

2014 CORPORATE SOCIAL RESPONSIBILITY REPORT



Managing transformation

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Making things happen



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Introduction

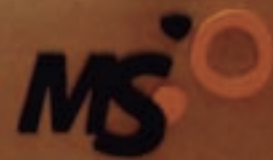
Management Solutions views Corporate Social Responsibility as acting in accordance with corporate principles of trust and commitment to excellence and quality, going beyond the basic legal requirements.

The Firm recognizes the importance of carrying out its activity while contributing to society's sustainable growth. 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

After a long period of intense crisis in many of the countries around us, a new phase of growth appears to be gathering momentum, slowly but steadily. Today, our financial system has been recapitalized and is more regulated and supervised, with a greater focus on unleashing business dynamism without losing sight of efficiency and risk control.

At the same time, we are witnessing a technological revolution of unprecedented proportions in terms of the volume of data available, information storage, processing and modeling capabilities and a reduction in related costs.

In this context, the winners are those who while preserving their values, have been able to achieve transformation by redesigning their business models, adapting their organizational and governance structures, reviewing their processes and systems for increased commercial and operational efficiency, and placing greater focus on the customer, as well as redefining their information and data governance frameworks and better identifying, managing and controlling their risks.

Creating value through transformation is the most important challenge we face at Management Solutions. For this reason, we have strived to adapt our offer to the changing needs of our clients by strengthening our international presence, further specializing our industry knowledge, deepening and updating our service lines as well as supporting research and the dissemination of knowledge; all this while leveraging our experience of working for the industry leaders.

When Management Solutions was first established we set ourselves a mission: "to create value propositions for our clients and commit to their effective implementation", and a goal: "to exceed our clients' expectations and become their trusted partners".

At Management Solutions our concern has not only been what to do but how to do it. Our actions are governed by principles and values that have been proved to generate value for our clients, professionals, collaborators, and society as a whole: unlimited commitment and dedication to service, generosity, solidarity, team work, critical thinking and independence of judgment, "meritocracy", a passion for work well done, an entrepreneurial attitude, perseverance in the pursuit of goals, a constant search for excellence, which in turn requires a combination of talent, effort and training.

2014 was a very positive year for Management Solutions, achieving revenue growth and job creation in all our offices, increasing our customer base and attaining greater industry and geographic diversification. Once again, we have invested more in training and R&D, expanded our links with universities, entered into further cultural and educational sponsorships, and significantly encouraged all activities in support of the community.

Today we are leading providers of consulting services in the areas of business, finance, risk, organization, processes and technology. We have an extraordinary team of professionals working in more than 30 countries in Europe, the Americas, Asia and Africa, we serve global and local clients who are

leaders in their respective industries and offer a differentiated value proposition supported by a cutting-edge R&D department.

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

With the publication of our ninth Corporate Social Responsibility Report, at Management Solutions we aim to provide a true and detailed picture of the progress made in 2014 in different areas, particularly with regard to our social commitment.

A fundamental aspect of our social responsibility policy has always been our links with universities. We work with over 150 universities through the signing of agreements to provide internships and work experience; teaching specialized masters' degrees, classes and seminars; cooperating in research programs; participating in job fairs; sponsoring and supporting university foundations and associations. In this respect, an important milestone in 2014 was the first class graduating from the Master's degree in Business Consulting by Management Solutions in partnership with ICADE Business School.

Encouraging an entrepreneurial spirit is another line of action in our social responsibility policy. Initiatives in this respect have been extended to the field of education through our support of projects that pursue the development of entrepreneurial values, attitudes and skills through education in the early formative stages of children and youth.

Management Solutions' social commitment also includes having a presence in professional associations related to the Firm's activity, as well as in cultural associations through sponsorship and patronage policies.

We are particularly sensitive to ensuring we all work together towards sustainable development and take care to observe policies that contribute to preserving the environment, despite the environmental impact of our activity being very limited.

Finally, we continue to enthusiastically support and promote all community-service activities carried out by our professionals through Management Solutions' Social Action Group, whose selfless dedication to those who are less fortunate makes us especially proud.

At Management Solutions we face the future with confidence and excitement, firmly intent on being decisive for our clients in their transformation processes.

Alfonso Serrano-Suñer
Chairman and CEO of Management Solutions

Partners committee

1. Alfonso Serrano-Suñer
2. Nuria Navarro
3. Ignacio Layo
4. Laura León
5. José Ramón Gorrochategui
6. Diego Leis
7. María José Leongentis
8. Julio Holgado
9. José Luis Carazo
10. Juan Fabios
11. Hernán Enríquez
12. Marcos Izena
13. Carlos Vilá
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15. David Coca
16. José Manuel Suárez
17. Alberto Rilo
18. Carlos Camps
19. Jorge Monge
20. Sara de Francisco
21. Pedro Martínez

22. Rafael Guerra
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24. Manfred Nolte
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27. Carlos Carnicero
28. Raúl García de Blas

29. Carlos Francisco Gallejones
30. Eduardo Pérez-Hickman
31. Luis Lamas
32. Carlos Suárez
33. José Arrieta
34. José Manuel Navas
35. Ángel García



CSR Report

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



Management Solutions professionals at our Chile office

In 2006 we published our first Corporate Social Responsibility Report, 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).

Since then we have prepared an 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, and our commitments to 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, 2014 in our offices 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).

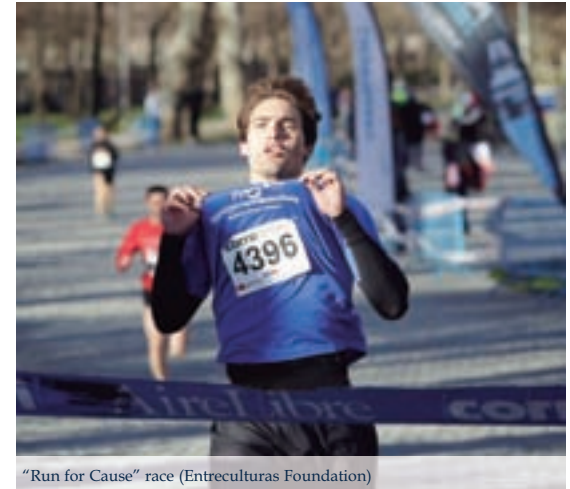
Report preparation process

Since 2008, our CSR report preparation process has followed the guidelines and recommendations of leading international organizations such as the Global Reporting Initiative (GRI), an institution whose mission is to improve the quality, rigor and usefulness of Corporate Social Responsibility reports. The structure and content of our report is intended to be useful for all our stakeholders in strict compliance with the sustainability report preparation guidelines published by GRI.

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



Volunteers during the Solidarity Film Preview in Madrid, Spain



"Run for Cause" race (Entreculturas Foundation)

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 allowing us to successfully respond to them.

The information obtained through these communication channels is key to better understanding the environment in which Management Solutions operates, and represents an important asset that allows us to anticipate the needs of our stakeholders, identify paths for improvement as well as new opportunities, evaluate new ideas and initiatives and launch new projects.

This view of corporate social responsibility is addressed from a dual perspective at Management Solutions: first, the business approach, understood as the commitment the

Firm as an entity assumes towards its different stakeholders (commitment to the client, commitment to its own professionals and commitment to society); and second, the Social Action approach, through supporting community service initiatives developed by our professionals, as well as encouraging and backing their collaboration with different NGOs and charities.

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 an ongoing search for the most appropriate formulas to maximize efficiency.

The Firm's CRS is obviously based on the business philosophy, culture and values that its ethical principles of conduct dictate. These values and principles are reflected in three key areas for the Firm: clients, team and environment.

This business philosophy is the basis or starting point of our commitment, which we decided to supplement with an international standard that would provide the Firm with a set of guidelines to help us channel our view of CSR and to direct our efforts towards working on a common, long-term project.

For this reason, in December 2010 Management Solutions committed itself to the Millennium Development Goals (MDGs), an international initiative signed by the United Nations' member countries. The 8 objectives composing the initiative (which are expected to be updated by the UN in 2015) summarize our way of thinking as an organization in the area of corporate social responsibility. Through the present text, Management Solutions adheres to this international initiative and undertakes to make known and to respect its 8 goals in connection with issues such as poverty, childhood, education and the environment, aspects that 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 a commitment it undertakes in the daily performance of its business. Thus, respect for human rights is always present in the exercise of its activity, guiding its growth in a manner consistent with the principles of sustainable development.

We take on a commitment to supporting the local communities in the countries in which we operate, as we believe that our involvement with society must go beyond the economic development and job creation aspects inherent in our activity. Because our commitment goes further, we collaborate as far as possible in initiatives aimed at improving our socio-economic environment through social action as well as 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, commitment to the excellence and quality that define all our action, and that are obtained by minimizing any negative impacts that may arise from our business activity.

While the environmental impact of our activity is very limited (typical office aspects), there is a special sensitivity towards this subject in the Firm.

Another key objective is to further promote social values. Therefore, we intend to further increase the number of social action initiatives, having set ourselves the goal to undertake at least one activity for each of the eight Millennium Development Goals.

Finally, we will continue to work to increase the global reach of our CSR activities, strengthening Social Action efforts in all countries in which we operate.

