tee without maintaining anonymity by reporting them directly to the Company, for reference to the Audit Committee. The Company will refer the reports it receives to the Chairman of the Audit Committee, ensuring confidentiality.

During 2013 the Audit Committee did not receive any reports of irregularities.

III. Internal Control and Risk Management

50. Individuals, bodies or committees responsible for internal audit and/ or implementation of internal control systems

Ibersol does not have autonomous internal audit and compliance services.

Risk management, as part of the company's culture, is present in all processes and is the responsibility of all managers and employees at every level of the organization.

Internal control and the monitoring of internal control systems are overseen by the Executive Committee.

51. Disclosure of the relationship to other committees of the Society in hierarchical dependence and/ or functional relation

Not applicable as the Group does not have autonomous services.

52. Existence of other functional areas regarding competences in risk control

There are central functions (the Quality, Human Resources and Financial Units), reporting to the Executive Committee, that promote, coordinate and facilitate the development of risk management processes.

53. Main Risks to which the Company and its Affiliates are exposed

The Board of Directors considers that the Group is exposed to the normal risks arising from its activity, namely at the level of the restaurants.

Given the nature of the business, there are certain risk areas that are assigned to particular functional departments, notably:

Food quality and food safety

In the restaurants business, the risk associated with hygiene and food safety is of primordial importance.

The management of this area of risk is overseen by the Quality Unit and is aimed primarily at adopting a responsible, proactive approach, following the principles of prevention, training, monitoring of indicators and continuous improvement in order to minimise food risks that could have an impact on the health of consumers.

The main management dimensions of this risk area are:

– qualification and selection of suppliers and products in the area of food quality/safety and a programme of periodic inspections of suppliers, products and services
– ensuring the effectiveness of the traceability system
– control of the production process in the units through HACCP systems
– system for developing food safety competencies
– maintenance and monitoring of measurement devices
– food crisis management system, which can be used to monitor existing food warning systems at all times and take immediate action when necessary
– continuous improvement system supported by the following tools, among others: programme of external audits in all Group units; programme of microbiological analyses of the end products, carried out through sampling by an authorized outside body;