

Transparency Report FY 2019

PricewaterhouseCoopers Consultores Auditores SpA



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Introduction



Renzo Corona Spedaliere
Territory Senior Partner
PwC Chile

On behalf of the partners of PricewaterhouseCoopers Consultores Auditores SpA (PwC Chile), it is my pleasure to present the 2019 Transparency Report. At PwC, we're acutely aware of the critical role that transparency plays in building trust. For us, audit quality starts and ends with our purpose statement, which is to build trust in society and solve important problems. Through this document, we would like to share our commitment with quality and transparency as key assumptions in the achievement of that purpose.

We are a Network of firms in 157 countries with more than 276,000 people who are committed to delivering quality in Assurance, Advisory and Tax and Legal Services. At PwC Chile, the most qualified and expert auditors, lawyers and advisors combine their knowledge, experiences and solutions to deliver high quality services to a number of the world's leading companies, both private and public, and other relevant organizations.

To sustain quality audits, we need to attract and retain talented professionals. At PwC Chile, we use considerable resources to attract and develop the people that we think are the right ones to advise our customers and their challenges. To attract top talent, we focus on recruiting, traineeships, and creating an inclusive environment. Also, our professionals participate in specialization programs and continuous training, which allows them to be aware of the major changes they face every day.

Internal quality systems and procedures are materialized through a formal annual evaluation process, based on an electronic system that covers the main policies and procedures that must be observed to comply with the strategic objectives of maximizing quality and minimizing exposure to risk.

Our leaders frequently and consistently communicate our purpose. It drives our actions with clients and colleagues, informs our choices, guides our decision-making, and shapes our debates.

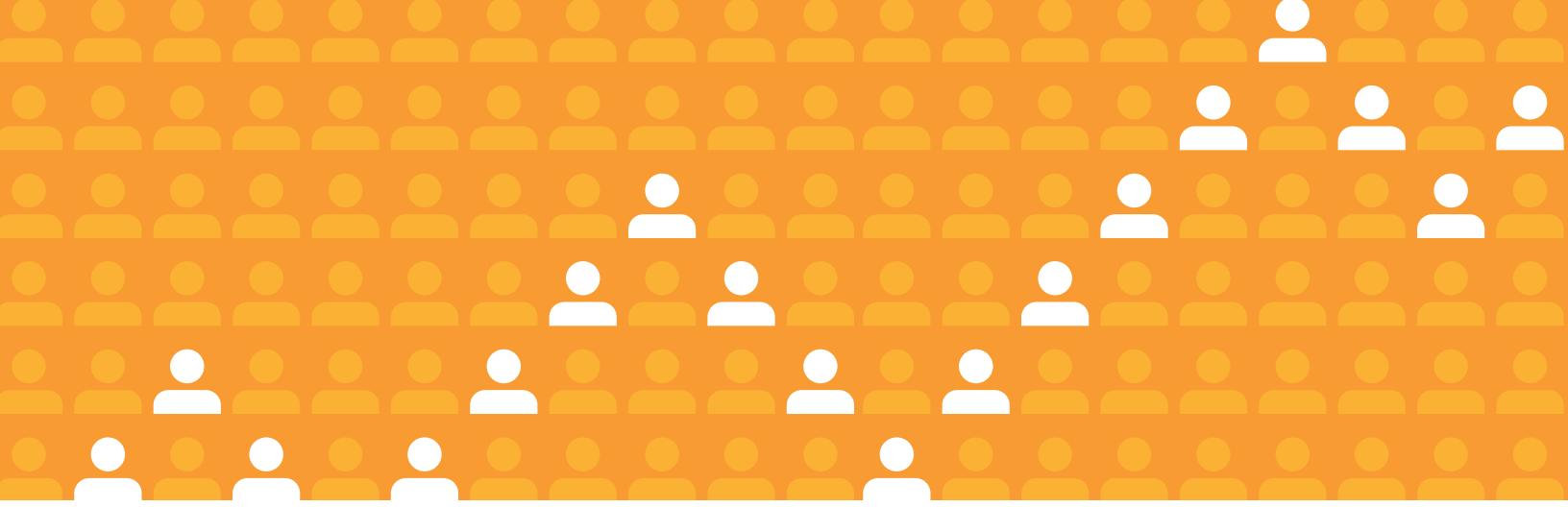
In this report, you will find detailed information about our internal Quality Control System, a general explanation of our organization and governing structure, how we deal with risk management, training of our professionals and financial information among others, while we maintain our independence as auditors. This Transparency Report has been prepared to comply with relevant regulatory requirements in the EU, particularly Article 13 of Regulation (EU) No 537/2014, covering our financial year ending on June 30, 2019.

We will continue working on developing and improving our internal routines and control procedures, as well as acting through our values - act with integrity, make a difference, care, work together and reimagine the possible - in order not only to build relationships that help our customers create the value they seek, but also to contribute increasing trust in society.

Enjoy reading!

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Organization and ownership



Our firm was founded in Chile, in the port of Valparaiso in April 1914, being a relevant player of the most significant milestones in the history of business within Chile. Our firm was part of the government auditing in the 20's, we provided support to the creation of public services in the 40's, and we rendered services to Chilean companies in their global expansion during the 90's.

A trajectory of more than a century in Chile, endorse our firm as a recognized company for its quality in the delivery of integral solutions to support the business of organizations.

PricewaterhouseCoopers Consultores Auditores SpA is a company limited by shares, incorporated and existent in accordance with the laws of Chile. Its tax identification number (RUT) is 81.513.400-1 and it is recorded before the Registry of Commerce of Santiago (held by the Real Estate Registry of Santiago), which company excerpt is registered at fojas 7,301 number 3,535 of the Registry of Commerce of Santiago of 1987.

The current Articles of Association of the firm are set forth in public deeds granted on January 3, 2017 and August 8, 2017, registered and granted before Mr. Andrés Rieutord Alvarado, Public Notary of Santiago, Chile.

Our firm offers a wide range of services, including audit and assurance services, general business consulting services, tax compliance and reporting services, as well as tax and legal consulting services. We are organized in the following 3 LoS: Assurance, Advisory and Tax and Legal Services.

PwC Chile is an external audit firm, authorized by the Chilean Commission for the Financial Market ("CMF", formerly known as Superintendence of Securities and Insurances or "SVS"), and registered under No. 8 of the Public Register of External Audit Companies of Chile held by such regulator.

PwC Chile's ownership rests directly in its partners that, at the beginning of the current fiscal year, corresponds to 32 individuals. As per its current bylaws, the capital of

PwC Chile is divided into two classes of shares, Class A and Class B. Only shares Class A have voting rights in the General Meeting, and each partner owns one of these shares. Shares Class B are distributed among all the partners (also named "shareholders" for legal purposes) in different proportions according to their responsibility and seniority within the firm.

The Assurance line of services has 18 partners, while Tax and Legal Services line has 12 partners, and Advisory line of services has 2 partners. The 18 auditors partners have been authorized by CMF to conduct, direct and sign reports of external audits, and currently own more than 50% of the firm's capital in accordance with applicable local regulation.

PwC Chile owns and controls 2 subsidiaries "PricewaterhouseCoopers Servicios Profesionales Limitada" and "PricewaterhouseCoopers Capacitación y Desarrollo Profesional Limitada", both limited liability companies incorporated and existent in accordance with Chilean law, that offer certain consultancy and training services.

PwC Chile provides services throughout Chile and has offices in Santiago, Viña del Mar, Concepción and Puerto Montt. Our headquarter are located in the city of Santiago.

In addition, together with PwC firms from Bolivia, Colombia, Paraguay, Peru, Uruguay, Argentina and Venezuela, we are members of the Latin American Network ("LAN") of PwC. Our main objective is to overcome challenges through sharing experiences and collaboration, especially regarding the Network global policies implementation.

