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Contents

1. INTRODUCTION
   → Parque Arauco at a glance
   → Purpose, Mission & corporate strategy

2. OUR OPERATIONS
   → Geographic presence: assets and formats
   → Parque Arauco iconic and dominant shopping centers

3. INVESTMENT HIGHLIGHTS
   → Growth
   → Sustainability & Corporate governance

4. FUTURE DEVELOPMENTS
   → Investment highlights
   → Stability
   → Diversification

→ Future developments
→ Landbank
→ Glossary
Introduction

- Parque Arauco at a glance
- Purpose, Mission & corporate strategy
- Geographic presence: assets and formats
- Parque Arauco iconic and dominant shopping centers
Parque Arauco at a glance

Parque Arauco is a real estate company dedicated to the development and operation of mixed-used properties in the Andean region.

55 → Real estate assets in Chile, Peru and Colombia

17 → Regional shopping centers

10 → Neighborhood shopping centers

7 → Outlets

21 → Strip centers

9 → Offices, medical centers, hotels

FINANCIAL INDICATORS (September 2020)

1,070,500 m²
→ Gross Leasable Area (GLA)

US$ 181 million
→ Consolidated revenue LTM

US$ 102 million
→ EBITDA LTM

56.4%
→ EBITDA margin LTM

US$ 3,601 million
→ Assets

US$ 1,074 million
→ Net financial debt
Between 2014 and 2019, Parque Arauco has nearly doubled in GLA, NOI and AFFO

1982
Parque Arauco Kennedy opens as first shopping center in Chile.

1995
Parque Arauco S.A. IPO

2006
Parque Arauco expands into Peru with the purchase of a 45% stake in MegaPlaza Norte in Lima.

2010
Parque Arauco opens first mall in Colombia, Parque Arboleda in Pereira

2011
Capital increase for US$145 MM

2014
Capital increase for US$182 MM

2015
Purchase of minority shareholders in Colombia and Peru

2016
Capital increase for US$100 MM

2019
Parque Arauco achieves full operational control of Peruvian operation with purchase of Wiese Group minority interest.

GLA (m²)

+1.5x

718,058 813,693 947,000 1,012,000 1,053,000 1,075,500 1,070,500

NOI (US$ MM)

+1.8x*

120 140 158 186 197 216 114

CONTROLLED ADJUSTED FFO (US$ MM)

+2.1x*

70 80 89 109 122 146 54

* Calculated as of the end of 2019.
Our essence

We are experts in developing and operating gathering places where people interact, connect, spend time together and share their interests. We create dynamic assets that evolve with life styles and integrate with their surroundings to create hubs of urban and social development.

- We are responsible in our treatment of and conduct towards all people: employees, tenants, customers and communities.
- We value everyone’s contribution without distinction.
- We are environmentally responsible.
- We seek creative solutions.
- We (always!) want to surprise internal and external customers.
- We are open to learning and continuous improvement.
- We follow the rules.
- We behave ethically and honestly, even in challenging contexts.
- We lead by example.
- We fulfill our commitments.
- We act with professionalism, excellence and a sense of urgency.
- We mobilize to meet our challenges.
- We all contribute to creating a great place to work.
- We establish trust-based relationships.
- We do everything with passion.
Our operations

→ Chilean portfolio
→ Peruvian portfolio
→ Colombian portfolio
### Chilean portfolio

<table>
<thead>
<tr>
<th>Format</th>
<th>Year incorporated</th>
<th>Total GLA (m²)</th>
<th>Ownership (%)</th>
<th>Owned GLA (m²)</th>
<th>Occupancy (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parque Arauco Kennedy</td>
<td>Regional Shopping Center</td>
<td>1982</td>
<td>110,500</td>
<td>100.0%</td>
<td>110,500</td>
</tr>
<tr>
<td>Arauco Maipú</td>
<td>Regional Shopping Center</td>
<td>1993</td>
<td>69,500</td>
<td>100.0%</td>
<td>69,500</td>
</tr>
<tr>
<td>Arauco Chillán</td>
<td>Regional Shopping Center</td>
<td>2007</td>
<td>35,500</td>
<td>51.0%</td>
<td>18,105</td>
</tr>
<tr>
<td>Arauco Estación</td>
<td>Regional Shopping Center</td>
<td>2008</td>
<td>67,000</td>
<td>83.0%</td>
<td>55,610</td>
</tr>
<tr>
<td>Arauco San Antonio</td>
<td>Regional Shopping Center</td>
<td>2009</td>
<td>28,500</td>
<td>35.7%</td>
<td>10,175</td>
</tr>
<tr>
<td>Arauco Express¹</td>
<td>Strip Centers</td>
<td>2012</td>
<td>40,500</td>
<td>51.0%</td>
<td>20,655</td>
</tr>
<tr>
<td>Arauco Premium²</td>
<td>Outlets</td>
<td>2012</td>
<td>51,000</td>
<td>100.0%</td>
<td>51,000</td>
</tr>
<tr>
<td>Arauco Quilicura³</td>
<td>Regional Shopping Center</td>
<td>2013</td>
<td>31,000</td>
<td>51.0%</td>
<td>15,810</td>
</tr>
<tr>
<td>Arauco Coronel</td>
<td>Regional Shopping Center</td>
<td>2017</td>
<td>30,000</td>
<td>51.0%</td>
<td>15,300</td>
</tr>
<tr>
<td>Parque Angamos</td>
<td>Neighborhood Shopping Center</td>
<td>2018</td>
<td>10,500</td>
<td>55.0%</td>
<td>5,775</td>
</tr>
<tr>
<td>Arauco El Bosque</td>
<td>Regional Shopping Center</td>
<td>2018</td>
<td>30,000</td>
<td>51.0%</td>
<td>15,300</td>
</tr>
<tr>
<td>Puerto Nuevo Antofagasta</td>
<td>Strip Center</td>
<td>2019</td>
<td>6,500</td>
<td>100.0%</td>
<td>6,500</td>
</tr>
<tr>
<td><strong>Total Chile</strong></td>
<td></td>
<td>510,500</td>
<td>76.9%</td>
<td>394,230</td>
<td>94.8%</td>
</tr>
</tbody>
</table>

