	19,179	333,495	4,550	(16,065)	(11,515)

## 7. Dividends received from associates

As of March 31, 2021, the Parent Company, Empresas Copec S.A., received ThUS\$ 8,747 from Metrogas and ThUS\$ 11,672 from Aprovisionadora Global de Energía (as of December 31, 2020 it received ThUS\$ 17,883 from Metrogas S.A. and ThUS\$ 25,893 from Aprovisionadora Global de Energía).

Celulosa Arauco y Constitución S.A. received ThUS\$ 860 in dividends from its associates during 2021 (as of December 31, 2020 it received ThUS\$ 4,042).

Compañía de Petróleos de Chile Copec S.A. and affiliates received ThUS\$ 159 in dividends from its associates during 2021 (ThUS\$ 2,632 as of December 31, 2020).

As of March 31, 2021, Abastible S.A. received ThUS\$ 785 from its associates (ThUS\$ 22,690 as of December 31, 2020).

Pesquera Iquique-Guanaye S.A. did not receive any dividends from its associates during 2021 and 2020.

**NOTE 22. NATIONAL AND FOREIGN CURRENCY**

Foreign Currency Assets	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Liquid assets</b>	<b>2,035,708</b>	<b>2,340,251</b>
US dollars	955,642	1,319,598
Euros	4,388	3,917
Other currencies	386,736	420,749
Non-indexed Chilean peso	681,978	588,924
UF	6,964	7,063
<b>Cash and cash equivalents</b>	<b>1,895,971</b>	<b>2,146,581</b>
US dollars	838,735	1,148,291
Euros	4,388	3,917
Other currencies	386,653	420,656
Non-indexed Chilean peso	659,231	566,654
UF	6,964	7,063
<b>Other financial assets, current</b>	<b>139,737</b>	<b>193,670</b>
US dollars	116,907	171,307
Euros	0	0
Other currencies	83	93
Non-indexed Chilean peso	22,747	22,270
UF	0	0
<b>Receivables, current and non-current</b>	<b>1,716,047</b>	<b>1,599,539</b>
US dollars	706,288	636,174
Euros	4,350	10,448
Other currencies	267,401	263,390
Non-indexed Chilean peso	728,939	681,995
UF	9,069	7,532
<b>Trade and other receivables, current</b>	<b>1,670,487</b>	<b>1,550,633</b>
US dollars	688,777	642,337
Euros	4,350	10,448
Other currencies	266,300	262,332
Non-indexed Chilean peso	708,168	632,700
UF	2,892	2,816
<b>Current receivables from related parties</b>	<b>37,691</b>	<b>41,109</b>
US dollars	9,642	(13,960)
Euros	0	0
Other currencies	1,101	1,058
Non-indexed Chilean peso	20,771	49,295
UF	6,177	4,716
<b>Related party receivables, non-current</b>	<b>7,869</b>	<b>7,797</b>
US dollars	7,869	7,797
Euros	0	0
Other currencies	0	0
Non-indexed Chilean peso	0	0
UF	0	0
<b>Other assets</b>	<b>21,147,126</b>	<b>21,234,651</b>
US dollars	14,816,986	14,718,156
Euros	191,490	196,377
Other currencies	2,585,360	2,744,585
Non-indexed Chilean peso	3,552,454	3,571,899
UF	836	3,634
<b>Total assets</b>	<b>24,898,881</b>	<b>25,174,441</b>
US dollars	16,478,916	16,673,928
Euros	200,228	210,742
Other currencies	3,239,497	3,428,724
Non-indexed Chilean peso	4,963,371	4,842,818
UF	16,869	18,229



Foreign Currency Liabilities	03.31.2021		12.31.2020	
	ThUS\$		ThUS\$	
	Up to 90 days	91 days to 1 year	Up to 90 days	91 days to 1 year
<b>Current liabilities</b>				
<b>Other current financial liabilities</b>	<b>241,215</b>	<b>428,082</b>	<b>274,371</b>	<b>362,883</b>
US dollar	182,354	237,093	71,826	203,891
Euros	39,996	45,609	0	32,697
Other currencies	6,497	19,576	3,651	14,108
Non-indexed Chilean peso	12,368	66,111	198,894	11,419
UF	0	59,693	0	100,768
<b>Bank loans</b>	<b>162,215</b>	<b>192,591</b>	<b>241,260</b>	<b>218,558</b>
US dollars	143,350	97,230	38,715	167,449
Euros	0	32,652	0	32,697
Other currencies	6,497	19,576	3,651	14,108
Non-indexed Chilean peso	12,368	43,133	198,894	4,304
UF	0	0	0	0
<b>Bank overdraft</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>Other loans</b>	<b>79,000</b>	<b>235,491</b>	<b>33,111</b>	<b>144,325</b>
US dollars	39,004	139,863	33,111	36,442
Euros	39,996	12,957	0	0
Other currencies	0	0	0	0
Non-indexed Chilean peso	0	22,978	0	7,115
UF	0	59,693	0	100,768
<b>Finance leases</b>	<b>45,195</b>	<b>76,898</b>	<b>46,278</b>	<b>83,941</b>
US dollars	15,813	12,573	14,158	16,433
Euros	24	39	23	61
Other currencies	8,416	6,757	8,154	6,160
Non-indexed Chilean peso	17,020	47,864	19,266	50,570
UF	3,922	9,665	4,677	10,717
<b>Other current liabilities</b>	<b>1,289,773</b>	<b>874,280</b>	<b>1,337,811</b>	<b>736,241</b>
US dollars	243,622	404,726	327,492	332,982
Euros	10,390	0	12,081	0
Other currencies	365,456	26,929	419,515	41,072
Non-indexed Chilean peso	633,536	388,621	542,713	307,516
UF	36,769	54,004	36,010	54,671
<b>Total Current Liabilities</b>	<b>1,576,183</b>	<b>1,379,260</b>	<b>1,658,460</b>	<b>1,183,065</b>
US dollars	441,789	654,392	413,476	553,306
Euros	50,410	45,648	12,104	32,758
Other currencies	380,369	53,262	431,320	61,340
Non-indexed Chilean peso	662,924	502,596	760,873	369,505
UF	40,691	123,362	40,687	166,156