Management system

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

1. Ensure CSR is integrated into our strategic business vision. CSR has to be a cross-cutting area affecting all business lines and present throughout the value chain.
2. Promote programs that meet the MDGs, both from the business standpoint and in terms of the work carried out by our Social Action Group.
3. Foster initiatives that add value to the different stakeholders. This requires integrating the expectations of both our clients and professionals and the societies in which we operate.
4. Involve all of the Firm's areas and units in CSR, instilling the necessary attitudes and procedures.
5. Monitor and evaluate the commitments and obligations voluntarily included in our Master Plan, following up on the extent to which objectives have been met and analyzing the reasons for any deviations.

The eight Millennium Development Goals



During 2014, Management Solutions carried out the following activities to support the Millennium Development Goals:

1. Eradicate extreme poverty and hunger

- Volunteer program in Latin America, working with *Ayuda en Acción* to help people without resources.
- Organization of social action events (in Europe and the Americas to collect food, clothing and essential goods).
- Social action campaigns to assist shelters in Latin America.
- Organization of fund-raising concerts to finance voluntary and cooperation activities promoted by the Firm's professionals.
- Participation in charity races in different countries in Europe and the Americas to support foundations and NGOs working for social and labor integration of people experiencing social exclusion.
- Collaboration with foundations for the development of microfinance.

2. Achieve universal primary education

- Collaboration with *Entreculturas Foundation* to build classrooms for underprivileged children in Latin America and Africa.
- Collaboration with *Proniño Foundation* with the goal of eradicating child labor and support quality schooling in Latin America.
- Educational activities in collaboration with *Ayuda en Acción* during our Solidarity Summer program in Ecuador.
- Collaboration with *Créate Foundation*, which promotes entrepreneurship in schools in Spain.
- Collaboration with *Hogar de Cristo Foundation*, which seeks to improve the quality of education of children in poverty in Chile.
- Collaboration with the construction of a computer center for children from the Santal tribes in Jhantipahari (India), achieved through our Solidarity Christmas cards campaign.

3. Promote gender equality and empower women

- Development and monitoring of equality plans (in all countries in which Management Solutions has a presence).
- Collaboration with *Entreculturas Foundation* in the fight for equality for girls and women in Congolese society.

4. Reduce child mortality

- *Cestinhas de Páscoa* and *Padrinho de Natal* campaigns (Brazil) to collect food, basic goods and gifts for children's centers.
- Solidarity Christmas Campaign to collect basic goods and gifts for children's centers (Argentina, Brazil, Mexico, Peru, Chile, Colombia, Spain and the United States).
- Participation in programs to support disadvantaged children in partnership with *Ayuda en Acción*.
- Collection of bottle tops to raise funds to fight childhood diseases.

5. Improve maternal health

- Implementation of favorable maternal health policies for our professionals.
- Contribution towards the funding of a Health Center-Home for women at high risk of vulnerability, run by Calcutta Onoan in India.

6. Combat HIV/AIDS, malaria and other diseases

- Organization of blood donations in the Firm's offices.
- Participation in charity races to support the fight against cancer in Spain, against Down syndrome in Peru, against spinal injuries in Chile and Peru, against Parkinson's disease in Mexico, and to raise funds towards the Sue Ryder charity and Doctors of the World NGO in the UK.

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.

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.

More than 1,350 professionals

18 offices

More than 800 projects worldwide



Strategic Principles
Mission and Objectives

Our culture is based on solid strategic principles, and a clear mission and objectives shared by all our professionals....

Making things happen

Our mission is to create value propositions for our clients, committing to their effective implementation

Trusted partners

Our goal is to become our clients' trusted partners and to exceed their expectations

... and our vision is to be leaders in the provision of business consulting services in regulated industries



MSO
ManagementSolutions
Making things happen


YEARLY MEETING
2014
Managing transformation

ManagementSolutions

Managing transformation

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 approximately two million consulting hours delivered each year; a global team of more than 1,350 professionals; 18 fully operational offices in the Americas, Europe and Asia; more than 500 clients, all leaders in their respective industries; and over 800 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 concept: leadership. A leadership that shows on a day-to-day basis in all our areas of activity, in the services we provide and in the markets in which we are present, as we take on our clients' challenges.

This leadership is made possible by a global, multidisciplinary, young and responsible team that is able to provide the best solutions to the challenges our clients face.

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

Our goal is to exceed our clients' expectations and become their trusted partners. All this can only be achieved by implementing concepts such as responsibility, rigor, high standards, preparation and training. Ensuring that our clients feel our Firm as their own, involving them in the definition of our own strategic challenges.

Culture and values

Commitment to excellence, client focus, teamwork and organizational flexibility are cornerstones of our corporate culture, a culture that sets standards in the industry and is governed by strict ethical principles.

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

Our commitment to our clients goes beyond the standard threshold for advisory services to partner with their goals, which we take on as our own and strive to achieve through our work and commitment. We are well aware that if we are where we are, it is because our clients want it to be so.

It is for this reason that at Management Solutions we feel our clients' challenges as if they were our own and facilitate them the best path towards meeting these challenges.

Commitment to our professionals

Management Solutions provides its professionals with a clearly defined career plan based on results, which allows them to develop and enhance their abilities.

These results translate into personal achievements, but getting there involves overcoming barriers. Our professionals are not alone in this journey, however, as they have the backing of the entire organization. For this reason, the values of generosity and pride in belonging develop naturally, as it becomes clear that the team adds more value than the sum of its parts. At Management Solutions, the client is first, followed by the team and the 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, and use them appropriately, thereby ensuring we instill them with our principles, 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 1,350 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 2014, visits to our website, from 162 different countries, increased by 25% compared to 2013.



Nuria Navarro,
Partner at Management Solutions

"Our brand reflects who we are: a global Firm with a strong corporate culture that promotes excellence and teamwork"

We have a strong corporate culture based on commitment and dedication to service that fosters integrity, unity and teamwork.

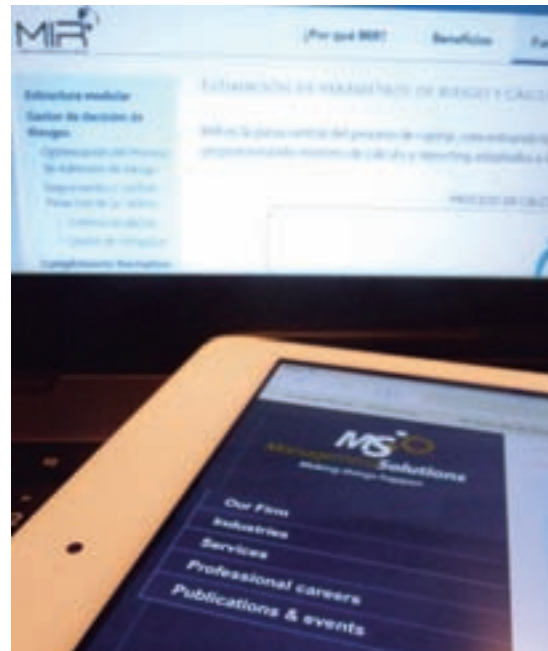
We are proud to see how our clients identify Management Solutions with a different way of doing things. No matter where we are working, our way is the same in all countries in which we operate.

Our brand helps us to do this, as it is a reflection of our principles and values. It is not just a logo, it reflects our strong commitment to a mission: "making things happen"; and to a goal: exceeding the expectations of our clients and thus becoming their trusted partners.

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.



Geography

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

Since inception, Management Solutions' strong international orientation has made 'the global approach' an organizational hallmark. Currently, our presence concentrates in three major geographical areas: Europe, the Americas and Asia, with 18 offices from where we serve more than 30 countries across these continents.

Furthermore, in 2014 the Firm implemented several projects in various African countries, the African continent having thus emerged as a new area for the Firm's geographical expansion.

Covering the needs of our clients in all countries in which they are present has consolidated our Firm as a leader in the provision of business consulting services in regulated industries. This leadership has been achieved through the committed work of our professionals on a day-to-day basis, always on the look-out to identify opportunities.

Our geographical positioning responds to the "one team" and "multi-location" principles. By thinking globally and acting locally we have been able to reinforce the importance of our offices within their markets while, above all, maintaining a global view of our business.

During 2014 we continued to expand our scope of action, not only in countries that have historically been the focus of our growth, and where we already have well-established offices, but also extending our reach beyond their borders.

Strong geographic diversification is one of our key assets. The strong performance still being delivered by major Latin American economies in the global crisis has allowed our offices in the region (Mexico, Brazil, Colombia, Peru, Chile and Argentina), to maintain the excellent growth rates of previous years, with a significant increase in both the number of consulting hours and the size of their payrolls, and to emerge as one of the Firm's main growth areas. Moreover, the number of initiatives undertaken in Central America has increased significantly.

