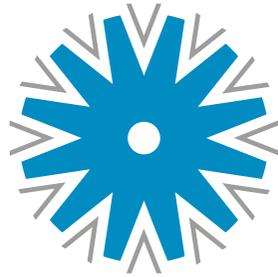
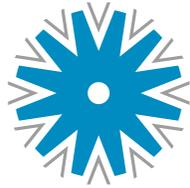


Annual Report

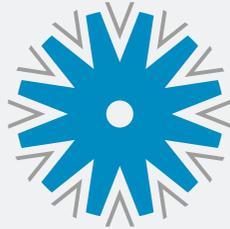


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20/20



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2020 was a tough year, in which we had to face weakness and uncertainty but, due to the commitment of the whole organization and the soundness of our corporate culture, we managed to successfully overcome one of the most complex periods in the last 100 years of our history.



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Chapter
01



Presentation

Our vision is to advance with incorporating to the management practices of our companies the consideration of environmental, social and governance (ESG) factors.

Company Information



Company Name
AntarChile S.A.

Taxpayer ID
N° 96.556.310-5

Legal Address
Av. El Golf 150 – 21st floor, Las Condes,
Santiago, Chile.

Telephone
56 2 2461 7710

Website
www.antarchile.cl

Type of Company
Publicly traded corporation

Securities Registry Listing
Securities Registry N°342

Investor Relations
José Luis Arriagada Carrazana

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Shareholder Services
Managed by Servicios Corporativos
SerCor S.A.

Av. El Golf 140, Las Condes, Santiago, Chile.
Telephone: 56 2 2364 6782 / 3 / 6



abastible

800 20 9000

La energía de vivir

Chairman's Statement



Dear shareholders:

On behalf of the board of directors of AntarChile S.A., I present you the annual report and financial statements of 2020, which was undoubtedly one of the toughest years in our history, marked by the terrible COVID-19 pandemic. We had to live with great uncertainty, dealing with a cruel and unprecedented phenomenon that has cost thousands of lives in Chile and millions worldwide, with all the suffering that entails. I would therefore like to start out by remembering all the families of our companies that have suffered the pain of losing a loved one from this terrible disease. We deeply regret the death of each person from COVID-19 this year.

Due to the scale of the pandemic, our companies had to quickly adapt to this tough scenario. The management teams and employees of all the subsidiaries and associates of AntarChile S.A. came together so that with creativity and flexibility, all possible efforts were made to carry on performing their role in society uninterruptedly and without endangering people's health, undoubtedly the most important factor. Initiatives like training on self-protection measures, the enhancement of sanitization processes at facilities, the delivery of personal protective equipment, the implementation of social distancing measures, and the fast roll-out of remote working were paramount.

Despite the commitment and efforts of all the employees of our companies, the negative effects on prices, sales volumes and results were inevitable, mainly because of mobility restrictions and prolonged confinement in Chile and worldwide.

In 2020, AntarChile S.A. therefore had consolidated net income, excluding the minority interest, of US\$129 million, a 2% increase on the US\$127 million attained in 2019. This slight increase was mainly due to non-operating income climbing US\$141 million, on account of major asset impairments recognized in 2019 and a lower tax expense of US\$35 million.

Operating income dropped US\$206 million year-over-year (YoY), related to the lower performance of the fuels business due to a decrease in sales volumes from the mobility restrictions caused by the sanitary crisis, the negative revaluation of inventories and the local currency depreciation effect. The forestry business also posted a drop in operating income, on account of lower pulp revenue from average sales price and volume decreases.

This drop in operating income arose in a year of major investments, our highest ever. Such investments led to a transitory increase in the company's consolidated leverage ratio, which compelled us to take various measures to maintain the high credit rating of AntarChile S.A. and its subsidiaries that is an essential aspect of how we operate our businesses in the long run. The measures put in place included amendment of the company's dividend policy, the launch of expense control plans and delay of non-essential investments. Besides these measures, during the year the company continued with the divestment processes of non-strategic logistical assets like Gasmar and Sonacol, and the company is appraising the potential disposal of Empresas Copec's shareholding in Metrogas and

“Due to the scale of the pandemic, our companies had to quickly adapt to this tough scenario. The management teams and employees of all the subsidiaries and associates of AntarChile S.A. came together so that with creativity and flexibility all possible efforts were made to carry on performing their role in society uninterrupted and without endangering people’s health, undoubtedly the most important factor.”

Roberto Angelini R.
Chairman of the Board



AGESA. If all these sales go through, they will improve the company’s consolidated cash position and enable it to better address this period of high investment.

Moreover, to enhance the financial standing of ARAUCO, which had the lowest pulp prices in the last few decades, in May 2020 a capital increase of up to US\$700 million was agreed on for this company, with US\$250 million being disbursed in 2020.

Despite the uncertainty and volatility prevailing in all the markets in which we have operations, during the year it was possible to raise funding in capital markets in very favorable conditions, with the highlight being the international loan of US\$360 million to Empresas Copec. This is a concrete example of the confidence in the management capacity and principles guiding the business activity of our group. We are determined, as always, to very jealously safeguard our financial solvency and credit quality in the long term.

The year was particularly complex for Corpesca, due to the effects of an appeal for the re-establishment of a pre-existing right against the ruling of the Fisheries Undersecretariat authorizing the industrial fleet to fish within the first five miles in certain areas of the Arica y Parinacota and Tarapacá regions, and an injunction against further moves was ruled in such appeal preventing fishing in that area, and the final judgment is pending. The Supreme Court recently accepted this appeal for the re-establishment of a pre-existing right against Corpesca. This decision opens up an uncertain scenario for future operations in these authorized zones, in which there is no interference with non-professional fishing which goes back more than 30 years, since it is in line with the conditions inherent to the north of Chile where there is anchovy, the main resource used to make our human and animal food products.

Beyond the current economic situation, AntarChile S.A. is firmly convinced that the long-term vision that

distinguishes the company and its subsidiaries and associates cannot be detached from its environment. Our vision is to carry on integrating environmental, social and governance (ESG) factors to the management of our companies. For decades we have been extending our area of action well beyond the productive and commercial focus, embracing the main challenges of the countries where we are present and being increasingly more open to the demands and standpoints of the different stakeholders.

Regarding this, I would like to highlight a milestone in 2020 that gives us great pride, namely the

“The implementation of a strategy coherent with our values and principles would not have been possible without the constant enhancement of the structure and best practices of corporate governance. To such effect, the company has continued to make progress with the incorporation of independent directors with diverse profiles, fostering the operation of more specific committees, underpinned by training and external evaluations”

certification of ARAUCO as a carbon neutral company, becoming the world’s first forestry company to achieve this objective. This certification, greatly sought after and which we announced a year ago, endorses by means of the highest standards that the carbon dioxide captured by the company is greater than the emissions generated by its global production. The difference, i.e., net absorption of 2.6 million tons of CO₂ per year, is a material contribution to the world’s challenge of climate change.

The annual sustainability report of Empresas Copec shows the commitment of our subsidiary and its companies to management of excellence in the environmental, social and corporate governance areas. This is by means of specific contributions of financial resources, human capital, technology, innovative capacity and management, focused on education, innovation, culture, sports and social

housing, among others. These endeavors have been undertaken for decades through pioneer institutions in their respective areas, like the Copec-UC Foundation and its venture capital fund; the Anacleto Angelini-Catholic University (UC) Innovation Center; the ARAUCO Foundation, Belén Educa, Enseña Chile and Elemental.

We believe this long-term focus, and the deep conviction that it is possible to create shared value, are key factors for which AntarChile S.A. and Empresas Copec have been listed on selective international indexes that highlight these companies for their performance of environmental, social and corporate governance issues.

The implementation of a strategy coherent with our values and principles would not have been possible without the constant enhancement of the structure and best practices of corporate governance. To such effect, the company has continued advancing with the incorporation of independent directors with diverse profiles, fostering the operation of more specific committees, underpinned by training and external evaluations, incorporating new and more effective controls and risk management, implementing corporate policies of transversal application, improving access to and timely delivery of information and its transparency, among many other initiatives. All these governance endeavors have received accolades on numerous occasions and we will persist with them.

One of the challenges of AntarChile S.A. and its companies is to find a balance between future growth and the diversification of our portfolio of companies, aiming to reduce the exposure to what happens in a particular geography or business. At the same time, we continue to be focused on those activities in which we can make a difference and gain a leading position, generating greater economic and social value for our shareholders, employees and our host communities.

We are aware that our companies operate in a dynamic world, in which many business models are evolving quickly and challengingly. It is now necessary to bolster the commercial leadership of our companies with the aim of pushing the



boundaries of technological progress and forming part of the innovation ecosystem, with a global vision and the express mandate of challenging the main business.

In this context of innovation, another highlight was the start-up of the dissolving pulp mill in Valdivia, which has a forecasted production of 550,000 tons a year and entailed an investment of around US\$190 million. This project expands the traditional use of pulp to more value-added markets, making ARAUCO the only company in Chile to produce this kind of fiber.

The companies in the energy area are also challenging its traditional business, broadening their vision of fuel distribution companies to companies that provide tailor-made energy solutions for their clients. The leading role that are companies are playing regarding electromobility should also

be highlighted. For example, Copec now has the leading network of electric vehicle chargers in South America, and in the year it inaugurated the largest charging station in Chile, with 57 high power chargers for a fleet of 215 electric buses of Transantiago (public transportation system).

This same vision has also been motivating our fishing companies to expand their extractive and processing operations to companies that participate in the human and animal nutrition industry, either by applying technology to develop super concentrates from marine raw materials, venturing into the production and marketing of protein concentrates from alternative sources to those of the sea, or the marketing of healthy foods, among other activities.

Innovation and seeking new business areas must be balanced up with the growth of the traditional



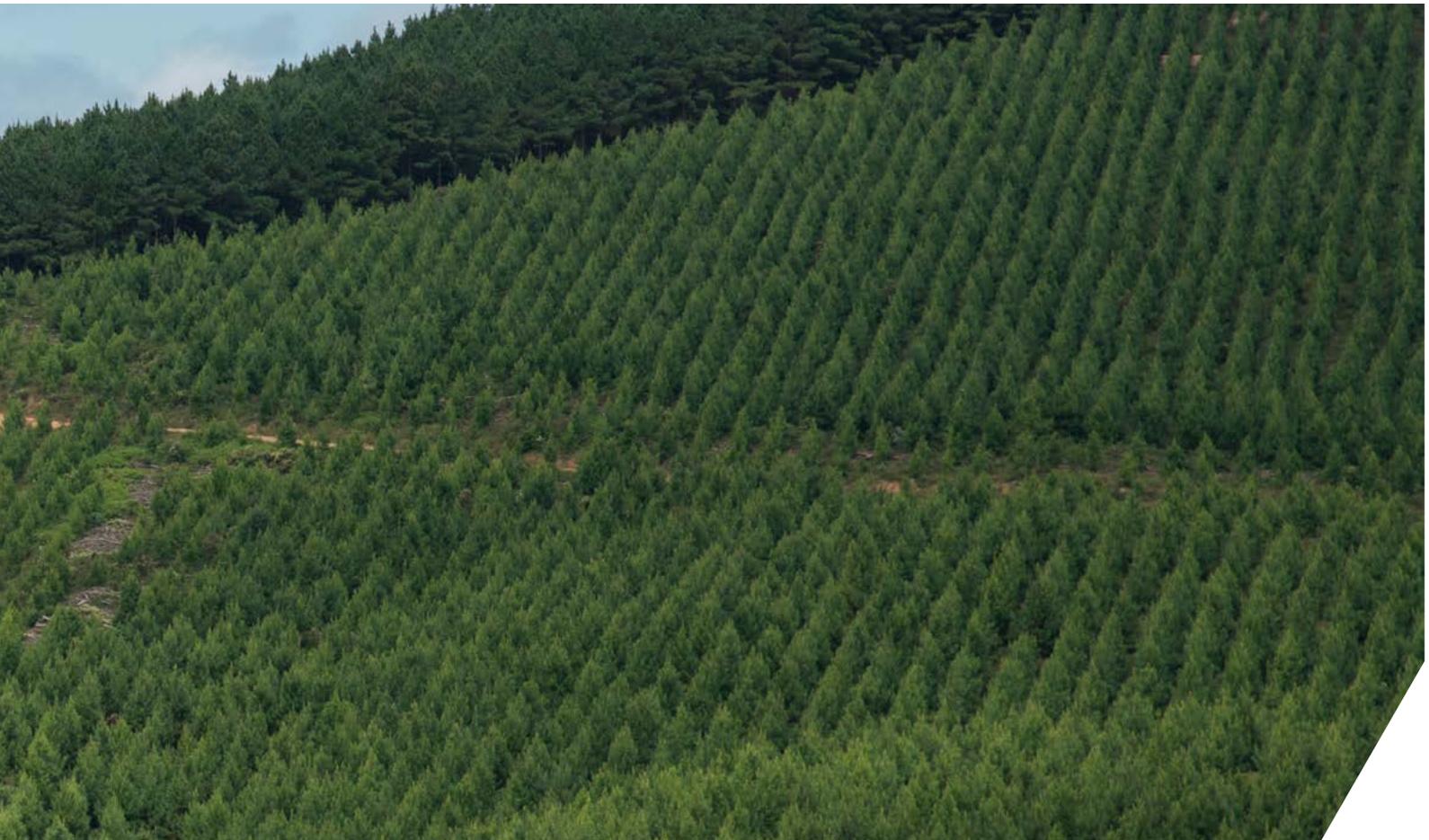
businesses in which the subsidiaries of AntarChile S.A. operate. In this context, the Arauco mill modernization and expansion (MAPA, according to the Spanish acronym) project should be highlighted, which aims to increase the production capacity of this industrial complex to 2.1 million tons of pulp a year, incorporating cutting-edge technology and state-of-the-art environmental equipment. This project, which involves financial resources of around US\$ 2,350 million, is the largest investment ever by the company and biggest project currently being executed in Chile. The construction of MAPA in the conditions of the pandemic has entailed a huge challenge, but despite this the project had progress of 70% at the close of 2020, and it is estimated that it will start up early in the fourth quarter of 2021.

Alxar Internacional continued to drive the metal mining project of Mina Justa, which is located on the south coast of Peru and whose construction will involve an investment of US\$1.6 billion, with average production of over 100,000 tons of fine copper a year. This operation is being developed jointly with the Breca Group, a

prestigious holding in that country, through its mining arm Minsur, and it has attractive exploration potential for future growth. Mina Justa is currently completing the commissioning phase and starting its ramp-up with the production of its first commercial shipments. We are optimistic about this project which is our first venture into medium-scale mining.

In aggregate terms, the total investment in 2020 was US\$2,160 million. More than 95% of these resources were allocated to our main businesses, i.e., the forestry and fuel sectors. In different sections of this annual report you will find numerous other initiatives undertaken in 2020 and which are part of the same long-term vision which has been the core of our way of doing business, establishing the bases of our future growth.

At a time when Chile is about to embark on deep debate regarding its new institutionalism, we hope that such process allows us to identify and concur on the fundamental bases of our future coexistence which give rise to a common vision of the Chile we want to have. We must open up to dialogue but also provide ample



leeway for those expert opinions that could provide guidance on the direction to be taken for inherently complex issues. It is important to find a balance between carrying on with that which has worked well but also to be open to question our paradigms so that this historical process leads to a better Chile.

I firmly believe that the recent history of our country should make us very proud. Based on common aims, we have made progress with reducing poverty, improving the scope and quality of education, and opening up more job and development possibilities for our compatriots. However, it is also true that a large portion of the population is still in a fragile situation, and that this same development momentum has also generated new needs, along with a natural demand for additional sources of well-being and security.

This is the overview of 2020, a year we will not forget and which posed various challenges. As I have already mentioned, this pandemic has caused a painful impact of human losses and a social drama, but it has also hit the performance of the economy in general and our

businesses, both those focused on foreign markets and those more related to activity in Chile. It is our responsibility to collaborate with a solution for this crisis, with the focus on taking care of employees, customers and suppliers, and with the greatest efforts to make a contribution to the recovery of the economy and the well-being of Chileans.

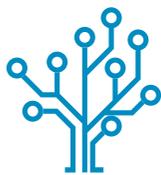
Once again, thank you for your permanent support, and that of all our directors, managers and employees. I congratulate you and deeply appreciate your commitment and dedication, in a year in which we have all had to adapt and work in an unthinkable and tough scenario. My sincere appreciation of each one of you.



Roberto Angelini Rossi
Chairman of the Board



AntarChile's Business Model

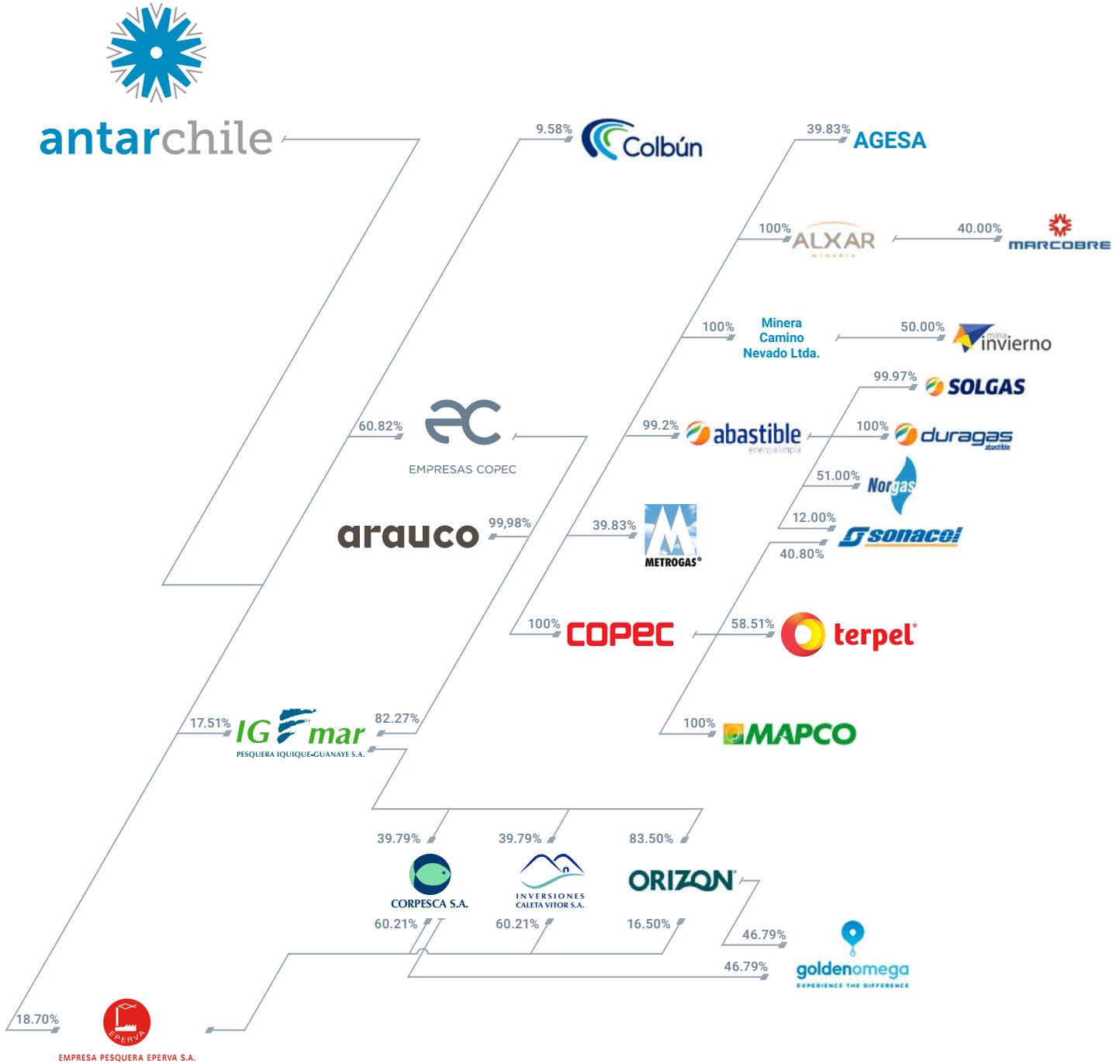


AntarChile is an industrial holding with investments mainly in the forestry, fuel, fisheries and energy sectors. Its most important asset is a 60.82% shareholding of Empresas Copec S.A., which accounts for about 98.5% of the company's consolidated assets.

Its subsidiaries and associates currently market products in over 80 countries, and the company has productive assets in Argentina, Brazil, Canada, Chile, Colombia, Dominican Republic, Ecuador, Germany, Mexico, Panama, Peru, Portugal, South Africa, Spain, United States, and Uruguay.