1. Includes 17 strip centers located in Santiago (13), Viña del Mar (1), Calama (1), Coquimbo (1) and Antofagasta (1).
2. Includes four premium outlets located in Santiago, Concepción, Coquimbo, and Curacuma.
3. Currently, Arauco Quilicura is predominantly closed, and without a determined opening date, as a result of the social protests in Chile.
## Peruvian portfolio

<table>
<thead>
<tr>
<th>Format</th>
<th>Year incorporated</th>
<th>Total GLA (m²)</th>
<th>Ownership (%)</th>
<th>Owned GLA (m²)</th>
<th>Occupancy (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MegaPlaza Norte</td>
<td>Regional Shopping Center</td>
<td>2006</td>
<td>112,000</td>
<td>112,000</td>
<td>96.7%</td>
</tr>
<tr>
<td>MegaPlaza Express Villa Chorrillos</td>
<td>Neighborhood Shopping Center</td>
<td>2009</td>
<td>8,000</td>
<td>8,000</td>
<td>97.4%</td>
</tr>
<tr>
<td>Larcomar</td>
<td>Regional Shopping Center</td>
<td>2010</td>
<td>26,500</td>
<td>26,500</td>
<td>78.5%</td>
</tr>
<tr>
<td>Parque Lambramani</td>
<td>Regional Shopping Center</td>
<td>2010</td>
<td>30,000</td>
<td>30,000</td>
<td>89.6%</td>
</tr>
<tr>
<td>MegaPlaza Chimbote</td>
<td>Regional Shopping Center</td>
<td>2012</td>
<td>28,000</td>
<td>28,000</td>
<td>95.1%</td>
</tr>
<tr>
<td>MegaPlaza Express Villa El Salvador</td>
<td>Neighborhood Shopping Center</td>
<td>2012</td>
<td>9,000</td>
<td>9,000</td>
<td>94.0%</td>
</tr>
<tr>
<td>MegaPlaza Express Chincha</td>
<td>Neighborhood Shopping Center</td>
<td>2013</td>
<td>10,500</td>
<td>10,500</td>
<td>95.5%</td>
</tr>
<tr>
<td>MegaPlaza Cañete</td>
<td>Neighborhood Shopping Center</td>
<td>2013</td>
<td>16,500</td>
<td>16,500</td>
<td>99.7%</td>
</tr>
<tr>
<td>MegaPlaza Express Barranca</td>
<td>Neighborhood Shopping Center</td>
<td>2013</td>
<td>10,000</td>
<td>10,000</td>
<td>87.0%</td>
</tr>
<tr>
<td>InOutlet (Premium Outlets) and Viamix (Strip Centers)</td>
<td>Outlets / Strip Centers</td>
<td>2013</td>
<td>26,000</td>
<td>26,000</td>
<td>88.9%</td>
</tr>
<tr>
<td>MegaPlaza Express Pisco</td>
<td>Neighborhood Shopping Center</td>
<td>2015</td>
<td>15,000</td>
<td>15,000</td>
<td>93.2%</td>
</tr>
<tr>
<td>El Quinde Cajamarca</td>
<td>Regional Shopping Center</td>
<td>2015</td>
<td>33,000</td>
<td>33,000</td>
<td>95.1%</td>
</tr>
<tr>
<td>El Quinde Ica</td>
<td>Regional Shopping Center</td>
<td>2015</td>
<td>36,500</td>
<td>36,500</td>
<td>97.3%</td>
</tr>
<tr>
<td>MegaPlaza Express Jaén</td>
<td>Neighborhood Shopping Center</td>
<td>2016</td>
<td>14,500</td>
<td>14,500</td>
<td>96.2%</td>
</tr>
<tr>
<td>MegaPlaza Huaral</td>
<td>Neighborhood Shopping Center</td>
<td>2017</td>
<td>14,500</td>
<td>14,500</td>
<td>96.6%</td>
</tr>
<tr>
<td>MegaPlaza Villa El Salvador II</td>
<td>Neighborhood Shopping Center</td>
<td>2017</td>
<td>15,500</td>
<td>15,500</td>
<td>94.7%</td>
</tr>
<tr>
<td><strong>Total Peru</strong></td>
<td></td>
<td><strong>405,500</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>405,500</strong></td>
<td><strong>93.9%</strong></td>
</tr>
</tbody>
</table>

