

2013 CORPORATE SOCIAL RESPONSIBILITY REPORT



Focused on our clients

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Introduction

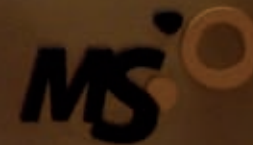
Management Solutions views Corporate Social Responsibility as acting in accordance with corporate principles of trust and commitment to excellence and quality, going beyond the basic legal requirements.

The Firm recognizes the importance of exercising its activity in order to contribute to the achievement of sustainable growth in society. For this reason, Management Solutions assumes a commitment to the communities of the countries in which it operates. Supporting the academic world and job creation, respect for human rights and care for the environment form a part of the Firm's business strategy, guiding its growth in a responsible manner.

The purpose of this publication is to provide Management Solutions' stakeholders with transparent and detailed information on Firm activities that have a significant impact on its environment, and could substantially influence our stakeholders' perceptions and decisions.



ManagementSolutions



Message from the Chairman



Alfonso Serrano-Suñer, Chairman and CEO of Management Solutions

With the publication of our eighth Corporate Social Responsibility Report, we seek to provide a transparent and detailed account of the progress achieved during 2013 in different areas, particularly our social commitment.

Ever since Management Solutions' inception, our mission has been: "To create value propositions for our clients, and commit to their effective implementation"; and our goal: "to exceed our clients' expectations and become their trusted partners."

Management Solutions is now a leading firm in business consulting, finance, risks, organization management, processes and technology, and has an extraordinary team of over 1,300 professionals that develop their activity in more than 30 countries through 18 offices in Europe, the Americas and Asia. It also provides services to more than 500 clients global and local leaders in regulated industries (finance, energy and telecommunications) and has a differentiated value proposition supported by cutting-edge R&D.

We are convinced that the key to our path lies in a strong corporate culture that unites us and makes us different. A culture founded on principles and values such as commitment and dedication to service, humility, integrity, generosity, solidarity, critical thinking, independence of judgment, promotion based on merit, perseverance in the pursuit of goals, passion for our

work, an entrepreneurial spirit, unity and the constant pursuit of excellence, which in turn requires a combination of talent, effort and training.

We are very aware of the importance of conveying our culture and values throughout the organization to make them easily identifiable by those in our environment. We believe that in an economic and social climate as challenging as currently exists in many of the countries in which we operate, these principles and values are an asset that allows to look to the future with great expectations, in high spirits while generating trust amongst all stakeholders.

Every year, we set goals around six strategic pillars that guide the Firm's management: diversification, profitable growth, innovation, human resources management, communication and organizational flexibility.

The fiscal 2013 year has been a very positive year for Management Solutions, having achieved revenue growth and job creation in all our offices, broadened our customer base, attained greater geographic and industry diversification, strengthened our investment in training and R&D, extended our links with universities, increased our sponsorship of cultural and educational projects and substantially promoted charitable activities.

We firmly believe that social responsibility is a strategic element in the management of our organization, a long-term undertaking with our clients, professionals and communities of the countries in which we operate.

A fundamental line of our social responsibility policy has always been our link with universities. We have formed partnerships with more than 100 universities through collaboration agreements for scholarships and internships, teaching master classes and specialized seminars, cooperation in research programs, participation in job fairs and sponsorship and support to university foundations and associations.

Promoting entrepreneurship is another aspect of our social responsibility policy. Initiatives in this area have been extended to the field of education by supporting projects aimed at developing entrepreneurial values, attitudes and skills through education in the formative stages of our youth.

Management Solutions’ social commitment also includes a presence in professional associations related to our business, as well as cultural associations through sponsorship and patronage policies.

We are acutely aware of the need to work together towards sustainable development, taking care to implement policies that contribute to the conservation of the environment and minimize our carbon footprint.

Finally, we continue to support and promote all charitable activities conducted by our professionals through Management Solutions’ Social Action Group, of which we are particularly proud for its generous dedication to those who are most disadvantaged.

For yet another year we have exceeded our goals in all geographies in which we have a presence, in all industries in which we operate and in all lines of service we provide. We look to the future with enthusiasm and confidence, with a firm intent to remain true in our dedication to service.

Alfonso Serrano-Suñer
Chairman and CEO of Management Solutions



Executive Committee

- | | | | |
|-----------------------------|----------------------|---------------------------|-------------------------|
| 1. Alfonso Serrano-Suñer | 9. Luis Lamas | 17. Alberto Rilo | 25. José Luis Carazo |
| 2. Ignacio Layo | 10. David Coca | 18. María José Leongentis | 26. José Arrieta |
| 3. José Ramón Gorrochategui | 11. Rafael Guerra | 19. Carlos Vilá | 27. José Manuel Navas |
| 4. Fernando Castiñeiras | 12. Juan Fabios | 20. Julio Holgado | 28. Carlos Camps |
| 5. Laura León | 13. Hernán Enríquez | 21. Manfred Nolte | 29. José Manuel Suárez |
| 6. Pedro Martínez Ojeda | 14. Marcos Fernández | 22. Diego Leis | 30. Raúl García de Blas |
| 7. Marcos Izena | 15. José Bielsa | 23. Carlos Suárez | 31. Carlos Francisco |
| 8. Miguel Ángel Poblet | 16. Nuria Navarro | 24. Carlos Carnicero | |



CSR at Management Solutions

Corporate Social Responsibility is a strategic element of Management Solutions' activity



Aware that the growing success of our organization should lead to greater accountability in all areas and to all stakeholders (clients, employees, suppliers, universities and other institutions), in 2006 we published our first Corporate Social Responsibility Report.

Since then, we have prepared our annual Corporate Social Responsibility Report with the goal of sharing our experience and results with all our stakeholders, and to detail the most significant consequences of our activities, as well as our commitments regarding the future.

To this end, each year we update the milestones achieved by the Firm throughout the year, both in terms of employment and from an economic, social and environmental standpoint, in all countries where we operate, setting targets that will serve as guidelines for the coming year.

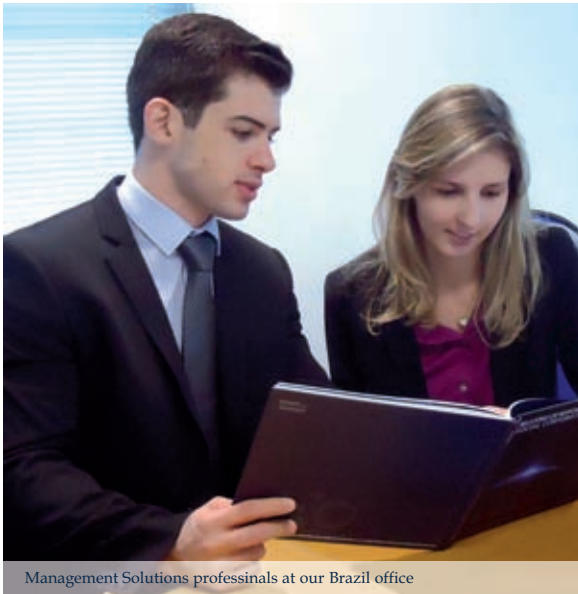
We wish to express our confidence in this responsible business model, to make public our commitment and to engage our stakeholders, who are the focus of our actions but may also help us achieve our objectives.

This Corporate Social Responsibility Report details Management Solutions' achievements for the period between January 1 and December 31, 2013 in Europe (Spain, UK, Germany, Poland, Switzerland, Italy and Portugal), the Americas (USA, Mexico, Puerto Rico, Colombia, Brazil, Peru, Chile and Argentina) and Asia (China).

Report preparation process

Since 2008, our Report has been drafted according to the guidelines and recommendations of relevant international organizations such as the Global Reporting Initiative (GRI), an organization whose mission is to improve the quality, accuracy and usefulness of Corporate Social Responsibility reports. The structure and content of our Report is intended to be of use for all our stakeholders. This year we wanted to take a further step by rigorously adhering to the GRI Sustainability Reporting Guidelines.

We believe that our clients, professionals and society as a whole are our main stakeholders.



Management Solutions professionals at our Brazil office

Satisfying these groups occupies a central place in our corporate strategy, therefore establishing an optimal relationship with them constitutes a key objective. For this reason, a section is devoted to each of these groups (Commitment to the client, Commitment to our professionals and Commitment to the environment), indicating how we understand our relationship with them.

At Management Solutions, we are aware that the communication channels established with each of our stakeholder groups are key to identifying and understanding their needs and what allows us to successfully respond to them.

The information obtained through these communication channels provides us with essential knowledge of our business environment. It is also a valuable asset that helps us to anticipate market needs, identify new opportunities, evaluate new ideas and initiatives, launch new products and define future action strategies.



Volunteers during the Solidarity Film Screening in Madrid, Spain

This understanding of Corporate Social Responsibility is channeled at Management Solutions by a dual approach: first, the business approach, understood as the commitment that the Firm as an entity undertakes towards its various stakeholders (commitment to clients, commitment to staff and commitment to society). Second, from the standpoint of Social Action, which gives voice to the sensitivity of our professionals by supporting and promoting collaboration with various NGOs and charities.



Entrepreneurs Run

CSR Road Map

Management Solutions understands CSR as an undertaking with stakeholders in the daily performance of its activities

The Firm's true commitment to responsible and sustainable practices does not allow us to simply perform this important task, but requires us to continue our ongoing search for the most appropriate formulas to maximize efficiency.

Our CSR policy is based on the Firm's corporate philosophy, which underlines our culture and values (commitment to excellence, client focus, team work and organizational flexibility), as well as ethical conduct principles. These values and principles are evident across the firm's interaction with three key areas: clients, team and environment.

This corporate philosophy constitutes the basis of our commitment, which we have supplemented with an international standard to provide the Firm with guidelines that, aligned with our broad vision of CSR, will serve to channel our efforts as we work towards a shared vision with a long term view.

For this reason, in December 2010, Management Solutions chose to commit to the Millennium Development Goals (MDGs), an international initiative signed by the United Nations' member countries, to be achieved by 2015. The eight goals this initiative seeks to achieve are closely aligned with the business



model and how we think as individuals. Through this report, Management Solutions renews its commitment to the MDG initiative and undertakes to uphold and raise awareness of its eight goals on poverty reduction, childhood education and environmental issues, which we consider key to ensuring a better future for generations to come.

The responsibilities arising from joining this initiative involve commitment and participation to improve the lives of billions of people, and to create an environment that will contribute towards world peace and security.

Approach

Management Solutions understands CSR as an on-going engagement with its stakeholders in the daily performance of its activities. Thus, respect for human rights and environmental care are always present in its activity as the Firm channels growth in a way that is compatible with sustainable development principles.

Management Solutions undertakes a commitment to support communities in the countries in which it operates. In this respect, we believe that our contribution to society must exceed the purely economic development and job creation

aspects inherent in all Management Solutions' activities. For this reason, our commitment leads us to participate, as far as possible, in efforts aimed at improving our socio-economic environment through social welfare, sponsorship and patronage activities.

Goals

A few years ago, we established a series of general CSR commitments.

These commitments, which are a true reflection of Management Solutions' business philosophy, allow us to coordinate and further advance our efforts in the area of corporate social responsibility.

First, the principles of commitment to excellence and quality which so well define Management Solutions make this desire to excel a key objective in all areas of action and across all levels of the organization. Quality must be achieved while minimizing any negative impacts of our activity.

Despite the very limited environmental impact of the Firm's activity (specific impacts associated with office operations), there is a heightened awareness of this issue among our professionals.

Another key objective is to continue to promote social values. To this end, we plan to further increase the number of solidarity projects, setting a specific target to undertake at least one activity for each of the eight Millennium Development Goals (MDGs).

Finally, we will continue working to broaden the scope of our CSR activities globally and strengthen Social Action in all countries in which we have a permanent presence.

Management System

Every year, we strive to improve our internal corporate social responsibility management system, enhancing CSR area functions. This area, reporting directly to the Firm's Executive Committee, has primary steering and management responsibility for CSR matters and performs the following functions:

1. Ensure the integration of CSR in the Firm's strategic business vision. CSR needs to be a cross-company activity affecting all business lines and must be present throughout the value chain.
2. Promote programs that meet the MDGs, both from a business and from a Social Action perspective.
3. Advance initiatives that create value for the different stakeholders. It is necessary to integrate the expectations of clients, professionals and communities in which we operate.
4. Involve all of the Firm's areas and units in CSR, instilling attitudes and procedures.
5. Monitor and evaluate the commitments and obligations voluntarily assumed in our master plan in order to ascertain the extent to which goals have been met, and analyze the reasons for any deviations.

The Millennium Development Goals

The Millennium Development Goals Management Solutions firmly believes that the Millennium Development Goals should set the agenda of modern organizations. The MDGs can be met if all stakeholders do their part. Management Solutions has taken the following actions to support these eight objectives throughout 2013:



1. Eradicate extreme poverty and hunger

- ▶ Volunteer program in Bolivia, working with Action Aid, caring for people with intellectual disabilities who have no resources.
- ▶ Collection of food through our Solidarity Film Screening Event (Spain) and solidarity campaigns in support of various shelters in Mexico and Brazil.
- ▶ Fundraising through our Solidarity Concert to finance volunteer activities and cooperation.
- ▶ Participation in races for charitable purposes (in Chile, to raise money for a shelter; and in Spain, to support international foundations and NGOs working for social integration and employment of people at risk of social exclusion).
- ▶ Support to microfinance foundations.



2. Achieve universal primary education

- ▶ Collaboration with the Entreculturas Foundation and "Fe y Alegría Haití" to build classrooms for children without resources in Haiti.
- ▶ Educational activities in collaboration with Action Aid during our Solidarity Summer program in Bolivia.
- ▶ Support to the Créate Foundation, which promotes entrepreneurship in schools in Madrid (Spain).
- ▶ Participation in the Ayrton Senna Marathon, a race organized to foster training and education programs among children with economic difficulties (Brazil).



3. Promote gender equality and empower women

- ▶ Development and monitoring of the Equality Plan (in all countries in which Management Solutions has a presence).
- ▶ Through our Solidarity Christmas campaign, support to maintain a home-health center for high risk women, ran by Calcutta Ondoan in India.



4. Reduce child mortality

- ▶ *Cestinhas de Pascoa, Dia das Crianças* and *Sacolinhas de Natal* (Brazil) campaigns to collect food, basic goods and gifts for children's centers.



5. Improve maternal health

- ▶ Solidarity Christmas campaign to collect basic goods and gifts for children's centers in Argentina, Brazil, Chile, Colombia, Spain, United States and Peru.
- ▶ Participation in programs to support disadvantaged children in collaboration with Action Aid, during the Solidarity Summer in Bolivia.
- ▶ Collection of solidarity caps to raise funds aimed at fighting childhood diseases
- ▶ Implementation of advantageous maternal health policies for our professionals.
- ▶ Financial support to fund the construction and maintenance of a home-health center for high risk women, ran by Calcutta Ondoan in India.



6. Combat HIV/AIDS, malaria and other diseases

- ▶ Blood donations in Chile, Spain, Brazil and the United States.
- ▶ Participation in charitable races, in the UK to support the fight against cancer and in Boston to support the fight against amyotrophic lateral sclerosis (ALS).
- ▶ Solidarity Christmas cards in partnership with Calcutta Ondoan to support HIV prevention and treatment projects and clinics in villages throughout India.



7. Ensure environmental sustainability

- ▶ Reducing the environmental impact and carbon footprint of the Firm's activities (mainly through implementing energy efficiency, recycling and paper usage reduction policies) in all countries in which Management Solutions has a presence.
- ▶ Collection of office supplies in order to raise funds to plant trees.



8. Global partnership for development

- ▶ Donation of computers and cell phones to disadvantaged groups in Spain.
- ▶ Cooperation with the World Bank and other supranational organizations in the dissemination of knowledge.

2

Management Solutions, Making things happen

Management Solutions is an international consulting Firm whose core mission is to deliver business, risk, financial, organizational and process-related advisory services, targeting both functional aspects and the implementation of related technologies.



YEARLY MEETING
2013
10 years making things happen

10 years later...

- ▶ Multidisciplinary team comprising 1,300 highly talented professionals
- ▶ Over 500 global and local clients with a leading position in their markets
- ▶ 18 offices across more than 30 countries (Europe, America, Africa, Asia)
- ▶ Differentiated value proposition backed by a pioneering business model
- ▶ Ongoing annual growth regardless of economic cycles



based on our clients

More than 1,300 professionals
18 offices
More than 620 projects worldwide

ManagementSolutions

Strategic principles

We create value propositions for our clients and commit to their effective implementation



Today, Management Solutions is a leader in business consulting services to regulated industries. This leadership translates into more than 1.5 million hours of consulting delivered each year; a global team of more than 1,300 professionals; 18 fully operational offices in the Americas, Europe and Asia; more than 500 clients, all leaders in their respective industries; and over 620 projects varying in nature and size. The key to our Firm's success lies in our strategic principles, shared by all professionals at Management Solutions.

Positioning

Our positioning is based on a single premise: leadership. Our leadership is demonstrated every day in all our areas of activity, in the services we deliver and in the markets where we have a presence, as we take on the challenges faced by our clients. This leadership, made possible by a young and international multidisciplinary team, places us as the leading provider of business consulting services specializing in regulated industries.

Mission

Our motto is a perfect summary of our mission as an organization: *Making things happen*. At Management Solutions, we create value propositions for our clients and commit to their

effective implementation. We focus far beyond the standard provision of advisory services to partner with our clients in the pursuit of their objectives.

Objectives

We aim to exceed our clients' expectations and become their trusted partners. We achieve this through our strong culture of responsibility, top performance, preparation and training, and strive to make our clients feel as if Management Solutions is part of their own team, actively participating in defining strategic challenges together.

Culture and values

Commitment to excellence, customer focus, teamwork and organizational flexibility are the cornerstones of our corporate culture, a culture that serves as a reference in the industry and is governed by strict ethical principles pervading three key areas: clients, team and environment.

Making things happen requires a strong, meritocratic, results oriented corporate culture that promotes unity, solidarity and a sustained focus on service. A culture and values shared by all our professionals.



Commitment to our clients

Management Solutions' services go beyond the provision of advice. We share our clients' goals, which we view as our own and seek to achieve through our work, making a connection between excellence and results.

At Management Solutions we perceive our clients' challenges as our own, and facilitate the best path to meet them, basing our work on a strong culture of commitment, the key characteristic of our services. Management Solutions has managed to excel in an increasingly competitive market because this is what our clients need, and want.

Commitment to our professionals

We are committed to providing our professionals with a clearly defined career plan, based on results, that will allow them to develop and enhance their abilities.

While ultimately, results and personal achievements go hand in hand, attaining them involves overcoming barriers in which the professional is not alone, but has the support of the entire organization. For this reason, the values of generosity and

pride of belonging to a team develop naturally, making it clear that the whole adds more value than the sum of its parts. At Management Solutions, we put the team after the client and before the individual (client, team, individual).

The Firm strives to retain talent by trying to provide the best environment for personal and professional development within the organization. We are what we are thanks to our talented professionals.

Commitment to society and the environment

Management Solutions has a commitment to society and the environment in which it conducts its business activities. This commitment takes the form of job creation for young people, contributing to their comprehensive training and promoting their integration at work.

The Firm also organizes other initiatives which are carried out by the Social Action Committee, such as sponsorship and patronage activities as well as internal environmentally-friendly policies.

Committed to excellence...

...in the relationship with clients and in our level of service and performance, by giving our best in each project...

...in the development of our professional's skills, by providing the best possible environment to foster potential and retain talent...

...in our support of society's progress and the environment in which we operate.

Ethical principles in our code of conduct

Principles that govern the conduct of all our professionals

Integrity and honesty

We commit ourselves to acting with integrity and honesty at all times, consistently applying the highest ethical standards.

Integrity and honesty are the values underlying the trust we share with our clients and others within our Firm.

Our performance is based on ethical behavior, achieving the highest levels of quality, excellence in the provision of our services and long-term development of relationships based on trust and mutual respect.

Dedication to excellence

We take on a full commitment to our clients, the members of our Firm and to society as a whole to maintain the level of excellence in all aspects of our professional performance.

We deliver our best effort in managing client relationships and in the service provided to our clients to offer high quality projects.

We commit to developing and strengthening the abilities of our professionals by providing the best working environment in order to foster potential and retain talent.

Commitment

Management Solutions executives work to create opportunities for all our professionals and it is their duty and responsibility to pass on our corporate culture and values, as well as the same opportunities that they themselves have had.

We assume our clients' challenges as our own while focusing on excellence and results, supported by a strong culture of commitment. This commitment is evident in our management approach, relations and service provided to our clients, and in

our ongoing effort to deliver the best consulting services on the market.

We meet our clients' highest demands, going beyond their expectations in an environment of trust and close cooperation between the client and Management Solutions' professionals.

Professionalism

Each employee exemplifies outstanding professionalism. We aim to get the best results by cooperating with other teams and staff members, while seeing to our own training and that of our colleagues. We make an effort to convey an unrivaled image of correctness and professionalism in all situations.

We comply with all legal requirements, taking the professional standards and rules established in each case as our guide, while avoiding any situation which could compromise the reputation of the Firm.



Emphasis on the human factor

Beyond what is required for an acceptable working relationship, we realize that both employees and clients are people, and therefore deserve to be treated as such. This involves both, respect for human rights in all our actions and the desire to contribute to the personal growth of all those who form part of the Firm.

