

# CODE OF ETHICS

Taking  
wood  
further

## **0. VISION, MISSION AND VALUES**

### **1. INTRODUCTION**

#### **1.1 SCOPE AND PURPOSE**

#### **1.2 COMMITMENT FROM SONAE ARAUCO**

#### **1.3 COMMITMENT FROM EMPLOYEES**

#### **1.4 INTERPRETATION AND UPDATING**

### **2. RELATIONS WITH STAKEHOLDERS**

#### **2.1 RELATIONS WITH EMPLOYEES**

#### **2.2 RELATIONS WITH SHAREHOLDERS AND OTHER INVESTORS**

#### **2.3 RELATIONS WITH GOVERNMENTS AND COMMUNITIES**

#### **2.4 RELATIONS WITH BUSINESS PARTNERS**

#### **2.5 GIFTS AND HOSPITALITY**

#### **2.6 RELATIONS WITH COMPETITORS**

### **3. THE ETHICS COMMITTEE**

### **4. DISCLOSURE OF NON-COMPLIANCE (“IRREGULARITIES”)**

## **OUR VISION**

**OUR VISION IS TO CREATE WOOD-BASED SOLUTIONS FOR A BETTER LIFE, A BETTER FUTURE AND A BETTER PLANET.**

We believe in the value of wood in people's lives. Our vision is to provide sustainable wood-based solutions that improve quality of life, positively impacting the world and future generations.

Our aim is to be the wood brand of choice for clients, employees, suppliers and communities.

## OUR MISSION

OUR MISSION IS TO SUSTAINABLY DEVELOP, PRODUCE AND DELIVER RENEWABLE WOOD-BASED SOLUTIONS, THROUGH OPERATIONAL EXCELLENCE, INNOVATION, INSPIRED PEOPLE AND PARTNERSHIPS, CREATING LONG-TERM VALUE.

We have an industrial soul and we engage in long term value creating partnerships. We promote wood recyclability, circularity and carbon capture and retention. We seek excellence along the value chain, via passionate, transparent and empowered teamwork with our partners.

Our everyday goal is to take our client's ambitions further by offering an attractive and innovative combination of industrial expertise, functionality, quality, design and service.

### OUR VALUES

#### PROUD INDUSTRIAL SOUL

With a long-term business vision and a solid growth ambition, we are a company born with strong roots to last through generations. We have the courage to take risks and the financial strength to embrace them as new challenges, knowing that our knowledge and high quality standards will always take us further.

- › WOOD-BASED EXPERTISE
- › LONG-TERM BUSINESS VISION
- › SOLID GROWTH AMBITION

#### WOOD-BASED LIFE IMPROVEMENT

We take wood innovation further to be a leading international company in the sector. We create sustainable and renewable wood-based solutions for a better life and planet, moving beyond products to offer fit for purpose solutions that improve people's lives.

- › SUSTAINABLE AND RENEWABLE
- › INNOVATIVE
- › FIT FOR PURPOSE

## WOOD-LASTING ALLIANCES

We believe in teamwork, safe workplaces, cooperation and long-lasting partnerships. Ethics and transparency are rooted in business integrity and commitment with our stakeholders. Respecting the environment and the communities around us is part of our nature and at the centre of our priorities.

> ETHICS AND  
TRANSPARENCY

> LONG-LASTING  
PARTNERSHIPS

> SAFETY AND  
GOOD CITIZENSHIP



## 1. INTRODUCTION

### 1.1. SCOPE AND PURPOSE

Our Code of Ethics (“Code”) contains a set of standards based on our shared values that govern the activities of the Sonae Arauco Group (hereinafter referred to as the “Group”, “Sonae Arauco” or “Company”). It applies to everyone working in the Group, including members of the statutory governing bodies of Sonae Arauco, S.A. and Group companies, managing directors, senior executives and employees (including temporary staff) (hereinafter referred to as “Employees”).

