

The 2011 Meeting
of the Latin
American Network
on Corporate
Governance of
State-
Owned
Enterprises

8-9 September,
2011

Bogotá, Colombia

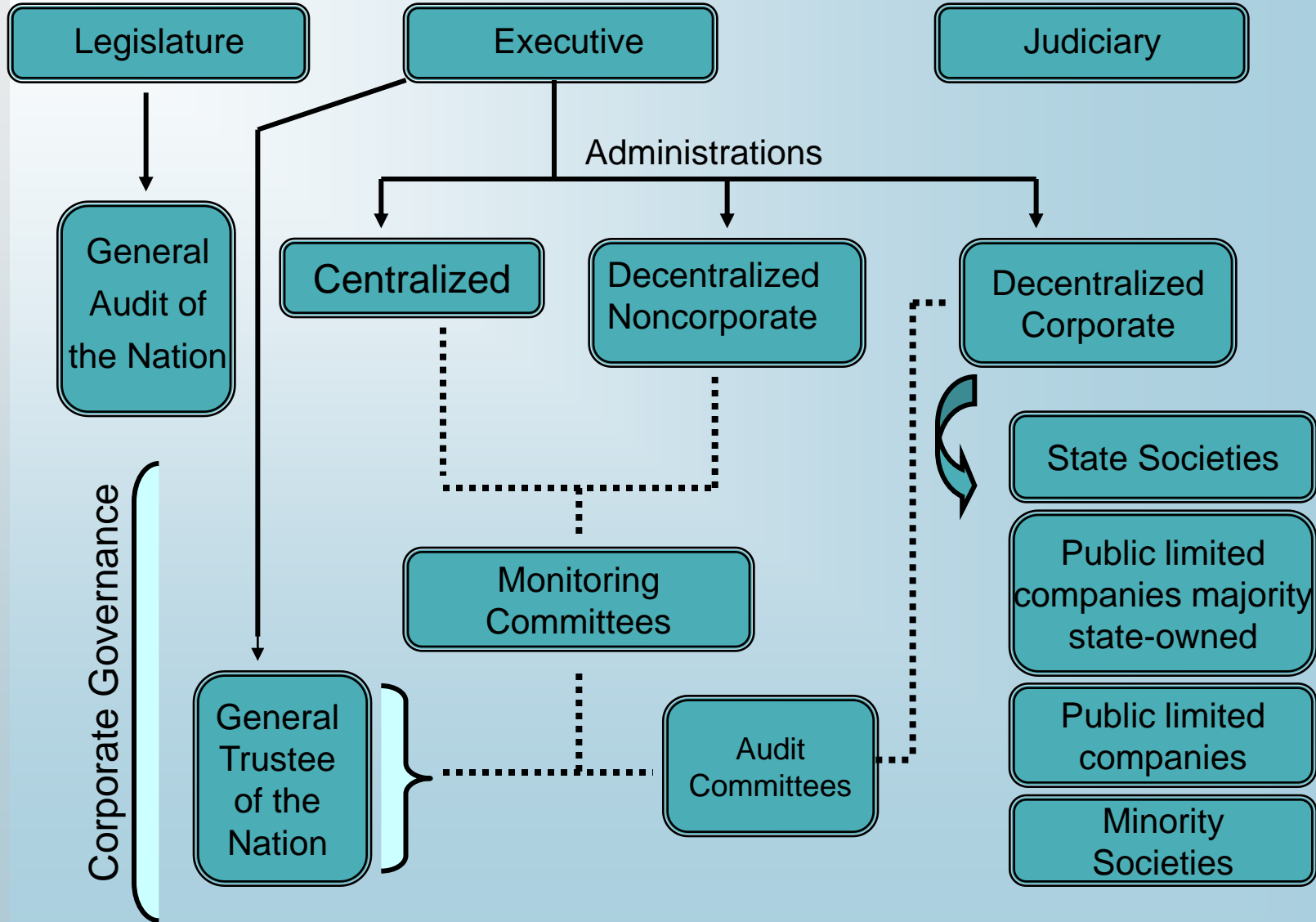
Corporate Governance in State-Owned Enterprises of Argentina



