

MASISA S.A.
ESG Supporting Document
DJSI 2022
(FY 2021)



1.3.3 Emerging Risks:

	Description of Risk	Potential business impact of the risk to the business	Mitigation actions the company has taken
Political situation of the markets in which Masisa operates	From 2019 to date, the region where Masisa operates has been affected by socio-political changes (social unrest, political instability and polarization) that generate a greater degree of uncertainty regarding investment. This background may bring with it an economic slowdown in the region, impacting Masisa's growth in those markets.	Given the foregoing, compliance with Masisa's strategic plan may be compromised, due to a weakening in demand, which may affect the return on investments in the region. Additionally, possible changes in the legal and regulatory framework could bring with them higher levels of volatility in business flows.	Masisa's mitigating factor is a high diversification of markets, as well as a broad portfolio of products offered to them. For example, approximately 50% of Masisa's turnover comes from North America, mainly from the United States, a country that has one of the most stable economies in the world. Additionally, the relationship with our clients continues to be strengthened, in order to continue being their strategic partners. On the other hand, Masisa has decided to maintain a stable financial position and a low level of indebtedness, in order to be able to face market volatility. Masisa is working on an investment plan in order to strengthen its competitive position in the region. At the Corporate Governance level, continuous monitoring of the situation in the region is carried out, in order to react in time to unexpected changes in the markets.
Environmental and Community Relations Regulations	Masisa's main productive operation is located in Chile, in the Bío-Bío Region, especially in Concepción, an area declared highly polluted, for which the environmental authority established a decontamination plan, which is in the process of being implemented. Also, emission reduction measures to 30% of the base year (2013) must be implemented by December 2024. Masisa must implement improvement measures in order to comply with the new regulations, and comply with the defined business principles: respect the environment and generate a positive impact on nearby communities.	Although it is difficult to quantify the specific impacts, non-compliance with the new legal regulations can range from paying fines to having an effect on Masisa's operations. Specifically, the authority set an emission limit, if they are exceeded, Masisa may face tax charges of up to 7 million dollars per charge. The control and sanctions of non-compliance are in the hands of the Environmental Superintendence in Chile.	For the plant located in Mapal, Masisa is executing an investment plan, which in its first stage seeks to improve the emission control system, to later install a Scrubber, in order to reduce the emission of particles. On the other hand, although the plant located in Cabrero currently has a Scrubber, it is nearing the end of its useful life, so Masisa plans to replace it by 2024 and, with this renewal. With these actions, we'll continue to fulfill the commitment of Masisa to the environment and current regulations. In addition, at a company level, we have an environmental and social action plan, which we will begin its implementation in 2022. Masisa strictly complies with all environmental and social regulations, in accordance with the provisions of its business principles, mitigating the risks of fines, arrests, and others.

1.4.4 Corruption & Bribery

Masisa does not make political and/or charitable contributions as a means of bribery and corruption.

1.4.8 Reporting on Breaches

Business Principle	2019	2020	2021	2022*	Total
Business Conduct	1	2	3	1	7
Chile	-	2	1	1	4
Ecuador	-	-	1	-	1
Venezuela	1	-	1	-	2
Individual Conduct	8	7	4	3	22
Chile	3	3	2	1	9
Colombia	2	-	-	-	2
Ecuador	-	-	-	1	1
Mexico	3	3	2	1	9
Venezuela	-	1	-	-	1
Relationship with customers	-	-	-	1	1
Mexico	-	-	-	1	1
Relationship with collaborators	3	2	7	1	13
Chile	2	-	2	1	5
Mexico	-	-	3	-	3
Peru	-	-	1	-	1
Venezuela	1	2	1	-	4
Total	12	11	14	6	43

*2022 complaints in the first quarter.

Masisa, as part of its Action Framework, has defined that all complaints are investigated and maintain an action plan, either to provide a solution or take the corresponding disciplinary measures. To this end, it maintains an Ethics Committee, which monitors the ethical compliance of the organization. This Committee is made up of the General Management, the People, Culture and Internal Communications Management, the Legal and Corporate Affairs Management and the Internal Audit Management.