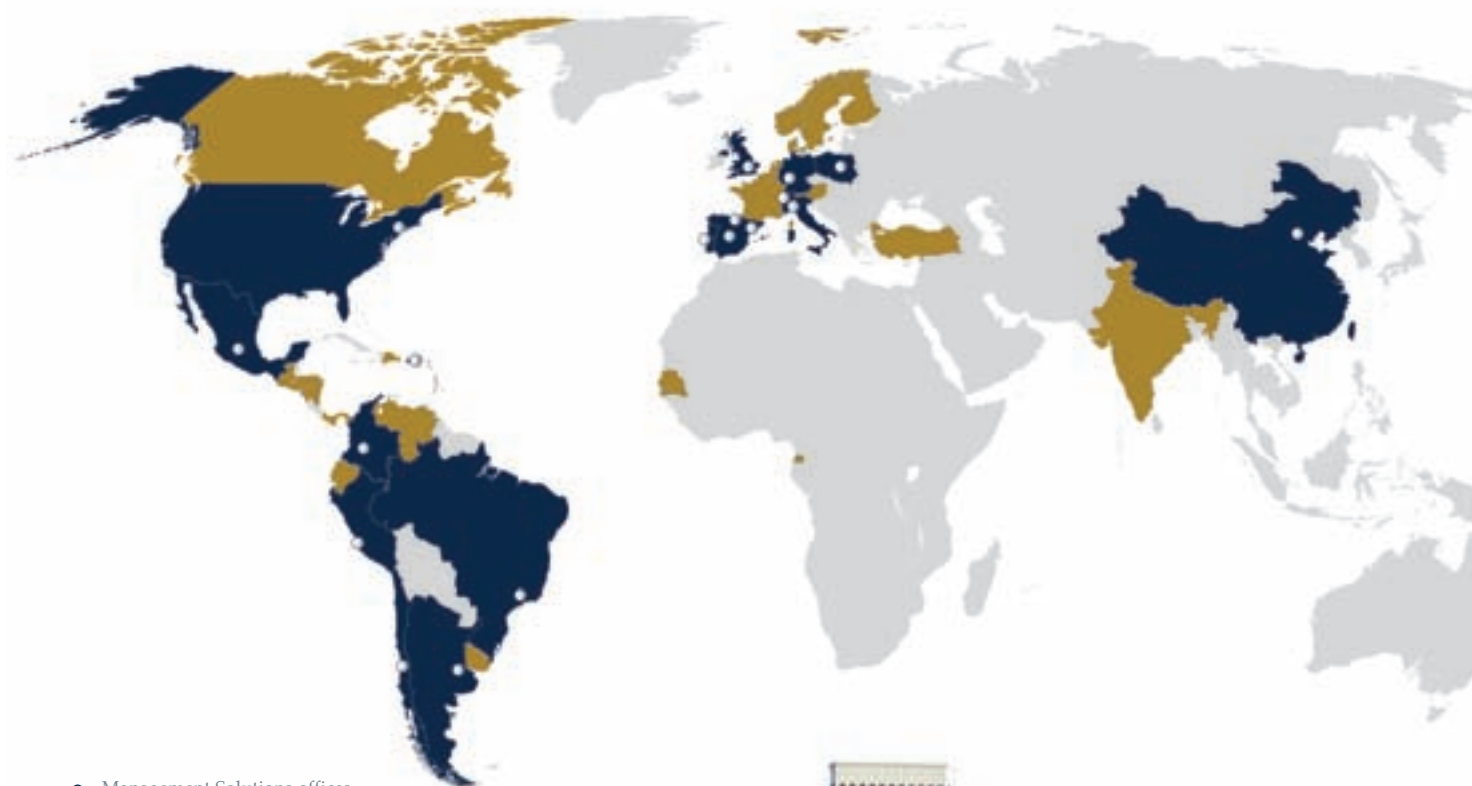
In the US, the Firm has gained substantial ground with nearly a 50% increase in operations. During 2014, our activity grew in our three locations in the country: New York and Boston, which cover all our activity on the East coast, and Birmingham (Alabama), which supports our activity across the country's Southern area.

Despite a still uncertain economic climate, our presence in Europe's major economies has increased once again. Beyond our leadership in the Spanish market, we have experienced remarkable growth in the UK. In the rest of Europe, growth has also been significant. In Central Europe (Germany, Poland and Switzerland) and Northern Europe (Denmark, Sweden, Norway and Finland), we have achieved significant growth rates. In Southern Europe (Italy and

Portugal), we have managed to grow at rates above 10%, despite these economies having been hit hardest by the adverse economic environment.

With regard to Asian markets, Management Solutions (through its office in Beijing) continues to consolidate its presence in the region's major economies (China, Korea and Singapore). Aware of the enormous weight that this continent is gaining in the global economic picture and the huge opportunities it offers, Asia is one of our strategic priorities for development and geographical expansion.

Management Solutions has also started to operate in at least one major economy in Africa, and we expect the African continent to become a potential area for the Firm's expansion in the coming years.



- Management Solutions offices
- Permanent presence
- Regular activity



Permanent Management Solutions offices

Europe

Madrid

Pza. Pablo Ruiz Picasso, 1
28020 - Madrid

Barcelona

Avda. Diagonal, 654
08034 - Barcelona

Bilbao

C/ Elcano, 9
48008 - Bilbao

London

135 Cannon Street
EC4N 5BP - London

Frankfurt

Bockenheimer Landstraße, 51-53
60325 - Frankfurt am Main

Zurich

Bellerivestraße, 201
8034 - Zürich

Warsaw

Emilii Plater, 53
00-113 - Warszawa

Milan

Via Visconti di Modrone, 1
20122 - Milano

Lisbon

Avenida da Liberdade, 245
1250 - Lisboa

Asia

Beijing

1 Jian Guo Men Wai Avenue
100004 - Beijing

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

Mexico City

Prol. Paseo de la Reforma, 1015
01376 - México D.F.

Bogotá

Carrera 7, 71-21
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São Paulo

Rua Samuel Morse, 120
04576-060 - São Paulo

Lima

Avda. Andrés Reyes, 437
27 - Lima

Santiago de Chile

Enrique Foster Norte, 21
755-0163 - Santiago

Buenos Aires

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

Industry

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.

Regardless of the individual features of each company, the industry environment in which they do business will shape their key action strategies. Our professionals work in multidisciplinary teams that have a deep knowledge of the industry in which their clients operate. Only then is it possible to make a proper assessment and to implement a methodology that is suitable for each market.

Management Solutions' practices are structured around three main industry areas (Financial Institutions, Energy and Telecommunications), with professionals dedicated exclusively to the industries they cover. The Firm also dedicates resources to other industries, specifically focusing on the market leaders in each industry.

Financial institutions

The financial industry is undergoing a period of significant change, which is particularly intense given the role it played as the epicenter of a crisis that has lasted eight years, and its special position in the economic measures that were taken in an attempt to leave the crisis behind.

After years marked by a deterioration in its institutional image, the need to inject public capital to sustain the balance sheets of major financial institutions, and a long credit crunch, the industry is facing a new reality, much more complex than it was in prior times.

The consequences of the crisis require institutions to face the marked increase in regulatory requirements that has taken place to restore the confidence lost in recent years. Regulation regarding new strategic risks such as conduct risk have been added to requirements on liquidity, solvency and default risk, making the proper management of all these risks essential to ensuring sustainability in the medium and long term.



This new context for action, particularly demanding in terms of capital (from the organization's own investment needs to comply with the rules, to impacts related to regulatory fines) has to be implemented in an environment of weak retail activity and zero interest rates which constrain the capacity to generate ordinary income. Therefore, business efficiency management has become even more critical.

In addition, changes in society and the rapid pace of technological development are causing a paradigm shift in customer management. The sudden transformation process in which the financial industry is immersed in all markets, derived from the economic turmoil experienced in recent years, makes it advisable to take an approach towards this change of environment that will preserve the key premises of a business where competition is increasingly aggressive.

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 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, used to contracting utilities from Government-designated suppliers, does not associate certain qualities to the supplying brand as it is the case in other industries. This has coincided with the emergence and consolidation of technological advances and mass data processing capabilities, as well as with a changing environment due to regulatory changes, a modified global energy map and a complex economic situation that affects energy consumption.

These circumstances pose many management challenges related not only to the effort of "defending" the current positioning and to diversification, but also with how to measure, support and effectively manage business with proper monitoring and control of the various risks and opportunities associated with these activities. Equally it is necessary to ensure best practices are implemented with a view to complying with business obligations.

Additionally, corporations face a transformation challenge (derived from both the global macroeconomic environment and numerous mergers, acquisitions, business segregations and other processes), which requires them to focus on improving efficiency as well as their ability to create value for their customers and shareholders. Organizations are thus focusing on innovative initiatives that will allow them to



Industry

maximize their potential by identifying growth drivers and organizational, operational and management levers enabling them to differentiate themselves from the competition.

Telecommunications

The telecommunications industry is still undergoing a profound transformation, derived from both 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. These circumstances have together led to the emergence of new business models, players and services, adding additional complexity to a market that is already saturated.

Incumbent operators are investing heavily to adapt their access networks to geometric growth from different demand groups. They are also seeing margins from traditional revenue sources (voice and data) decrease rapidly, while new revenues generated by the "new economy" go to new entrants (the so-called over the top entrants).

The challenges facing this industry in the coming years will require further industry concentration and simplification at all levels (regulation, organization, business, technology, etc.) to allow players to achieve the efficiency, speed and flexibility needed to adapt to the 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 require "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 requires improved productivity and efficiency in all government agencies, which focus much of their efforts on maintaining or improving service quality by optimizing their structural costs.

To these types of actions, which are commonplace in the private sector, must be added the growing interest in reducing the time to market between political decisions and their effective implementation in each policy area.





This puts the focus on approaches that will enable public service transformation through the implementation of improvements in organization, processes and systems.

Construction

The industry has been marked by a low growth scenario in most mature economies. Today, while the outlook for public works remain closely linked to state budget cuts, the housing market (both residential and non-residential) is showing clear signs of having bottomed out and entered a slow recovery phase.