We favor a working environment that stimulates personal growth, development and success, supported by an atmosphere of continuous collaboration and teamwork, which is made possible by the magnanimity of each one of its members, with the team's objectives prevailing over individual aims.

Our success is dependent on our professionals and, accordingly, we select and train employees so that they can provide services of the highest quality in all areas of our

professional practice. We evaluate performance through objective and agreed-upon criteria, offering a professional career without limitations in which employees earn their own promotion based on merit.

We commit ourselves to investing time, effort and resources into selecting top professional talent, as well as developing and maintaining their abilities through training plans adapted to each level and category.

Confidentiality

No member of our organization is allowed to provide confidential information of our clients to third parties, and all employees are obliged to keep the Firm's reports and internal documentation confidential, treating all information with particular responsibility, control and protection, without using it for personal gain or for that of third parties.

All of the Firm's strategic information on the client and employees accessed in the course of professional activity is considered confidential.

We use Management Solutions' communication systems in a responsible and productive way.

Responsibility to society

Our services and client-oriented focus allow us to deliver projects of considerable added value, which makes it possible for the Firm to positively contribute to society's economic environment. This responsibility takes the form of job creation for young adults, as we contribute to the provision of comprehensive training and promote their entry into the job market.

We set up initiatives to facilitate our employees' participation in various aspects of volunteer work.

Our brand

Our brand conveys our culture and values



The purpose of the Management Solutions brand is to convey the Firm's culture and values to all stakeholders while strengthening the sense of belonging among Management Solutions professionals in all countries where the Firm operates.

Our name, logo, colors and lettering represent the Firm's identity, convey our values and differentiate us from our competitors. It is therefore essential to protect them, to use them appropriately and to ensure we instill them with our principles, including most notably reliability, trust, leadership and teamwork. Our logo was reinforced by the inclusion of our motto: *Making things happen*, which summarizes the Firm's mission.

Consequently, all the places where our brand is displayed automatically become a vehicle through which our values are transmitted, whether these are sponsored initiatives, publications, fairs, events, presentations, business proposals or deliverables.

For this reason, we must carefully select the means we use for communicating the Management Solutions brand, and work towards ensuring that it conveys a level of quality commensurate with our high standards. Only by doing this will we be able to consolidate our brand position in the market place.

Moreover, brand uniformity becomes particularly significant in the current context of our Firm's international expansion. Our brand plays an integrating role, since it represents those values that are shared by over 1,300 Management Solutions professionals around the world who, in turn, project it on a daily basis in the relationship they establish with their clients and stakeholders.



Management Solutions website

Our corporate website (www.managementsolutions.com) constitutes our main vehicle for reaching out to society, and is therefore one of the fundamental pillars supporting our external communications.

Our site, delivered in three languages (Spanish, English and Portuguese) and meeting accessibility guidelines set by the World Wide Web Consortium (W3C), includes general information about Management Solutions, the industries in which we operate, service lines offered, a specific section on careers specially targeted at potential candidates interested in participating in our selection process, and a section containing publications prepared by the Firm.

During 2013, visits to our website, from 156 different countries, increased by 45% compared to 2012.

Corporate image

Our corporate culture is reflected by a particular image, covering all areas:

- ▶ Image conveyed to the Client by our professionals.
- ▶ Style and format of our presentations, proposals, deliverables and any other documents, such as publications, advertisements, campaigns, etc. in all formats.
- ▶ Presence of our image in society: universities and job fairs as well as foundations and sponsorships.
- ▶ Design of our offices.

“Our brand conveys our culture and values”



Laura León
Partner at Management Solutions

We have a strongly committed and service oriented corporate culture that fosters integrity, unity and teamwork.

We are proud to see that our clients identify Management Solutions with a differentiated approach that is a true reflection of our principles and values, no matter where we conduct our work (London, Madrid, Mexico, Boston or Beijing).

Our brand conveys our culture and values. Our brand is not just a mere logo, but mirrors our commitment with the mission: "making things happen"; and with the goal: "to surpass our clients' expectations and become their trusted partners".

Geographic coverage

An international outlook remains one of the Firm's strategic priorities

Since Management Solutions' inception, a strong international focus has made globality one of its hallmarks. Currently, our presence is concentrated in three large geographic areas: Europe, the Americas and Asia, with 18 offices from where we serve over 30 countries.

Meeting the needs of our clients in each and every one of the countries in which they have a presence has established our Firm as a leader in business consulting in regulated industries within the markets in which it operates. This leadership has been achieved through the daily endeavors of our professionals and continually being alert in order to identify opportunities and the needs of our clients.

This leadership is reflected in a geographical positioning based on the "one team" and multi-location concepts. Thinking globally and acting locally, we have succeeded in strengthening the importance of each of our offices within their markets while, above all, maintaining a global view of our business.

During 2013 we continued to expand our range of action, not only in countries that have historically been central to our growth, and where we have already consolidated offices, but also extending our sphere of action beyond their borders.

The favorable performance that Latin American economies continue to show in the face of the global crisis has allowed our regional offices in Mexico, Colombia, Brazil, Peru, Chile and Argentina to, once again, surpass their excellent growth rates, with a significant increase in both the number of consulting hours delivered and the number of professionals hired. Management Solutions' presence in other markets in the region has also been strengthened, with a significant number of initiatives undertaken in Venezuela and Central America (Dominican Republic and Panama), where the Firm has doubled activity this year.

In Europe, despite the difficult economic climate, the Firm's presence in the main economies of the continent has also increased. Beyond our leadership position in the Spanish market (leveraged on our Madrid, Barcelona and Bilbao offices), in 2013 our presence in the UK increased significantly through our London office, which has achieved excellent results by increasing its activity by almost 70% with respect to last year. Our growth has been equally significant in the rest of the continent. In Central Europe, our Germany, Poland and Switzerland offices sustained their growth rates of previous years, whereas the Firm increased its activity three-fold in the Northern countries of Denmark, Sweden, Norway and Finland, which have become another growth front for Management

Solutions. Finally, the Firm increased its activity in Italy and Portugal, a fact worth noting considering that these two economies are affected by a highly adverse economic context.

As a sign of our commitment to the UK and North American markets, in addition to our growth in the UK the Firm has again increased penetration in a market as competitive as the United States. In 2013, the Firm's activities were intensified both in New York and in our two other offices in the country: Massachusetts (office that provides support for our activities in Boston and the North East) and Alabama (with a focus on Birmingham, from where all activities in the Southern United States are supported).

Finally, Management Solutions continues to consolidate its presence in key Asian markets. Aware of the enormous weight that Asia is gaining in the global economic landscape and the great opportunities offered by this continent, Asia continues to be one of the main strategic pillars of our development and geographic expansion. Proof of this commitment has been the increasing number of consulting hours and promotional activity delivered by our Beijing office, with a special focus on China, Korea and Singapore. Some activity also took place in India and Turkey during the past year.



Permanent Management
Solutions offices

Europe

Madrid

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28020 – Madrid

Barcelona

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Bilbao

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Frankfurt

Schillerstrasse, 20
60313 – Frankfurt am Main

Zurich

Bellerivestrasse, 201
8034 – Zürich

Warsaw

Emilii Plater, 53
00-113 – Warszawa

Milan

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Americas

New York

1120 Avenue of the Americas
NY 10036 – New York

San Juan de Puerto Rico

105 Ponce de León Avenue
00917 – San Juan

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Sao Paulo

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04576-060 – São Paulo

Lima

Avda. Andrés Reyes 437
Lima 27

Santiago de Chile

Enrique Foster Sur, 20
755-0198 – Santiago

Buenos Aires

Avda. Alicia Moreau de Justo, 140
C1107AAD – Buenos Aires

Industries

We strive to develop an in-depth knowledge of the industries in which our clients operate



Thanks to our industry focus, at Management Solutions we are able to understand the specific needs of our clients and provide a solution to all their challenges.

Beyond the intricacies inherent to each company, the industry environment in which companies carry out their activity affects their main action guidelines. Our professionals work in multidisciplinary teams which have an in-depth knowledge of the industry in which our clients operate. Only then can they make a correct assessment and apply the appropriate methodology for each market.

Management Solutions' practices are structured into three main activity sectors (Finance, Energy and Telecommunications), with professionals devoted exclusively to the industries they cover. Management Solutions also devotes resources to other industries, largely focusing on market leaders.

Financial Institutions

The financial sector is facing a significant increase in regulatory requirements in order to restore the confidence lost in recent years, the emergence of new/potential competitors, and a significant consolidation process to reduce the number of

institutions both locally and globally to better manage scarce capacity.

Society's developments and the rapid advancement of technology are causing a paradigm shift in client management. The sudden transformation process in which the financial sector has been immersed across markets, derived from the economic turmoil of recent years, suggests this paradigm shift should be handled according to a scheme that will preserve the key premise of a business where competition is increasingly aggressive.

Managing liquidity variables, solvency, default and efficiency becomes key to ensuring sustainability in the medium and long term.

The industry faces the need to rethink strategy, operations and technology in a way that will help it to adapt business and operational models to the new environment.

These reasons make the financial sector one of the most complex industries in the current economic context, where contributing value to the new approaches will require solutions that can draw on expert insight.

Energy

Progressive deregulation in the industry has revealed that there is little perceived product/brand differentiation in traditional utilities (water, electricity, gas, etc.). The customer, accustomed to the use of "primary goods" contracted from Government designated suppliers, does not associate certain qualities to the product as is the case in other industries. This has coincided with the increasing importance of gas, the consolidation of new renewable energy and a complex economic situation that affects energy consumption.

These circumstances pose many management challenges related not only to the effort of defending current positioning and diversification; but also with how to measure, support and effectively manage business with proper monitoring and control of the various market, credit, business and operational risks associated with these activities.

Additionally, corporations face a transformation challenge (derived from both the global macroeconomic environment and the numerous mergers, acquisitions, business segregations and other processes), with a special focus on improving their efficiency and ability to create value for their customers and shareholders. In this regard, organizations are focusing on innovative initiatives that will maximize their potential, as well as on identifying growth, organizational, operational and management drivers to achieve a competitive advantage.

Telecommunications

The telecommunications industry is still undergoing a profound transformation, derived both from technological advances and changes in the behavior patterns of users, who increasingly demand mobile services, immediacy and interaction, both in the personal and in the professional sphere.

Meeting this demand requires continuous improvement of infrastructure and requires heavy investments in an increasingly competitive economic environment, with strong regulatory tensions and lower profit margins. The combination of all these circumstances has led to the emergence of new business models, new players and services, adding additional complexity to a market that is already saturated.

The challenges facing this sector in the coming years will require industry concentration and simplification at all levels (regulatory, organizational, business, technology, etc.) to allow institutions to achieve the efficiency, speed and flexibility needed to adapt to current changes and future challenges.

Other sectors

Consumer and Industry

Through this practice, Management Solutions responds to the needs of industry, from the point of view of both the producer and the distributor (channel to final consumers). After two years of sharp declines in activity, with the resulting impact on the adequacy of existing production and distribution capacity,

economic prospects are showing signs of improvement. Globalization as well as differences in the speed at which large geographical areas are coming out of recession are uprooting much of the value chain: purchasing, production, manufacturing and sales and marketing now requires "thinking globally and acting locally", which involves permanent transformation of the organizational, operational and technological structures of the companies operating in these markets.

Government

The current market environment is demanding substantial budget reduction efforts in the public sector. This necessarily leads to improved productivity and efficiency in all government agencies as they focus on permanently improving the quality of service in addition to optimizing their cost structure by applying business criteria.

This private entrepreneurship spirit must be added to the growing interest in reducing the time to market between political decisions and their effective implementation.

The current circumstances of those countries in greater economic difficulty, create the need to successfully meet this challenge using approaches that are disruptive in the sphere of administration but common in the private sector, that will make it possible to carry out the initiatives required to transform public service through improvements in organization, processes and systems.

Construction

The industry continues to work within a framework marked by recession in Western economies. The outlook for public works is closely linked with the budget cuts imposed by governments, and the real estate market (residential and, to a lesser extent, the non-residential), which is still in recession. However, in emerging markets this activity continues to be strong, driven by the rapid modernization of infrastructure (civil works), homes (residential), business (offices) and lifestyle needs (shopping malls, health centers, etc.).

In this context, financial risk management, balance sheet downsizing, cost reduction and process optimization have become the main short-term management drivers in Western economies. However, geographical diversification appears to be the main focus of growth in the industry, which undoubtedly requires a strong effort on the part of organizations to adapt to this new framework, and to properly manage the risks involved.



Service lines

Our functional specialisation allows us to offer high-value added services to our customers

To cover the needs of our clients, Management Solutions' practices are structured by industry and by business line (Financial & Commodities Risk Consulting, Retail Business Consulting and New Technologies), which in turn encompass a wide range of competencies.

FCRC (Financial and Commodities Risk Consulting)

The wholesale business, and more specifically treasury and capital market operations, is developing at a speed that makes it difficult for entities to adapt their processes and control structures to this ongoing change.

The growing sophistication of corporate and institutional clients, as well as the increase in the volume and complexity of transactions and their progressive contribution to the global bottom line, call for the parallel adaptation of trading, administration, control and risk supervision processes.

Similarly, making the most of transaction-based services, which involve managing large transaction volumes, requires advanced support structures, posing new challenges for the industry.

Increasingly sophisticated risk measurement and control systems as well as the integration of advanced metrics for measuring capital into the business processes (largely driven by the new regulatory frameworks) are other challenges faced by various industries.

FCRC seeks to help clients optimize and adapt their processes and systems architecture to the new business logic and to the nature of their financial risk exposure (credit, market, operational, liquidity and structural) and their non-prudential risks (especially conduct risk).

RBC (Retail Business Consulting)

The retail business seeks to customize its value proposition to customers by tailoring its products and services to individual needs. This enormous change from a "product sales" approach to "managing the needs of clients" requires a complete value chain transformation of entities, their processes and the activities of their main business and support areas (management control, sales, marketing, organization, resources, etc.).



This trend is unfolding in the context of a market where acquiring a competitive advantage is becoming increasingly hard. Also, higher customer demands, lower business margins and the need to generate economies of scale are already a reality.

In this context, the focus of the RBC line is to help clients achieve their goals and objectives by supporting them along the way, from the planning of their strategic needs through effective implementation of their functional requirements.

NT (New Technologies)

The so-called new technologies, particularly web technologies, stormed the markets over a decade ago. After the initial boom, we now embark on a phase where new initiatives must be addressed from a perspective of servicing our clients' business objectives.

These technologies are used for two broad purposes: to promote staff competencies, and to integrate applications already used by companies.

We help our clients to enhance the value of technology from the BT line. We also develop and provide support for technological solutions with a high level of penetration in the industries in which the Firm operates.

Core competencies

Management Solutions aims to turn its clients' objectives into tangible realities, from strategic guidance to implementation of the required technology (*"Making things happen"*).

Our teams are able to offer specific solutions and commit to their effective production, implementation and deployment.

This capacity to address a project's global requirements constitutes our key differentiating feature. We are able to lead with success throughout the various phases of a project, from the initial strategic analysis through to the deployment and maintenance stages, covering the functional, organizational and operational phases.

In this section, rather than presenting a catalog of our products and services, we aim to emphasize the work that Management Solutions, through each one of its professionals, undertakes in developing an efficient, sound and competitive working environment. This will benefit all of our clients' stakeholders (shareholders, employees, customers, suppliers, etc.) and, ultimately, society as a whole.

Core competencies

Strategy

We advise the top management of client companies on strategic decisions, providing our view of the challenges faced by clients both from a global perspective (trends, best practice, etc.) and from the standpoint of each individual company (alternative courses of action, recommendations for implementation, etc.).

Financial and Management Information

We address client requirements at each executive level and validate, modify and establish the required sources of information. We define the transformation processes (calculations and metrics) and take part in the technology roll-out required for effective implementation.

Commercial and Market Effectiveness

We design and develop commercial efficiency, multi-channel and business intelligence programs, thereby supporting our clients in their growth efforts.

Organization and Processes

We take on our clients' projects from a three-fold perspective: functional, organizational and technological, in order to significantly improve the effectiveness of tasks performed and enhance user and client satisfaction, while achieving a suitable cost reduction.

Risk Management and Control

We provide the best integrated (in order to optimize capital allocation) market solutions and tools available to effectively manage the risks that organizations are required to assume: credit, market, operational, liquidity, structural, reputational, conduct, business and other risks.

Applied Technology

We specialize in defining and implementing the technology which is most suitable for the needs and possibilities of each organization.

"The Firm's value proposition has been adjusted to the new challenges faced by our clients"



Juan Fabios
Partner at Management Solutions

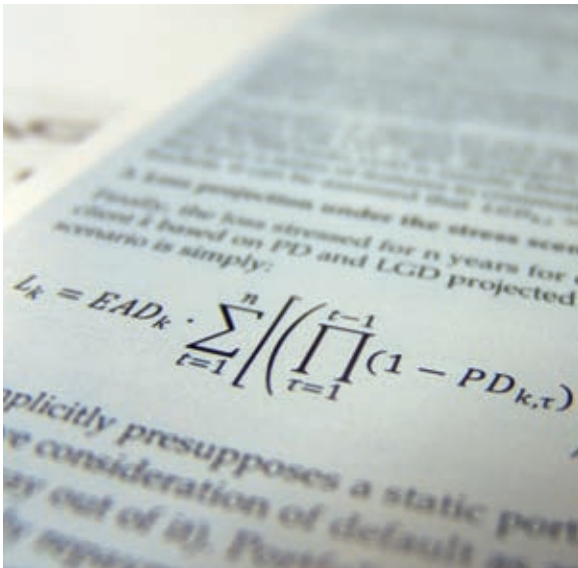
At present, the reality of the business world is extremely dynamic. Business models are reformulated, giving rise to new challenges and new opportunities.

In order to meet a constantly developing demand properly and on time, it is necessary to have expert multidisciplinary teams, as well as a cutting-edge R&D unit.

Management Solutions specialization is based on three pillars: industry, geography and service lines. Our service lines enable us to structure the knowledge and experience acquired, thereby facilitating the design of value propositions that give a prompt response to the problems posed by our clients.

R&D Area

Our value proposition is supported by a cutting-edge R&D department



In the current international context, characterized by the consequences of an economic crisis that has affected both the developed and emerging economies, moving proactivity towards change is more relevant than ever. In light of this, our Research and Development function reflects Management Solutions' commitment to staying ahead of the industry and meeting the market's growing demand for innovation.

The R&D area's mandate revolves around the creation and dissemination of knowledge addressed to all Management Solutions' stakeholders: clients, professionals, partners and the academic world, thus fostering the Firm's proactive change.

From a methodological point of view, the R&D team serves Management Solutions' professionals and clients in the quantitative aspects needed to undertake projects with rigor and excellence through the application of best practices and continuous research of the latest analysis and modeling trends.

To this end, our R&D department works closely with universities, participates in applied research conferences, directs projects in postgraduate and doctoral programs and professional practices in Mathematics, Statistics and Physics, as well as in Engineering schools. R&D's commitment to training is also reflected internally, as this area has played an active role both in the creation and in

the provision of the Firm's training plan, which has materialized in the Management Solutions – ICADE Master's Degree in Business Consulting.

From the point of view of knowledge management, the R&D team runs and coordinates Management Solutions' publications system, both externally (newsletters) and internally (regulatory publication alerts, economic outlook reports, overviews and implications of new regulations, etc.), thereby contributing to the daily update our professionals' knowledge.

This knowledge management activity is possible thanks to intensive collaboration from all our offices in all countries in which Management Solutions operates. To monitor policy developments in these countries, the R&D team draws on a network of experienced partners from all our offices who detect, analyze and submit this information periodically.

In order to facilitate access to information, R&D continues to advance the design of our corporate Intranet as the main channel for knowledge transmission through the Publications and New Regulations section in the Knowledge Area, which draws on corporate publications and documents from primary sources (regulatory texts, scientific articles, etc.).

Management Solutions participated again in the Modeling Week organized by Complutense University of Madrid

The purpose of the Modeling Week, which saw its 7th edition this year and was again organized under the framework of the Master's Degree in Mathematical Engineering offered by Complutense University of Madrid, is to use mathematics as a tool to solve problems in different areas of activity.

Management Solutions proposed a case study entitled "Impact of the Spanish Real Estate boom & crash on the mortgages recovery indicators", which involved the participation of a group of students from Complutense University of Madrid, University of Oxford, University of Saratov, Università degli Studi di Firenze, Autonomous

University of Madrid, Polytechnic University of Catalonia and the University of Vigo.

The Modeling Week, organized by the Faculty of Mathematics of UCM, MOMAT, the IMI and the University of Oxford, has great impact on mathematics faculties in Spain and other parts of the world. Management Solutions presence in this new edition reflects its positioning at university events of mathematics faculties.

1: Research Group on "Mathematical Models in Science and Technology: development, analysis, numerical simulation and control."
2: Institute of Interdisciplinary Mathematics.

Also, in terms of methodology, R&D has established itself as a quality assurance service through the rigorous review of ongoing projects and new project proposals.