The classification of complaints is made based on the business principles defined by the Board of Directors, which are:

1. **Economic results:** We permanently seek the creation of sustainable value.
 - MASISA develops its business strategy and directs its focus and energy in the permanent search for more efficient management to provide an appropriate return to its shareholders.
 - MASISA adopts the triple bottom line strategy to guarantee the sustainability of its businesses through future generations. For this reason, its usual operations, as well as the criteria for making decisions on new businesses, investments, acquisitions and commercial relations, necessarily incorporate economic, social and environmental requirements.

2. **Business Conduct:** We are committed and aligned with ethical and transparent business conduct, with performance of high governance standards.
 - MASISA complies with the legislation applicable to all its businesses and works with international standards, both in its operations and in its commercial relations.
 - MASISA develops, monitors and promotes the continuous improvement of its transparency processes and good corporate governance practices and does not intervene in political-partisan matters.
 - In our business relationships or in joint ventures where we do not have corporate control or management, we promote the application of our principles.
 - MASISA supports and respects internationally recognized human rights and avoids commercial relationships or relationships of any kind with organizations or persons that violate these rights.

3. **Individual Conduct:** We are a team that works with honesty, integrity and acts with transparency.
 - MASISA expects all its employees, regardless of the role they perform, to behave ethically and recognizes employees who work to create competitive advantages in an ethical manner.

- Any type of bribery, payment received or made that is illegal or unethical is unacceptable. Employees must avoid situations, such as gifts, benefits or others, that could lead to, or suggest, a potential conflict of interest between their personal activities and MASISA's business.
 - Employees must keep confidential any commercial or business information of MASISA to which they access. Everyone must do their best to protect company assets.
 - Employees have the duty to promptly report situations that violate MASISA's business principles to the established communication channels.
4. **Relationship with clients:** We build relationships of trust with our clients through excellence in service, innovation, quality and sustainability of our products and solutions.
- Our customers are essential to the long-term success of our business.
 - We make every effort to understand and anticipate the needs of our customers.
 - We work closely with our customers, suppliers and technology partners to offer products and services that meet innovation expectations.
5. **Relationship with collaborators:** We work together to be a high-performance team, based on respect, in a healthy, collaborative and trusting work environment
- Relationships with our collaborators and among between them must be based on mutual respect and trust. We promote teamwork and reject unfair treatment, whatever form it takes.
 - Health and safety are core values of our daily work. We consider it a duty to have a preventive management system for health and safety risks.
 - MASISA seeks to attract, develop, recognize and retain high performance employees, with clear objectives and generating safe and healthy working conditions for all.
 - Our labor policies consider respect for freedom of association and the right to bargain collectively.
 - We value diversity in our collaborators and collaborators and we do not allow discrimination based on race, gender, age, ethnicity, nationality, religion, sexual or political and socioeconomic orientation.
6. **Community relations:** We are committed to improving the well-being of people, interacting with our neighbors, communities, suppliers, society and the environment, towards a better and sustainable future.

- MASISA considers that its contribution to improving the quality of life of the communities where it operates is part of its business strategy and long-term success.
- We promote operating practices that reduce or avoid the environmental impact associated with our activities, with special emphasis on prevention.
- We ensure the efficient use of resources, incorporating eco-efficiency and environmental risk management into management. We review and publicly report the results and improvements obtained

1.5.1 Contributions & Other Spending (USD)

	2018	2019	2020	2021
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	281,243	220,811	217,614	135,951
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
Total contributions and other spending	281,243	220,811	217,614	135,951
Data coverage (as % revenues)	57	71	86	78

The information covers our operations in Chile and Venezuela.