However, in emerging markets this activity continues to be strong, driven by the rapid modernization of infrastructure (civil works), homes (residential), business (offices) or lifestyle and needs (shopping malls, health centers, etc.).

In this context, deleveraging, cost control, process optimization, etc. continue to be the key in more mature economies, although growth strategies are being implemented once again, adapted to new demand for residential and non-residential property. Geographic diversification emerges as a clear driver for industry growth, which requires a strong effort on the part of organizations to adapt and to properly manage the risks involved in operating across borders.



Sara de Francisco,
Partner at Management Solutions

“We adapt our value proposition to our clients’ needs”

At Management Solutions we have developed a deep understanding of the markets in which our clients operate. For this we have teams that are highly specialized in the different industries, geographies and business lines we serve.

Our organization by service line allows us to structure the knowledge and expertise acquired by type of competence, which in turn facilitates the design of value propositions that will quickly and accurately address the various problems our clients may raise.

Industry specialization allows us to tailor our value propositions to the specific characteristics of the industries in which our clients operate, while national and regional reality is captured through geographic specialization, allowing us to factor in regulatory, sociological, cultural and individual characteristics of the economies in which our clients are active.

Service lines

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



To meet 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.

Other challenges faced by different industries are the current sophistication of methods used in measuring and controlling risks, the integration of advanced metrics (capital) in business management (largely driven by new regulatory frameworks), and the estimates of impact under stress scenarios.

From the FCRC line we help our customers to optimize and adapt their processes and systems architecture to the new business logic and nature of financial risks (credit, market, operational, liquidity and structural) and non-prudential risks (paying special attention to compliance and conduct as well as model risk).

RBC (Retail Business Consulting)

The retail business is making great efforts to identify customer clusters or segments to target, adjusting their product and services to the needs of each segment. This

change from a "selling products" approach to an approach based on "managing customer needs" requires the complete transformation of an organization's value chain, its processes and the activities of its main business and support areas (management control, sales, marketing, organization, resources, etc.).

This trend is taking place in a market environment where a "pre-digital" and a "digital" generation co-exist, which requires developing very different relationship models. At the same time, it is already a fact that customers are increasingly demanding, sales margins are becoming slimmer and economies of scale need to be attained.

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 to effective implementation of their functional requirements.

Core competencies

Strategy

We assist Management from client companies in their strategic decisions, providing our view of the challenges they face, both from a global perspective (trends, best practices, etc.) and from the standpoint of each individual company (alternative courses of action, planning, recommendations for implementation, etc.

Commercial and Market Effectiveness

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

Financial and Management Information

We address information requirements for management purposes, validating, modifying and establishing the origin/sources of information, defining transformation processes (calculations and metrics) and taking part in the technology roll-out process required for effective implementation.

Risk Management and Control

We provide the best solutions to effectively manage and control the risks associated with doing business: credit, market, operational, liquidity, structural, reputational, conduct, model, business, and other risks, and provide an integrated view of them (and of their impact on capital requirements or provisions).

Organization and Processes

We approach our clients' transformation projects from a three-fold perspective: functional, organizational and technological – achieving significant improvements in the effectiveness and control of the tasks performed; increased user and customer satisfaction, and appropriate cost reductions.

Applied Technologies

We specialize in defining and implementing the technology which is most suitable for the needs and possibilities of each organization and help them to design data and reporting governance frameworks.

NT (New Technologies)

The world is changing, and doing so at high speed. We are witnessing a technological revolution of a magnitude never seen before. This is not a transitory event. The paradigm shift rate (the rate at which new ideas are adopted) doubles every decade: while it took nearly half a century for the telephone to be adopted, and while acceptance of television and radio took several decades, it took under 10 years for computers, the Internet and mobile phones to catch on.

The result is exponential growth in the technology available and an equivalent reduction in cost, regardless of the crises experienced over the past few years, and this trend is expected to continue in the coming decades.

But this technological revolution has taken on a new dimension in recent years: along with increased technical performance has come increased capacity to generate,

store, and process information, and at an exponential rate, a situation that has been called the 'big data' phenomenon.

All of this is giving rise, among other things, to a discipline which is the fundamental axis for transformation in the industry: data science, which is also the study of the generalizable extraction of knowledge from data through the combined use of automated learning techniques, artificial intelligence, mathematics, statistics, databases and optimization, together with a deep understanding of the business context.

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 offer concrete solutions and commit to their implementation and operation. At Management Solutions we are able to lead the different stages that result in a project being successful, from initial strategic analysis, to the functional, organizational and operational phases, to effective implementation.

In this section, rather than including a product and services catalog, our aim is to highlight Management Solutions' work around the key competencies it has developed.

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

The current global environment is characterized by weak economic growth, low inflation and low interest rates in mature economies and slower growth in emerging economies, along with a stricter regulatory environment and accelerated technological transformation. In this context, anticipating change is more important than ever. Faced with this, Management Solutions' R&D department reflects the Firm's strong commitment to stay at the forefront of the industry and to meet the growing need for innovation in the market.

R&D's mission revolves around creating and disseminating knowledge to all of Management Solutions' stakeholders: clients, professionals, collaborators and universities, thus driving the Firm's pro-active approach to anticipating change.

From a methodology standpoint, the R&D team provides advisory services to Management Solutions' professionals and their clients in quantitative aspects that are necessary to undertake projects with rigor and excellence through the implementation of best practices and the continuous monitoring of the latest trends in data science and modeling.

With this purpose, the R&D department works in close collaboration with different universities, participates in applied research conferences, directs postgraduate and doctoral projects as well as student internships from Mathematics, Statistics and Physics faculties and Engineering Schools. R&D's commitment to training is also evident at the internal level through its role as the Firm's Director of Studies, coordinator of the Chair of Knowledge and active involvement in managing the Master's degree in Business Consulting offered jointly by Management Solutions and ICADE Business School.

With regard to knowledge management, the R&D team directs and coordinates Management Solutions' publications system, both external (newsletters), and internal (regulatory publication alerts, economic outlook

reports, documents summarizing and explaining the implications of new regulations, etc.), which helps our professionals to update their knowledge on a daily basis.

This knowledge management activity is possible thanks to intensive collaboration from all offices in 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 of our offices who detect, analyze and submit this information periodically.

To facilitate access to the information, R&D continues to make progress in establishing the corporate Intranet as the key channel for knowledge dissemination within the Firm through the Publications and New Regulations sections in the Knowledge Area, which draw on corporate publications and original document sources (regulations, scientific articles, etc.).

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 in regulatory compliance and management for clients/industries (credit, market and liquidity risk, economic capital, stress tests, business models, etc.).
- Innovation: a number of models are developed through a center specialized in data science, including classification, regression, optimization and simulation models, covering all areas in the industries served by the Firm.



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

The purpose of the Modeling Week, which is into its 8th 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 on "Model Risk", 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 had a great impact on mathematics faculties in Spain and other parts of the world. Management Solutions' presence in this latest event reflects its continuing presence in such activities in university mathematics faculties.

* Research Group on "Mathematical Models in Science and Technology: development, analysis, numerical simulation and control."

** Institute of Interdisciplinary Mathematics.



- 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 data science tools developed, and relationship management with scientific software providers.
- 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 regulation in the Firm's areas of activity, which enables R&D to anticipate and detect regulatory publications at an early stage.
- Alerts: publication alerts allow for immediate knowledge of regulatory changes for our professionals and clients.

- 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: the R&D department prepares in-depth, innovative and concise monographic studies on hot topics in the Firm's areas of activity that are of interest for our clients and professionals. An example of this is the newsletters prepared by R&D dealing with topics such as model risk management and the impact of stress tests on the financial system.

Making things happen

We have seen organic and sustained growth to 17 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 12 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).

Twelve years later, Management Solutions is 17 times larger, with a multidisciplinary team of over 1,350 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 within Europe, the Americas, Asia and Africa.

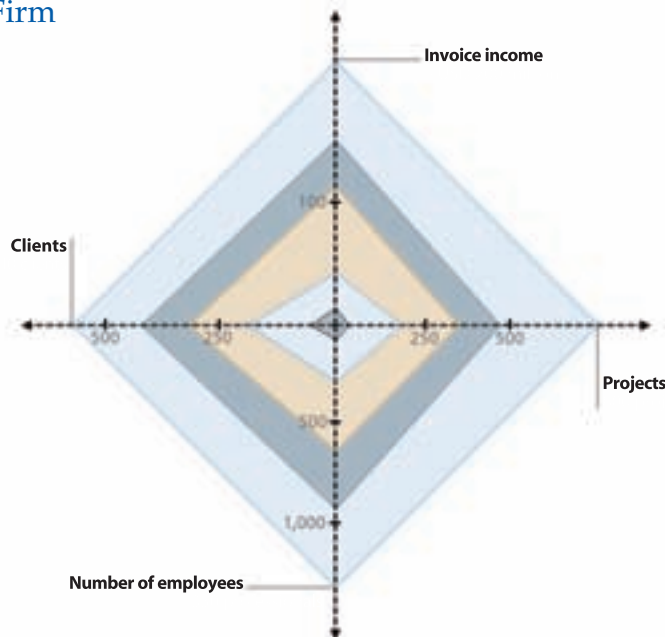
The Firm has continued to grow at all times since inception. In each and every one of our past 10 years as a firm, we have seen growth in revenue, number of professionals, number of clients and number of countries in which we operate.