1. InOutlet and Viamix includes two premium outlets in Lima and three strip centers in Lima.
## Colombian portfolio

<table>
<thead>
<tr>
<th>Format</th>
<th>Year incorporated</th>
<th>Total GLA (m²)</th>
<th>Ownership (%)</th>
<th>Owned GLA (m²)</th>
<th>Occupancy (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parque Arboleda</td>
<td>Regional Shopping Center</td>
<td>2010</td>
<td>41,000</td>
<td>55.0%</td>
<td>22,550</td>
</tr>
<tr>
<td>Parque Caracolí</td>
<td>Regional Shopping Center</td>
<td>2013</td>
<td>38,500</td>
<td>100.0%</td>
<td>38,500</td>
</tr>
<tr>
<td>Parque La Colina</td>
<td>Regional Shopping Center</td>
<td>2016</td>
<td>62,000</td>
<td>100.0%</td>
<td>62,000</td>
</tr>
<tr>
<td>Arauco Premium Outlet Bogotá (Sopó)</td>
<td>Outlet</td>
<td>2017</td>
<td>13,000</td>
<td>100.0%</td>
<td>13,000</td>
</tr>
<tr>
<td>Total Colombia</td>
<td></td>
<td></td>
<td>154,500</td>
<td>88.1%</td>
<td>136,050</td>
</tr>
</tbody>
</table>

154,500 m²
Total Gross Leasable Area (GLA)

4 Real estate assets
3 Regional shopping centers
1 Outlets
Investment highlights

→ Stability
→ Diversification
→ Growth
→ Sustainability & Corporate governance
→ Financial strength centers
Our rental revenues are derived primarily from fixed contracts and are protected against inflation.

**5.9 years**
weighted average length of rental contracts

**17.0%**
Our top 10 tenants represent only 17% of Parque Arauco’s total revenue.
Stability

Same store has been in line with %GLA open to the public.
Occupancy cost has decreased during the pandemic due to anchor stores having low occupancy costs and high sales and revenue.

- **Chile**
- **Peru**
- **Colombia**

- Note: Same Store Sales and Same Store Rent for the fourth quarter 2019 and first quarter 2020 do not include Arauco Quilicura since the majority of the mall is closed due to incidents related to the social crisis in Chile.
- SSS and SSR in the second quarter consider tenants that opened to the public or sold via delivery at least one day during the period. Furthermore, the methodology was adjusted from a month to month comparison to one that includes the sales and m² with sales of the entire quarter.
Diversification

Parque Arauco operates in three different economies

**Chile**
- Population: 18.9 million people
- Inflation Projection 2020: 3.0%
- GDP Projection 2020: -5.8% (2019: 1.1%)

**Peru**
- Population: 32.8 million people
- Inflation Projection 2020: 1.5%
- GDP Projection 2020: -12.2% (2019: 2.2%)

**Colombia**
- Population: 50.9 million people
- Inflation Projection 2020: 2.6%
- GDP Projection 2020: -7.0% (2019: 3.3%)

1. Figures correspond to International Monetary Fund estimates for 2020.
2. Source: National Chamber of Commerce’s Business Report for the Metropolitan Region (Chile); National Institute of Statistics and Information’s Technical Report on National Production (Peru); National Administrative Department of Statistics’ Monthly Survey on Retail and Vehicle Trade (Colombia).
4. Interest rates for Chile are in real terms whereas Peru and Colombia’s are nominal terms.
Diversification

We continue to diversify across Chile, Peru and Colombia.

**GLA (M²)**
Total: 1,070,500 m²

- Chile: 47.7%
- Peru: 37.9%
- Colombia: 14.4%

**Tenant Sales¹ (MMUS$ LTM)**
Total: MMUS$ 1,783

- Chile: 51.9%
- Peru: 36.1%
- Colombia: 12.0%

**Country Level EBITDA¹,² (MMUS$ LTM)**
Total: MMUS$ 102

- Chile: 52.4%
- Peru: 30.0%
- Colombia: 17.6%

**Country Level Revenues¹ (MMUS$ LTM)**
Total: MMUS$ 181

- Chile: 54.1%
- Peru: 15.4%
- Colombia: 22.6%

---

1. In MUS$ using the following exchange rates: US$1= CLP 773.96; US$1= PEN 3.56; US$1= COP 3,753.40.
2. Including overhead expenses (Corporate headquarters, regional Services Center, Chile Division, Peru Division and Colombia Division).
Diversification

Parque Arauco diversifies its market risks at a country, format, and socio-economic level

**FORMAT LEVEL DIVERSIFICATION**
(Based on % of revenues LTM)

- Regional: 82%
- Neighborhood: 7%
- Outlet: 7%
- Strip Center: 4%

**SOCIO-ECONOMIC DIVERSIFICATION**
(Based on % of revenues LTM)

- Medium: 51%
- Medium-low: 7%
- Medium-high: 42%
Diversification

GLA BY CATEGORY

- **Departament Stores**: 29.7%, 23.4%, 22.0% for Chile, Peru, Colombia respectively.
- **Home improvement & supermarkets**: 18.1%, 18.1%, 20.0%.
- **Food & entertainment**: 21.0%, 15.6%, 15.7%.
- **Specialized retail**: 27.4%, 17.9%, 26.6%.
- **Mixed-use & services**: 12.9%, 7.0%, 8.0%, 10.0%.
- **Others**: 0.3%, 2.6%, 2.3%, 1.4%.