Company Structure

The chart below shows the ownership structure of AntarChile and its companies:



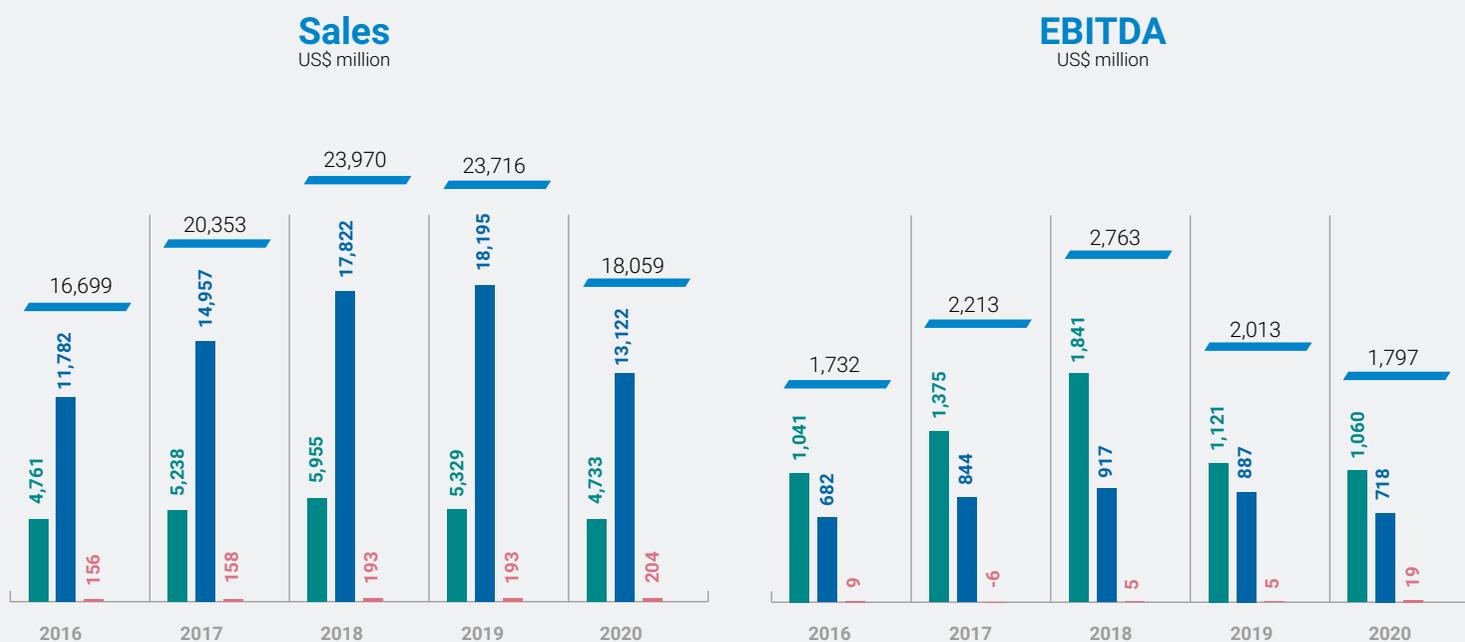
AntarChile at a Glance

Financial Highlights in 2020

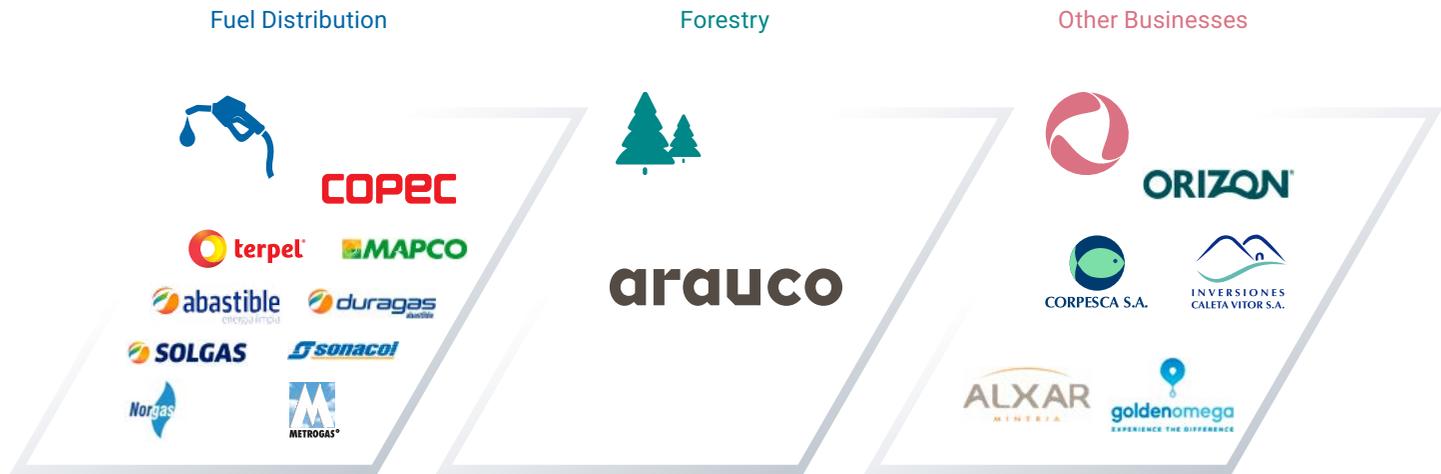
	 Forestry	 Fuels	 Other Businesses	 AntarChile Total
 Assets US\$ million	16,028	7,356	2,172	25,557
 Sales US\$ million	4,733	13,122	204	18,059
 EBITDA US\$ million	1,060	718	19	1,797
 Controller's Net Income US\$ million	15	125	(11)	129

Financial Indicators

2016 to 2020

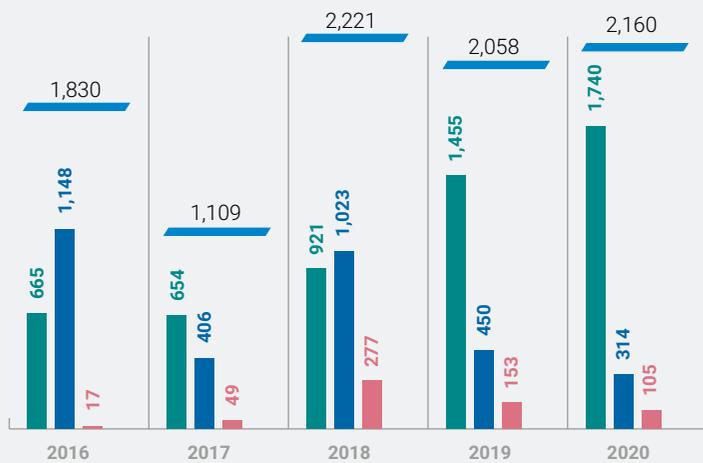


Subsidiaries by Business Area



CAPEX

US\$ million



Controller's Net Income

US\$ million





antarchile

Global Presence

The internationalization process of AntarChile S.A., through its main subsidiaries and associates, was launched in 1996 with the acquisition of the Argentine company Alto Paraná S.A. Since then, it has continued to step up this expansion approach to other countries, mainly through Copec Combustibles and ARAUCO. This means that 35% of the non-current assets of AntarChile S.A. are now overseas, which enables the company to export successful business models and in turn diversify the productive capacity and access to different markets.



Fuel distribution



Forestry



Fisheries and proteins



Power generation

Argentina



Brazil



Canada



Chile



Colombia



Dominican Republic



Ecuador



Germany



Mexico



Panama



Peru



Portugal



South Africa



Spain



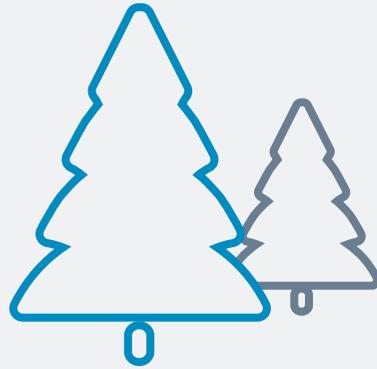
United States



Uruguay



Chapter
02

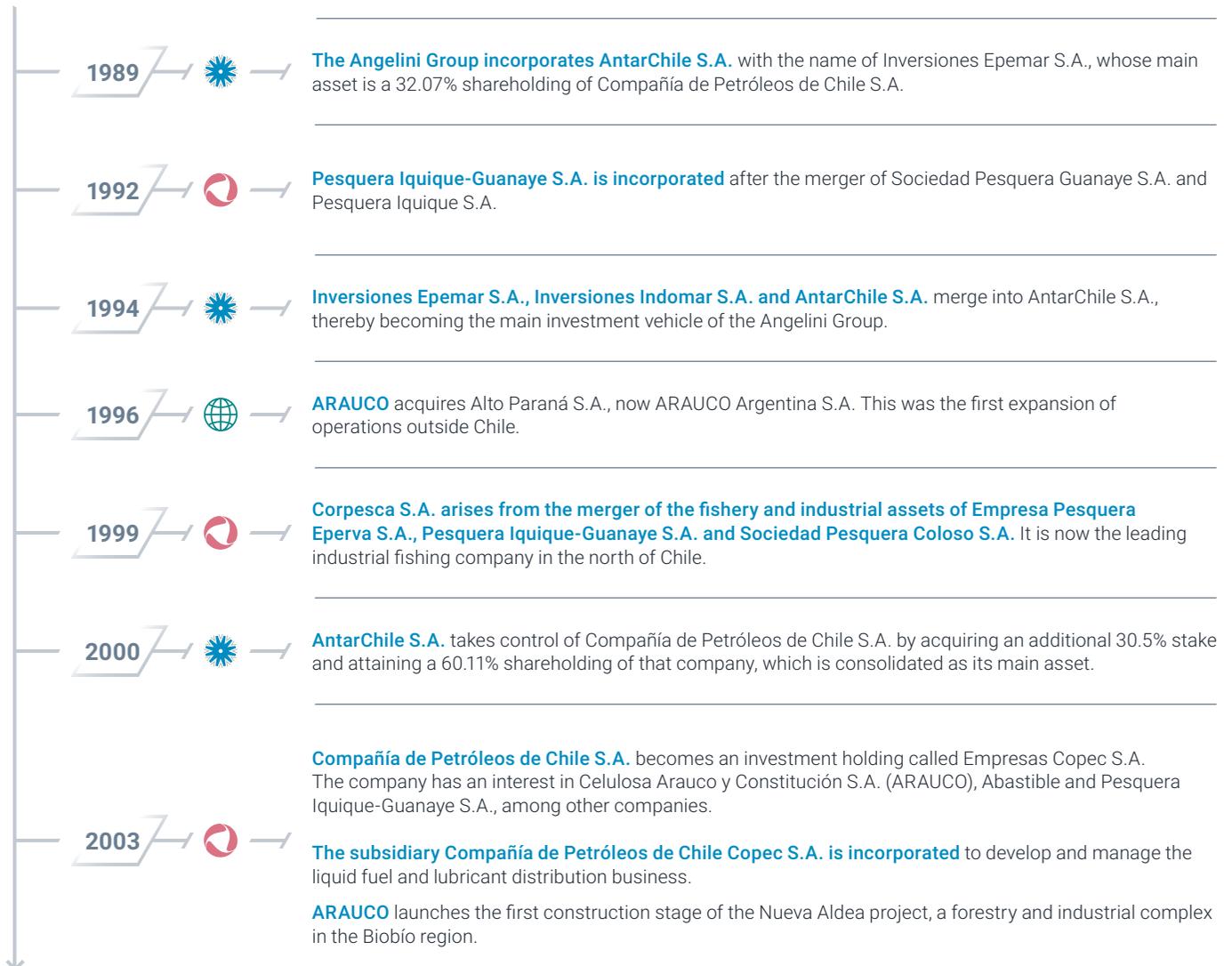


Our Company

The main investment of AntarChile S.A. is a 60.82% shareholding of Empresas Copec S.A., one of the largest industrial holdings in Chile. Empresas Copec S.A. accounts for 98.5% of the company's consolidated assets. Due to this, the profitability and long-term growth of AntarChile S.A. essentially depend on the performance of Empresas Copec S.A., its subsidiaries and associates.



History





2016



ARAUCO acquires 50% of Tafisa in Portugal, now Sonae ARAUCO. The deal includes mills in Spain, Portugal, Germany and South Africa with a total panel production capacity of 4.2 million m³ a year.

ARAUCO approves the start of construction of the Grayling MDP project in the state of Michigan, United States, which envisages a MDP panel mill with a production capacity of 800,000 m³ a year.

Corpesca S.A. acquires 30% of FASA América Latina in Brazil, a company that produces high quality protein concentrates for animal feed, at an investment of US\$43 million.

Copec buys five companies from Delek US Holdings in the United States, which operate 348 gas stations, mainly under the MAPCO brand, and supply a further 142 gas stations managed by third parties.

Abastible becomes the third largest LPG distributor in South America after acquiring the LPG operations of Repsol in Ecuador (Duragas) and Peru (Solgas).

Copec and ExxonMobil sign various contracts as part of a regional agreement to produce and distribute Mobil lubricants in Colombia, Ecuador and Peru, along with the operation and marketing of aviation fuel at the Lima international airport.

2017



ARAUCO approves the dissolving pulp project at its Valdivia mill. By using the biomass in the productive process, this mill will generate a surplus of about 55 MW for the national power grid (SEN, according to the Spanish acronym).

Igemar and Eperva buy 23% of Corpesca S.A. from Sociedad Pesquera Coloso S.A. With this transaction, Pesquera Iquique-Guanaye S.A. and Empresa Pesquera Eperva S.A. jointly have a 100% ownership stake of Corpesca S.A.

ARAUCO do Brasil, a subsidiary of ARAUCO S.A., acquires Masisa do Brasil. The company gains two industrial complexes, one at Ponta Grossa (Paraná) and the other at Montenegro (Rio Grande do Sul), with an MDF installed capacity of 800,000 m³ a year.

In Mexico, ARAUCO signs an agreement to acquire the assets of Masisa. This includes three industrial complexes, with a total MDP installed capacity of 519,000 m³ a year and 220,000 m³ of MDF a year, along with three melamine coating lines, a chemical plant to process resins and formalin, and a veneer line.

Corpesca do Brasil Empreendimentos e Participações Ltda., a subsidiary of Corpesca S.A., sells 60% of its associate Sementes Selecta S.A. for US\$218 million. The Korean company CJ Cheil Jedang Corporation acquires 37.33% and Stic CJ Global Investment Partnership Private Equity Fund buys 22.67%.

2018



AntarChile S.A. is listed on the Dow Jones Sustainability Chile Index.

ARAUCO starts construction of the ARAUCO mill modernization and expansion (MAPA, according to the Spanish acronym) project. This initiative entails an investment of US\$2,350 million and will increase the production capacity of the complex to 2.1 million tons of pulp a year.

Construction starts on the dissolving pulp project at the Valdivia pulp mill, which aims to retrofit its facilities to produce dissolving pulp, which is used to make textile fibers, cellophane wrap and filters. This project entails an investment of US\$185 million.

Empresa Pesquera Eperva S.A. and Pesquera Iquique-Guanaye S.A. purchase Sociedad Pesquera Coloso S.A.'s stake in Orizon S.A. and end up with 100% ownership.

Terpel acquires the assets of ExxonMobil in Colombia, Ecuador and Peru. Terpel financed this operation by issuing bonds in the Colombian market.

Alxar Internacional acquires 40% of the Peruvian company Cumbres Andinas, which in turn owns 100% of the company Marcobre, to undertake with the Breca Group the Mina Justa mining project in the south of Peru.



Parent Company



Subsidiaries in Chile



Internationalization



2019



The Grayling panel mill is inaugurated, the largest Chilean investment in a productive plant in the United States of US\$450 million, which has an installed capacity of 800,000 m³ of wood panels a year.

Inversiones Caleta Vitor S.A. is incorporated from the split of Corpesca S.A. The new company is assigned the assets that are outside the strictly fisheries business, mainly comprising those of the businesses in Brazil, Germany and those related to Kabsa S.A.

ARAUCO places two sustainable bonds in the international market with 10-year and 30-year maturity amounting to US\$1 billion, divided into US\$500 million for each one of the series.

Inversiones Caleta Vitor S.A. signs an agreement with CJ Cheil Jedang Corporation to sell 10% of the shares of CJ Selecta S.A, owned by the subsidiary Corpesca Do Brasil. The share transfer and payment of US\$41 million were undertaken in October.

Copec launches Voltex, the largest network of quick-charging stations for electric vehicles in the whole of South America. With 23 charging stations in the first stage, the network allows electric vehicles to run for almost 1,400 linear kilometers in Chile.

Terpel Voltex inaugurates its first electric charging station. In the first stage it will interconnect the Bogotá-Medellín road, which will have charging stations every 100 to 120 kilometers that will start to operate in the first quarter of 2020.

The shareholders of Abastible and Copec grant a mandate to the Goldman Sachs investment bank to head and structure a process to sell all the shares of Sonacol.

Solgas commissions a third LPG storage sphere, increasing the storage capacity by 4,500 tons and doubling the company's capacity.

After a verdict by the Environmental Court of Valdivia, which quashed the ruling of the Environmental Assessment Service and barred blasting as a complementary method at the Mina Invierno operation, the company stopped operations as of November 2019.





Highlights in 2020

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Annual Report 2020

Corporate Information

ACCION
EMPRESAS

ACCIÓN EMPRESAS

Empresas Copec joined Acción Empresas, an organization that aims to get companies to manage their businesses with a rationale of competitiveness and sustainability.



DONATION

The Copec-UC Foundation donated CLP150 million to the team of the Pontifical Catholic University of Chile to develop a potential vaccine against COVID-19.



S&P GLOBAL SUSTAINABILITY YEARBOOK

AntarChile and Empresas Copec were selected to be listed in the S&P Global Sustainability Yearbook 2021. This Yearbook contains 631 companies out of the over 7,000 evaluated. To be listed in this Yearbook, companies must be within the top 30% level of sustainable performance of their sector. AntarChile is ranked in the top 15% of its industry of industrial conglomerates.

Forestry Business



CARBON NEUTRALITY

ARAUCO certified its carbon neutrality, becoming the world's first forestry company to achieve this target. PwC was in charge of auditing the calculation of capture of CO₂ from forests and the storage of carbon in forestry products. Deloitte then developed a neutrality protocol, which was applied to verify all the company's businesses and taking 2018 as a base, and this protocol can also be used by other companies and industries. Regarding this, ARAUCO attained neutrality generating a net surplus of 2,599,753 tons of CO₂e.



ACQUISITION

ARAUCO completed the acquisition of Odd Industries, a pioneer ethically-driven industrial artificial intelligence company, which enables less digitalized companies to become data-driven organizations.



START-UP

ARAUCO started up the dissolving pulp mill in Valdivia, which has forecasted production of 550,000 tons a year and entailed an investment of around US\$190 million.



MAPA

ARAUCO attained 70% progress with the ARAUCO mill modernization and expansion (MAPA, according to the Spanish acronym) project, which envisages closure of production line 1, the modernization of production line 2 and construction of a new line 3, with a production capacity of 1.5 million tons of pulp a year.



AUDIT

ARAUCO successfully completed the closure audit of findings by the Forest Stewardship Council (FSC®), indicating evidence of the improvements made.



NEW PRODUCTS

ARAUCO launched new products, highlighting a new VESTO panel line, antimicrobial melamine with copper particles that can reduce bacteria and germs by 99.9%.

Fuels Business



CHARGING STATION

Coppec inaugurated El Conquistador in the district of Maipú, the largest charging station in Chile. It entailed an investment of US\$80 million and has a surface area of 15,000 m², 57 high power chargers and a fleet of 215 electric buses.



BOND ISSUANCE

Terpel issued three series of bonds amounting to COP\$470 billion on the Colombian Stock Exchange. The five-year series amounted to COP\$100 billion, the 15-year series was COP\$144 billion and the 25-year series was COP\$226 billion.



CHARGING STATION

Terpel inaugurated the first charging station under the Terpel Voltex brand that can attend 13 electric buses of the public transportation service in Bogotá.



SONACOL SECURES EIS APPROVAL

Sonacol secured approval for the environmental impact study (EIS) of the “Second Maipú-Airport Oil Pipeline” project, unanimously approved by the competent authorities.



CARBON NEUTRALITY

Duragas certified the carbon neutrality of the Santo Domingo plant.



NEW SUBSIDIARY

Terpel created the subsidiary Stem Terpel to develop energy storage projects.



CONSULTANCY SERVICES

Abastible launched the energy and environmental consultancy service, whose aim is to provide consultancy services to customers on how to improve their environmental and energy efficiency performance.



E-COMMERCE

Arcoprime launched the www.prontocoppec.cl website, thereby starting up its own e-commerce channel.



APPLICATION

MAPCO increased the delivery platforms, along with offering different delivery options, and added a Scan & Pay tool to its app.



FULL COPEC

Arcoprime and Copec created the new Full Copec loyalty program, whose aim is to maximize customer value with a point and discount system that rewards how often they make purchases.

Fisheries and Proteins **Business**



EXPANSION

Golden Omega attained about 50% progress with its productive plant expansion project, which will increase the production capacity to 2,400 tons a year.



E-COMMERCE CHANNEL

Orizon launched the *La Mesa de Todos* (The Table for Everybody) portal, which opened up the e-commerce sales channel and, through diverse platforms, it automated the entry of orders, management reports, commercial planning and production of the company.

Other **Sectors**



SALE

Alxar Minería sold the leaching plant in Copiapó to the Canadian company RIO2 Limited and the Choquelimpie project to the company Norsemont Mining.