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 a differentiating factor and that have remained unchanged regardless of economic cycles, no matter how complex they have been.

During this fiscal year, the Firm has faced a complex macroeconomic scenario, although by no means the toughest that the Firm has faced since its incorporation. The beginnings were particularly demanding, with reduced critical mass, no brand recognition and lacking the capacity to respond globally in all geographies in which our client base 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 initial difficulties, our development has been extraordinary, with average annual double-digit growth over the years.

Evolution of the Firm





José Ramón Gorrochategui,
Partner at Management Solutions

"We are where we are because our clients have wanted this"

The client is at the center of all our actions. At Management Solutions we have been able to set clear priorities: first the client, then the team and finally our individual self.

Our clients are the reason we are in business. If we are where we are today it is because this is what our clients have wanted and we are very aware of that when we plan our future.

We have an unwavering commitment towards those who place their trust in us. We work enthusiastically, combining talent, knowledge and ability, to effectively solve their problems.

Our goal is to become their trusted partners and we work to achieve this, always paying attention to their needs and developing a lasting relationship model that will add value to both sides.

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 year one. We are facing major challenges, but if something has defined Management Solutions throughout its history, it has been its 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 countries in which we operate, always for the benefit of our clients, who are the most important stakeholders we look to support.

Making things happen

| 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|--|---|---|--|--|---|
| <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 6 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) | <ul style="list-style-type: none"> -700 professionals -320 clients -13 offices (opening in Germany) -More than one million consulting hours -Strengthened our relationship with regulators (Europe/Americas) |

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 São 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 countries; 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 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 | 2011 | 2012 | 2013 | 2014 | Management Solutions... |
|---|--|---|---|--|---|
| <ul style="list-style-type: none"> - 750 professionals - 350 clients - 15 offices (Switzerland and Peru opening) - Enhancing core competencies in all industries and geographies - Globalization of our model of relationship with the university and the academic world | <ul style="list-style-type: none"> - 1,000 professionals - 400 clients - 17 offices (China and Poland opening) - Enhanced our program of seminars with institutions and regulators - Increased support to the academic world (teaching, scholarships, awards) | <ul style="list-style-type: none"> - 1,200 professionals - 450 clients - 18 offices (Colombia opening) - New regional conventions - In-house training program certified as a "Master's degree in Business Consulting" (Management Solutions – ICADE Business School) | <ul style="list-style-type: none"> - 1,300 professionals - 500 leading clients in regulated industries both globally and locally - Significant increase in activity in the Americas - ISO 9001 certification - Creation of the Internal Audit area | <ul style="list-style-type: none"> - 1,350 professionals - More than 500 clients (40 new) - More than 800 projects ongoing - Start of activity in Africa - First graduating class of the Master's degree in Business Consulting offered by Management Solutions – ICADE Business School | <ul style="list-style-type: none"> - Has multiplied its size 17 fold - Has a team of over 1,350 professionals - Serves over 500 leading clients in regulated industries both globally and locally - Is present in more than 30 countries in Europe, the Americas, Asia and Africa through 18 offices - Has a differentiated value proposition supported by a cutting-edge R&D unit |

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 relationships with regulators and supervisors

were strengthened, and internal functions were enhanced to improve efficiency and control of our activities (creation of the Internal Audit function, review of global and local policies and procedures, external certification on the quality of processes –ISO 9001-, etc.).

2014, *Managing transformation*

In 2014 Management Solutions saw growth in all of its: i) offices (especially in the US), also initiating activities in Africa, ii) industries (particularly in Telecommunications) and iii) service lines (undertaking more than 800 projects whose common denominator is transformation). Governance of the relationship with strategic suppliers was enhanced, as was investment in R&D and training (which grew around 20% with respect to the previous year).

2014 milestones

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

6% revenue growth

40 new clients

More than 300 new projects





Managing transformation

Creating value through transformation is the most important challenge we face at Management Solutions

Under the motto "managing transformation", Management Solutions organized its Yearly Meeting in July to review the Firm's achievements and set goals for next year.

At Management Solutions we seek to be prominent players in our clients' transformation. This requires us to understand the new dynamic to identify problems and propose solutions that will add value before they become obvious.

We know well what transformation means at Management Solutions. We have spent more than a decade assimilating

profound changes, taking on new challenges, facing very different circumstances, turning adversity into opportunity, always aware of what we are and what we want to be. During this time we have evolved our relationship model, adapted our value proposition, globalized our offerings, and increased the resources devoted to research and development, all with the purpose of responding effectively to our clients' needs.

During the last decade, the way people, organizations and institutions relate to each other has undergone a profound transformation in all areas. Business models, organizational structures, processes and systems have changed in companies.

Almost unlimited data accessibility and storage capacity at a decreasing marginal cost, processing capacity, advances in modeling, mobility, etc., have become essential levers on which to rely in order to efficiently solve our clients' changing needs.

In this context, many organizations, leaders in their respective industries and geographies, have trusted Management Solutions to design and implement their transformation projects.

In 2014 we have participated in major company integration operations, collaborated on redesigning business models, revised reporting frameworks as well as data and reporting governance frameworks, etc., proving with facts that we are world-class leaders in managing transformation.



Creating value through transformation made it possible for us to meet and exceed all the qualitative and quantitative objectives we set at our Yearly Meeting in 2013.

The macroeconomic situation in 2014 was characterized by weak growth, low inflation and low interest rates in mature economies (putting pressure on the financial industry's profit margins), and by slower growth in emerging countries.

Despite this, in 2014 Management Solutions grew once again above expectations, and again increased its market share and did so in a diversified, sustainable and profitable manner, always regardless of business cycles.

Geographically we expanded to new markets in addition to strengthening our presence in the countries that have historically been a growth lever for us, thus enhancing our multi-location status while preserving our global view. This dual approach has led us to significantly increase our activity in the US and major Latin American economies, to strengthen our presence in Europe and Asia, and to initiate relevant projects in Africa.

We adjusted our value proposition to the current market context, especially with regard to the design of business plans, reactivation of commercial models, the impacts derived from regulatory and policy changes, the transformation of the risks and finance functions, and the capture of efficiencies and integration of information. All this has led to balanced growth in all our service lines.

We have also continued to take steps in the process of industry diversification, consolidating the internationalization of our energy and telecommunications practices with projects in a growing number of geographies, and entering into new subsectors related to financial institutions.

The result of all this has been that we have increased our presence in many of the entities with which we were already collaborating, extending the provision of our services to new areas and business divisions, and have continued to increase our client base. Our portfolio of clients is characterised by large multinationals, corporations and local leaders, to which forty new clients have become a part, all strategically important in their respective markets. Also, during the year we have developed our relationship with regulators and supervisors in the markets in which we operate.

Our business growth would not be possible without the extraordinary team of professionals who compose our Firm. A professional team that makes us strong and enhances our abilities; a talented, committed team that has forged a strong corporate culture based on values that make a difference and are the foundation of Management Solutions' success; a team that has grown from the base incorporating more than two hundred new professionals during the year and has become significantly stronger with greater managerial capacity; a truly global, international, multidisciplinary, fully integrated, balanced and young team, able to provide a differentiated response to the challenges posed by our clients.

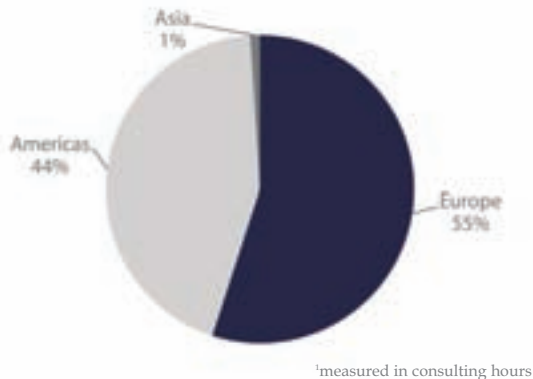
For yet another year we have exceeded our goals in all geographies in which we have a presence, in all industries in which we operate and in all lines of service we provide. We have a long way to go and the challenges will continue to be enormous, but our performance, our culture and our values speak 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.