**FOOD & BEVERAGES**

- **+510**
  - Food and beverage locals

**ENTERTAINMENT**

- **24**
  - Movie theaters

**MIXED-USE**

- **4**
  - Office towers, corresponding to 13,200 m²

**SERVICES**

- **20**
  - Gyms, dance studios, sports centers

**OTHERS**

- **27**
  - Clinics and healthcare centers, corresponding to 19,200 m²
- **3**
  - Education spaces
- **+230**
  - Financial and other services
Growth

Parque Arauco’s investment history

Parque Arauco is a real estate company dedicated to the development and operation of mixed-used properties in the Andean region.

*Using the following exchange rates: US$1 = CLP 773.96. M&A considers cash flows used for acquiring subsidiaries or other businesses. Minority interests considers cash flows used for acquiring non-controlling interests, other payments to acquire joint ventures, and payments from changes in ownership interests in subsidiaries that do not result in a loss of control. Greenfields and landbank includes purchase of other long-term assets. This does not include other investments, including interests received, purchases of property, plant and equipment, purchases of intangible assets, dividends received, and other inputs (outputs) of cash.
Growth

Total return

Parque Arauco’s value creation is proven by the fact that it has had one of the highest “Total Return” of the real estate sector in the last years.

TOTAL RETURN, LAST 5 YEARS ANNUALIZED
(Local currency)

TOTAL RETURN, LAST 10 YEARS ANNUALIZED
(Local currency)

Growth

Innovating in a new business environment

E-COMMERCE SALES GROWTH\(^1\) (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>USA</th>
<th>Chile, Perú, Colombia</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>15.0</td>
<td>11.6</td>
</tr>
<tr>
<td>2014</td>
<td>26.0</td>
<td>23.3</td>
</tr>
<tr>
<td>2015</td>
<td>14.1</td>
<td>23.5</td>
</tr>
<tr>
<td>2016</td>
<td>13.4</td>
<td>26.8</td>
</tr>
<tr>
<td>2017</td>
<td>13.1</td>
<td>32.7</td>
</tr>
<tr>
<td>2018</td>
<td>13.3</td>
<td>37.5</td>
</tr>
</tbody>
</table>

BRICK AND MORTAR SALES GROWTH\(^1\) (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>USA</th>
<th>Chile, Perú, Colombia</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3.7</td>
<td>0.4</td>
</tr>
<tr>
<td>2014</td>
<td>2.5</td>
<td>1.2</td>
</tr>
<tr>
<td>2015</td>
<td>3.0</td>
<td>1.2</td>
</tr>
<tr>
<td>2016</td>
<td>0.9</td>
<td>1.2</td>
</tr>
<tr>
<td>2017</td>
<td>1.5</td>
<td>-1.6</td>
</tr>
<tr>
<td>2018</td>
<td>1.3</td>
<td>-0.5</td>
</tr>
</tbody>
</table>

PARQUE ARAUCO IS INVESTING IN TECHNOLOGY

Digital Directories | New webpages | New WiFi | Smart parking | Customer journey redesign | App development

INTERNET USE FOR ONLINE SHOPPING AND BILL PAYING\(^2\) (%)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>77</td>
</tr>
<tr>
<td>China</td>
<td>49</td>
</tr>
<tr>
<td>Chile</td>
<td>30</td>
</tr>
<tr>
<td>Colombia</td>
<td>12</td>
</tr>
<tr>
<td>Peru</td>
<td>7</td>
</tr>
</tbody>
</table>

1. Source: Eurmonitor, December 2018
2. Source: Global Findex 2017 (WorldBank)
Growth

Parque Arauco participates in countries with growing retail markets

ROOM FOR GROWTH IN EMERGING ECONOMIES

GLA per 1,000 inhabitants | GDP / GLA

RETAIL MARKETS IN CAPITAL CITIES

GLA per 1,000 inhabitants | GDP / GLA

1. Source: International Council of Shopping Centers, World Bank, The Brookings Institution, CoStar, Alphawise, CASC, CapitalLand Mall Trust, Japan Council of Shopping Centers, Mexico (CBRE), Brazil (ABRASCE), Peru (ACCEP), Morgan Stanley Research
Innovation & Digitalization

The pandemic has not stopped our drive for innovation in our shopping centers, but rather has presented us with a period of change and disruption that pushes us to keep adapting. The following are some of the most recent initiatives that we have developed in order to better the service and experience offered to our clients both inside and outside of the mall, as well as strengthen our role in the omnichannel shopping environment.

