

#### D) LIQUIDITY RISK

As already mentioned, the recent situation of the financial markets has lent a new importance to liquidity risk. Systematic financial planning based on cash flow forecasting in different scenarios and for periods of more than one year has become an imperative in the Group. Short-term cash management is based on the annual plan, which is reviewed quarterly and adjusted daily. In line with the dynamics of the underlying businesses, the Group's Treasury aims for flexible management of commercial paper and the negotiation of lines of credit that are available at all times. The policy of open dialogue with all the financial partners has allowed the Group to maintain relationships of trust, despite the liquidity restrictions Portuguese banks have had to contend with. Despite the cost, the Group has given priority to liquidity risk and has been reinforcing its medium and long-term funding by replacing short-term credit lines and putting surplus funds into longer-term deposits. Managing liquidity risk also means maintaining a comfortable level of available funds. The Group ended the year with nearly 22 million euros of available funds, equivalent to nearly 36% of the interest-bearing liabilities. However, reducing liquidity risk increases the risk associated with investing the cash surpluses.

#### E) CAPITAL RISK

The Company seeks to maintain a level of capital appropriate to its principal business (cash sales and supplier credit) and ensure its continuity and expansion. The balance of the capital structure is monitored based on the leverage ratio (defined as: net interest-bearing debt / (net interest-bearing debt+shareholders' equity)), aiming to keep this ratio within the 35%-70% range. In 2013, as a measure of prudence in view of the current market constraints, we maintained a ratio of 17%.

#### Environmental

The environmental risk management area is overseen by the Quality Unit, whose main concern is the implementation of the policy deriving from Ibersol's Sustainability Principles, so that environmental processes and procedures are applied across the organization.

Adoption of good environmental management practices is a matter of concern to Ibersol's Board of Directors, which promotes a responsible, proactive approach to resource and waste management.

The procedures set forth in Ibersol's Standards Manual as regards environmental matters are focused mainly on the rational use of electricity and the recycling of used oil and packaging.

#### Legal

Ibersol and its businesses have a legal function, which works full-time, in coordination with the other central and business functions, to protect the Group's interests, while ensuring strict compliance with the Group's legal duties and implementation of good practices.

Legal advice is also obtained, at national and international level, by recognized outside experts.