Diversification

During 2014 we continued to pursue our diversification strategy:

- ▶ Achieving consistent growth in the Americas, Europe and Asia, and starting activities in Africa.
- ▶ Increasing our activity in all regulated industries, maintaining our leadership in Finance, gaining market share in Energy and becoming increasingly active in Telecommunications.
- ▶ Growing our client portfolio.
- ▶ Updating our solutions offer:
 - Strategy
 - Commercial Management and Marketing
 - Risk Management and Control
 - Management and Financial Information
 - Organization and Processes
 - New Technologies

Geographical diversification¹



Americas

- ▶ Organic growth in all countries in the Latin American region (+10%)
- ▶ Significant growth in Colombia (x3)
- ▶ Strong growth in the US (+40%)
- ▶ Consolidated growth in Central America (+5%)

Europe

- ▶ Stable growth in the UK (+10%)
- ▶ Recurrence in Germany, Poland and Nordic countries (+2%)
- ▶ Good results in Portugal and Italy (+10%)
- ▶ Sustained growth in Spain in spite of the crisis (+4%)

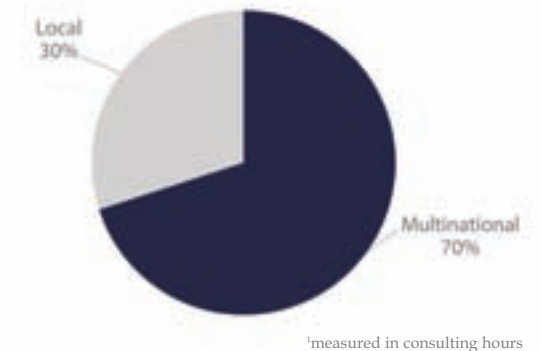
Asia

- ▶ Maintenance of operations and promotions in China

Africa

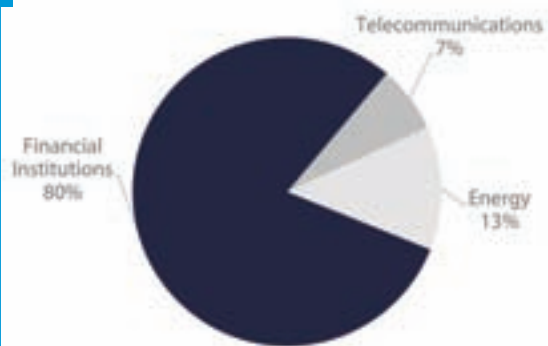
- ▶ Incipient activity in Africa (Senegal and Ecuatorial Guinea)

Clients diversification¹



- ▶ More than 500 active clients
- ▶ More than 40 new clients (large multinationals and local leaders)
- ▶ Intensified our relationship with Central Banks, Regulators, Supervisors, Supranational Bodies and other public institutions, both in Europe and the Americas
- ▶ Reinforced relationship model with strategic suppliers

Sectorial diversification¹



¹measured in consulting hours

Finance

- Growth of operations in big clients (+8%)
- Greater industry specialization (with a focus on transformation): wholesale banking, retail banking, insurance, private banking, asset management, intermediation, transaction banking and new business models (e.g. servicing)
- Leadership in the regulatory compliance process ("regulatory tsunami") with the support of R&D

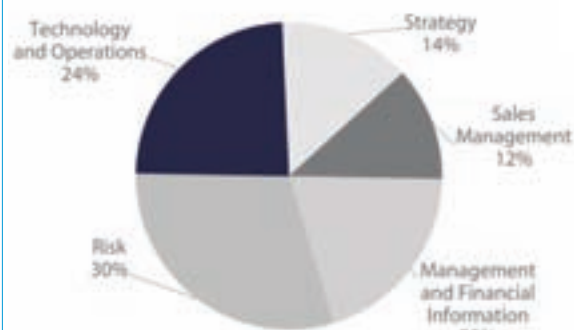
Energy

- Growth of our activity in Oil&Gas and Electricity (+7%)
- Increased activity with the Business Divisions (BI), Risk and Finance (internal control) and Resources (efficiency)
- A broader value proposition (commercial intelligence, internal control, efficiency, etc.)
- Developed strategic alliances with suppliers specialized in Energy
- International consolidation (UK, Portugal, Italy, US, Latin America, etc.).

Telecommunications

- Strong growth in operations (+14%)
- Focus on transformation projects (x2)
- Increased operations in Corporate Areas
- Wider geographical coverage in Latin America

Diversification of solutions¹



¹measured in consulting hours

- 800 projects (more than 300 new) covering all core competencies:

- Business plans (bank creation)
- New commercial models (customer experience)
- Regulatory-based projects (stress test, RDA&RRF, conduct, AMA, solvency, BIS, AQR, etc.)
- Integration of financial, risk and commercial information
- Process reengineering (efficiency, control and quality)
- Proprietary solutions adaptation (stress test engine, monitoring, Operational Risk calculators, etc.)



Julio Holgado,
Partner at Management Solutions

"We aim to be decisive in our clients' transformation"

We live in a world in constant transformation, a transformation that affects all our stakeholders in all their dimensions.

The winners are those who, while preserving their values, have been able to transform, reinventing their business models, adapting their organizational and governance structures, redesigning their processes and systems to achieve greater commercial and operational efficiency, reviewing information frameworks, and better identifying, managing and controlling risks.

At Management Solutions we aim to be decisive in our clients' transformation. This requires us to have an in-depth understanding of the new dynamics, to properly identify the problems facing our clients and to offer value-generating solutions that consider all elements available.

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

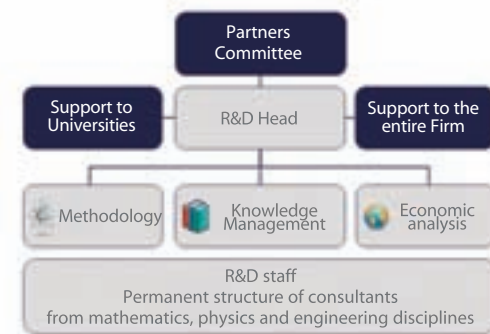
Turnover growth



- ▶ Growth of 6%*
- ▶ Around 2 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

* Exceeding annual revenue of USD 200 million in consulting hours

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:
 - More than 200 actions (stress, office geolocation, fraud, etc.)
 - More than 75 internal and external publications
 - Quarterly economic outlook reports for 14 countries
 - Regulatory updates
 - Dissemination of relevant news
 - Quantitative training

Human Resources Management

Annual percentage increase in number of employees



- ▶ More than 200 new recruits and more than 100 internships during the fiscal year
- ▶ Reinforced top management (5 new Partners and 11 new Directors)
- ▶ Increased managerial capacity (more than 65 new Managers and Supervisors)
- ▶ Promotion based on merit for the entire pyramid
- ▶ Excellence in talent recruitment (with greater geographic specialization): over 100,000 resumes received
- ▶ Increased presence in universities and post-graduate courses:
 - Present in more than 190 faculties in Europe, the Americas and Asia
 - More than 100 cooperation agreements and senior projects
- ▶ Strengthened management evaluation programs
- ▶ Strengthened biannual mentoring program (trying to align the Firm's needs with those of their professionals)
- ▶ Enhancement of variable remuneration (focus on talent)

Training hours



- ▶ Acceptable employee turnover levels
- ▶ Emphasis on training:
 - Over 360 courses (55 new)
 - Over 130,000 hours (+18%)
 - Over 600 hours of training for professionals in their first two years
 - Training plan constantly adapted to professional needs:
 - Master's degree in Business Consulting by Management Solutions - ICADE Business School
 - New content (high performance computational techniques, money laundering prevention, etc.)
 - External complement: training for executive team, FRM, CFA, etc.
 - Teaching at universities (courses, seminars and master's degrees at some of the main European and American universities).

Organizational flexibility



- ▶ Reinforced Internal Resources structure
- ▶ Local and Regional functions
- ▶ Implementation of policies and corporate procedures
- ▶ Process reengineering with a focus on efficiency and control
- ▶ Attainment of the ISO 9001 quality certification
- ▶ Technology improvements:
 - IT security
 - Connectivity (cloud)
 - New applications (intranet, QA, client and goal plan, expenditure control)
- ▶ Office extensions
- ▶ Activation of Internal Audit function

Communication

- ▶ Brand creation based on our strong commitment to society.
- ▶ Supporting the academic world through agreements, internships as well as teaching specialized courses.
- ▶ Sponsorship and patronage efforts in support of culture, sports and the arts.
- ▶ Presence at highly prestigious forums and institutions in all our areas of activity.
- ▶ Involvement with those most in need through solidarity action within our sphere of activity.

Communication



- ▶ Increased intranet and web content (SIRO, MIR, PALADIN)
- ▶ More publications (8th CSR Report, 8th Financial Newsletter, 4th Energy 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 30 activities: Solidarity Summer, Concert and Film Screening, Basic House, *Cestinhas of Pascoa*, True 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)



Ignacio Layo,
Partner at Management Solutions

"For yet another year we have exceeded the goals we set for the year, achieving strong growth in all our markets"

The balance for the year is undoubtedly excellent. We are pleased to have reached each and every one of the goals we had set ourselves, something that has not been at all easy taking into account that our activity takes place in a very complex economic situation in many of the countries in which we operate.

Meeting these goals has been possible largely to the excellent work of our professionals, whose effort and dedication have allowed our Firm to stay on the growth path that has been our hallmark from the beginning.

It has now been more than twelve years making things happen. Today, more than ever, it is our ambition to play a key role in our clients' transformation, helping them to meet their challenges through our work.



Committed to our clients

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

More than 500 clients

40 new clients during the year

More than 30 countries in which we operate





Client focus

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

One of our distinguishing features is our clear client focus. We work closely with the client trying to exceed their expectations in order to become their trusted partners. We implement a client relationship model that allows us to be aware of their specific needs and therefore to be in a position to offer each client a differentiated value proposition.

Management Solutions provides value-added services that stand out for the durability of results and practicality in implementation.

Client diversification

Management Solutions pursues sustained growth supported by client diversification, seeking a balance between large multinational and national leaders. At year end, Management Solutions had over 500 active clients (40 new clients during the year), grouped into three major segments: multinationals of an American or European origin, local entities and national or regional confederations, all leading institutions in their respective markets.

In addition, Management Solutions has continued to strengthen its relationship model with regulators (central banks, international organizations, regulators and supervisors, etc.) of the main industries in which it operates.

Global Model

Management Solutions has a strong presence in local markets, but always under the umbrella of global corporate policies. The pyramid is only one and responds to a global model, it is not an association of local firms under one brand.

Acting and feeling as part of a team, sharing the Firm's mission, goals, culture and values, is essential to successfully meet our clients' transformation processes and strategic challenges, wherever they arise.