R&D focuses its efforts on four fields (methodology, economic analysis, regulatory analysis and monographic studies). Its goals are set according to a multi-year plan approved and monitored by the Firm's Executive Committee:

Methodology (R&D&I)

- Research: design best practice on regulatory compliance and management for clients/industries (credit, market and liquidity risk, economic capital, stress tests, business models, etc.).
- Innovation: through a center specializing in analytical predictive models, models for the detailed analysis of corporate data are developed to facilitate decision-making and optimize performance.
- Prototypes: development of support tools to verify and demonstrate the correct operation of methodologies in real client environments (pilot testing), in order to facilitate the implementation of global corporate solutions.

- Software: maintenance of the modeling tools developed as well as management of the relationship with scientific software suppliers.
- Quality Assessment (QA): certification of the quality and consistency of the methodologies applied in projects.

Economic analysis

- Outlook reports: the R&D area is expanding the coverage of its quarterly outlook reports both in countries and in industries. Currently, R&D writes reports about fourteen countries, with the collaboration of experts from the Firm's office network: Spain, the United Kingdom, Germany, Poland, Portugal, Italy, the United States, Mexico, Brazil, Argentina, Peru, Chile, Colombia and China.
- Benchmark analysis: based on the knowledge drawn from these reports, R&D also carries out benchmark analyses with public information on the clients and countries in which the Firm operates.

Regulatory analysis

- Regulatory monitoring: the R&D area has an active system in place to monitor regulations on the Firm's areas of activity,

which enables R&D to anticipate and detect regulatory publications at an early stage.

- Alerts: immediate knowledge of regulatory developments among the Firm's professionals is encouraged through the publication of alerts.
- Analysis: on those new regulations with a greater impact on or interest for clients, R&D prepares overviews and analyses of implications, contributing their synthesis and critical thinking capabilities; for instance, on the regulatory "tsunami" or the single supervisory mechanism in Europe.

Monographic studies

- Newsletters: R&D prepares in-depth monographic research and innovation papers as well as briefs about current topics in the Firm's areas of activity and in those areas of interest for clients and professionals. The latest newsletters written by R&D have dealt with the liquidity risk regulatory framework and its impact on management, as well as the impacts of stress tests on the financial system.



Making things happen

We have seen organic and sustained growth to 16 times our original size



What we are, we owe to the trust our clients have placed in us. They have made it possible for Management Solutions to be a leading international firm in business consulting just 11 years after its incorporation. It is a great pleasure for us to present the achievements listed throughout this publication.

Management Solutions was formed on December 30, 2002. At inception, the Firm had 80 professionals and three offices in Spain (Madrid, Bilbao and Barcelona).

Eleven years later, Management Solutions is 16 times larger, with a multidisciplinary team of over 1,300 top professionals, more than 500 clients, all global or local leaders in regulated industries, and 18 offices world-wide from which projects are regularly conducted in more than 30 countries in Europe, the Americas and Asia.

The Firm has continued to grow at all times since inception. In each and every one of our past 10 years as a firm, we have seen growth in revenue, number of professionals, number of clients and number of countries in which we operate.

It should be emphasized that these results have been achieved organically, with a well grounded growth model. Therefore, a model based on the organized transmission of a culture, values and principles, which we understand to be differential and that have remained unchanged regardless of economic cycles, no matter how complex have been or are still being created.

This year, the Firm has faced an adverse macroeconomic scenario, yet far less complicated than other situations it has had to face since incorporation.



Our beginnings were especially difficult, with reduced critical mass, no brand recognition and without resources to respond globally in all geographies where our clients operated. Two years later, when Management Solutions began to consolidate in the market, there was a fire at our headquarters in Madrid (the Windsor building), which led to its complete destruction, but served to demonstrate the resilience of our team of professionals, who were able to keep focused on their projects with clients.

Despite these difficulties, the Firm has grown at an extraordinary rate, with average annual growth above 10%.

At Management Solutions we have remained true to our founding culture: a strong culture that unites us and, at the

same time, sets us apart from our competitors. A culture based on the principles of commitment and dedication to service, delivered with humility, generosity and integrity.

At Management Solutions we have sought to develop our profession with an in-depth knowledge of the business and social reality, utilizing the necessary critical thinking approach. We have always understood that if something has value to our clients then it makes sense and, as difficult as it may seem, can be achieved.

In short, we understand that our constant pursuit of excellence, based on talent, effort and training, is a necessary requirement to meet our goals.

An equally promising future

Management Solutions looks to the future with the same enthusiasm today as it did in one. We face a complex environment, but if anything has defined Management Solutions throughout its history, it has been our desire to excel and deliver. We intend to continue to achieve our ambitious new goals to lead the consulting business in regulated industries in all geographies in which we operate, always for the benefit of our clients, who are the most important stakeholders we look to support.

Making things happen

Management Solutions was incorporated on December 30, 2002

2003, Commitment to Excellence

With 80 professionals from Arthur Andersen and offices in Madrid, Barcelona and Bilbao, Management Solutions set out on a journey at the end of 2002. Clients' trust in this new business project made the launch of our Firm possible. Committed to a strong global presence from the very beginning, the Firm gained a foothold in Spain, the United States, Puerto Rico, Mexico, Chile, Brazil and Argentina in our first fiscal year.

2004, Making things happen

The first fiscal year closed with growth of 18%. Management Solutions won its first projects in Europe (Italy, United Kingdom

and Portugal) while expanding its presence in the Americas with the opening of a new office in Sao Paulo, going from 80 professionals to over 200 in only one and a half years.

2005, A world of solutions

The year began with a fire at the Windsor building (our headquarters in Madrid), a significant challenge that was successfully overcome and did not prevent us from increasing our staff by 46% and strengthening our activity with major international players. In 2005, we enlarged our Mexico City and Santiago de Chile offices and also strengthened our Support Services Unit.

2006, The value of a committed team

With an increasingly expanding brand, the New York office was enlarged, the milestone of 500,000 consulting hours was

exceeded and the Firm threw its weight fully behind the creation of a R&D unit to be at the forefront of knowledge. Social action and sport became part of the Firm's everyday life.

2007, One Team

In 2007 Management Solutions had over 500 professionals, growth of 40%, and a client portfolio of more than 300 leading organizations. Year 2007 also saw the publication of our first Corporate Social Responsibility Report.

2008, Passion for the future

The Firm's strategy going forward included expanding presence in more and more markets and geographies; this fact led to the launch of our first projects in Asia, entry in the Portuguese market, the opening of our London office, and to our expanding

2003	2004	2005	2006	2007	2008
<ul style="list-style-type: none"> - First full fiscal year - Went from 80 to 130 professionals - 90 clients - 9 offices: three in Spain (Madrid, Barcelona, Bilbao) and six in the Americas (USA, Puerto Rico, Mexico, Brazil, Chile, Argentina) - Start of industry events (Spain) 	<ul style="list-style-type: none"> - 200 professionals - 130 clients - 10 offices (opening in Italy) - Regular projects in UK, Italy and Portugal - First industry publications (newsletters) - First program to support the university and academic world 	<ul style="list-style-type: none"> - 290 professionals - 180 clients - Destruction of our headquarters (Windsor building, Madrid) - Expanded our presence in the Americas (activity in Mexico and Chile) - Creation of our Global Resources Unit - Creation of our Social Action Group in Spain 	<ul style="list-style-type: none"> - 370 professionals - 240 clients - Exceeded half a million consulting hours - Expanded our New York office - Created our global R&D unit - Internationalization of our Social Action Group (Europe, Americas) 	<ul style="list-style-type: none"> - Over 500 professionals - 270 clients - 11 offices (opening in the UK) - Publication of our first Corporate Social Responsibility Report (2005/2006) - Launching of the patronage and sponsorship programs 	<ul style="list-style-type: none"> - 650 professionals - 300 clients - 12 offices (opening in Portugal) - 37% revenue growth - First projects in Asia - Industry internationalization (energy and telecommunications) - First regional event in Latin America (conference on Basel II impacts)

the energy and telecommunications practices to other countries, and organizing the first regional conventions in Latin America.

2009, New challenges, same principles

In 2009, despite an increasingly adverse scenario, we reached one million consulting hours and initiated activities in Germany, while maintaining a sustainable and diversified growth strategy. The Firm expanded its presence to other geographies and industries, and reinforced its support of universities.

2010, Spirit of achievement

A permanent effort was made to extend and adapt our range of solutions in order to provide the best response to our clients' needs. Also this year, we expanded our horizons by opening new

markets such as in Switzerland and Peru, and globalizing the social action and the sports club with activities in all our offices.

2011, Values that make the difference

Despite a market in decline, Management Solutions was able to increase its activity to achieve a growth rate of 19%, strengthening its commitment to talent, reaching the size of 1,000 professionals and opening new offices in Beijing and Warsaw, as well as enlarging its offices in Lisbon, Lima and Buenos Aires.

2012, Generating trust

2012 was another successful fiscal year in which we collaborated with more than 450 clients and expanded our boundaries with the opening of a new office in Bogota and two more offices in the

United States (Massachusetts and Alabama). We continued to foster knowledge-sharing with new regional conventions in the Americas. Our commitment to training was further demonstrated through the launch of the first Master's Degree in Business Consulting, developed jointly with the Comillas Pontifical University in Spain.

2013, Focused on our clients

With growth over 15%, 2013 was a successful year, especially in the Americas. We reached more than 500 clients (large global or local leaders in their respective markets), the activity with regulators and supervisors was strengthened, and internal functions were enhanced to improve efficiency and control of our activity (creation of the Internal Audit function, review of global and local policies and procedures, external certification on the quality of processes –ISO 9001-, etc.).





3

2013 milestones

Management Solutions continues to focus on profitable growth and is becoming increasingly international and more diversified from both an industry and a geographic viewpoint. Above all, Management Solutions has an outstanding portfolio of global and local clients who are leaders in their respective industries.



15% revenue growth
50 new clients
More than 300 new projects

Focused on our clients

Our goal is to become our clients' trusted partners, exceeding their expectations



In 2013 Management Solutions grew beyond its budgeted forecasts, again increasing market share, and achieving diversified, sustainable and profitable growth regardless of economic cycles.

As every year, Management Solutions hosted its Annual Convention in July, during which achievements were reviewed and the goals for the following year were set. This time, two slogans presided over the Convention: first, "10 years making things happen", which commemorated the first decade of the Firm's activity; second, "Focused on our clients", a motto chosen to emphasize what has been our focus during these ten years. At Management Solutions, the client is at the center of all our operations.

For the past ten years, we have embarked on a constant and systematic pursuit of excellence in a quest to fulfill our mission: creating value propositions for our clients and committing to their effective implementation. We are aware that the client is our *raison d'être*, and that we are what our clients have decided us to be. This firm conviction has guided all our steps since our incorporation and will continue to guide us in the future. Putting clients at the

center of our activities and taking on their challenges as our own has made us strive to be better and have passion for a job done well, with rigor, integrity, solidarity, perseverance in the pursuit of our goals, commitment and dedication to service. In short, it has made us continually pursue excellence, which in turn requires a combination of talent, effort and training.

For yet another year, we have approached each project differently: our commitment to clients, in-depth knowledge of the business in which they operate and excellence in implementation are values that define our Firm. In short, we make things happen, clearly setting our priorities: first, the client, then the team, then oneself. Acting with integrity and solidarity, understanding that the best reward is reaped by generously being of service to others; applying a critical approach so that, from an in-depth knowledge of the business and social reality, we can rethink existing business models, ways of acting and objectives that are not generally evident. With a spirit of excellence, we have been able to generate trust, acting with humility, from the understanding of our own limitations, which has encouraged us to continue to grow in knowledge and skills.

Thanks to being focused on clients, 2013 has been a year in which Management Solutions has again achieved all qualitative and quantitative objectives set in its 2012 Yearly Meeting. Despite an adverse macroeconomic environment (with countries moving at different speeds, no clear pattern of reference, big uncertainties, a weakened financial system, high debt levels and unsustainable unemployment levels), our position has been strengthened this year, providing us with a solid foundation to achieve our future objectives.

As a result, Management Solutions has become a team of over 1,300 professionals, who exercise responsible leadership of the consulting business in regulated industries (finance, energy and telecommunications).

Geographically we continued to expand our sphere of action to enter new markets while maintaining our business in countries that have historically been the focus of our core activity, enhancing our multi-location strategy but above all maintaining a global approach. This dual strategy has enabled us to significantly increase our activity in the main economies of the Americas and to strengthen our presence in new markets in Europe, Asia and Central America.

We are still in the transformation processes regulated industries are going through, defining new business models and, as a result, adapting our range of services and solutions. We have adjusted our value proposition to the current market context, especially in regard to the impacts derived from policy and regulatory changes, the transformation of the risk and finance functions, capturing efficiencies and making new business models operational. All this has led to balanced growth in all our service lines. We have also continued to take steps towards industry diversification, definitively internationalizing our energy and telecommunications practices by increasingly taking on projects in new geographies and entering new financial subsectors.

As a result of this, and assisted by our close relationship management model with clients in which all the Firm's professionals participate, we have continued to expand our client base, a portfolio composed of large multinationals, corporations and local leaders, to which we have added over fifty new clients in the past year. We have also increased our presence in many of the entities with which we were already collaborating, extending our services to new areas and business divisions.

This business growth would not be possible without the extraordinary team of professionals that make up our Firm, a team of professionals that makes us stronger and enables us to enhance all our skills. A talented and committed team that has inherited a strong corporate culture based on values that make the difference and are the foundation on which Management Solutions' success lies. A team that has grown by more than two hundred new staff during the year despite the unfavorable economic context. Also this year, we have strengthened our management capacity significantly and taken the "one team" concept one step further. As a result, the Firm currently has a truly global, international, multidisciplinary, fully integrated, balanced and young team which gives a differentiated response to the challenges our clients bring to us.

For yet another year we have exceeded our goals in all geographies in which we have a presence, in all industries in which we operate and in all lines of service we provide. We have a long way to go and the challenges will continue to be enormous, but our performance, our culture and our values speak for us and allow us to face the future with hope and confidence that we will continue to make things happen, overcoming adversity and always developing our organization focused on our clients.

"The client is at the center of all our operations"



José Ramón Gorrochategui
Partner at Management Solutions

At Management Solutions we have set clear priorities: first, the client, then the team, then oneself.

We are totally client-oriented professionals. We look to support our clients, they are our *raison d'être*. We are here today because our clients wanted us, and we are very aware of it when planning our future.

We are fully committed with those that have placed their trust in us. We work as a single team, which knows how to combine the talent, knowledge and skills of all our professionals and to offer value-generating solutions.

Our main goal is to become our clients' trusted partners and we endeavor to do so by paying constant attention to their needs and developing a lasting relationship model, creating value for both sides.

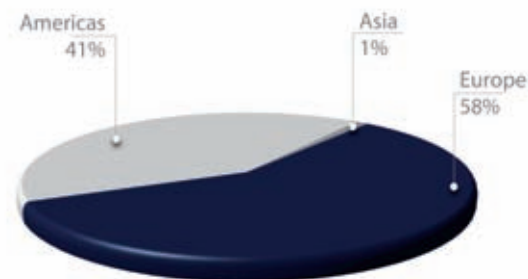
Diversification



During 2013 we continued to pursue our diversification strategy:

- ▶ Maintaining consistent growth in the Americas, Europe and Asia.
- ▶ Consolidating the global nature of our business in all of our markets, entering new sub-sectors within financial institutions, gaining share in Energy (Electricity and Oil&Gas) and boosting our business activity in the telecommunications industry.
- ▶ Maintaining strong client portfolio growth.
- ▶ Adapting our solutions offering, with a focus on core competencies:
 - Strategy
 - Sales and marketing management
 - Risk management and control
 - Management and financial information
 - Organization and processes
 - Applied technology

Geographical diversification¹



Americas

- ▶ Sound organic growth in all countries in the Latin American region (+25%)
- ▶ Successful opening of the Bogota office
- ▶ Strong growth of +30% in the USA
- ▶ Increased activity in countries without an office (+50%): Venezuela, Panama and Central America

Europe

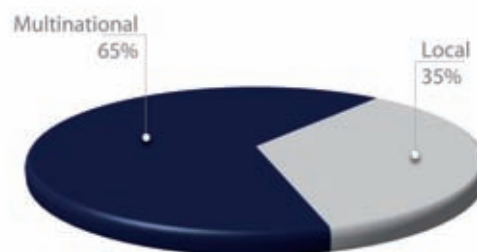
- ▶ Important growth in UK operations (+70%)
- ▶ Recurrence in Switzerland, Germany and Poland
- ▶ Good results in Portugal and Italy (+15%)
- ▶ Large increase in activity in Nordic countries (x3): Denmark, Norway, Sweden and Finland
- ▶ Increased activity in countries without an office: France

Asia

- ▶ Maintenance of operations and promotions in China

¹Measured in consulting hours

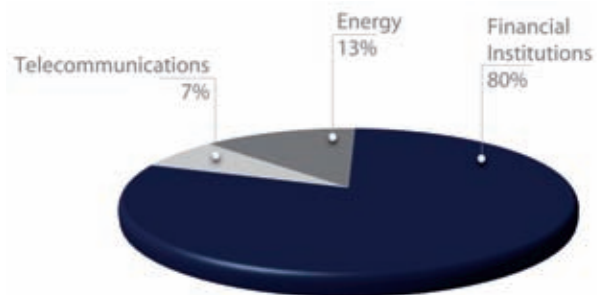
Client portfolio diversification¹



- ▶ More than 500 active clients
- ▶ More than 50 new clients (large multinationals and local leaders)
- ▶ Strengthened relationship model with all clients and targets (fostering the role of executive teams)
- ▶ Intensified our relationship with Central Banks, Regulators, Supervisors, Supranational Bodies and other public institutions, both in Europe and the Americas

¹Measured in consulting hours

Industry diversification¹



Finance

- ▶ Growth of operations in big clients (+18%)
- ▶ Consolidation of our positioning on the "new map" of financial institutions
- ▶ Leadership in the process of regulatory compliance ("regulatory tsunami")
- ▶ More intense activity in countries with Regulators and Supervisors
- ▶ Greater exposure of R&D towards our clients

Energy

- ▶ Activity increase in Oil&Gas and Electricity (+18%)
- ▶ Recurrence in our collaboration with Risk, Finance and General Services Departments
- ▶ Increase in services (business intelligence, internal control, efficiency)

- ▶ Development of strategic alliances
- ▶ International consolidation (United Kingdom, Portugal, Italy, United States, Latin America, etc.)

Telecommunications

- ▶ Strong growth of operations in this sector (+20%)
- ▶ More intense activity in Organization
- ▶ Deployment of our relationship model with large international operators
- ▶ Commercial boost in local operators
- ▶ Strengthened international dimension of our practice

¹Measured in consulting hours

Diversification of solutions¹



Over 620 projects (more than 300 new):

- ▶ Strong growth in projects linked to the cycle (Risks and Transformation)
- ▶ New projects on financial information (Accounting and Management Control)
- ▶ Increase in projects on strategy and business management
- ▶ Enhancement of regulatory projects (RRF, RDA, CVA, EMIR, Conduct, etc.)

- ▶ Development of our proprietary solutions:
 - MIR: comprehensive solution for the management and control of credit risk and capital
 - SIRO: integral solution for the management and control of Operational Risk
 - Paladin: anti-money laundering solution

¹Measured in consulting hours

Growth



Profitable growth

Our high internal organic growth levels guarantee a career progression model far superior to that of our competitors.

R&D&innovation

Investing in R&D&I and training as key differentiating elements in our value proposition to the market.

Organizational flexibility

A fluid and continually adapting organizational structure oriented towards value creation allows us to adequately respond to our high growth levels.

Human Resources Management

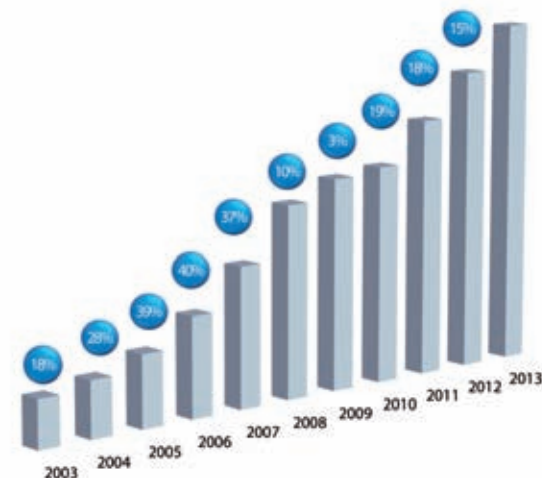
Our partnership model guarantees career progression that rewards individual merit for all our professionals.

