SONAE ARAUCO
Taking wood further

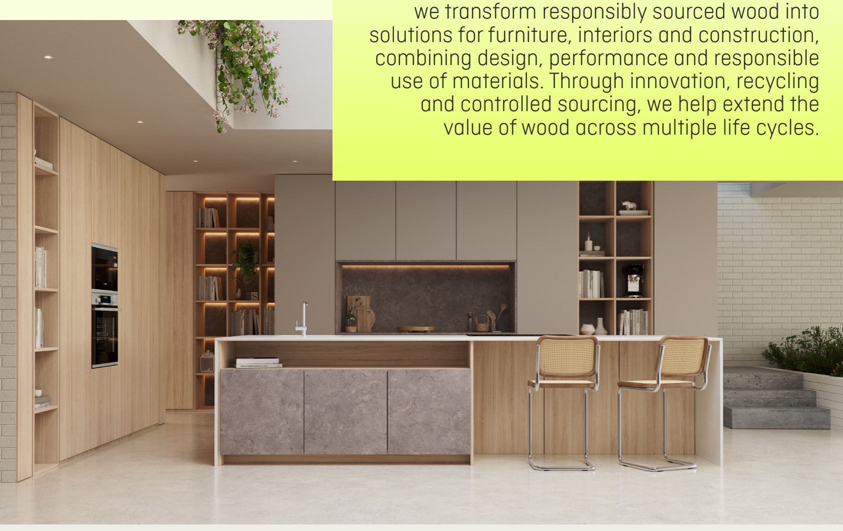
OUR SUSTAINABILITY JOURNEY

Sustainability Brochure

EXTENDING THE VALUE OF WOOD

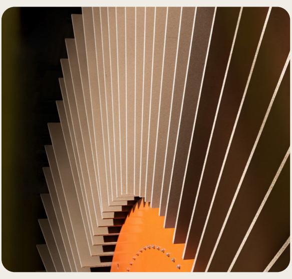
Wood-based panels. Designed for beauty, comfort and long-term use.

Every piece of wood has value. At Sonae Arauco, we transform responsibly sourced wood into solutions for furniture, interiors and construction, combining design, performance and responsible use of materials. Through innovation, recycling and controlled sourcing, we help extend the value of wood across multiple life cycles.



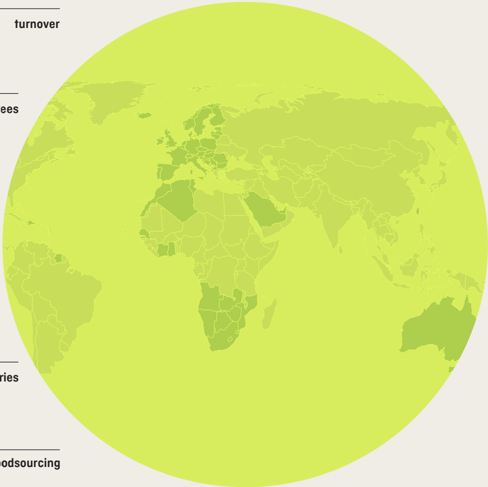
01.SONAE ARAUCO AT A GLANCE

WOOD-BASED SOLUTIONS WITH AN INDUSTRIAL SOUL



Sonae Arauco is a global producer of wood-based solutions for furniture, interior design and construction. Operating across international markets, we combine industrial expertise, innovation and strong customer focus to respond to evolving market needs.

~841 M€	**turnover**
~2,500	**employees**
22	**industrial and commercial units**
4	Industrial operations in 4 **countries**
61	Sales to 61 **countries**
100%	**certified or controlled woodsourcing**



02.2025 HIGHLIGHTS

PROGRESS IN BRIEF

Selected indicators from our Sustainability Report.

