

MASISA

Corporate Policy

Environment

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1. INTRODUCTION

1.1 Purpose

To establish the guidelines for Masisa's Environmental Management with the aim of guiding the Company towards business sustainability and ensuring that the environmental impacts generated by its activities, products and services are known and managed responsibly and consistent with the Triple Bottom Line theory.

1.2 Scope

Applies to all the companies and/or investments controlled by MASISA, in which the Company holds a majority stake or is entirely responsible for the management of the business.

1.3 Definitions and abbreviations

- **Environmental aspect:** an element of the activities, products or services of an organization that may interact with the environment.
- **Environment:** the environment in which an organization operates, including air, water, soil, natural resources, flora, fauna, human beings and their interrelationships.
- **Environmental impact:** any change in the environment, whether adverse or beneficial, as a total or partial result of the environmental aspects of an organization.
- **Stakeholder:** an individual or group that has an interest in and/or may be affected by any decision or activity of the organization (ISO 26,000).
- **Sphere of influence:** an area or political, contractual or economic relationship in which the organization has the potential to affect the decisions or activities of individuals or organizations.
- **Triple Bottom Line:** a model that seeks to obtain, comprehensively and simultaneously, the highest rates of financial, environmental and social performance. The actions carried out in the environmental and social spheres aim to generate economic value for the company. (The concept of the "triple bottom line," or 3BL, was developed by John Elkington in 1994, available at www.sustainability.org).
- **Forest Stewardship Council (FSC):** an independent, non-profit, non-governmental organization located in Bonn, Germany, which aims to promote responsible management of the world's forests.
- **Wood inputs:** raw material used in industrial processes, such as fiber, round wood, veneers and reconstituted wood boards, among others.
- **FSC certified wood:** wood from FSC certified forests, with a valid identification stamp.
- **FSC Controlled Wood:** wood identified by a company to differentiate it from the categories of wood listed in Section 1.1 of the FSC-STD-40-005 - Standard for company evaluation of FSC controlled wood.

- **Non-controlled wood:** wood from sources that do not have evidence of compliance with the FSC-STD-40-005 - Standard for evaluation by companies of FSC controlled wood.
- **Illegally harvested timber:** timber that has been illegally harvested in violation of any or all applicable harvesting laws in the locality or jurisdiction, including acquisition of harvesting rights from the legal owner, harvesting methods used, and the payment of the corresponding patents and rights.
- **Supplier:** a company or operator that supplies a product or service.
- **SMS:** Health, Environment and Safety.
- **SSO:** Occupational Health and Safety.
- **ISO:** International Standardization Organization.

2. POLICY DESCRIPTION

2.1 Environmental Management

- Masisa recognizes the importance of environmental responsibility in its businesses and promotes the eco-efficiency of its processes, seeking excellence in environmental management through the following of guiding elements of its management:
 - ✓ Ensure compliance with applicable legal, regulatory and client requirements, as well as other voluntary commitments in relation to the environment and quality, including the principles and criteria for responsible forest management and chain of custody of the Forest Stewardship Council® (FSC®).
 - ✓ Assume responsibility for the protection of the environment through the assessment and control of environmental aspects, protecting employees, the community and the integrity of the surrounding biodiversity, as well as environmental education among its stakeholders, in order to prevent pollution and adverse impacts, both to the environment and to neighboring communities.
 - ✓ Management of the impact on air quality and efficient use of energy, seeking renewable alternatives in order to contribute to the mitigation of climate change.
 - ✓ Optimization of natural resources and mitigation of the impact on the soil, water, flora, fauna and the effects on biodiversity.
 - ✓ Proper management of waste deriving from its processes, prioritizing reuse, recycling, and the reduction of waste generation. Masisa units must also work proactively in managing the adverse impacts of their post-consumer products in line with the principles of the circular economy.
 - ✓ Promotion of a work environment conducive to the development of innovative environmental solutions and with the aim of making the processes more sustainable through participatory management between the company and its collaborators.
 - ✓ Inclusion of environmental criteria in the development of products and services, evaluating the impact of the use of new materials and/or supplies. Environmental criteria must also form part of the supplier selection and development process, transportation and logistics, and the performance evaluation of collaborators, exercising environmental leadership throughout its value chain.

- ✓ Open and transparent dialogue with its stakeholders, as an input to the environmental management system.
- To execute these lines of action, Industrial Operations must implement and maintain an environmental management system and control the origin of wood inputs, preferably through Forest Stewardship Council® (FSC®) chain of custody certification.
- In addition, the Industrial and Forestry Operations must comply with the mandatory environmental requirements of the Corporate Health, Environment and Safety Manual (SMS), seeking continuous management improvement through compliance with the desirable requirements of said manual.
- Environmental management must be integrated with other management systems and tools of the Company.

2.2 Purchase of wood supplies

- Masisa's operations seek to significantly reduce the risks of trading wood from unacceptable and questionable sources. To this end, the Company seeks not to get involved in the trade of:
 - ✓ Illegally extracted wood;
 - ✓ Wood extracted in violation of traditional and civil rights;
 - ✓ Wood from forests whose high conservation values are threatened by management activities;
 - ✓ Wood from forests that are being replaced by plantations or non-forest uses, and
 - ✓ Wood from forests where genetically modified trees are planted.
- To achieve this, industrial operations are based on the Wood Purchase Policy, which includes these principles.
- The purchase of wood supplies from companies certified by the FSC (current seal), is preferred over the same offer of quality and price.
- Masisa's industrial operations that do not have FSC chain of custody certification must prioritize the purchase of supplies from controlled wood suppliers under the FSC-STD-40-005 standard.
- The purchase of native wood supplies is allowed as long as the unit has its chain of custody certified by FSC.
- For this purpose, before finalizing any negotiation, any Masisa operation interested in purchasing native wood supplies must submit the required species to an analysis and authorization by a committee made up of:
 - ✓ Operations Manager.
 - ✓ Forest or Wood Supply Manager.
 - ✓ SMS and Community Relations Manager.
 - ✓ General Manager.

3. RESPONSIBLE FOR ITS APPLICATION AND FOLLOW-UP

Position	Application	Follow-up
Board		X
General Manager	X	X
Heads of the respective Departments	X	
SMS and Community Relations Manager	X	

4. VALIDATION PROCESS

Function	Name	Position	Date
Reviewed by	Reinaldo Gallegos	SMS and Community Relations Manager	May 2022
Approved by	Alejandro Carrillo	General Manager	May 2022
Effective Date: May 2022		Version: 03	

5. CHANGE CONTROL

Reason	Responsible	Date
Corporate Policies and Procedures Optimization Project	Rogério Quaresimin	August 2011
Circular Economy concepts are considered ISO 14,001 certification obligation is eliminated FCS Chain of Custody certification obligation is included Paragraph on Use of Native Wood Inputs is simplified	Rogério Quaresimin	December 2019
A paragraph referring to compliance with applicable legal requirements is added. Responsibility for protecting the environment is added. Application and monitoring responsibilities are updated. Country General Manager is changed to Corporate General Manager.	Reinaldo Gallegos	May 2022