Our Code describes the basic and essential principles and values to be complied by all Employees when carrying out their professional duties. It was not conceived to address all possible situations, nor as a summary of all laws and regulations applicable to Sonae Arauco. Under no circumstance is this Code to be considered to replace or repeal other internal policies and/or procedures.

### 1.2. COMMITMENT FROM SONAE ARAUCO

Sonae Arauco adheres to and actively promotes the highest ethical standards of professional conduct and strict legal compliance at all levels of the Group.

Commitment to standards of conduct must emanate from the top. Therefore, Sonae Arauco’s top managers are expected to set an example for the rest of the organisation through their actions, by actively leading the adoption and by monitoring the enforcement of those standards, by ensuring the strict enforcement of the law, by maintaining a constant monitoring of its compliance, and by clearly communicating to its Employees that non-compliance with any applicable law may have not only legal, but also disciplinary consequences.





## 1.INTRODUCTION

### 1.3. COMMITMENT FROM EMPLOYEES

It is particularly important that a commitment to these standards of conduct is acknowledged by all Employees at all Group companies. Furthermore, as Sonae Arauco operates across many geographic boundaries, the Company adopts principles and actions that are appropriate to specific ethical issues that can arise in those countries in which it operates.



## 1.4. INTERPRETATION AND UPDATING

In the event of facing problems related to business practices, Employees must always use common sense and good judgement and seek guidance in case of uncertainty on how to proceed in a specific situation. All persons subject to this Code are responsible for acknowledging, abiding by, complying and ensuring the fulfilment of its provisions.

In certain cases, the provisions set forth in this Code may imply standards above or additional to those established by law. In-force laws shall be fully applicable to all matters, which are not specifically addressed in this Code. Likewise, in-force laws shall contribute to its content or compensate its silence.

Any inquiries or doubts regarding the interpretation of this Code shall be submitted to the Ethics Committee who will be responsible for determining the meaning and scope of its provisions.

Furthermore, the Ethics Committee will be responsible for the assessment of any regulatory modifications and for proposing the corresponding amendments to the Code's content to the Board of Directors.

## 2.RELATIONS WITH STAKEHOLDERS

### 2.1 RELATIONS WITH EMPLOYEES

#### 2.1.1.Respect, Accountability and Cooperation

Relations with Employees are based on respect for the individual. Employees are expected to treat each other with respect, politeness and fairness and to adhere to principles of cooperation, teamwork and accountability in their pursuit of excellence and achievement.

**Sonae Arauco prohibits discriminatory behaviour** and language on factors including but not limited to race, religion, gender, sexual orientation, age, nationality, descent, marital status and disability. The prohibition of arbitrary discrimination behaviour also includes recruitment and hiring procedures, as well as employment terms and conditions, such as tasks to be carried out, training, wages, benefits, promotion, transfers, discipline and treatment.

**Moral and sexual harassment conducts are also prohibited** by Sonae Arauco. Any Employee who considers that he/she has been a victim of such prohibited conducts is entitled to proceed in accordance to the reporting procedures set forth in this Code.

#### 2.1.2.Protection of Assets and Confidentiality

Sonae Arauco's assets (tangible and intangible) are to be used for professional purposes and may not be used for personal or other people's benefit, except if specifically allowed by internal procedures.

Employees are required to safeguard the corporate property through judicious and rational utilisation of resources. Employees must act in accordance with the safety guidelines, to prevent accidents and not jeopardise the Company's assets.

Employees are not permitted to gain personal advantage, or assist third parties, by making use of know-how and information pertaining to Sonae Arauco's businesses. They are also obliged to protect the confidentiality of business information related to the Company and its customers and suppliers.



### 2.1.3. Conflicts of Interest

**A conflict of interest occurs when an Employee's personal interests – family, relationships, or financial factors – could compromise his/ her judgment, decisions, or actions at work.**

A few examples of situations of conflict of interest:

An Employee who uses his/ her workplace position to give preferential treatment to a friend or family member;

An Employee who has an intimate personal relationship with an Employee who reports to him/her;

An Employee who has a financial interest in a supplier or customer and, on behalf of Sonae Arauco, is participating in the decision making process related with that entity.