Up to
80%
of **recycled wood** incorporated in selected product ranges

42%
total recycled wood and by-products in the raw material mix

100%
of the wood used comes from **certified or controlled sources**

EPDs
Environmental Product Declarations
available across the product portfolio

Approximately
3M
tonnes of CO_2 stored as biogenic carbon in Sonae Arauco's wood-based products

74%
renewable energy in total energy mix (+5 p.p. vs 2024)

43%
reduction of **total GHG versus 2019**

Best safety performance on record

Lost workday case rate of
5.38

200M€

sustainability-linked loan, **linked to recycled wood content and carbon intensity reduction**

44,448

training hours **(an average of 18 hours per employee)**

Top

5%

globally

EcoVadis rating: **Gold Medal**

UN

Global Compact signatory

0

confirmed cases of **corruption and bribery**

Data refers to FY2025 unless otherwise stated. The reported boundaries and methodologies are the same as disclosed in the **2025 Sustainability Report.**

03.RECOGNISED & COMMITTED

Our sustainability approach is supported by **external assessments, certified management systems, product transparency tools and voluntary commitments** that promote accountability, continuous improvement and stakeholder trust.

ECOVADIS GOLD MEDAL IN 2025: TOP-PERFORMING COMPANIES ASSESSED GLOBALLY

Independent sustainability assessment covering selected ESG dimensions

UN GLOBAL COMPACT

Commitment to principles on human rights, labour, environment and anti-corruption

FSC® & PEFC CHAIN OF CUSTODY

Supporting responsible wood sourcing and traceability

KEY SITES CERTIFIED

under ISO 50001

100% OF INDUSTRIAL SITES

certified under ISO 9001, ISO 14001 and ISO 45001

ENVIRONMENTAL PRODUCT DECLARATIONS (EPDS)

available across the product portfolio

04.TARGETS & COMMITMENTS

Our sustainability commitments are embedded in our business strategy and translated into clear targets and action plans:

–5%

REDUCE WATER intensity by 5% by 2026 (vs. 2023)

+5%

INCREASE THE COLLECTION and recycling of post-consumer products by ≥5% by 2027

+5%

INCREASE THE SHARE OF wood materials from certified sources by 5% by 2026 (vs. 2024)

-58.8%

REDUCE SCOPE 1 & 2 emissions by 58.8% by 2033 (vs. 2019)

05.CIRCULARITY

Sustainable Development Goals (SDGs)

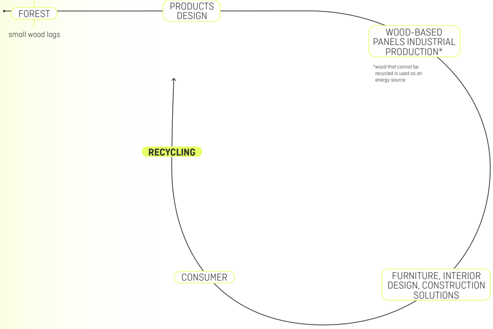
SDG 12 · 13 · 15

SUPPORTING CIRCULAR USE OF WOOD RESOURCES

sawmill by-product

Circular bioeconomy is an integral part of Sonae Arauco's business model.

Through the cascading use of wood, we aim to maximise the value of this renewable resource across multiple life cycles, **keeping materials in use for longer and reducing the need for virgin raw materials.**


FOREST
small wood logs
PRODUCTS DESIGN
WOOD-BASED PANELS INDUSTRIAL PRODUCTION*
*wood that cannot be recycled is used as an energy source
FURNITURE, INTERIOR DESIGN, CONSTRUCTION SOLUTIONS
CONSUMER
RECYCLING

PARTICLE BOARD (PB)

Our particleboard products already incorporate high levels of recycled wood, with some selected PB ranges reaching up to

80%

of recycled content

MDF

We are advancing the industrial incorporation of recycled fibres into new MDF solutions, with the ambition of reaching up to

20%

recycled fibre content in selected products

11 **Recycling centres**

€14M **Circular economy** investment programme ongoing

42% **Recycled wood** and by-products in the raw material mix

2 **Specialised companies** (Ecociclo and Tecmasa)

800+ **Wood collection points** supporting closed-loop systems

Up to 80% **Recycled content** in selected PB ranges

06.CLIMATE ACTION AND DECARBONISATION

SDG 13

WOOD-BASED PRODUCTS CAN STORE BIOGENIC CARBON **DURING THEIR SERVICE LIFE.**

Wood is a renewable material that **naturally captures carbon as it grows.**

By transforming it into durable solutions for furniture, interior design and construction, **wood-based products can retain biogenic carbon across multiple lifecycles.**