Profitable growth

- ▶ Growth of 15%¹
- ▶ More than 1.7 million consulting hours
- ▶ Gaining market share
- ▶ Organic and sustained growth:
 - All types of clients
 - All countries
 - All industries
 - All service lines
- ▶ Actively managing inventory, billing, receivables and liquidity

¹Exceeding annual revenue of USD 200 million in consulting hours

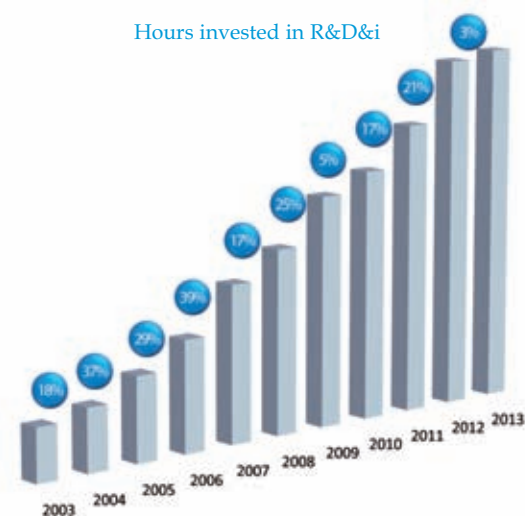
Turnover growth



R&D&innovation

- ▶ Investment equivalent to 10% of the Firm's capacity
- ▶ Permanent structure composed of 3 teams:
 - Methodology
 - Knowledge Management
 - Economic analysis
- ▶ Global coverage (all countries, industries and service lines):
- ▶ Joint Ventures with universities
- ▶ R&D Global Plan:
 - +200 actions (capital, stress testing, origination, CRM, conduct, etc.)
 - +60 internal and external publications
 - Regulatory updates
 - Dissemination of relevant news
 - Quantitative training

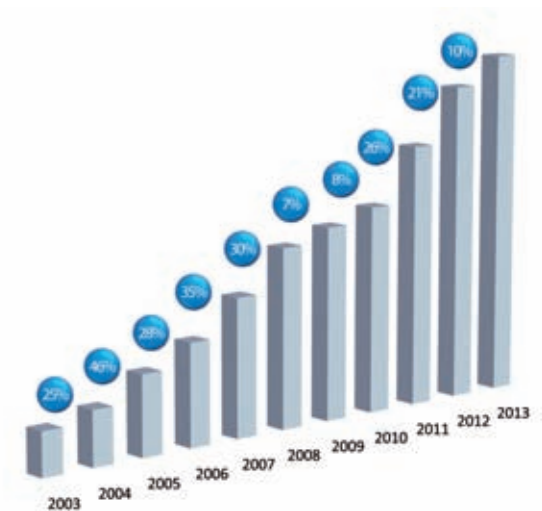
Hours invested in R&D&I



Human Resources Management

- ▶ Growth from the base (over 200 new hires and more than 90 internships in 2013)
- ▶ Optimized global pyramid structure (One Firm) with a focus on the Firm's growth drivers
- ▶ Reinforced top management line (2 new Partners and 9 new Directors)
- ▶ Increased management capacity (more than 65 new Managers and Supervisors)
- ▶ New responsibilities assigned to the management team (geography, industry, client)
- ▶ Merit based promotion
- ▶ Excellence in talent recruitment (with greater geographic specialization): over 100,000 resumes received and 200 new professionals hired
- ▶ Increased presence in universities and post-graduate courses:
 - Present in more than 175 faculties in Europe, the Americas and Asia
 - More than 100 cooperation agreements and senior projects
- ▶ Strengthened executive assessment program
- ▶ Strengthened biannual mentoring program (trying to align the Firm's needs with those of their professionals)
- ▶ Enhancement of variable remuneration (focus on talent)
- ▶ Acceptable employee turnover levels (15-20%)
- ▶ Emphasis on training:
 - + 350 courses (80 new)
 - + 110,000 hours (+25%)
 - Over 600 hours of training for professionals in their first two years
 - Training Plan constantly adapted to professional needs
 - Continuous improvement of training program (more complete, updated and global):
 - First Master's Degree in Business Consulting (Comillas Pontifical University)
 - New content (Organization, Systems Architecture, Financial Statements Analysis, Economic Analysis, etc.)
 - External complement: training for executive team, FRM, CFA, etc.

Annual percentage increase in number of employees



Organizational flexibility

- ▶ Consolidation of our global Support Services structure:
 - Global roles
 - Regional roles
 - Local roles
- ▶ Group-wide policies and procedures
- ▶ Process reengineering with a focus on efficiency and control
- ▶ Creation of the Internal Audit area
- ▶ Strengthening of quality plans (comprehensive Quality Assurance plan)
- ▶ Technology and telecommunications renovation plan

Support Services Structure



Communication



Communication

- ▶ Increased web and intranet content
- ▶ More publications (7th CSR Report, 7th Financial Newsletter, 5th Telecommunications Newsletter)
- ▶ Quarterly economic outlook report (14x4) and technical notes on regulations
- ▶ Increased presence in forums (regulatory and industry) and universities
- ▶ Strengthened social action, sponsorship and Patronage:
 - More than 25 activities: Solidarity Summer, Concert and Film Screening, Basic House, Cestinhas of Pascoa, Magi, Solidarity Races, blood donations to the Red Cross, donations of computer equipment to various organizations, etc.
 - New partnerships with NGOs and foundations
- ▶ More Sports Club activities in all our offices (more than 300 participants in different offices/disciplines)

- ▶ Building a brand based on our firm commitment to society.
- ▶ Supporting the academic world through agreements, internships and teaching specialized courses.
- ▶ Sponsoring and supporting cultural, sporting and artistic activities.
- ▶ Maintaining a presence in prestigious forums and institutions in all our areas of activity.
- ▶ Helping those who are most in need through solidarity activities within our sphere of action.





“We have continued to grow despite the adverse macroeconomic environment”

It gives all Management Solutions professionals great pride and satisfaction to see how, once again, we have exceeded all of our goals, despite the complex economic environment experienced by many of the countries in which we operate.

Achieving this has not been easy. Our merit lies in an extraordinary team of professionals, a team that has shown a spirit of excellence, a well-prepared, well-trained and united team,

committed to work and that has always been able to put the client first.

We have spent over ten years making things happen and always...

... focused on our clients.



Ignacio Layo
Partner at Management Solutions



4

Committed to our clients

Consistently exceeding the expectations of our clients is instrumental to building our leadership position in the business consulting industry.

A close-up photograph of two hands shaking in a firm grip. The hands are wearing dark suit sleeves and white shirt cuffs. The background is blurred, showing other people at tables in what appears to be a conference or meeting room.

More than 500 clients
More than 30 countries in which we operate
7 specialized publications

Client focus

The client is the reason we are in business and is therefore our main management priority



Management Solutions is defined by its clear client-oriented approach, working closely with clients and striving to exceed their expectations to become trusted partners in joint projects. We commit to a point that goes beyond our own goals as a company, building a relationship model that allows us to gain in-depth knowledge of our clients' specific needs and deliver differentiated value to each one of them.

Management Solutions always offers value-added services that stand out due to the lasting nature of the results achieved, their practical approach and their customization to meet the client's needs.

Client diversification

Management Solutions implements a strategy for sustained growth supported by client portfolio diversification and a balance between various client types. At the year end, Management Solutions had more than 500 active clients, grouped into three major segments: multinationals of American or European origin, local entities, and national or regional confederations; all leaders in their respective markets.

Management Solutions selected as reference consultants for the FSA

The FSA (regulator for the entire UK financial system), including its successors the FCA (Financial Conduct Authority) and the PRA (Prudential Regulation Authority), in addition to the Bank of England, conducted an open process to select reference consultants for the next four years.

The selection process included an assessment of specific aspects concerning the Firm, elements of a technical nature (including project approach, quality control policies, client relationship model, resource and project management, values and culture, etc.) and of a commercial nature.

Additionally, Management Solutions has strengthened its relationship model with regulators (central banks, international organizations, supervisors, etc.) of the main industries in which it operates.

Global model

Management Solutions has a strong presence in local markets, but always proceeds under the guidelines of global corporate policies. The pyramid structure means there is only one firm, which responds to a global model, it is not an association of local firms under a single brand. Acting as a team and feeling as part of a team, sharing the mission, objectives, culture and values of the Firm, is essential to successfully tackle transformation processes as well as our clients' strategic challenges.

Quality control

Providing top quality service is at the core of our business

As a professional services firm, our mission is to develop solutions that help our clients to fulfill their objectives as effectively as possible. We are firmly committed to offering services of the utmost quality, as this is the underlying motive of all our actions and the driving force behind our growth.

For this reason, all our internal processes are subject to strict quality rules in the belief that, with the support of our highly conscientious professionals, they will facilitate the achievement of this fundamental aim. This level of quality is based on the expert training of our professionals, for whom there are ongoing training and refresher plans, and on the direct and active participation of more experienced members of staff in each project.

Quality control methodology

The main aim of our quality system is to guarantee that every job meets the levels of quality, value and service expected by the client. Accordingly, as a minimum, we must ensure that:

- ▶ There is coherence and consistency between the job to be done and the final product, with both clearly documented.

Management Solutions launched its Quality and Internal Audit Area

Management Solutions created its Quality and Internal Audit Area in 2013 in order to strengthen the Firm's current control framework in an increasingly complex and demanding environment.

The scope of this area covers both business and support functions across the Firm's units.

- ▶ The necessary knowledge and experience have been applied.
- ▶ The specified work has been carried out competently and has been correctly documented.
- ▶ The final products satisfy the specific requirements and have been produced within the agreed upon timescale.

The methodology applied begins by breaking down each project into its different vertical stages or activity groups as well as horizontally, into the tasks of which it is composed.

Furthermore, for each stage we detail the activities to be performed, the techniques required to tackle them, their order, and, for each activity, the resulting products or deliverables as well as those involved according to their degree of responsibility.

We perform quality control from the beginning to the end of all projects in order to guarantee quality levels both internally and externally.

Management Solutions awarded ISO 9001 quality certification by AENOR

The Spanish Association for Standardization and Certification (AENOR) recognized that the quality management system of the Firm's business consulting and related technology activity both conform to the ISO 9001 standard.

UNE -EN ISO 9001 certification shows that the quality management system implemented by Management Solutions meets the highest standards of quality, assuring resource availability, process control and continuous improvement in the provision of our services.

Quality control methodology

Activities

Review of project scope
Definition of review milestones
Design reviews
Intermediate review
Final review
Project file

Deliverables

Review plan
Review reports
Design intermediate review reports (for internal use)
Final analysis
Final report

- Proposal accepted by quality control
- Document of acceptance from client
- Authorized quality control documents
- Finance and billing structure
- List of deliverables
- Client satisfaction survey

Commitment to the industry

We disseminate the knowledge that is generated by the Firm



The Firm maintains an ongoing program of external information activities, including our publications and our presence in specialized forums, while conducting specific conferences on topics whose relevance and interest so requires in any of the areas in which the Firm operates.

Publication of studies and industry reports

Impact of stress tests on the financial system

Management Solutions issued a new newsletter on the impact of financial system stress tests, summing up the state of affairs in various geographies (Europe, Spain, United States and Brazil).

Since late 2007, when several financial institutions collapsed, it has become an increasingly widespread practice in some countries to conduct stress tests on banks in order to assess their robustness and identify the source of potential weaknesses that could lead to new adverse events likely to spread to the rest of the system.

In this context, the newsletter provided an overview of the stress tests, their nature and implications for financial institutions, with three main objectives:

- ▶ Describe internal stress testing practices by financial institutions, their main use in management and key methodology issues in their implementation, as well as applicable regulations in several representative countries.
- ▶ Analyze supervisory stress testing practices by various supranational and national organizations, going into the description, impacts and implications on financial institutions of various exercises conducted in recent years, and the challenges and open issues that remain.
- ▶ Conduct a retrospective analysis of a supervisory exercise by means of a quantitative empirical contrast (stress test backtesting) in order to assess its degree of accuracy, both in the macroeconomic scenarios used and in the projected capital and losses. The exercise conducted by the EBA in 2011 was used as a sample for the backtesting exercise, in particular the homogeneous analysis sample comprising the 22 participating Spanish entities.



Economic outlook report

In line with Management Solutions' growing commitment to the dissemination of knowledge, the R&D area has been publishing a "Quarterly economic outlook report" since 2008. This publication is released internally for the exclusive use of the Firm's professionals and analyzes the current economic situation, collecting and studying macroeconomic data as well as the evolution of major indicators affecting the results and prospects of each of the industries in which Management Solutions practice is focused.

The report tracks the evolution of the main macroeconomic indicators (GDP, unemployment rate, CPI, etc.) using data from the most relevant economies, drawing conclusions about the likely changes in these indicators over the coming months. The paper also reviews the evolution of key indicators affecting the Financial sector (Banking and Insurance) and the Energy and Telecommunications industries, analyzing their data as well as the figures showing the performance of large multinational organizations.

In 2013, economic outlook reports were prepared in all Management Solutions units.

Organization and participation in specialized conferences and seminars

Impacts of Basel III Convention on Latin America in Bogota

The changes introduced by Basel III in response to the international financial crisis have strong implications not only in regard to capital requirements and the introduction of new liquidity and leverage requirements, but also in the risk governance, organization, processes and systems of institutions.

While the crisis is having a more moderate impact on the Latin American Region than on the United States or Europe, its effects can certainly slow growth, although prospects remain positive. However, we must also consider that the current growth cycle can eventually lead to situations similar to those experienced in Europe and the United States if certain actions, mostly covered by Basel regulations, are not urgently implemented.

Basel III therefore represents a substantial improvement in prudential risk regulation, which also has an impact on all areas of management and raises new questions.

"Exceeding the expectations of our clients requires us to always be at the forefront of industry knowledge"



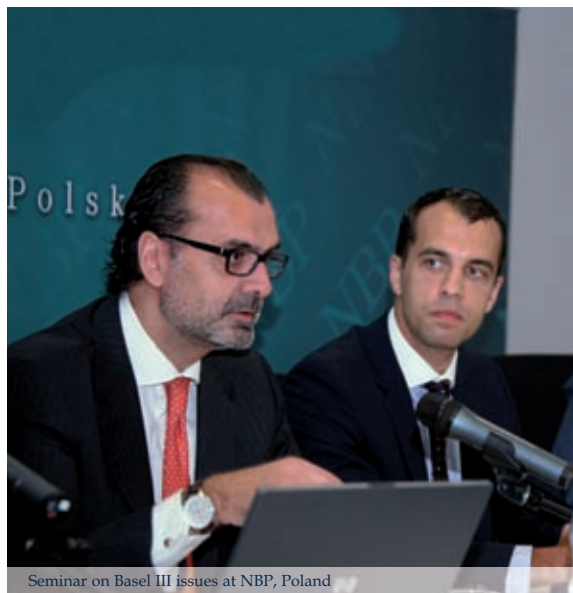
Nuria Navarro
Partner at Management Solutions

Professionals in charge of each industry are responsible for anticipating clear solutions to the main issues of discussion in the industries in which we operate and to identify best practices. Thus we fine tune our value proposition as we take on key elements derived from this industry specialization.

We focus on maintaining a selective presence in key industry forums, and on publishing expert analyses on each industry's areas of interest on a periodic basis. We seek to show our clients our commitment to be at the forefront of industry knowledge.

We also try to transfer best practices across industries, having previously identified issues that are better resolved in one industry than in another. This is possible because we work for the leading companies in all our industries and geographies.

Commitment to the industry



Seminar on Basel III issues at NBP, Poland

Improving risk management in an organization is a necessity that is emphasized by new regulatory requirements, but requires a strong effort by all involved.

In order to share experiences and views on this topic, as well as contribute with the financial industry as a whole to find solutions to common problems, Management Solutions organized a convention in Colombia where a select group of experts (regulators, directors responsible for the Risk function in large international groups and national organizations, and independent experts), shared their experience of the Basel II compliance process and their view on the new impacts of the Basel III Accord.

Conceived from a global perspective, the Convention was held in October 2013 in Bogota, giving continuity to the conventions held in 2012 at five other locations: Argentina, Brazil, Chile, Mexico and Peru, also aimed at reflecting national differences and thus enriching the analysis. Having the national supervisors, as well as major national and

international financial institutions and independent experts share their opinions turned the Convention into a unique framework to discuss the impact of Basel III on the risk management of financial institutions.

Financial Risk Congress in Colombia organized by Asobancaria

Management Solutions participated in the XII Financial Risk Congress: "Challenges, Opportunities and Trends in Risk Management" organized by Asobancaria (Association of Banks of Colombia), held in Cartagena de Indias and which attracted more than 250 participants from across the Colombian financial sector as well as other countries in the region (Panama, Costa Rica, Ecuador, etc.).

Management Solutions' presentation, dealt with "Recent trends in integrated risk management", and provided an opportunity to review the implications of current regulations on governance, organization, risk framework, risk appetite and stress tests.



3rd International Congress on Risk Management

APASEG Regulatory Compliance Conference, Peru

Management Solutions participated as the only guest speaker at the Regulatory Compliance Conference organized by APASEG (Peruvian Association of Insurance Companies).

The conference, attended by over 50 representatives from Peru's largest insurance companies, addressed regulatory issues and their implications for insurance companies worldwide, for the Latin American region in general and for Peru in particular.

Seminar on Basel III aspects in NBP, Poland

Management Solutions delivered a seminar on aspects of Basel III at NBP (Narodowy Bank Polski/ National Bank of Poland), which was attended by top representatives of the NBP, the Polish Bank Association and Polish Financial Supervision Authority.



Mr. Jorge Castaño (Financial Superintendency of Colombia), BIS III Convention, Colombia



Mr. Manuel Castro (BBVA), Mr. Alfonso Serrano-Suñer (Management Solutions), Mr. Pablo Forero (Caixabank) and Mr. Rafael García (Banc Sabadell) at CGRE

Management Solutions' presentation, entitled "Challenges for the banking system in the Basel III/CRD IV environment", addressed market trends and challenges derived from the new regulatory framework.

Congress on risk management organized by FEBRABAN in Brazil

In addition to its role as a sponsor, Management Solutions participated as a speaker in the "Third International Risk Management Congress" organized by FEBRABAN (Brazilian Federation of Banks), which was attended and addressed by representatives from the regulator and major financial institutions from Brazil as well as other parts of the world.

This congress, in which Management Solutions was present as a speaker for the third year running, is the most important event on Risk Management organized in Brazil. The goal was to share the view of regulators, financial institutions and service providers on certain aspects of the BIS III guidelines as well as other areas of risk such as advanced models, review of the trading book and counterparty risk, among others.

Management Solutions' presentation dealt with stress tests in financial institutions.

Master's Degree in Supervision of Credit Institutions in Spain

Management Solutions participated in the delivery of a Master's Degree in Supervision of Credit Institutions offered by Comillas Pontifical University, aimed at banking inspector teams.

The Firm delivered one of the largest modules in the program, which deals with Banking Risks and addresses issues such as the management and control of operational risk, credit risk and exchange risk, among others.

12th CGRE Annual Risk Conference, Spain

Management Solutions participated as a moderator in the 12th Annual Risk Conference organized by the Spanish Risk Management Club (CGREE), which was attended and represented by members of the European Commission, the European Banking Federation and Spain's major financial institutions.

Entitled "Banking Union" and attended by more than 150 people working in the field of Risk, the Conference aimed to share the view of both regulators and financial institutions on current issues of special interest for the industry, such as the European project on Banking Union and the impacts of the so called "Regulatory Tsunami" on the management of financial institutions.

Management Solutions, a patron of CGRE, took an active role in the event by chairing the first panel of speakers, which covered the topic "Regulatory Tsunami: Impacts on the strategic framework, organization and governance of financial institutions", and featured the participation of the Global Risk Heads of BBVA, Caixabank and Sabadell. Other speakers at the event included members of the European Commission, the Secretary of the Spanish Treasury and representatives from the European Banking Association, in addition to other heads of risk from institutions such as Santander, Popular and Bankia.

A large, semi-transparent number '5' is overlaid on the left side of the page. The background image shows a man in a dark suit and striped tie leaning over a woman who is sitting at a desk, looking at a laptop. The scene is dimly lit, with a warm, yellowish-gold tint.

5

Committed to our professionals

The human factor is an essential element in a services company such as Management Solutions, with the satisfaction of our employees being key to our success. For this reason, we strive to create the best environment for them to develop their talent.





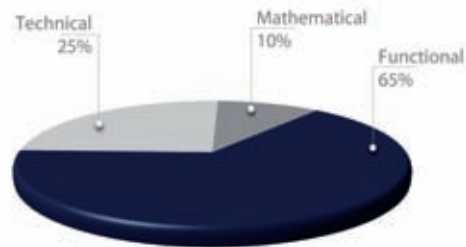
More than 100,000 résumés received
More than 200 new recruits hired
More than 110,000 training hours provided

The human factor at Management Solutions: “one team”

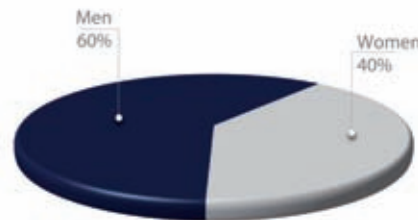
We strive to provide our professionals with the best environment to develop their talent

Distribution of workforce

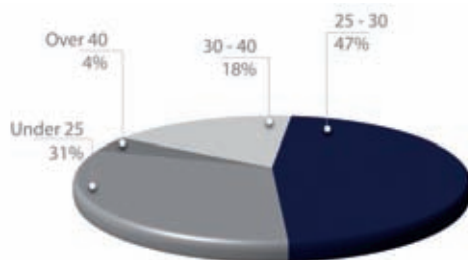
By profile



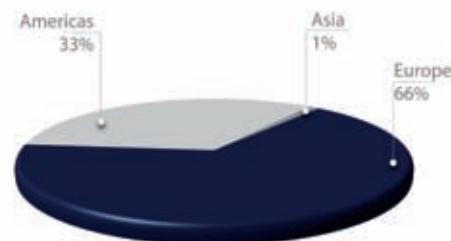
By gender



By age



By nationality



We are convinced that Management Solutions offers all its employees everything necessary for their maximum professional development, such as working:

- ▶ on the most significant consulting projects in the industry,
- ▶ for the largest companies, who are leaders in their respective markets,
- ▶ together with top business management, when faced with national and international challenges,
- ▶ and, above all, with an exceptional team of professionals, whose values and corporate culture represent a benchmark for the industry.