PROGRESS

The Mina Justa project had progress of 98% and it is estimated that it will start up in March 2021.



PROJECT APPROVAL

Las Salinas secured unanimous approval of the "Las Salinas Site Sanitation" project to carry out the site decontamination and restoration plan.

Board of Directors



Roberto Angelini Rossi

CHAIRMAN

Industrial civil engineer, Pontifical Catholic University of Chile
Taxpayer ID N°5.625.652-0
Date of last election: 24/04/2020

Current activity: chairman of the boards of Inversiones Angelini y Cía. Ltda., Empresas Copec S.A., Compañía de Petróleos de Chile Copec S.A., Pesquera Iquique-Guanaye S.A. and Inversiones Alxar S.A. He is also a member of the boards of Celulosa Arauco y Constitución S.A., Empresa Pesquera Eperva S.A., Orizon S.A. and Inversiones Siemel S.A., among other companies.

Last activity: he has held various executive and management positions in the main companies of the holding.



Jorge Andueza Fouque

VICE-CHAIRMAN

Civil engineer, Federico Santa María University
Taxpayer ID N°5.038.906-5
Date of last election: 24/04/2020

Current activity: chairman of the boards of Inversiones Siemel S.A. and Orizon S.A., and vice-chairman of Empresas Copec S.A., Celulosa Arauco y Constitución S.A., and Corpesca S.A.

Last activity: CEO of AntarChile S.A.



Jorge Desormeaux Jiménez

INDEPENDENT DIRECTOR

Business engineer, Pontifical Catholic University of Chile
Taxpayer ID N°5.921.048-3
Date of last election: 24/04/2020

Current activity: president of the Autonomous Fiscal Council, vice-president of the Upper Management Council of the Diego Portales University.

Last activity: advisor and vice-president of the Chilean Central Bank, associate professor of the Pontifical Catholic University of Chile.

The directors of AntarChile S.A. were elected for a three-year term in an ordinary general shareholders' meeting held on April 24, 2020. After the voting, all the directors were reelected for a three-year period. Maurizio Angelini Amadori was also elected to replace Mr. José Tomás Guzmán Dumas (R.I.P.), who passed away in January 2020 whilst in office.

The board of directors of AntarChile S.A. comprised the following members in 2020:



Juan Edgardo Goldenberg Peñafiel

DIRECTOR

Attorney, University of Chile
Taxpayer ID N°6.926.134-5
Date of last election: 24/04/2020

Current activity: director of Banco Bci and Empresas Copec S.A., partner of Goldenberg & Lagos Abogados Ltda., member of the Chilean Bar Association, member of the Chilean-American Chamber of Commerce (AmCham), founding member of the Chilean Institute of Tax Law, and a member of the American Bar Association international section.

Last activity: professor of civil law at the Pontifical Catholic University of Chile, professor of tax law at the Pontifical Catholic University of Chile and University of Los Andes.



Maurizio Angelini Amadori

DIRECTOR

Architect, University of Chile
Taxpayer ID N°13.232.559-6
Date of last election: 24/04/2020

Current activity: founding partner of the 57STUDIO Ltda. architect firm, a director of Inversiones Angelini Ltda. and Elemental S.A., president of the Corporation for the Integration of the Central Coastline of Arica, and a member of the strategic and management team of Inmobiliaria Las Salinas.

Last activity: professor of the University of Chile, Diego Portales University and Andrés Bello University.



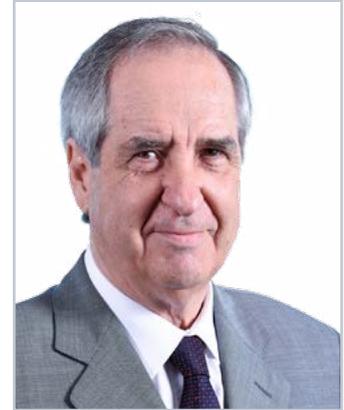
Manuel Enrique Bezanilla Urrutia

DIRECTOR

Attorney, Pontifical Catholic University of Chile
Taxpayer ID N°4.775.030-K
Date of last election: 24/04/2020

Current activity: partner of the Portaluppi, Guzmán y Bezanilla law firm, chairman of the boards of Celulosa Arauco y Constitución S.A. and Forestal Arauco S.A., and a director of other companies of the Angelini Group.

Last activity: he has worked indistinctly as a director, chairman and vice-chairman of the boards of Celulosa Arauco and Forestal Arauco as of 1986.



Andrés Lyon Lyon

DIRECTOR

Business engineer, University of Chile
Taxpayer ID N°5.120.544-8
Date of last election: 24/04/2020

Current activity: director of Empresa Pesquera Eperva S.A., Chilean South Apple, ByP Iluminación, and Agrícola Huertos del Huique.

Last activity: he undertook business activities in the financial, agricultural, electric and construction sectors.

Secretary to the Board

José Tomás Guzmán Rencoret

Attorney
Taxpayer ID N°6.228.614-8

Directors' Committee

The members of the Directors' Committee were appointed on 05/08/2020. This Committee has the same composition as in 2019.

PRESIDENT

Jorge Desormeaux Jiménez

DIRECTORS

Manuel Enrique Bezanilla Urrutia
Andrés Lyon Lyon



Board Meeting Attendance

The board convened 15 times in 2020, and the attendance rate was 100% (*).

(* Mr. José Tomás Guzmán Dumas (R.I.P.) passed away in January 2020 whilst in office. He was replaced by Maurizio Angelini Amadori as of the May board meeting.

Board Remuneration

In 2020, directors received the following gross remunerations, which were those established for them by the shareholders' meeting of the same year: US\$294,244 (US\$321,087 in 2019) for Roberto Angelini Rossi; US\$196,164 (US\$214,058 in 2019) for Jorge Andueza Fouque, Juan Edgardo Goldenberg Peñafiel, Andrés Lyon Lyon, Manuel Enrique Bezanilla Urrutia and Jorge Desormeaux Jiménez. Maurizio Angelini Amadori received US\$134,041.

The directors did not receive any other remunerations from the company.

There are no incentive plans such as stock compensation, stock options or others in which the directors participate.

The board did not incur any consultancy expenses or fees in 2020.

Directors' Committee Performance

AntarChile S.A. has a Directors' Committee pursuant to sub-paragraph 1 of article 50 bis of Law N°18.046. In accordance with the aforementioned law, the Directors' Committee issued its performance report, whose content shall be reported in the ordinary general shareholders' meeting in April 2021.

Directors' Committee Remuneration

For being members of the company's Directors' Committee, Andrés Lyon Lyon, Jorge Desormeaux Jiménez and Manuel Enrique Bezanilla Urrutia received US\$65,390 each (US\$71,353 in 2019).

The Directors' Committee thereby disbursed US\$196,170 in 2020 (US\$214,059 in 2019). The Committee did not incur any consultancy expenses or fees in 2020.

The Directors' Committee did not make any comments or proposals in 2020 about the operation of the corporate businesses to be included in this annual report.

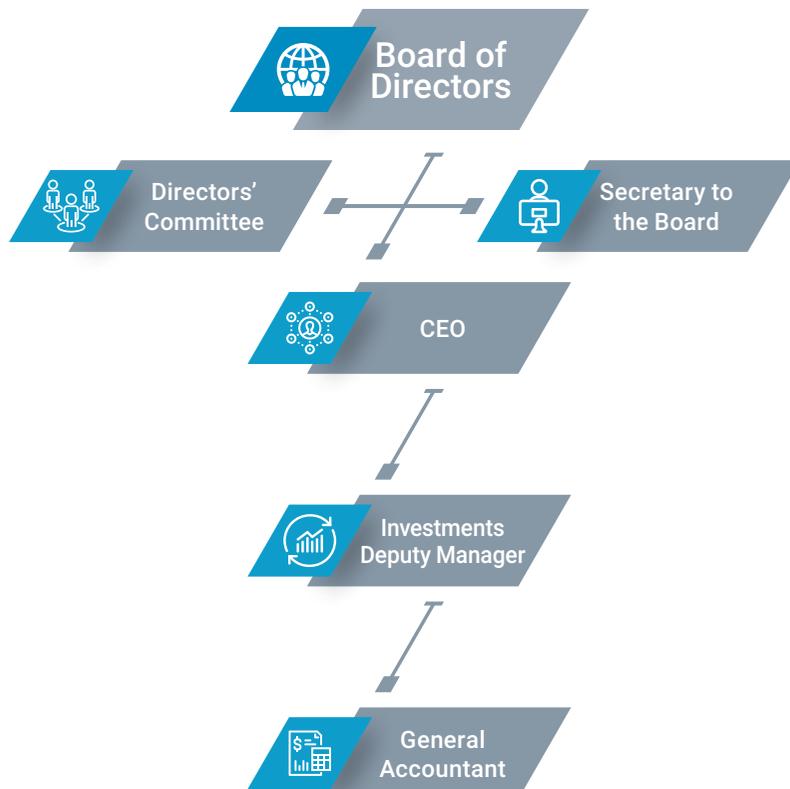
Summary of the Directors' Committee Activities in 2020

Meeting	Date	Subject Matter
N° 121	01-10-20	<ul style="list-style-type: none">Approval of the remuneration system and compensation plans for the company's senior executives and managers.
N° 122	04-03-20	<ul style="list-style-type: none">Approval of the company's balance sheet and financial statements for the year ended December 31, 2019, and the independent auditor's report.Proposal for appointing the company's independent auditor.Proposal for appointing the private credit rating agencies.
N° 123	05-29-20	<ul style="list-style-type: none">Review of the financial statements at March 31, 2020.
N° 124	10-04-20	<ul style="list-style-type: none">Review of the company's interim financial statements at June 30, 2020 and the independent auditor's report.Approval of renewing the shareholder and corporate services contracts with the related company Servicios Corporativos SerCor S.A.Approval of renewing the service contract with Red to Green S.A.
N° 125	11-27-20	<ul style="list-style-type: none">Approval of the financial statements for the period ended September 30, 2020.Approval of modifying the conditions for renewing the service contracts with the related company Red to Green S.A. for 2021.

Senior Management



Organization Chart



Senior Management Remunerations

The remunerations received by senior executives and managers in 2020 amounted to US\$439,720 (US\$477,863 in 2019). The company also incurred bonus expenses of US\$260,820 in 2020 (US\$284,095 in 2019).

AntarChile S.A. has no other special incentive plans in which executives and managers participate. In 2020 and 2019, senior executives or managers received no severance payments.

Corporate Governance



Corporate Governance Policy

Aware that good corporate governance is a key factor to generate sustainable value over time for its shareholders and to meet the needs of third parties that might have an interest in or be affected by the operation of the company, AntarChile S.A. has aimed to embrace the principles, standards, practices and guidelines on the best corporate governance practices, transmitting them to all its managerial staff and employees.

AntarChile S.A. thereby strives for the company to be managed considering economic, social and environmental aspects. These factors define a way of doing business that makes a contribution to society in general and to the communities in which it operates directly or indirectly, beyond the economic benefits and what is laid down by the current legal regulation.

Highlights in 2020

Activities were undertaken in 2020 to foster and continuously enhance the company's best corporate governance practices.

These included various training and update sessions on this issue for directors and the senior managers of AntarChile S.A. and its related companies, in order to maintain the most updated knowledge of national and international trends of corporate governance. The main issues addressed in those sessions were:

- **Crisis management**

Role of the board of directors in suitable planning for possible contingencies, their prevention and efficient ways of managing them. Speakers: Eduardo Aldunate, crisis management consultant; Charles Kimber, corporate and commercial affairs manager of ARAUCO; and Tomás Jiménez, regulatory affairs and legal sustainability manager of ARAUCO.

- **Innovation in companies: from the concepts to action**

How to drive the innovative process in the DNA of companies, promoting, aligning and controlling correct planning to add value to their businesses. Speaker: Guillermo Beuchat, a partner of Transforme Consultores.

- **New challenges of the work in companies**

Developing a comprehensive vision of the factors that enable managers to guide and manage the adaptation of organizations and people to the deep transformations in the forms, content and values of work, which have accelerated with the COVID-19 pandemic. Speaker: María José Bosch, director of the Work and Family Center of the ESE Business School, University of Los Andes.

- **Cybersecurity and protection of personal data: a challenge for the board of directors**

Knowing the nature of these threats, their trends, the forms of mitigation and the necessary resources, enabling the board of directors to allocate the necessary means and establish controls to fulfill its duty of diligence on these issues, and in turn to effectively receive the benefits of investment in digitalization. Speaker: Jorge Atton, a consultant of the Inter-American Development Bank and strategic advisor of various cybersecurity and telecommunications organizations.

The company also held training sessions for employees of AntarChile S.A. on the modification of Law N°20.393 on the criminal liability of corporations and the new offenses and penalties it envisages, and regarding the update of the company's offense prevention model.

Corporate Governance Instruments



Code of Ethics – Principles and Values

This sets out the guidelines of the best business practices for directors, managers, employees, services and/or external suppliers, promoting the strictest compliance with the various current regulations.



Offense Prevention Model

This entails the implementation, by means of various support areas and business-related controls, of activities for preventing, detecting and monitoring issues which might be probable risks for committing the offenses laid down in Law N°20.393 on the criminal liability of corporations. The model has been certified since 2014 by an external company registered in the Financial Market Commission (CMF, according to the Spanish acronym).



Offense Prevention Policy

This establishes the guidelines underpinning the adoption, implementation and operation of the offense prevention model of AntarChile S.A., in accordance with what is set forth in Law N°20.393 on the criminal liability of corporations.



Offense Prevention Procedure

This shows how to implement and operate the offense prevention model, indicating the activities involved in its operation in order to comply with what is laid down in Law N°20.393, and to prevent other kinds of inappropriate conduct specified in laws, norms and regulations of control bodies, the Code of Ethics and the company's own standards.



Risk Management Policy

This systematically contains the risk management guidelines by means of an established methodology, so the company formally undertakes the comprehensive management of its risks to mitigate them if possible and improve decision-making.



Whistleblowing Channel

The confidential and anonymous whistleblowing channel enables anyone with information on practice that possibly infringes Law N°20.393 or conduct breaching the ethical principles established in the Code of Ethics, or possible fraud, to be able to report it to the officer in charge of offense prevention and to the company's Ethics Committee.



Manual on Handling Information of Interest to the Market

This is an instrument approved by the board of directors that governs the handling of information in accordance with General Regulation N°270 of the Financial Market Commission. It sets out the policies and procedures for the acquisition or sale of securities and the handling, use and/or disclosure of confidential information or that of interest to the market.



Community Contribution Policy

This establishes the guidelines and procedures for the decisions to be made regarding contributions which are beneficial for the country or the communities where the company undertakes its activities.



Antitrust Policy

This document specifies and reinforces the antitrust principles that all members of the company shall adhere to.

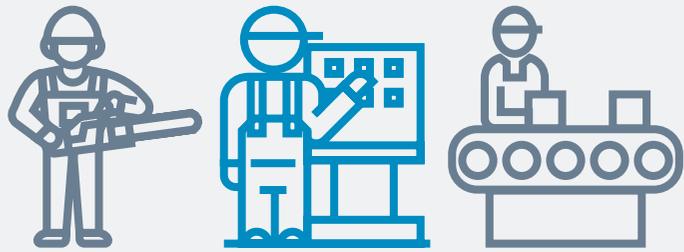


Corporate Governance Procedures

This is a set of guidelines regulating the operation of the board of directors, such as the application and induction processes for new directors, their ongoing training, the hiring of consultancy services for the board, the mechanism for replacing the CEO and/or senior managers, and other instruments. Moreover, it creates tools that facilitate the analysis, detection and assessment of the sufficiency, timeliness, pertinence and ease of comprehension of the information disclosed by the company to the market so the board can eventually determine the need of improving the information provided.

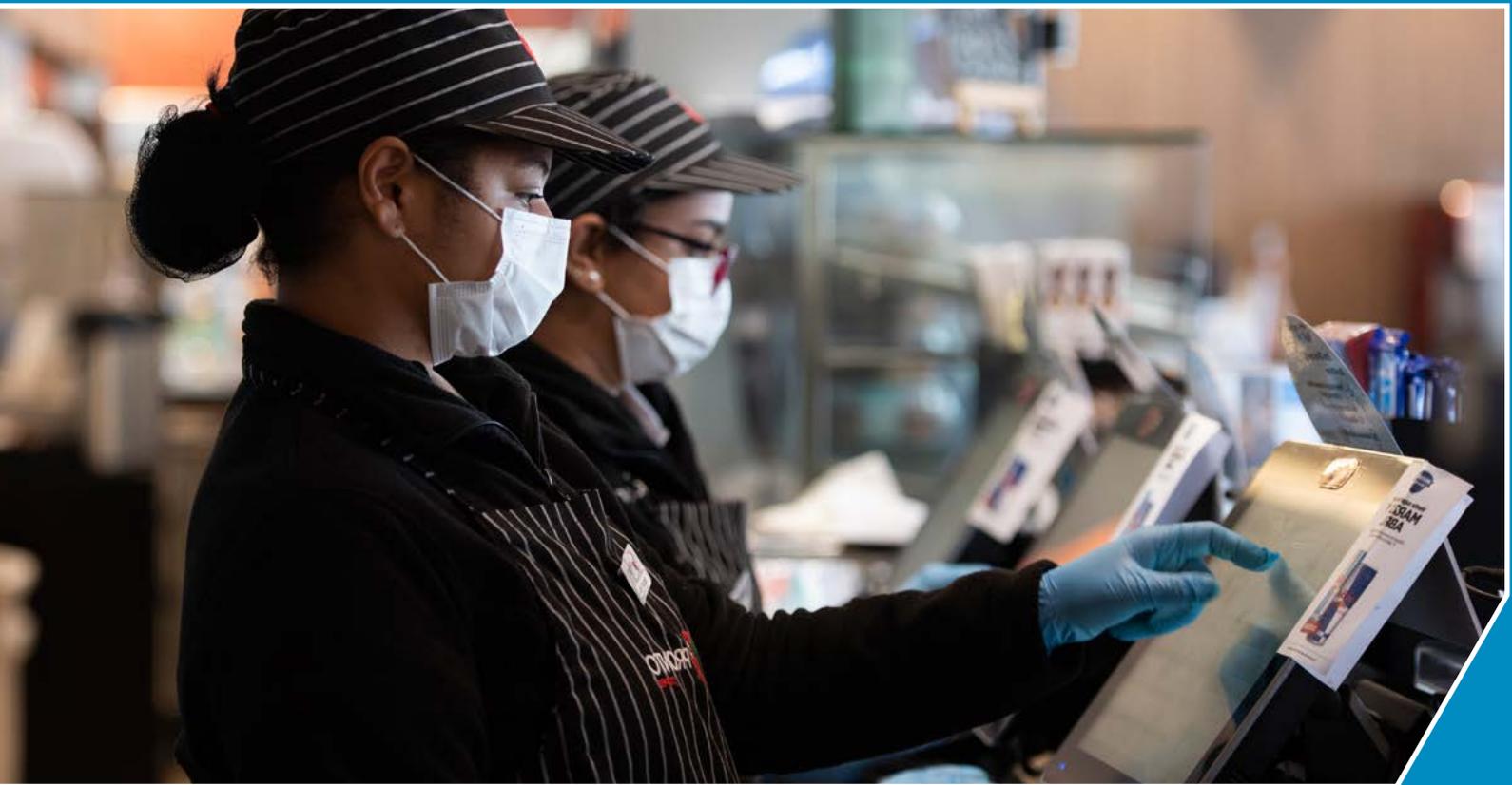
The aforementioned corporate governance models and practices are updated periodically or when deemed necessary. Further information and other procedures on corporate governance are available on the company website at www.antarchile.cl/#gobierno

Chapter **03**



Our **Team**

The well-being of our employees and the generation of dignified jobs is the objective of each of our companies. We make sure this is complied with, which is an essential value at operations in all the countries where we are present.