Based on 2025 production volumes, Sonae Arauco estimates that the wood-based products manufactured during the year contain approximately **3 million tonnes of biogenic CO_2, stored during their service life.***

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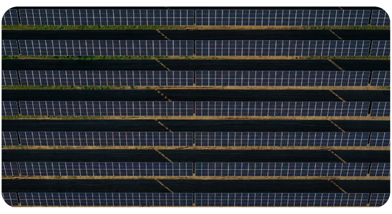
*Calculation based on annual production volumes, product mix and Environmental Product Declarations (EPDs) prepared in accordance with EN 15804.

At Sonae Arauco, reducing greenhouse gas emissions is a key part of our Climate Transition Plan. To support this ambition, we have defined a **decarbonisation roadmap focused on energy efficiency, renewable energy, process optimisation and emissions reduction.**

74%

RENEWABLE ENERGY

in total energy mix



-52%

SCOPE 1 & 2 GHG

emissions vs. 2019

-43%

TOTAL GHG

emissions vs. 2019

€38M

COMMITTED TO DECARBONISATION,

renewable energy, and energy efficiency

TARGET:

NET ZERO FOR SCOPES 1 & 2: 2040
SCOPE 3: 2050

07.RESPONSIBLE SOURCING

SDG 12 · 15

Wood is at the heart of **everything we do.**

That is why we are committed to sourcing it responsibly, supporting active forest management and promoting efficient value chains that help **ensure the long-term availability of this renewable resource.**

Through robust sourcing policies, certification systems and supplier requirements, **we work to strengthen trust, traceability and responsible practices across the forest value chain.**

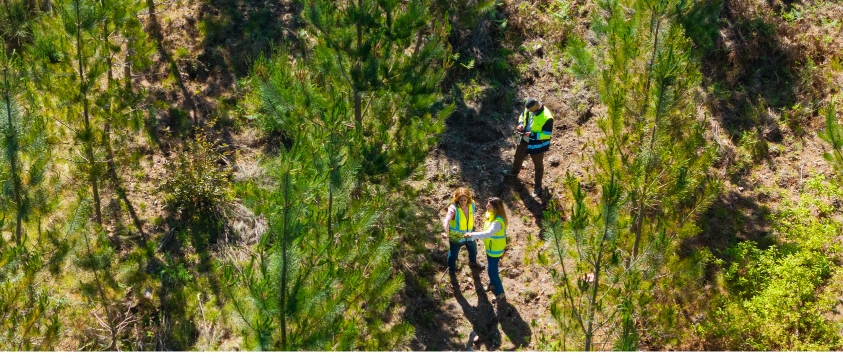
100%

CERTIFIED OR CONTROLLED WOOD

All wood used by Sonae Arauco comes from certified or controlled sources, in accordance with applicable FSC® (FSC® C009049) and PEFC (PEFC/14-35-00013) chain-of-custody requirements.

EXTENDING RESPONSIBLE PRACTICES

Responsible sourcing extends beyond wood. Through our Sustainable Procurement Roadmap, we set clear environmental, social and ethical expectations, apply risk-based due diligence and engage suppliers in continuous improvement, supporting a more responsible and resilient supply chain.



08.FOREST MANAGEMENT & INNOVATION

SDG 13 · 15

SUPPORTING FOREST RESEARCH AND MANAGEMENT

Wood is a renewable resource, but its long-term availability **depends on active forest management, scientific knowledge and collaboration across the forest value chain**. Through research, partnerships and forestry initiatives, Sonae Arauco contributes to research and management activities intended to **enhance the resilience of forests ecosystems.**

GENE RADIATA ADVANCING FOREST RESEARCH

Gene Radiata is a forest R&D project focused on improving the productivity, adaptability and resilience of pine species. Through genetic improvement and long-term field trials conducted under different soil and climate conditions, the project contributes to scientific knowledge and supports the development of forest resources better adapted to current and future forestry challenges.