We are aware that optimum professional development and achieving excellence in our projects require effort and sacrifice; two words that form an undeniable part of our corporate culture. In our experience, these efforts are rewarded by our clients' recognition and by the significant achievements of our people, which shape their professional experience.

Aside from these professional rewards, the Firm pays special attention to retaining talent and to the working environment, offering everything possible to its professionals: training, technological resources, supporting documentation, accessible internal communication (Intranet), Human Resources policies (employee benefits, mentoring programs, international relocations, evaluations), medical service, etc.

Human Resources policies

In 2013, more than 100,000 resumes were received by Management Solutions offices world-wide

Recruitment and selection

In the context of dynamic market conditions and our Firm's ongoing growth, hiring new professionals and, therefore, job creation for young people, ranks among our most fundamental objectives. Recruiting the best talent is one of our challenges and, in order to do this, our Human Resources team is continuously searching for professionals who share the same corporate values as the Firm and who fit the appropriate profile (i.e. people with a solid academic history, dynamism, a drive toward self-advancement, endurance, maturity, responsibility and the ability to integrate themselves into cross-functional teams).

Recruitment is essentially carried out through the following channels: presentations at universities, job fairs, our corporate website, contacts with career services at key European and American universities and business schools and employment portals. Our Human Resources team ensures that the selection process is transparent and fair, based on equal opportunities, objectivity and candidate confidentiality.

During the process, candidates have the opportunity to find out about our values, evaluate our work methodologies and learn about the specific content of our projects.

Fostering loyalty amongst our professionals: the concept of mentoring

With the aim of motivating and cultivating the loyalty of our people we set up our Mentoring Program, aimed at all the Firm's professionals up to the level of Experienced Senior. Mentoring is carried out by the Directors, Managers and Supervisors, whose main task is to identify the concerns of their mentees, advise them and become fully involved in their training and professional career plan. The mentoring program was later extended to future professionals of the Firm (candidates who have successfully completed the selection process and received an offer letter). Future professionals are assigned a mentor (a Senior or Experienced Senior consultant) who will guide them, resolve any problems that might arise, offer advice on project types and corporate culture and

generate a feeling of belonging that will help them in the process of joining the Firm in the future.

More than 1,300 people participated in the mentoring program in 2013. More than 200 professionals (Directors, Managers and Supervisors) acted as mentors for over 1,000 professionals in their first to sixth year, contributing to their professional development within the Firm.

The mentoring program forms part of our corporate policy, which is why it is applied on a global scale and on a uniform basis throughout all Management Solutions units.



Human Resources policies

Internal career advancement

Professional career development within the Firm is one of the pillars of Management Solutions' success. A new graduate can progress within a short space of time to become a qualified professional in senior management teams.

This is possible due to two factors: a professional career trajectory and the hierarchical structure of the organization. Management Solutions guarantees a clearly defined career plan, where the development of our professionals depends purely on their own merits and the results that they have achieved. This development is also dependent on the evaluation system, which identifies their professional skills and possible areas of improvement.

In the semiannual evaluation, the project manager appraises the performance of each professional during the project and informs the professional of the results. The evaluation is an excellent opportunity to improve, to exchange comments and points of view between the evaluated and the evaluator as well as to put the right focus on the work to be done.

The cornerstone of Management Solutions' career plan and internal promotion continues to be partnership based management, offering each of the Firm's professionals the goal of becoming a member of the group of partners.

Employee benefits

Management Solutions professionals receive a number of benefits in addition to their salaries. These benefits vary depending on regulations in each country, the most common being:

- ▶ Health insurance, 50% subsidized by the Firm.
- ▶ Accident insurance, subsidized in full by the Firm: sum insured is equal to three times the fixed annual compensation.
- ▶ Life insurance, 50% subsidized by the Firm.
- ▶ Luncheon vouchers.
- ▶ Childcare vouchers.
- ▶ Car rental, for managers and above.

International assignments

Management Solutions' multinational activity is on the rise. This growth calls for increased travel between offices and, in some cases, relocation abroad. Work in other locations provides an opportunity for the Firm's professionals to acquire international experience, working in teams that are not only multidisciplinary but also multinational.

In all cases, particularly with regard to long-term postings, the goal of the Human Resources department is to make relocation as smooth as possible by taking the following into account:

- ▶ The personal preferences of the professionals involved.
- ▶ Compensation and benefits (meals and accommodation, relocation bonus, flybacks, insurance and other benefits to facilitate relocation).
- ▶ Logistical support to relocate.
- ▶ Employment, tax advice and procedural formalities.



Equality plan

Management Solutions' corporate culture establishes equal opportunities, without any form of discrimination, as one of its basic principles. For this reason, since its inception, the Firm has implemented measures to promote equality, regardless of the provisions of the legal system in each of the countries where it operates.

In order to articulate all measures implemented and to ensure strict compliance, Management Solutions has an Equality Plan that establishes the Firm's policies on equal treatment and opportunities for men and women, designed to prevent any situation of professional discrimination, direct or indirect, especially on grounds of sex, access to employment, professional classification, training, promotion, remuneration, working time arrangements, as well as the reconciliation of work, personal and family life.

Career plan

Management Solutions guarantees a clearly defined career path, where career development depends exclusively on individual merit, with no limit to professional growth.

On joining the firm, all consultants begin a professional career throughout which they will be promoted up the corporate ladder, take on new challenges and leave their previous responsibilities to the next generation of consultants.

This annual promotion system guarantees continuous development and ensures that all professionals can, over time and according to their merits, become partners of the Firm.



Training

Management Solutions places special emphasis on training its professionals, investing in more than 110,000 training hours



Management Solutions pays particular attention to the training of its professionals, devoting about 10% of its revenue for this purpose.

Our consultants join the firm with a wide variety of academic profiles. For this reason, professional life at Management Solutions begins with a training plan aimed at ensuring a strong common knowledge base that will prepare our people for the new challenges and responsibilities they will immediately assume.

In the case of Spain, the first two years of training have been designed as a Master's Degree, and all professionals joining the Firm are required to enroll in the Master's Degree in Business Consulting offered jointly by Universidad Pontificia Comillas and Management Solutions (a total of 600 hours of instruction taught over two years).

The Master's program aims to provide the knowledge and skills needed to deliver excellent performance in the field of business consulting. This includes the following:

- Mastering the basic subjects essential for the performance of consultancy work, including economics, accounting, applied mathematics and statistics.
- Knowing the regulatory framework, market trends and the current situation of the financial sector.
- Acquiring advanced expertise of the financial sector, its products, and the management of its risks and processes.

- Mastering the technological tools necessary for undertaking professional consultancy work, including office automation, statistical software and database design.
- Applying the skills and knowledge acquired in different contexts and use them to solve a wide range of problems.

In addition to the initial training plan, Management Solutions consultants have extensive training opportunities throughout their career, more than 600

hours devoted to training in the first two years, 100 hours at senior and experienced senior level and 40 hours from supervisor level onwards.

Through our training courses, programs designed for each professional category and seminars to develop specific capabilities, we aim to provide the best training opportunities to expand knowledge and develop skills.



One-day Executive Seminar

A one-day training course for Management Solutions' senior executives was held on June 20, 2013. The opening speech by Alfonso Serrano-Suñer, Chairman and CEO of Management Solutions, gave way to a number of presentations which dealt mainly with the current economic climate and the challenges facing financial institutions and were delivered this year by prominent speakers from the business and academic world:

- Mr. Alberto Terol, Director at Indra and OHL and International Senior Advisor for BNP Paribas
- Ms. Alejandra Kindelán, Deputy General Director/Director of Economic Research and Public Policy at Santander Group
- Mr. Luis Bobillo, Deputy General Director/Director of Organization and Costs at Santander Group
- Mr. Luis Echávarri, Chief Data Officer/Data and Information Manager at BBVA Group
- Mr. José Arrieta, Management Solutions Partner



Mr. Luis Bobillo (Santander Group) at the Executive Training Course in Teatro Real, Madrid

Training

Annual training hours

(by category)

Assistant 1	400
Assistant 2	200
Senior 1	100+130 ¹
Senior 2	100
Experienced Senior	80+20 ² +16 ³
Supervisor	40
Manager	40

¹FRM

²CFA

³PMP

For the purpose of advancing the knowledge areas most relevant to each region, and thus contributing to local business growth, Management Solutions offers regional courses as part of an overall training program comprising local, global and regional courses.

- ▶ *Local courses.* Courses designed for professionals in the same office or unit, always supported by the Human Resources team.
- ▶ *Global courses.* Courses designed for professionals within a single category or across categories throughout all Management Solutions offices.
- ▶ *Regional courses.* Courses designed for all professionals within a particular region.

Specialized Knowledge courses

On-site courses involving an evaluation test and being delivered by the Firm's Directors, Managers and Supervisors throughout the first years of the professional's career.

External expert courses

Specialized courses or seminars, required in order to update knowledge and information, obtain certification or provide targeted training on a specific area, for a specific project or for R&D&I purposes.

Skills training courses

Courses are taught mainly by external market leading providers, aimed at professionals from all offices who have reached the category of Senior Consultant or above.

Language Courses

Language training in English, Portuguese, Italian, German and Spanish are offered depending on the individual needs of each professional. These courses are provided on-site for all professionals, or on a one-to-one basis for Supervisors and above.

In addition, Management Solutions gives subsidies for English courses taken by the Firm's professionals abroad, provided that on their return they complete a test to show they have improved their level of proficiency.



Opening session of second intake of the Master's Degree in Business Consulting (Management Solutions - ICADE Business School)

Management Solutions Training Plan

Knowledge courses	
Business	Organization, Processes and Systems
Financial System	Organization and Governance
Wholesale Banking	Process redesign and transformation
Retail Banking	MIS
Insurance	Efficiency
Energy	Processes
Telecommunications	Back Office processes (retail and wholesale)
Economic and Financial Situation Analysis	Settlement and custody
Financial Ethics	Marketing Management and CRM
Investment Banking	Management Control
Asset Management	Information Reporting
Private Banking	Regulatory Framework
Collections	Basel II and III
Corporate Strategy and Business Risk	Solvency II
Risk Management	SOX
Market	Payments Directive
Credit	MiFID
Operational	Bank of Spain Circulars
ALM	Financial analysis and corporate management information
Integrated Risk Management	Analysis of Financial Statements
Project Risk Management	Energy industry regulations
Capital and RAROC	Telecommunications industry regulations
Risk-adjusted Return	Regulatory changes in the banking industry
Liquidity Risk	Internal Control Implementation Principles and Methodologies
Counterparty Risk	Technology/Methodology
Market Data Management: Organization and Architecture for Market Data Management	Basic Technology
Applied Mathematics	Development
Microfinance	Systems Architecture
Markets and Products	Database Design and Modeling
Fixed Income	ORACLE
Equity Income	Microstrategy
Advanced Derivatives	Business Intelligence
Credit Derivatives	Business Objects
Structured Products	Trading Tools
Exotic Options	Workshop on Trading Tools
Commodities	Methodology for the Design of Informational Systems
International and domestic financial markets	PMO Methodology
Project Finance and Corporate Finance	Statistical and Datamining Tools
	Financial Modeling
External expert courses	Skill Courses
Financial Risk Manager de GARP*	Effective presentations
PMP Certification	Negotiating
CFA Certification	Generatin business through the team
	Professional Coaching

*Possibility to prepare for GARP's FRM certification for senior consultants and above, which provides 130 additional training hours.

“We strive to provide the best environment for our professionals to develop their talent because they are the cornerstone of our business”



María José Leongentis
Partener at Management Solutions

Our professionals are truly unique, a fact that is made possible by a rigorous selection process seeking both a brilliant academic record and sound personal skills, and by the continuous support and mentoring provided to professionals throughout their career to make the most of their talent, enhance their knowledge and develop the skills they need to work as part of a team and in constant interaction with clients. We are proud to be able to offer our people the best environment to develop professionally. This is achieved by combining a career plan based on merit with a model of organic and sustained growth.

This professional development is reinforced by a training plan which is undoubtedly one of the most attractive in the market both for the quantity and diversity of the courses provided, from specialized industry and service line-related training to management and negotiation skills.

We have a training plan that has gained wide recognition from the industry due to the quality and diversity of its content, and is the only one leading to a Master's degree in business consulting after the first two years of practice.

Occupational risk prevention and medical service

At Management Solutions we have robust occupational risk prevention policies in place as well as an excellent on-site medical service



Management Solutions implements occupational risk prevention and medical service policies that comply with current regulations in the countries where the Firm has offices. Also, our professionals are able to join private medical assistance programs, as well as access other services depending on the country in which they are based.

As an example, below is a description of policies and services applicable in our main Office in Spain.

Management Solutions' Work Health and Occupational Risk Prevention Service covers four preventive disciplines:

- Occupational Medicine
- Safety at work
- Industrial Hygiene
- Ergonomics and Applied Psychosociology

The Occupational Health Service has historically covered three areas: prevention, care and counselling, having broadened its focus to include preventative medicine in 2010.

Prevention targets both the work environment and the workers themselves:

Environment

Studies on environmental hygiene and noise levels are undertaken. A risk evaluation was undertaken, and a prevention plan was established together with prevention guidelines, all of which can be accessed by all employees via the corporate intranet. Additionally, the following environmental controls are performed on a regular basis:

- Indoor air quality, which requires monitoring of airborne bacteria, fungi concentration, and CO and CO₂ levels.
- Fitness of food supplied through the vending machines.
- Thermohygienic conditions of office space, by monitoring temperature, relative humidity and light levels.
- Light levels in working areas.
- Average air velocity in the air-conditioning system.

Employees

All employees undergo a medical check-up upon joining the Firm and are offered optional health examinations on an annual basis.

Medical assistance covers work-related accidents and diseases in addition to common illness and non-occupational accidents, as well as vaccines and travel advice. Advice is aimed at employees

who engage in international travel for personal and professional reasons, as well as to Social Action volunteers.

The medical services provided include a physiotherapy service on-premises, which is available to all Management Solutions employees as necessary.

Health insurance

Furthermore, Management Solutions professionals can sign up for an optional private health assistance service, which is 50% subsidized by the Firm. In addition to the extensive catalogue of medical providers offered, this service includes an expense reimbursement method, reduced dental treatment rates, refractive surgery for short-sightedness and medical assistance while traveling.

Health information

The service offered by Management Solutions surpasses the standards set by organizations and public institutions regarding health and safety at work. The Intranet establishes a system of communication with employees that offers professionals comprehensive information regarding health, as well as risk-prevention guides and news of interest.

The Intranet also offers useful professional information to the employees. The Health Service Department prepares a series of reports which are published in the news section, available to all professionals, on the main illnesses and risks that could affect staff.

Special campaigns

Influenza vaccine

Prevention of influenza development at the start of autumn.

Cardiovascular disease prevention plan

Ongoing prevention of cardiovascular disease (heart attacks, strokes, etc.) through regular checkups, following the protocols established by the National Cholesterol Education Program, Adult Treatment Panel III.

Cancer Prevention

During routine medical check-ups, colon cancer risk stratification tests are carried out and advice is given according to the check-up results and the personal and family history, based on guidelines from the Spanish Gastroenterology Association.

For women over 35, the risk of having breast cancer in the next 5 years or later in life has been calculated following models from the American Cancer Society.

Cervical Cancer Prevention Plan

Depending on the personal characteristics of each patient, HPV tests are carried out to determine the presence of this virus in the cervix.

Anti-smoking treatments

These are ongoing campaigns according to patients' needs.

Fight against high blood pressure

Holter monitoring of blood pressure is carried out as part of the medical tests needed for accurate diagnosis.

Vaccines for international travel

Protection against illnesses on trips to certain countries. These campaigns are carried out on an ongoing basis.

Occupational risk prevention

The health service area on the Intranet contains a series of documents aimed at occupational risk prevention which can be highly useful.

Directory of risks and preventive measures

This document is a summary of the possible situations which can give rise to risks and the useful preventive measures to avoid them.



Dr. Sanz and Dr. Jiménez from the Medical Service in Madrid

Basic rules on fire prevention and handling fire extinguishers

Prevention is the key to fire safety.

Basic evacuation procedures

Procedures to be followed should the building's evacuation alarm go off.

Security of facilities outside office hours

Basic security rules to be followed while using any facilities outside office hours.

Security of clients' facilities

Basic security rules to be followed while using any of the clients' facilities.

Employee support services

The main purpose of the Resources function is to generate value for the Firm



Support areas

The main purpose of the Resources Function is to generate value for the Firm. This value generation largely focuses on the efficient provision of services to all of the Firm's professionals. Although some of these services have already been described in previous sections (Human Resources, Training, Health and Safety at Work, etc.) they extend to other areas such as Information Technology, Documentation and General Services.

Information Technology

The Information Technology area aims to provide the Firm with the technology (applications, systems and communications) required for the development and support of the business under four fundamental criteria: speed, security, mobility and connectivity; all of this under the principle of maximum efficiency.

The Firm's professionals are provided with tools enabling them to work and access information quickly and securely from various environments: Management Solutions' offices, clients' offices, from their own homes and from transit areas (airports,

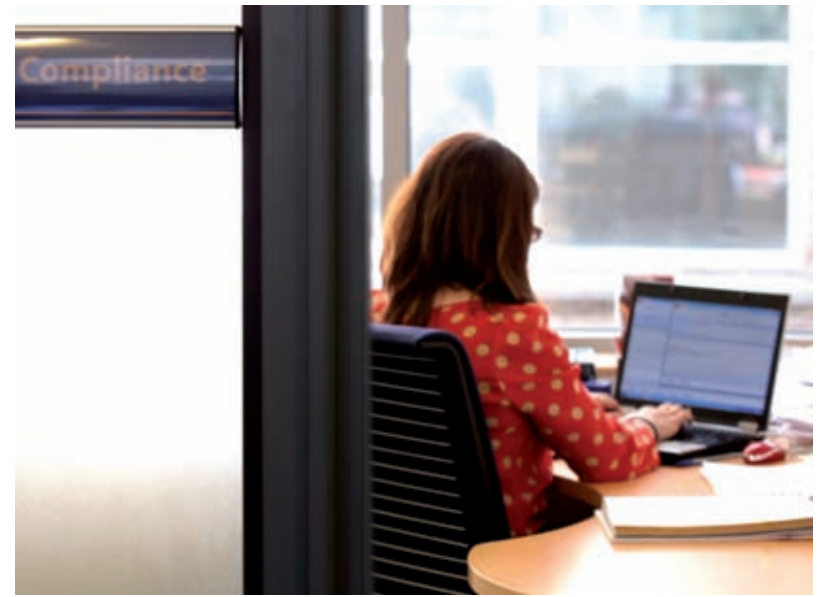
employee support services hotels, etc.). Help Desk support is provided on-site at our main offices as well as remotely, even to professionals located at client' sites, with tools that allow a remote connection.

The Firm's computer technology platform migration process was completed in 2013, resulting in improved efficiency and robustness. We also reinforced our systems and communications security policy and updated our data recovery plan in the event of a disaster, in addition to implementing the improvements identified in the Quality Plan.

Documentation

At Management Solutions, we attach great importance to information as a further means of providing our employees with support in meeting their project performance and R&D objectives. Documentation needs are covered through various means:

- Internal documentation: legislation and regulatory documents, training courses, presentations, in-house publications, etc., available via the corporate Intranet.



- External documentation: books, publications and specialized information sources, available upon request from the Firm's Library Services.

Infrastructure and General Services

Infrastructure and logistics management, graphic design, translation, etc., are services that complement all the above resources as well as add value to the work of Management Solutions' professionals.

In particular, the work of the infrastructure team is necessary to efficiently manage the opening and configuration of new offices or the expansion of existing ones.

Corporate agreements

Every Firm employee is entitled to certain benefits due only to their employment at Management Solutions.

Access to special deals on banking services for groups

The Firm provides its professionals with some of the best deals on banking services available for groups, including special conditions for salary bank accounts, cards, loans, mortgages, virtual banking, etc.

Credit card

Two agreements are in place to enable Management Solutions' professionals to access credit cards that are totally free of charge and offer special terms regarding payment, credit limits, insurance and other advantages.

Travel agent

Management Solutions' professionals can benefit from a number of advantages and exclusive prices, both with regard to business trips and to personal travel and vacations. This service is managed through the Intranet and via a site customized for Management Solutions by our supplier.

Other offers

Apart from the corporate agreements, Management Solutions frequently receives offers addressed to its employees from financial institutions, automobile concession-holders, gymnasiums, etc.

Internal communication

Internal communication is an element of integration for all Management Solutions professionals



Internal communication is not only about dissemination of corporate messages, it is a connective and cohesive element between the various teams and hierarchies composing the organization.

Corporate Intranet

Provides the main channel for internal communication other than electronic mail, and is updated, maintained and improved by the Marketing and Communication Area.

The VPN connection and MyOffice application make it possible for all Management Solutions professionals to access the corporate intranet from any location in the world without having to be physically present at any of our offices.

Year 2013 saw the completion of the Firm's multi-language intranet, which has enabled our professionals to access information and resources on the intranet in the language of their choice (Spanish, English, Portuguese).