Our Team

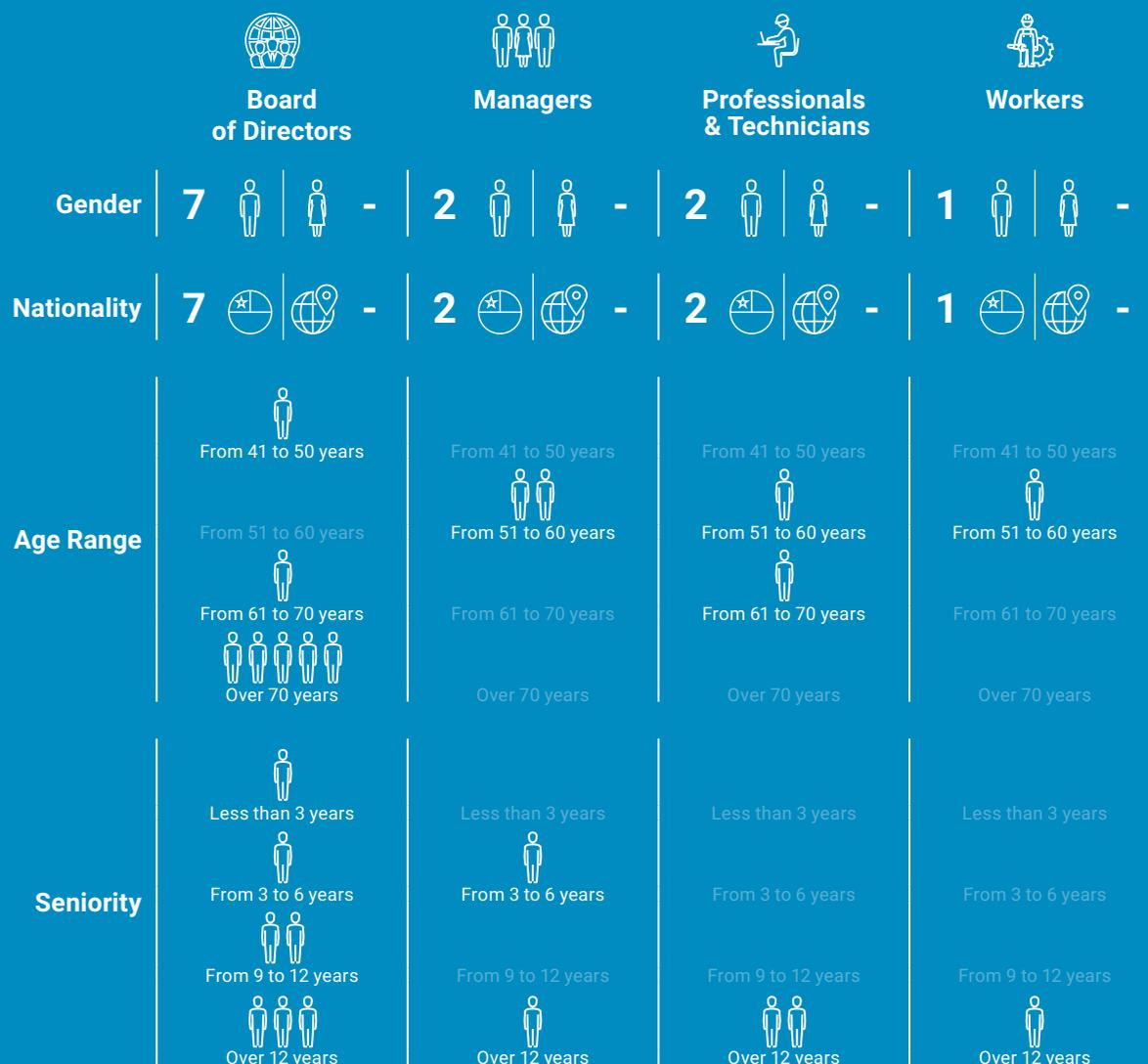
Headcount of AntarChile S.A. and its subsidiary Empresas Copec S.A.
For the year ended December 31, 2020

	 antarchile AntarChile	 EMPRESAS COPEC Empresas Copec	 Total
 Managers	2	922	924
 Professionals and Technicians	2	10,400	10,402
 Workers	1	25,748	25,749
 Total	5	37,070	37,075

(*) 18,209 employees of the total headcount are foreigners, all of whom are employed by subsidiaries of Empresas Copec S.A.

Diversity in the Organization

All the figures are for the year ended December 31, 2020

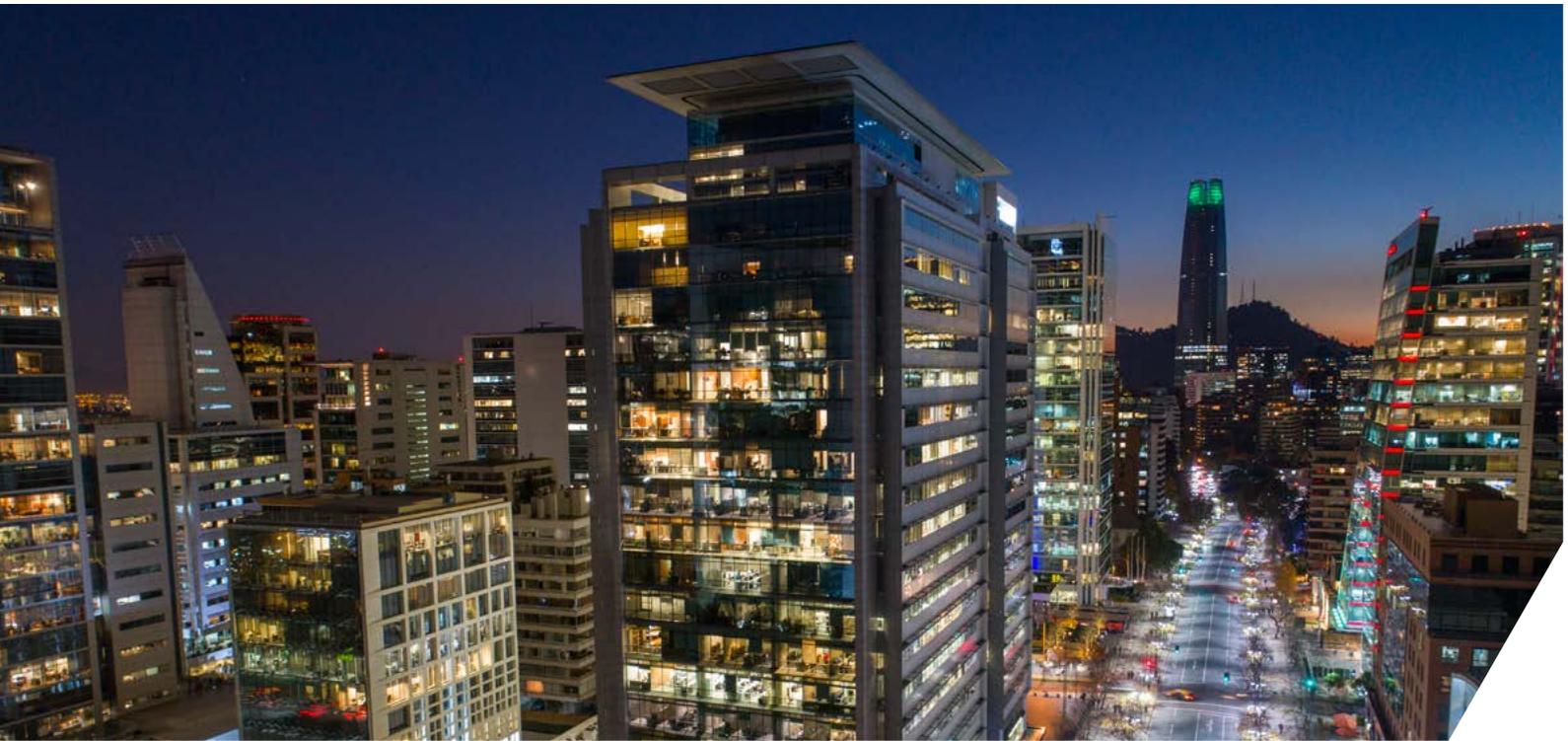


Salary Gap

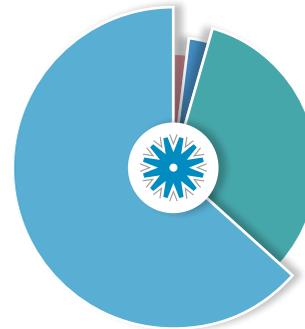
The parent company AntarChile S.A. does not report the salary gap by gender as it has no female employees.

Suppliers and Customers

Diversification of suppliers and customers by segment of Empresas Copec	N° of suppliers that individually accounted for more than 10% of the goods and services provided in 2020	N° of customers that individually accounted for more than 10% of the sales in 2020
Empresas Copec S.A.	1	3
Pesquera Iquique-Guanaye S.A. (Igemar)	-	-
Empresa Pesquera Eperva S.A.	1	-
Red to Green S.A.	1	3
Servicios Corporativos SerCor S.A.	2	2
Celulosa Arauco y Constitución S.A.	-	-



Our Shareholders



Ownership and Shareholders

- Inversiones Angelini y Cia. **63.40%**
- Corporations **32.09%**
- Natural persons **2.61%**
- Pension funds **1.90%**

Twelve Main Shareholders

	Taxpayer ID N°	N° of shares	Shareholding %
INVERSIONES ANGELINI Y COMPAÑIA LIMITADA	93809000-9	289,349,551	63.40%
INVERSIONES GOLFO BLANCO LTDA.	76061995-7	26,346,943	5.77%
INVERSIONES SENDA BLANCA LTDA.	76061994-9	19,760,208	4.33%
AGROFORESTAL E INVERSIONES MAIHUE LIMITADA	94088000-9	13,035,702	2.86%
INVERSIONES LO RECABARREN LIMITADA	76156198-7	12,316,047	2.70%
LARRAIN VIAL S.A. CORREDORA DE BOLSA	80537000-9	7,443,736	1.63%
BANCHILE CORREDORES DE BOLSA S.A.	96571220-8	6,973,879	1.53%
SERVICIOS QUELENTARO S.A.	78217950-0	6,440,885	1.41%
RENTAS LATINSA LIMITADA	93505000-6	4,705,398	1.03%
BANCO DE CHILE POR CUENTA DE TERCEROS CA	97004000-5	4,569,514	1.00%
CIA. DE INVERSIONES LA ESPAÑOLA S.A.	76156207-K	4,211,746	0.92%
AGRICOLA Y COMERCIAL SANTA INES LIMITADA	93727000-3	4,021,073	0.88%

Data as of December 31, 2020

In accordance with current regulations, it is left on record that the following corporations or natural persons hold 10% or more of the share capital or are related thereto, so they are majority shareholders: Inversiones Angelini y Compañía Limitada, taxpayer ID N°93.809.000-9.

There are no other shareholders holding over 10% of the share capital.

Shareholding of Directors and Senior Managers

The director shareholding in AntarChile S.A., be this directly and/or through companies in which they have a shareholding, is as follows: Andrés Lyon Lyon, 2.80616%; Juan Edgardo Goldenberg Peñafiel, 0.013773%; and Jorge Andueza Fouque, 0.0243148%.

The shareholdings of the director and chairman Roberto Angelini Rossi and the director Maurizio Angelini Amadori are indicated in the Company Controller section, included in chapter 7 of this annual report.

The only senior manager with a shareholding in the company for the year ended December 31, 2020, be this directly or through companies, is the CEO Andrés Lehuedé Bromley with a 0.000453% shareholding of all the shares of AntarChile S.A.

Investor Relations

In 2016, AntarChile S.A. established the investor relations area to implement a formal communication channel between the company and investors.

During the year there was a 20% decrease in the daily traded amounts of AntarChile's shares, which dropped from an average of CLP332 million in 2019 to CLP267 million in 2020. This is explained by a share price decrease in the year, largely due to lower pulp prices and the economic and sanitary crisis caused by the COVID-19 pandemic. On comparing the share volumes traded, these dropped slightly from 10.8 million shares in 2019 to 10.5 million shares in 2020.

In 2020, AntarChile was once again selected to be listed on the Dow Jones Sustainability Index MILA and the Dow Jones Sustainability Chile Index. The company had 66 total points, which was a 13-point increase on 2019 and 36 points above the average of its industry (industrial conglomerates). With this score, the company is in the 89th percentile, which is higher than the 80th percentile of the previous year.

AntarChile S.A. was also selected to be listed in the S&P Global Sustainability Yearbook 2021. The Yearbook contains 631 companies out of the more than 7,000 evaluated. To be listed in the Yearbook, companies must be within the top 30% of the sustainable performance of their sector. AntarChile is ranked in the top 15% of its industry of industrial conglomerates.

Highlights in 2020

In a challenging context due to the sanitary crisis and with restrictions limiting events, the conferences with investors usually held were replaced by virtual meetings. In the year, AntarChile S.A. participated in two conferences, in which it held a total of eight one-on-one meetings with investors. Such initiatives raise the company's visibility and generate an opportunity for investors to talk directly to the company's managers.

Share Information

Share Transactions

This considers the transactions and average price of AntarChile S.A.'s shares on the Santiago Stock Market and the Electronic Stock Exchange.

Periodo 2020	Average price CLP	Shares traded (units)	Total amount CLP
I Quarter	6,381	1,878,986	11,989,225,086
II Quarter	5,676	3,077,402	17,468,104,926
III Quarter	6,706	4,885,010	32,760,933,304
IV Quarter	6,820	693,402	4,729,005,356

Share Price

In early 2020, the AntarChile S.A. share price traded at around CLP7,500. In March, it started to drop to its lowest price in the last five years (CLP5,003). After that, the share price fluctuated from CLP5,500 to CLP6,500, in line with what was happening with the Chilean market. In mid-November there was a large increase with the share price ending the year at around CLP7,550, so the share price rose 3.8% in 2020.

AntarChile S.A.'s stock market presence as of December 2020 was 60.6%.

Net Asset Value (NAV)

For the year ended December 31, 2020	
NAV US\$ million	8,204
Market capitalization US\$ million	4,841
Holding discount	41.0%

Dividend Policy

On April 3, 2020, it was agreed to modify the dividend policy of AntarChile S.A. and reduce the percentage of net profits in the year to be distributed as dividends from 40% to 30%. That was decided considering that Empresas Copec modified its dividend policy in the same way and because of the need of maintaining a suitable level of liquidity at AntarChile S.A. due to a market affected by great uncertainty, particularly from the COVID-19 pandemic. To such effect, Empresas Copec decided not to distribute an interim dividend in December 2019 and 2020.

Historical Dividends

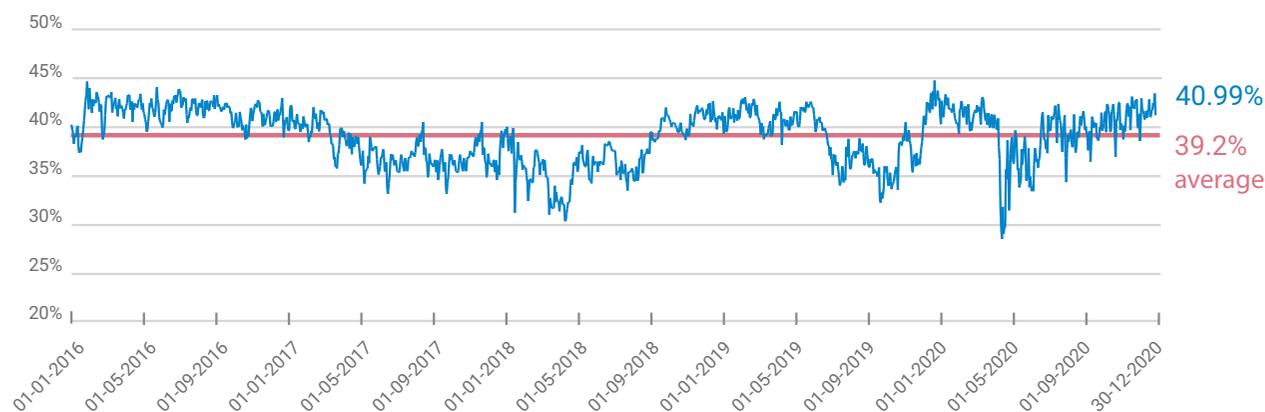
Year	Dividend N°	Amount per Share (US\$)	Total Historical Amounts (US\$'000)
2016	33	0.2747	125,367
2017	34	0.2896	132,171
2018	35	0.4361	199,044
2019	36	0.6340	289,334
2020	37	0.0890	40,618

AntarChile's historical share price versus the IPSA* (base 100 of January 2015)



* Selective stock price index

AntarChile holding discount



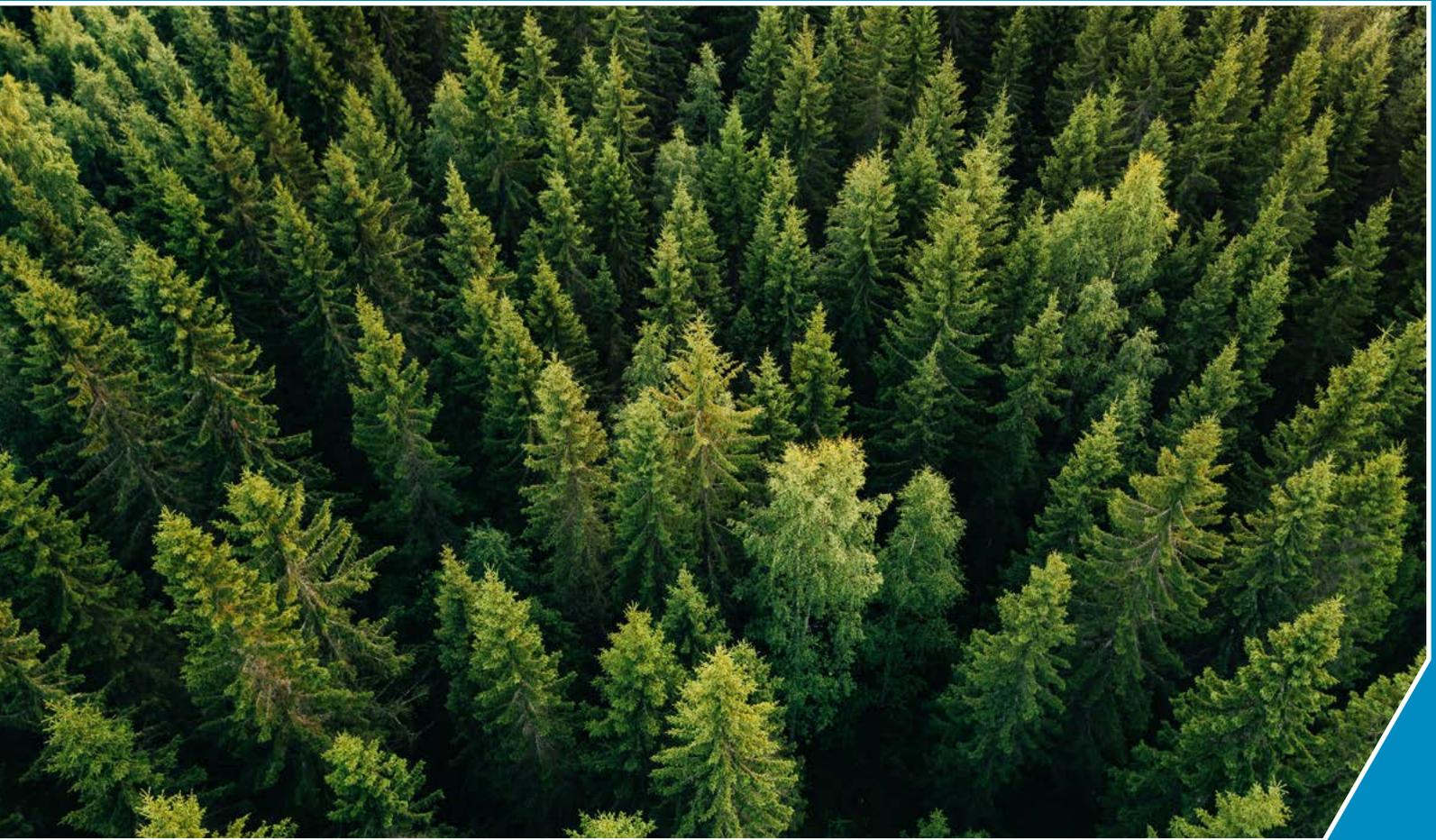


Chapter
04



Sustainable Management

The subsidiaries and associates of AntarChile S.A. have a leading position in the different productive sectors in which they operate, with the most important being the forestry, fuel distribution and fisheries sectors.



AntarChile S.A.'s permanent commitment for companies comprising the holding is to undertake responsible and sustainable business management, and the right risk management, to make a contribution to the country's economic, social and environmental development.

These elements have enabled the company to generate quality jobs, provide world-class products and services and add value for investors, based on respectful and collaborative community relations.



antarChile

98.5%

of the consolidated assets of
AntarChile S.A. correspond to
Empresas Copec S.A.



US\$ 2,160 million

Investments made by Empresas
Copec S.A., its subsidiaries and
associates in 2020.



US\$ 1,880 million

2021 investment
forecast

Investment Approach of AntarChile S.A

The main investment of AntarChile S.A. is the 60.82% shareholding in Empresas Copec S.A., one of the largest industrial holdings in Chile. Empresas Copec S.A. accounts for 98.5% of the company's consolidated assets. Due to this, the profitability and growth of AntarChile S.A. essentially depend in the long term on the performance of Empresas Copec S.A.

The subsidiaries and associates of Empresas Copec S.A. have a leading position in the different productive sectors in which they operate, with the most important being the forestry area through ARAUCO, and liquid fuel, lubricants, liquefied and natural gas sectors by means of Copec, MAPCO, Terpel, Abastible, Duragas, Solgas, Norgas, Sonacol and Metrogas.

Committed to sustainable management, its investment approach has the hallmark of stringent compliance with the laws and regulations on protecting the environment and generating social and economic value.

AntarChile S.A., through the subsidiaries and associates of Empresas Copec S.A., currently markets its products in over 80 countries and has productive assets in Chile, Argentina, Brazil, Canada, Colombia, Ecuador, the

United States, Mexico, Peru, Panama, Uruguay and the Dominican Republic.