244

MARITIME PINE AND RADIATA PINE
families evaluated

12

TRIAL SITES ESTABLISHED
across diverse soil and climate conditions

+26%

AVERAGE GROWTH GAIN
achieved by the selected radiata pine families*

*Multi-location Progeny Trial Using Experimental Design Methods; 5 years growth analysis 2021-2026; 26% gain vs maritime pine from Portugal.

10

RADIATA PINE FAMILIES
identified as best suited to Portuguese soil and climate conditions

ANTARR

SUPPORTING FOREST RESILIENCE THROUGH ACTIVE MANAGEMENT PRACTICES

hectares under forest management

340+

As operational manager of the ANTARR project, Sonae Arauco is directly involved in implementing forest management activities aimed at supporting forest resilience and carbon sequestration. The project combines active management practices with a long-term vision for forest sustainability, helping create healthier and more productive forest landscapes.

hectares under forest portfolio management services

11,000+

09.BUILDINGS

SDG 9 · 11

SUPPORTING LOWER-IMPACT MATERIAL CHOICES FOR BUILDING PROJECTS

Building projects increasingly require reliable environmental and technical information to support material selection and project assessment. Sonae Arauco provides products, documentation and tools that can support customers working with recognised building certification schemes, depending on the product selected, project requirements and applicable certification criteria.

BUILDING CERTIFICATION & PRODUCT INFORMATION

LEED®

Selected products may contribute to **specific LEED® credit requirements** in categories such as Materials and Resources and Indoor Environmental Quality, depending on project-specific conditions and certification criteria.

CERTAIN OSB, PB AND MDF PRODUCTS MAY SUPPORT SELECTED LEED® CREDIT CRITERIA, SPECIFICALLY IN TERMS OF:

EPDs

Environmental Product Declarations are available across all product ranges, **presenting a transparent view of their environmental impact, based on the EN 15804 standard.**

ORIGIN

100% of the wood used comes from certified or controlled sources, with FSC® (Forest Stewardship Council®) certified solutions across all ranges.

RECYCLING

PB solutions incorporate **large amounts of recycled wood**, and, in addition, the company has set up a wood waste recycling circuit, which allows for its reintegration into the industrial process.

LOW-EMISSION MATERIALS

OSB, PB and MDF solutions are available with **formaldehyde-free resins.**

REACH

Compliance with European requirements regarding the registration, evaluation and safe use of chemical substances.

Environmental Product Declarations (EPDs)

Available across Sonae Arauco's product portfolio, providing independently verified environmental information based on life cycle assessment methodologies, supporting product evaluation and comparison.

FSC® and PEFC

Chain of custody certification supporting responsible forest management and traceable sourcing of wood-based raw materials.

ENVIRONMENTAL & TECHNICAL DOCUMENTATION

To support project planning, specification and material assessment, Sonae Arauco provides:

- **Environmental Product Declarations (EPDs);**
- **Declarations of Performance (DoP), where applicable;**
- **Technical data sheets and product profiles;**
- **Product information covering composition, emissions, handling and end-of-life management.**

CARBON FOOTPRINT CALCULATOR

A digital tool that enables customers to assess and compare the carbon footprint of selected wood-based solutions using product-specific information.

ACCESS THE CALCULATOR

10.INNOVATION & PRODUCTS

SDG 9 · 12

INNOVATION CREATING VALUE THROUGH WOOD-BASED SOLUTIONS

Innovation enables Sonae Arauco to create value for customers while addressing sustainability challenges and future market needs. Through research, technological development and collaborative partnerships, the company advances circular materials, bio-based solutions and innovative applications.

RESEARCH & INNOVATION

SONAE ARAUCO'S INNOVATION ACTIVITIES FOCUS ON THREE STRATEGIC AREAS:

- **Bio-based resins and alternative raw materials;**
- **Circular economy and resource efficiency;**
- **Wood-based solutions for sustainable construction.**

These priorities are supported through participation in European and Portuguese R&D projects developed in collaboration with companies, technology centres and research institutions.

FEATURED R&D PROJECTS

SusBoard

Developing a resin made of bio-based raw materials and designed to avoid added formaldehyde, subject to validation under defined testing methods, for PB and MDF production, to support the transition towards renewable raw materials and alternative binding solutions for wood-based panels.