Our corporate intranet features a broad range of content, although the following are particularly noteworthy:

- ▶ News: current news concerning both the Firm (key projects, new clients, links with universities, events, etc.) and industries or areas of activity in which we operate.
- ▶ Financial information: daily movements of major stock price indices and daily interest rate and exchange rate data.
- ▶ General Services: library, reprographic services and travel.
- ▶ Documentation: documents on rules and regulations, training courses, presentations, internal publications and reports, corporate policies, etc., classified under the Knowledge Area.
- ▶ Access to project management applications.
- ▶ Access to personal information: assignment to projects, payslips, etc.
- ▶ Marketing: corporate templates, request for merchandising material, audiovisual and photographic files of corporate events.
- ▶ Human Resources: training, social benefits, travel and relocation policies, evaluation process, medical services, corporate agreements, etc.
- ▶ Leisure website: travel, sports and adventure activities, recipes, new technology and practical advice on caring for the environment.
- ▶ Social Action Website: community and fundraising activities organized selflessly by this group of Management Solutions professionals, making it possible for volunteers to include their own suggestions.
- ▶ Sports Club website: general information, schedules, results and standings for the Firm's sports championships.





Mr. Emilio Botín, Chairman of Santander Bank



Mr. Antonio Brufau, Chairman of Repsol



Mr. José Ignacio Goirigolzarri, Chairman of Bankia

Global Yearly Meeting

The chief communications event organized by Management Solutions is the Yearly Meeting. This is an annual international convention that brings together a large part of the Firm's professionals.

At this annual meeting, the partners offer Management Solutions' professionals a summary of the results for the fiscal year, the milestones achieved and the challenges for the upcoming year, all grouped according to our six strategic pillars: diversification, profitable growth, innovation R&D, human resources management, communication, and organizational flexibility.

Moreover, those responsible for each of the Management Solutions' offices (who travel to the event in Madrid with a group of professionals representing their teams) have the opportunity to present the Firm's main achievements in their respective countries and markets, all of which have their own intricacies, while based on the corporate strategic principles.

Also, we invite directors and senior executives of our main clients, as well as representatives from the academic world, to give speeches at our Yearly Meeting. The Firm's professionals are thus provided with the opportunity to encounter different approaches and viewpoints on areas relating to our activity, delivered by top performing executives.

Yearly Meeting 2013

On July 19th 2013, some 1,000 Management Solutions professionals came together for our Yearly Meeting 2013, which reviewed the Firm's achievements in that year, set forth the challenges for Fiscal Year 2014 and featured presentations from senior executives from some of the Firm's main clients.

The Yearly Meeting, held this year at the Teatro Real in Madrid, began with a review of the current market environment from Ignacio Layo (Management Solutions Partner), and continued with a presentation by Alfonso Serrano-Suñer (Chairman and CEO of Management Solutions) that outlined the progress achieved by Management

Solutions in the year ending August 2013, and discussed the challenges for the year ahead in terms of diversification, innovation, human resources management, profitable growth, organizational flexibility and communication. Mr. Serrano-Suñer also stressed the importance of having a corporate culture based on commitment to our clients and dedication to exceptional service.

On this occasion, we were privileged to have the participation of Mr. Emilio Botín (Chairman of Santander Bank), Mr. Antonio Brufau (Chairman of Repsol), Mr. José Ignacio Goirigolzarri (Chairman of Bankia) and Mr. Julio L. Martínez (Rector of the Pontifical University of Comillas), who, in their speeches, dedicated words of recognition to Management Solutions' path of success and valuable contribution to their organizations.

Mr. Emilio Botín structured his speech around three themes: the economic environment in Spain and Europe, the strengths of Santander Bank, and the importance of innovation and customer relationships, being the focal point of Santander's strategy.



Mr. Antonio Brufau spoke about transformation processes in organizations, emphasizing the importance of change management (in an increasingly changing environment) and the role of technology and people in these processes.

Mr. José Ignacio Goirigolzarri shared his views on the bank restructuring process in Spain and in particular on Bankia's strategic approach on four key fronts: strengthening the relationship with customers, improving the return on assets, reducing the risk premium and improving efficiency.

Mr. Julio L. Martínez addressed the ethical implications of the current crisis and went on to review the stance that, in his opinion, individuals and institutions need to take considering that ethics should move from the sphere of the personal-private to that of the political-public.

The Yearly Meeting closed with a year-end dinner held at La Quinta de Jarama that same evening.

Guest speakers at previous Management Solutions Yearly Meetings

Yearly Meeting 12. Municipal Congress Palace

- ▶ Mr. Manuel Soto, 4th Vice-Chairman of Grupo Santander
- ▶ Mr. José María Abril, Vice-Chairman of Telefónica
- ▶ Mr. Antonio Huertas, Chairman of Grupo Mapfre

Yearly Meeting 11. Municipal Congress Palace

- ▶ Mr. Alfredo Sáenz, 2nd Vice-Chairman and Chief Executive Officer of Grupo Santander
- ▶ Mr. José Luis San Pedro, Chief Operating Officer of Grupo Iberdrola
- ▶ Mr. Alfonso Alonso, Global Director of Transformation at Telefónica

Yearly Meeting 10. Municipal Congress Palace

- ▶ Mr. Jorge Morán, Head of Global Insurance and Direct Banking at Grupo Santander
- ▶ Mr. José Antonio Olavarrieta, General Manager of CECA
- ▶ Mr. José Luis López, Vicepresident and Director at Banesto

Yearly Meeting 09. Municipal Congress Palace

- ▶ Mr. Francisco González, Chairman of BBVA
- ▶ Mr. Juan Carlos Rebollo, Director, Accounting and Control at Grupo Iberdrola
- ▶ Mr. Fernando Madeira, CEO of Terra Latinoamérica
- ▶ Mr. José Antonio Álvarez, CFO of Grupo Santander

Yearly Meeting 08. Municipal Congress Palace

- ▶ Mr. Ángel Cano, CEO of BBVA Group
- ▶ Mr. Francisco Iniesta, Associate Director, IESE Business School
- ▶ Mr. Honorato López Isla, Vice-Chairman and CEO of Unión FENOSA
- ▶ Mr. José María Nus, Director at Banesto

Yearly Meeting 07. Meliá Castilla

- ▶ Mr. Adolfo Lagos, General Manager of Grupo Santander
- ▶ Mr. José Sevilla, General Manager, Risk Division at BBVA Group
- ▶ Mr. Gregorio Villalabeitia, Vice-Chairman and Director at Telefónica
- ▶ Mr. Marcel Planellas, General Secretary, ESADE

Yearly Meeting 06. Meliá Castilla

- ▶ Mr. Marcial Portela, CEO of Santander Brazil
- ▶ Mr. Manuel Méndez del Río, CRO of BBVA
- ▶ Mr. Jorge Gost, CEO of Banco Pastor
- ▶ Mr. Carlos J. Álvarez, CFO of Gas Natural
- ▶ Mr. Jaime Requeijo, Head of CUNEF

Yearly Meeting 05. Congress Palace Building

- ▶ Mr. Fernando Ramírez, CFO of Repsol YPF Group
- ▶ Mr. Ignacio Sánchez-Asiaín Sanz, CIO of BBVA
- ▶ Mr. Juan Andrés Yanes, Deputy General Manager, Global Risk Division at Grupo Santander
- ▶ Mr. Francisco Gómez Roldán, CEO of Abbey Nacional PLCD
- ▶ Ms. M^a. Josefa Peralta Astudillo, Dean of Faculty of Economics and Business, ICADE

Yearly Meeting 04. Royal Theatre

- ▶ Mr. Matías Rodríguez Inciarte, Vice-Chairman and CRO of Grupo Santander
- ▶ Mr. José María Fuster, CIO of Banesto and Head of Strategic Technology at Grupo Santander
- ▶ Mr. Juan Antonio Hernández Rubio, CFO of Unión FENOSA
- ▶ Mr. Juan Hoyos, Managing Director of McKinsey Spain and Portugal
- ▶ Ms. Susana Rodríguez Vidarte, Director at BBVA Group and Dean of Deusto's Commercial University

Internal communication



Argentina Office team

Local Yearly Meetings

In 2013, more than 500 professionals participated in the Yearly Meetings held in the UK, USA, Brazil, Chile, Argentina, Mexico, Peru and Colombia, which have established themselves as a key element of each unit's internal communication strategy as they enable professionals who have not attended the Global Yearly Meeting to access the same information and feel part of the Firm's achievements and challenges.

Yearly Meeting United Kingdom

Management Solutions UK professionals came together to review the goals achieved in FY13 and discuss the challenges for FY14 during the Yearly Meeting 2013 that was held at One Great George Street Convention Center. After the presentations, the 40 participants closed the day with a dinner at the Aqua Nueva restaurant.

Yearly Meeting Argentina

The Argentina office celebrated its Yearly Meeting in Delta del Tigre, one of the main tourist areas in the outskirts of Buenos Aires, and was attended by professionals from the Argentina office, as well as those relocated in Buenos Aires from other offices.

As usual, the goals achieved in the past year and the Firm's global and local objectives in the short term were also reviewed during the event. After the meeting, over 30 professionals that attended the event enjoyed a lunch before going back to Buenos Aires by boat.

Yearly Meeting Mexico

Under the motto "Focused on our clients", Mexico's Yearly Meeting was celebrated at the Hotel Marquis Reforma in Mexico D.F. and was attended by over 120 Management Solutions professionals.

The first part of the day was spent reviewing the current economic background, the important achievements of Fiscal Year 2013 and the ambitious challenges set for Fiscal Year 2014 at both the global level of Management Solutions and at the level of our Mexico office. The Yearly Meeting finished with a gala dinner in one of the halls at the same hotel where the convention was held.



Yearly Meeting in Mexico City

Yearly Meeting United States

United States' Yearly Meeting was held in Boston and gathered professionals from the United States office, located mainly in New York, Boston and Birmingham.

Professionals attending the event had the opportunity to review Management Solutions' achievements in 2013 and the Firm's goals for the following year. After the meetings, attendees could enjoy the closing dinner, which took place in a popular restaurant in Boston.



Mexico Office team



Yearly Meeting in Sao Paulo



Peru Office team

Yearly Meeting Brazil

Brazil's Yearly Meeting, which was celebrated at the Hotel Transamerica in Sao Paulo, started with a review of Management Solutions' performance during Fiscal Year 2013 in Brazil. The Firm's global and local objectives for Fiscal Year 2014 were also reviewed. After the speeches, around 100 attendees enjoyed a cocktail in one of the hotel halls. After the morning session, the Yearly Meeting Brazil dinner was celebrated at Buffet Patioduo, a renowned restaurant where the Firm's professionals were able to enjoy a party that continued until late at night.

Yearly Meeting Peru

Peru's office professionals, as well as those relocated in Lima from other offices, gathered at the Hilton Hotel to celebrate the Yearly Meeting 2013. Under the motto "Focused on our clients", the achievements of Fiscal Year 2013 and the challenges set for Fiscal Year 2014 in Peru were reviewed.

The day closed with a dinner by the sea at the restaurant Cala, where attendees enjoyed a pleasant evening.

Yearly Meeting Chile

Chile's Yearly Meeting 2013 was held in Valle Escondido, in the outskirts of Santiago, and brought together professionals from the Chile office as well as those relocated in Santiago from other offices. More than 60 professionals attended the Yearly Meeting and had the opportunity to review Management Solutions' achievements during the past year in Chile as well as the Firm's goals for the following year.

Following in our tradition, the Yearly Meeting ended with a dinner that continued until late at night in one of the Sheraton Hotel's restaurants in Santiago.



Yearly Meeting in Santiago de Chile

Yearly Meeting Colombia

Professionals from our Colombia office gathered at Hacienda de San Luis in Chía, a resort located on the outskirts of Bogotá, to hold the Yearly Meeting 2013, in which the Firm's achievements in Colombia and its goals for the following year were reviewed.

After the speeches, 25 attendees closed the Yearly Meeting with a dinner at the restaurant Andrés DC in Bogotá.



Colombia Office team

“The Firm’s globalization in the past decade requires us to pay special attention to internal communication as a key element of cohesion and integration among all of the Firm’s professionals”



José Arrieta
Partner at Management Solutions

We are a “global” firm acting “locally”- and want to remain so, by meeting our clients’ needs in each of the countries where we operate (over 30 to date).

This is why we have established a comprehensive internal communication plan that enables us to convey general information about our Firm, its values and principles, to all our professionals, no matter where they are, while at the same time covering the specific needs of each of our offices.

Sports Club

Around 300 professionals participated in the tournaments and activities organized by the Sports Club in 2013



The Sports Club started as part of an initiative by Management Solutions to promote and facilitate the practice of sports among its professionals by organizing internal championships and sponsoring participation in outside inter-company competitions.

Internal Championships

The Madrid Office's indoor soccer and paddle tennis championships were held in 2013 for the eighth consecutive year. More than 100 professionals (divided into 10 teams) participated in the indoor soccer championships, playing qualifying games as well as play-offs for the title. In regards the paddle tennis tournament, around 100 professionals (50 pairs) participated in the three categories, men's, women's and mixed.

Also, the Buenos Aires office held its first paddle tennis tournament with the participation of ten professionals from the Firm, while 20 professionals participated in the second badminton tournament organized by the London office.



External Championships

Soccer teams in inter-company tournaments

The Management Solutions Madrid female soccer team, with a long tradition in the Firm and formed of more than 20 players, won the bronze medal at the RC Intercompany Championships organized in Madrid. Moreover the team participated again in the seven-a-side soccer championship, winning fourth place. Also, the winners of the Management Solutions internal indoor soccer championship in Madrid went on to participate at the Madrid 15th RC Inter-company Championship, held between October 2012 and May 2013. At the time of this publication, both teams are participating in the corresponding indoor soccer championships for the 2013-2014 season.

The men's soccer teams from Management Solutions Mexico and Brazil participated once again in their respective inter-company tournaments.



Soccer team, Management Solutions Mexico



"Entreculturas race", Madrid

Runs

In 2013, professionals from the Brazil Office had the chance to participate, once again, in the "Pão de Açúcar" marathon, the biggest relay race in Latin America with over 35,000 athletes. Management Solutions participated with several teams comprising 22 athletes in total, running either the 10 km or the 5 km race.

Also, Management Solutions professionals participated in charity runs celebrated in several countries, such as the solidarity runs organized in Spain by Santander, BBVA, Create Foundation and Interculturas Foundation; "Ayrton Senna relay marathon" in Brazil; "Santander solidarity race" in Chile; "5K4Life race" in the United States; or the "Race for Life" and the "Grand Union Canal Half Marathon" in the United Kingdom. More information on all these activities is provided in the Social work partnerships and Social Action sections.



Participants at the "Pão de Açúcar" marathon in Sao Paolo



6

Committed to the environment

Management Solutions is aware of how its activities contribute towards sustainable growth, and is therefore committed to supporting society in the countries in which it operates. Working in partnership with the academic community, creating employment, upholding respect for human rights and caring for the environment are a part of its corporate strategy. The Firm's growth is managed as to be compatible with the principles of sustainable development.



*Management***Solutions**

Making things happen



100 collaboration agreements with universities

More than 6,000 Social Action volunteers

30 social action campaigns

University

University interaction is key to our social responsibility policy



For Management Solutions, interaction with universities is at the heart of its relationship with the social environment. Besides contributing towards the creation of jobs for new graduates and providing young people with the opportunity to develop an excellent professional career, Management Solutions maintains close links with universities in many different areas, establishing collaboration agreements to provide scholarships and placement programs, offer expert lectures and seminars, cooperate in research programs, present case studies, participate in job fairs and support university foundations and associations.

In September 2012 Management Solutions strengthened its commitment to universities with the creation of the first Master's degree in Business Consulting in Spain, which has been organized in collaboration with Comillas Pontifical University. The second graduating class started in 2013.

Work experience programs

Management Solutions contributes to knowledge transfer between the University and the Firm through agreements with the most prestigious universities, whereby the Firm is able to offer internships to students who may become future Management Solutions professionals.

Internships allow students selected by the Firm to acquire firsthand experience of the business world. Also, in many cases, these internships are decisive for the students' subsequent employment at Management Solutions. In 2013 we provided more than 100 internships.

Seminars and expert courses

Through its partners and other members of the management team, Management Solutions maintains a proactive and ongoing presence in education by designing and teaching courses within its sphere of expertise, which it does on a pro-bono basis. In 2013, the Firm expanded its training program to universities, at both the graduate and post-graduate level:

Management Solutions conducted a seminar on Operational Risk at the Faculty of Economics and Business of the University of Chile

Management Solutions participated as a guest speaker in the seminar “Identification and Assessment of Operational Risk in Financial Institutions” held at the University of Chile.

The seminar addressed the methodological approach in the identification and assessment of operational risk, emphasizing best practices in operational risk map definition, assessment methodologies and operational risk management in financial institutions.

- Universidad Pontificia Comillas (ICADE)
- Universidad de Deusto
- ESADE Business School
- Garrigues Study Center
- University Center for Financial Studies (CUNEF)
- CEU (in partnership with the Spanish Risk Management Club) - Financial Risk Manager, Madrid and Barcelona
- Instituto Tecnológico Autónomo de México (ITAM)
- Instituto de Ensino e Pesquisa de Brasil (Insper)
- Instituto Tecnológico del Norte de Argentina
- London School of Economics
- City University London
- University College London
- Universidad Autónoma de Madrid - Faculty of Mathematics
- Universidad Católica de Chile – Faculty of Mathematics
- Universidad de Lima
- Universidad de Chile - Facultad de Economía y Negocios
- Universidad Complutense de Madrid – Faculty of Mathematics
- Universidad Politécnica de Madrid

Cooperation agreements with universities

Europe			
Centro Universitario Villanueva	Universidad Complutense de Madrid	Universidad de Salamanca	Universidad Pontificia Comillas – ICAI
City University		Universidad de Santiago	
CUNEF	Universidad de A Coruña	Universidad de Sevilla	Universidad Pontificia de Salamanca
ESADE	Universidad de Alcalá de Henares	Universidad de Valencia	
Escuela de Empresa	Universidad de Alicante	Universidad de Valladolid	Universidad Rey Juan Carlos I
Escuela de Finanzas Aplicadas	Universidad de Barcelona	Universidad de Vigo	Universidad San Pablo CEU
Escuela de Ingeniería de Sevilla	Universidad de Burgos	Universidad de Zaragoza	Universidade Católica de Lisboa
ETEA	Universidad de Cádiz	Universidad del País Vasco	Universidade do Coimbra
Fundación San Telmo	Universidad de Cantabria	Universidad Europea de Madrid	Universidade do Minho
Imperial College of London	Universidad de Castilla-La Mancha	Universidad Francisco de Vitoria	Universidade do Porto
ISCTE	Universidad de Córdoba	Universidad Miguel Hernández	Universidade NOVA de Lisboa
ISEG	Universidad de Deusto	Universidad Pablo de Olavide	Universitat Pompeu Fabra
IST	Universidad de Extremadura	Universidad Politécnica de Cartagena	University College of London
London School of Economics	Universidad de Granada		University of Cambridge
Universidad Alfonso X El Sabio	Universidad de Jaén	Universidad Politécnica de Cataluña	University of Oxford
Universidad Antonio Nebrija	Universidad de León		University of Bath
Universidad Autónoma de Barcelona	Universidad de Málaga	Universidad Politécnica de Madrid	University of Bristol
Universidad Autónoma de Madrid	Universidad de Murcia	Universidad Politécnica de Valencia	University of Lancaster
Universidad Carlos III	Universidad de Navarra	Universidad Pontificia Comillas – ICADE	University of Warwick
Universidad de Oviedo			
Americas			
Auburn University	ITBA Instituto Tecnológico Buenos Aires	Universidad Anáhuac	Universidad Nacional Agraria La Molina
Birmingham Southern College		Universidad Autónoma del Estado de México	Universidad Nacional Autónoma de México
Columbia University	Mackenzie Massachusetts Institute of Technology (MIT)	Universidad de Chile	
DUOC UC	MIT Sloan	Universidad de Finis Terrae	Universidad Nacional de Colombia
Escuela Bancaria Comercial	New York University (NYU)	Universidad de La Salle	Universidad Nacional de Ingeniería
FAAP (Faculdade Armando Álvares Penteado)	Pontificia Universidad Católica de Chile	Universidad de las Américas en Puebla	Universidad Tecnológica de México (Unitec)
FEI			
FGV (Fundação Getúlio Vargas)	Pontificia Universidad Católica del Perú	Universidad de Lima	Universidad Torcuato Di Tella
Fordham University		Universidad de los Andes	Universidad Presbiteriana
Harvard University	Pontificia Universidad Javeriana	Universidad de San Andrés	Mackenzie
Insper	Princeton University	Universidad del CEMA	University of Massachusetts Boston
Instituto Politécnico Nacional México	PUC (Pontificia Universidade Católica de São Paulo)	Universidad del Pacífico	University of Pennsylvania
	Stanford University	Universidad Diego Portales	USP (Universidade de São Paulo)
Instituto Tecnológico Autónomo de México	The University of Alabama	Universidad Federico Santamaría	UTN Universidad Tecnológica Nacional
Instituto Tecnológico y de Estudios Superiores de Monterrey	UBA Universidad de Buenos Aires	Universidad Iberoamericana	Wharton University
	Universidad Adolfo Ibáñez	Universidad Madero Puebla	

University

Management Solutions gives a seminar on Financial Risk in ICADE (Spain)

Once again, Management Solutions collaborated with Universidad Pontificia Comillas by giving a seminar on Financial Risk under the subject "Portfolio Management" to final year students of E-2 (Business Administration and Management), E-3 (Law and Business Administration and Management) and E-4 (International Business Sciences).

