

## **GENERAL RULES FOR FIRST CALL TO THE CMPC TECHNOLOGICAL EXPLORATION PROGRAM**

### **1. GENERAL BACKGROUND**

CMPC is a global company, with more than 100 years of history, that provides sustainable solutions to its clients and consumers. Its work is the production and commercialization of wood, cellulose, packaging products, in/out sanitary home products, and tissue paper. These satisfy the people needs, highlighting their quality, competitiveness, and production based on totally renewable resources.

In its operations, CMPC participates in international alliances contributing to the sustainability of our planet, to the dynamism of local economies, impacting their communities, with whom they share territories, positively.

In September 2018, CMPC announced its corporate sustainability goals. With this, it publicly committed to a 50% reduction in its absolute emissions of greenhouse gases by 2030 (scopes 1 and 2), to a 25% reduction in the use of industrial water per ton produced by 2025, to be a zero waste company for final disposal by 2025, and the conservation, protection and / or restoration of an additional 100,000 hectares by 2030, which will be added to the more than 320,000 hectares that the company already owns in Argentina, Brazil and Chile.

IncubaUdeC for its part is the platform for technological ventures at the University Concepción, Chile. With more than 17 years experience, it supports high impact projects through a strategic accompaniment that allows getting its businesses off the ground and impact the market worldwide.

During 2019, it was recognized by the UBI Global ranking, within the TOP 20 worldwide among the best university business incubators, within the TOP 6 in South America.

Consequently, CMPC and IncubaUdeC develop the Technological Exploration Program, whose main objective is to identify technological solutions which support the CMPC challenges.

## 2. DESCRIPTION OF THE CALL

The **CMPC Technological Exploration Program** (hereinafter “the Program”) is an initiative that seeks, through IncubaUdeC, to convene and connect technology-based ventures from early stages (hereinafter “startups”), in Chile and worldwide, and companies, with CMPC, through innovation projects called “challenges”.

A challenge consists of a real problem of one of the CMPC company's subsidiaries, which involves some innovation theme. These problems can be solved by Chilean or international companies and startups, which will have the opportunity to propose a solution and potentially carry out a technical and / or pilot validation of the solution in the company, with the aim of expanding their market in Chile and Latin America.

## 3. OBJECTIVE

The objective of the CMPC Technological Exploration Program is to connect technological solutions from startups and / or national and international companies with specific problems of CMPC and its subsidiaries.

## 4. PROTAGONISTS OF THE PROGRAM

- 4.1. **Startups:** Technological-based ventures, national or international, that are in an early stage, that is, that their proposed solution to the challenge (hereinafter “project”), is at least in the functional prototype stage.
- 4.2. **Jury:** For each challenge, CMPC will appoint a jury, that will represent the company, and will participate in the Demoday and Roadshow instances.
- 4.3. **Coordinating team of the Program:** Made up of IncubaUdeC and CMPC, that will monitor the activities of the parties, and manage administrative and operational matters of the Program.

## 5. APPLICATION REQUIREMENTS

To apply to the Program, the following requirements must be met:

- 5.1. Legal persons: national or foreign.

- 5.2. At a minimum, one of the team members must be dedicated full time to the project.
- 5.3. To be developing a technological solution that is at least, in a level of technological maturity equal to or greater than TRL 6.

Regardless of the form of application, the teams must select from among their members a single “project leader” who will represent the team and be responsible for the application process. The project leader may only be a member of a single application.

## 6. STAGES

- 6.1. **Application:** To participate, the online application period considers 4 weeks from the launch date, where the teams must complete a digital form to be sent before the deadline in order to be considered in the Program.
- 6.2. **Evaluation and selection TOP 15:** After completing the online application period, Startups and / or companies will be evaluated by a Committee made up of CMPC and IncubaUdeC considering the following main criteria:

Criteria	Items to evaluate
<b>Project fit regarding the challenge (20%)</b>	The capacity of the project to solve the selected challenge will be evaluated, considering variables such as adaptation to the characteristics of the company, and ability to partially or completely solve the challenge.
<b>Implementation (10%)</b>	The solution implementation plan will be evaluated, including its risk level, implementation strategy and necessary requirements.
<b>Value Proposal (20%)</b>	The differentiation of the solution will be evaluated with respect to startups and / or companies that propose to solve the same problem. The quality of the proposed solution will be evaluated, including its level of innovation, scalability and technical quality.
<b>Team Suitability (10%)</b>	The team's capacity to execute the project, its experience, technical capacity and dedication during the execution of the Program will be evaluated.