1.5.2 Largest Contributions & Expenditures

Name of organization	Total amount paid in FY 2021 (\$USD)
Corma- a Chilean trade association that brings together more than 150 actors from the forestry sector, the most important industry based on renewable resources in the country.	41,796
WBCSD- The World Business Council for Sustainable Development is a CEO-led organization of over 200 international companies. The Council is also connected to 60 national and regional business councils and partner organizations.	37,531
Cidere Biobio- a private law, non-profit corporation, whose purpose is to comprehensively promote, and in all its aspects, the development of the geographical area formed by the provinces of	12,087

Arauco, Biobio, Concepción, Malleco and Ñuble. The organization seeks to contribute to social development through entrepreneurship, innovation and collaboration of associates and the community	
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1.6.6 Supply Chain Transparency & Reporting:

Type of supplier	Absolute number of suppliers
Total tier 1 suppliers*	1623
critical tier 1 suppliers**	59

*82% of the suppliers are national and 18% correspond to foreigners. Of the national suppliers, 58% are of goods and 42% of services. In the case of foreign suppliers, almost all are of goods suppliers.

**100% of the critical suppliers were evaluated and 2 suppliers have improvement commitments (corrective plan).

Supply Chain KPIs:

-Number of contracts with suppliers that incorporate some circular economy component: This KPI was set in 2021 so we don't have past measurements yet. Our goal is to have at least 2 contracts with suppliers with this description by 2022.

-% of critical suppliers evaluated annually on sustainability issues according to current procedure: 100% of our critical suppliers were evaluated in 2020 and 2021. Our goal is to maintain this percentage.

-% of tendered suppliers with contractual sustainability clauses: 100% of our tendered suppliers had contractual sustainability clauses in 2021. Our goal is to maintain this percentage.

1.8.1 IT Security/ Cybersecurity Governance

The role or function within or reporting directly to the Executive Management team responsible for overseeing cybersecurity within the company:

- Gonzalo Reyes H. is Masisa's Information System Officer. He's a professional with more than 15 years in important companies in the Chilean energy sector, leading multidisciplinary teams and being responsible for the complete operation of systems, including cybersecurity.

2.2.4 Return on Environmental Investments (USD)

	FY 2018	FY 2019	FY 2020	FY 2021
Capital Investments	0	0	0	\$1,663,310
Operating Expenses	\$1,568,681	\$2,056,505	\$1,302,022	\$1,347,517
Total Expenses (= Capital Investment + Operating Expenses)	\$1,568,681	\$2,056,505	\$1,302,022	\$3,010,827
Savings, cost avoidance, income, tax incentives, etc.	0	0	0	0
% of operations covered (basis for the coverage: production volumen)	100%	100%	100%	100%

2.2.5 Environmental Violations

We have not paid any significant fines (> USD \$10,000) related to environmental or ecological issues in the past four fiscal years.

	FY 2018	FY 2019	FY 2020	FY 2021
Number of violations of legal obligations/ regulations	0	0	0	0
Amount of fines/penalties related to the above (USD)	0	0	0	0
Environmental liability accrued at year end.	0	0	0	0

2.3.1 Direct Greenhouse Gas Emissions (Scope 1)

The coverage of this information is Chile.

Direct GHG (Scope 1)	Unit	FY 2019	FY 2020	FY 2021
Total direct GHG emissions (Scope 1)	metric tonnes CO2 equivalents	15,063	15,877	17,630
Data coverage	% of revenues	71%	86%	78%

2.3.2 Indirect Greenhouse Gas Emissions (Scope 2)

The coverage of this information is Chile.

IGHG (Scope 2)	Unit	FY 2019	FY 2020	FY 2021
Total indirect GHG emissions (Scope 2): Location-based	metric tonnes CO2 equivalents	92,835	88,278	93,827
Data coverage	% of revenues	71%	86%	78%

2.3.3 Energy Consumption

The coverage of this information is Chile.