TICKETLESS PARKING – PARQUE ARBOLEDA & PARQUE LA COLINA
We expanded the smart parking facilities to Parque La Colina and Parque Arboleda. With the help of a mobile app, shopping mall clients will be able to pay the parking through their phones (thus avoiding queues in traditional payment booths) or given the ability to subscribe to our “ticketless” payment, which uses a license plate reading in order to automatically register payments. These solutions support the series of measures implemented to prevent the spread of Covid-19, but also ultimately make for a better shopping experience.

PERSONAL SHOPPER – LARCOMAR AND MEGAPLAZA NORTE
Geared toward end consumers, we launched a Personal Shopper initiative in Larcomar and MegaPlaza Norte, which will facilitate “remote” shopping at a distance.

This initiative allows our clients to purchase products with the advice of a Personal Shopper and home delivery, providing comprehensive advice for select products that meet customer needs and make the purchase a successful experience.

UPDATE: RAPPI COLOMBIA ALLIANCE
This alliance between Rappi Colombia and Parque La Colina was established in late 2019, but it has been greatly enhanced due to the pandemic. Average delivery time has been reduced to 52 minutes, which is a great advantage for brands. We already have more than 30 food and non-food brands.

GASTRONOMIC DELIVERY- COLOMBIA
Our shopping centers, Parque La Colina, Parque Arboleda and Parque Caracoli, offer food delivery. Customers can order from different restaurants and 33 different menus in one call via a call center. It is available everyday, and the order is placed automatically after the call.

ARAUCO PICK UP – PARQUE ARAUCO KENNEDY
Arauco Pick Up has already started its operation in Parque Arauco Kennedy. Aiming to deliver an innovative service amidst the new scenario faced by the country, we created Arauco Pick Up, a system that allows online shopping and pick up in the mall’s parking area, avoiding delivery costs. And customers never even have to leave their car.

It is a click-and-collect service on a shopping mall level, in which orders can be placed from a variety participating stores, picking them up in the express parking area dedicated to Arauco Pick-Up. This will favor social distancing, helping upkeep our customers’ and employees’ health, alongside reducing delivery times.
Awards and recognition

**DOW JONES SUSTAINABILITY INDEX**
DJSI Emerging Markets, DJSI MILA and DJSI Chile

**FTSE4GOOD**
The London Stock Exchange’s Sustainability Index. For the third straight year, we were listed on the Emerging Markets and Latin American indexes.

**GRESB PUBLIC DISCLOSURE**
Global Real Estate Sustainability Benchmark. Organization that conducts annual assessments of ESG practices for the global real estate industry.

**INFORME REPORTA CHILE**
Fifth place among 30 IPSA companies in study of the quality of information provided to shareholders and stakeholders.

**GREAT PLACE TO WORK**
Great Place to Work Institute
Ninth among the best places to work in Chile and 18th in Colombia.

**ENERGY EFFICIENCY SEALS**
Ministry of Energy and Chilean Energy Sustainability Agency
Arauco Maipú: Gold Seal
Arauco Coronel, Parque Arauco Kennedy, Arauco Estación: Bronze Seal

**INDUSTRY MOVER**
Recognizes us as the company that made the most progress on sustainability practices in our industry over the last year.

**INSTITUTIONAL INVESTOR**
2019 Latin America Executive Team
First place in the Best CFO category and second place for Best IR, Best IR professional, Best ESG and Best Website.

**SUSTAINABILITY YEARBOOK 2020**
The only Chilean real estate company included on S&P Global’s annual report on leading companies in sustainability.
We created our sustainability agenda on the basis of inputs received from interaction with our stakeholders, as well as analysis of industry best practices and the issues with the greatest impact on our business. Likewise, we consider standards and international performance indicators on ESG (environmental, social and corporate governance) matters as well as alignment with each of the areas we are addressing through the United Nations Sustainable Development Goals (SDG).

The Sustainability Area presents a quarterly report to the Board of Directors on the progress in these action areas and established priorities. There are periodic opportunities to meet with the senior executives and business leaders to ensure alignment, integration and organization-wide monitoring of the metrics and indicators established for each sustainability action area.

**Our sustainability agenda**

<table>
<thead>
<tr>
<th>Areas</th>
<th>Action Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>• Road map for climate change and managing our carbon footprint</td>
</tr>
<tr>
<td></td>
<td>• Renewable energy consumption</td>
</tr>
<tr>
<td></td>
<td>• Reuse and efficiently use water</td>
</tr>
<tr>
<td></td>
<td>• Increase waste recycling</td>
</tr>
<tr>
<td></td>
<td>• Implement sustainable design and construction criteria</td>
</tr>
<tr>
<td>Social</td>
<td>• Timely outreach with neighboring communities</td>
</tr>
<tr>
<td></td>
<td>• Support emerging entrepreneurship</td>
</tr>
<tr>
<td></td>
<td>• Promote sustainable practices in the value chain</td>
</tr>
<tr>
<td></td>
<td>• Integrate with the environment and take action toward an inclusive culture</td>
</tr>
<tr>
<td></td>
<td>• Be recognized for our labor practices</td>
</tr>
<tr>
<td>Corporate governance</td>
<td>• Promote good corporate governance practices</td>
</tr>
<tr>
<td></td>
<td>• Identify and manage our risks in a timely manner (S&amp;S)</td>
</tr>
<tr>
<td></td>
<td>• Strengthen our values-based culture</td>
</tr>
<tr>
<td></td>
<td>• Report our performance to our stakeholders in a transparent, timely manner</td>
</tr>
</tbody>
</table>
Our purpose

To create spaces that contribute to improving people’s lives

**INTEGRATION AND ACCESSIBILITY**

14 partnerships with organizations that work to create opportunities and cultivate an inclusive culture at our shopping centers.