The remaining 40% of the evaluation will correspond to the strategic fit of the solution with CMPC.

The jury will select a maximum of 15 startups or applicant companies for the next stage, according to its criteria and based on a rubric based on the criteria mentioned in the table above.

Both IncubaUdeC and CMPC reserve the right to give feedback to companies or startups not selected in the different stages of the program.

- 6.3. **Pitch and Demoday Preparation:** Once the 15 startups and / or companies have been informed about the result of their application, they will go through a stage during which they will prepare their presentation before CMPC and IncubaUdeC. This preparation will be in charge of IncubaUdeC,

that will provide tips to make an effective pitch. During Demoday, Startups and / or companies will present a pitch and will be evaluated by CMPC, that will select the teams that move on to the final stage of the program.

- 6.4. **Roadshow:** Final instance, that aims for Startups and / or companies present their project in Pitch format to a jury made up by managers and assistant managers of CMPC and its subsidiaries. During this instance, the jury will have the mission of selecting those projects that, in their sole judgment, are best suited to the challenge
- 6.5. **Selection:** Startups and / or companies selected at the Roadshow will have the opportunity to receive technical validation and / or implementation of their pilot to validate their technology at CMPC. This opportunity is subject to the availability of CMPC and the country's health situation.
- 6.6. **Incubation services:** Apart from having the opportunity to implement their solutions in the CMPC subsidiaries, the Startups and / or companies selected at the Roadshow event may opt for a free incubation service for one year by IncubaUdeC, which will be defined according to the Startup level of development and will be agreed between the parties. This incubation service includes training and coaching sessions, participation in IncubaUdeC networks, and assistance from the IU Network professionals. In addition, it considers complementary services of the incubator, such as legal and accounting consultancies, commercial showcase, networking activities and assistance of technical and financial executives

## 7. MILESTONES AND ACTIVITIES

The calendar of activities corresponding to the First Call is found in Annex 1 of these rules.

## **8. ACTIVITY FORMAT**

The dissemination, announcement and selection stage of the CMPC Technological Exploration Program may be carried out either at the premises of the CMPC company or at the University Concepción, which will be duly informed to the applicant teams. In the same way, once it is enabled, CMPC will provide a space in IncubaUdeC dependencies, which can be used by startups and / or companies at no cost, prior reservation and availability with the IncubaUdeC team during this period.

If it is not possible to carry out face-to-face activities, the Technological Exploration Program will be carried out online while the situation warrants it, therefore, it will be the responsibility of the teams to coordinate the videoconferences according to their availability.

## **9. BENEFITS**

The benefits for the startups and / or companies are described below:

- To validate your technology with a world leading company like CMPC.
- The possibility to participate in the CMPC Mentor Program.
- To expand and make your business visible in the Chilean market through the work made with CMPC and IncubaUdeC.
- To get support and advice from one of the most important Business Incubators worldwide.

## **10. RESPONSABILITIES**

10.1. On the part of startups and / or companies:

- Ensure that the content presented as a solution to the CMPC problem is an original creation, and all the information delivered in the entire process of the program is true.
- Do not carry out improper practices to increase your profitability, such as the use of privileged information, improper manipulations, etc. and / or use any type of practice that may be considered contrary to the spirit of CMPC, current legislation, public order, ethics and good customs.

10.2. On the part of CMPC:

- Assign, at least, a jury per challenge.
- Solve technical questions the applicants could have about the challenges.
- Give the possibility to the startup or company to validate their technology at CMPC through a pilot, if the conditions allow it.

10.3. On the part of IncubaUdeC:

- Ensure compliance with the responsibilities of Startups and / or companies.
- Solve questions the startups and / or companies could have during the application and selection process.

## **11. EARLY TERMINATION OF THE PROGRAM**

The Technological Exploration Program may terminate the participation of Startups and / or companies, in the event of any of the following circumstances:

- a) If, in the opinion of the Program Coordination, there is a manifest and systematic breach of the responsibilities committed by the Startup and / or company.
- b) If, in the opinion of CMPC, the service provided by the Startup and / or company within the framework of the challenge is non-existent, incomplete, or did not meet the required quality.
- c) Another reason that, in the opinion of CMPC or the Program Coordination, is considered sufficient to request early termination of the Program.