EcoReFibre

Developing technologies to recover fibres from post-consumer MDF and fibreboard waste for potential reintroduction into panel production. The project supports Sonae Arauco's long-term MDF recycling strategy and the development of closed-loop material cycles for wood-based panels.

F2F (Fibre-to-Fibre)

Supporting the industrial implementation of MDF recycling by enabling recycled MDF fibres to be reintroduced into the production of new wood-based panels. The project contributed to the development of Sonae Arauco's industrial MDF recycling line in Mangualde.

Wood4Rise

Developing engineered wood products for construction applications, with a focus on material efficiency and durability requirements under defined use conditions.

PRODUCT INNOVATION

BioReFiber X

BioReFiber X represents Sonae Arauco's next generation of MDF solutions. Currently being introduced to the market, it combines recycled MDF fibres with a ISCC PLUS-certified biomass balance resin, demonstrating how circular raw materials and renewable-origin inputs can be integrated into wood-based panels while maintaining the technical performance required for conventional MDF applications. Based on preliminary product composition and defined calculation assumptions, selected BioReFiber X configurations may show a lower carbon footprint by up to 25% compared with conventional MDF. The reduction depends on product specification and methodology.

PRODUCT PORTFOLIO

Innovus®

One of Sonae Arauco's flagship product ranges, Innovus® decorative solutions combine contemporary design, technical performance and circular material use. Offering a wide choice of decors and textures for furniture and interior design applications, the portfolio includes products manufactured with up to 80% recycled wood while offering design flexibility and transparent environmental information.

Agepan®

A comprehensive portfolio of wood-based solutions for modern construction systems. The renewed Agepan® brand combines technical performance, application versatility and environmental information, supporting customers across a wide range of building applications. Environmental Product Declarations (EPDs) are available across the portfolio, while the IBU (Institut Bauen und Umwelt) seal provides independent verification in accordance with recognised standards for construction products.

Product Performance & Transparency

Sonae Arauco offers a selection of panels with very low formaldehyde emissions, with performance in accordance with class E05. Product environmental performance is supported by independently verified Environmental Product Declarations (EPDs) available across all product ranges.

11.OPERATIONS

SDG 6 · 7 · 12

WHERE THE VALUE OF WOOD IS EXTENDED

Our factories are where the value of wood is extended every day. It is here that wood is transformed. Through investments in technology, process optimisation and environmental management measures, we work to improve the efficient use of energy, water and raw materials across our operations.

ENERGY

Supporting the efficient use of energy through process optimisation and investments in renewable and recovered energy solutions.

WATER

Implementing water management measures focused on monitoring, efficiency and reuse, helping optimise water use across industrial processes and increase water recirculation where feasible.

AIR EMISSIONS

Investing in technologies and operational measures designed to control atmospheric emissions from industrial processes and support continuous environmental improvement.

WASTE & RESOURCE USE

Promoting the recovery and valorisation of materials generated throughout operations, while supporting the efficient use of resources and reducing waste intensity.

74%

Renewable energy
in **Renewable energy**

-7%

Freshwater withdrawals

-6%

Waste intensity

100%

Industrial sites certified
under ISO 14001

168,335m³

Water reused and recycled

12.PEOPLE & SAFETY

SDG 1 · 8

SAFER WORKPLACES. SKILLED TEAMS. SHARED RESPONSIBILITY.

Our people are at the heart of our operations. Across our sites, safety, skills development and employee engagement are supported through initiatives designed to strengthen capabilities, foster responsibility and help create safer workplaces.

SAFETY

Promoting a strong culture of safety through prevention programmes, risk awareness, training and continuous improvement initiatives across industrial operations.

LEARNING & DEVELOPMENT

Supporting professional growth through training and development opportunities designed to strengthen technical, operational and leadership capabilities.

EMPLOYEE ENGAGEMENT & WELLBEING

Fostering a working environment that values collaboration, inclusion, wellbeing and the active participation of employees across the organisation.

COMMUNITIES

Supporting initiatives that contribute to education, social inclusion and community development in the regions where Sonae Arauco operates.