Moreover, through the company Sonae ARAUCO, of which ARAUCO has a 50% stake with Sonae, it produces and markets MDP and MDF panels in Europe and South Africa.

Besides the permanent investment in different companies, AntarChile S.A. also has a 9.58% shareholding of Colbún S.A. The market capitalization of this investment amounted to US\$296.3 million for the year ended December 31, 2020.

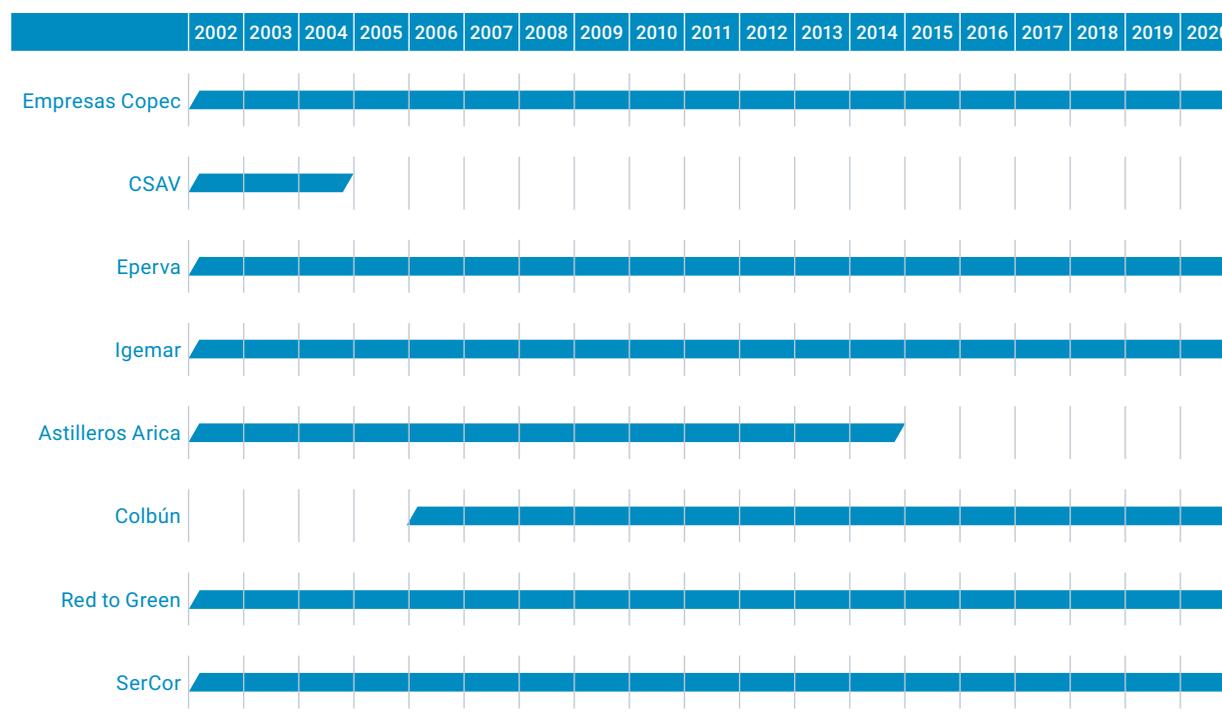
Investments

Investments are made by the subsidiaries and associates of AntarChile S.A. to develop their specific businesses.

The investments made in 2020 by the subsidiaries and associates of Empresas Copec S.A. amounted to US\$2,160 million, and the baseline investment plan for 2021 commits resources of about US\$1,880 million, which will be allocated to the growth and maintenance of productive activities.

Around 64.7% of the investment in 2021 will go to the forestry business and mainly due to the MAPA project, 30.0% to the fuels business, 0.7% to the fisheries business and 4.6% to other activities. As the current contingency may entail delays and postponement of projects, these figures could change.

Historical Presence in the Main Businesses



Financing

The company seeks to maintain a sound financial standing with an optimal leverage ratio and broad hedging of its financial expenses.

Risk Factors

Through its subsidiaries, AntarChile has operations in different areas related to natural resources and energy. The major risk factors vary depending on the types of business. Based on this, management of each of the indirect subsidiaries undertakes its own risk management in collaboration with the respective operating units.

General Risks

Macroeconomic risks

The subsidiary Empresas Copec has operations in Chile and other countries, such as Colombia, the United States, Canada, Panama, Peru, Uruguay, Brazil, Argentina, the Dominican Republic, Mexico, Ecuador, and through its associates in Germany, Spain, Portugal and South Africa. A worsening of the economic conditions of these countries might have a negative effect on its financial and operating performance. Moreover, exchange rate fluctuations, inflation, social instability, liquidity conditions for financing by means of debt or capital or changes in the tax rate and in the import and export tariffs, along with other political,

2020			Company net income	
Permanent investments	Shareholding %	Investment book value US\$ million	Total US\$ million	Proportional US\$ million
Empresas Copec S.A.	60.82	6,435	191	116
Pesquera Iquique - Guanaye S.A.	17.51	29	(3)	(1)
Empresa Pesquera Eperva S.A.	18.70	41	(9)	(2)
Red to Green	30.00	1	1	0
Servicios Corporativos SerCor S.A.	20.00	0	0	0
Celulosa ARAUCO y Constitución S.A. (ARAUCO)	0.0001	0	26	0



legal, regulatory and economic changes in those countries might hit the financial and operating results of Empresas Copec, its subsidiaries and associates.

Changes in the laws and regulations of operative sectors

Changes in the laws and regulations of the industrial sectors in which the subsidiary Empresas Copec operates could affect the conditions in which the operation is undertaken and therefore have a negative impact on the businesses and hence the company's results.

Facilities in Chile are exposed to the risk of earthquakes and eventual tidal waves

Chile is located in a seismic territory, putting plants, equipment and inventories at risk of earthquakes and tidal waves. A possible earthquake or other disaster could severely damage facilities and impact the estimated production, leading to it being impossible to meet customer needs. That could entail unplanned capital investments and lower sales, causing a negative effect on the company's financial results.

Climate change

A growing number of scientists, international organizations and regulators, among others, argue

that global climate change has contributed to, and will continue to, making it harder to predict the frequency and seriousness of natural disasters (including, among others, hurricanes, droughts, tornadoes, frosts, storms and fires) in certain parts of the world. Due to this, numerous legal and regulatory measures, along with social initiatives, have been implemented in different parts of the world endeavoring to reduce carbon dioxide emissions and other greenhouse gases, which could make a large contribution to global climate change. Moreover, public expectations about reductions of greenhouse gas emissions might lead to higher energy, transportation and raw material costs and could compel the company to make further investment in plants and equipment. As we cannot predict the impact of the eventually changing global climate conditions, nor can we predict the impact of the legal, regulatory and social response to concerns about global climate change, these events could have a negative impact on the businesses, financial condition, results of operations and cash flow of the company.

Other risks

In 2020, COVID-19 spread worldwide. The authorities around the world have adopted various measures for this situation, including quarantine, controls



at airports and other transportation hubs, travel restrictions and closure of borders, among many others. So far, the virus has caused large social upheaval of the operation of various industries and financial markets. The effects of a prolonged pandemic on the global economy and the company could include a change in the market prices of the products of some of the company's subsidiaries, logistical headaches, changes in demand, production restrictions, risks for the health and safety of employees, and price changes of the securities issued by the companies of the group, among other possible consequences.

As of October 2019, Chile has been affected by a climate of social and political instability, characterized by demonstrations and violence. The government has defined a social agenda that envisages a tax reform, changes in the health and pension systems, and the establishment of a guaranteed minimum wage, among other aspects. On the other hand, a schedule of referendums and elections has been established and is being executed to draft and approve a new Political Constitution. The effects of all this for the company are still under permanent assessment and will be informed timely.

Forestry Business

Price fluctuations of pulp, wood products and byproducts

The prices of pulp, wood products and byproducts might fluctuate significantly in short periods of time and have a high correlation with international prices. If the price of one or more products drops considerably, it could have a negative effect on the revenue of the indirect subsidiary ARAUCO, its results and financial standing. It should be considered that the main factors affecting the price of pulp, wood products and byproducts are global demand, the production capacity worldwide, the business approaches adopted by the top integrated producers of pulp, wood products and byproducts, the current inventory levels and the availability of substitutes.

Furthermore, the prices of many of the products that the indirect affiliate ARAUCO sells are to some extent correlated and the historic fluctuations of the price of a product have generally resulted in similar price fluctuations of other products.

The indirect subsidiary ARAUCO does not undertake futures contracts or other price hedging activities of its products, since by maintaining one of the lowest cost structures in the industry, price fluctuation risks are limited. With all the other variables constant, a +/- 10% change in the average pulp price in the year would lead to a change in ARAUCO's net income after tax of +/- 554.4% (equivalent to US\$140.3 million) and in ARAUCO's shareholders' equity of +/- 1.89% (equivalent to US\$140.3 million).

Greater competition in markets in which the indirect subsidiary ARAUCO operates

ARAUCO faces tough competition worldwide in each of the markets in which it operates and for each of its product lines. The pulp industry is sensitive to changes in the capacity of the industry and to inventory levels maintained by producers, and to the cyclical changes of the global economy. All these factors can have a major impact on sales prices, and therefore the company's profitability. Greater global competition in the pulp or wood market might have a material and negative effect on ARAUCO's business, its financial standing, results and cash flow.

Evolution of the global economy and particularly the economy in Asia and the United States

The global economy and especially industrial production worldwide are the main drivers of demand for pulp, paper and wood products. A drop in economic activity in the domestic or international market might affect demand and the sales price of ARAUCO's products and hence its cash flow, operating and financial income. ARAUCO's business might be really hit if the economic conditions change in Asia and the United States.

Plagues and forest fires

ARAUCO's operations are exposed to plagues that might affect the forests that provide the raw material, and forest fires that can spread to the production mills. The presence of both risks might have a major negative impact on ARAUCO's shareholders' equity.

To address the threat of forest fires, ARAUCO has increasingly reinforced its prevention and firefighting measures, its community relations, forest stewardship, among other measures, by means of various initiatives consolidated in the "De Raíz" (Root) program. The

insurance policy conditions and coverage have also been improved.

Environmental Risks

ARAUCO is subject to environmental laws and regulations on this issue in the countries in which it operates. Such regulations concern, among other matters, the preparation of environmental impact assessments of projects; protection of the environment and human health; waste generation, storage, management and elimination; airborne emissions, soil and water, and redress of environmental damage, if applicable.

As a producer of forest products, ARAUCO generates solid, liquid and gaseous emissions. These emissions and generation of waste are subject to limits or controls laid down by legal regulations or its operating permits. The authorities might request greater legal requirements to control the environmental footprint of projects. The company has made, and plans to continue making, disbursements to stay in accordance with environmental laws. Despite the fact that ARAUCO's policy fosters strict compliance with all the requirements established by law, breach of environmental laws and regulations could lead to a stoppage of temporary or definitive activities, fines, penalties or the imposition of obligations.

Future changes in environmental legislation or its applications, in the interpretation or application of this legislation, including stricter requirements for harvesting, emissions and climate change regulations might lead to large increases of capital requirements, operating costs and curtailment of operations.

One problem that some people have associated with climate change and which affects the whole world is water shortage. This issue has been visibilized by different national and international bodies. Due to this and as part of its ongoing commitment to undertake a sustainable activity, ARAUCO has set the goal of working on researching diverse initiatives to reduce water consumption at its industrial operations.

Temporary stoppage of any of the mills of the indirect subsidiary ARAUCO

A major stoppage of any of the productive mills in the forestry business could mean that ARAUCO is unable to



meet customer demand, it fails to achieve its production targets and/or needs to make unplanned investments, which might lead to lower sales and hit its financial results. Besides the fact that ARAUCO's facilities are exposed to risks of earthquakes and in some areas tidal waves, they might unexpectedly halt due to a series of events like: i) unscheduled stoppages for maintenance; ii) long outages; iii) critical equipment failures; iv) fires, floods, hurricanes or other disasters; v) spillage or release of chemicals; vi) explosion of a boiler; vii) labor problems and social conflicts; viii) terrorism or terrorist threats; ix) penalties by the environmental or work safety authorities; x) lack of steam and water; xi) blockades and strikes; and xii) other operational problems.

Exchange rate and interest rate risks

Most of the indirect subsidiaries in the forestry business have their accounting in US dollars. Nevertheless, they are subject to the risk of losses from exchange rate

fluctuations when assets and liabilities are expressed in currencies other than the functional currency. With all the other variables constant, a +/- 10% change in the US dollar to Chilean peso exchange rate would lead to a change in ARAUCO's net income in the year after tax of +/- 42.36% (equivalent to US\$10.719 million), and +/- 0.14% of ARAUCO's shareholders' equity (equivalent to US\$10.719 million).

Regarding the economic risks arising from interest rate variations, as of December 2020 9.1% of ARAUCO's bonds and loans with banks accrue a variable rate of interest, so a +/- 10% change in the interest rate would affect ARAUCO's net income in the year after tax of +/- 0.42% (equivalent to US\$106,000) and shareholders' equity by +/- 0.001% (equivalent to US\$106,000).

The variations indicated in this section are fluctuation ranges that are deemed possible given market conditions.



Fuels Business

The company, through its indirect subsidiaries Copec and Abastible, has a leading position in the liquid fuel and liquefied gas distribution sector in Chile. It also operates in Colombia, through its indirect subsidiaries Terpel and Norgas, and in Peru and Ecuador through Solgas and Duragas, subsidiaries of Abastible. It also has operations in the United States through MAPCO, a company acquired by Copec in late 2016. The supply in these countries is mostly from local companies. Despite this, the company can access alternative fuel supply markets to assure and optimize product supply and distribution to the public.

The major risk for the liquid fuel and liquefied gas distribution businesses is essentially the distribution margin, rather than the price of crude oil and its byproducts. The distribution margin largely depends on competition factors that arise daily in markets. Since

they are products with low price elasticity, eventual increases or decreases in the crude oil price or in the exchange rate have relatively little effect on the volumes traded in the market.

Notwithstanding this, the value of the company's inventory is indeed affected by changes in international fuel prices. The company's policy is not to hedge the value of the permanent stock, as the increases and decreases that arise are offset in the long term. This is not the case with specific overstocks in which, due to market pricing methodology, the company has not found a hedging instrument that fully mitigates this risk.

In turn, fuels compete against alternative energy sources. Natural gas, firewood, diesel and electricity are substitutes for liquefied gas.

On the other hand, electromobility is a trend that has gained ground in many countries, with a more limited

scope in Chile and the region for the time being, but it could affect the liquid fuel distribution business and therefore hit the company's results.

The indirect subsidiaries in the fuels business, which account for about 26% of the company's total assets, have their accounting in Chilean pesos, Colombian pesos, Peruvian soles and US dollars. Their financial assets and liabilities and most of their earnings are expressed in these currencies, so exposure to exchange rate variations is greatly reduced. However, at parent company level, changes in the exchange rate affect the value in US dollars of investments and the results obtained in such sector.

Environmental Risks

Indirect subsidiaries in the fuels business have the main safety, occupational health and environmental management certifications for the fuel marketing, transportation, operation, storage and supply processes.

Future changes in environmental legislation or its applications, in the interpretation or application of this legislation might lead to considerable increases in capital needs, operating costs and operation limitation.

Fisheries Business

In this sector, the availability of pelagic species at the different fishing grounds is a decisive factor in the results. Another risk factor is the market price of fishmeal and fish oil, obtained from the equilibrium of supply and demand. Peru's production is very decisive regarding supply, and consumption in Asia in general, and China in particular, with respect to demand.

Being a sector that exports most of its production, the result of its operations is sensitive to foreign exchange variations, and to the export promotion policies of competitor countries. Fishmeal and fish oil are essentially traded in US dollars, so a large percentage of the company's revenue from this sector is indexed to that currency. Due to this characteristic, bank debt that companies generally

have is thereby shipment advances in US dollars. The necessary conversion to Chilean pesos of a large portion of the revenue is therefore exposed to exchange rate variations, and this risk can be limited by using currency forwards or other financial instruments.

Those sales agreed on in a currency other than the US dollar are generally converted to such currency by using forward sale contracts that dollarize such earnings. This eliminates the risk of the volatility of those currencies against the US dollar. The costs of the fisheries business are highly sensitive to changes in fuel prices, specifically diesel and bunker oil.

In the regulatory area, the application of catch quotas, closed seasons and restrictions imposed by the authorities can greatly affect the production of subsidiaries and associates in this sector.

Moreover, as the fisheries sector is highly regulated, the results of companies that operate in this sector can be affected by eventual changes in legislation and the current regulation.

Chilean Credit Rating ⁽¹⁾

Credit Ratings	Shares	Debt
Fitch Chile Clasificadora de Riesgo Ltda.	First Class Level 2	AA-
Feller-Rate Clasificadora de Riesgo Ltda.	First Class Level 2	AA-

(1) The Chilean credit rating of AntarChile S.A.'s shares was adjusted to the provisions of Securities Market Law N°18.045. This credit rating by Fitch Chile Clasificadora de Riesgo Ltda. includes the financial statements as of June 30, 2020 in the analysis, and the rating by Feller-Rate Clasificadora de Riesgo Ltda. as of September 30, 2020.



Performance Analysis

Results in the Year

In 2020, AntarChile S.A. had consolidated net income, excluding the minority interest, of US\$129 million, a 2% increase on net income of US\$127 million in 2019. Such increase was mainly due to non-operating income climbing US\$141 million and a lower tax expense of US\$35 million. That was partly offset by operating income dropping US\$206 million year-over-year (YoY).

Summarized net income in the year	2020 US\$ million	2019 US\$ million
Operating income	637	843
Share of profit (loss) in associates	(27)	(92)
Other non-operating income	(304)	(380)
Income tax	(87)	(122)
Net income in the year	219	250
Net income of minority interest	91	123
Net income of controlling interest	129	127

Operating Income

The company had operating income of US\$637 million in 2020, US\$206 million down on the US\$843 million in 2019. That was mainly due to the lower performance of the fuels business (-US\$159 million) at Copec Chile and Terpel, related to lower sales volume from the mobility restrictions of the sanitary crisis, a negative revaluation of inventories and the effect of local currency depreciation. That was partly offset by an operating income increase at MAPCO from higher unit margins.

The forestry business also posted a drop in operating income (-US\$36 million), due to lower pulp revenue (-16.0%) from a 15.4% price decrease and lower sales volumes. The wood products revenue was down 7.0%, associated with panel prices and sales volumes dropping 8.1% and 3.7%, respectively.



Abastible also had lower operating income (-US\$6 million) due to an exchange rate effect, since income in Chilean pesos increased on account of the higher sales volumes in Colombia, Ecuador and Chile.

	2020 US\$ million	2019 US\$ million
Operating income		
Gross margin	2,821	3,264
Distribution costs	(1,229)	(1,353)
Administration expenses	(955)	(1,067)
Operating income	637	843

Non-operating Income

AntarChile S.A. had a non-operating income loss of US\$331 million in 2020, which was US\$141 million less negative than that of the previous year. That was mainly due to recognition of impairment charges at Mina Invierno, ARAUCO and Alxar amounting to US\$243 million and stated in the last quarter of 2019.

There was also a non-operating income increase at the indirect subsidiary ARAUCO (US\$41 million) due

to increased other revenue, explained by a higher revaluation of biological assets and recovery of fiscal credits, and a drop in other expenses, on account of lower provisions and write-offs of fixed assets. That was partly offset by decreased other earnings, because of the acquisition of Masisa’s assets in Mexico in 2019.

	2020 US\$ million	2019 US\$ million
Non-operating income		
Earnings and financial costs	(347)	(348)
Other profit (loss)	86	25
Share of profit (loss) in associates	(27)	(92)
Exchange rate difference and monetary correction income	(43)	(58)
Non-operating income	(331)	(472)

Cash Flow

The company’s cash flow in 2020 was -US\$67 million, which was a decrease on the cash flow of US\$508 million in 2019.



The operating cash flow as of December 2020 rose US\$946 million on the previous year, largely explained by lower payments to suppliers at Copec and ARAUCO, lower tax and higher other charges at the latter. That was partly offset by lower sales charges at Copec and ARAUCO.

The investing cash flow accrued in the fourth quarter of 2020 was US\$466 million less YoY. The main reason was the higher investment in property, plant and equipment at ARAUCO due to the MAPA project (US\$747 million) and the sale of the interest in Puertos y Logística S.A. in 2019. That was partly offset by lower disbursements to gain control of subsidiaries or other businesses due to the purchase of the assets of Masisa Mexico in 2019.

The financing cash flow dropped US\$1,119 million YoY, mainly explained by lower proceeds from long-term loans at ARAUCO. That was partly offset by the receipt of funds from the loan taken out by Empresas Copec S.A. and loans secured by Copec, along with lower dividends paid.

Cash flow	2020 US\$ million	2019 US\$ million
Operating	1,903	957
Investing	(2,132)	(1,666)
Financing	141	1,260
Exchange rate effect	21	(42)
Net increase in cash and cash equivalents	(67)	508

Distribution of Profits

For the year ended December 31, 2020, the company's subscribed and paid-in capital was US\$1,391,235,491, divided into 456,376,483 subscribed and paid-up shares.