Total energy consumption	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Total non-renewable energy consumption	MWh	227,062.25	240,578.76	235,775.23	249,596.34
Total renewable energy consumption	MWh	663,041.2	586,664.2	610,124.8	690,021.9
Data coverage	% of revenues	57%	71%	86%	78%

2.3.4 Water Consumption

The coverage of this information is Chile.

Water Consumption	Unit	FY 2018	FY 2019	FY 2020	FY 2021
A. Withdrawal: Total municipal water supplies (or from other water utilities)	Million cubic meters	0.058	0.0467	0.0551	0.074
B. Withdrawal: Fresh surface water (lakes, rivers, etc.)	Million cubic meters	0	0	0	0
C. Withdrawal: Fresh groundwater	Million cubic meters	0.409	0.442	0.444	0.543
D. Discharge: Water returned to the source of extraction at similar or	Million cubic meters	0.0418	0.0415	0.045	0.07

higher quality as raw water extracted (only applies to B and C)					
E. TOTAL NET FRESH WATER CONSUMPTION (A+B+C-D)	Million cubic meters	0.467	0.489	0.499	0.617
Data coverage	% of revenues	57%	71%	86%	78%

2.3.5 Waste

The coverage of this information is Chile.

Waste	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Total waste recycled/reused	metric tonnes	365.07	9504.29	8921.153	10375.205
Total waste disposed	metric tonnes	11979.82	11295.1	8244.07	8882.52
- Waste landfilled	metric tonnes	1961.89	1825.10	2636.07	3076.52
- Waste incinerated with energy recovery	metric tonnes	0	0	0	0
- Waste incinerated without energy recovery	metric tonnes	0	0	0	0
Waste otherwise disposed: slag	metric tonnes	10017.93	9470	5608	5806
- Waste with unknown disposal method	metric tonnes	0	0	0	0
Data coverage	% of revenues	57%	71%	86%	78%

2.3.6 Nox Emissions

The coverage of this information is Chile.

Direct NOx emissions	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Direct NOx emissions	metric tonnes	1.33	2.43	2.8	2.55
Data coverage	% of revenues	57%	71%	86%	78%

In its fixed sources, Masisa does not have a CEMS (Continuous Emissions Monitoring System) installation. This is because according to Law 20,780 of the Green Tax in Chile, CEMS installation is required for equipment with an installed capacity of 50 MWt (thermal megawatts), produced by establishments whose fixed sources, made up of boilers or turbines, individually or as a whole, add up to a thermal power greater than or equal to that indicated above. Masisa's list of fixed sources does not exceed 50 MWt of capacity, therefore the installation of CEMS does not apply. Therefore, we have not invested in an emissions monitoring system to measure NOx emissions.

On the other hand, we do have a commitment to report to the environmental authority once a year- measuring fixed sources to quantify emissions of gases, NOx, SO2 and Particulate Matter. This is only done for a couple of hours, one day each year. This is to demonstrate the values of direct NOx emissions in annual metric tons, since we do not have a continuous annual value and we only have a specific measurement value. This is the information reported above.

2.3.7 Chemical Oxygen Demand

The coverage of this information is Chile.

Direct Chemical Oxygen Demand	Unit	FY 2019	FY 2020	FY 2021
Direct Chemical Oxygen Demand	metric tonnes	330.8	328.6	442
Data coverage	% of revenues	71%	86%	78%

2.5.2 Biodiversity Exposure and Assessment

Masisa Argentina	Number of sites	Area (hectares)
a) Overall What is the total number of sites and the total area used for operational activities?	47	72,389
b) Assessment Have you conducted biodiversity impact assessments for sites used for operational activities in the past five years?	10	18845.5
c) Exposure Of the sites assessed in the past five years, how many sites are in close proximity to critical	2	856

biodiversity, and what is the total area of these sites?		
d) Management plans Of those sites in close proximity to critical biodiversity, how many sites have a biodiversity management plan, and what is the area covered by these biodiversity management plans?	2	856

Explanation note:

A: MASISA Forestal Argentina's assets are grouped into 47 properties located in the provinces of Entre Ríos and Corrientes. • Total Plantations 44,302 Ha (Eucalyptus 25,699 Ha and Pine 18,603 Ha) • Forest Land 10,045 Ha • Nature Reserves 8,941 Ha • Other Uses 9,101 Ha. TOTAL ASSETS: 72,389 Ha.