The seminar provided a new opportunity for collaboration with Comillas Pontifical University, an institution with which the Firm maintains an excellent relationship, receiving ICADE's 50th Anniversary Medal in 2011.

Company presentations and job fairs

Company presentations and jobs fairs constitute a fundamental meeting point between University students in their senior year and employers. Management Solutions maintains a high profile in major job fairs; our stand attracts thousands of university graduates interested in learning more about the consultancy business, our projects and the career opportunities offered by a rapidly expanding Firm such as ours.

The value added by the participation of Management Solutions in job fairs derives from the presence of professionals from the Firm who once studied at the university in question, and whose experience can be of great value and usefulness to students in their final year as well as recent graduates who aspire to join our organization.

In addition to receiving résumés, in some cases the Human Resources department conducts psychological tests on site (in order to speed up the selection process), as well as working breakfasts with students and case studies.



Lecture for the Master's Degree in Business Consulting at Comillas Pontifical University

Management Solutions conducted a conference on the international context and business opportunities in Peru at the University of Lima

Management Solutions gave a conference entitled "International context, business opportunities and information technologies in Peru" as part of the conference cycle organized by the University of Lima for Systems Engineering students in their final years of study.

The conference looked at opportunities for Peruvian companies within this country's current macroeconomic context, highlighting the existing market needs in management and information systems for a more efficient decision-making process.

Sponsorships and Collaborations with Foundations

ICADE Business Club

Management Solutions is a member of the ICADE Business Club, a non-profit association founded by a group of former University students who are now business professionals, together with the Dean and Deputy Dean of the Faculty of Economic and Business Sciences at the University of Comillas. The purpose of this association is to cooperate with ICADE in its study, teaching and research programs, to foster entrepreneurship among its students and to strengthen relations between the University and the business world.

So far, the Firm has cooperated with some of the initiatives that the Club has embarked on, such as the 1st and 2nd Entrepreneurs Seminar and the 1st and 2nd Business Project Prize, awarded to the best business project submitted by the Faculty's senior students.

Management Solutions intends to take part in all the main events carried out in the Club's pursuit of its objectives and will be particularly involved in the teaching programs and in assisting ICADE professionals, through recruitment or other aid (grants, sponsorship of awards, etc.).

Management Solutions professionals awarded the best Final Year Projects at ICAI

The project "Liquidity risk management in financial institutions", written by Adrián de la Hera and directed by Javier Calvo Martín and Juan García Cascales, all Management Solutions professionals, obtained the second award in the category "Financial and risk management in the energy industry", which is sponsored by the Firm. The project, which deals with a topical issue of great interest, covers one of the main problems for financial institutions by carrying out a conceptual, methodological and prospective study of the current legislation in Spanish banks to identify the probability of a massive liquidity flight based on the behavior of the main macroeconomic variables.

Three Management Solutions professionals were also awarded for their respective projects. In two of the categories, two employees won first prize: José Luis Parrondo for "Integrated plan for electrification of isolated rural communities (IRC) through the use of Geographic Information Systems (GIS) applied to São Tomé Island" and Borja Gómez for "Plan for the energy rehabilitation of the Spanish housing stock in 10 years".

Juan Serra was awarded second prize for the project "Management of industrial processes in a fashion company through the use of PLM technology".



"The Firm's strong endorsement to the academic world is a pillar of our commitment to the wider community"



José Luis Carazo
Partner at Management Solutions

We maintain close links with universities in many different areas, such as collaboration agreements to provide scholarships and placement programs, expert lectures and seminars, cooperation in research programs and sponsorship of university foundations and associations.

All this adds to our strong contribution to job creation for recent graduates, as well as to the constant search of formulas that foster the relationship between universities and business.

University

Sponsorship of Awards to the best Final Year Project at ICAI

In 2011, Management Solutions joined the sponsorship of awards of the best Final Year Project at ICAI (Comillas School of Engineering), thus continuing the work carried out by the Firm to support senior year projects in collaboration with ICAI since 2005.

Organized by subject areas, Management Solutions sponsored the awards for the area of "Financial and risk management in the energy industry" by making a financial contribution towards the awards and becoming involved in the evaluation of the projects submitted, as a member of the

jury created for each area - composed of the Head of the School, a representative of the sponsoring Firm and the professor responsible for the project, which is tasked with deciding the projects awarded (two per category).

In 2013, twenty four ICAI students received the awards for the 2011- 2012 academic year. Miguel Ángel Poblet, Head of the Support Services Area at Management Solutions, gave out the awards sponsored by the Firm in an event presided over by the Rector at Comillas Pontifical University, Julio Martínez, SJ, who was accompanied by the Vice-Counselor for Education of the Madrid Regional Government, Alicia Delibes, and the School Director, Mariano Ventosa.

The Bilbao School of Engineers Foundation

In 2007, Management Solutions became a partner in the Bilbao Higher Technical School of Engineers Foundation, which aims to ensure excellence in all the educational and research activities carried out by the School of Engineers. The Foundation, created in 1997, fulfills its purpose through organizing lectures, courses and seminars, issuing reports, publications and studies, promoting research, etc. always with the purpose of improving and promoting education and research in the field of engineering. It also participates directly in the corporate world by offering prizes and awards to recognize outstanding engineering work.

Management Solutions organized consulting case studies at the London School of Economics, City University, London and University College London

Management Solutions organized consulting case studies at the main London universities. These case studies looked at the sale of portfolio assets using risk adjusted return measures as the selection criterion, a problem that the students, all of them in their final years of the Economics degree course, had to solve in the best possible way.

The result was extraordinary, both for the level of participation and the quality of the students' conclusions, while involving a new collaboration between Management Solutions and some of the most renowned universities in the United Kingdom.



London School of Economics Campus, UK



UCLU Business Society

In 2013, Management Solutions became a sponsor of the UCLU Business Society, a university society within University College London, whose main function is to support university students in their final years of study by helping them to enter the labor market through the organization of networking events, internship programs, case studies, seminars, etc.

Deusto University Foundation

The Firm works together with the Deusto Foundation (Deustu Fundazioa), of this prestigious Basque University, giving a significant donation which will be used to further the pursuit of the Foundation's purposes, including investing in and promoting research, study and dissemination projects.

Management Solutions conducted a seminar on financial derivatives at the Faculty of Mathematics of the Complutense University (Spain)

Management Solutions participated as a guest speaker at a seminar on "Interest Rates" held at Complutense University of Madrid as part of the Master's Degree in Mathematical Engineering.

The seminar covered various case studies and their resolution through the use of derivatives in the Banking and Corporates sphere, emphasizing their usefulness and applicability as a financing source and risk hedging instruments.



Rectorio building at Monterrey Institute of Technology, Mexico

Management Solutions organized a seminar at the Instituto Tecnológico de Monterrey (Mexico)

For the second consecutive year, Management Solutions organized a seminar on financial institutions for senior students of the Financial Administration course at the TEC's campus in Mexico City. The three-week seminar included the approach to and later resolution of a case study by the students on how a bank works.

This collaboration with the Instituto Tecnológico de Monterrey reaffirms the bonds between Management Solutions and one of the main universities in Mexico.

Sponsorship and patronage

The Firm keeps an active policy on sponsorship and patronage

Royal Theatre of Madrid

Management Solutions continued to sponsor the Royal Theater in 2013. Having strengthened its relationship with this institution in 2009 as the Firm's status changed from Patron to Collaborator, in 2013 and for the ninth consecutive year, Management Solutions made a donation in support of this institution. With this donation, we contribute to the dissemination, appreciation and knowledge of the lyrical arts, music and dance; to protecting, preserving and promoting the enrichment of our artistic heritage; to the defense, advancement and research of Spain's musical and operatic heritage, and to encouraging the dissemination, appreciation and understanding of these arts, as well as encouraging attendance by the general public to its performances and other activities.

This relationship was reinforced in February 2009 when Alfonso Serrano-Suñer, Chairman and CEO of Management Solutions, became a board member for the Protection of the Royal Theatre, where the institution's main sponsors are represented under the chairmanship of Alfredo Sáenz, 2nd Vice President and Chief Executive Officer of Santander Group, and whose purpose is to promote the participation of civil society in the efficient running of the Foundation and, through its Chairman, to be part of the Board of Trustees.

Spanish Energy Club (ENERCLUB)

Management Solutions is a member of the Spanish Energy Club (ENERCLUB), which was set up as a meeting point and to provide a forum for dialogue and for the exchange of ideas among companies and professionals in the energy industry, with the main aim of fostering new ideas and their dissemination on the rational use of energy, the conservation of the environment and sustainable development. Thanks to the support and financial contribution of its members, this Club has managed to sustain its activity for over 20 years in four broad areas: energy know-how, training, publications and on-line dissemination.

Spanish Risk Management Club

Management Solutions is a member of the Board of Trustees of the Spanish Risk Management Club and, with its financial contributions, helps to create and sustain the activities that form part of the Club's founding purpose.

The main objectives of this new association are to act as a meeting point and provide a forum for debate on the systems and methods used to manage, monitor, analyze and measure the risks arising from financial activity as well as to foster the exchange of ideas, experiences and opinions on best practices in this field. Its objectives also include the maintenance of close contact with

regulatory authorities and other bodies pursuing the same goals, as well as disseminating knowledge through the organization and development of FRM training programs and internet courses. As a trustee of the Club and with one of its partners sitting on the Board of Directors, Management Solutions contributes to the financing and maintenance of the various activities that are organized.

Spanish School of Actuaries

In 2013, Management Solutions joined the Spanish Institute of Actuaries (IAE) as a supporting member. The IAE is Spain's main actuarial association and a full member of the Groupe Consultatif Actuariel Européen and the International Actuarial Association. The Institute's main functions are to: represent its members in any issues related to its activity, organize and foster all kinds of studies and activities related to the actuarial profession, give information about and propose any questions on the profession while collaborating with the competent bodies and authorities when the professional activity needs to be regulated (this regulation will adhere to the most rigorous scientific and ethical principles), exercise authority over, protect and monitor the professional activities of the Institute members, resolve any professional issues that may arise among its members and establish and maintain relationships and exchanges with national or international Bodies of a technical, scientific or professional nature, pursuing activities totally or partially related to the Institute's purposes.



Board of Trustees for the Protection of the Royal Theater of Madrid, Spain

British Chamber of Commerce in Spain and Spanish Chamber of Commerce in Great Britain

In 2013, Management Solutions became a Sustaining Member of the British Chamber of Commerce in Spain, whose main aim is to strengthen ties between firms and institutions in both countries.

Belonging to this institution, together with our membership of the Spanish Chamber of Commerce in Great Britain since 2008, strengthens our positioning and links with leading organizations in the markets where Management Solutions operates.

Créate Foundation

Management Solutions is a founding trustee of the Créate Foundation, a not-for-profit organization established in 2011 that seeks to promote change towards a more dynamic, competitive and flexible economy, based on a society where people are able to create their own projects, thereby generating wealth and wellbeing for their community and environment. As part of its Board, Management Solutions contributes to the Créate Foundation's mission: to help develop values, attitudes and entrepreneurial skills through early education of children and youth.

Educational program “We create our company”

In 2013, as part of its work as a member of the Créate Foundation board, Management Solutions once again encouraged its professionals to become involved in the “Creating our own company” initiative, a plan launched in 2012 to foster the entrepreneurial spirit in fifth and sixth grade primary school children; helping them to develop skills and capabilities such as initiative, creativity, opportunity seeking, self-confidence and responsibility, assisted by the knowledge offered by professionals from different areas.

One of the basic objectives of the program is the step-by-step definition and creation of a company by the student groups, starting with the preparation of a business plan, logo creation, process development, funding studies, etc. The program ends with the presentation and sale of products/services to a market. In one of the phases, once the “companies” were running with their processes fully defined, the students shared a session with Management Solutions’ professionals that gave them a personalized assessment, helping them to define their activity and conceptualize their sales targets.



Program “We create our company”, Créate Foundation

Management Solutions’ professionals also had the opportunity to participate (as volunteers but also as potential customers of the companies created by the children) in Expokids, the final project event where all participants were able to show their work, sell their products onsite and/or obtain funds from the “investors”.

Social work partnerships

Management Solutions organizes regular social work activities in partnership with clients and NGOs



Management Solutions' professionals regularly participate in campaigns and charitable projects organized by some of our major clients, supporting them and assuming their charitable purposes as their own. Activities such as attending concerts and solidarity galas, participating in workshops for integration to help groups of disadvantaged people, etc. All of which were organized for charitable purposes, have had the participation and involvement of our professionals.

Microfinance project

The BBVA Foundation for Microfinance is a not-for-profit entity whose purpose is to promote access to credit and other financial services for society's most disadvantaged groups in order to facilitate the development of small-scale productive activities, thereby contributing to improving the living standards of families and to the sustainable development of the communities in which the Bank operates.

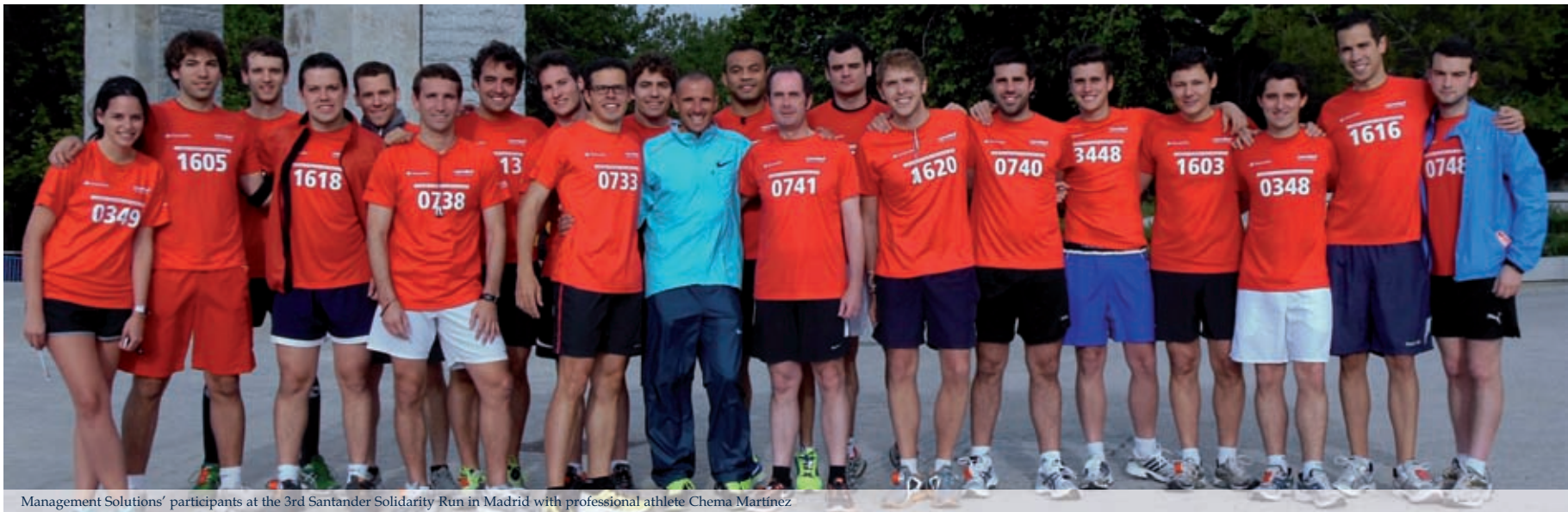
The Foundation has initially focused its efforts in Latin America (work is already underway in Peru and Colombia), since this region constitutes the network's corporate center, and, in addition to capital, will benefit from shared

governance and management systems, a common technological base, facilities to raise finance on international markets, the general advantages derived from economies of scale and from the scope afforded by a network such as this.

Management Solutions, in coordination with the Foundation's Risk Unit, has devised a plan to cooperate and support the BBVA Microfinance Foundation in the following Risk-related areas:

- ▶ Designing and implementing a risk model for microfinance that uses internal models as its greatest novelty.
- ▶ Developing internal models for the microfinance segment in Colombia and adapting these models to the rest of the network.
- ▶ Designing and implementing a technology platform for risk management.

A project for the redesign of operational processes in the field of microfinance was also launched in order to increase the commercial and operational efficiency of business processes.



Management Solutions' participants at the 3rd Santander Solidarity Run in Madrid with professional athlete Chema Martínez

Solidarity Program at work in collaboration with AECC

In March 2012, Management Solutions joined this initiative launched by the Spanish Association Against Cancer (AECC), which consists of spreading monthly health messages targeted to business groups for the prevention and early detection of cancer.

In 2013, Management Solutions continued to participate in the Solidarity at Work scheme through the distribution of AECC newsletters on healthy eating for children and young people, protection against sun damage, emotional wellbeing and health, and cigarette smoking.

Santander Race, Spain and Chile

More than 50 Management Solutions' professionals participated in the Third Santander Solidarity Run in Madrid along with Santander Group personnel and the general public, in either of two categories: 5 or 10 kilometers. Management Solutions gave an outstanding performance which ended with the victory of one of its professionals in one of the two categories.

The participation of 5,500 runners (between the three cities where the event was held: Madrid, Santander and Seville) and other contributions made it possible to raise 30,020 Euros that will go towards educational projects forming part of the *Ahora más que nunca* campaign, an initiative launched by the Red Cross to support children and adolescents facing socio-economic difficulties, train and recycle unemployed adults, and support small entrepreneurs through workshops and micro-credits.

In Santiago de Chile, a group of Management Solutions professionals took part in the race organized by Santander to raise funds for *Un techo para Chile*, a not-for-profit organization whose aim is to help vulnerable communities in some of Chile's tent towns and social housing blocks overcome their poverty through the joint work of young volunteers and residents.

The race, which featured three different courses (5, 10 and 21 km) and saw the participation of more than 8,000 competitors, managed to raise 50 million Chilean Pesos that will go toward a nation-wide campaign run by *Un techo para Chile* Foundation to eradicate poverty in the country.



Management Solutions participates in the AECC's Solidarity at Work scheme

Social work partnerships

BBVA Solidarity Run, Spain

Fifty Management Solutions professionals participated in the 7th BBVA Solidarity Run in Madrid, an event that gathered more than 10,000 runners who completed the 5 or 10 km. Management Solutions' representation was outstanding and saw the victory of one of its professionals in the 10-km senior male category.

Thanks to the participation of more than 10,000 runners and the contributions made by non-runners, it was possible to raise 160,000 Euros that went toward the "Caritas Economic Solidarity for Madrid" initiative, aimed at making essential food and hygiene products available to socially vulnerable individuals and families at lower prices.

Sport and Challenge charity golf tournament

The Management Solutions team finished second in the fourth Pro-Am charity golf tournament organized by the Sport and Challenge Foundation to raise funds for the social integration of people with physical, intellectual or sensory disabilities through sport.

The tournament took place at the Santander Golf Course in Boadilla del Monte, and included the participation of 10 teams (all composed of a professional golfer on the European circuit and four amateurs). The Management Solutions team, which had won the title in 2010, was formed of David Angulo (CEO of AVIVA Europe), Alfonso Satrustegui (Director of AON Construction), Alberto Bergaz (board member at Ruber

International), Carlos Camps (Management Solutions partner) and professional golfer Ángel Matallana.

The collaboration of sponsors and participating companies made it possible to raise 30,000 Euros that will be used to fund the sports activities organized by the Sport and Challenge Foundation for people with physical, intellectual or sensory disabilities.



Santander Solidarity Run in Santiago de Chile



Participants at the BBVA Solidarity Run in Madrid



Presentation of awards at the BBVA Solidarity Run in Madrid

Collaboration agreement with Prodis

In 2013, Management Solutions signed a collaboration agreement to support Promotor, a training program for the inclusion of young people with disabilities in the workplace, run by the Prodis Foundation, taking on professionals from this Foundation.

Prodis Foundation, whose aim is to provide people with disabilities with the necessary support to improve their lives and the lives of their families, launched the Promotor initiative in 2005 in partnership with the Autonomous University of Madrid. This initiative seeks to help people with

intellectual disabilities to design a Life Project through individualized plans based on PCP (Person-centered planning), provide occupational training adapted to individual differences that enables them to be placed in ordinary jobs, offer an employment service with ongoing support that fosters equal opportunities in hiring, retention and promotion in the workplace, provide workers who exercise their right to work in ordinary jobs with continuous training throughout their lives and give the necessary support for workers with intellectual disability to be able to enjoy their leisure time and fully participate in their community.

In order to meet these objectives, the program is structured around two streams, beginning with a "Training for Inclusion in the Workplace" course (recognized by the Autonomous University of Madrid as their own qualification), after which all graduating students enter the "Supported Employment" program, which provides them with the necessary support to join the labor market.



Social Action

The Firm encourages and supports initiatives for solidarity carried out by its professionals



Children at the Solidarity Film Screening event in Madrid

Since the Social Action Group's inception, the professionals of Management Solutions have conducted numerous activities in association with various NGOs and charities.

Blood donation campaigns

Since Management Solutions' Social Action Group launched its first blood donation campaign in 2007, in collaboration with the Spanish Red Cross, this initiative has been repeated each year and extended to other offices.