Net income was US\$128,926,468.63 for the year ended December 31, 2020, which was proposed to be distributed as indicated below:

Distribution of profits	US\$
To retained earnings	86,483,455.71
To cover final dividend N°38 of US\$0.093 per share to be distributed	42,443,012.92
Net income in the year	128,926,468.63

If the shareholders' meeting approves the distribution proposal, the breakdown of equity will be as follows:

Capital and reserves	US\$
Issued capital	1,391,235,491
Other reserves	
Conversion reserves	(1,187,926,206)
Hedging reserves	(32,733,131)
Reserves for defined benefits	(17,648,469)
Reserves available for sale	(32,125,889)
Legal and statutory reserves	1,825
Other sundry reserves	(199,011,969)
Retained earnings	
Shareholders' equity adjustment, first adoption	591,019,627
To reserves for future dividends	3,504,825,867
Changes in retained earnings	2,661,573,141
Capital and reserves	6,679,210,287

The board of directors agreed to propose to the ordinary general shareholders' meeting the distribution of a final dividend of US\$0.093 per share. This amount gives a total dividend distribution of US\$42.4 million, which accounts for 32.92% of the distributable net profit in 2020, as shown in the breakdown below:

Distribution of dividends	US\$'000
Profit in the year according to the balance sheet	128,926
(+) Distributable profit adjustments	11,828
Distributable net profit	140,754
30% minimum legal dividend	42,226
Effective dividend:	42,443
Final dividend of US\$0.093 per share proposed by the board to be distributed	
Total dividend for income in 2020	42,443

Financial Indicators

Financial indicators	2020	2019
Liquidity (current assets/current liabilities)	2.3	2.2
Profitability (net income/shareholders' equity)	1.9%	1.9%
Leverage (liabilities/shareholders' equity)	1.3	1.2

Contracts and Transactions with Related Entities

The company has different contracts and commercial operations with subsidiaries and associates, which are

within the conditions and practices prevailing in the market when entering into them.

- There are two contracts with Servicios Corporativos SerCor S.A., an associate of the company: the first is to conduct studies, management control, corporate governance, investor relations, internal auditing, corporate data security, corporate communications, presidency services and tax advisory services; and the second is for shareholder administration services.
- There is a contract with the associate Red to Green S.A. for computing and development services, and for system maintenance.
- The company has a leasing contract with Inversiones Siemel S.A. for the offices it uses at Av. El Golf N°150, floors 19 and 21, Las Condes, Santiago. The final controllers of Inversiones Siemel S.A. are the same as those of AntarChile S.A.
- The company has a permanent legal advisory contract with the law firm of Portaluppi, Guzmán y Bezanilla Asesorías Ltda. A partner of such law firm is a director of AntarChile S.A.

The company intends to renew these contracts and commercial operations in the future, insofar as their conditions remain similar to those prevailing in the market. Further information on transactions with related entities may be found in Note N°18 to the company's financial statements.

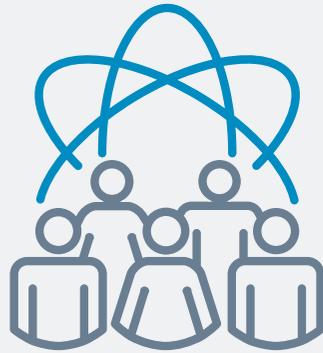
Trademarks, Patents and Licenses

AntarChile S.A., an investment holding, is the holder of the trademarks related to its business name, which include "AntarChile," a trademark registered under N°754632 and N°760022 and issued by the National Institute of Industrial Property (INAPI, according to the Spanish acronym).

The company's subsidiaries and associates have trademarks, patents, licenses, franchises and royalties, under which they market their products and services and undertake their operations, and information about these is provided in the annual reports of each company.



Chapter
05



Sustainable **Relations**

We develop initiatives and projects that connect economic development to the generation of social value, care of the environment, and promotion of innovation and scientific research.

Sustainable Relations



The focus on people is a principle shared by AntarChile S.A. and its subsidiaries and associates. To such effect, the company has implemented permanent measures over time aimed at enhancing relations with the surroundings and making a contribution to community development, not only becoming a good neighbor but also a major player in their growth and the improvement of their quality of life, health and education.

The pandemic has made it necessary to particularly focus on putting measures in place to mitigate the effects on the community and within organizations, and to offer help, contention and support, especially for the most vulnerable groups.

The company has established partnerships and collaboration networks for this with different institutions engaged in health, education, enterprise and community support, revealing the value of collaborative work and efficiently and specifically meeting the needs of society and showing commitment to it.

Support in the Pandemic

ARAUCO developed various initiatives to support entrepreneurship like “ARAUCO Emporium-Acerca Redes,” “Voy por ti” (I’m Supporting You) or “Juego Local” (Home Game), aimed at small entrepreneurs and vulnerable people in the areas where the company operates. It also participated actively in the delivery of food boxes as part of the campaign driven by the Confederation of Production and Commerce (CPC, according to the Spanish acronym) to reach more families in need. This solidarity duo led to the delivery of more than 5,000 food boxes in 28 districts in Chile.

Copec implemented the “Copec at the Service of Chile” program, which considered initiatives concerning health, food, heating and donations related to different institutions.

Golden Omega made contributions to various institutions in Arica, including the Family Center, the

Fire Department, the Health Service and the Regional Intendency.

Abastible rolled out the “Abastible Solidarity Plan,” by means of which it made donations of liquefied gas, heaters, gas cylinders and monetary resources to vulnerable groups and public health institutions. It participated in the “Chile Shares Heat” campaign, in partnership with the Techo Foundation, which delivered heating to over 10,000 highly vulnerable families and made large contributions, particularly regarding heating, to the National Shelter Network of the Ministry of Social Development and Family, to Family Health Centers (CESFAM, according to the Spanish acronym), rural walk-in clinics and homes of the National Service for the Elderly (SENAMA, according to the Spanish acronym).

Norgas in Colombia developed a corporate social responsibility (CSR) strategy, which considered the delivery of food to people affected by the contingency. It developed different campaigns for this, some undertaken jointly with Fundación Éxito, which benefited over 8,500 families.

Corpesca participated in the “I Hire Locally” labor fair, and through the Asociación de Industriales Pesqueros del Norte Grande (ASIPNOR) it also participated in the sanitization of fishing coves and the delivery of personal protective equipment, among other initiatives. Lastly, to mitigate the effects of the pandemic, Corpesca S.A. donated laboratory equipment, medical supplies, sanitation tunnels and thermal imaging cameras for health institutions and organizations in the regions where it is present, along with delivering food to solidarity feeding centers and community centers.

Terpel launched the #JuntosSaldremosAdelante campaign in Colombia, in which it donated more than 122,000 gallons of fuel and thousands of food boxes, which benefited over 1.7 million people in 750 municipalities.

Orizon: in partnership with Red de Alimentos, for two months Jurel San José provided over 238,000 food rations to 34 solidarity feeding centers, homes for children and



the elderly. It also delivered more than 1,500 food boxes to different organizations in Coquimbo and the Biobío region.

Arcoprime: workers of the fuels team launched a campaign to support vulnerable families, donating over 17,000 food rations and undertaking enhancement works in community sectors. The workers collected more than 460 gifts to give to children in La Pintana, Playa Ancha and 5 de Abril.

Education and Innovation

Integral Healthcare Center in Hierro Viejo: Alxar continued more than ever to support this Center that attends poor children with disabilities.

Continuity of education: ARAUCO prioritized the continuity of education in the districts around its facilities. It thereby donated over 300 computers to different towns and worked on collecting devices to connect children to their virtual classes.

Educational Foundation: ARAUCO continued to design and implement teacher training programs in the Maule, Biobío and Los Ríos regions, with the aim of providing better development opportunities for children and youngsters. Throughout its history, it has therefore benefited around 100,000 pupils, 34 districts, 575 schools and 5,400 teachers. The schools Arauco Constitución and Cholguán, which are open

to the community and are managed by the subsidiary ARAUCO, are renowned nationwide every year for their performance and academic excellence.

Enseña Chile: Empresas Copec S.A. continued to support this institution, which selects and trains young professionals who want to devote their first few working years to teaching at vulnerable schools, so as to build a network of change agents capable of making an impact on the educational system.

Admiral Carlos Condell Ocean Institute: as part of the collaboration agreement that Corpesca S.A. has with this institute, the company made contributions to the education, training and employability of students. On the other hand and to make a contribution to the development of non-professional fishermen in the Arica y Parinacota, Tarapacá and Antofagasta regions, there were a host of production promotion projects, economic and educational contributions for their children, along with a technical training program.

Terpel Foundation: this organization helps to improve the quality of education and training of children, youngsters and teachers in Colombia. In 2020, this Foundation benefited 238,000 people by means of various programs.

We help with the best we have: in this campaign implemented by Orizon food and tablets were delivered to various schools in Coronel. Moreover, the company



donated 40 computers to the children of the Belén Educa Foundation.

Innovation

Copec-Catholic University Foundation: in the year it continued to work on driving applied scientific research, the creation of partnerships between public and private bodies that are engaged in research and development, and the dissemination of the scientific and technological advances in the natural resources area. In 2020, it held the R&D+i Regular Competition, awarding UF12,000 to four projects; the R&D+i Competition for young researchers with 82 initiatives from universities, research centers, companies and natural persons throughout Chile; and the Higher Education Student Competition: Aplica tu idea (Apply your Idea), which awarded 11 projects aimed at resolving major issues in the natural resources area. There was also the creation of a private investment fund with the backing of the Chilean economic development agency (CORFO, according to the Spanish acronym), which provides capital resources to technological development projects with large growth potential.

Anacleto Angelini-Catholic University (UC) Innovation Center: this promotes the meeting and interaction of the academic and business worlds to generate knowledge and applied innovation that meet the country’s needs. It is an open forum in which all companies and enterprises wishing to promote a pro-innovation culture can participate.

Elemental: this do tank, developed by Copec, the Pontifical Catholic University of Chile and a group of professionals to make the city a source of equality with urban projects of public interest and a social impact, carried out important projects concentrated in public areas, buildings and houses.

Support of enterprise: ARAUCO also made a commitment to support entrepreneurs in difficulties due to the pandemic with programs like “ARAUCO Emporium-Acerca Redes,” “Voy por ti” (I’m Supporting You) or “Juega Local” (Home Game) to support enterprise, aimed at small entrepreneurs and vulnerable people in the areas where the company operates.

Awards and Accolades

MERCO RANKING



Empresas Copec led the MERCO ranking in the business holding sector, and Copec and Terpel obtained first place in the MERCO ranking of responsibility and corporate governance in the energy and distribution and hydrocarbon sectors, respectively. Abastible was recognized as one of the 50 companies with the best corporate reputation, and Copec was distinguished in the MERCO consumption ranking for its commitment and social responsibility during the pandemic.



CHILE 3D

Arcoprime was distinguished in the Chile 3D survey for its Punto outlets, and Copec as a leading brand in its area.

CORPORATE REPUTATION



Empresas Copec received The Voice of the Market Award for its corporate governance practices. It was also nominated in all the categories of ALAS20.

Abastible obtained first place in the Ipsos-INC 2020 Corporate Reputation ranking in the gas company category.



CONSUMERS

Abastible was distinguished as the “Best Liquefied Gas Company” in the consumer loyalty survey by Alco and Praxis Xperience Index, and Copec received the same recognition in its category.



QUALITY

Copec received a ProCalidad Award in the gas station category, as did Arcoprime in the minimarket category, for the excellent and quality service provided to customers throughout Chile.

ARAUCO North America was distinguished by Home Depot in the construction materials category for its quality as a supplier.



EMPLOYMENT AND SUPPLIERS

Corpesca S.A. obtained the ProPyme certification, which distinguishes companies that are committed to paying their suppliers in 30 days.

MAPCO was selected as one of the best companies to work for in Tennessee, according to the Zippia ranking, which considers information on wages, diversity and the financial situation of companies.

Solgas was distinguished as a Leading Company on Change 2020 by the Good Employer Association of the American Chamber of Commerce of Peru.



SUSTAINABILITY

Empresas Copec S.A.’s climate change ranking was upgraded to B in the Carbon Disclosure Project.

Terpel was listed in the SAM Sustainability Yearbook 2020 for its sustainable performance, and received an Emprender Paz Award for the development of sustainable initiatives, and a Portafolio 2020 Award in the human resources management category. The company was recognized in the PAR ranking as one of the three companies with the greatest gender equality.

Copec was distinguished by Cadem as one of the 20 citizen brands with the greatest impact on society and the quality of life.

Corpesca S.A. received the COVID-19 seal from the Chilean Safety Association for its preventive work.

Chapter
06



Subsidiaries and Associates

*The focus on people is a principle shared by
AntarChile S.A., its subsidiaries and associates.
To such effect, the company has implemented permanent
measures over time aimed at enhancing relations with the
surroundings and making a contribution to community
development.*



Empresas Copec S.A.

For the year ended December 31, 2020

Taxpayer ID

N° 90.690.000-9

Shareholding of AntarChile S.A.

60.82%

Percentage of individual assets of the company

93.47%

Paid-in and subscribed capital

US\$ 686 million

Board of Directors

CHAIRMAN

Roberto Angelini Rossi (*)

VICE-CHAIRMAN

Jorge Andueza Fouque (*)

DIRECTORS

Andrés Bianchi Larre

Manuel Bezanilla Urrutia (*)

Juan Edgardo Goldenberg Peñafiel (*)

Arnaldo Gorziglia Balbi

Francisco León Délano

Andrés Lehedé Bromley (*)

Gabriel Bitrán Dicowsky

CEO

Eduardo Navarro Beltrán

(*) Roberto Angelini Rossi is the chairman of AntarChile S.A.; Jorge Andueza Fouque is the vice-chairman; Juan Edgardo Goldenberg Peñafiel and Manuel Bezanilla Urrutia are directors. Andrés Lehedé Bromley is the CEO.

Company Information

The company was founded in 1934 with the name of Compañía de Petróleos de Chile S.A. (Copec) to commercialize and distribute fuels in Chile. As of 1976 it started to become a business consortium with investments in various productive sectors, such as forestry, fisheries and energy, among others.

In 1986, the Angelini Group acquired 41% of Copec's capital stock, gaining control of the company and launching a restructuring process, and over time the company had successful and sound business growth and diversification. It has thereby driven an investment plan in the last 20 years, which up to 2020 amounted to US\$23,992 million.

The baseline investment plan established for 2021 commits resources of around US\$1,880 million, which will be allocated to the growth and maintenance of productive activities. About 64.7% of that amount will go to the forestry business, mainly due to the MAPA project, 30% to the fuels business, 0.7% to fisheries and 4.6% to other activities. As the current contingency may entail delays and postponement of projects, these figures might change.

The financial and equity standing of Empresas Copec S.A. for the financial years of 2020 and 2019 is shown in the "Summarized Financial Statements" chapter.

2020 Results

Empresas Copec S.A. had consolidated net income of US\$191 million in 2020, which was a 10.8% increase on the US\$172 million in 2019 and both figures exclude the minority interest.

That is explained by non-operating income with lower losses in associates, and other expenses, along with higher other revenue. That was partly offset by a drop in operating income, mainly due to a lower performance of the forestry business from pulp price and volume decreases.

Forestry Business

The investment of Empresas Copec S.A. in the forestry business has been channeled through ARAUCO (Celulosa Arauco y Constitución S.A. and subsidiaries), one of the leading forestry companies in Latin America and which has consolidated in the international area as an innovative company committed to sustainable development. The company, which stands out for its surface area and the performance of its plantations, produces pulp, sawn timber, panels, forest products and energy.

The most important assets of the company are the 1.7 million hectares of forest assets in Chile, Argentina, Uruguay and Brazil, of which 1 million hectares are for forest plantations, 496,000 for native forests, 109,000 for other uses and 82,000 hectares to be planted.

The company has seven pulp mills in Chile, Argentina and Uruguay with a production capacity of 4.0 million tons a year. In Chile, Argentina and Spain it has nine sawmills that can produce 3 million m³ of timber per annum, and five remanufacturing plants, which produce different products like moldings, cut pieces and finger joints. It also has 29 panel mills with a total production capacity of 10 million m³ a year in Chile, Argentina, Brazil, Mexico, the United States, Canada, and through Sonae ARAUCO in Spain, Portugal, Germany and South Africa.

Moreover, it has ten biomass-fired electric power generating plants in Chile with an installed capacity of 606 MW; two power generating plants in Argentina with an installed capacity of 82 MW; and another in Uruguay of 91 MW; along with commercial offices in 13 countries.

In 2020, ARAUCO's production amounted to 3.7 million tons of pulp, 3.1 million m³ of sawn timber including plywood, and 6 million m³ of panels. Sales

were US\$4,733 million, with pulp accounting for 42.1%, wood products for 55.4% and forestry products 2.5%.

It should be highlighted that in the year the company secured carbon neutrality certification and is the world's first forestry company to achieve this objective. This means that the carbon dioxide it captures is higher than its global emissions, besides being a major contribution to addressing climate change.



7 pulp mills in Chile, Argentina and Uruguay with a production capacity of 4 million tons.



9 sawmills in Chile, Argentina and Spain that produce 3 million m³ of timber a year.



29 panel mills in Chile, Argentina, Brazil, Mexico, the United States, Canada, Spain, Portugal, Germany and South Africa with a **production capacity of 10 million m³ a year**.



10 biomass-fired electric power generating plants in Chile with an installed capacity of 606 MW, **2 power generating plants** in Argentina with an installed capacity of 82 MW, and **1 power generating plant** in Uruguay with an installed capacity of 91 MW.



Commercial offices in 13 countries.

Regarding investments, the Arauco mill modernization and expansion (MAPA, according to the Spanish acronym) project had progress of 70% in 2020. MAPA entails the closing of production line 1 and the retrofit

of line 2. It also considers the construction of a new line 3 with a production capacity of 1.56 million tons of pulp a year. The project entails an investment of US\$2,350 million.

Furthermore, the company acquired Odd Industries, a pioneer ethically-driven industrial artificial intelligence company. The aim of this acquisition is to generate synergies to develop and apply new technologies to fight climate change.

On the other hand, the eucalyptus processing line started up at the Jaguaríaiva mill in Brazil, and in North America a new painted MDF molding line was implemented at the Moncure mill. In Argentina, the company inaugurated the Folio line at the Zárate mill that produces foliated boards, and at Durango in Mexico wood shavings and sawdust began to be injected into the MDF production. The company started to produce dissolving pulp at the Valdivia pulp mill in Chile, which will increase supply and make it the number three producer in Latin America.

In another area and in line with the effects a highly competitive market has had to address, after a deep production capacity and efficiency analysis, in 2020 the company closed the MDF mill at Bennettsville in South Carolina (USA). It also stopped the PB line at Moncure in North Carolina and closed the MDF mill at Eugene in Oregon.

Regarding product launches, the highlight was the launch in Chile of dimensional green timber, dry and planed timber and floor sheathing. In Argentina, the company developed antimicrobial melamine panels, and in Mexico it created the Vitta collection of antimicrobial melamine panels. In Brazil, it launched new melamine panels and melamine panels with copper nanoparticles, and in North America it developed new melamine designs for PB and MDF.

Concerning the sanitary crisis, the governments in most of the countries where ARAUCO operates declared the company as "essential," which enabled it to maintain operations and mitigate the negative effects on customer and product demand. Due to this, the company put strict protocols in place to protect employee health and safety at industrial operations and commercial offices. During the year, the company

adopted remote working measures, along with the application of preventive tests, and sanitization of facilities and personnel transportation, among other measures.

2020 Results

ARAUCO posted net income of US\$26 million in 2020, which was a decrease of US\$36 million on 2019. That is explained by operating income dropping US\$36 million due to a decrease in revenue in the pulp business from sales price and volume decreases.

On the other hand, non-operating income was US\$41 million up on the previous year, because of greater other revenue, a higher revaluation of biological assets and recovery of fiscal credits. Other expenses also decreased on account of lower provisions and write-offs of fixed assets.

There was also a lower tax expense of US\$41 million.

Liquid Fuels

Copec has a leading position in Chile in the liquid fuel and lubricant distribution market, in which important domestic and multinational companies operate. This position, maintained over the years, is due to its service quality and sales volume. All this is leveraged by sound positioning of the Copec brand, by service excellence, prestige, logistical efficiency and ongoing product and service innovation. Through its subsidiary Terpel, the company operates in Colombia, Ecuador, Panama, Peru and the Dominican Republic and, through MAPCO, in the states of Alabama, Arkansas, Georgia, Kentucky, Mississippi, Tennessee and Virginia in the United States.

Copec's distribution network comprises 673 gas stations from Arica to Puerto Williams, 94 Pronto convenience stores, 312 Punto outlets, 18 fuel storage plants with a total capacity of 545,000 m³, and a lubricant plant at Quintero in the Valparaíso region, with a production capacity of 142 million liters a year. It also has 65 lubricating oil change areas and 169 Lavamax car washes.

In 2020, Copec had total physical sales in Chile of 8.9 million m³, a 12% decrease on the previous year.



It also attained a market share of 58.6%. Sales in the dealer channel were 5 million m³, 10.7% down on 2019. Sales in the industrial channel were 3.9 million m³, dropping 13.5% on the previous year. Physical sales of lubricants were 92.9 million liters, a 1.7% decrease on 2019, and the market share of this segment was 49%.

In regard to investments, Copec inaugurated eight gas stations in urban areas at Hualpén, Malalhue, La Florida, Ovalle, Pelluhue, San Carlos, Tierra del Fuego and Tortel. It also inaugurated a highway gas station in Antofagasta.

On the other hand, in late 2020 it inaugurated the El Conquistador charging station in the district of Maipú, and this project required an investment of US\$80 million and was developed jointly with Kaufmann and the operator Servicio de Transportes de Personas (STP, according to the Spanish acronym). This is the largest charging station in Chile and Latin America, and it has a surface area of 15,000 m², 57 high power chargers and a fleet of 215 electric buses with a capacity of 90 passengers each and an autonomy of 300 kilometers, which can transport over 600,000 people in 17 districts of Santiago.

COPEC

673

gas stations

from Arica to Puerto Williams



95 Pronto convenience stores



312 Punto outlets



18 fuel storage plants with a capacity of 545,000 m³ and a lubricant plant with a production capacity of 142 million liters a year.

Regarding innovation for customers, Copec launched the Nuevo fuel payment application (replacing Pago Click) and products at Pronto Copec, along with the



Muevo Empresas app for SMEs, the Mobil website and social networks, and the Copec virtual store.

In terms of corporate business consolidation, the company renewed its contract with Minera Sierra Gorda and with the Los Bronces, El Soldado and Chagres divisions of Anglo American. It also won a tender to supply Minera Caserones, and another with Codelco to supply six of its mining divisions. It was also awarded new services with the Zaldívar, Centinela and Antucoya mining companies of the Antofagasta Minerals Group and with Mantos Blancos and Mantoverde of Mantos Copper.

On the other hand, Copec's industrial channel was awarded supply contracts with Sotraser, Salares del Norte, Grupo, Turbus, Redbus, YPFB, Kinross, Metbus, Transportes Bello, Atlas-Polar, Nazar, DAP, ARAUCO MAPA, Buses Hualpén, Tricolor and Teck Quebrada Blanca, and in the aviation segment it was awarded contracts with Jetsmart, Alitalia Cargo, Lufthansa Cargo, Aeroméxico, Emirates Cargo and Sky.

In terms of business performance, it was undoubtedly a tough year due to the pandemic that required

adjustments to the way of working, with the company taking measures to protect employees and customers. Copec thereby implemented remote working for administrative tasks and protection and prevention programs for all workers and employees. This resulted in a low infection rate, maintaining the company operative throughout the country. The company also put measures in place to help strategic partners with an incentive program for carriers and another program to assist and provide support to dealers.

Organización Terpel

Terpel, the leading brand in all the countries where it operates, markets and distributes liquid fuels and lubricants in Colombia, Panama, Ecuador, the Dominican Republic and Peru; natural gas in Colombia and Peru; and aviation fuel in Colombia, Panama, the Dominican Republic and Peru, with its hallmark being by a sustainable competitive strategy.

The company markets liquid fuels by means of the Terpel brand, lubricants under the Mobil and Terpel

brands, natural gas under the Gazel brand, and electric chargers under the Voltex brand.

The company currently has a network of 2,010 gas stations in Colombia, 155 in Panama, 103 in Ecuador and 45 in Peru. It also has 60 convenience stores in Colombia, 43 in Panama, eight in Ecuador and 12 in Peru. It also operates 242 compressed natural gas fueling stations in Colombia.

In line with forecasted growth, in 2020 the company inaugurated three liquid fuel stations in Colombia, three in Panama and three in Ecuador.

In 2020, Terpel's physical sales dropped due to the sanitary and economic crisis. Sales in the segment of gas stations and industrial customers were 7.4 million m³, 15.8% down on those in 2019. The aviation segment had sales of 0.7 million m³, a 58.2% decrease on 2019, whereas the compressed natural gas area had sales of 0.3 million m³, 33.1% down on the previous year. The lubricants business had sales of 133,400 m³, a decrease of 20% on the previous year.

One of the investment highlights in the year was the start-up of the first charging station under the Terpel Voltex brand, ending the year with three electric vehicle charging stations to attend electric buses of the public transportation system in Bogotá. The company also created the subsidiary Stem – Terpel to develop energy storage projects.

The company launched five new products in the lubricants segment for Mobil Super 2000 and 3000, and another two for Mobil Super Moto MX.

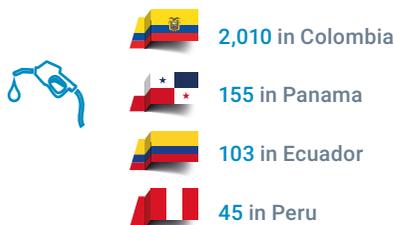
Terpel also implemented the virtual network digital transformation strategy, making large progress and updates to improve the efficiency of processes, and undertaking electronic billing at the retail point of sale.

Due to the sanitary crisis, the company conducted training on prevention of COVID-19 and carried out a communication plan through the Talento Terpel a Tu Servicio (Terpel Talent at Your Service) program to bolster collaboration among teams. It put a series of measures in place to maintain the continuity of its



2,313
gas stations
in Latin America

Gas stations



Convenience stores



operations, including the implementation of remote working for 67% of the administrative and commercial area. In the case of storage and lubricant plants and airports, it organized shifts and enhanced the safety protocols. There were modifications to the customer service standards at gas stations to prevent infection, with initiatives like the use of sign language being added.

Furthermore, Terpel created the #JuntosSaldremosAdelante campaign, which included initiatives such as donations to the food bank, support of the Colombian Civil Air Patrol to transfer samples and protection kits, and the raising of funds to deliver 2,000 mechanical ventilators. By means of this campaign, the company donated over 122,000 gallons of fuel and delivered thousands of food boxes, benefiting more than 1.7 million people in 750 municipalities.



335

gas stations

MAPCO's distribution network in the United States



131 dealers of different brands are supplied by MAPCO

MAPCO

The company has 335 gas stations in the US states of Alabama, Arkansas, Georgia, Kentucky, Mississippi and Tennessee, which operate in a self-service format and they all have a related convenience store. The company also supplies fuel to 131 third-party gas stations with which it has supply agreements.

In 2020, MAPCO had physical fuel sales of 1.9 million m³, a 10.4% decrease on the previous year, mainly driven by lower demand for gasoline due to the effects of the pandemic. Sales dropped 12.8% in its own gas station network compared to a 14% decrease in the market.

The EBITDA of MAPCO was US\$75 million, an increase on the US\$58 million attained as of December 2019, and was mainly due to better unit fuel margins.

Convenience store sales were US\$456.3 million, growing 1.4%.

Regarding investments, MAPCO acquired eight properties to expand its network with new gas stations, it built and inaugurated two new gas stations, fully refurbished a further three and redesigned the food offering at 54 convenience stores. It also implemented a shift management system at convenience stores and a new mobile application with payment that is part of its platform stores of DoorDash last-mile delivery, it launched a self-checkout pilot system at convenience stores and a new website, among other initiatives.

Copec's Results

Copec posted a net income decrease of CLP49,267 million in 2020 YoY. That was due to a drop in operating income from lower margins on account of the decreased mobility of the sanitary crisis and a lower revaluation of inventories in Chile and Colombia. Non-operating income was also negative, arising from lower income in associates and mainly at Copec Aviation, Sonacol and Arcoprime, and a drop in other revenue.

In US dollars, the net income of the controlling interest in Copec was US\$111.3 million in 2020, US\$84 million lower than in 2019.

Liquefied Petroleum Gas (LPG)

The subsidiary Abastible operates in Chile, Colombia, Peru and Ecuador and sells LPG for residential and industrial use in cylinder and bulk formats; and auto LPG for taxis and company fleets through the Autogas stations.

The company has also made progress with LPG energy solution projects, by implementing technology to replace contaminating fuels with clean and environmentally friendly energy.

In Chile, the company has a maritime terminal which provides clean fuel wharfage and liquefied gas reception and storage services, 10 storage and bottling plants, more than 65,000 tanks in homes, commerce and industrial facilities, over 7.8 million cylinders, 27 sales and distribution offices and shipping agents, a network of 1,220 distributors, and around 2.9 million customers from Arica to Magallanes, including Easter Island.

In Colombia, Norgas has 25 storage and bottling plants, 4.1 million cylinders, over 7,000 tanks and 19 distribution centers. In Peru, through Solgas, it has eight bottling plants, one supply plant, 535 distributors, 4.3 million cylinders and more than 8,000 tanks. In Ecuador, through Duragas, it has four storage and bottling plants, a bottling service contract with two plants owned by another company, approximately 5.3 million cylinders and 1,225 distributors.

Physical sales in Chile were 505,000 tons in 2020, increasing 1.1% YoY.

In Colombia, physical sales were 231,000 tons, 11.1% higher than in 2019. In Peru, the company sold 371,000 tons to the bottled, bulk and auto segments, 7.7% down on the previous year, and sales in Ecuador were 480,000 tons, 2% up on 2019.

Due to the growth of sales in Chile, in 2020 the bulk fleet was improved with the renovation of 18 trucks and the purchase of a further five. In the case of bottled gas, the company acquired eight new bottled LPG trucks, amounting to 148 delivery vehicles. Lastly, the company purchased 810 tanks during the year and over 196,000 cylinders.



2.9

million customers
from Arica to Magallanes, including
Easter Island



10 storage and bottling plants



7.8 million cylinders



+ 65,000 tanks in homes, commerce and at industrial facilities



27 sales and distribution offices, and shipping agents



1,220 distributors

Colombia - Norgas



- **25 storage** and bottling plants
- **4.1 million** cylinders
- **+ 7,000** tanks
- **19** distribution centers

Peru - Solgas



- **8 bottling plants**
- **1** supply plant
- **4.3 million** cylinders
- **+ 8,000** tanks
- **535** distributors

Ecuador - Duragas



- **4 storage** and bottling plants
- **5.3 million** cylinders, approximately
- **1,225** distributors

In the environmental area, Abastible launched the energy and environmental consultancy service, whereby a team of experts gives advice on how to improve the environmental performance of the productive processes of customers, also assisting them with the respective implementation.

The highlights of this are two exclusive services: monitoring and verification of energy savings and emissions with blockchain technology, and the energy management system (EMS) that helps large companies to adapt to the requirements of the recently enacted Energy Efficiency Act.

In the context of the sanitary and economic crisis, Abastible implemented protection measures to reduce the risks of infection and assure the continuity of the operation. To such effect, it implemented remote working at commercial offices and for personnel at risk. It implemented concrete solutions in the operative areas to prevent the virus from spreading, like providing private transportation of personnel, sanitary cordons, sanitization, food safety and separation of work teams. On the other hand, it developed the ID Naranja app to help with traceability and respond quickly to a person testing positive.

It also created the digital transformation management to make processes more efficient and understand consumer behavior with different applications and technological tools.

Results of Abastible S.A.

Abastible posted net income of CLP59,693 million at the close of 2020, 29.6% up YoY. That was due to an increase in operating income from higher volumes in Colombia, Ecuador and Chile. There was also a lower tax expense related to the exchange rate.

Abastible's net income expressed in US dollars rose from US\$65.5 million in 2019 to US\$75.4 million in 2020.

Natural Gas

Metrogas S.A.

It distributes natural gas for residential, commercial and industrial use in the Metropolitan, O'Higgins and Los

Lagos regions. In the former two regions, distribution is carried out through an underground gas pipeline network of over 6,100 km long. Supply to the Los Lagos region is made through virtual pipelines, transporting LNG by truck from the Quintero LNG terminal to satellite regasification plants, and then distributing this through the customer supply network.

The company had physical sales of 887 million m³ in 2020, 4.2% down YoY. The sales volume dropped 1% in the industrial segment and 9% in the residential and commercial segment, mainly due to the impact of the pandemic on the commercial market. The sales volume in the natural gas vehicle segment was 4.3 million m³.

Moreover, the company carried on with the heating plan, which aims to position natural gas as the best alternative to heat homes and other facilities. Regarding this, for the eighth year running Metrobolsas generated large heating savings for users, confirming its consolidation in the market.

On the other hand, Metrogas continued with the Metroenvironmental Brigade, which consists of an education program that aims to convey the benefits of gas natural for the environment and inform children in the first grade of primary education of the company's responsibility for the care of the environment.

Aprovisionadora Global de Energía S.A.

In 2016, Metrogas was split into two companies, with Metrogas S.A. having the natural gas distribution operations and Aprovisionadora Global de Energía S.A. (AGESA) those related to the supply business.

AGESA's corporate purpose is the purchase and supply of natural gas, the wholesale marketing of gas for unregulated clients and possible international purchases. AGESA has a continuous and long-term supply contract with Metrogas. It also has a contract with GNL Chile S.A., enabling it to source LNG from different parts of the world.

Natural Gas Results

In terms of results, Metrogas S.A. posted net income of CLP52,193 million in 2020, which was an increase on



earnings of CLP46,287 million in 2019. AGESA had net income of US\$ 37.4 million, a 33.2% decrease on that in 2019.

Mining

Mina Invierno

Mina Invierno started up sub-bituminous coal mining on Riesco Island in the Magallanes region, supplying various electric power generating plants in the Chilean and international markets.

In 2019, Mina Invierno was affected by the split verdict of the Environmental Court of Valdivia, barring the use of blasting to mine coal. Due to this, in early 2020 the company terminated operations, starting a process of adjusting the organizational structure and services. The company is now awaiting the verdict of the Supreme Court of Justice for the appeal for dismissal in form and substance filed to overturn the ruling of the Third Environmental Court of Valdivia.

In April 2020, the company made the last shipment of coal and ended all the community programs running.

Alxar Minería S.A.

The corporate purpose of Alxar Minería is to manage mining and exploration operations and project development. It has mine deposits in Chile and Peru, and is permanently analyzing the option of acquiring other operating mining operations and developing new projects.

The company comprises various subsidiaries with mining properties. In Chile, it has the El Bronce mine site in Petorca (Valparaíso) which is in a sale negotiation process, and Sierra Norte in Diego de Almagro (Chañaral). In 2020, Alxar Minería sold the leaching plant in Copiapó to the Canadian company RIO2 Limited, and the Choquelimpie project to Norsemont Mining.

In Peru, the related company Alxar Internacional has a 40% stake in Marcobre that owns Mina Justa in the Ica department.

Mina Justa has 432 million tons of copper resources and it is estimated it will start up in March 2021, with average production of over 100,000 tons of fine copper

a year. Due to the pandemic, the Mina Justa project has suffered some delays but it ended the year with 98% progress and the participation of 4,000 workers. The project entails an investment of US\$1.6 billion.

At the same time, Marcobre has over 60,000 hectares of mining concessions in the Mina Justa area. Due to this, it is undertaking an exploration program of new ore resources in these areas to increase the life of the mine and the production capacity. Six of these projects are currently being assessed.

Fisheries Business

The Chilean coastline has favorable sea conditions for the emergence of large shoals and the development of the pelagic fisheries industry. This makes Chile one of the leading fishmeal and fish oil producers in the world. However, the sharp fluctuations of the biomass in the last few years have led this industry to undertake deep asset rationalization and reorganization processes, seeking to generate more efficient operating conditions and develop value-added products for increasingly more demanding markets.

The Fisheries Law, which dates back to 2013, regulates the sustainability of hydrobiological resources, access to industrial and non-industrial

fishing, and research and control. This law establishes tradable fishing licenses, which give owners the right to catch a certain portion of the overall catch quota per species. Under this regulatory framework, the companies Corpesca S.A. and Orizon S.A. are the owners of class A fishing licenses for jack mackerel, anchovy, Spanish sardine, common sardine, hoki and South Pacific hake, in their respective areas of operation.

Empresas Copec S.A. operates in this market through Pesquera Iquique-Guanaye S.A. (Igemar). This company is also an associate of AntarChile S.A., which likewise participates in the fisheries industry through its associate Empresa Pesquera Eperva S.A.

Pesquera Iquique-Guanaye S.A. made a loss of US\$2.9 million in 2020, which was an improvement on the US\$8.7 million loss in 2019. That was mainly due to an increase in operating income from a higher gross margin, and greater non-operating income due to lower financial costs and favorable exchange rate differences.

Customers and Suppliers

The following was the diversification of suppliers and customers by subsidiaries of Empresas Copec S.A. in 2020:

Diversification of suppliers and customers by subsidiaries of Empresas Copec S.A.

Diversification of suppliers and customers by subsidiaries of Empresas Copec S.A.	N° of suppliers who individually accounted for over 10% of the products and services in 2020	N° of customers who individually accounted for over 10% of the sales in 2020
Celulosa Arauco y Constitución S.A.	-	-
Compañía de Petróleos de Chile Copec S.A.	2	-
Abastible S.A.	2	-
Sociedad Nacional de Combustibles S.A. (Sonacol)	1	2
Pesquera Iquique-Guanaye S.A. (Igemar)	-	-





Pesquera Iquique-Guanaye S.A. (Igemar)

For the year ended December 31, 2020

Taxpayer ID

N° 91.123.000-3

Shareholding of AntarChile S.A.

17.51%

Percentage of individual assets of the company

0.42%

Paid-in and subscribed capital

US\$ 347 million

Board of Directors

CHAIRMAN

Roberto Angelini Rossi (*)

VICE-CHAIRMAN

Manuel Antonio Tocornal Astoreca

DIRECTORS

Fernando Agüero Garcés

Jorge Andueza Fouque (*)

Manuel Enrique Bezanilla Urrutia (*)

Ramiro Méndez Urrutia

Charles Kimber Wylie

CEO

Eduardo Navarro Beltrán

(*) Roberto Angelini R. is the chairman of AntarChile S.A., Jorge Andueza F. is the vice-chairman and Manuel Enrique Bezanilla U. is a director.

Company Information

Incorporated in 1945, the corporate purpose of Pesquera Iquique-Guanaye S.A. includes the development of the fisheries industry in general, and particularly to produce fishmeal and fish oil and canned and frozen fish for human consumption.

Pesquera Iquique-Guanaye S.A. does not undertake productive activities directly but through its subsidiary Orizon S.A. and the associates Inversiones Caleta Vitor S.A. and Corpesca S.A. Through Orizon S.A. and Corpesca S.A. the company maintains an important presence at the two main fishing grounds in the north and center-south of Chile, due to which the most important events in its financial years are directly related to the development of its subsidiaries and associates. The corporate purpose of Inversiones Caleta Vitor S.A. is to make investments in Chile and overseas in protein food companies in general, the aquaculture industry and provide logistical services.

Through its subsidiaries, Pesquera Iquique Guanaye S.A. owns various trademarks, patents, licenses, franchises and royalties, by means of which it markets its products and services and develops its operations.

The financial and equity standing of Pesquera Iquique-Guanaye S.A. and its subsidiary for the 2020 and 2019 financial years is shown in the "Summarized Financial Statements" chapter.

Performance Analysis

Subsidiaries and Associates

The purpose of Orizon S.A., of which Pesquera Iquique-Guanaye S.A. currently has an 83.5% shareholding, is to produce and market food for mass human consumption,

like frozen and canned fish and shellfish, and those of industrial use like fishmeal and fish oil. For this, it is focused on dealing with and resolving the needs and requirements of industrial and final customers in Chile and abroad.

The company markets its products under its own brands of San José, Colorado and Wirenbo. It also has the representation of the General Mills brands (including Fiber One and Nature Valley, Häagen-Dazs, Betty Crocker and Old El Paso), and of Megamex avocado pulp products in Chile.

The operating assets of Orizon S.A. in the Biobío region (Coronel) comprise six own vessels, a fishmeal and fish oil plant with a production capacity of 100 tons of raw material per hour, and three plants that process canned fish, frozen fish and value-added products. It also has a fishmeal and fish oil production plant in the Coquimbo region with a capacity of 50 tons an hour and which is 100% supplied by non-industrial fishermen in the area.

In 2020, Orizon S.A. had own catches of 117,000 tons, accounting for 24% of the industrial catches in the center and south of Chile. The company also bought 105,000 tons of non-industrial fishing catches in 2020.

Orizon S.A. had a total of 784 national customers and 120 export customers from 61 markets. It produced 35,000 tons of fishmeal, a 7.9% decrease on 2019. Fish oil production was 9,000 tons, 20.9% down on that of the previous year. It produced 2.3 million cases of canned fish, 1.7% up on 2019, and 29,000 metric tons of frozen fish, a 25% increase YoY.

During the year, Orizon defined major changes to its fisheries business strategy for the next five years (2020-2025), with sustainability as the core and assuring a triple-impact vision (environmental, social and economic) at all its operations. It also redefined its corporate purpose to become a leading company of sustainable nutrition from the sea, along with incorporating a new brand image and communication strategy.

In 2020, the company launched the *La Mesa de Todos* (The Table for Everybody) portal, which opened up the e-commerce sales channel. Through diverse platforms, it automated the entry of orders, management reports,

ORIZON

6

own vessels
with multipurpose
refrigeration systems



2 fishmeal and fish oil plants, with a production capacity of 150 tons of raw material per hour.



3 canned and frozen fish processing plants.



117,000 tons of own catches, accounting for 24% of the industrial catches in the center and south of Chile.



105,000 tons of non-industrial fishing catches.

commercial planning and production of the company. It also migrated the IT infrastructure to the cloud, among other projects.

On the other hand, in a year marked by the COVID-19 sanitary crisis, Orizon's fisheries line focused production on supplying the domestic market, in which canned fish sales surged 40%. The company also implemented a wide variety of measures to maintain operations active at all its plants, from transport in buses and awareness raising campaigns of workers to the active testing of equipment, among other initiatives.

The business performance of Inversiones Caleta Vitor S.A. and Corpesca S.A. in 2020 is shown in the report below on Empresa Pesquera Eperva S.A.

The company Golden Omega S.A., in which Orizon S.A. and Corpesca S.A. each have a 46.79% interest, has a plant in Arica that can produce 2,000 tons of omega-3 concentrates a year. In 2020, the company sold 1,632 tons of concentrates and super concentrates, a decrease of 8% YoY.



Empresa Pesquera Eperva S.A.

For the year ended December 31, 2020

Taxpayer ID

N° 91.643.000-0

Shareholding of AntarChile S.A.

18,70%

Percentage of individual assets of the company

0.60%

Paid-in and subscribed capital

US\$ 104 million

Board of Directors

CHAIRMAN

Manuel Antonio Tocornal Astoreca

VICE-CHAIRMAN

Jorge Andueza Fouque (*)

DIRECTORS

Roberto Angelini Rossi (*)

Jorge Bunster Betteley

Claudio Elgueta Vera

Andrés Lyon Lyon (*)

Andrés Serra Cambiaso

CEO

Patricio Tapia Costa

(*) Roberto Angelini R. is the chairman of AntarChile S.A., Jorge Andueza F. is the vice-chairman and Andrés Lyon L. is a director.

Company Information

The company was incorporated in 1955. Its main line of business is to channel investments to companies whose purpose is to develop the fisheries industry, and particularly to produce fishmeal and fish oil. In 1999, the company approved a deep rationalization process of its assets and operations to achieve a better return from its investments. As a result of this process, it merged its operating assets with the main fishing companies in the north, i.e., Pesquera Iquique-Guanaye S.A. and Sociedad Pesquera Coloso S.A., which gave rise to Corpesca S.A.

On January 1, 2019, the latter company was split creating the company Inversiones Caleta Vitor S.A., which was assigned the assets of the businesses in Brazil, Germany and those related to Kabsa S.A. Inversiones Caleta Vitor thereby became a new subsidiary of Empresa Pesquera Eperva S.A.

The main investments of Empresa Pesquera Eperva S.A. are the 60.21% shareholding of Corpesca S.A., 60.21% of Inversiones Caleta Vitor S.A. and 16.5% of Orizon S.A.

Subsidiaries and Associates

Corpesca S.A. was incorporated in 1999 from the merger of the fishery and industrial assets of the three companies in the north: Empresa Pesquera Eperva S.A., Pesquera Iquique-Guanaye S.A. and Sociedad Pesquera Coloso S.A. This thereby ended the large restructuring process the fisheries industry carried out in the north. Corpesca S.A. therefore started up with large competitive advantages and it generated major scale economies.



The company's main assets are its 32-vessel fishing fleet, registered in the Registry of Vessels with Tradable Fishing Licenses, with a total hold capacity of over 12,000 m³ and four fishmeal and fish oil processing plants in Arica, Iquique and Mejillones, which can process 520 tons of raw material per hour. It also has a storage and distribution terminal in Puerto Montt.

Corpesca S.A. owns class A and class B tradable fishing licenses (TFLs) for fisheries declared as in full exploitation, where global catch quotas are established for the fishery of anchovy, Spanish sardine and jack mackerel in the fisheries unit of the Arica y Parinacota to the Antofagasta regions.

It is important to highlight that the fish catch and processing volumes in the last two years were lower than the structural design of the company, so in the last quarter of 2020 the company started an adjustment process entailing the stoppage of fishing vessels and rationalization of operations at plants, particularly focused on services. This will help cut fixed costs with the consequential effect on unit costs. It is important to state that this rationalization has no material effect on the company's operation capacity potential.

Corpesca S.A. posted a loss of US\$34.8 million in 2020, worse than the loss of US\$30.1 million the previous year. That was due to lower anchovy catches, mainly because of the industrial fleet being banned from fishing in drilling zones within the five-mile limit in the Arica y Parinacota and Tarapacá regions.

In 2020, Corpesca S.A. invested US\$17.6 million in fixed assets, of which US\$8.9 million were allocated to investment projects in the fishing fleet, and US\$8.7 million to industrial plants.

In 2020, Inversiones Caleta Vitor S.A. posted net income of US\$23 million. That was due to the net income generated from the operation of the associate FASA in Brazil and the subsidiary Kabsa S.A. in Chile, along with that obtained by the associate KMP in Germany and Melifeed in Chile.

One of the highlights of the performance of Inversiones Caleta Vitor S.A. was the incorporation of Oleoplan, the



37

vessels registered
in the Registry of Vessels with
Tradable Fishing Licenses



12,000 m³ of vessel hold capacity



4 fishmeal and fish oil processing plants
in Arica, Iquique and Mejillones, which can
process 520 tons of raw material per hour.

main biodiesel producer in Brazil, to FASA's ownership, subscribing a capital increase of 20% of the ownership. Such capital increase will finance projects underway and others under study. Due to this transaction, Corpesca do Brasil's interest in FASA dropped from 30% to 24%, with Corpesca do Brasil posting net income of US\$8.2 million due to the revaluation of such investment.

Another highlight was the purchase from Proyectos Empresariales Grainco Limitada of a minority interest in Kabsa and in the German companies MPH Marine Protein Holdings GmbH & Co.KG and in MP Marine Protein Holdings Verwaltung GmbH. With this transaction, Inversiones Caleta Vitor S.A. attained a 100% interest in the above-mentioned companies.

Empresa Pesquera Eperva S.A. markets its products and services and develops its operations through its subsidiaries; it has no trademarks, patents, licenses, franchises and royalties to such effect.

The financial and equity standing of Empresa Pesquera Eperva S.A. for the 2020 and 2019 financial years is shown in the "Summarized Financial Statements" chapter.



Celulosa Arauco y Constitución S.A. (ARAUCO)

For the year ended December 31, 2020

Taxpayer ID:

N° 93.458.000-1

Shareholding of AntarChile S.A.

0.0001%

Percentage of individual assets of the company

0.00%

Paid-in and subscribed capital

US\$ 604 million

Board of Directors

CHAIRMAN

Manuel Bezanilla Urrutia (*)

VICE-CHAIRMEN

Roberto Angelini Rossi (*)

Jorge Andueza Fouque (*)

DIRECTORS

Juan Ignacio Langlois Margozzini

Alberto Etchegaray Aubry

Eduardo Navarro Beltrán

Timothy C. Purcell

Franco Mellafe Angelini

Jorge Bunster Betteley

EXECUTIVE VICE-CHAIRMAN

Matías Domeyko Cassel

CEO

Cristián Infante Bilbao

(*) Roberto Angelini Rossi is the chairman of AntarChile S.A., Jorge Andueza Fouque is the vice-chairman and Manuel Enrique Bezanilla Urrutia is a director.

Company Information

The company was incorporated in September 1979 from the merger of Celulosa Arauco S.A. and Celulosa Constitución S.A. Its main line of business is the production and sale of forestry and wood industry products. Its principal operations are focused on the pulp, panel, sawn timber and forestry business areas.

Further details about the development of the businesses of this subsidiary and its investment projects are available in the forestry business section of Empresas Copec S.A.

An extraordinary shareholders' meeting held on May 19, 2020 approved a capital increase of the company of a limit of US\$700 million. On September 24, 2020, part of such capital increase amounting to US\$250 million was fully subscribed and paid up by company shareholders, and the balance could be completed during the course of 2021, depending on the funding required in such year.

The financial and equity standing of Celulosa Arauco y Constitución S.A. for the 2020 and 2019 financial years is shown in the "Summarized Financial Statements" chapter.

arauco



Servicios Corporativos SerCor S.A.

For the year ended December 31, 2020

Taxpayer ID:

N° 96.925.430-1

Shareholding of AntarChile S.A.

20.0%

Percentage of individual assets of the company

0.00%

Paid-in and subscribed capital

US\$ 4.2 million

Directorio

CHAIRMAN

Roberto Angelini Rossi (*)

VICE-CHAIRMAN

Jorge Andueza Fouque (*)

DIRECTORS

Eduardo Navarro Beltrán
Andrés Lehuedé Bromley (*)
Matías Domeyko Cassel

CEO

Patricio Tapia Costa

(*) Roberto Angelini Rossi is the chairman of AntarChile S.A., Jorge Andueza Fouque is the vice-chairman and Andrés Lehuedé Bromley is the CEO.

Company Information

Servicios Corporativos SerCor S.A. was incorporated on August 2, 2000. Its corporate purpose is to provide advisory services to the boards and senior management of any kinds of companies regarding business management, strategic planning, corporate communications, internal audits, corporate governance, management control, shareholders' registry administration, economic studies, project assessment, valuation of companies and market studies.

Servicios Corporativos SerCor S.A. provides services to 20 customers in the area of shareholders' registry administration for publicly traded corporations.

Servicios Corporativos SerCor S.A. provides its services under the "SerCor" trademark, which it owns under registry N°821128.

For the year ended December 31, 2020, Servicios Corporativos SerCor S.A. posted net income of US\$198,000, against a loss of US\$88,000 in 2019.

The financial and equity standing of Servicios Corporativos SerCor S.A. for the 2020 and 2019 financial years is shown in the "Summarized Financial Statements" chapter.



Red to Green S.A.

For the year ended
December 31, 2020

Taxpayer ID:

N° 86.370.800-1

Shareholding of
AntarChile S.A.

30.00%

Percentage of individual
assets of the company

0.01%

Paid-in and subscribed capital

US\$ 33.4 million

Board of Directors

CHAIRMAN

Andrés Lehuedé Bromley ^(*)

DIRECTORS

Patricio Canto Peralta

Patricio Tapia Costa

CEO

Rodolfo Urrea Niño

^(*) Andrés Lehuedé Bromley is the CEO of AntarChile S.A.

Company Information

Red to Green S.A. is a closely held corporation that was incorporated by transforming Sociedad Informática Sigma Ltda., which was established by a public deed dated October 11, 1979. On June 28, 2016, its business name was changed from Sigma S.A. to Red To Green S.A. Its corporate purpose is the commercial development, in all its forms, of automatic data processing and to provide services complementing this; the sale of equipment, elements and input materials for automatic data processing, and to give training courses on various aspects of information technology and similar or related areas.

The services provided to related companies are the company's main commercial activity.

In March 2009, the company acquired part of the capital stock of Woodtech S.A., thereby becoming its new majority shareholder. Woodtech S.A. is a closely held corporation, whose corporate purpose is the development of engineering and computer applications to measure the physical parameters of objects of any kind, particularly in the forestry area; the manufacture of equipment and/or devices for this purpose, and the licensing, sale, rental, marketing of this equipment, devices, systems and computer programs.

Red to Green S.A. is present in the market of data center, operation, infrastructure administration, consultancy and advisory services for information technology.

In 2020, Red to Green S.A. had consolidated earnings of US\$732,000 against those of US\$338,000 in 2019. The company's revenue in 2020 increased 3.8% to US\$6.51 million against US\$5.96 million in 2019.

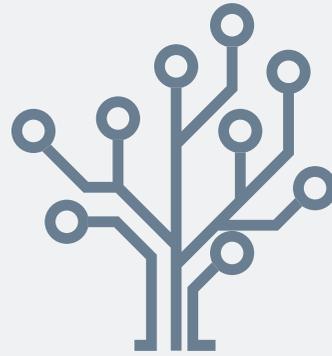
The increase in income is mainly explained by higher spot sales of the subsidiary Woodtech and lower administrative and commercial expenses.

The financial and equity standing of Red to Green S.A. for the 2020 and 2019 financial years is shown in the "Summarized Financial Statements" chapter.





Chapter
07



More about **AntarChile**

The subsidiaries and associates of AntarChile S.A. have a leading position in the different productive sectors in which they operate and are committed to sustainable management and the generation of social and economic value.



More about **AntarChile**

Company Incorporation

AntarChile S.A. was incorporated with the name of Inversiones Epemar S.A. by means of a public deed dated June 12, 1989, issued by the notary public of Andrés Rubio Flores. The excerpt was published in *Official Gazette* N°33.407 dated June 26, 1989, and registered in the Commerce Registry on sheet 15.818 N°7.975, dated June 21, 1989.

As registered in a public deed of the Santiago notary public of Félix Jara Cadot, dated November 11, 1994, the company by-laws were amended. Among other matters, it was agreed to change its name to AntarChile S.A., increase its capital and make various changes to merge the company by incorporation with the company

Inversiones Indomar S.A. and the old company that operated under the name of AntarChile S.A.

The company's corporate purpose includes making investments in tangible and intangible chattels, company stocks, commercial papers and securities in general, investments in the fisheries sector, sea freight, forestry and mining industries, among others.

Regulatory Framework

AntarChile S.A. is a publicly traded corporation subject to the provisions of Law N°18.046 on Corporations, of Securities Market Law N°18.045, the regulation of the Financial Market Commission, and all those laws and regulations applicable to its line of business.

Controllers

As of December 31, 2020, AntarChile S.A. is controlled by its final controllers, with an executed agreement to act jointly, which contains no limitations on the free disposal of shares, who are Mr. Roberto Angelini Rossi, taxpayer ID N°5.625.652-0, and Mrs. Patricia Angelini Rossi, taxpayer ID N°5.765.170-9

They exercise such control as follows:

a) Shares directly owned by the final controllers:

- a.1) Mr. Roberto Angelini Rossi is the direct owner of 0.2126% of the shares issued by AntarChile S.A. and
- a.2) Mrs. Patricia Angelini Rossi is the direct owner of 0.22661% of the shares issued by AntarChile S.A.

Total shares directly owned by the final controllers:
0.43921%.

b) Shares indirectly owned through companies controlled by the final controllers.

- b.1) The company Inversiones Angelini y Compañía Limitada, taxpayer ID N°93.809.000-9, is the direct owner of 63.40150% of the shares issued by AntarChile S.A., and the indirect owner, through its subsidiary Inmobiliaria y Turismo Río San José S.A., of 0.07330% of AntarChile S.A.'s shares.

Inversiones Angelini y Compañía Limitada is controlled by the above-mentioned final controllers, i.e., Mr. Roberto Angelini Rossi and Mrs. Patricia Angelini Rossi, as outlined below:

- 1) Mr. Roberto Angelini Rossi directly owns 18.9659% and indirectly owns 16.99231%, through Inversiones Arianuova Limitada, taxpayer ID N°76.096.890-0, of which he has 99% of the shareholder rights.
- 2) Mrs. Patricia Angelini Rossi directly owns 15.2968% and indirectly owns 13.6993%, through Inversiones Rondine Limitada, taxpayer ID N°76.096.090-K, of which she has 99% of the shareholder rights.
- 3) On the other hand, Mr. Roberto Angelini Rossi has statutory control of Inversiones Golfo

Blanco Limitada, taxpayer ID N°76.061.995-7, which owns 19.4397% of the shareholder rights of Inversiones Angelini y Compañía Limitada. The partners of Inversiones Golfo Blanco Limitada are: (i) Mr. Roberto Angelini Rossi with 0.00011% of the shareholder rights, and (ii) Mr. Maurizio Angelini Amadori, taxpayer ID N°13.232.559-6; Ms. Daniela Angelini Amadori, taxpayer ID N°13.026.010-1; Mr. Claudio Angelini Amadori, taxpayer ID N°15.379.762-5, and Mr. Mario Angelini Amadori, taxpayer ID N°16.095.366-7, each with 24.99997% of the shareholder rights.

- 4) Moreover, Mrs. Patricia Angelini Rossi has statutory control of Inversiones Senda Blanca Limitada, taxpayer ID N°76.061.994-7, which is the owner of 15.6059% of the shareholder rights of Inversiones Angelini y Compañía Limitada. The partners of Inversiones Senda Blanca Limitada are: (i) Mrs. Patricia Angelini Rossi with 0.00014% of the shareholder rights, and (ii) Mr. Franco Mellafe Angelini, taxpayer ID N°13.049.156-1; Mr. Maximiliano Valdés Angelini, taxpayer ID N°16.098.280-2, and Ms. Josefina Valdés Angelini, taxpayer ID N°16.370.055-7, each with 33.33329% of the shareholder rights.

- b.2) On the other hand, the mentioned Inversiones Golfo Blanco Limitada, a company under statutory control by Mr. Roberto Angelini Rossi, is the direct owner of 5.77307% of the shares of AntarChile S.A.

- b.3) Lastly, the mentioned Inversiones Senda Blanca Limitada, a company under statutory control by Mrs. Patricia Angelini Rossi, is the direct owner of 4.3298% of the shares of AntarChile S.A. In accordance with this, the controller group of AntarChile S.A., defined above, has a total direct and indirect shareholding of 74.01688%.

Finally, it is left on record that the following natural persons related by kinship to the final controllers are the direct owners of the following percentages of shares of AntarChile S.A.: Ms. Daniela Angelini Amadori: 0.04419%; Mr. Maurizio Angelini Amadori: 0.04419%; Mr. Claudio Angelini Amadori: 0.04394%; Mr. Mario

Angelini Amadori: 0.04216%; Mr. Franco Roberto Mellafe Angelini: 0.05879%; Mr. Maximiliano Valdés Angelini: 0.05559%; and Ms. Josefina Valdés Angelini: 0.05559%.

Independent Auditors and Credit Rating Agencies

In an ordinary general shareholders' meeting of AntarChile S.A., held in April 2020, the firm PwC Consultores, Auditores y Cía. Ltda. was appointed as the company's independent auditors for 2020, and Fitch Chile Clasificadora de Riesgo Ltda. and Feller-Rate Clasificadora de Riesgo Ltda. as the private credit rating agencies for the same period.

Material Facts and Shareholder and Directors' Committee Proposals

In 2020 and up to the date of submitting this annual report, the company informed the Financial Market Commission (CMF, according to the Spanish acronym) and the different stock exchanges in Chile of the following material facts:

- On April 3, 2020, the company informed the Financial Market Commission that a board meeting had agreed to modify the dividend policy by reducing the percentage of net profits in the year to be distributed as a dividend from 40% to 30%. This decrease is in line with the modification made by the subsidiary Empresas Copec S.A to its dividend policy, along with the need of maintaining a suitable level of liquidity at AntarChile S.A. in a market affected by great uncertainty from the COVID-19 pandemic. It was informed that modification to the dividend policy will apply to the dividend for the profits in 2019 and for future years.
- On April 9, 2020, AntarChile S.A. informed that the ordinary general shareholders' meeting will be held on April 24, 2020 and the press release indicated the issues to be addressed in such meeting, which included the following: to submit the company's financial statements for the consideration of the meeting, to appoint the directors, report on operations in the year, establish the remuneration of the board, appoint the credit rating agencies and independent auditors.

It was also informed that a board meeting held on April 3 agreed to propose to the ordinary general shareholders' meeting payment of compulsory minimum final dividend N°37 of US\$0.089 per share, payable in Chilean pesos according to the "observed dollar" exchange rate published in the Official Gazette on May 8, 2020. Such dividend will be assigned to the profits of the year ended December 31, 2019 and charged to the net income of such financial year. This information includes a proposal that such dividend be paid as of May 15, 2020, and those shareholders registered in the company's Shareholders' Registry at midnight on May 9, 2020 shall be entitled to it.

The press release also established that due to the restrictions because of the pandemic, the ordinary general shareholders' meeting could be held by digital means, and if there are any technical issues the company could ask the CMF to postpone it.

- On April 24, 2020, the company informed the Financial Market Commission of the dividend distribution in accordance with Circular Letter N°660 of 1986.

Responsibility Statement

Pursuant to what is laid down in General Regulation N°30 of the Financial Market Commission, this annual report is signed by the company directors who, jointly with the CEO, declare they are responsible for the information contained herein being totally true.



Roberto Angelini Rossi
CHAIRMAN
Taxpayer ID N°5.625.652-0



Jorge Andueza Fouque
VICE-CHAIRMAN
Taxpayer ID N°5.038.906-5



Jorge Desormeaux Jiménez
DIRECTOR
Taxpayer ID N°5.921.048-3



Juan Edgardo Goldenberg Peñafiel
DIRECTOR
Taxpayer ID N°6.926.134-5



Maurizio Angelini Amadori
DIRECTOR
Taxpayer ID N°13.232.559-6



Manuel Enrique Bezanilla Urrutia
DIRECTOR
Taxpayer ID N°4.775.030-K



Andrés Lyon Lyon
DIRECTOR
Taxpayer ID N°5.120.544-8



Andrés Lehuedé Bromley
CEO
Taxpayer ID N°7.617.723-6



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