In any case, it will suffice for the Coordination of the Technological Exploration Program to notify the Startup and / or company in writing of the existence of one (or more) cause (s) of termination of their participation in the Program, expressing their will to do so. The participation of the Startup and / or company in the Program will be understood as terminated from that moment.

Early termination of the participation of Startups and / or companies in the Program, for any of the circumstances previously detailed (a, b and c) will disable their participation in a future version of the Technological Exploration Program.

## **12. ACCEPTANCE OF THE RULES**

- a) CMPC and IncubaUdeC may unilaterally update or modify these Terms at any time, through the publication of the new version on the IncubaUdeC website (<http://www.incubaudec.cl>).
- b) CMPC and IncubaUdeC reserve the right to cancel, modify, or suspend the application process or to vacate the number of the selected ones during the selection process.
- c) The submission of the form will be considered as acceptance of these Rules for the application.
- d) Data provided by the Applicant must be correct, truthful and complete, assuming all responsibility for the lack of veracity or accuracy thereof. In the event that the data provided by an Applicant turns out to be false, inaccurate or misleading, CMPC and IncubaUdeC will be empowered, without prejudice to other legal measures at their disposal, to withdraw, deny or suspend the rights granted to the Applicant by these Rules.
- e) The Applicant authorizes CMPC and IncubaUdeC by itself, indefinitely, to use her/his name and image in the advertising material related to this application and / or the activities that seem relevant to them.

## **13. THE BRANDS**

- The startup and / or company selected by CMPC during the Roadshow, may use the CMPC logo for its commercial activities and inform third parties that the company has CMPC as strategic alliance, if applicable. In both cases, you must submit to the prior approval of CMPC, which will give its authorization in writing or email, through its legal representatives. Without this authorization, the above mentioned is absolutely prohibited.



- CMPC and IncubaUdeC will be able to disseminate, freely and without limitations of any kind, mentioning the authorship when appropriate, all of that non-confidential information about the Project.

#### **14. VALIDITY**

These rules will be considered valid until December 18, 2020.

#### **15. INTELLECTUAL PROPERTY - CONFIDENTIALITY**

- During the stage of selection, the startup or Company must declare any patent, investigation and / or previous development, as well as the existence or other projects about the same solution or other related solutions, which will be used in this call to achieve the objectives and final goals. The omission of declaring the existence of any of these elements by the startup or company will result in the elimination of the Program.
- Participants in any process of this call will maintain ownership of their technologies, as well as all the information, inventions, technological innovations, procedures, plans and other documents presented and / or developed at the time of application to the Program. Consequently, it will correspond to the startup or company to protect in the corresponding registers, the eventual creations, patentable inventions or the proprietary rights over their results.
- In the event of the creation of new knowledge, new technologies or any new form of creation of technological innovations, as a result of the work carried out with CMPC, a possible shared ownership between the startup or company and CMPC will be evaluated on a case-by-case basis. IncubaUdeC and CMPC compromise confidentiality for each one of the innovation projects, being these protected in all their content.

## **16. DISSEMINATION, TRANSFER AND USE OF RESULTS**

The applicant team authorizes both CMPC and IncubaUdeC, from the application of the project, to publish generic information on topics related to the project, provided that such publication does not compromise the secrecy and intellectual property of the startup or company and its developments.

## **17. CONTACT**

- 17.1. IncubaUdeC:** Fernanda Díaz de Arcaya, Coordinator of the Technological Exploration Program by IncubaUdeC. E-mail: [pet@udec.cl](mailto:pet@udec.cl)
- 17.2. CMPC:** Felipe Torres, Innovation Assistant Manager of Empresas CMPC S.A. E-mail: [innovacion@cmpec.cl](mailto:innovacion@cmpec.cl)

## ANNEX 1

### Calendar of activities

Activity	Date (year 2020)
Scouting Stage 1: Online Application	September 28th – October 25th
Scouting Stage 2: Evaluation & Selection Top 15	October 26th – November 6th
Scouting Stage 3: Pitch & Demoday Preparation	November 9th – November 13th
Scouting Stage 4: Roadshow	November 16th – November 20th
Pilot implementation	November 30th – February 28th