Providing top quality service is at the core of our business

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
 - Project plan with assigned responsibilities for each task
 - List of deliverables
 - Client satisfaction survey

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.
- ▶ 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.

ISO 9001 quality certification

The Spanish Association for Standardization and Certification (AENOR) acknowledges that Management Solutions' management system is compliant with the ISO 9001 standard for business consulting activities and related technologies.

UNE-EN ISO 9001 certification shows that the management system implemented in the Firm meets the highest quality standards, ensuring the availability of resources, process control and continuous improvement in the provision of services.

Commitment to the industry

We disseminate the expert knowledge generated by the Firm

The Firm has an ongoing schedule of external dissemination activities, some of the most significant being our publications and our presence in professional forums in addition to conducting specific conferences on relevant topics of interest in any of the areas in which the Firm operates.

Publication of studies and industry reports

Model Risk Management: quantitative and qualitative aspects of model risk management

In 2014, Management Solutions published a newsletter on model risk.

In recent years there has been a trend in financial institutions towards greater use of models for decision

making, driven in part by regulation, but that shows in all areas of management. In this regard, we observe that a high proportion of decisions are made through automated decision models (whether statistical algorithms or groups of rules); trading orders programmed by time, price or volume; loan origination, monitoring and recovery processes; fraud and money laundering detection; customer engagement and commercial campaigns, etc.

Model risk is defined as the set of possible adverse consequences arising from decisions based on incorrect model results and reports or from model misuse.

Errors in a model may include simplifications, approximations, wrong assumptions or an incorrect design process, while model misuse includes their application for purposes other than that for which the model was designed.

Model risk thus defined, potentially very relevant, has captured the attention of regulators and institutions, whose approach varies from mitigating this risk through model validation to establishing a comprehensive framework for proactive management. In more advanced cases, this proactive management has taken shape as a model risk management (MRM) framework which sets the guidelines for the entire model planning, development, implementation, validation, inventory and usage process.

In this context, the newsletter aimed to provide a comprehensive view on model risk management, its definition, nature and sources, related regulations and practical implications, with three basic goals:

- Introduce model risk through its definition, the analysis of its sources and a brief summary of the most important regulations in this regard.



- Describe an objective model risk management framework in a practical manner and based on examples observed in financial institutions.
- Advance model risk quantification (and its possible practical applications) through a quantitative exercise that would illustrate the impact of this risk.

Operational risk management in the energy sector

In 2014, Management Solutions published a study on operational risk management in the energy sector.

The increasing complexity of the business activity and the materialization of large risk events have significantly boosted risk management in recent years, which has led to many insights, regulations, recommendations and developments in all types of businesses and institutions. This phenomenon has gone hand in hand with the growing use of quantitative methods in company and business management, which has been brought about by the need for improved management in areas as competitive as traditionally regulated energy markets, and further assisted by greater availability of data, technology and knowledge.

Against this backdrop, companies have created or developed risk functions and worked on evolving the organization and its governance, policies and models, as well as processes and technology to support the risk management and control activity. Significant improvements have been made in how risk is approached, driven by greater requirements from stakeholders and new regulations, or simply by the added value that developing best market practices provides.

One of the main challenges facing the Risk Function lies in contributing to value generation by integrating the risk model in the business processes to support decision-making and not just as a control tool. It could be argued

that the level of effective integration of the risk model in the management process is the most significant differentiating factor when it comes to identifying the maturity of this function in non-financial companies. This maturity, however, tends to vary within the same company depending on the risk and domain types involved as well as on the company areas and activities.

One of the most significant risks facing businesses in general and energy companies in particular is operational risk, as it affects productive assets that are susceptible to failure and thus to generating economic loss and personal injury or environmental damage, with a potentially significant impact on reputation.

It is precisely because of its potentially fatal consequences in terms of economic loss, environmental impact and loss of human life, that operational risk has been traditionally managed through prevention and contingency plans. Operational risk has also been addressed through insurance programs run by specialist departments within the organization that are generally advised by insurance companies and brokers. Although operational risk in general, and insurable operational risk in particular, have a history of being managed by the companies themselves, the use of quantitative techniques has been lower and less uniformly carried out among companies.

This publication is precisely intended to explore the practical application of operational risk models and techniques in the industry, and therefore to serve as an example of how the use of advanced methodologies for operational risk management may contribute to operational risk quantification and improved insurance programs.

Economic outlook report

Management Solutions publishes quarterly economic outlook reports. These publications, which are intended for internal purposes (exclusively for the Firm's professionals),

describe the economic situation in the main countries in which Management Solutions operates.

These reports present and analyze macroeconomic data and describe the indicator trends affecting the main industries in each country.

The main macroeconomic indicators (GDP, unemployment rate, CPI, etc.) for the most important economies in Europe, the Americas and Asia are therefore monitored, drawing conclusions about their expected performance in the coming months. The document also provides a performance comparison of the main companies in regulated industries in each country.



Commitment to the industry

We implement an ongoing program of outreach activities and participation in specialized forums



Summary publication on the RDA&RRF roundtable discussion



Financial Risk Congress in Colombia organized by Asobancaria

Organization and participation in specialized conferences and seminars

Roundtable on the risk reporting and data aggregation framework in the UK

Management Solutions organized a roundtable discussion in London about the impacts of the BCBS 239 (RDA&RRF) regulations issued by the Basel Committee, which promotes the review of the risk data frameworks of banks considered as systemically important by the Financial Stability Board, as well as the definition of data governance and data aggregation mechanisms that will ensure the integrity, coherence, traceability and reproducibility of the information.

The conference was attended by experts in the field from major financial institutions in the UK and continental Europe.

In addition to organizing the event, Management Solutions moderated the roundtable discussion and actively participated in the debate. Participants rated the topics covered very highly and later received a summarized document with the main findings.

Financial Risk Congress in Colombia organized by Asobancaria

For the third consecutive year, Management Solutions participated as a guest speaker in the Financial Risk Congress organized by Asobancaria (Association of Banks of Colombia) in Colombia. The congress, held for the thirteenth year running, 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 reviewed the degree of Basel III implementation and its impact on the management of Latin America financial institutions in general and of Colombian banks in particular.

Quality Day organized by AMCHAM in Peru

Management Solutions participated as speaker in Quality Day, an international congress on quality organized by Peru's American Chamber of Commerce (AMCHAM), with the participation and attendance of representatives of quality areas from Peru's leading companies.

The congress, the most important event on Quality in Peru, aimed to share the view leading companies have on different aspects of the latest quality-related trends and challenges and their impact on company management and results.



Quality Day organized by AMCHAM in Peru

Management Solutions' presentation dealt with the Firm's view and perception of the "Customer's Experience" (definition, development, methodological focus and case studies).

Quant Risk Management Congress in the UK and the US

Management Solutions sponsored the Quant Risk Americas Congress 2014, an event that took place in London and New York with the purpose of providing an opportunity for industry peers, top financial institutions and regulators to share their experience and knowledge of model risk management.

The congress in both cities featured discussions on aspects included in the latest newsletters published by Management Solutions on this topic (Model Risk

Management: Quantitative and qualitative aspects, Impact of stress tests on the financial system, etc.), which were highly praised by congress attendees.

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 fourth *Congresso Internacional de Gestão de Riscos* 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 from other countries.

This congress, in which Management Solutions was present for the third year running, is the most important



Congress on risk management organized by FEBRABAN in Brazil

event on Risk Management organized in Brazil. The goal was to share the view of regulators, financial institutions and professional service providers on the Basel II guidelines and other risk-related aspects such as advanced models, review of the trading book and counterparty risk, among others.

Management Solutions' presentation dealt with the Firm's view and experience of international processes for the implementation of the countercyclical capital buffer, comparing the regulatory framework, degree of progress and implementation results between various geographies.

Commitment to the industry

Roundtable discussions on Model Risk in Latin America

In Mexico, Colombia and Peru, Management Solutions organized a series of roundtable discussions on model risk management in financial institutions, with the aim of sharing their view on this issue and to discuss major global trends with regulators and industry leaders.

The events, which included the participation of heads of risk from major financial institutions in the respective markets, reviewed global trends and regulations on model risk and their potential impact on Latin America.

The events also featured the presence of local regulators. Thus in Mexico the panel included the National Banking Commission of Mexico - the local supervisor with whom Management Solutions had previously held a meeting on this specific topic (having obtained express recognition by the technical vice chair of this institution). In Colombia and Peru, Management Solutions also organized meetings with the respective national regulators prior to the roundtable discussions.

First Conference of Actuaries in Peru

Management Solutions participated in the first Conference of Actuaries in Peru, organized in Lima by ESAN University with the aim of sharing knowledge on financial management systems as well as on their complexity and the way they work.

The event brought together more than 150 specialists in actuarial science, including experts on topics related to probability, statistics, finance and economics in addition to



Roundtable discussions on Model Risk in Mexico City

representatives of Actuarial Associations from countries such as the United Kingdom, Mexico, Argentina, Spain, Brazil and France, and regulators like the Superintendence of Banking, Insurance and Pension Funds, the International Actuarial Association (AAI) and Peru's Actuaries Association (AAP).

Management Solutions' presentation dealt with the participation of actuaries in the process of integrated risk management in companies, with a particular focus on the potential benefits that implementing an integrated risk management process has for insurance companies.

