

Transformamos la energía,  
en equilibrio con el planeta, para  
impulsar tus proyectos y sueños.

# RISK MANAGEMENT AND ORGANIZATIONAL RESILIENCE POLICY

COLBUN IS A LEADING COMPANY IN THE ENERGY MARKET, AND OUR PURPOSE IS TO TRANSFORM ENERGY, IN BALANCE WITH THE PLANET, TO FUEL YOUR PROJECTS AND DREAMS. THEREFORE, WE RECOGNIZE THAT RISK MANAGEMENT AND ORGANIZATIONAL RESILIENCE ARE ESSENTIAL ELEMENTS OF OUR STRATEGY AND OF OUR ABILITY TO CREATE SUSTAINABLE VALUE OVER THE LONG TERM.

THIS POLICY IS COMMUNICATED TO ALL EMPLOYEES, CONTRACTORS, DIRECTORS, AND SUBSIDIARIES. THEREFORE, EVERYONE WHO IS PART OF THE COMPANY IS RESPONSIBLE FOR APPLYING THE PRINCIPLES DESCRIBED BELOW.

## 1. GUIDING PRINCIPLES

- **Risk management as a strategic capability:** The Company understands risk management as an essential organizational capability. It enables the proactive identification, assessment, treatment, and mitigation of risks with the potential to impact the Company's objectives and stakeholders, fostering informed decision-making, a risk-aware culture, and management aligned with the corporate strategy.
- **Organizational resilience as a driver of continuity:** Resilience means adapting and responding effectively to disruptions, changes in the environment, unforeseen circumstances, and critical events, ensuring business continuity and the protection of key assets.
- **Integrated perspective:** We apply best practices and international standards through an integrated perspective that addresses risks and opportunities together. This strengthens our adaptability, creates competitive advantages, and enables us to minimize risks in a cost-efficient manner, while responding with agility to a dynamic business environment.

## 2. RISKS AND RESILIENCE

- **Segmented risk appetite:** We maintain a risk appetite framework that recognizes different levels of acceptable exposure based on the nature and criticality of risks.
- **Traceable and cross-functional management:** The Company has a corporate platform to record risks, as well as their history and evolution, ensuring traceability, understanding, and access to information across the organization.
- **Active transparency:** We promote clear and periodic communication with stakeholders through the Integrated Annual Report and other publicly available corporate reports.

- **Organizational culture:** We promote a culture of risk management and resilience through awareness initiatives, periodic continuity and crisis exercises and testing, strengthening response and coordination capabilities in the face of critical events.
- **Continuous improvement:** The corporate risk management system is regularly assessed and updated based on international standards and organizational learning.

## 3. GOVERNANCE AND RESPONSIBILITIES

- **Risk management is everyone's responsibility:** Every person within the organization is responsible for managing risks within their scope of action..
- **Role of the executive line:** The Company's management teams must keep their risks updated in accordance with the corporate methodology and report the information required for management purposes in a timely manner.
- **Governance structure:** The monitoring of the most significant risks and incidents is carried out through the following governance structure:
  - *Board of Directors:* Oversees the exposure to the main risks faced by the Company and their management by Senior Management.
  - *Crisis Committee:* Leads incident response management.
  - *Risk Committee:* Approves the differentiated risk appetite framework for different risk disciplines, their respective tolerances, and oversees its implementation.
  - *Management Committees:* Oversee the management of relevant risks within their scope of action and periodically report progress to the Risk Committee.
- The Company has adopted a three lines of defense approach:
  - First line: Process and control owners, responsible for managing and reporting incidents at an early stage.
  - Second line: Management teams that provide guidance for risk management within their scope of action and monitor its implementation.
  - Third line: Internal Audit, ensuring an independent assessment.

**José Ignacio Escobar T.**

CEO Colbun