



RISK MANAGEMENT POLICY COLOMBINA BUSINESS GROUP

1. Objective

Establish risk policies and procedures that encompass identification, assessment, prevention, management, and monitoring in accordance with corporate objectives so as to strengthen Colombina's risk-prevention culture at every level and achieve proper articulation apropos to all pertinent areas.

The implementation of the sub-objectives laid out below are essential to achieving the above-stated overall objective:

1. Risk identification inherent to Colombina's corporate strategy.
2. Risk assessment and the extent of exposure implied.
3. Effective risk management, which includes making decisions about managing them in terms of avoiding, controlling, mitigating, sharing and accepting them.
4. Risk monitoring, understood as the evaluation that the decisions on risk assumption are in line with this risk management policy approved by the Board of Directors and with the maximum exposure limits defined by it.
5. Periodic report to the Board of Directors and Senior Management on the management of the Company's risks.

2. Scope

This policy applies to the Colombina Business Group, where the risks that may affect the normal course of operations and therefore the corporate purpose of the Company and the achievement of long-term objectives are contemplated. As well as for all its linked/associated stakeholders, to its value chain such as suppliers, contractors, business partners, among others.

3. Purpose

Colombina constantly monitors its inherent industry risks, fluctuations in its main-market economic environment and its capital solvency for the purpose of diligently taking any necessary measures to diversify, mitigate and contain risks it might face.

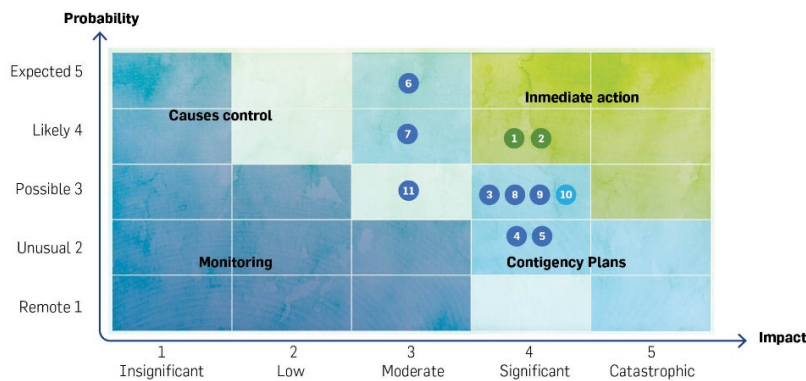
4. General conditions

- Colombina's Risk Management shall be consistent, rigorous and in accordance with good Corporate Governance and Best Business Practices.
- Industry risks shall be constantly monitored and assessed by Colombina's Risk Committee.



5. Approach

- Risk analysis and evaluation workshops are held with the different areas of the Company, to identify potential risks, which are assigned to different categories according to their source, between external and internal factors of the organization.
- The risks are prioritized according to their impact and possibility of occurrence, selecting the eleven (11) main risks, which are graphed through a conceptual map.
- The risks and controls adopted to mitigate them are detailed in the Corporate Risk Map.
- For these risks, the current controls are analyzed, and others are proposed that help mitigate the impact and/or probability of occurrence. For each risk there is a person in charge who is in charge of ensuring the monitoring and compliance with the proposed controls.
- Likewise, the probability of occurrence and risk mitigation actions have been identified, through a map of financial and non-financial risks, as detailed below:



Risk	Responsible Party
1. Instability in the regulatory framework for labeling and nutritional profiles.	Legal and Corporate Affairs VP.
2. Financial risk due to volatility in commodity prices and exchange rates.	Administrative and Financial VP.
3. Non-compliance with the regulatory framework and/or stock market regulations.	Corporate Marketing VP/ Corporate Affairs VP.
4. Failure in food safety control.	Supply Chain VP.
5. Supply chain disruption.	Supply Chain VP.
6. Highly competitive environment.	Corporate Marketing VP/ Supply Chain VP.
7. Effect of climate change.	Supply Chain VP.
8. Changes in consumer trends.	Corporate Marketing VP.
9. Impact on sales growth caused by changes in channel dynamics and structure of distribution channels.	Sales VP.
10. Information Security Risk	Administrative and Financial VP.
11. Difficulty in acquiring key talent.	Human Resources VP.



The previously exposed map is updated annually; in order to have a current vision of the Company's risks and from there the corporate strategy in relation to these issues can be defined.

6. Dimensions

- **Risk appetite:** the risk appetite that the Company is willing to assume to achieve its long-term objectives is low, and for this reason the following dimensions have been implemented to manage risk.
- **Hedging policy for raw materials and exchange rate:** We have a hedging methodology for the main raw materials such as: sugar, corn, wheat, soybean oil, palm oil; and the exchange rate, which allows mitigating the impact of exchange variations and these commodities.
- **Business Continuity Management (BCM):**
 - ✓ **Emergency Response Plan:** focused on saving people, company assets and the environment.
 - ✓ **Crisis Management Plan:** focused on managing problems and implications, communication, reputation, and humanitarian assistance.
 - ✓ **Disaster Recovery Plan: technological services (DRP).**
 - ✓ **Business Continuity Plan (BCP):** focused on the rapid stabilization, restoration and recovery of critical business processes.

7. Risk Management Flowchart:





- The Risk Committee is a support body for the function performed by the Board of Directors in fulfilling its supervisory responsibilities in relation to the Company's risk management.
- The Risk Committee will meet at least one (1) each year. Their decisions will be adopted by simple majority and will be recorded in the corresponding minutes.

By virtue of the exposed organizational structure, it is relevant to indicate that the Board of Directors is ultimately responsible for a solid control environment within the Colombina Business Group; consequently, you must:

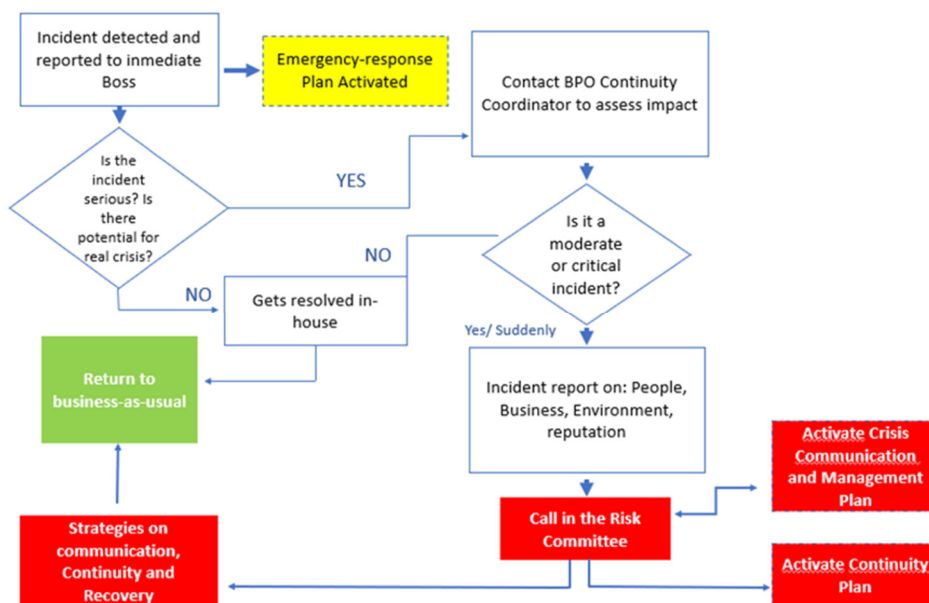
1. Promote a risk and control culture throughout the Company and that has scope throughout the organization; so that the existence of a control architecture with scope for the entire Business Group is promoted.
2. Define roles and responsibilities regarding risk management, internal control and evaluation, with clearly established reporting lines.
3. Consider the risks arising from the strategic definition of the Company and the business processes in order to adequately monitor, evaluate and manage them.

For its part, it has been delegated to Senior Management, in particular to the Vice Presidents of Strategic Planning; Financial and Administrative; Legal and Corporate Affairs and Human Management, with their respective teams; the identification, evaluation, measurement, control, monitoring and reporting of the risks that they know by virtue of the functions they perform, due to the application of the principle of self-control, that is, that everyone internalizes the importance of this risk management process and they consider control as an inherent part of their responsibilities, fields of action and decision making.

Consequently, Senior Management, headed by the aforementioned Vice Presidents, the Executive President and the Risk Committee, must also work jointly with the Audit Committee and Internal Audit, in order to have a broad and solid vision of the risks that the Business Group may face and their mitigation strategy.



8. Business Continuity System Activation Process



9. Joint work between the areas involved in risk management

Although the Board of Directors is ultimately responsible for risk management within the Company, the other areas involved in the process must work together in order to promote the effectiveness of the control architecture established for the Colombina Business Group.

In accordance with the foregoing, the Risk Committee and Senior Management, when necessary and pertinent, will involve the Internal Audit and the Statutory Auditor in the risk management process, in matters of their competence, in particular referred to the financial information of the Company.

10. Publication and communication of the risk management policy of the Colombina Business Group

This risk management policy, once approved by the Board of Directors, will be published on the Company's corporate website, in order to publicize it, not only within the Company but also to interested third parties.

Similarly, within the Company's Annual Sustainability Report that is published on the corporate website (www.colombina.com), an exclusive section will be devoted to risk management and the main points related to this topic; all of which will be similarly informed through corporate communications of the Company, so that this is known by all employees of the company.



11. Approval of the risk management policy of Grupo Empresarial Colombina

This corporate risk management policy, its additions and/or modifications must be approved exclusively by the Company's Board of Directors.