BEST SAFETY PERFORMANCE ON RECORD LOST WORKDAY CASE RATE OF 5.38

44,448

TRAINING HOURS DELIVERED

18 hours

AVERAGE TRAINING PER EMPLOYEE

1M€

INVESTED IN TRAINING AND SKILLS DEVELOPMENT

LEADERSHIP &

CAPABILITY BUILDING

SAKA Sonae Arauco Knowledge Academy

Structured learning and knowledge-sharing academy supporting capability development and continuous improvement across the Group.

Leadership Programme

Group-wide programme designed to strengthen leadership capabilities and reinforce the company's long-term vision across functions and locations.

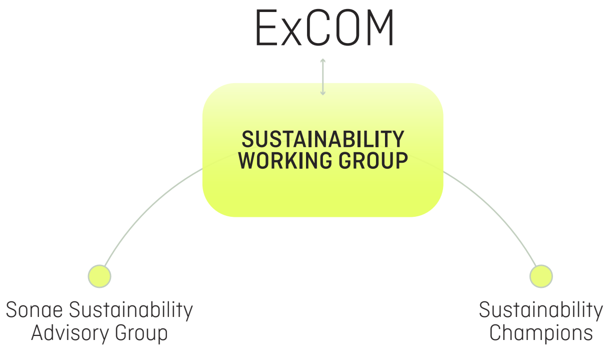
13.GOVERNANCE

SUSTAINABILITY EMBEDDED ACROSS THE ORGANISATION

Sustainability is a shared responsibility at Sonae Arauco. It is embedded across functions, sites and leadership levels through a governance model that integrates environmental, social and governance (ESG) topics into strategic, operational and investment decisions.

SUSTAINABILITY GOVERNANCE

Sustainability at Sonae Arauco is governed through an integrated model, with strategic oversight from the Executive Committee and coordination by the Sustainability Working Group. The governance structure is supported by the Sonae Sustainability Advisory Group and a network of Sustainability Champions representing different business functions, helping ensure alignment between strategy, implementation and continuous improvement.

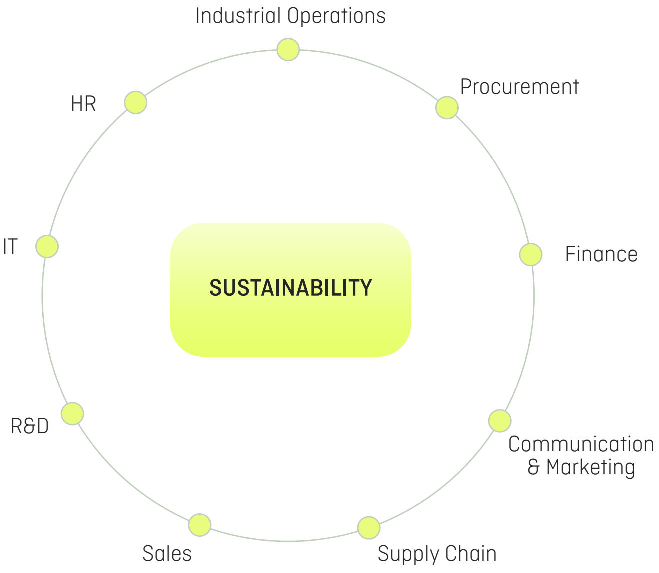


ExCOM

SUSTAINABILITY WORKING GROUP

Sonae Sustainability Advisory Group

Sustainability Champions



Industrial Operations

Procurement

HR

IT

SUSTAINABILITY

Finance

R&D

Communication & Marketing

Sales

Supply Chain

This brochure presents selected sustainability topics and indicators for FY2025. For complete disclosures, definitions, methodologies, reporting boundaries, historical performance and progress against targets, consult the 2025 Sonae Arauco Sustainability Report.

VIEW FULL SUSTAINABILITY REPORT.

FSC www.fsc.org FSC® C009049 The mark of responsible forestry

PEFC Promoting Sustainable Forest Management PEFC/14-35-00013 www.pefc.org

GOLD | Top 5% ecovadis Sustainability Rating JAN 2026

WE SUPPORT UN GLOBAL COMPACT

1 NO POVERTY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND