

RECOMMENDATIONS (Corp. Gov. Code)**COMPLIANCE**

I.6.2. Defensive measures shall not be taken if they have the effect of automatically causing serious erosion of the company's assets in the event of transfer of control or a change in the membership of the Board of Directors, thereby affecting the free transferability of shares and the free assessment by shareholders of the performance of the members of the Board of Directors.

Complied with

See Chapter I
Point I.20**II. MANAGEMENT AND SUPERVISORY BODIES****II.1. GENERAL MATTERS****II.1.1. STRUCTURE AND DUTIES**

II.1.1.1. The Board of Directors shall assess, in its annual Corporate Governance Report, the adopted model identifying any constraints to its functioning and recommending the appropriate measures to overcome them.

Complied with

See Chapter 0
Point 03 and
Chapter II
Point II.4

II.1.1.2. Companies shall set-up internal control and risk management systems, in order to safeguard their assets and ensure the transparency of their corporate governance, which allow them to identify and manage the risk. These systems shall include, at least, the following components: i) determination of the company's strategic objectives on risk-taking; ii) identification of the main risks linked to the specific activity being exercised and the events capable of originating risks; iii) analysis and measurement of the impact and the probability of occurrence of each one of the potential risks; iv) risk management in view of the alignment between the risks actually incurred and the society's strategic choice on risk taking; v) control mechanisms of the execution of the risk management measures adopted and their effectiveness; vi) adoption of internal mechanisms of information and disclosure on the system's various components and risk alerts; vii) cyclic evaluation of the implemented system and adoption of any necessary modifications.

Complied with

See Chapter II
Point II.5