All 47 farms have had biodiversity assessments at least once. When the forests are cut down and replanted, an evaluation is made again (that is why there are no evaluations every 5 years in all the assets).

B: In recent years we have carried out biodiversity assessments in 10 natural reserves (no operating activity - 8,941 Ha) and in 10 operating properties (18,845.5 Ha). The new evaluations of the properties with operations (10) have been evaluated subject to the legal requirement (specifically reforestation).

C: The operational properties (10 properties - 18,845.5 Ha) do not have proximity to critical biodiversity. Only properties with natural reserves (conservation areas without operational activity) have proximity to critical biodiversity. These conservation areas have 8,941 Ha, of which only 856 Ha belong to 2 Areas with High Conservation Value Attributes (Tres Cerros and Loma Alta).

D: The 2 areas with High Conservation Value Attributes (Tres Cerros and Loma Alta) have annual monitoring of their protected ecosystems.

2.6.1 TCFD Disclosure:

We are committed to integrating TCFD, but we do not yet report on any of the requirements. We plan to disclose on the requirements by year 2023.

3.2.2 Workforce Breakdown: Gender

The information below covers 100% of Masisa's employees.

Indicador	% 2021
Share of women in total workforce (as % of total workforce)	16,5%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	26,0%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	11,3%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	15,4%
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	2,2%
Share of women in STEM-related positions (as % of total STEM positions)	16,7%

3.2.3 Workforce Breakdown: Race/ Ethnicity & Nationality

The information below covers 100% of Masisa's employees.

Nationality	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Chilean	59.3	44.7
Venezuelan	29.8	41.2
Mexican	7.5	8.4

3.2.4 Workforce Breakdown: Other Minorities

The information below covers 100% of Masisa's employees.

Age	% de FTEs
<30 years	15,1%
30-50 years	61,7%
>50 years	23,2%

3.2.5 Gender Pay Indicators

The information below covers 70% of Masisa's employees (all countries except Venezuela).

Employee level	Ratio (Average salary women/ Average salary men)
Executive level (base salary only)	1.25
Executive level (base salary + other cash incentives)	1.25
Management level (base salary only)	1.04
Management level (base salary + other cash incentives)	1.04
Non-management level (base salary only)	1.13

3.3.2 Human Rights Due Diligence Process

During 2021, based on the commitment to Global Compact, Masisa's due diligence process began with the following milestones:

- Generation of Human Rights Policy, which is public for any related party.
- Training of executive staff and leaders of the company's processes.
- Survey of the human rights risk matrix based on the standard matrix generated by Global Compact.
- Formalization of prevention actions and continuous improvement plans regarding human rights variables.

To date we are developing impact hypotheses. The expected completion date for all these milestones is September 2022.

3.4.1 Training & Development Inputs:

The information below covers 100% of Masisa's employees.

	2021
Average hours per FTE of training and development (hours)	4
Average amount spent per FTE on training and development (USD)	77.5

Average hours of training 2021 breakdown:

Business Unit	Av. hours of training	
	Male	Female
Masisa Argentina	9.2	8.2
Masisa Chile	5.3	10.4
Masisa Colombia	2.5	3.5
Masisa Componentes	1.3	0.1
Masisa Ecuador	0.5	1.5
Masisa México	1.4	6.9
Masisa Perú	0.1	0.4
Masisa Placacentros	0.2	0.3
Masisa Venezuela	1.0	2.3
Total	3.5	6.6

Age Range	Av. hours of training
20 - 30	5.8
31 - 40	4.1
41 - 50	3.7
51 - 60	3.6
61 - 70	2.6
Total	4

3.5.1 Hiring:

The information below covers 100% of Masisa's employees.