73 foundations received space donations with which to raise awareness of their causes among our visitors.

**ECODESIGN AND ENVIRONMENTAL MANAGEMENT**

+ 3,700 tons of recycling this year.

+ 16,200 m³ of water were recycled at our operations in 2019.

+ 60% of the energy used comes from renewable sources in Chile, Peru and Colombia.

**SPACES FOR THE COMMUNITY**

+ 1,300 free activities offered at our shopping centers each year.

+ 93,000 people participate in free activities and workshops at our shopping centers each year.

+ 13,000 m² of green areas for public use were included in the design of Parque La Colina in Colombia. This is one example of the urban infrastructure projects we have undertaken in the countries where we operate.

**SUPPLIER MANAGEMENT AND SUPPORT FOR LOCAL ENTREPRENEURSHIP**

+ 220 entrepreneurship fairs in 2019.

83% of payments to suppliers are made within 30 days in Chile, Peru and Colombia.

+ 1,500 entrepreneurs are supported annually through space donations, training and mentoring programs by our shopping centers.
Financial strength

Conservative debt structure

LIABILITY AMORTIZATION PROFILE AND DURATION (US$ MM)¹

SUMMARY OF DEBT BY CURRENCY

SUMMARY OF LIABILITY STRUCTURE

SUMMARY OF DEBT RATES

5.4 years
Debt duration

5.9 years
Rental contract length

Feller and ICR
Local rating in Chile
(as of June 2020)

Source: Parque Arauco
1. Does not include accrued interests and the exchange rate is at the close of June 30, 2020.
Financial strength

The cost of debt has decreased importantly in the past 5 years

Parque Arauco has access to the debt markets in Chile, Peru and Colombia

Between 2012 and 2020, the real cost of debt for Parque Arauco has decreased 158 basis points from 4.1% to 2.5%
Financial strength

**FINANCIAL INDICATORS (as of December of each year)**

<table>
<thead>
<tr>
<th></th>
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<td></td>
<td>0.81</td>
<td>1.15</td>
<td>1.18</td>
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<td>0.76</td>
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<tr>
<td></td>
<td>3.31</td>
<td>3.33</td>
<td>3.04</td>
<td>3.42</td>
<td>3.76</td>
<td>3.76</td>
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</thead>
<tbody>
<tr>
<td></td>
<td>4.25</td>
<td>5.87</td>
<td>5.88</td>
<td>5.54</td>
<td>5.19</td>
<td>5.09</td>
<td>10.71</td>
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</tbody>
</table>

1. This is Parque Arauco’s only covenant.
Future developments

- Future developments
- Landbank
- Glossary
Andrés Torrealba  
Country Manager, Chile Division

“The Parque Arauco Kennedy expansion project converts the company’s iconic shopping center into a mixed-use asset. As of year-end 2019, we had made considerable progress, completing the parking spaces, connecting tunnels and up to the sixth floor of the building—a very important milestone.”

### PHASE 1

The expansion will add 11,000 m² of commercial GLA to Parque Arauco Kennedy through construction of the Falabella chain’s flagship store and additional retail space. Furthermore, it involves construction of a 5-star, 401-room Hilton hotel by Hilton and the largest hotel convention center in Santiago, with capacity for more than 2,800 people in 3,000 m². It also includes two restaurants, three bars, two pools, a gym, an executive lounge and another 700 parking spaces.

**Format:** Mixed use  
**Commercial GLA:** 11,000 m²  
+ Hotel (40,000 m²) + Convention center (3,000 m²)  
**Ownership:** 100%  
**Total investment:** US$ 195 million  
**Construction began:** 2017  
**Scheduled to open:** Under review

### PHASE 2

The second expansion phase at Parque Arauco Kennedy was announced in 2018. It includes a 14-story tower and 10,000 m² of additional commercial GLA at its base.

**Format:** Mixed use  
**Commercial GLA:** 10,000 m²  
+ Tower GLA: 15,000 m²  
**Ownership:** 100%  
**Total investment:** US$ 80 million  
**Construction began:** Under review  
**Scheduled to open:** Under review
New projects

Parque Alegra

This new shopping center with approximately 50,000 m² of leasable area is being built on the south side of the city of Barranquilla, on the avenue that runs to the city’s northern side and to the airport. It is expected to be the leading shopping center on Barranquilla’s south side.

“This project, in association with important local real estate players, Ospinas & Cía. and Grupo Pegasus (co-founders of Colvalor), marks our arrival in one of Colombia’s four main cities.”

Eduardo Pérez
CEO Parque Arauco Internacional

Colombia

Format: Regional Shopping Center
Location: Barranquilla, Colombia
GLA: 50,000 m²
Parque Arauco's ownership interest: 52.5%
Total investment: US$ 113 million
Construction began: 2019
Scheduled to open: 2H21

Department store: Falabella
Supermarket: Olímpica
Cinema: Cine Colombia
Children’s play area: PlayLand
## Future Developments

2020 and onwards

### New Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Type</th>
<th>Country</th>
<th>Format</th>
<th>Estimated Date</th>
<th>Total GLA (m²)</th>
<th>% Ownership</th>
<th>Owned GLA (m²)</th>
<th>Total Investment</th>
<th>Local Currency</th>
<th>Total Investment</th>
<th>US$MM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parque Alegra</td>
<td>Development</td>
<td>Colombia</td>
<td>Regional</td>
<td>2H21</td>
<td>50,000</td>
<td>52.5%</td>
<td>26,250</td>
<td>434,000</td>
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<td>113</td>
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<td><strong>Subtotal</strong></td>
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<td></td>
<td></td>
<td></td>
<td>50,000</td>
<td></td>
<td>26,250</td>
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### Expansions

<table>
<thead>
<tr>
<th>Project</th>
<th>Type</th>
<th>Country</th>
<th>Format</th>
<th>Estimated Date</th>
<th>Total GLA (m²)</th>
<th>% Ownership</th>
<th>Owned GLA (m²)</th>
<th>Total Investment</th>
<th>Local Currency</th>
<th>Total Investment</th>
<th>US$MM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parque Arauco Kennedy - Phase 1³</td>
<td>Expansion</td>
<td>Chile</td>
<td>Regional / Hotel</td>
<td>Under review</td>
<td>11,000</td>
<td>100%</td>
<td>11,000</td>
<td>5,355,000</td>
<td></td>
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<td>195</td>
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<tr>
<td>Parque Arauco Kennedy - Phase 2⁴</td>
<td>Expansion</td>
<td>Chile</td>
<td>Regional / Tower</td>
<td>Under review</td>
<td>10,000</td>
<td>100%</td>
<td>10,000</td>
<td>2,200,000</td>
<td></td>
<td></td>
<td>80</td>
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<tr>
<td>Larcomar</td>
<td>Reconversion</td>
<td>Peru</td>
<td>Regional</td>
<td>1H21</td>
<td>3,000</td>
<td>100%</td>
<td>3,000</td>
<td>13,700</td>
<td></td>
<td></td>
<td>4</td>
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<tr>
<td>Parque La Colina - Bogotá Design</td>
<td>Reconversion</td>
<td>Colombia</td>
<td>Regional</td>
<td>2H20</td>
<td>500</td>
<td>100%</td>
<td>500</td>
<td>2,700</td>
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<td></td>
<td>1</td>
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<td><strong>Subtotal</strong></td>
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<td></td>
<td>24,500</td>
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<td>24,500</td>
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### Acquisitions

<table>
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<tr>
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<th>Type</th>
<th>Country</th>
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<th>Total GLA (m²)</th>
<th>% Ownership</th>
<th>Owned GLA (m²)</th>
<th>Total Investment</th>
<th>Local Currency</th>
<th>Total Investment</th>
<th>US$MM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puerto Nuevo Antofagasta (Balmaceda Tower, Hotel Tower)</td>
<td>Development</td>
<td>Chile</td>
<td>Strip center</td>
<td>1H21 (Tower), Under review (Hotel)</td>
<td>4,000</td>
<td>100%</td>
<td>4,000</td>
<td>250,000</td>
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<td>9</td>
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<td><strong>Subtotal</strong></td>
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<td>4,000</td>
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<td>4,000</td>
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### Projects incorporated in 2019

<table>
<thead>
<tr>
<th>Project</th>
<th>Type</th>
<th>Country</th>
<th>Format</th>
<th>Estimated Date</th>
<th>Total GLA (m²)</th>
<th>% Ownership</th>
<th>Owned GLA (m²)</th>
<th>Total Investment</th>
<th>Local Currency</th>
<th>Total Investment</th>
<th>US$MM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arauco Premium Outlet Buenaventura (Remaining)</td>
<td>Expansion</td>
<td>Chile</td>
<td>Outlet</td>
<td>jan-20</td>
<td>1,500</td>
<td>100%</td>
<td>1,500</td>
<td>140,000</td>
<td></td>
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<td>5</td>
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<tr>
<td>Arauco Express Chicauma</td>
<td>Development</td>
<td>Chile</td>
<td>Strip center</td>
<td>mar-20</td>
<td>500</td>
<td>100%</td>
<td>500</td>
<td>2,000</td>
<td></td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td>2,000</td>
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<td>5</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
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<td></td>
<td></td>
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<td>56,750</td>
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### Remaining to invest

|                | 300   |
## Landbank

<table>
<thead>
<tr>
<th>Name</th>
<th>m²</th>
<th>% Ownership</th>
<th>Total cost (local currency)</th>
<th>Total cost (US$MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quilicura</td>
<td>29,600</td>
<td>100%</td>
<td>70,000</td>
<td>3</td>
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<tr>
<td>Buenaventura</td>
<td>100,400</td>
<td>100%</td>
<td>401,500</td>
<td>15</td>
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<tr>
<td>Chicureo</td>
<td>47,600</td>
<td>100%</td>
<td>200,500</td>
<td>7</td>
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<tr>
<td>Los Andes</td>
<td>40,100</td>
<td>100%</td>
<td>115,500</td>
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<tr>
<td>San Pedro de la Paz</td>
<td>17,000</td>
<td>100%</td>
<td>51,000</td>
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<tr>
<td>Buin</td>
<td>43,700</td>
<td>100%</td>
<td>195,000</td>
<td>7</td>
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<tr>
<td><strong>Total Chile</strong></td>
<td>278,400</td>
<td>100%</td>
<td>1,033,500</td>
<td>38</td>
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<tr>
<td>Chimbote</td>
<td>42,700</td>
<td>100%</td>
<td>17,500</td>
<td>5</td>
</tr>
<tr>
<td>Talara</td>
<td>30,700</td>
<td>100%</td>
<td>10,000</td>
<td>3</td>
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<tr>
<td>Ica</td>
<td>12,600</td>
<td>100%</td>
<td>13,500</td>
<td>4</td>
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<tr>
<td>Chiclayo</td>
<td>6,600</td>
<td>100%</td>
<td>6,500</td>
<td>2</td>
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<tr>
<td>Pomalca Chiclayo</td>
<td>45,000</td>
<td>100%</td>
<td>7,000</td>
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<tr>
<td><strong>Other Desarrollos Panamericana land developments</strong></td>
<td>270,900</td>
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<tr>
<td><strong>Total Peru</strong></td>
<td>408,500</td>
<td>67%</td>
<td>165,500</td>
<td>47</td>
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<tr>
<td>Neiva</td>
<td>49,500</td>
<td>100%</td>
<td>22,000</td>
<td>6</td>
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<tr>
<td>Valledupar</td>
<td>46,000</td>
<td>100%</td>
<td>30,500</td>
<td>8</td>
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<tr>
<td>Barranquilla</td>
<td>56,200</td>
<td>100%</td>
<td>58,500</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total Colombia</strong></td>
<td>151,700</td>
<td>100%</td>
<td>111,000</td>
<td>29</td>
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<tr>
<td><strong>Total</strong></td>
<td>838,600</td>
<td>84%</td>
<td>114</td>
<td></td>
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</tbody>
</table>

1) Projects in Chile in UF, in Peru in TIPEN, in Colombia in MMCP.
Glosary

**ADJUSTED FFO MARGIN:** AFFO / revenues.

**AFFO:** Adjusted Funds From Operations: Net Profit Depreciation & Amortization - Other Income/expenses - Share of Profit (Loss) of Associates Accounted - Foreign Exchange Differences - Income (Loss) for indexed assets and liabilities - Gains (losses) from the difference between the previous book value and the fair value of financial assets - Deferred tax - Associates accounted Adjusted FFO.

**CONTROLLING ADJUSTED FFO:** AFFO attributable to the shareholders of the company.

**CONTROLLING FFO:** FFO attributable to the shareholders of the company.

**EBITDA:** Earnings Before Income Tax Depreciation and Amortization: Revenues + Cost of Sales + Administration Expenses - Depreciation and Amortization EBITDA margin - EBITDA divided by revenues.

**EPS:** Earnings Per Share: Net income attributable to the equity holders of the company/weighted average number of shares outstanding.

**FFO:** Funds From Operations: Net Profit - Depreciation & Amortization - Share of Profit (Loss) of Associates Accounted + Associates Accounted FFO.

**GLA:** Gross Leasable Area. Equivalent to the sum of all the areas available for lease.

**GREENFIELD PROJECTS:** Organic development of new shopping centers.

**LANDBANK:** Land held by the company for future development.

**LTM:** Refers to information from the last twelve months.

**MONTHLY SALES/M²:** Monthly tenant sales divided by sales-generating GLA during the month.

**MONTHLY REVENUES/M²:** Monthly revenues divided by revenue-generating GLA during the month.

**NET INCOME MARGIN:** Net profit / revenues.

**NOI:** Net Operating Income: Revenues + Cost of Sales + Administration Expenses - Depreciation & Amortization + Associates accounted NOI.

**OCCUPANCY:** GLA paying rent divided by total GLA.

**OCCUPANCY COST:** Minimum rent, plus variable rent, plus common expenses, plus a promotion fund that the tenants pay Parque Arauco divided by the sales of the tenant.

**OWNED GLA:** Total GLA weighted by Parque Arauco’s interest in the mall.

**PIPELINE:** Greenfield and expansion projects under development.

**PREMIUM OUTLET:** Shopping center located outside of the city offering name brand clothing and goods for a reduced price.

**REGIONAL MALL:** A shopping mall with a GLA over 20,000 m².

**SSR:** Same Store Rent: Percentage change in rent collected from tenants that paid rent in both of the periods compared.

**SSS:** Same Store Sales: Percentage change in sales from tenants that reported sales in both of the periods compared.

**STRIP CENTER:** A shopping center with a GLA less than 6,000 m².

**TENANT SALES:** Sales of the consolidated assets.

**UF:** Unidad de Fomento: A chilean currency unit indexed according to inflation on a daily basis.