All business and lines of services of PwC Chile are subject to a quality control system based on PwC Network's global policies.

The fiscal year for PwC Chile comprises the period from July 1, 2018 to June 30, 2019.

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Governance and Structure

Governance and Structure

PwC Chile is governed by the Partners through decisions taken by the General Meeting, in accordance with good corporate governance principles. These principles ensure that decisions making process is transparent, predictable and fair with the firm's partners and employees.

The General Meeting is the highest governance body in PwC Chile and has the faculties regulated in the local law and its bylaws such as agree on the amendments of the firms bylaws or admit new partners.

Other governance bodies of PwC Chile are the Country Leadership Team (CLT), the Territory Senior Partner, the Oversight Board and the Risk and Quality partner.

CLT is responsible for the overall managing of our firm; Territory Senior Partner, is the head of the CLT and in charge of ensuring the implementation and maintenance of PwC Network's global policies and procedures. Oversight Board supervises partner admissions and oversees the management of the firm, and finally, our Risk & Quality partner has the function of evaluating critically and objectively if professional standards have been strictly observed.

A more detailed description of each governance body and their functions can be found in the following paragraphs.

Country Leadership Team (CLT)

The Country Leadership Team (CLT) is an executive committee, headed by the Territory Senior Partner, responsible for adopting the strategies, guidelines and key policies of the PwC Network bringing them closer to the Chilean firm, as well as managing the local firm.

In order to include different perspectives that contribute to reduce risks and enrich the management of the

firm, key position partners with different specialties form the CLT. Among it are the Lead Partners of each line of services (Assurance, Advisory and Tax Legal Services), and the partners in charge of Risk & Quality, Technology/IT, Finance, Human Capital and Marketing & Communications.

The members of the CLT currently are: Renzo Corona, our Territory Senior Partner; the Lead Partners of each line of services: Fernando Orihuela, Leader of Assurance; Federico Morello, Leader of Advisory, and Francisco Selamé, Leader of Tax and Legal Services. In addition, the following partners are also members of the CLT: Sandra Benedetto, partner in charge of Human Capital (HC); Ricardo Arraño, partner in charge of Risk & Quality (R&Q); Jonathan Yeomans, partner in charge of Technology (IT); Gonzalo Schmidt, partner in charge of Marketing & Communications (M&C) and Guido Licci, partner in charge of Operations (Finance).

The CLT holds monthly meetings to oversee the day to day management of our firm. Since its members have executive positions and client portfolios, they are constantly informed about the state of the business and the main needs and concerns of both the internal staff and the clients.

In addition to the CLT, there are specific teams and partners in charge of different support functions, which are in charge of guaranteeing a proper administration of the firm.

While the Territory Senior Partner is appointed for a fixed term of four years by the General Meeting, the leader partners of each line of services and the partners in charge of R&Q, IT, HC, M&C and Finance are appointed (or removed) by the TSP.

As of July 1, 2018 the members of the CLT are the following:



Renzo Corona Spedaliere
our Territory Senior Partner

The Lead Partners of each line of services:



Fernando Orihuela
Leader of Assurance



Federico Morello
Leader of Advisory



Francisco Selamé
Leader of Tax and Legal Services

In addition, the following partners are also members of the CLT:



Sandra Benedetto
partner in charge of Human Capital (HC)



Ricardo Arraño
partner in charge of Risk & Quality (R&Q)



Jonathan Yeomans
partner in charge of Technology (IT)



Gonzalo Schmidt
partner in charge of Marketing & Communications (M&C)



Guido Licci
partner in charge of Operations (Finance)

Territory Senior Partner

The Territory Senior Partner is PwC Chile's top operational leader and is responsible for the everyday management. The General Meeting appoints the Territory Senior Partner for a fixed term of four years. The maximum number of consecutive terms is two, in accordance with the Network internal policies.

Territory Senior Partner establishes routines for monitoring and follow-up operational risks, working along with the Risk & Quality partner. Additionally, the Territory Senior Partner ensures the implementation and maintenance of PwC Network's standards and has the ultimate responsibility for establishing processes securing quality in the delivery of services across all our business areas.

The Territory Senior Partner annually evaluates and reports to the Network about the quality of the internal control.

Oversight Board

The Oversight Board is an independent non-executive body under no other authority. Among their responsibilities are the oversight of the firm and its management, including supervising partner admissions.

At PwC Chile, the Oversight Board is made up of three partner members, who are elected by partner vote for a term of 3 years. The members of the Oversight Board are currently the following partners: Sergio Tubío, Marcelo Laport and Luis Avello.

Risk & Quality

Risk & Quality function is crucial to perform our activities. Like any other organization, PwC may be exposed to risks that can potentially cause economic losses and damage the image and reputation of the firm. Among the main risks that the firm has identified are the possible regulatory changes, the evaluation and acceptance of clients, the commoditization of professional services, loss of independence and breaches on personal data, information security or client confidentiality.

The risks of the firm are addressed based on a set of strict policies and procedures arranged for that purpose and are evaluated permanently by the responsible partner

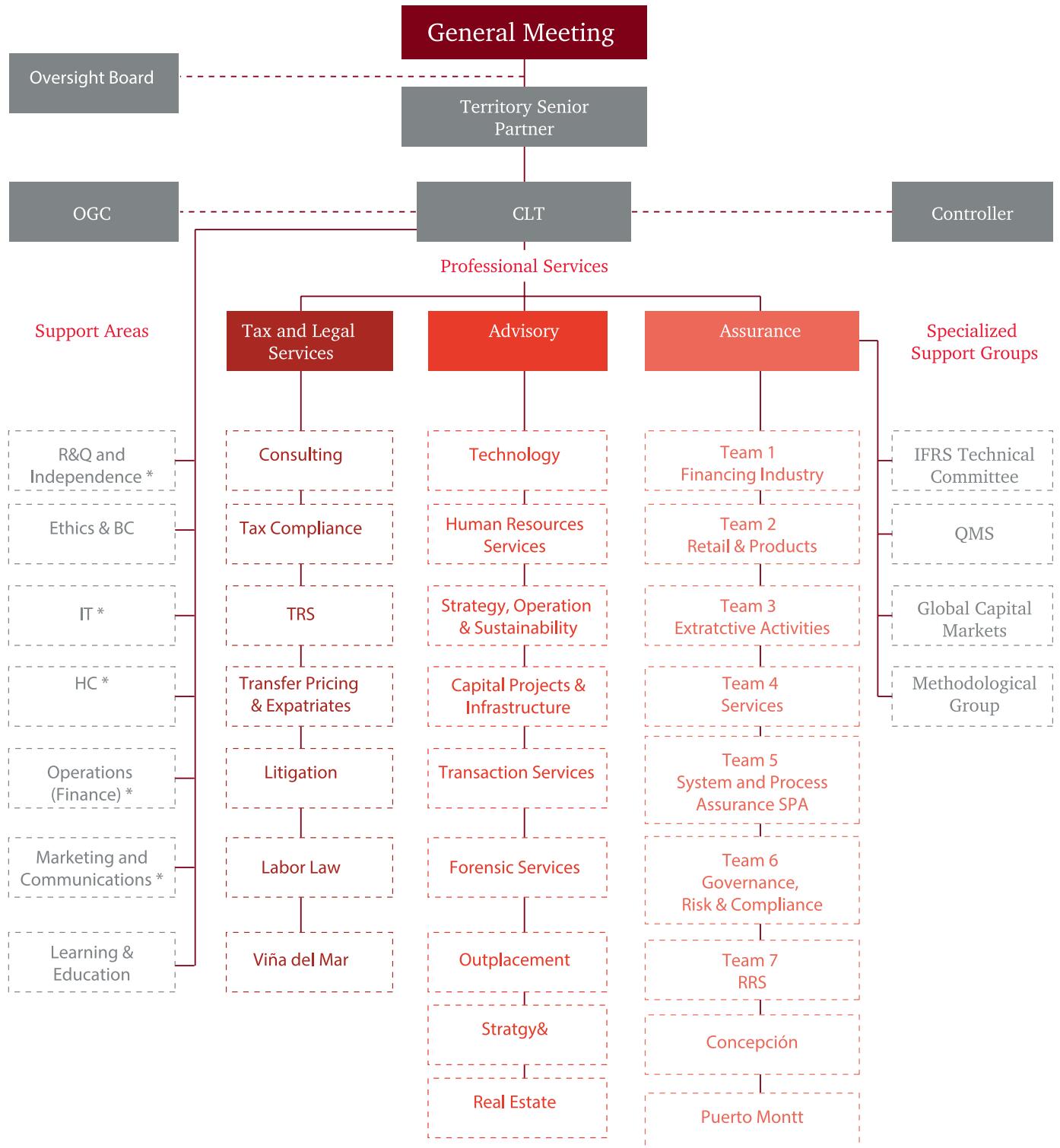
and pertinent support team.