Indicador	2018	2019	2020	2021
Total number of new employee hires (#)	137	171	112	287
Percentage of open positions filled by internal candidates (internal hires)	-	-	11.8%	14.1%

New hires 2021 breakdown:

Age	new hires 2021
<30 years	134
30-50 years	140
>50 years	13

Gender	new hires 2021
women	57
men	230

3.5.6 Employee Support Programs

- Working-from-home arrangements:
Certain days of the week working from home is authorized (Tuesday and Friday) for staff who are not subject to clocking system. For the plant administrative group and employees with clocking system, working from home is used every other week.
- Childcare facilities or contributions:
This benefit is granted under the modality of direct contribution to the childcare institution or as a direct bonus to the worker in case of having medical authorization.
- Breast-feeding/lactation facilities or benefits:
Lactation facilities are available at the operations and headquarters.

3.5.7 Employee Turnover Rate

The information below covers 100% of Masisa's employees.

	2018	2019	2020	2021
Total turnover	17.7	26.1	18.2	13.2
Voluntary turnover	6.1	6.5	4.7	4.8

Total turnover 2021- breakdown:

Age	Total Turnover 2021
<30 years	21%
30-50 years	64.3%
>50 years	14.8%

Gender	Total Turnover 2021
women	17.5%
men	82.5%

3.5.9 Trend of Employee Engagement

We measure cultural change (Human Synergistics methodology). This tool defines the ideal culture and the current culture, measuring impact through causal factors. One of the items measured is Satisfaction. Questions in satisfaction are: "I would recommend this organization as a good place to work", "You are pleased to be a member of this organization", "In general, do you like working in this organization?", "You are satisfied with your current situation in your department". They are ranked from 1 to 5, 5 being the highest. We measure cultural change every 3 years.

Unit	2018	2021
Satisfaction (from 1 to 5, 5 being the highest)	4.11	4.37

Data coverage % of total employees	54%	78%
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3.6.2 Type of Philanthropic Activities

This information only considers Chile.

Category	Percentage of Total Costs
Charitable Donations	1%
Community Investments	89%
Commercial Initiatives	10%
Total	100%

3.6.3 Philanthropic Contributions

This information covers Argentina, Chile and Venezuela.

Type of Contribution	Total amount (USD)
Cash contributions	2,526
Time: employee volunteering during paid working hours	15,015
In-kind giving: product or services donations, projects/partnerships or similar	194,089
Management overheads	142,763

3.7.2 OHS Programs

Summary of HES (or HSE) Management in Masisa

Masisa assumes a proactive role in society and considers that health, the environment and safety are non-negotiable values in its management. It recognizes that responsibility towards people and the environment are the basis for a sustainable business and promotes a culture of "self-care" among its direct and indirect collaborators, at all levels of the company, because they understand that health and safety is a shared responsibility inside and outside the company.

Companies that today occupy prominent positions in their business segment and those that seek to occupy it, have already identified that performance in Health, Environment and Safety (HES) is decisive, since it guarantees the integrity of the company's main asset, which are its collaborators.

In this context, we consider our collaborators to be strategic allies and for this reason we are committed to creating the means to develop a culture of operational discipline, where "everyone always does the right thing". This concept directs us to having the best existing management standards.

We created the "System of Excellence in Health, Environment and Safety", a fundamental tool to establish the standards of good practices and achieve a safe and healthy work environment, as well as the development of environmentally correct activities, which are aligned with Masisa's triple bottom line management model.

Excellence in health, environment and safety must be a commitment of all of us who work at Masisa.

HES management establishes the guidelines for the structuring and evaluation of practices for all Masisa Units and operations, considering process and culture management pillars, with the main objective of regulating, standardizing, exchanging and improving practices in all the subsidiaries of Masisa, establishing:

- a) The corporate guidelines for all Masisa units in the development of their management systems.
- b) The system for establishing, managing and reporting the performance of HSE, through performance measurements in health, environment and safety.
- c) The system for establishing objectives, goals and action programs for continuous improvement.
- d) The systematic evaluation of the level of culture and implementation of HSE, considering independent evaluations.
- e) The definition of responsibilities and authorities for the implementation and reporting of the Health, Environment and Safety Management System.
- f) Establishment of Programs of Good Practices for the Environment, Health and Safety, including specifications and technical recommendations for safe work and environmental preservation.

The HES management system is structured in "16 Pillars", defined to support the units in the search for excellence in HES management. The pillars address both Health and Safety and Environment requirements, which are "Elements" that reference and focus on significant issues. The most significant pillars are described below:

Pillar 1: Guidelines and Management Commitment.

It is expected that all levels of leadership, country, units, deputy managers, heads, supervision and leaders in general, to be committed to promoting and safeguarding health, respect for the Environment and safety, as a distinctive value of Masisa. They must exercise actions and be recognized for their "Visible Leadership" in HES, being the

most interested in the implementation and respect of the requirements established for excellent performance.

The HES Policy must be understood as a commitment of senior management, public, consistent with the values of the company, documented, dynamic, sustained over time and in pursuit of continuous improvement.

Each unit must define its HES objectives, goals and indicators, as well as the programs and action plans to comply with the objectives.

The existing leadership structure in each unit and the degree of proximity and participation must be recognized, including the recognition of collaborators.

Masisa has established a structure in each unit to monitor and ensure the expected performance in HES matters, led by the Unit Manager and his line of leadership.

Managers must lead the process of critical analysis of HES management performance, leading the accompaniment of their direct lines of influence, as well as the evolution of results.

The following elements make up the Pillar:

1. Communication of the HES Policy.
2. Objectives Goals and Programs.
3. Visibility of Leadership.
4. Performance standard for leadership levels.
5. HES Central Committee.

Pillar 2: Structure and Governance.

The permanent structure that Masisa has established to achieve growing and reliable results in HES performance and strengthen its governance corresponds to the following:

1. HES Management Committees.
2. HES Central Committees.

Pillar 3: Management of Applicable and Subscribed Legal Requirements.

Masisa establishes and implements a systematic identification, analysis, management and verification of compliance with the applicable and subscribed legal requirements, including Masisa's corporate guidelines. The activity is considered strategic by all levels of leadership.

Pillar 4: HES Competency Management.

All collaborators must be trained and qualified in relation to HES issues, they must be aware of their attributions and the impact associated with the fact that good job performance is always linked to working safely, respecting others and the environment.

For this Pillar the following elements are established:

- Recruitment and integration of collaborators and/or transferred function.
- Competencies by function.
- HES training to management and leadership levels.
- Employee training.
- Critical HES competencies.
- Performance evaluation.

Pillar 5: Communication, Promotion and Participation.

The management of the unit must implement programs, channels and tools for communication, promotion and consultation of HES in the unit. These channels and tools must be accessible and reach all collaborators as a form of leverage, promotion and commitment in relation to HES.

The channels and forms of communication and participation must be disclosed and available to all employees.

The unit must consider the participation and consultation of the interested parties in the definition of policies, procedures and necessary controls to guarantee the HES of all. HES group meetings are important tools for orientation, awareness and formation of homogeneous groups of common interests.

For this Pillar, 5 evaluation elements are established:

- Communication from the Headquarters.
- HES communication.
- HES motivation program.
- Participation and consultation program.
- Group meetings.

Pillar 6: Behavior.

As a way to guarantee a growing level of performance in HES management, leadership levels must promote the implementation of safe behavior management and lead the process, being examples of commitment and compliance.

The unit must plan and implement HES observations, establishing the expected standards of behavior. The standards must be clearly known by all in a way that guarantees the objectivity of the results obtained.

Pillar 8: Risk Management.