If an Employee identifies a situation that may be a conflict of interest, or could be perceived as a conflict, the Employee must notify his/her direct Supervisor/Manager, the Human Resources Department and the Internal Audit Director.

## 2.RELATIONS WITH STAKEHOLDERS

### 2.1.4. Health and Safety

We believe that people are the support to drive change towards the future.

**We care for the safety and well-being of our Employees and we strive to support their personal and professional development so that they fulfil their own career aspirations.** Sonae Arauco has expressed the commitment towards our people in the corporate values of Cooperation, Non-discrimination and Health and Safety.

The production of wood-based panels requires physical abilities, permanent attention and good health, as employees work with heavy equipment in an industrial environment. Therefore, providing a healthy and safe workplace for our people is an absolute priority and we never compromise in this area. Managing health, safety and industrial risk demands that anyone within Sonae Arauco premises is required to follow all established rules and adopt behaviours to prevent any risk situations.

Sonae Arauco aims to achieve zero injuries and zero serious accidents related to its processes.



## 2.RELATIONS WITH STAKEHOLDERS

### 2.1.5. Social Conscience

Sonae Arauco adheres to global principles set out by international laws and the Universal Declaration of Human Rights.

Our minimum recruitment age is the one which is allowed by law in each country and we impose a minimum age of 18 for hazardous work.





### 2.1.6. Compliance and Company Representation

Strict adherence to the provisions of this Code and to the applicable laws is required from all Employees. The breach of the provisions set forth in this Code shall be considered, where appropriate, as a labour infringement, notwithstanding the potential infringement that may arise from the provisions set forth in legislation and of the civil or criminal liability derived from each particular case. Employees are also required to comply with the established internal rules and procedures.

Sonae Arauco's Employees act on behalf of the Company exclusively in situations for which they have been authorized or empowered to do so, whether because of the nature of their position or by unequivocal delegation. Therefore, Employees must refrain from acting on behalf of the Company when they have not been authorized to.

They must be particularly mindful of highlighting that they are acting in their personal capacity, when they are addressing their own endeavours that could be mistaken for activities being conducted on behalf of the Company. Examples can include but are not limited to the participation in political campaigns, the issuance of opinions to the public media, participation in social or community activities of any kind, making donations, submitting requests before the authorities, etc.

All Employees must be particularly mindful when interacting with government officials and public authorities. It shall always be necessary to verify if interacting with said authorities on behalf of Sonae Arauco is in fact within the scope of the Employee's responsibilities, and should be in strict compliance with legal regulations and the provisions of this Code.

## 2.RELATIONS WITH STAKEHOLDERS



## 2.2. RELATIONS WITH SHAREHOLDERS AND OTHER INVESTORS

### 2.2.1. Creation of Value

Sonae Arauco's main objective is to maximise the value created for its shareholders. We believe that this objective can only be achieved in the short, medium and long term if the Company simultaneously generates wealth for other stakeholders such as our Employees, suppliers, financing institutions and local, regional or national authorities.

### 2.2.2. Information Accuracy

Sonae Arauco's policy is that both the parent Company and all its subsidiaries and their Employees must comply with the law and the internal policies related to the accuracy and integrity of accounting financial records and their updates.

Our accounting and legal books, as well as our operational records and any other management information, shall be reliable and compliant with our policies and procedures.

Operations conducted between Sonae Arauco and its subsidiaries or with third parties shall be conducted in a timely manner and accurately registered in our accounting books, in accordance with the accounting and legal standards, rules and practices in force. It is strictly prohibited, under all and any circumstance, to forge information and/or to provide inaccurate information. Information provided by Employees to their direct supervisors and to the

internal and external auditors, as well as the documents required by other institutions or organisations, must be timely, accurate, serious, reliable, and complete. Each Employee is responsible for providing information in a clear and transparent manner.

