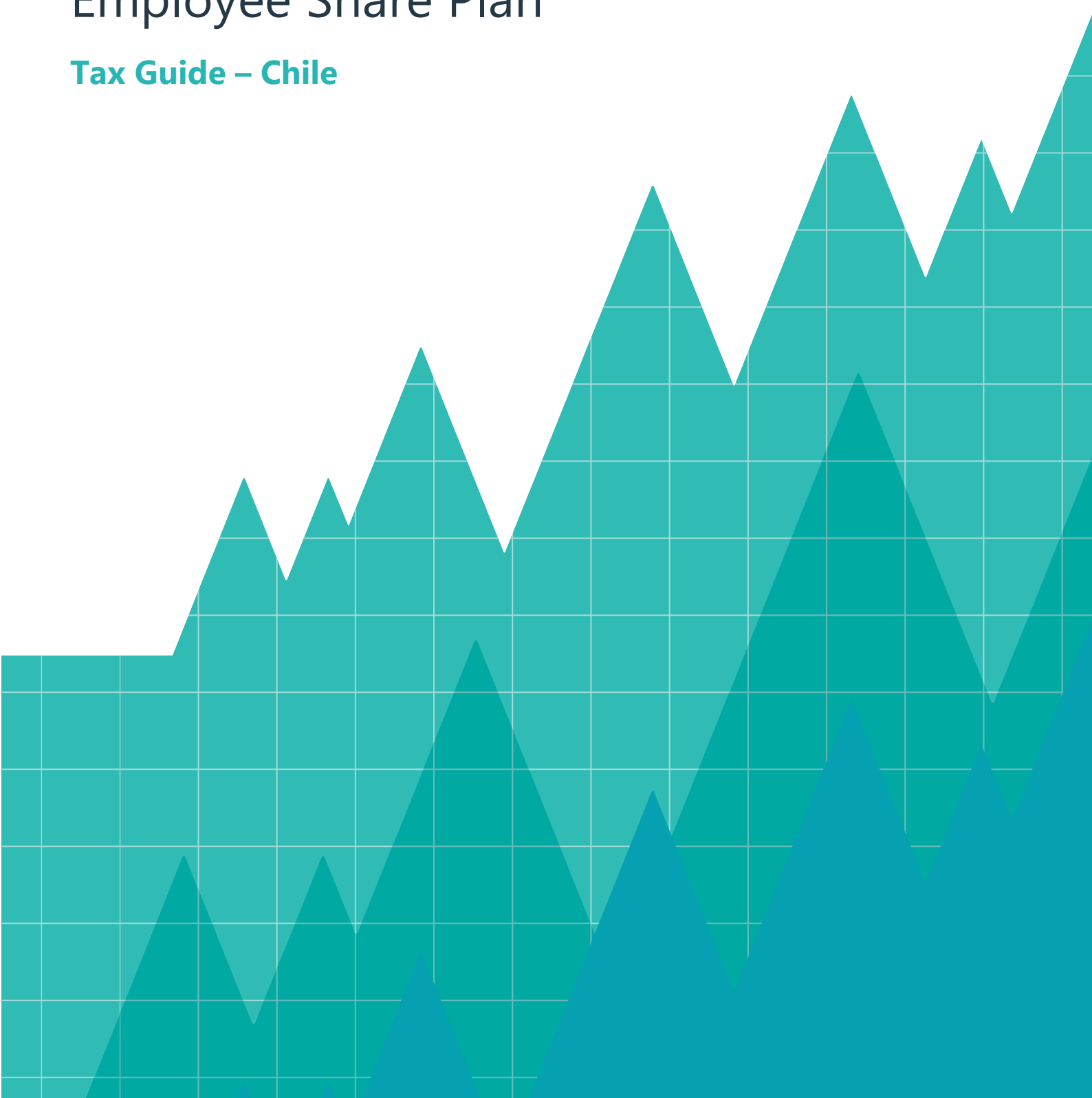


Wood Guidance

Employee Share Plan

Tax Guide – Chile



Wood Guidance Employee Share Plan Tax Guidance – Chile Employees

This information is for guidance only and may differ according to your personal circumstances. Other than in the “Income tax and social security for mobile employees” section below, it assumes that for tax purposes you are a domiciliary, national and resident of Chile and have been/will be at all material times – i.e. from the date on which you purchase your first shares in the Plan until the end of the Plan period 24 months later – this is known as the Holding Period.

The “Income tax and social security for mobile employees” section outlines the tax treatment for your shares if you have spent time working outside Chile – for these purposes it is assumed that you are tax resident in the respective countries where you are working at the relevant times.

This is not tax advice tailored to your personal situation. If you require confirmation of your personal tax position, you should contact a professional tax advisor.

This information is understood to be correct as at 6 November 2018. Any future changes to legislation or tax rates may affect this information.

Income tax and Social security

Will I have to pay income tax or social security in respect of my Shares?

The table below sets out the point at which tax will be paid, and the taxable amount for the shares received, under the Plan:

| Income tax and social security | | |
|--------------------------------|--|--|
| | Point at which tax will be paid | Taxable amount |
| Purchased Shares | No income tax or social security will apply. | N/A |
| Matching Shares | Income tax and social security will be payable when your Matching Shares are delivered to your personal holding account following the end of the Holding Period. This is known as the Delivery Date. | The amount subject to income tax will be the market value of the shares on the delivery date. Social security will also be payable on the amount which is subject to income tax. |
| Dividend Shares | You will be taxed upon receipt of the cash dividend used to acquire Dividend shares. | The amount subject to tax is the income is the cash dividend received to acquire the dividend shares. |

How do I pay the income tax and social security due in respect of my Shares?

Your employer will withhold the income tax and social security payable on the Matching Shares. Your employer will **not** withhold any income tax due on the dividend income used to acquire the Dividend Shares. You are responsible for any income tax due on the dividend income.

Income tax and social security for mobile employees

Will I have to pay income tax or social security in respect of my Shares if I have only spent a portion of the Holding Period working in Chile?

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If you are tax resident in Chile at the delivery date of the Matching Shares, your matching shares will be taxable in Chile on the entire gain. However, you may benefit from exemption with progression or from a foreign tax credit in Chile (FTC) for the portion of the gain which corresponds to duties performed outside of Chile, provided an international tax treaty has been signed between Chile and the other country in which the individual has performed his duties.

Where you are a non-Chilean tax resident at the delivery date of the Matching Shares, the Matching Shares will be taxable in Chile on the portion of the gain relating to duties performed in Chile.

Based on the OECD position for awards and on a tax guideline issued by the Chilean tax authorities, the award gains should be allocated on a prorata basis on an acquisition to delivery basis (based on the number of days of the employee assignment in Chile (worked days and non-worked days) during the holding period).

How do I pay the income tax and social security due in respect of my Shares?

Your employer will withhold the income tax or social security payable on the Matching Shares.

Sale of shares

Will I incur a further tax liability when I sell my Shares?

You may be liable to pay capital gains tax on any gains arising when you sell your shares. The taxable gain is calculated as the difference between your sale proceeds and the total of: (i) the amount that you paid for the shares (for your Purchased Shares and Dividend Shares) and (ii) any amount previously subject to income tax (for your Matching Shares).

Capital gains made on the sale of shares are included in aggregate taxable income and are taxed as regular income. You should report any gains through your personal income tax return.

Reporting

Will I have any reporting requirements?

You are required to file an Annual Tax return if you have received (i) salaries from more than one employer; or (ii) income from sources other than salary which are subject to Personal Income Tax. Chilean resident taxpayers are required to declare foreign sourced income received, in accordance with the information reported in the tax return, under the plan this will include details of any gains made through share sales or dividend income.

Report name: (i) Annual Tax Return (Tax Form No. 22); (ii) foreign sourced income is reported on Sworn Declaration 1823; and (iii) Monthly Tax Return (Form No. 29).

Tax period: (i) 1 January to 31 December; and (ii) monthly.

Reporting deadline: (i) 30 April of the year following the one when the income is obtained; and (ii) within the first 12 days of the month following the month in which the income was obtained or the amounts were withheld.

Awards settled by transferring shares to the employees: Chilean-resident employees must issue a sworn statement listing the shares maintained abroad, using Tax Form No. 1851 and can voluntarily register the investment in the Registry of Foreign Investments kept by the IRS, in order to be entitled to tax credits for any taxes paid abroad.

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Appendix – relevant tax rate summary

This appendix sets out the relevant tax rates in Chile, for the tax year ending 31 December 2018

| Income tax | | |
|------------|----------------------------|---|
| | Maximum effective tax rate | Notes |
| Income tax | 35% | Tax rates are progressive. Tax bands are expressed as Monthly Taxable Units (MTU) and are adjusted on a monthly basis. An MTU is equivalent to approximately USD77.50. The first MTU13.5 is tax exempt and the maximum tax rate applies to monthly income above MTU120. |

| Social security | | |
|-----------------|--|--|
| | Maximum effective rate | Notes |
| Social security | 10% Pension Fund (plus fund management fees of up to 1.48%) 7% Health Insurance Contribution 0.6% Unemployment Insurance | Capped at approximate monthly salaries of: (i) and (ii) USD3,464; and (iii) USD5,198. The actual amounts are based on Monthly Taxable Units: (i) and (ii) CLF78.3; and (iii) CLF117.5. |

| Dividends and capital gains tax | | |
|---------------------------------|----------------------------|--|
| | Maximum effective tax rate | Notes |
| Dividends | 35% | |
| Capital gains tax | 35% | Capital gains made on the sale of shares in a foreign company are included in aggregate taxable income and are taxed at progressive rates of income tax. |