The unit must carry out risk management in accordance with the criteria established in the corporate Environmental and Occupational Risk Survey and Management Program.

According to their level of knowledge and experience, employees must participate in risk studies, ensuring that the analysis is practical and assertive.

The identification and evaluation of risks must be exhaustive and judicious so that risk prevention and control measures can be established appropriately and, consequently, guarantee safety and health and the preservation of Masisa's assets.

The unit must ensure that critical and high-potential tasks are carried out properly and safely.

The unit must guarantee the definition and implementation of operational controls appropriate to the risks identified, not just limiting itself to the definition of mandatory controls. When economically feasible, preventative and not just mitigating operational controls should be established.

Pillar 9: Emergencies.

To ensure that emergency situations do not occur, the unit must document and analyze all potential scenarios and plan and implement adequate control measures to prevent their occurrence. On the other hand, should these occur, the unit must be prepared to act quickly and efficiently, minimizing the consequences of the occurrence as much as possible.

The unit must define care plans for possible emergency situations. The plans must consider all the emergency scenarios identified in the risk matrix.

The unit must continuously structure and train Emergency Care Teams, measure and maintain the necessary resources for support and care, in addition to periodically measure the effectiveness of the defined plans.

Pillar 10: Occurrence Management.

The unit must ensure that HES occurrences are treated with the appropriate depth, proportional to their potential.

The units must communicate the occurrences in a way to avoid repetition in other units. The communication must be expeditious and carried out at 2 different times, the alert and the summary for learning, according to the objectives of each one.

Pillar 12: Health Management.

The unit must establish, implement, maintain and continuously improve a health management structure, in accordance with legal requirements, regulations and signed by Masisa.

The unit must establish and implement health prevention programs, according to the characteristics of its population, customs and local conditions, seeking the quality of life of all those involved.

Beyond the prevention programs and campaigns, the unit must guarantee that all the necessary medical examinations are carried out to monitor the health of the collaborators, in accordance with the unit's risk mapping, and that they are carried out at the frequency appropriate to the risks included.

The unit must also guarantee that Hearing Conservation and Respiratory Protection Programs are established, maintained and continuously improved as an integral part of the process, and others that are necessary in each location where the units operate.

3.7.3 Fatalities

Fatalities	FY 2018	FY 2019	FY 2020	FY 2021
Employees	0	0	0	0
Contractors	0	0	0	0

Coverage: 100% of revenues

3.7.4 Lost-Time Injury Frequency Rate (LTIFR) – Employees

LTIFR	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Employees	n/million hours worked	3,88	6,27	8,02	8,52
Data coverage	Employees	100%	100%	100%	100%

3.7.5 Lost-Time Injury Frequency Rate (LTIFR) – Contractors

LTIFR	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Contractors	n/million hours worked	2,43	2,73	2,62	8,67
Data coverage	Revenues	100%	100%	100%	100%

3.7.6 Total Recordable Injury Frequency Rate (TRIFR) – Employees

TRIFR	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Employees	n/million hours worked	4,87	5,22	5,28	4,63
Data coverage	Employees	100%	100%	100%	100%

3.7.7 Total Recordable Injury Frequency Rate (TRIFR) - Contractors

TRIFR	Unit	FY 2018	FY 2019	FY 2020	FY 2021
Contractors	n/million hours worked	7,72	7,37	7,48	21,51
Data coverage	Revenues	100%	100%	100%	100%

3.8.1 Customer Satisfaction:

	2018	2019	2020	2021
NPS	47%	46%	35%	26%

Information coverage only for Chile on B2C segment.

3.9.1 Active Community Engagement

We have 60 active production assets and 100% of them have required community consultation.

We do not currently have ongoing development projects.

3.9.5 Local Employment

Share of local people employed at the operating site level: 67.99% (3062 direct and indirect collaborators, of which 2082 are local).

Share of local people in senior management positions at the operating site level: 60% (30 Senior Management people, of whom 18 are local).