### 2.2.3. Information Management

Capital markets and stock exchanges in which Sonae Arauco's shareholders participate, have enacted laws, rules and regulations regarding the use and disclosure of confidential corporate information. The purpose of such regulations is to protect the transparency that should rule the market, providing complete and precise information on material business matters, so that investors may take proper investment decisions, and assure that Employees with access to confidential information shall not use it for their own or third parties' benefit.

## **2.RELATIONS WITH STAKEHOLDERS**

### **2.3. RELATIONS WITH GOVERNMENTS AND COMMUNITIES**

#### **2.3.1. Ethical Behaviour**

We are legally bound to comply with all national and international legislation. However, if our internal standards are more rigorous than those imposed by local laws, we go beyond compliance with local legislation and adopt the most demanding standards.

According to the law, in certain cases the Company can be liable for the perpetration of certain crimes by its Employees while they are executing their tasks. Some examples of such crimes are money laundering, financing of terrorism and bribery of either foreign or domestic public officials.

Accordingly, the Company expressly prohibits any conduct that may lead the Company to face criminal charges due to actions carried by out by shareholders, partners, controllers, responsible individuals, main executives, representatives, individuals who perform management or supervision tasks, and by any of the Company's Employees or by any external Employee who may be deemed as acting on behalf of the Company.

### 2.3.2.Environmental Awareness

Sonae Arauco and its Employees are permanently, actively and responsibly committed to environmental protection.

Given that Sonae Arauco's business is directly connected to the use of natural resources, the Company takes its responsibility extremely seriously in relation to raising environmental awareness, in using these resources in a sustainable way and in keeping its environmental impact to a minimum.

Sonae Arauco also takes into consideration the environmental aspects of the areas where it carries out its operations and, as such, it has adopted good practices, values and commitment codes.

Likewise, Sonae Arauco's policies take into account compliance with legal requirements, especially in-force environmental regulation, and the application of responsible standards to situations in which laws and regulations are non-existent.

Finally, since Sonae Arauco is committed to environmental protection, each Employee must perform his/her activities trying to minimize their impact on the environment, and taking into consideration the compliance with applicable in-force laws.

## 2.RELATIONS WITH STAKEHOLDERS

### 2.4.

#### RELATIONS WITH BUSINESS PARTNERS

##### 2.4.1.Relationship with Customers and Suppliers

**The relationship between Sonae Arauco's Employees and its customers and suppliers must take place under strict independence and in accordance with the Company's interests.**

This means refraining from favouring a customer or supplier, and always prioritising the Company's profit, quality and budget parameters.

Restrictive trade practices are not permitted nor the abuse of any eventual dominant position in the market.

The selection and hiring of suppliers shall be always based on the Company's needs and on technical, professional and ethical criteria, taking into account objective factors such as competence, price and quality.

Sonae Arauco's commitment with its customers and suppliers shall be reflected in the respect for their rights and the permanent search for solutions that address their interests, always in accordance with the Company's development and profitability goals.

When applicable and in order to preserve the highest level of trust from customers and suppliers, Sonae Arauco adheres to the fundamental policy of treating any commercial or business information as exclusive and confidential property of its customers and suppliers. Sonae Arauco's Employees must maintain the confidentiality of such information, unless its disclosure has been legally authorized or required. The commitment shall continue even after the commercial relationship of customers and suppliers with Sonae Arauco has been terminated.

Employees are expected to support the Company, to the best of their ability, to prevent, end or minimize the risk of holding relationship with entities that violate human rights or environment related obligations.

### 2.4.2. Transparency

Business decisions should be taken based on rational criteria such as quality, competitive pricing and service level agreements, thereby contributing to uphold fair dealing.

Sonae Arauco is a totally committed defender of transparent and equitable business practices and does not tolerate active or passive bribery nor corruption.

In all external communications, untruths, concealment and overstatement will be avoided. We will never deliberately give inadequate or misleading product descriptions.

