

Regional info session

Paso de los Toros

September, 2019



Regional info session

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Regional info session

- The objective is to inform on the progress of the different activities regarding the project
- Regional informative sessions will be held at least every three months
- The sessions will be led by the Uruguayan local team
- UPM will soon open an office in Paso de los Toros city to share information to the community and to receive enquires. The contact email is <u>comunicaciones@upm.com</u>



Start-up of activities

Start-up of activities related to the project



• Preparatory works at the mill site have started

Works will take some months and include:

- ensure the construction area is safe
- installation of temporary offices at site and
- land preparation
- · Construction of the temporary houses for workers started
- Training courses for construction workers and entrepreneurs were launched
- Online recruitment platforms for construction workers and suppliers were open
- Specialized pulp terminal preparatory works have started at the Montevideo's port.

Key facts on the mill project



- The mill is expected to be operational in the second half of 2022
- Initial production capacity of 2.1 million tonnes of eucalyptus pulp
- World-class single line pulp mill and Best Available Techniques (BAT)
 - Excellent safety
 - Proven high environmental performance
 - High availability and maintainability
 - High energy output, surplus renewable electricity 110 MW
 - Competitive costs





Opportunities during the construction phase



Job opportunities during the construction phase

- People interested in job opportunities for the construction of the mill may register through "Via Trabajo" database of the Ministry of Labour and Social Security (MTSS)
- All contractor companies involved in the construction will have access to the database to hire their workers
- Registration is open at the following link: <u>viatrabajo.mtss.gub.uy</u>



DINAE - INEFOP - Derechos Reservados (2019) Via Trabajo está optimizado para funcionar en Mozilla Firefox y Google Chrome

Oportunities for suppliers



- All local and national companies interested in prividing services for the construction of the pulp mill, as well as for the operation and maintenance, can register at the National Development Agency (ANDE) database
- Registration is open at the following link: ande.org.uy/convocatorias/item/registrode-proveedores-upm





Start of temporary housing solutions construction

Housing solutions for the construction phase



- Construction works started in August
- The main objective for the construction of temporary housing is to ensure an **orderly process** of the arrival of workers to the area with **adequate comfort conditions** and a scale that enhances **positive interactions** with the communities
- The location of the plots were defined by the Planning and Budget Office (OPP) and National Directorate of Land Planning (DINOT) offices and includes Paso de los Toros, Pueblo Centenario, Carlos Reyles and Durazno city
- The design of the houses is in line with the land planning regulation of these locations. Houses will be built according to the quality standards defined by the Ministry of Housing, Land Planning and Environment (MVOTMA). The design is also approved by the local governments from Durazno and Tacuarembó departments.

Temporary housing features



- 133 housing blocks will be built. Each block has 4 houses with dining kitchen, 4 bedrooms and 4 bathrooms
- Houses will be of 77 m² and host up to 12 persons
- The design allows:
 - Areas of reduced coexistence impacting positively in geographical decentralization
 - Adequate integration to the communities

133 housing blocks5.000 beds

4 bedrooms4 bathroomsper house



Temporary housing features



Total capacity: 4,500 to 5,000 direct workers, with a peak of 5,500

Distribution: 40-50% in Paso de los Toros, 10-20% in Centenario and 30-40% in Durazno

Basic services: drinking water, sanitation, electricity and transportation to and from the workplace

Auxiliary services: recreational areas, connectivity and security

Temporary houses will be removed after the construction phase and the plots with infrastructure development will be returned to the state

UPM will also build 60 permanent houses in the area which will be transfer to the state after the construction of the mill







Regional development plans started

FREE AND LED BY THE NATIONAL INSTITUTE FOR EMPLOYMENT AND TRAINING Training courses for construction

Local workers without construction experience

Courses are for local people without experience in the construction sector in order to assure more job opportunities in the area

- Planned starting date: October, 2019
- 200 places

Workers with construction experience

Courses will be informed in a timely manner and will be for equipment operators, basic assembly, special formwork, scaffolding assembly, insulations, coatings and paint, among others

- Planned starting date: December, 2019
- 600 places





Regional development plans started



Business development

 Training for businessmen and entrepreneurs began in the area of Paso de los Toros and Pueblo Centenario in cooperation with the local Commercial Chamber, the National Chamber of Commerce and Services, and the National Institute for Employment and Training (INEFOP)

Scholarships for young students

- Technical university education in the areas of mechanic, electricity, instrumentation and automation, chemistry and processes
- Launched in October 2019 with quotas for 10 students

Road safety plan

- Transportation of the high school students from Pueblo Centenario to the different educational centers have started
- Interested people can register at the Centenario local board



Open and active communication Contact information





Demont for subtinible eucolyptus pulp continues to grow. UPM hastoday made the investment decision to construct of J. Inlicin tomore greenfield eucolyptus pulp millinear. Paso del los Toros in central Urugudy. The mill investment of USD 2.7 billion will result a step change in the scale of UPM's pulp bulkness. UPM will invest USD 350 million in port operations it Montevidea and local facilities in base ale los Toros. The safety and subtinibility performance of the value chain fram plantations to custamer delivery la expected to be on an industry leading level.

The prerequisites for the investment have been carefully prepared in cooperation with the state of Uruguay. For Uruguay, the project and the infrastructure development offer significant opportunities for economic and social development. Uruguay is an apportunity to capture the potential of growing pulp markets.

> INVESTMENT DECISION - PUBLIC PRESENTATION, JULY 2019

> INVESTMENT AGREEMENT IN SHORT

COMPLETE VERSION)



Website with public information related to the project at www.upm.uy/growth

www.upm.uy/kasvu

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Questions and suggestions:

comunicaciones@upm.com

