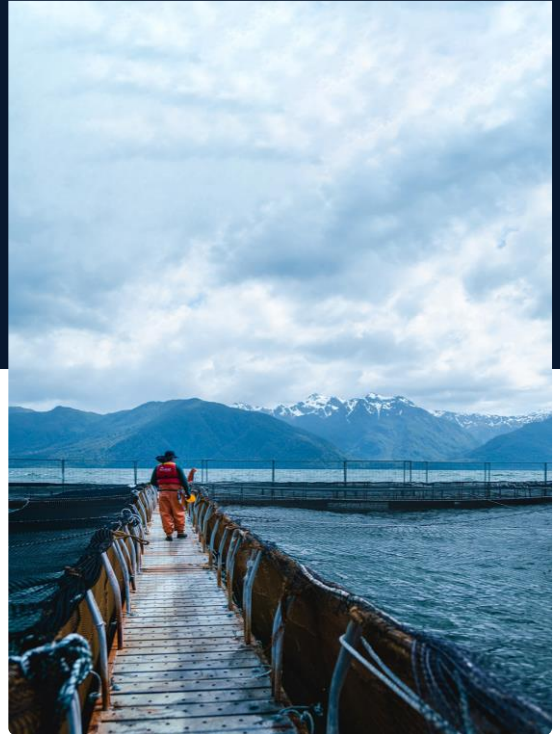


BLUMAR

Integrated risk management policy Abstract

In response to the new international risk management standards and to preserve the value of Blumar S.A. and its subsidiary companies, the Integrated Risk Management Policy is established as a substantial part of the system and the Risk Management Model, which is built taking into account international standards such as ISO 31,000 and COSO ERM, among others.

The Policy sets forth the main guidelines for Blumar's Integrated Risk Management, the roles and responsibilities of those involved, declares its risk appetite and is aligned with Blumar's ethical values, with the purpose of supporting the company's mission and strengthening decision-making, considering the processes of risk identification, evaluation, impact assessment, mitigation and risk monitoring.



Risk Management Model

The Policy is framed within an Integrated Risk Management Model that consists of four components: Governance, Risk Structure, Risk Management, and Control and Monitoring Activities. The Model enables a continuous, dynamic, structured and methodical process, adjusting to changes in internal and external contexts and the company's vision/mission and strategy, allowing uncertainty to be dealt with effectively and identifying risks and opportunities.

- Risk management is fundamental to Blumar's culture. All risks must be identified, prioritized, aligned with the objectives and evaluated.
- Blumar continuously manages its critical risks, by implementing ongoing actions with the aim of minimizing their impact and/or likelihood of occurrence.

Roles in Risk Management

- Board of Directors
- Board Committee
- Operational Risk Management Committee
- Risk Management Manager
- Internal Audit Function
- Risk Owners
- Process Owners
- All staff

Main Guidelines

- To adopt and apply the Policy as a strategic tool for decision-making.
- Implement this Policy in order to identify events that could affect compliance of the Company's mission, objectives and strategy.
- Blumar recognizes Risk Management as a cross-cutting discipline within the company.
- Blumar defines risk appetite, risk tolerance and overexposure.