Employees are not allowed, either individually or together with third parties, to practice any action that violates national or foreign laws relating to money laundering, expressly in converting, transferring, assisting or facilitating any operation of conversion or transfer of benefits obtained by them or third parties, directly or indirectly for the purpose of disguising their illicit origin.



## **2.RELATIONS WITH STAKEHOLDERS**

### **2.5. GIFTS AND HOSPITALITY**

It is prohibited to promise, offer or provide gifts, hospitalities or any other benefits to public or private officials (national or foreign), for example those working for suppliers or current and potential customers, whenever such action involves breach of laws, or if not deemed to be consistent with the local business practices.

Sonae Arauco's Employees are not allowed to accept gifts, invitations and other benefits, when such may threaten or jeopardise their independence, impartiality or sound criterion to address the Company's interests, or if not deemed to be consistent with the local business practices.

In case of doubt, the Ethics Committee shall be consulted.

### **2.6. RELATIONS WITH COMPETITORS**

Sonae Arauco promotes and respects free competition, not only to strictly comply with the applicable legislation, but also as a sound business practice and a fundamental principle which must govern all aspects of its business dealings.

It is strictly prohibited to negotiate agreements or exchange sensitive information with competitors, in contravention of the provisions and principles that rule free competition.

Moreover, it is prohibited to implement practices or strategies that could be considered as an abuse of dominant position in the market.

The provisions included in the Sonae Arauco Antitrust Policy and Guidelines are deemed an integral part of this Code.



**The Ethics Committee was created to guarantee that the highest standards of business practice are upheld by the Group.**

The scope of activity of this Committee includes:

Safeguarding and monitoring the implementation of the Code of Ethics in a timely and appropriate manner;

Updating and amending the Code of Ethics, whenever deemed necessary, and promoting consistency in its interpretation and application across the Group;

Promoting the values and behaviours encouraged by the Code of Ethics;

Issuing clarifications regarding the interpretation of provisions in the Code of Ethics, on its own initiative, or after being requested to do so by Employees;

Implementing a channel for communication of alleged irregularities, and appointing the responsible for the related internal information system, where legally required;

Evaluating and investigating all alleged irregularities reported and ensuring the implementation of actions plans, when appropriate.

**The Board of Directors of Sonae Arauco is responsible for the appointment of the members of the Ethics Committee. The Board of Directors appointed the two Members of the Board Permanent Committee (Non-Executive Board Members) and the Internal Audit Director.**

## 4. DISCLOSURE OF NON-COMPLIANCE (“IRREGULARITIES”)

Employees have the obligation to comply with this Code of Ethics. Incorrect behaviours carried out by others should not be indulged. Hence, **when in possession of information regarding any situation or behaviour that may constitute a breach of this Code, such information shall be timely submitted to the Ethics Committee.**

Contact details for submitting alleged irregularities:

By email  
[ethics.committee@sonaearauco.com](mailto:ethics.committee@sonaearauco.com)

By post  
**Sonae Arauco**  
**Ethics Committee**  
**Lugar do Espido – Via Norte, Apartado 1129**  
**4470-177 Maia – Portugal**

Communication of alleged irregularities are accepted in different languages (English, French, German, Portuguese and Spanish) and it is recommended that they are supported by evidence of the matter being disclosed.

It is recommended that the report mentions the name and contact of the sender, but anonymous reports will also be accepted and analysed.

Employees are assured that:

All alleged irregularities reported will be treated in the utmost confidentiality and in compliance with data protection rules, and there will be no retaliations;

Measures will be taken to have an independent investigation of the alleged irregularity, with support of the necessary internal and/or external expertise and complying with the legal deadlines applicable;

An acknowledgement receipt of the alleged irregularity will be issued and the sender (when identified) will be contacted during the respective investigation;

The investigation will be followed by swift corrective action and disciplinary proceedings when warranted.

An Anti-Corruption Policy and the Regulation on Communication of Infractions are available at the Company's internal/external website.

The Legal Department of the respective country will be involved, when appropriate, to ensure the compliance with local legal requirements.