	03.31.2021		12.31.2020	
	ThUS\$		ThUS\$	
	1 to 5 years	Over 5 years	1 to 5 years	Over 5 years
<b>Non-current liabilities</b>				
<b>Other financial liabilities, non-current</b>	<b>1,631,270</b>	<b>6,395,904</b>	<b>2,970,137</b>	<b>5,462,348</b>
US dollars	1,082,454	4,002,955	2,232,634	3,206,361
Euros	117,759	358,397	248,138	250,346
Other currencies	265,725	322,526	289,915	446,220
Non-indexed Chilean peso	78,385	164,505	24,372	93,998
UF	86,947	1,547,521	175,078	1,465,423
<b>Bank loans</b>	<b>939,346</b>	<b>1,337,913</b>	<b>1,428,712</b>	<b>1,054,726</b>
US dollars	477,477	656,990	866,287	358,160
Euros	117,759	358,397	248,138	250,346
Other currencies	265,725	322,526	289,915	446,220
Non-indexed Chilean peso	78,385	0	24,372	0
UF	0	0	0	0
<b>Bank overdraft</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>Other loans</b>	<b>691,924</b>	<b>5,057,991</b>	<b>1,541,425</b>	<b>4,407,622</b>
US dollars	604,977	3,345,965	1,366,347	2,848,201
Euros	0	0	0	0
Other currencies	0	0	0	0
Non-indexed Chilean peso	0	164,505	0	93,998
UF	86,947	1,547,521	175,078	1,465,423
<b>Finance leases</b>	<b>356,333</b>	<b>267,623</b>	<b>440,957</b>	<b>187,181</b>
US dollars	149,863	77,403	177,309	56,111
Euros	158	60	230	0
Other currencies	104,075	17,437	107,268	8,009
Non-indexed Chilean peso	85,896	163,156	134,750	114,312
UF	16,341	9,567	21,400	8,749
<b>Other liabilities, non-current</b>	<b>905,994</b>	<b>1,288,859</b>	<b>939,597</b>	<b>1,272,226</b>
US dollars	227,084	649,723	212,579	646,031
Euros	0	0	0	0
Other currencies	384,797	53,139	363,579	21,631
Non-indexed Chilean peso	294,113	406,802	363,439	424,549
UF	0	179,195	0	180,015
<b>Total non-current liabilities</b>	<b>2,893,597</b>	<b>7,952,386</b>	<b>4,350,691</b>	<b>6,921,755</b>
US dollars	1,459,401	4,730,081	2,622,522	3,908,503
Euros	117,917	358,457	248,368	250,346
Other currencies	754,597	393,102	760,762	475,860
Non-indexed Chilean peso	458,394	734,463	522,561	632,859
UF	103,288	1,736,283	196,478	1,654,187

**NOTE 23. EQUITY**

## 1) Share capital

The company's subscribed and paid capital as of March 31, 2021 was ThUS\$ 686,114 (ThUS\$ 686,114 as of December 31, 2020). Such capital is composed of 1,299,853,848 ordinary shares, all of the same value.

Movements in the number of common shares as of March 31, 2021 and 2020, are detailed as follows:

	Number of shares	Common shares	Treasury shares	Total
Balance as of January 1, 2021	1,299,853,848	1,299,853,848	-	1,299,853,848
Capital increase	-	-	-	-
Acquisition of a dependent	-	-	-	-
Purchase of treasury shares	-	-	-	-
<b>Balance as of March 31, 2021</b>	<b>1,299,853,848</b>	<b>1,299,853,848</b>	<b>-</b>	<b>1,299,853,848</b>

	Number of shares	Common shares	Treasury shares	Total
Balance as of January 1, 2020	1,299,853,848	1,299,853,848	-	1,299,853,848
Capital increase	-	-	-	-
Acquisition of a dependent	-	-	-	-
Purchase of treasury shares	-	-	-	-
<b>Balance as of March 31, 2020</b>	<b>1,299,853,848</b>	<b>1,299,853,848</b>	<b>-</b>	<b>1,299,853,848</b>

There were no capital increases as of March 31, 2021 and 2020.

## 2) Reserves

Other reserves as of March 31, 2021 and 2020 were as follows:

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Legal reserves	3	3
Held for sale reserves	218	218
Translation reserves	(2,061,319)	(2,208,052)
Defined benefit plan reserves	(31,386)	(34,630)
Hedge reserves	(20,430)	(87,638)
Other miscellaneous reserves	495,898	473,533
<b>Total Reserves</b>	<b>(1,617,016)</b>	<b>(1,856,566)</b>

Movements in reserves for the periods indicated are the following:

	Legal reserves	Held for sale reserves	Translation reserves	Defined benefit plan reserves	Hedge reserves	Other miscellaneous reserves	Total Reserves
Opening balance 01.01.2021	3	218	(1,939,097)	(33,139)	(50,976)	492,923	(1,530,068)
Effect on comprehensive income	0	0	(122,222)	1,753	30,546	2,975	(86,948)
No effect on comprehensive income	0	0	0	0	0	0	0
<b>Closing balance 03.31.2021</b>	<b>3</b>	<b>218</b>	<b>(2,061,319)</b>	<b>(31,386)</b>	<b>(20,430)</b>	<b>495,898</b>	<b>(1,617,016)</b>

	Legal reserves	Held for sale reserves	Translation reserves	Defined benefit plan reserves	Hedge reserves	Other miscellaneous reserves	Total Reserves
Opening balance 01.01.2020	3	218	(1,759,090)	(34,666)	12,715	478,587	(1,302,233)
Increase (decrease) due to changes in accounting policy	0	0	0	0	0	0	0
Effect on comprehensive income	0	0	(448,962)	36	(100,353)	(260)	(549,539)
No effect on comprehensive income	0	0	0	0	0	(4,794)	(4,794)
<b>Closing balance 03.31.2020</b>	<b>3</b>	<b>218</b>	<b>(2,208,052)</b>	<b>(34,630)</b>	<b>(87,638)</b>	<b>473,533</b>	<b>(1,856,566)</b>

### 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 March 31, 2021 and 2020 were as follows:

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Opening balance	11,423,726	11,283,478
Increase (decrease) due to changes in accounting policy	0	0
Net income for the period	228,781	6,356
Interim dividends	(72,320)	0
Other items	(11,072)	37
<b>Closing balance</b>	<b>11,569,115</b>	<b>11,289,871</b>

## 5) Non-controlling interests

Non-controlling interests as of March 31, 2021 and 2020 were as follows:

Chilean ID Number	Company	% non-controlling interest	Non-controlling interests		Non-controlling interests	
			Equity 03.31.2021 ThUS\$	Net Income 03.31.2021 ThUS\$	Equity 03.31.2020 ThUS\$	Net Income 03.31.2020 ThUS\$
	- Organización Terpel S.A.	41.49%	262,301	15,107	252,187	(38)
	- Nortesantandereana de Gas S.A.E.S.P	49.00%	50,791	2,137	52,159	2,428
96,929,960-7	Orizon S.A.	33.20%	40,342	888	38,005	29
91,123,000-3	Pesquera Iquique - Guanaye S.A.	17.73%	29,731	288	28,907	(847)
	- Arauco Forestal Arapoti S.A.	20.00%	15,713	413	15,693	(208)
78,049,140-K	Forestal Los Lagos S.A.	20.00%	0	(20)	7,436	(185)
93,838,000-7	Forestal Cholguan S.A.	1.48%	5,592	122	5,220	133
91,806,000-6	Abastible S.A.	0.80%	3,604	80	3,291	(24)
93,458,000-1	Celulosa Arauco y Constitución S.A.	0.02%	1,633	22	1,528	(6)
76,172,285-9	FluxSolar SpA	20.00%	(71)	(91)	152	(80)
96,668,110-1	Compañía Latinoamericana Petrolera S.A.	40.00%	214	(2)	201	10
93,838,000-7	Solgas S.A.	0.14%	54	(1)	195	(2)
96,657,900-5	Consortio Protección Fitosanitaria Forestal S.A.	42.86%	178	(12)	162	0
76,268,260-5	Muelle Pesquero María Isabel Ltda.	32.00%	167	(1)	156	(18)
	- Arauco Argentina S.A.	0.02%	113	2	112	(1)
76,208,888-6	EMOAC SpA	20.00%	600	27	0	0
	- Lutexsa Industrial Comercial Cia. Ltda.	0.01%	10	1	25	0
	- ODD Industries SpA.	13.38%	1,362	(52)	0	0
81,095,400-0	Sociedad Nacional de Oleoductos S.A.	47.20%	46,908	3,295	40,516	4,285
<b>Total</b>			<b>459,242</b>	<b>22,203</b>	<b>445,945</b>	<b>5,476</b>

## 6) Net Distributable Income

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.

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Net income attributable to the parent company</b>	<b>228,781</b>	<b>6,356</b>
Adjustments:		
Biological assets		
Unrealized	(40,676)	(52,272)
Realized	54,703	35,692
Deferred taxes	(1,742)	6,616
<b>Biological assets (net)</b>	<b>12,285</b>	<b>(9,964)</b>
<b>Gain on incorporating joint venture</b>	<b>0</b>	<b>0</b>
<b>Net gain on advantageous purchase</b>	<b>0</b>	<b>0</b>
<b>Total adjustments</b>	<b>12,285</b>	<b>(9,964)</b>
<b>Net Distributable Income</b>	<b>241,066</b>	<b>(3,608)</b>

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 March 31, 2021, the minimum dividend provision for 2020 and the first quarter of 2021 was ThUS\$ 134,931 (ThUS\$ 63,031 as of December 31, 2020) and it was presented in the consolidated statement of classified financial position under "Other non-financial liabilities, current".

Annual General Shareholders' Meeting 86 was held on April 21, 2021. It ratified the dividend policy and approved a final dividend of US\$ 0.0485 per share, which was paid on May 13, 2021.

On November 26, 2020, the Company's Board of Directors agreed not to distribute an interim dividend out of net distributable income for this period.

Annual General Shareholders' Meeting 85 was held on April 22, 2020. It approved a final dividend of US\$ 0.0425 per share, which was paid on May 14, 2020.

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.

<b>Earnings (losses) per share</b>	<b>03.31.2021 ThUS\$</b>	<b>03.31.2020 ThUS\$</b>
Earnings (loss) attributable to owners of the parent company	228,781	6,356
Net equity attributable to owners of the parent		
Weighted average number of shares	1,299,853,848	1,299,853,848
Earnings (loss) per share (US\$ per share)	0.176005	0.004890

#### **Rights, Privileges and Restrictions on Ordinary Share Capital:**

As at March 31, 2021 and 2020, there were no rights, privileges nor restrictions.

**NOTE 24. OPERATING REVENUE**

Operating revenue is as follows:

	03.31.2021	03.31.2020
	ThUS\$	ThUS\$
Goods sold	5,225,295	5,288,261
Services provided	128,016	116,566
<b>Total</b>	<b>5,353,311</b>	<b>5,404,827</b>

**NOTE 25. EXPENDITURE BY FUNCTION:**

Expenditure and income by function for Empresas Copec S.A. as of March 31, 2021 and 2020 is detailed as follows:

Description	03.31.2021	03.31.2020
	ThUS\$	ThUS\$
Cost of sales	(4,396,704)	(4,678,538)
Distribution costs	(293,786)	(310,650)
Administrative expenses	(256,927)	(240,026)
Other expenses, by function	(43,300)	(62,320)
Other income, by function	83,796	72,604

Cost of sales are as follows:

Description	03.31.2021	03.31.2020
	ThUS\$	ThUS\$
Direct production costs	3,884,226	4,170,591
Depreciation	163,359	156,448
Remuneration costs	101,429	99,077
Maintenance costs	64,479	58,937
Other production costs	170,304	181,545
Amortization	12,907	11,940
<b>Total cost of sales</b>	<b>4,396,704</b>	<b>4,678,538</b>

Distribution costs are as follows:

Description	03.31.2021	03.31.2020
	ThUS\$	ThUS\$
Transport of goods cost	167,107	163,189
Remuneration	25,250	27,828
Insurance and basic service costs	3,460	3,476
Marketing and promotion costs	39,736	47,390
Consultancy and professional service costs	5,763	9,961
Maintenance and repair costs	9,486	14,194
Other distribution costs	15,505	18,248
Lease costs	9,948	8,755
Depreciation	12,340	11,167
Unrecoverable taxes	3,527	5,151
Amortization	1,664	1,291
<b>Total Distribution Costs</b>	<b>293,786</b>	<b>310,650</b>

Administration expenses are as follows:

Description	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Remuneration	119,567	108,726
Marketing and promotional expenses	7,436	9,754
Maintenance expenses	10,328	9,413
Insurance and basic service expenses	20,152	15,523
Consultancy and professional service expenses	19,836	21,991
Depreciation	11,581	12,505
Amortization	11,406	10,367
Subscriptions, property and municipal taxes	6,039	5,265
Computational services	11,888	8,581
Unrecoverable taxes	1,540	2,657
Donations	1,889	2,898
Lease expenses	2,038	1,938
Other administrative expenses	33,227	30,408
<b>Total Administration and Sales Expenses</b>	<b>256,927</b>	<b>240,026</b>

Other expenses by function are as follows:

Description	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Asset impairment	0	0
Unrecoverable taxes	6,299	8,496
Plant closure expenses	2,274	13,982
Other expenses, by function	3,621	4,303
Consultancy and professional service expenses	1,793	1,891
Derecognition and write-off of property, plant and equipment	6,132	19,251
Employee termination costs	5,258	3,550
Accident expenses	400	3,588
Fines and sanctions	424	1,440
Donations	102	763
Forestry incidents	16,898	5,056
<b>Total Other Expenses by Function</b>	<b>43,300</b>	<b>62,320</b>

Other income by function is as follows:

Description	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Dividends on investments in other companies	2,847	3
Tax indexation, prepaid tax, tax credits	125	282
Reimbursement of costs and expenses	1,837	1,345
Fair value of biological assets	41,309	52,017
Income from export promotion	375	276
Easements	3	0
Gain on sales of property, plant and equipment	4,632	1,747
Income from compensation claims	244	26
Real estate leases	867	737
Sale of fishing rights	20,514	7,346
Gain on business combination	0	1,112
Other items	11,043	7,713
<b>Total income, by function</b>	<b>83,796</b>	<b>72,604</b>

Finally, depreciation and amortization are as follows:

Description	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Depreciation	187,379	180,120
Amortization	25,977	23,598
<b>Total</b>	<b>213,356</b>	<b>203,718</b>



**NOTE 26. FINANCIAL INCOME AND COSTS**

Financial costs are as follows:

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Interest and inflation adjustments on bank loans	(75,908)	(89,293)
Financial cost of employee obligations	(737)	(428)
Other financial costs	(2,088)	(1,796)
Bond interest and issue expenses	(8,350)	(7,309)
Financial expenses on right-of-use assets	(4,037)	(4,186)
Interest on leasing liabilities	(5,230)	(4,940)
Financial cost of remediation provision	(166)	(166)
<b>Total financial costs</b>	<b>(96,516)</b>	<b>(108,118)</b>

Financial income is as follows:

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
Interest on financial instruments	1,803	2,475
Interest on loans and receivables	6,712	6,291
Other income	214	1,884
<b>Total financial income</b>	<b>8,729</b>	<b>10,650</b>

**NOTE 27. EXCHANGE DIFFERENCES**

The effect of exchange differences is as follows:

	03.31.2021 ThUS\$	03.31.2020 ThUS\$
<b>Exchange differences on assets</b>		
Cash equivalents	(1,180)	1,414
Mutual Fund investments, term deposits and covenants	(6,615)	(18,310)
Trade and other receivables	(2,885)	(12,993)
Tax receivables	(1,377)	(17,287)
Related company receivables	(3,088)	(823)
Other financial assets	(725)	(1,128)
Other assets	(5,849)	(5,633)
<b>Total</b>	<b>(21,719)</b>	<b>(54,760)</b>
<b>Exchange differences on liabilities</b>		
Trade and other payables	9,494	7,054
Related company payables	4,972	(7,452)
Loans from financial institutions (includes bonds)	(667)	(829)
Dividends payable	37	279
Other financial liabilities	(1,230)	(1,835)
Other liabilities	2,219	26,108
<b>Total</b>	<b>14,825</b>	<b>23,325</b>
<b>Total</b>	<b>(6,894)</b>	<b>(31,435)</b>

**NOTE 28. ASSET IMPAIRMENT****Asset impairment details for the affiliate Celulosa Arauco y Constitución S.A.**

As of December 31, 2020, an impairment provision of ThUS\$ 14,918 was recognized for timber plants in the USA, as a result of market conditions in the USA, a drop in prices, and impairment tests on these CGUs. A discount rate of between 8% and 9% was used in these calculations. Provisions associated with assets sold and recovered totaling ThUS\$ 10,676 were reversed during 2021.

An increase of ThUS\$ 2,121 as of March 31, 2021 has been recorded in the CGU impairment provision for the assets of Line 1 of the Arauco Plant (ThUS\$ 46,577 as of December 31, 2020), due to the Arauco Plant Modernization and Expansion project ("MAP"). Line 1 of the Arauco Plant will be closed once MAP begins to operate.

Both of these impairment losses are presented in the consolidated statement of net income under "Other Expenditure by Function".

As of March 31, 2021 and December 31, 2020 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	
	03.31.2021 ThUS\$	12.31.2020 ThUS\$
<b>Opening balance</b>	<b>8,088</b>	<b>8,135</b>
Increase in impairment	225	1,262
Impairment reversal	(69)	(1,204)
Increase (decrease) in foreign currency translation	158	(105)
<b>Impairment information</b>	<b>8,402</b>	<b>8,088</b>

## 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 its 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 the 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 Plant and Filtered Gravel Deposit mining operation by issuing Resolution 0946, whose guarantee was duly extended until April 3, 2021. When this company was sold in April 2020, its new owners began the process of replacing the 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	03.31.2021	Disbursements in 2021				Committed Future 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	56	Expense	Administrative expenses	1,001	2021
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	344	Asset	Property, plant and equipment	9,837	2021
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	In progress	2,497	Asset	Property, plant and equipment	24,842	2021
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	Finished	1,729	Expense	Property, plant and equipment	11,103	2021
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	0	Expense	Operational costs	696	2021
Celulosa Arauco y Constitución S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	2,371	Asset	Property, plant and equipment	8,413	2021
Arauco Argentina S.A.	Construction of outlets	In progress	0	Asset	Property, plant and equipment	697	2021
Arauco Argentina S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	206	Asset	Property, plant and equipment	9,987	2021
Arauco Argentina S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	70	Asset	Property, plant and equipment	490	2021
Arauco Argentina S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	0	Asset	Property, plant and equipment	2,147	2021
Maderas Arauco S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	42	Expense	Operational costs	125	2021
Maderas Arauco S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	151	Expense	Operational costs	453	2021
Maderas Arauco S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	308	Asset	Property, plant and equipment	331	2021
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	221	Asset	Property, plant and equipment	0	0
Celulosa y Energía Punta Pereira S.A.	Expansion of solid industrial waste landfill sites to manage future demand	Finished	547	Asset	Property, plant and equipment	0	0
Celulosa y Energía Punta Pereira S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	Finished	1,013	Expense	Administrative expenses	0	0
Forestal Arauco S.A. (formerly Forestal Celco S.A.):	Managing the implementation of environmental improvements	In progress	292	Expense	Administrative expenses	1,493	2021
Arauco North America, Inc.	Managing the implementation of environmental improvements	In progress	784	Asset	Property, plant and equipment	0	0
Arauco North America, Inc.	Managing the implementation of environmental improvements	Finished	628	Asset	Property, plant and equipment	0	0
<b>Total</b>			<b>11,259</b>			<b>71,615</b>	

Company	12.31.2020	Disbursements in 2020				Committed Future 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	633	Expense	Administrative expenses	979	2021
Celulosa Arauco y Constitución S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	2,443	Asset	Property, plant and equipment	9,660	2021
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	In progress	25,947	Asset	Property, plant and equipment	27,215	
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	Finished	1,750	Expense	Property, plant and equipment	0	
Celulosa Arauco y Constitución S.A.	Managing the implementation of environmental improvements	In progress	10,693	Expense	Operational costs	0	
Celulosa Arauco y Constitución S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	11,786	Expense	Operational costs	0	
Arauco Argentina S.A.	Construction of outlets	In progress	0	Asset	Property, plant and equipment	697	2021
Arauco Argentina S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	702	Asset	Property, plant and equipment	10,368	2021
Arauco Argentina S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	In progress	125	Asset	Property, plant and equipment	560	
Arauco Argentina S.A.	Investment projects for the control and management of gases produced in industrial processes	In progress	1,453	Asset	Property, plant and equipment	2,147	
Maderas Arauco S.A.	Expansion of solid industrial waste landfill sites to manage future demand	In progress	178	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	464	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	230	Asset	Property, plant and equipment	435	2021
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	1,983	Asset	Property, plant and equipment	836	
Celulosa y Energía Punta Pereira S.A.	Expansion of solid industrial waste landfill sites to manage future demand	Finished	547	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	Finished	667	Expense	Administrative expenses	0	
Celulosa y Energía Punta Pereira S.A.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	Finished	221	Asset	Property, plant and equipment	0	
Forestal Arauco S.A. (formerly Forestal Celco S.A.):	Managing the implementation of environmental improvements	In progress	324	Expense	Administrative expenses	105	2021
Forestal Los Lagos S.A.	Managing the implementation of environmental improvements	In progress	179	Expense	Operational costs	69	2021
Arauco North America, Inc.	Managing the implementation of environmental improvements	In progress	784	Asset	Property, plant and equipment	0	
Arauco North America, Inc.	Managing the implementation of environmental improvements	Finished	628	Asset	Property, plant and equipment	0	
Arauco Industria de México, S.A. de C.V.	Investment projects to control hazardous liquids and optimize the energy required for water in industrial plants	Finished	223	Expense	Operational costs	0	
<b>Total</b>			<b>61,960</b>			<b>53,071</b>	

**Fuel Sector**

Company	03.31.2021	Disbursements in 2021			Committed Future 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	892	Asset	Work in Progress	543 2021
Compañía de Petróleos de Chile Copec S.A.	Waste disposal	Current	14	Expense	Administrative expenses	4 2021
Compañía de Petróleos de Chile Copec S.A.	Wastewater treatment and environmental assessment	Current	130	Expense	Administrative expenses	153 2021
Via Limpia SpA.	Disposal of oil, filters, batteries and other waste	Current	2	Expense	Operating costs	0
Mapco Express, Inc.	Contamination from leaking tanks	In progress	55	Expense	Administrative expenses	0
Organización Terpel	Treatment plants for effluents and sewage	Current	43	Asset	Finished	149 2021
Organización Terpel	Sensors in airport tanks	Current	0	Asset	Work in Progress	0
Organización Terpel	Replacement of filling arms at plants	Current	0	Asset	Work in Progress	0
Organización Terpel	Fire protection system	Current	23	Asset	Work in Progress	831 2021
Organización Terpel	Water outlet	Current	24	Asset	Finished	80 2021
Organización Terpel	Improvements in pavements, perimeter fences, treatment systems	Current	14	Asset	Work in Progress	0
Organización Terpel	Environmental evacuation	In progress	52	Expense	Administrative expenses	0
Organización Terpel	Waste disposal	In progress	32	Expense	Administrative expenses	0
Organización Terpel	Sewage treatment plant	In progress	68	Expense	Administrative expenses	0
Abastible S.A.	Managing the implementation of environmental improvements	In progress	46	Investment	Asset	46 2021
Abastible S.A.	Environmental management	In progress	30	Expense	Expense	25 2021
<b>Total</b>			<b>1,425</b>			<b>1,831</b>

  

Company	12.31.2020	Disbursements in 2020			Committed Future 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	2,399	Asset	Work in Progress	1,613 2021
Compañía de Petróleos de Chile Copec S.A.	Waste disposal	Current	38	Expense	Administrative expenses	0
Compañía de Petróleos de Chile Copec S.A.	Wastewater treatment and environmental assessment	Current	6	Expense	Administrative expenses	0
Compañía de Petróleos de Chile Copec S.A.	Foam supplies	Current	17	Asset	Work in Progress	0
Compañía de Petróleos de Chile Copec S.A.	Plant repairs	Current	33	Expense	Administrative expenses	0
Compañía de Petróleos de Chile Copec S.A.	Treatment plants for effluents and sewage	Current	483	Asset	Work in Progress	245 2021
Compañía de Petróleos de Chile Copec S.A.	Environmental evacuation	Current	41	Expense	Administrative expenses	0
Compañía de Petróleos de Chile Copec S.A.	Waste storage	Current	24	Asset	Work in Progress	5 2021
Via Limpia SpA.	Disposal of oil, filters, batteries and other waste	Current	5	Expense	Operating costs	0
Mapco Express, Inc.	Contamination from leaking tanks	In progress	139	Expense	Administrative expenses	0
Organización Terpel	Treatment plants for effluents and sewage	Current	96	Asset	Finished	75 2021
Organización Terpel	Sensors in airport tanks	Current	4	Asset	Work in Progress	0
Organización Terpel	Replacement of filling arms at plants	Current	32	Asset	Work in Progress	0
Organización Terpel	Fire protection system	Current	39	Asset	Work in Progress	61 2021
Organización Terpel	Foam supplies	Current	78	Asset	Work in Progress	29 2021
Organización Terpel	Jockey pump at plants	Current	3	Asset	Finished	0
Organización Terpel	Pavement repairs at plants and airports	Current	51	Asset	Work in Progress	81 2021
Organización Terpel	Improvements in pavements, perimeter fences, treatment systems	Current	708	Asset	Work in Progress	0
Organización Terpel	Environmental evacuation	In progress	414	Expense	Administrative expenses	0
Organización Terpel	Waste disposal	In progress	223	Expense	Administrative expenses	0
Organización Terpel	Sewage treatment plant	In progress	169	Expense	Administrative expenses	0
Abastible S.A.	Managing the implementation of environmental improvements	In progress	42	Investment	Asset	42 2021
Abastible S.A.	Environmental management	In progress	28	Expense	Expense	23 2021
<b>Total</b>			<b>5,072</b>			<b>2,174</b>

Fishing Sector

Company	03.31.2021	Disbursements in 2021				Committed Future Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$	Estimated Date
Pesquera Iquique-Guanaye S.A.	Adjustment of systems in plants	In progress	1,006	Asset	Property, plant and equipment	39	2021
Pesquera Iquique-Guanaye S.A.	Unloading improvements for independent fishermen	In progress	904	Asset	Property, plant and equipment	13	2021
Total			1,910			52	

Company	12.31.2020	Disbursements in 2020				Committed Future Disbursements	
	Project Name	Status	Value ThUS\$	Asset Expense	Asset/Expense Category	Value ThUS\$	Estimated Date
Pesquera Iquique-Guanaye S.A.	Adjustment of systems in plants	In progress	972	Asset	Property, plant and equipment	39	2021
Pesquera Iquique-Guanaye S.A.	Unloading improvements for independent fishermen	In progress	117	Asset	Property, plant and equipment	13	2021
Total			1,089			52	

## 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 m<sup>3</sup> 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 m<sup>3</sup>.

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 m<sup>3</sup> of MDF, 2.4 million m<sup>3</sup> of PB, 460,000 m<sup>3</sup> of OSB and 70,000 m<sup>3</sup> of sawn timber.

Arauco has plants with a total production capacity of 4.4 million m<sup>3</sup> of MDF, 4.5 million m<sup>3</sup> of PB, 230,000 m<sup>3</sup> of OSB and 3.0 million m<sup>3</sup> of sawn timber, including 50% of Sonae Arauco.

As of March 31, 2021, Arauco's production totaled 847 million tons of pulp and 2.4 million m<sup>3</sup> of sawn timber and panels.

Sales totaled US\$ 1,347 million, of which 42.7% was for pulp, 57.3% for sawn timber and panels, and 0% for other segments.

38% of total sales was sold in the Chilean market and the rest abroad, 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 673 service stations throughout the country, forming the most extensive network in Chile, which includes 92 Pronto convenience stores and 312 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 14 fuel storage plants between Arica and the Chacabuco Port, with a total capacity of 384,000 m³.

Copec's physical sales in Chile totaled 2.6 million m³ as of March 31, 2021, and its market share of the liquid fuels business was 58.5%.

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 2,317 service stations and 1,932 of these are service stations for liquid fuels in Colombia its home country.

The company also has 241 natural gas sales points for vehicles through its brand Gazel, which represents 46.1%<sup>2</sup> of this segment in Colombia.

It is the main wholesale distributor in Colombia with more than 3,696 customers in industry, transport and aviation. It has a 41.9%<sup>3</sup> share of the diesel market, a 42.0%<sup>2</sup> share of the gasoline market and a 67.5%<sup>2</sup> 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 city (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 7.8 million cylinders and 80,000 tanks, supported by a network of approximately 1,316 distributors and 27 sales, distribution and agency offices in all the major cities of the country. Additionally, in the Biobio Region it has a port terminal for loading and unloading liquefied gas and liquid fuels and a plant with a capacity for storing 40,000 m³ managed by an affiliated company Hualpén Gas S.A.

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<sup>2</sup> Figures as of March 2021

<sup>3</sup> Figures as of January 2021



- 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 March 31, 2021 and 2020 are as follows:

Segments 2021	Arauco ThUS\$	Copec ThUS\$	Abastible ThUS\$	Sonacol ThUS\$	Igemar ThUS\$	Other items ThUS\$	Subtotal ThUS\$	Eliminations ThUS\$	Total ThUS\$
Operating revenues from external customers	1,346,703	3,647,321	296,883	10,240	52,012	152	5,353,311	0	5,353,311
Inter-segment operating revenues	0	22,217	3,157	7,223	0	248	32,845	(32,845)	0
Interest income	6,834	1,243	209	2	76	365	8,729	0	8,729
Interest expense	(60,993)	(25,827)	(4,302)	(638)	(1,874)	(2,882)	(96,516)	0	(96,516)
<b>Interest expense, net</b>	<b>(54,159)</b>	<b>(24,584)</b>	<b>(4,093)</b>	<b>(636)</b>	<b>(1,798)</b>	<b>(2,517)</b>	<b>(87,787)</b>	<b>0</b>	<b>(87,787)</b>
Operating income	167,633	198,618	24,170	10,723	8,964	(4,214)	405,894	0	405,894
Depreciation	122,705	47,654	13,577	0	3,324	119	187,379	0	187,379
Amortization	4,025	19,195	2,598	0	153	6	25,977	0	25,977
Fair value of timber harvested	70,813	0	0	0	0	0	70,813	0	70,813
<b>EBITDA</b>	<b>365,176</b>	<b>265,467</b>	<b>40,345</b>	<b>10,723</b>	<b>12,441</b>	<b>(4,089)</b>	<b>690,063</b>	<b>2,650</b>	<b>692,713</b>
<b>Income (loss) from the reporting segment</b>	<b>102,368</b>	<b>131,472</b>	<b>12,116</b>	<b>6,981</b>	<b>2,509</b>	<b>(4,462)</b>	<b>250,984</b>	<b>0</b>	<b>250,984</b>
Share in income (loss) of associates	2,498	481	314	0	(2,037)	4,916	6,172	0	6,172
Income tax expense	(42,644)	(47,647)	(5,437)	(2,600)	(1,151)	1,942	(97,537)	0	(97,537)
<b>Investments by segment</b>									
Additions to property, plant and equipment	256,891	44,068	16,257	2,248	4,322	(11)	323,775	0	323,775
Payments to acquire biological assets	77,961	0	0	0	0	0	77,961	0	77,961
Payments to acquire affiliates and associates	2,254	3,000	0	0	0	41,000	46,254	0	46,254
Acquisitions of intangible assets	2,830	7,362	201	0	0	0	10,393	0	10,393
Payments to acquire other investments	0	0	0	0	0	0	0	0	0
<b>Total investments</b>	<b>339,936</b>	<b>54,430</b>	<b>16,458</b>	<b>2,248</b>	<b>4,322</b>	<b>40,989</b>	<b>458,383</b>	<b>0</b>	<b>458,383</b>
<b>Operating revenue by country</b>									
Operating revenue from Chilean companies	594,728	1,876,715	132,737	10,240	52,012	152	2,666,584	0	2,666,584
Operating revenue from foreign companies	751,975	1,770,606	164,146	0	0	0	2,686,727	0	2,686,727
<b>Total operating revenue</b>	<b>1,346,703</b>	<b>3,647,321</b>	<b>296,883</b>	<b>10,240</b>	<b>52,012</b>	<b>152</b>	<b>5,353,311</b>	<b>0</b>	<b>5,353,311</b>
<b>Assets by segment</b>	<b>15,847,055</b>	<b>5,673,209</b>	<b>1,268,848</b>	<b>290,156</b>	<b>520,605</b>	<b>1,303,847</b>	<b>24,903,720</b>	<b>0</b>	<b>24,903,720</b>
Equity method investments	307,904	5,370	6,396	0	180,653	588,095	1,088,418	0	1,088,418
Segment liabilities	8,382,444	3,767,255	766,078	190,774	312,426	387,288	13,806,265	0	13,806,265
<b>Nationality of non-current assets</b>									
Chile	8,404,142	1,698,039	522,220	0	374,376	824,944	11,823,721	0	11,823,721
Foreign	3,984,166	1,889,420	483,666	0	0	0	6,357,252	0	6,357,252
<b>Total non-current assets</b>	<b>12,388,308</b>	<b>3,587,459</b>	<b>1,005,886</b>	<b>0</b>	<b>374,376</b>	<b>824,944</b>	<b>18,180,973</b>	<b>0</b>	<b>18,180,973</b>
<b>Cash flows by segment</b>									
Cash flow from (used by) operating activities	404,728	83,478	19,969	7,590	(21,728)	(5,943)	488,094	(19,727)	468,367
Cash flow from (used by) investing activities	(282,404)	(47,933)	(16,513)	(7,291)	(4,314)	13,636	(344,819)	(340)	(345,159)
Cash flow from (used by) financing activities	(242,461)	(115,891)	(24,889)	(289)	14,074	15,450	(354,006)	20,067	(333,939)
<b>Net increase in cash &amp; cash equivalents before exchange rate effects</b>	<b>(120,137)</b>	<b>(80,346)</b>	<b>(21,433)</b>	<b>10</b>	<b>(11,968)</b>	<b>23,143</b>	<b>(210,731)</b>	<b>0</b>	<b>(210,731)</b>

Segments 2020	Arauco ThUS\$	Copec ThUS\$	Abastible ThUS\$	Sonacol ThUS\$	Igemar ThUS\$	Other items ThUS\$	Subtotal ThUS\$	Eliminations	Total ThUS\$
Operating revenues from external customers	1,127,123	3,966,085	250,807	10,878	49,801	133	5,404,827	0	5,404,827
Inter-segment operating revenues	43	16,070	1,554	6,486	0	238	24,391	(24,391)	0
Interest income	7,207	1,795	371	11	110	1,156	10,650	0	10,650
Interest expense	(71,782)	(28,807)	(4,369)	(738)	(2,094)	(328)	(108,118)	0	(108,118)
<b>Interest expense, net</b>	<b>(64,575)</b>	<b>(27,012)</b>	<b>(3,998)</b>	<b>(727)</b>	<b>(1,984)</b>	<b>828</b>	<b>(97,468)</b>	<b>0</b>	<b>(97,468)</b>
Operating income	22,674	116,746	21,460	13,601	5,329	(4,197)	175,613	0	175,613
Depreciation	121,882	41,840	13,091	0	3,187	120	180,120	0	180,120
Amortization	3,529	17,509	2,454	0	106	0	23,598	0	23,598
Fair value of timber harvested	67,024	0	0	0	0	0	67,024	0	67,024
<b>EBITDA</b>	<b>215,109</b>	<b>176,095</b>	<b>37,005</b>	<b>13,601</b>	<b>8,622</b>	<b>(4,077)</b>	<b>446,355</b>	<b>0</b>	<b>446,355</b>
<b>Income (loss) from the reporting segment</b>	<b>(29,706)</b>	<b>62,225</b>	<b>(542)</b>	<b>9,079</b>	<b>(4,763)</b>	<b>(24,461)</b>	<b>11,832</b>	<b>0</b>	<b>11,832</b>
Share in income (loss) of associates	1,553	808	641	0	(3,459)	(3,863)	(4,320)	0	(4,320)
Income tax expense	9,761	(33,112)	(17,109)	(3,395)	81	7,360	(36,414)	0	(36,414)
<b>Investments by segment</b>									
Additions to property, plant and equipment	356,758	63,716	14,567	3,582	1,372	0	439,995	0	439,995
Acquisitions of other long-term assets	67,547	0	2,422	0	0	0	69,969	0	69,969
Payments to acquire affiliates and associates	15,090	0	1,762	0	0	45,240	62,092	0	62,092
Acquisitions of intangible assets	6,084	6,987	159	0	0	175	13,405	0	13,405
Payments to acquire other investments	0	0	0	0	0	0	0	0	0
<b>Total investments</b>	<b>445,479</b>	<b>70,703</b>	<b>18,910</b>	<b>3,582</b>	<b>1,372</b>	<b>45,415</b>	<b>585,461</b>	<b>0</b>	<b>585,461</b>
<b>Operating revenue by country</b>									
Operating revenue from Chilean companies	577,785	2,059,027	102,779	10,878	49,801	133	2,800,403	0	2,800,403
Operating revenue from foreign companies	549,338	1,907,058	148,028	0	0	0	2,604,424	0	2,604,424
<b>Total operating revenue</b>	<b>1,127,123</b>	<b>3,966,085</b>	<b>250,807</b>	<b>10,878</b>	<b>49,801</b>	<b>133</b>	<b>5,404,827</b>	<b>0</b>	<b>5,404,827</b>
<b>Assets by segment</b>	<b>15,876,545</b>	<b>5,197,435</b>	<b>1,219,177</b>	<b>249,160</b>	<b>514,808</b>	<b>1,104,037</b>	<b>24,161,162</b>	<b>0</b>	<b>24,161,162</b>
Equity method investments	288,070	9,606	5,686	0	183,302	529,952	1,016,616	0	1,016,616
Segment liabilities	8,884,457	3,458,083	754,207	163,321	313,625	22,105	13,595,798	0	13,595,798
<b>Nationality of non-current assets</b>									
Chile	8,079,548	1,584,226	449,360	0	373,452	748,170	11,234,756	0	11,234,756
Foreign	4,163,862	1,822,860	497,481	0	0	0	6,484,203	0	6,484,203
<b>Total non-current assets</b>	<b>12,243,410</b>	<b>3,407,086</b>	<b>946,841</b>	<b>0</b>	<b>373,452</b>	<b>748,170</b>	<b>17,718,959</b>	<b>0</b>	<b>17,718,959</b>
<b>Cash flows by segment</b>									
Cash flow from (used by) operating activities	(15,742)	(54,127)	11,399	10,871	(7,707)	(847)	(56,153)	0	(56,153)
Cash flow from (used by) investing activities	(436,865)	(62,955)	(18,628)	(10,071)	(1,327)	(82,012)	(611,858)	39,264	(572,594)
Cash flow from (used by) financing activities	73,929	132,822	15,071	(290)	12,993	42,487	277,012	(3,705)	273,307
<b>Net increase in cash &amp; cash equivalents before exchange rate effects</b>	<b>(378,678)</b>	<b>15,740</b>	<b>7,842</b>	<b>510</b>	<b>3,959</b>	<b>(40,372)</b>	<b>(390,999)</b>	<b>35,559</b>	<b>(355,440)</b>

Operating revenue by country is as follows:

	03.31.2021 ThUS\$	03.31.2020 ThUS\$	03.31.2021 %	03.31.2020 %
<b>Operating revenue by country</b>				
Argentina	111,273	86,096	2.1%	1.6%
Brazil	131,468	109,368	2.5%	2.0%
Chile	2,666,584	2,800,403	49.8%	51.8%
Colombia	1,012,247	1,196,138	18.9%	22.1%
Panama	182,154	162,867	3.4%	3.0%
Dominican Republic	117,631	36,463	2.2%	0.7%
Ecuador	72,479	132,316	1.4%	2.4%
Mexico	112,176	96,996	2.1%	1.8%
Peru	85,396	79,798	1.6%	1.5%
Uruguay	103,476	82,716	1.9%	1.5%
USA/Canada	758,427	621,666	14.2%	11.5%
<b>Total</b>	<b>5,353,311</b>	<b>5,404,827</b>	<b>100.0%</b>	<b>99.9%</b>

Non-current assets by country are as follows:

	03.31.2021 ThUS\$	12.31.2020 ThUS\$	03.31.2021 %	12.31.2020 %
<b>Non-current assets</b>				
Argentina	726,377	741,337	4.0%	4.0%
Brazil	642,462	695,247	3.5%	3.8%
Chile	11,823,721	11,839,552	65.0%	64.5%
Colombia	835,137	907,667	4.6%	4.9%
Panama	263,654	264,465	1.5%	1.4%
Dominican Republic	2,971	2,999	0.0%	0.0%
Ecuador	78,409	75,462	0.4%	0.4%
USA	624,413	1,398,127	3.4%	7.6%
Mexico	131,758	138,275	0.7%	0.8%
Peru	557,253	577,926	3.1%	3.1%
Uruguay	1,718,367	1,725,736	9.5%	9.4%
Spain	10,911	11,342	0.1%	0.1%
USA/Canada	765,540	0	4.2%	0.0%
<b>Total</b>	<b>18,180,973</b>	<b>18,378,135</b>	<b>100.0%</b>	<b>100.0%</b>

**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.

At the date these financial statements were issued, the affiliate Arauco had capitalized financial interests associated with the Arauco Plant Modernization and Expansion (MAP) project in Chile.

Capitalized interest for property, plant and equipment	January - March	
	2021 ThUS\$	2020 ThUS\$
Rate of capitalized interest for property, plant and equipment	4.52%	4.38%
Capitalized interest for property, plant and equipment	41,701	25,302

**NOTE 32. SUBSEQUENT EVENTS**

Between March 31, 2021 and the date these interim consolidated financial statements were issued, the following significant events have occurred.

**1. Empresas Copec S.A.**

**On April 16, 2021, the following was communicated:**

"I hereby report that on April 28, at 11:30am, at the Company's registered office, located at El Golf 150, Floor 17, Las Condes, Santiago, our company will hold an Annual General Shareholders' Meeting, using remote technological communication and voting tools in accordance with the provisions of General Rule 435 and Circulars 1,141 and 1,149 issued by the Financial Market Commission, at which the following matters will be discussed:

a) to submit to the Meeting the Company's Financial Statements as of December 31, 2020, the Director's Annual Report and report business progress; b) Appoint the Directors; c) Report transactions carried out by the Company referred to in Chapter XVI of Law 18,046; d) Establish Board remuneration; e) Establish the remuneration and expenditure budget of the Committee referred to in Article 50 bis of Law 18,046, and review its annual report; f) Appoint External Auditors and Risk Classifiers; and g) Address any other matter of interest within the remit of this Meeting.

The Company's financial statements as of December 31, 2020 with their explanatory notes and the external auditor's report will be published on April 16, 2020 on the Company's web site: <https://www.empresascopecl.cl/wp-content/uploads/2019/12/Estados-Financieros-Consolidados-4T20.pdf>.

The arguments supporting the recommendations for external auditors have also been published on the internet site [www.empresascopec.cl](http://www.empresascopec.cl), thereby complying with the second paragraph of Article 59 of Law 18,046. The shareholders may find a copy on the Company's web site.

The Company's Board of Directors met on March 25, and they proposed that the Annual General Shareholders' Meeting scheduled for April 28, 2021, approve minimum legal dividend 39 of US\$ 0.0485 per share.

The dividend will be paid in Chilean pesos at the "official US dollar" exchange rate published in the Official Journal on May 7, 2021.

This dividend will be paid in cash, and charged to earnings for the year ended December 31, 2020. This dividend is income for shareholders. The Company will calculate and communicate in a timely manner the credit on this dividend available to those shareholders who pay Overall Complementary Tax and Additional Tax.

It will propose to the Meeting that this dividend is paid from May 13, 2021, by the Company Shares Department, located at El Golf 140, Las Condes, which is usually open from Monday to Friday from 9:00am to 1:00pm due to the pandemic affecting the country. This dividend will be deposited in shareholder's checking accounts, or sent by check in the mail, if so requested by shareholders.

The shareholders recorded in the Company's Shareholders Register at midnight on May 7, 2021 shall be entitled to receive this dividend, provided it is approved by the Meeting with the terms indicated above.

The decision to approve this dividend at the previously mentioned Annual General Shareholders Meeting will be communicated to shareholders through a notice published in the newspaper "El Mercurio" on May 4, 2021.

The total number of single series shares entitled to this dividend is 1,299,853,848.

Notices for this Meeting shall be published in the Santiago edition of the "El Mercurio" newspaper on April 16, 22 and 27, 2021.

The Company shall send the Financial Market Commission a digital copy of the Annual Report for 2020 through the SEIL module, in compliance with the General Regulation 30 dated 1989.

#### MEETING PARTICIPATION AND PROXIES

Shareholders registered in the Shareholders Register at midnight on April 16, 2021 shall have the right to participate in this Meeting. Proxies will be verified just before the Meeting begins, if applicable.

As previously mentioned, the Company has arranged for the meeting to be held using remote technological communication and voting tools due to the COVID-19 pandemic affecting the country. Instructions and the proxy form have been posted on the website [www.empresascopec.cl](http://www.empresascopec.cl), which provide further information on how each shareholder or their representative may prove their identity and proxy, as appropriate, and communicate and vote remotely during the Meeting."

**On May 13, 2021, the following was communicated:**

"The undersigned, in his authority as Chief Executive Officer of the publicly-held corporation EMPRESAS COPEC S.A. (hereinafter "Empresas Copec" or the "Company"), both domiciled in the Metropolitan Region at El Golf 150, floor 17, Las Condes, registered in the Securities Registry as No. 0028, Chilean identification number 90,690,000-9, and fully authorized by the Board, communicate the following essential information about the Company and its businesses, its listed securities or an offer for them, in accordance with Articles 9 and paragraph 2 of Article 10 of Law 18,045 and General Standard 30 issued by the Financial Market Commission:

Today, Celulosa Arauco y Constitución S.A., an affiliate of Empresas Copec, reported as a Material Event that yesterday its affiliate Forestal Arauco S.A. signed a framework agreement (the "Framework Agreement"), to sell to Vista Hermosa Inversiones Forestales SpA, a company controlled by BTG Inversiones Forestales Investment Fund, managed by BTG Pactual Chile S.A. Administradora General de Fondos, 461 forestry plantations comprising 80,489 hectares, of which 61,742 hectares are productive, for US\$ 385.5 million, plus VAT. The value of 431 properties will be paid when this transaction is closed, while the value of the remaining 30 properties will be paid when particular conditions have been met after the transaction is closed, in accordance with the procedure described in the Framework Agreement.

The closure of this transaction is subject to the usual specific conditions, which include authorization by the anti-trust regulatory authorities.

When all of these conditions have been met, the parties will sign the final agreements for each property, the timber supply and preferential purchase option contracts, a firefighting services contract, a transitory services contract to manage forestry properties and operational tasks, and other documents.

As stated in the report sent by our affiliate, the preliminary estimate of the positive effect on results for Celulosa Arauco y Constitución S.A. in 2021 or 2022, depending on the closure date, of selling all these properties will be approximately US\$192.5 million after taxes. Empresas Copec currently has an approximate interest of 99.98% in this affiliate."

**On May 21, 2021, the following was communicated:**

"The undersigned, in his authority as Chief Executive Officer of the publicly-held corporation EMPRESAS COPEC S.A. (hereinafter "Empresas Copec" or the "Company"), both domiciled in the Metropolitan Region at El Golf 150, floor 17, Las Condes, registered in the Securities Registry as No. 0028, Chilean identification number 90,690,000-9, and fully authorized by the Board, communicate the following essential information about the Company and its businesses, its listed securities or an offer for them, in accordance with Articles 9 and paragraph 2 of Article 10 of Law 18,045 and General Standard 30 issued by the Financial Market Commission:

Today, the affiliate Abastible S.A. (hereinafter "Abastible") has signed a share sale agreement (hereinafter the "SPA") where it agreed to sell its entire interest in Gasmar S.A. (hereinafter "Gasmar") to Inversiones Arco 4 SpA, an investment vehicle that is part of the Arroyo Energy Group (hereinafter the "Purchaser").

Abastible has a 36.25% interest in Gasmar, which is represented by 1,111,342,640 shares.

Pursuant to the SPA, the sale price of Gasmar shares will be based on a value of US\$ 422.5 million for the entire company on a debt and cash free basis, although this will change in accordance with the adjustments described in the SPA, which are usual for such transactions.

The transaction closure is subject to fulfilling certain conditions, including approval by the National Economic Prosecutor's Office, which is expected later this year.

At transaction closure, the preliminary positive effect on Abastible's results will be approximately US\$ 96.8 million before taxes, using the official US dollar exchange rate published yesterday and an estimate of the aforementioned adjustments. Empresas Copec has a 99.2% interest in this affiliate."

## **2. Celulosa Arauco y Constitución S.A.**

**On May 5, 2021, 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, report 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:

Our material event reported on April 28, 2020, reported summoning an Extraordinary Shareholders' Meeting for May 19, 2020, in order to approve a capital increase of up to US\$ 700 million, by issuing shares to be acquired immediately in cash. Subsequently, on September 30, 2020, a material event was reported that the Company's shareholders had subscribed and paid the first portion of the capital increase, amounting to US\$ 250 million, scheduled for 2020.

Accordingly, we hereby report that on May 3, 2021, the second portion of the capital increase, amounting to US\$ 200 million was fully subscribed and paid by the Company's shareholders, with the remaining balance of up to US\$ 250 million to be paid during the course of the year, with the prior approval of the Board, if necessary."

**On May 13, 2021, the following was communicated:**

"The undersigned, as representative of the privately-held corporation Celulosa Arauco y Constitución S.A. (hereinafter the "Company"), both domiciled in the Metropolitan Region at Avenida El Golf 150, floor 14, Las Condes, Santiago, registered in the Securities Registry as No. 42, Chilean identification number 93,458,0001, and fully authorized, report 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:



Yesterday, Forestal Arauco S.A., an affiliate of the Company, signed a framework agreement (the "Framework Agreement"), to sell to Vista Hermosa Inversiones Forestales SpA, a company controlled by BTG Inversiones Forestales Investment Fund, managed by BTG Pactual Chile S.A. Administradora General de Fondos, 461 forestry plantations comprising 80,489 hectares, of which 61,742 hectares are productive, for US\$ 385.5 million, plus VAT. The value of 431 properties will be paid when this transaction is closed, while the value of the remaining 30 properties will be paid when particular conditions have been met after the transaction is closed, in accordance with the procedure described in the Framework Agreement.

The closure of this transaction is subject to the usual specific conditions, which include authorization by the anti-trust regulatory authorities.

When all of these conditions have been met, the parties will sign the final agreements for each property, the timber supply and preferential purchase option contracts, a firefighting services contract, a transitory services contract to manage forestry properties and operational tasks, and other documents.

At transaction closure, the preliminary positive effect on the results for 2021 or 2022, depending on the closure date, will be approximately US\$ 192.5 million after taxes, from the sale of all these properties."