SIGEN

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National Organization of the State



SGN Resolution 37/2006

Minimum Internal Control Standards for Good Corporate Governance

Audit Committee

1. Topic Areas

- System of internal control and accounting
- Internal audit
- External Audit
- Operations with conflict of interest
- Operations with related parties
- Risk Management
- Standards of Conduct
- Directors' Fees
- Compliance standards in issuance of shares without preference

2. Issues reports and action Plan

3. Terms of independence of its members



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Internal Audit

- Plans
- Fulfillment of plans
- Implementing recommendations
- Receptivity
- Evaluation of internal control system

External Audit

- Evaluating and reviewing the designation of the external auditor: Background, reasons for continuing or not, Explanations of differences with the outgoing
- Analysing the affidavits
- Evaluating the audit opinion
- Analyzing the internal control letter
- Fees charged by auditor for this work and others, to issuing and group



Risk Management and Directors' Fees

Risk Management

- Policies used in the organization
- Implementation of policies
- Mitigation Actions
- Achieve operational and organizational goals

Directors' Fees

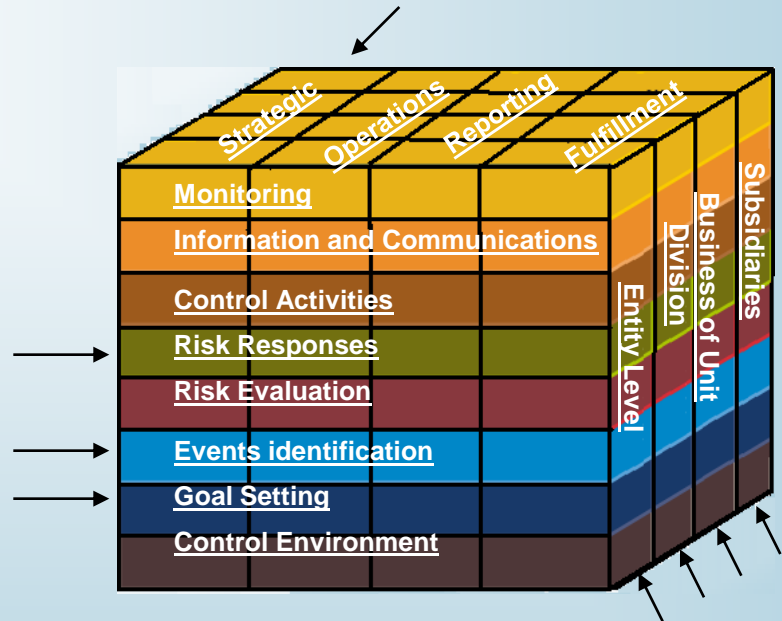
- Article 261 of Law 19550
- Is there independence the committee members to treat subject?
- Executive directors and independent non-executive
- Reasonableness review



Challenges

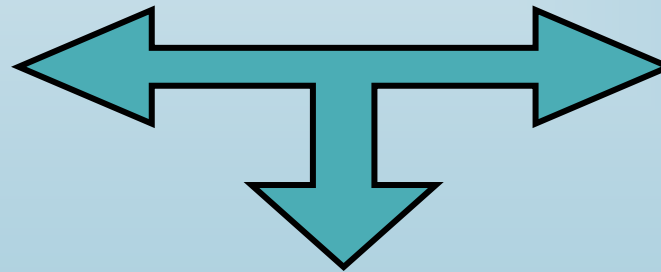


Issue of Code of Corporate Governance (Design stage)



Implemented

Risk Assessment by Internal Audit Department



Incipient

Risk Management in Public Policy

Heterogeneous

Enterprise Risk Management

Thank you

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