Prior to the execution of any work, our professionals perform comprehensive risk assessment procedures, both for potential clients and for the services to be offered. The fulfillment of the strict procedures that the administration has, along with the ethical behavior of our collaborators has allowed us to position and maintain the value of our brand.

Our commitment to quality lays on the essence of our professional actions in both Assurance, Advisory and Tax and Legal services and is the foundation upon which the prestige of PwC Chile is built.

In addition, all our activities are governed by a framework of internal standards and policies established for all PwC firms, which are constantly reviewed and improved, in line with the dynamic evolution of the professional services we provide and the growing sophistication of the markets that we serve.

For this, Risk & Quality partner has the function of evaluating critically and objectively if methodology and professional standards have been complied with.



PwC Network

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms form the PwC Network. 'PwC' is often used to refer either to individual firms within the PwC Network or to several or all of them collectively.

In many parts of the world, accounting firms are required by law to be locally owned and independent. Although regulatory attitudes on this issue are changing, PwC member firms do not and cannot currently operate as a corporate multinational. The PwC Network is not a global partnership, a single firm, or a multinational corporation.

For these reasons, the PwC Network consists of firms which are separate legal entities.

Being a member of the PwC Network involves a commitment for our firm to comply with all the standards and guidelines of the Network, specifically regarding the Risk Management Policies.

PricewaterhouseCoopers International Limited

The member's firm of the PwC Network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC Network are members in, or have other connections to, PricewaterhouseCoopers International Limited (PwCIL), an English private company limited by guarantee. PwCIL does not practice accountancy or provide services to clients. Rather its purpose is to act as a coordinating entity for member firms in the PwC Network. Focusing on key areas such as strategy, brand, and risk and quality, the Network Leadership Team and Board of PwCIL develop and implement policies and initiatives to achieve a common and coordinated approach amongst individual member firms where appropriate.

Member firms of PwCIL can use the PwC name and draw on the resources and methodologies of the PwC Network. In addition, member firms may draw upon the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of

the PwC Network as put forward by PwCIL.

Neither PwC Network is an international partnership, nor PwC firms are legal partners with each other. Many of the member firms have legally registered names, which contain "PricewaterhouseCoopers", however there is no ownership by PwCIL. A member firm cannot act as agent of PwCIL or any other member firm, cannot obligate PwCIL or any other member firm, and is liable only for its own acts or omissions and not those of PwCIL or any other member firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions. PwCIL has no right or ability to control member firm's exercise of professional judgement.

The governance bodies of PwCIL are:

- **Global Board**, which is responsible for the governance of PwCIL, the oversight of the Network Leadership Team and the approval of Network standards. The Board does not have an external role. Board members are elected by partners from all PwC firms around the world every four years.
- **Network Leadership Team**, which is responsible for setting the overall strategy for the PwC Network and the standards to which the PwC firms agree to adhere.
- **Strategy Council**, which is made up of the leaders of the largest PwC firms and regions of the Network, agrees on the strategic direction of the Network and facilitates alignment for the execution of strategy.
- **Global Leadership Team** is appointed by and reports to the Network Leadership Team and the Chairman of the PwC Network. Its members are responsible for leading teams drawn from Network firms to coordinate activities across all areas of our business.

The Territory Senior Partner of PwC Chile maintains relationships with the Network Leadership Team.

EU / EEA Member firms within PwC Network

The table below is a list of audit firms within the global Network from EU or EEA Member States as of June 30, 2019.

Member State	Name of Firm
Austria	PwC Wirtschaftsprüfung GmbH, Wien
Austria	PwC Oberösterreich Wirtschaftsprüfung und Steuerberatung GmbH, Linz
Austria	PwC Kärnten Wirtschaftsprüfung und Steuerberatung GmbH, Klagenfurt
Austria	PwC Steiermark Wirtschaftsprüfung und Steuerberatung GmbH, Graz
Austria	PwC Salzburg Wirtschaftsprüfung und Steuerberatung GmbH, Salzburg
Austria	PwC Österreich GmbH, Wien
Belgium	PwC Bedrijfsrevisoren bcvba/Reviseurs d'enterprises scrl
Belgium	PwC Audit Services SPRL
Bulgaria	PricewaterhouseCoopers Audit OOD
Croatia	PricewaterhouseCoopers d.o.o
Cyprus	PricewaterhouseCoopers Limited
Czech Republic	PricewaterhouseCoopers Audit s.r.o
Denmark	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Estonia	AS PricewaterhouseCoopers
Finland	PricewaterhouseCoopers Oy
France	PricewaterhouseCoopers Audit
France	PricewaterhouseCoopers Entreprises
France	PricewaterhouseCoopers France
France	PricewaterhouseCoopers Services France
France	PwC Entrepreneurs CAC
France	PwC Entrepreneurs Commissariat aux Comptes
France	PwC Entrepreneurs Audit
France	PwC Entrepreneurs Audit France
France	PwC Entrepreneurs CAC France
France	PwC Entrepreneurs Commissariat aux Comptes France
France	PwC Entrepreneurs France
France	PwC Entrepreneurs Services
France	Expertise et Audit Lafarge
France	M. Philippe Aerts
France	M. Pierre Blanquart
France	M. Jean-François Bourrin
France	M. Jean-Laurent Bracieux
France	M. Didier Brun
France	Mme Elisabeth L'Hermite
France	M. François Miane

Member State	Name of Firm
France	M. Yves Moutou
France	M. Claude Palméro
France	M. Pierre Pégaz-Fiornet
France	M. Antoine Priollaud
Germany	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
Germany	Wibera WPG AG
Greece	PricewaterhouseCoopers Auditing Company SA
Hungary	PricewaterhouseCoopers Könyvvizsgáló Kft.
Iceland	PricewaterhouseCoopers ehf
Ireland	PricewaterhouseCoopers
Italy	PricewaterhouseCoopers Spa
Latvia	PricewaterhouseCoopers SIA
Liechtenstein	PricewaterhouseCoopers GmbH, Vaduz
Lithuania	PricewaterhouseCoopers UAB
Luxembourg	PricewaterhouseCoopers, Société coopérative
Malta	PricewaterhouseCoopers
Netherlands	PricewaterhouseCoopers Accountants N.V.
Netherlands	Coöperatie PricewaterhouseCoopers Nederland U.A.
Norway	PricewaterhouseCoopers AS
Poland	PricewaterhouseCoopers Polska sp. z. o.o.
Poland	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
Poland	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością sp. k.
Portugal Itda	PricewaterhouseCoopers & Associados-Sociedade de Revisores Oficiais do Contas
Romania	PricewaterhouseCoopers Audit S.R.L.
Slovakia	PricewaterhouseCoopers Slovensko, s.r.o.
Slovenia	PricewaterhouseCoopers d.o.o.
Spain	PricewaterhouseCoopers Auditores, S.L.
Sweden	PricewaterhouseCoopers AB
Sweden	Öhrlings PricewaterhouseCoopers AB
UK	PricewaterhouseCoopers LLP
UK	James Chalmers
UK	Katharine Finn

The total revenue from the statutory audits of annual and consolidated financial statement completed by EU/EEA firms that are part of the PwC Network was, to the best extent calculable, approximately by \$3.1 billion Euros. This represents the revenue from each entity's most recent financial year converted to Euros at the exchange rate prevailing at that financial year end date.

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Quality Control System

Quality Control System

In today's complex world, we must be constantly aware that although efforts to strengthen quality standards are permanent, according to the nature of the services we provide, our work must deal with different kinds of risks at a daily basis. Therefore, the need to maximize the quality of our work is an imperative.

At PwC Chile we understand that providing high quality services means not only complying with regulation and industry standards, but also means that our clients and regulatory authorities expect us to deliver reliable services.

Delivering service of the highest quality is core to our purpose and our assurance strategy, the focus of which is to strengthen trust and transparency in our clients, in the capital markets and wider society.

The overall quality control system of our firm includes procedures addressing the following policies and procedures on a daily basis:



- 01** Formal incorporation on international quality standards
- 02** Improvement in methodologies
- 03** Maintenance of ethical and independence values
- 04** Effective application of consultation policies
- 05** Reinforcement of internal and external monitoring instances, and
- 06** Due care of documentation standards, among others

Quality Management for Service Excellence

To help PwC Chile put this strategy into effect, the PwC Network has established a framework for quality management that integrates quality management into business processes and the firm-wide risk management process. The framework introduces an overall quality objective for the Assurance practice focused on having the people and processes to deliver services in an effective and efficient manner that meets the expectations of our clients and other stakeholders.

This overall quality objective is supported by a series of underlying quality management objectives and our Quality Management System (QMS), described below, that must be designed and operated so that these objectives are achieved with reasonable assurance. The achievement of these objectives is supported by a quality management process established by our Assurance leadership, business process owners, and partners and staff. This quality management process includes:

- identifying risks to achieving the quality objectives
- designing and implementing responses to the assessed quality risks
- monitoring the design and operating effectiveness of the policies and procedures through the use of process-integrated monitoring activities such as real-time assurance as well as appropriate Assurance quality indicators
- continuously improving the quality management system when areas for improvement are identified by performing root cause analyses and implementing remedial actions and
- establishing a quality-related recognition and accountability framework to be used in appraisals, remuneration, and career progression decisions

Quality Management System

A formal annual evaluation process, based on an electronic system called Quality Management System (QMS), is another key instance in the quality control system. QMS covers the main policies and procedures that must be observed to comply with the strategic objectives of maximizing quality and minimizing exposure to risk. This system, developed by the global Network, includes the requirements pursued by the International Quality Control Standard (ISQC1) issued by the International Auditing and Assurance Standards Board (IAASB) and involves leadership, ethical requirements, independence, clients and engagement acceptance and continuance, human resources, engagement performance and monitoring.

The system is based on the documentation of PwC Chile's policies and procedures, which must be updated at least once a year by the partners responsible for the different areas involved, and then is subject to a critical evaluation by a team led by the partner appointed specifically for that purpose.

Monitoring of Assurance quality

At PwC Chile we recognize that quality in the Assurance services we deliver to clients is key to maintaining the confidence of investors and other stakeholders in the integrity of our work. It is a key element to our Assurance strategy.

Responsibility for appropriate quality management lies with the Leadership of our firm. This includes effective monitoring processes aimed at evaluating whether the policies and procedures which constitute our Quality Management System are designed appropriately and operating effectively to provide reasonable assurance that our audit and non-audit assurance engagements are performed in compliance with laws, regulations and professional standards.

Our firm's monitoring program is based on the PwC Network's Global Assurance Quality Review (GAQR) Program. This program, which is built on professional standards relating to quality control including ISQC 1, contains policies, procedures, tools and guidance which are used by PwC Network firms. The GAQR program is coordinated by a central team, which consists of a GAQR Leader with a group of International Team Leaders (ITL) who are senior partners seconded to the GAQR central

team by PwC member firms. Provision of oversight by the ITLs and their continuous involvement and support enable a consistent and effective performance of reviews across the PwC Network.

Our firm's monitoring procedures include an ongoing assessment of the design and effectiveness of our quality management system, as well as a review of completed engagements (Engagement Compliance Reviews - ECR). The results of these procedures form the basis for the continuous improvement of our quality management system.

ECRs are risk-focused reviews of completed engagements covering, on a periodic basis, individuals in our firm who are authorized to sign audit or non-audit assurance reports. The review assesses whether an engagement was performed in compliance with PwC Audit guidance, applicable professional standards and other applicable engagement related policies and procedures. Each signer is reviewed at least once every five years, unless a more frequent review is required based on the profile of that signer's client engagements.

Reviews are led by experienced Assurance partners, supported by independent teams of partners, directors, and senior managers and other specialists. Review teams receive training to support them in fulfilling their responsibilities, and utilize a range of GAQR-approved checklists and tools when conducting their review procedures.

The results of the quality reviews are reported to our firm's leadership who are responsible for analysing the findings and implementing remedial actions as necessary. In situations where adverse quality issues on engagements are identified, based on the nature and circumstances of the issues, the responsible partner or our firm's Assurance leadership personnel may be subject to additional training or further measures in accordance with our firm's Recognition and Accountability Framework.

Partners and employees of our firm are informed about the review results and the actions taken to enable them to draw the necessary conclusions for the performance of their engagements. In addition, the GAQR Leader informs engagement partners of our firm, who are responsible for group audits involving cross-border work, about relevant quality review findings in other PwC member firms which enables our partners to consider these findings for planning and performing their audit work.

The results of the last quality assurance reviews from 2019 and 2018 are the following:

Results from Network quality Control	2019	2018
Engagements in accordance with PwC requirements	11	11
Engagements not in accordance with PwC requirements	0	0
Sum	11	11

Responsibility for the Quality

Our Territory Senior Partner and each of the Lead Partners of the LoS hold the overall responsibility for the quality control system. Among other functions, they must oversee that an appropriate quality culture is developed, as well as monitor the correct implementation of Network's quality standards within our firm. Any deficiencies in the quality control system are duly monitored and revised.

In respect of Assurance LoS, we have special supporting teams (QMS, IFRS Technical Committee and Methodological Group) responsible for establishing and maintaining an appropriate and efficient compliance of both local and PwC Network's quality standards.

Given the growing need to strengthen the instances of permanent review of the quality of our services, we have the function of Quality Review Partner in certain audit engagements, as part of the international standards that we must observe.

Indeed, every client that is a public securities issuer, as well as others that have specific audit risks, defined annually by the partner responsible for the firm's Assurance LoS, must have an appointed Quality Review Partner. The role of this partner is to evaluate critically and objectively if the methodology and professional standards have been strictly complied and must complete its review before the issuance of the audit report.

Participation in Quality Control Team

Partners and managers of the firm have the obligation to participate in quality control teams to which they are appointed. To start an admission process of a professional as an audit partner of the firm, the individual must have previously participated at least as a Manager in an international review team. The members have the obligation to participate and eventually lead that review instances, in all the opportunities in which they are assigned to fulfill this function.

Real Time Assurance

We have developed a Real Time Quality Assurance ("RTA") program to provide our firm with a process and tool for monitoring and supporting audit quality leveraging current technology opportunities.

The RTA program is designed to be a preventative monitoring program that further supports engagement teams get the 'right work' completed during the audit. It enables us to cover both a wide range of engagements and Assurance quality indicators through our internal monitoring processes with standardisation and automation saving time and resources.

Assurance Quality Indicators

We have identified a set of Assurance Quality Indicators (AQIs) that support our Assurance leadership team in the early identification of potential risks to quality. This quality risk analysis is an essential part of our QMSE, and the AQIs, in addition to other performance measures, provide a tool which assists us in monitoring the effectiveness of our QMS.

Root cause analysis

We perform analyses to identify potential factors contributing to our firm's audit quality so that we can take actions to continuously improve. One of our primary objectives when conducting such analyses is to identify how our firm can provide the best possible environment for our engagement teams to deliver a quality audit. We look at audits both with and without deficiencies—whether identified through our own internal inspections process or through external inspections—to help identify possible distinctions and learning opportunities.

For individual audits, an independent team of reviewers identifies potential factors contributing to the overall quality of the audit. We consider factors relevant to technical knowledge, supervision and review, professional scepticism, engagement resources, and training, amongst others. Potential causal factors are identified by evaluating engagement information, performing interviews, and reviewing selected audit working papers to understand the factors that may have contributed to audit quality.

In addition, the data compiled for audits both with and without deficiencies is compared and contrasted to identify whether certain factors appear to correlate to audit quality. Examples of this data include the hours incurred on the audit, whether key engagement team members are in the same geography as the client, the number of years that key engagement team members have been on the engagement, the number of other audits that engagement partners are involved in, whether the engagement was subject to a pre-issuance review, and the timing of when the audit work was performed.

Our goal is to understand how quality audits may differ from those with deficiencies, and to use these learnings to continuously improve all of our audits. We evaluate the results of these analyses to identify enhancements that may be useful to implement across the practise. We believe these analyses contribute significantly to the continuing effectiveness of our quality controls.

Following a root cause analysis, PwC Chile prepares an Audit Quality Improvement Plan (QIP), which outlines the actions to address the underline potential causal factors contributing to the review results, from both PwC Chile internal reviews and external regulators reviews.

Recognition and Accountability Framework

Our Recognition and Accountability Framework ("RAF") reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high quality culture. It holds partners, including non-Partner Engagement Leaders accountable for quality outcomes. Our RAF considers and addresses the following key elements:

- Quality outcomes: We provide transparent quality outcomes to measure the achievement of the quality objectives. Our quality outcomes take into account meeting professional standards and the PwC Network and our firm's standards and policies
- Behaviours: We have set expectations of the right behaviours that support the right attitude to quality, the right tone from the top and a strong engagement with the quality objective
- Interventions/recognition: We have put in place interventions and recognition that promotes and reinforces positive behaviours and drives a culture of quality
- Consequences/reward: We have implemented financial and non-financial consequences and rewards that are commensurate to outcome and behavior and sufficient to incentivize the right behaviours to achieve the quality objectives

External Monitoring

PwC Chile's standards of quality are periodically subject to evaluation by our regulators. In accordance with local law, CMF is entitled to perform reviews of the external audit firms. In accordance with General Rule No. 275, issued by the CMF, external audit firms are subject to annual periodic reports, due no later than March 31 of each year, reporting on the following topics: (i) Summary of facts or relevant information occurred during the period informed, (ii) Annual revenues report and (iii) Information on clients' portfolio.

We have not been subject to inspection or received any report from CMF in the period starting from July 1, 2018 to June 30, 2019. Our register before the CMF as authorized audit firm is fully in force, and therefore our firm continues being able to conduct statutory audit work in Chile.

In addition, PwC Chile is also subject to the surveillance of the Public Company Accounting Oversight Board (PCAOB), who conducts inspections of all registered audit firms that regularly submit audit reports for companies listed on U.S. exchanges.

We have been subject to an inspection from PCAOB during FY 2019. Until June 30, 2019 we have not received the report with the results from this inspection. We are expecting that the PCAOB will make publicly available such report during November 2019.

Finally, in October 2017 our firm was registered as a third country audit firm before the Norwegian Financial Supervisory Authority (FSA), which has not conducted an external inspection in accordance with European Union applicable regulator.

Annual testing of QMS

Quality Control System is tested annually in order to verify that provides security against quality deficiencies in the audit services.

Quality Control System's evaluation includes an assessment of the appropriateness of established controls and procedures to meet the identified risks. If as a result, test reveals control weaknesses, an assessment will be made to understand the cause of the weaknesses, and measures to correct them are included in the QIP (root cause analysis) prepared by the Assurance LoS management.

The last test performed in QMS during June 2019 did not reveal exceptions.

In response to our quality result, we have recently implemented technological tools focused in improving our efficiency and audit quality. In response to our quality result, we have recently implemented technological tools focused in improving our efficiency and audit quality, to as described in the following paragraphs.



Engagement performance

PwC Chile uses a range of tools, methods, approaches and technologies to ensure continuous improvement in the quality and performances of our engagements.

A global audit methodology

PwC Audit

As a member of the PwC Network, PwC Chile has access to and uses PwC Audit, a common audit methodology and process. This methodology is based on the International Standards on Auditing (ISAs), with additional PwC policy and guidance provided where appropriate. PwC Audit policies and procedures are designed to facilitate audits conducted in compliance with all ISA requirements that are relevant to each individual audit engagement. Our common audit methodology provides the framework to enable PwC member firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements.

The PwC Audit Guide explains PwC's methodology. The Guide along with PwC's technology-based audit support tools, templates and content support engagement teams in conducting assurance and related services engagements.

Developed technology

We continue to invest in audit technology that builds quality into the audit and enhances our ability to provide insights to our clients. Our technology is built and implemented globally ensuring consistency across the PwC Network.

These new tools that enhance audit quality and efficiency through automation, connectivity and mobility include:



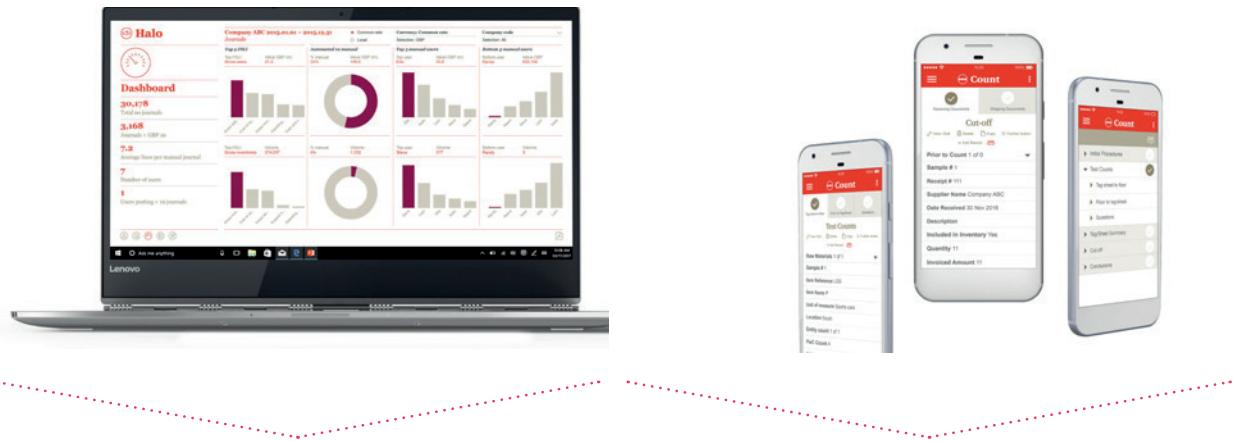
Aura Platinum is the latest, cloud-based release of Aura. It's at the heart of how we build and execute the audit plan. Aura is used globally across all PwC audits, delivering audits tailored to the client's business. Targeted audit plans specify risk levels, controls reliance and substantive testing. Smart dashboards show teams audit progress and the impact of scoping decisions more quickly. New functionality includes:

- Enhanced dashboards - makes teams more efficient by helping them focus on what's important
- Improved workflow view - facilitates better project management
- Seamless integration with assurance tools - changes flow straight into Connect

The Connect Suite is our collaborative platform where we share data, document requests and audit status. It provides workflow tools providing fast, efficient and secure information sharing with our clients and multi-location audit teams at every stage of the audit:

- Connect monitors the status of requests and information between our clients and the engagement team in real time. Audit and client teams know where things stand at all times through a consolidated dashboard showing all sites, digitisation of engagement matters, and automated key performance indicators.
- Connect Audit Manager streamlines, standardises and automates group and component teams coordination for multi-location and statutory/regulatory audits. It provides a single digital platform to see all outbound and inbound work and digitises the entire coordination process so there's greater transparency, compliance and quality for complex multi-location audits.





Halo is our market-leading audit technology that allows us to identify and assess risks and determine where to focus audit efforts. Halo interrogates, tests and analyses huge volumes of business-critical data, analysing whole populations, spotting and visualising anomalies and trends in financial information. It enables us to analyse patterns and trends, identify unusual and high-risk transactions, and provide valuable insight to our teams and our clients. Halo works with data from any system and there are a number of applications for different industries and risks.

Count facilitates the end-to-end process for inventory counts, allowing our engagement teams to create and manage count procedures, counters to record results directly onto their mobile device or tablet and engagement teams to export final results into Aura. Engagement teams with multiple locations can standardise instructions and manage results through a single portal.



PwC's Confirmation System makes it easy for clients to return requested information securely. Automated, flexible technology means it works for virtually all confirmation types - from accounts receivable to derivatives to loans to inventory. We continue to invest in audit technology that builds quality into the audit and enhances our ability to provide insights to our clients. Our technology is built and implemented globally ensuring consistency across the PwC Network.



Documentation Policies

At PwC Chile, we have strict standards regarding our firm documentation and filing requirements, mainly because we believe that if our work is not well documented, it is simply not done.

When providing our deliverables we need to have a clear evidence of what work was done, what evidence we used to support it, who did we spoke to, what was discussed, and how conclusions were reached.

Our audits final deliverables, drafts and all the information occupied to support our opinions are documented using the bases and matrices available for this purpose in Aura. Our Technical Committee and the Methodology group are in charge of overseeing this compliance.

Consultation Culture

Although we are confident that our members use the appropriate skills, methodologies and experience to deliver distinctive quality, find specialist assistance where appropriate is essential to our firm.

Our firm has significant policies to empower our members to speak up to raise any disagreement relating to significant accounting matters. Whether there might be ignorance, doubts or interpretation needs, at PwC Chile, good risk management involves consultation with experts by sharing our doubts with others.

Our firm also has an open doors policy: all partners and professionals from a superior position must maintain the predisposition to resolve doubts from any member of PwC Chile. Actually, the first source in consultation processes happens inside of each team by the understanding that no one should take decisions on their own.

In order to facilitate the consultation processes, the Technical Committee uses a system to manage and control the technical consultation process, in which the query is initiated with the required background information and assigned for review. Once the Technical Committee has reviewed the consultation, it is approved by the Partner and sent it back to the audit team for its implementation. Subsequently, the team must attach on the same basis the evidence that the guide has been implemented.

Reviews of Audit Performance

Audits are a continuous and dynamic process and their due planning cannot be based on a static instance review.

The scope and approach of every audit work depends on a multiplicity of factors, such as the size of the audited entity; the complexity of the industry; the audit risks identified; the number of partners involved; the sophistication of the company's IT systems and the results of our evaluation, among others.

The engagement leader is the individual in charge of supervise every audit by reviewing the work done, supervision visits in field, permanent monitoring Aura's tool, and overall maintaining audit quality during the whole process (planning, execution and completion). In some cases, when relevant, it would be necessary that a Quality Review Partner (QRP) verify that all matters arising have been appropriately addressed. QRPs are involved in the most important aspects of audit, including reviewing the audit plan and considering the firm's independence.

Statement from the Assurance Leader Partner

Opinion regarding the quality control system

The Assurance Leader Partner of PricewaterhouseCoopers Consultores Auditores SpA is responsible for ensuring that the firm has established a quality control system.

The Assurance Leader Partner of our firm has performed actions throughout the year to ensure that an efficient-working quality control system is in place, in accordance with local regulations. Our firm counts with policies and procedures designed to provide reasonable confidence of successful compliance of quality and professional standards, for both our clients and regulators.

We believe that our procedures provide sufficient and appropriate basis for this statement.

Santiago, October 29, 2019

Fernando Orihuela

5

Ethics and Business Conduct

Ethics and Business Conduct

At PwC Chile, we adhere to the fundamental principles of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants, which are:



Integrity – to be straightforward and honest in all professional and business relationships.



Objectivity – to not allow bias, conflict of interest or undue influence of others to override professional or business judgements.



Professional Competence and Due Care – to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practise, legislation and techniques and act diligently and in accordance with applicable technical and professional standards.



Confidentiality – to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the professional accountant or third parties.



Professional Behaviour – to comply with relevant laws and regulations and avoid any action that discredits the profession.

In addition, our Network Standards applicable to all Network firms cover a variety of areas including ethics and business conduct, independence, anti-money laundering, anti-trust/fair-competition, anti-corruption, information protection, firm's and partner's taxes, sanctions laws, internal audit and insider trading. We take compliance with these ethical requirements seriously and strive to embrace the spirit and not just the letter of those requirements. All partners and staff undertake annual mandatory training, as well as submitting annual compliance confirmations, as part of the system to support appropriate understanding of the ethical requirements under which we operate. Partners and staff uphold and comply with the standards developed by the PwC Network and leadership in PwC Chile monitors compliance with these obligations.

In addition to the PwC Values (Act with Integrity, Make a difference, Care, Work together, Reimagine the possible) and PwC Purpose, Chile has adopted the PwC Network Standards which include a Code of Conduct and related policies that clearly describe the behaviours expected of our partners and other professionals- behaviours that will enable us to build public trust. Because of the wide variety of situations that our professionals may face, our standards provide guidance under a broad range of circumstances, but all with a common goal- to do the right thing.

Upon hiring or admittance, all staff and partners of PwC Chile are provided with the PwC Global Code of Conduct. They are expected to live by the values expressed in the Code in the course of their professional careers and have a responsibility to report and express concerns, and to do so fairly, honestly, and professionally when dealing with a difficult situation or when observing behaviours inconsistent with the Code. Each firm in the PwC Network provides a mechanism to report issues. There is also a confidential global reporting option on pwc.com/codeofconduct. PwC Chile has adopted an accountability framework to facilitate remediation of behaviours that are inconsistent with the Code of Conduct.

The PwC Code of Conduct is available on-line for all internal and external stakeholders @pwc.com/ethics.



Ethics and Business Conduct Programme

Employees and partners of the Firm, regardless of their contractual relationship, must observe the strictest adherence to the fundamental values of honesty, integrity, responsibility, trust, objectivity, fairness, transparency and respect. The application of these values are contained in the following codes: (i) The Code of Conduct, (ii) The Supplement to the Code of Conduct, and (iii) The Code of Conduct for Tax and Legal Services (for specific matters in this area).

The employees of the firm must strictly comply with training courses on ethics and professional conduct. The firm maintains the resources necessary for the proper functioning of such training courses, being the responsibility of each person to keep informed of the news and actively participate during the development of the courses. In particular, the following specific procedures have been established:

- Monthly induction addressed to all new collaborators on the principles on Ethics and Professional Conduct that guide the actions of our firm and its collaborators and partners (among other matters)
- Compulsory courses for all employees in e-learning mode on ethics, professional conduct and anti-corruption, and
- Compulsory training for all employees, in face-to-face or e-learning mode, when relevant modifications are made to our firm's codes in order to ensure their due knowledge and observance.

Complaints and Allegations procedures

At PwC Chile, speaking up when something does not seem right demonstrates our integrity and that we have the courage to do the right thing. It also shows that we care about each other and our business.

Every collaborator has at his disposal a formal system of whistleblowing that can be accessed through email, intranet or through a telephone line specially enabled for these purposes, having the chance to do so on an anonymous basis. This system can be utilized when a collaborator considers that a member of the firm has violated their rights, has failed to comply with the provisions of the Code of Conduct, or has felt pressured by a superior or by a client to act in a way that is incompatible with ethics, the law or current professional standards. Through this system, such collaborator can contact directly the Ethics and Professional Conduct Partner, under confidentiality and in a secure manner.

This partner will handle the case under strict confidentiality. Notwithstanding the foregoing, our collaborators may channel any report, doubt or concern about ethical and value issues, through Human Capital, any hierarchical superior, their coaches or any member of the firm.

Although each firm in the PwC Network provides a mechanism to report issues, there is also a confidential global whistleblowing alternative. Through this platform located in the global website, all PwC Chile employees worldwide make any questions or concerns regarding the conduct of a member firm or submit a question or concern anonymously by the option "refraining from providing personal information".

6

Independence

Independence

As auditors of financial statements and providers of other types of professional services, PwC Chile member firms and their partners and staff are expected to comply with the fundamental principles of objectivity, integrity and professional behavior. In relation to assurance clients, independence underpins these requirements. Compliance with these principles is fundamental to serving the capital markets and our clients.

The PwC Global Independence Policy, which is based on the IESBA International Code of Ethics for Professional Accountants, contains minimum standards with which PwC Chile member firms have agreed to comply, including processes that are to be followed to maintain independence from clients, when necessary.

PwC Chile has a designated partner (known as the 'Partner Responsible for Independence' or 'PRI') with appropriate seniority and standing, who is responsible for implementation of the PwC Global Independence Policy including managing the related independence processes and providing support to the business. The partner is supported by a team of independence specialists. The PRI reports directly to the Territory Senior Partner.

Independence policies and practices

The PwC Global Independence Policy covers, among others, the following areas:

- Personal and firm independence, including policies and guidance on the holding of financial interests and other financial arrangements, e.g. bank accounts and loans by partners, staff, the firm and its pension schemes;
- Non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services ('SOPS'), which provide practical guidance on the application of the policy in respect of non-audit services to assurance clients and;
- Business relationships, including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on purchasing of goods and services acquired in the normal course of business.

In addition, there is a Network Risk Management Policy governing the independence requirements related to the rotation of key audit partners.

These policies and processes are designed to help PwC comply with relevant professional and regulatory standards of independence that apply to the provision of assurance services. Policies and supporting guidance are reviewed and revised when changes arise such

as updates to laws and regulations or in response to operational matters.

PwC Chile supplements the PwC Network Independence Policy as required by local regulations, mainly with the provisions set forth in articles 242 to 245 of the Law of Securities Market No. 18,045.

Independence-related tools

As a member of the PwC Network, PwC Chile has access to a number of systems and tools which support PwC member firms and their personnel in executing and complying with our independence policies and procedures. These include:

- **The Central Entity Service ('CES')**, which contains information about corporate entities including public interest audit clients and SEC restricted clients and their related securities. CES assists in determining the independence status of clients of the member firm before entering into a new non-audit engagement or business relationship. This system drives the 'Independence List' and also feeds Independence Checkpoint;
- **'Independence Checkpoint'** which facilitates the pre-clearance of publicly traded securities by all partners and practice managers before acquisition and records their subsequent purchases and disposals. Where a PwC Chile member firm wins a new audit client, this system automatically informs those holding securities in that client of the requirement to sell the security where required;
- **Authorization for Services ('AFS')** which is a global system that facilitates communication between a non-audit services engagement partner and the audit engagement partner, documenting the potential independence threats created by the service and proposed safeguards, and acts as a record of the audit partner's conclusion on the permissibility of the service; and
- **Global Breaches Reporting System** which is designed to be used to report any breaches of external auditor independence regulations (e.g. those set by regulation or professional requirements) where the breach has cross-border implications (e.g. where a breach occurs in one territory which affects an audit relationship in another territory).

PwC Chile also has a specific system, which includes a rotation tracking system which monitors compliance with PwC Chile's audit rotation policies for partners involved in an audit.



Independence training and confirmations

PwC Chile provides all partners and practise staff with annual or on-going training in independence matters. Training typically focuses on milestone training relevant to a change in position or role, changes in policy or external regulation and, as relevant, provision of services. Partners and staff receive computer-based training on PwC Chile's independence policy and related topics. Additionally, face-to-face training is delivered to members of the practise on an as-needed basis by PwC Chile's independence specialists and risk and quality teams.

All partners and practice staff are required to complete an annual compliance confirmation, whereby they confirm their compliance with all relevant aspects of the member firm's independence policy, including their own personal independence. In addition, all partners confirm that all non-audit services and business relationships for which they are responsible comply with policy and that the required processes have been followed in accepting these engagements and relationships. These annual confirmations are supplemented by periodic and ad-hoc engagement level confirmations for every clients.

Independence monitoring and disciplinary policy

PwC Chile is responsible for monitoring the effectiveness of its quality control system in managing compliance with independence requirements. In addition to the confirmations described above, as part of this monitoring, we perform:

- Compliance testing of independence controls and processes;
- Personal independence compliance testing of a random selection of, at a minimum, partners and managers as a means of monitoring compliance with independence policies; and
- An annual assessment of the member firm's adherence with the PwC Network's independence risk management standard.

The results of PwC Chile's monitoring and testing are

reported to the firm's management on a regular basis with a summary reported to them on an annual basis.

PwC Chile has disciplinary policies and mechanisms in place that promote compliance with independence policies and processes, and that require any breaches of independence requirements to be reported and addressed.

This would include discussion with the client's audit committee regarding the nature of the breach, an evaluation of the impact of the breach on the independence of the member firm and the need for safeguards to maintain objectivity. Although most breaches are minor and attributable to an oversight, all breaches are taken seriously and investigated as appropriate. The member firm also follows supplemental local requirements relating to the reporting of breaches. The investigations of any identified breaches of independence policies also serve to identify the need for improvements in PwC Chile's systems and processes and for additional guidance and training.

Rotation rules

PwC Chile's objectivity may be threatened if partners or staff members has a long-term work relationship with the same client. In order to reduce this, teams and partners rotation rules policies have been established to ensure objectivity on a daily basis.

- In the case of entities subject to CMF's supervision, leading audit partner (i.e. partner that lead, conducts and sign the audit's report) shall rotate every 5 years.
- In accordance with SEC rules, the rotation of our lead auditing partners and the Quality Review Partner (QRP) takes places every 5 years.
- For public interest entities (PIE), the rotation of the lead audit partner and the QRP, should never exceed 7 years. The Risk and Quality Partner may grant exemptions.
- For private entity (PE), the rotation of the lead audit partner and the QRP, should never exceed 10 years. The Risk and Quality Partner may grant exemptions.

7

Acceptance and continuance

Acceptance and continuance

Considerations in accepting and continuing an audit client relationship

Our principles for determining whether to accept a new client or continue serving an existing client are fundamental to delivering quality, which we believe goes hand-in-hand with our purpose to build trust in society. We have established policies and procedures for the acceptance of client relationships and audit engagements that consider whether we are competent to perform the engagement and have the necessary capabilities including time and resources can comply with relevant ethical requirements, including independence, and have appropriately considered the integrity of the client. We reassess these considerations in determining whether we should continue with the client engagement and have in place policies and procedures related to withdrawing from an engagement or a client relationship when necessary.

Client and Engagement Acceptance and Continuance

PwC Chile has implemented a process to identify acceptable clients based on the PwC Network's proprietary decision support systems for audit client acceptance and retention (called Acceptance and Continuance ('A&C')). A&C facilitates a determination by the engagement team, business management and risk management specialists of whether the risks related to an existing client or a potential client are manageable, and whether or not PwC Chile should be associated with the particular client and its management. More specifically, this system enables:

Engagement teams:

- to document their consideration of matters required by professional standards related to acceptance and continuance;
- to identify and document issues or risk factors and their resolution by adjusting the resource plan or audit approach or putting in place other safeguards to mitigate identified risks or by declining to perform the engagement; and
- to facilitate the evaluation of the risks associated with accepting or continuing with a client and engagement.

Member firms (including member firm leadership and risk management):

- to facilitate the evaluation of the risks associated with accepting or continuing with clients and engagements;
- to provide an overview of the risks associated with accepting or continuing with clients and engagements across the client portfolio; and
- to understand the methodology, basis and minimum considerations all other member firms in the Network have applied in assessing audit acceptance and continuance.

PwC Chile has implemented a system for managing and documenting the acceptance and continuance process called Creación y Administración de Proyectos, CAP. This system involves a general procedure that all members must comply with before the acceptance of engagement, ranging from a client due diligence to the A&C before described.

Considerations on delivering a service

Even when dealing with a client of the firm, there are instances that refrain from accepting the engagement of certain services. Therefore, the evaluation of services is independent of the evaluation of client acceptance. The factors to consider before accepting a service are summarized as follows:

- The client will be able to receive the benefits of the service and is willing to pay a fee compatible with the value of the service and the risks inherent in its execution.
- The work is framed within our competences and professional capacities and the team to be assigned has the knowledge and similar experiences required.
- Unreasonable restrictions will not be imposed on us in terms of time availability, allocation of resources and agreed level of fees.
- The terms and conditions under which we will perform the service are consistent with our internal and global policies.

8

Professional Development

Professional Development

At PwC Chile, our people are our biggest asset. We are committed to create an environment that can attract, develop, and retain the best and brightest in our profession. Consequently, our strategy to recruit people, develop skills and providing coaching and feedback are crucial to achieve our quality objectives.

PwC Professional

In order to really stand out and make us fit for the future in a constantly changing world, each one of us – at all grades and in all LoS – needs to be an authentic and inclusive leader.

The PwC Professional is a global leadership development framework that gives all PwC firms a single set of expectations across our lines, geographies and career paths; by defining the skills and capabilities that our members firm must have to help fulfill PwC's purpose, and live through PwC values.

It focuses on five attributes: whole leadership, technical capabilities, business acumen, global acumen and relationships.

PwC Chile uses the PwC Professional throughout the year to enhance discussions around recruitment, development, coaching and career advancement process.





Resource Management:

- **Recruitment:** We believe that investing in a broad range of skills, experiences and backgrounds put us in a stronger position to understand and meet the needs of our clients. PwC Chile aims to recruit only high quality people who can operate to high technical, professional and ethical standards. Candidates are assessed to multiple criteria, including competency aptitude, as well as their academic achievement proven by the corresponding certificates or titles in order to perform a certain position.

At PwC Chile, an important part of the recruitment process includes evaluate if candidates meets the five attributes of PwC Professional. Depending on which role or LoS candidates want to be a part of, different strengths across the five attributes are required.

- **Performance Evaluation:** Once a year, we set aside time for a designated session focused on each member's development, progression and future career path, through an evaluation of performance in accordance with their personal development plans. Each individual has a dedicated conversation about longer-term career aspirations and opportunities with their superior at the same time they receives feedback for their work. All of which is done and documented through a system interactive electronic tool, called PC & D.

As a result of the evaluation process, category promotions and adjustments to the compensation scheme of each professional are produced in July of each year. In addition, in certain circumstances, there are cases of exception that are promoted in a different time of the year.

Carrying out our work in compliance with our quality standards is a fundamental responsibility and has a direct impact on the evaluation process. The due compliance with our methodology and professional behaviors among other factors, have a direct impact on the evaluation process and remuneration.

- **Coaching:** Ever since an individual becomes a part of PwC family, it is assigned with a coach. Individuals being coached have the opportunity to learn and reach their full potential, whilst those coaching can develop leadership skills and pass on the benefits of their experience. Our member firms can meet their coach on a regular basis to discuss their progress, and also their longer-term goals and aspirations.
- **GPS:** To make sure we are responding to our people's needs correctly, we conduct our annual Global People Survey (GPS) across the entire network. The survey provides a way for staff to contribute their opinions about current and future policies and programmes, and the work environment at PwC Chile.

Continuing Education

We and other PwC member firms are committed for delivering quality assurance services around the world. To maximize consistency in the Network the formal curriculum, developed at the Network level, provides access to training materials covering: the PwC audit approach and tools - this includes updates on auditing standards and their implications, as well as areas of audit risk and areas of focus for quality improvement.

This formal learning is delivered using a blend of delivery approaches, which include remote access, classroom learning, and on-the-job support. The curriculum supports our primary training objective of audit quality, while providing practitioners with the opportunity to strengthen their technical and professional skills, including professional judgement while applying a skeptical mindset.

The design of the curriculum allows us to select, based on local needs when we will deliver the training based on local needs. Our Learning & Education leader then considers what additional training is appropriate – formal and/or informal – to address specific local needs.

In PwC Chile, additionally we train staff on local technical requirements as well as industry-specific rules and regulations. Some examples are the Cash Flow Statement for public companies in Chile. In the industry-specific programs, we taught specifically designed course to the Financial Services and Insurance industry, the salmon farms industry, the forest industry as well as tax and legal rules and regulations. All these trainings are developed and taught by PwC Chile staff, occasionally including external vendors. All these training programs are subject to the same strict quality controls put in place by PwC Network.

PwC Chile has a system for the registration and follow-up of training and continuing professional development of the staff members. Hours used on professional development courses organized by PwC Chile are tracked in our system.

Beginning on 2012, the CMF ruled IFRS as the General Accepted Accounting Principles to apply in Chile. As such, IFRS is a subject taught across the curriculum in all training programs in PwC Chile in the Assurance Line of Service. There are corresponding requirements for staff

members who work with clients reporting in accordance with US GAAS and US GAAP. This is followed up by checking that those who submit hours on US GAAP engagements have accomplished the mandatory training.

The modular content along with innovative learning approaches have led to formal recognition from the broader learning community. In both 2017 and 2018, PwC's Learning and Education won a Brandon Hall Group silver award for excellence in the "Best Strategy for a Corporate Learning University" © 2017, 2018 Brandon Hall Group, Inc.

Remuneration of partners

The remuneration of partners shall encourage, acknowledge, and reward, within established performance criteria, the achievement of the firm's objectives, values and strategies.

Therefore, it is closely related to their performance, which assessment take into consideration the following factors: expertise, integrity, partner category, seniority, service responsibilities and fiscal year goals, professionalism, independence and compliance. The assessment of partners' performance is carried out by each lead partner of the lines of services, along with the Territory Senior Partner. Then, it is communicated personally to each partner.

The remuneration of the Partners comprehends two elements:

- i. Fixed employment remuneration and;
- ii. Dividends

9

Financial information

Financial information¹

The total turnover of PricewaterhouseCoopers Consultores Auditores SpA during fiscal year 2019, ending on June 30, 2019 amounted 72,924 CLP (m), where assurance services represent approximately a 51%.

A list of the public interest entities defined as those incorporated outside of the EU that have transferable securities listed on an EU regulated market for which we carried out a statutory audit during the year ended June 30, 2019 is below. In the aggregate, this client represented approximately less than 1% of our firm's total turnover for the year ended on June 30, 2019.

¹ All Financial Information is expressed in millions of Chilean pesos (CLP).

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Public Interest Entities
Audited by PwC Chile

Public Interest Entities Audited by PwC Chile

During the period covered by this report, PwC Chile has signed the audit opinion for the following client that has issued transferable securities on a regulated market within the EU.

Company Name

.....
Salmones Camanchaca S.A.

Company Name

.....
Oslo Stock Exchange

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