In 2013, donations were organized in all our offices in Spain, Chile and Brazil with the participation of more than 50 volunteers.

Donation of computers and cell phones

Management Solutions collaborates on regular basis with various organizations by donating computers that will be replaced in the Firm. This reduces our environmental impact and allows us to help meet the need that society's most disadvantaged groups have for these tools.

In 2013, Management Solutions donated a number of computers that were distributed between *Ayuda a la Iglesia Necesitada*, Down syndrome Foundation and Prodis Foundation.

Similarly, Management Solutions donates those cell phones and smartphones that are replaced. Last year, numerous terminals were assigned to Revita, a cell phone recycling association that collaborates with the Carmen Pardo-Valcarce Foundation.

Plastic tops collection for solidarity

At the beginning of 2013, following a suggestion by one of the Firm's professionals, Management Solutions launched an initiative across all its offices to collect plastic tops for charity in order to collaborate with the "Tops for a new life" program. This program, run by the Seur Foundation, seeks to help children with health problems who need medical or orthopedic treatment by collecting plastic tops and donating the funds raised from selling these tops to third parties.

Thanks to the success of this program among our professionals, we have been able to collect around 50 kilograms of tops.



Third annual "Entrepreneurs Run"

5K4Life Race, USA

A group of Management Solutions professionals participated in the fifth "5K4Life Race", organized by NGO Prize4Life, whose mission is to accelerate the discovery of treatments and a cure for ALS.

The race, a 5-km track through the streets of Cambridge, Massachusetts, sought to increase awareness of the need to discover treatments and a cure for ALS, as well as to raise funds for this purpose. Professionals from our US office participated in this Social Action event during a cold and rainy Sunday morning, placing Management Solutions third in the team competition.

Race for Life, UK

A group of Management Solutions professionals participated in the London edition of "Race for Life", a female 5 and 10 km run held in Hyde Park, with the aim of raising funds to finance research and cancer prevention campaigns conducted by the British association UK Cancer Research Trust.

Entreculturas run, Spain

Around 50 runners from Management Solutions participated in the Entreculturas Run in Madrid. Under the motto "Run for a cause, run for education", this charity event was also held in Seville, Valladolid and Leon (where the Firm was also represented by one of its professionals).

The race, organized by the Entreculturas Foundation (a not-for-profit NGO run by the Jesuits that promotes education as a key tool for development, transformation and intercultural dialogue), aimed to raise awareness among Spanish citizens of the educational challenges in Haiti and to raise funds to furnish 38 classrooms built by Entreculturas through its counterpart Fe y Alegria Haiti.

Thanks to the participation of some 5,500 runners (in the four cities combined) and to several donations, over 70,000 Euros were raised to support the education of more than 1,330 children that attend class in the facilities furnished by the foundation.

The event was also used to collect pendrives to collaborate with Pueblos Unidos, an NGO that organizes classes to help underprivileged children and young people in La Ventilla

(Madrid) keep up with their school work, among other activities. Management Solutions provided the organization with 50 corporate pen drives, one for each runner registered for the race, to prove the Firm's commitment to the universal right of access to education.

Entrepreneurs Run, Spain

More than 200 people (including Management Solutions professionals as well as family and business partners) represented the Firm in the third annual "Entrepreneurs Run" organized by the Créate Foundation, of which Management Solutions is a founding sponsor, in order to raise funds towards an education for entrepreneurship project in disadvantaged schools in Madrid, and to draw attention to the entrepreneurial spirit of the less fortunate.

The race brought together about 4,500 people who ran under the slogan "Run, Move Forward, Take Action" in recognition of the role of the entrepreneur in our society, and to promote education for entrepreneurship. Management Solutions' team competed remarkably in the run's three distances (5 km, 10 km, and 800 m for the Kids' Run), achieving victory in the 10 km senior male category, in which one of the Firm's professionals also finished third.



Volunteers at Madrid's Safari Park with the Down Syndrome Foundation of Madrid

Ayrton Senna Relay Marathon, Brazil

Sixteen Management Solutions' professionals participated in the tenth edition of the "Ayrton Senna Relay Marathon", a race organized by the Ayrton Senna Institute to raise funds to promote educational programs among economically disadvantaged children.

The race was held at the Interlagos track in Sao Paulo and both Management Solutions teams, which participated for the first time, managed to reach the finish line after completing the 42 km.

Grand Union Canal Half Marathon, UK

A group of professionals from the Management Solutions UK office participated in the "Grand Union Canal Half Marathon" held in London to raise funds for Tri4Japan, an organization whose aim is to assist disadvantaged people in Kamaishi (Japan) who were affected by the earthquake and subsequent tsunami that hit the population of this town in 2011.

Down's syndrome Foundation of Madrid

In January 2010, Management Solutions' Social Action Group launched an ongoing collaboration to support the Down's syndrome Foundation of Madrid, involving the organization of soccer matches between the Firm's professionals and the children under the Foundation's care. To complement this, our Social Action Group, in collaboration with the Foundation, has organized several single day volunteering events, in which some Management Solutions professionals share a fun day out with a group of children with Down's syndrome, carrying out leisure activities (for example, in multi-adventure parks or at Madrid's Amusement Park).

In 2013, our Social Action Group once again partnered with the Down's Syndrome Foundation to organize a volunteer scheme as part of which twenty Management Solutions volunteers shared a day of fun with a group of 14 to 16 year-olds with Down syndrome and other intellectual disabilities. The activity took place at the Madrid Safari park and included the participation of five 10 year-olds who were members of the

PAPERCINTU company from the Arcángel Rafael school in Madrid, and who had won the Tree Award for the most socially aware undertaking born under the auspices of the Create Foundation.

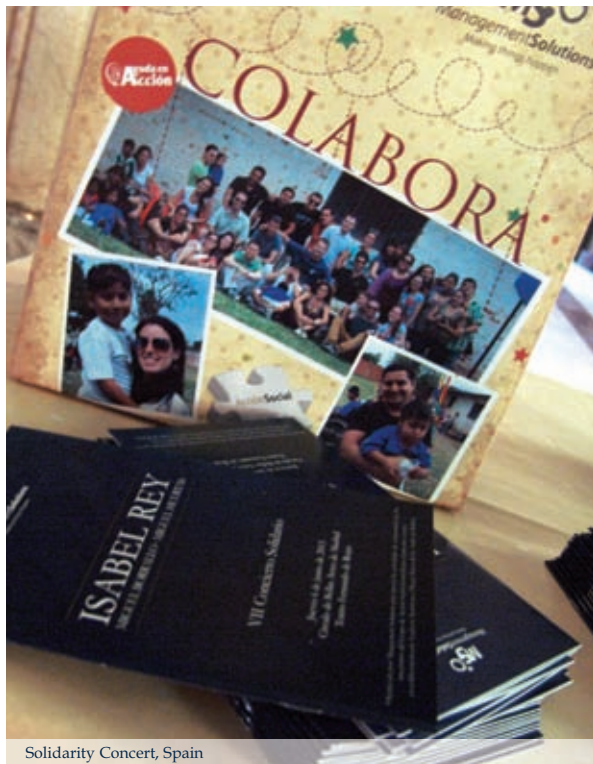
After the presentations and before the bus journey to Aldea del Fresno, participants were teamed up in pairs so as to entrust each professional with the care and tutelage of one of the children from the Foundation for the entire day.

Upon their arrival in the safari park, the group enjoyed a visit to the big cats in the mini-zoo as well as a birds of prey and snake shows. After a group lunch and a brief stroll through the Birds Corner, both children and young adults were able to enjoy the true safari experience as they watched lions, zebras, elephants, giraffes, bison, rhinoceros, hippos and other animals roaming free. The day finished at the Tame Animals Corner, where the most adventurous children enjoyed themselves as they interacted with dwarf goats and Vietnamese pigs before returning to Madrid's city center.

Boston Cares Corporate Volunteer Day, USA

A group of Management Solutions professionals had the opportunity to participate, for the first time, in the Corporate Volunteer Day organized by Boston Cares, a not-for-profit organization that promotes corporate charity campaigns in support of people and institutions without resources.

This volunteer scheme made it possible for at least ten Management Solutions professionals to help out with renovation and maintenance activities at the Curley K-8 school, an underfunded state school in Boston.



Solidarity Concert, Spain

Concert for Solidarity, Spain

On the proposal of one of its professionals, Management Solutions promoted the organization of a fundraising concert in 2007. This was the beginning of the Solidarity Concert, which has become one of the most welcomed events organized annually by the Social Action Group to raise funds for the projects in which our volunteers participate during the Solidarity Summer.

Management Solutions' 7th Concert for Solidarity was held at the Fernando de Rojas theater in the Bellas Artes center, an emblematic space for the arts in the center of Madrid that had already housed some of the earlier editions of this Concert.



Corporate Volunteer Day in Boston

The event, organized with the aim of raising funds to collaborate with the Mother Teresa Home in the Bolivian Andes (where our Social Action Group's volunteers had carried out their Solidarity Summer activities in 2013), was attended by more than 400 people who were able to enjoy the quality of the repertoire and the performers: Isabel Rey (Soprano), Miguel Borrallo (Tenor) and Miguel Huertas (piano).

For slightly more than an hour, Isabel Rey and Miguel Borrallo took charge of the stage with a performance that was full of virtuosity, strength and character. Accompanied on the piano by Miguel Huertas, they performed brilliantly, delivering a perfect combination of arias from operas as well known as *La bohème*, *Tosca*, *Rigoletto* and *La Traviata*, and pieces from popular zarzuelas such as *El Gato Montés* and *El niño judío*.

The concert was preceded by a Spanish wine reception where guests were able to chat and hear a first-hand account of the event organized by Management Solutions' Social Action Group.

Solidarity Summer

In August 2006, a group of fifteen Management Solutions professionals interested in volunteering accepted the Firm's proposal to sponsor them, by covering all travel expenses, to spend their summer vacation helping the Missionaries of Charity in Calcutta, India. This was to be the first "Solidarity Summer" organized by Management Solutions, and was followed by a similar project in Guayaquil (Ecuador) in 2007, and a return to Calcutta from 2008 to 2011.

In 2012, Management Solutions organized its Solidarity Summer program for the first time at the Mother Teresa Home in the Bolivian Andes, a center that collaborates with Spanish NGO *Ayuda en Acción* and cares for nearly 200 boys and girls that are intellectually challenged in varying degrees. The center is located in Cotoca (Santa Cruz), and was also the destination of our eighth summer volunteer program in 2013, in which 24 Management Solutions professionals from our Spain, Mexico, Brazil and Argentina offices participated.

Social Action

Tasks performed by our volunteers during their stay in the center included feeding and playing with the children as well as supporting center personnel in rehabilitation and physiotherapy activities. Volunteers were also able to run a number of projects in order to provide as much value as possible to the children, the Home and the Santa Cruz community as a whole: motivational, values and leadership workshops, database for medics and Home personnel to manage reports containing the children's details, assisting in logistics and Home maintenance tasks (such as setting up computers, painting pavillions, etc.).

The volunteers also helped the Home with their patronage program, preparing a plan to communicate with, attract and retain sponsors and partners with a goal of raising funds for

the center. All volunteers emphasized the enriching nature of the Solidarity Summer program, an initiative that has given them the opportunity to grow as people by helping others.

This new success, coupled with the growing interest of our professionals in activities of this nature and the full support of the Firm, which takes care of all volunteering costs, ensures the continuity of our Solidarity Summer into 2013 and beyond.

Christmas 2013 with Calcuta Ondoan

For the 7th consecutive year, Management Solutions partnered with Calcuta Ondoan, an NGO that supports social,

health and economic development projects in support of disadvantaged people in India, to produce its Christmas cards.

A traditional card design contest was once again organized in which more than fifty children and young artists (sons, nephews and brothers of Management Solutions professionals) showed off their artistic skills, and which produced the winning drawing, created by Sofia, age 11.

All profits from the Christmas cards went towards charity projects to run the new home-health center for high risk women that Calcuta Ondoan has established in the outskirts of Calcutta.



Solidarity Summer in Bolivia



Solidarity Summer program participants at the Mother Teresa Home in the Bolivian Andes

Solidarity Film Screening, Spain

In 2005 Management Solutions launched its Solidarity Film Screening initiative, a family activity to collect food for those in need by taking advantage of the proximity of the Christmas season and using a movie release as a way to encourage participation. In 2013, this event was again held simultaneously in Madrid and Bilbao with a screening of "Cloudy with a Chance of Meatballs 2".

The Madrid event, which held its 9th edition in 2013, was celebrated as every year at the Kinepolis cinemas and brought together more than 3,500 people, including former

members of our Firm and some of our main clients and collaborators, and their families. Thanks to the generosity of all attendees, we were able to collect almost 6,000 kg of nonperishable food and Christmas sweets, in addition to several boxes of toys that were delivered that very morning to the Madrid headquarters of the Missionaries of Charity to be distributed to people in need who visit their charitable dining facilities every day.

In Bilbao, Management Solutions' Solidarity Film Screening event was held at the Artea cinema and almost doubled the number of attendees of the previous year, managing to bring together 800 people in its second edition, including

professionals and clients, who contributed around 1,400 kg of food that was given to Caritas Vizcaya to be later donated to people without resources.

In both cities, the children were the real stars of the day and those who most enjoyed the screened movie and videos, as well as the shows and workshops offered by the actors, both on arrival and during the post-movie cocktail. Social Action volunteers organized these activities, arranging the logistics for the day and delivering all that was collected to said institutions.



Volunteers at the Solidarity Film Screening event in Madrid, Spain



Children at the Solidarity Film Screening event in Bilbao

Social Action

Solidarity Christmas

More than 300 Management Solutions professionals' once again had the opportunity to bring good cheer to those most in need through our "Christmas in Solidarity" project, which was launched for the sixth consecutive year and covered a number of initiatives in Spain, Portugal, USA, Colombia, Brazil, Peru, Chile and Argentina.

In Spain and Portugal, the "True Magi" campaign was launched for the sixth time to collect presents for children in shelters in several Spanish cities who would otherwise not have received presents on Three Kings Day. The campaign was again very well received, and the participation of around 150 Management Solutions' professionals in Madrid,

Barcelona, Bilbao and Lisbon, made it possible for disadvantaged children from these shelters to receive the gifts they had previously requested in a letter addressed to "their" private Magi. Furthermore, Management Solutions' professionals participated again as volunteers in the Christmas "posada" celebration organized by *Soñar Despierto*, the organization that collects the gifts in Madrid. Volunteers had the opportunity to participate in numerous activities and surprises organized for the children as well as giving them their gifts.

A new "Letters to Santa" campaign was organized in the United States. Thanks to the participation of a group of professionals from the Firm, gifts were collected for children that had previously asked for them in their letters to Santa.

All professionals at Management Solutions Colombia took part in the Bogota "Christmas in Solidarity" campaign, organized to buy toys and presents for a group of 35 children from a shelter in the Verbenal Sur neighborhood in collaboration with Techo, an NGO present in Latin America and the Caribbean that seeks to overcome the poverty in which thousands of people in slums live.

In Brazil, Management Solutions' professionals once again organized the "*Sacolinhas de Natal*" campaign to buy gifts and essential items for elderly residents in one of Sao Paulo's care shelters. Thanks to the participation of most Management Solutions Brazil professionals, the shelter's residents received their *Sacolinhas* full of presents, food, toiletries and clothes from the volunteers, who shared a fun afternoon with them.



Solidarity Christmas in Colombia



Solidarity Christmas in Chile

In Peru, Management Solutions' professionals helped to organize a traditional hot chocolate Christmas party at "Jardín Inicial 062", a school for children between two and five years of age located in San Juan de Lurigancho, one of the poorest districts of Lima. Thanks to the funds raised and with the participation of Social Action volunteers, a party was organized for the 200 school children, with dances, games, surprises, gifts, and a clown that delighted both kids and adults. The event ended with the traditional hot chocolate and the typical "paneton".

In Chile, the "Viejito Pascuero" (Father Christmas) campaign was organized once again in collaboration with the Tai Tai Kindergarten to collect presents for around 50 children aged between two and five and who are at risk of social exclusion.

Thanks to the involvement of all professionals in the Chilean unit, more than 50 toys, books, etc. were collected and delivered to the children by a group of volunteers in an atmosphere of joy and excitement.

In Argentina, a group of Management Solutions' professionals joined efforts with the Argentine Liver Transplant Foundation to support the children assisted by this organization. Thanks to the participation of most professionals at Management Solutions Argentina, gifts were collected and delivered by a group of Social Action volunteers to a group of children that had to spend the holidays in the hospital.



Solidarity Christmas in Peru

"It is our professionals who lead the Firm's commitment to community service in the countries where we work"



Carlos Vilá
Partner at Management Solutions

The entire organization accepts the need to maintain a strong commitment to our social environment, a commitment that translates into specific action.

Management Solutions' Social Action Group channels numerous activities with various NGOs and charitable organizations, constantly expressing the commitment of our professionals to improving the environment and the society we live in.

These initiatives for solidarity are carried out by our people in all the territories in which we operate, always with a noble and generous spirit. The Firm is proud to support this work for solidarity.

Environment

We are particularly aware of any environmental impact that may be caused by our activity



While our activity has very limited environmental impact (environmental aspects of office-based activities), this is a matter of special concern for our Firm. The environmental management model adopted by Management Solutions is based not only on ensuring continuous compliance with all relevant regulatory requirements regarding the environment, but on exceeding requirements wherever possible.

Under this approach, the Firm seeks to implement best environmental practices in its internal operations to help slow down consumption and minimize waste. Also, Management Solutions is committed to raising awareness and involving its employees in environmental matters, according to their level of responsibility, and to providing the necessary knowledge to enable implementation of good environmental practices.

In 2013, Management Solutions prepared an Environmental Good Practice Guide, providing all its professionals with a basic understanding of environmental management, as well as establishing a set of practical, useful and educational recommendations aimed at changing or improving common behavior within the office and decreasing the environmental impact caused by office activity in general and by each

individual worker in particular. Thus, the actions prescribed in the Environmental Good Practices Guide have as their primary goal to:

- ▶ Improve energy efficiency and optimize the use of natural resources: water, energy, raw materials, etc.
- ▶ Preserve natural resources.
- ▶ Reduce production of pollutants: gas emissions into the atmosphere, soil and groundwater contamination, etc.
- ▶ Minimize and manage waste properly, cutting back waste generation and encouraging re-use and recycling.
- ▶ Raise awareness to educate and inform others of the need to protect our environment.
- ▶ Contribute to a sustainable development model, where the actual use of resources does not compromise the social and environmental development of future generations.



The measures explained below are supplemented by the Firm's participation in the Spanish Energy Club (ENERCLUB), an important platform for dialogue and a meeting point for companies and professionals in the energy industry with the goal of promoting sustainable development and environmental preservation.

Reduced resource consumption

Paper

Because of our activity, paper consumption is without any doubt one of the Firm's most significant environmental impacts. However, increasing awareness on the part of all professionals makes it possible to achieve reduced consumption levels.

In 2013, the use of paper sheets per person decreased by 10%. This reduction was achieved through initiatives such as setting defaults on printers to double-sided mode, and through growing awareness among professionals of the need to use information in electronic form (such as training courses, available online through the Intranet).

Energy

The sound management of electricity in our daily activities is a key factor in reducing the Firm's energy impact. Therefore, Management Solutions not only relies on the awareness of all professionals, but pays particular attention to the location of its offices.

For this reason, all buildings housing Management Solutions offices integrate various energy saving systems, such as thermostats, advanced insulation systems, movement sensors, energy saving lights, automatic opening and closing faucets, etc.

To these measures we must add the energy saving systems of printers and computers. Our headquarters in Madrid were issued the AENOR Environmental Management certificate, which is a testament to our commitment to the environment and good environmental practices. In 2014 we intend to continue to reduce our use of these resources by encouraging responsible use by our professionals in addition to other measures.

Waste management

Fluorescent lights and toner cartridges

Fluorescent lights common to all offices and toner cartridges for printers, once depleted, are deposited in special purpose containers in the buildings housing our offices, or are returned to the supplier for proper reuse or recycling. In 2013, toner consumption was reduced by 10%.

Paper and packaging

Paper and packaging subject to be recycled are separated appropriately so they can be recycled by the building management companies. In addition, our Madrid, Bilbao and Barcelona offices have special containers for placing confidential documents that must be destroyed. An external company is responsible for collecting these containers on a weekly basis as well as destroying and recycling these documents. Thus 8 tons of paper were recycled in 2013, 1,000 kg more than in 2012.

Computers and cell phones

As explained in the section on Social Action, the Firm's global policy on computer equipment and mobile phones involves donating devices that are still in good working order to various NGOs. Equipment in a poorer condition is sold for parts to be reused, or if the model is no longer current, it is sent to a company for recycling.

Use of paper bags

In 2010, Management Solutions started replacing plastic bags for paper bags to join the trend for responsible use of recyclable and biodegradable materials whenever possible. In addition, the Firm's bags have the Programme for the Endorsement of Forest Certification (PEFC) Certificate, a program for recognition of Forest Certification Schemes to ensure that the products used are sourced from sustainably managed forests.

PEFC is a non-governmental, independent, nonprofit and worldwide organization whose purpose is to ensure that the world's forests are managed responsibly to achieve a social, economic and environmental balance.

If you would like to express an opinion or doubt or make a suggestion about the information in this document, please contact:

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