Master's degree in the Supervision of Credit Institutions in Spain

Management Solutions participated in the teaching of the Master's degree in the Supervision of Credit Institutions, organized by the Faculty of Economics and Business Administration at Comillas Pontifical University, through the ICADE Business School, and targeted at Bank of Spain professionals that will join the Institution's team of inspectors.

The Firm was responsible for teaching one of the most extensive program modules, which deals with banking risks and addresses issues such as operational risk, credit risk and exchange risk management and control, among others.



13th Annual CGRE Conference on Risk, Spain



Laura León,
Partner at Management Solutions

"Our external outreach activities are an example of our strong commitment to the industries we serve"

Our industry specialization allows us to anticipate clear answers to the main topics of discussion in the industries in which we work. Thus, we gradually fine-tune our value proposition by incorporating key elements from such specialization.

We strive to be at the forefront of industry knowledge and have a commitment to sharing it. This is why we are in favor of a selective presence at key industry forums, and of the publication of specialized papers on topics of interest for each industry.

We also work to transfer best practice across industries, thereby contributing to expanding knowledge.

13th Annual CGRE Conference on Risk, Spain

Management Solutions participated as moderator at the 13th Annual Risk Conference organized by the CGRE (Risk Management Club of Spain), which was attended and addressed by representatives from major Spanish financial institutions.

Titled "New European Supervision Scenario: Challenges and Opportunities", the aim of the conference, attended by over 150 people involved in the risk function, was to share the vision of regulators and financial institutions on current issues of utmost interest for the industry, such as the new supervisory trends, risk management in an environment of growth or company restructuring.

Management Solutions, Patron of the CGRE, actively participated in the event by moderating a panel of speakers on "New challenges in the banking business", which included the participation of representatives from Santander Bank, BBVA and Banco Popular, and dealt with model risk management, the conflict between internal models and the regulation imposed by the supervisor, and the management of data and the risk reporting framework.

The event also saw the participation of the Executive Secretary of the Association of Banking Supervisors of the Americas (ASBA), the Deputy Director General of the Treasury and Financial Policy, the Chairman of the Spanish Banking Association and the Chairman of CGRE, in addition to other risk managers from institutions such as CaixaBank, Sabadell and Bankia.

Committed to our professionals

The human factor is essential at Management Solutions. Engaging our professionals is a primary objective for us. For this reason, we strive to provide the best professional environment for them to develop their talent.

More than 100,000 résumés received

More than 200 new recruits hired

More than 130,000 training hours provided





"One team"

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

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

- in the industry's most relevant consulting projects,
- for major companies, leaders in their respective markets,
- next to top management at companies in their national and international challenges,
- and, above all, with an extraordinary team of professionals, whose values and corporate culture are a reference in the industry.

We are aware that optimum professional development and achieving excellence in our projects require effort and

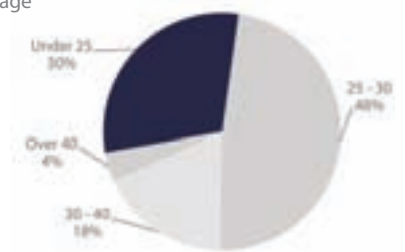
sacrifice; two words that form an undeniable part of our corporate culture. In our experience, this effort is rewarded by our clients' recognition and by the achievements attained by our professionals as they gradually shape their career.

Regardless of this reward in the professional field itself, we pay special attention to facilitating the best work environment possible and supporting our professionals in everything we can: training, technological resources, supporting documentation, accessible internal communication (Intranet), human resources policies (employee benefits, mentoring programs, international relocations, evaluations), medical service, etc.

Distribution of workforce



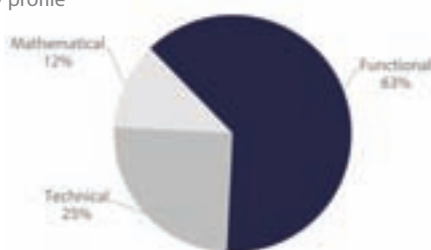
By age



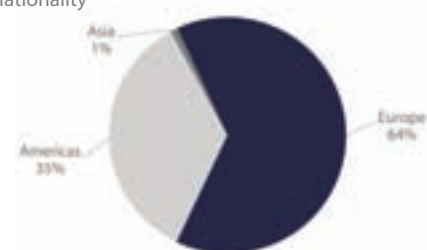
By gender



By profile



By nationality



Human Resources policies

Committed to our professionals

In 2014, more than 100,000 resumes were received by Management Solutions offices world-wide



Recruitment and selection

Onboarding new professionals and therefore creating jobs for young people is one of our goals. Recruiting the best talent is one of our greatest challenges and, for this, our Human Resources team is always on the look-out for professionals who share our corporate values and fit the right profile, 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 deepen their knowledge of the Firm, discover our values and familiarize themselves with our work methodology.

Mentoring program

Our mentoring program, aimed at all professionals in the Firm up to Experienced Senior level, was created with the goal of listening and providing guidance to our professionals and to align their aspirations with the needs of the Firm.

Mentorship is performed by Directors, Managers and Supervisors, and its main function is to identify the concerns of professionals, advise them and become fully involved in their future career. The scope of the mentoring program was expanded a few years ago to include future employees of the Firm (candidates who have passed the selection process and received a letter of offer). All of them are assigned a mentor (Senior or Experienced Senior) whose mission is to guide them, answer any questions they may have, offer advice on

project types and corporate culture and, thus, create a sense of belonging to facilitate their future onboarding.

More than 1,500 people participated in the mentoring program in 2014. More than 200 professionals (Directors, Managers and Supervisors) acted as mentors for over 1,100 professionals in their first to sixth year, contributing to their professional development within the Firm. To these must be added the more than 200 candidates who also participated in the mentoring program.

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.

Internal career advancement

Career development within the Firm is one of Management Solutions' basic pillars. Thus, a new graduate can progress quickly to become a qualified professional in highly sophisticated areas of business management.

Human Resources policies



This is possible mainly due to two factors: Management Solutions' professional career and hierarchical structure. The Firm guarantees a clearly defined career plan, where professional development depends only on own merit and proven results. This development is aided by our evaluation system, in which professional skills and possible areas for improvement are identified.

In the semi-annual evaluation, project managers assess the performance of each professional and inform him or her of the assessment results. The evaluation is an excellent opportunity for improvement and for exchanging comments and views between the evaluatee and the evaluator and providing the correct guidance on the work to be carried out.

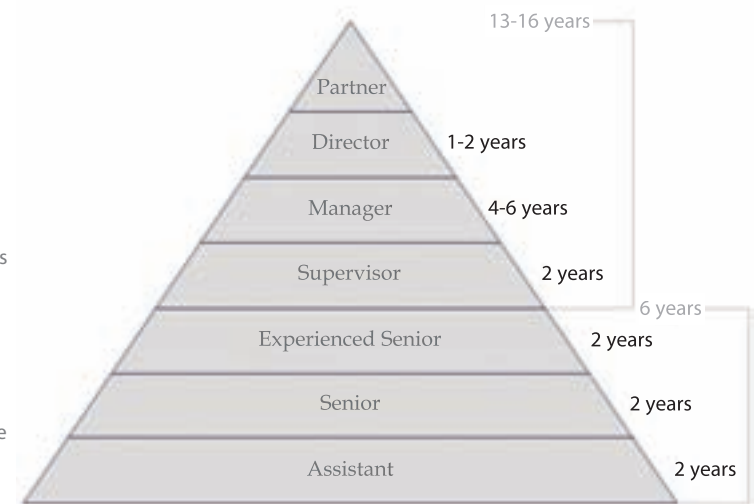
Management Solutions is a partnership, offering each professional the opportunity to become a partner in the Firm.

Career plan

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

From the time they join the Firm, all consultants embark on a professional career during which they will climb to different levels of our corporate ladder according to their merits, taking on new responsibilities and leaving their previous functions to the upcoming intake of consultants.

This annual promotion system supports ongoing development and ensures all professionals can, over time and according to their achievements, become partners in the Firm.





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.
- Accident insurance.
- Life insurance.
- Luncheon vouchers.
- Childcare vouchers.
- Special conditions with financial institutions.
- Corporate agreements.

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.

Training

Management Solutions places special emphasis on training its professionals, having invested more than 130,000 training hours in 2014

Management Solutions pays particular attention to training its professionals, spending around 10% of capacity on this goal.

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 some of our offices, the first two years of training is provided through a Master's degree, therefore all professionals who join the Firm in these offices study for a Master's degree in Business Consultancy offered by Comillas Pontifical University and Management Solutions (with a duration of two years and a total of 600 hours of training).

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 using 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 with 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.

Our training courses are programs designed for each professional category and include seminars to develop specific capabilities. We aim to provide the best training opportunities to expand knowledge and develop skills.

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.



One-day Executive Seminar

A one-day training course for Management Solutions' senior executives was held on June 5, 2014. 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. Julián Cubero, Head Economist of Economic Scenarios Unit of BBVA Group
- ▶ Mr. Fernando Ruiz, Chairman of Deloitte
- ▶ Ms. María Teresa Agujetas, Corporate Technology Director of Santander Group
- ▶ Mr. Luis Lamas, Partner at Management Solutions



Mr. Julián Cubero at the Executive Training Course in Teatro Real, Madrid

Commencement ceremony for the first graduating class of our Master's degree in Business Consulting



Mr. Javier San Félix, honorary mentor for this first graduating class

94 Management Solutions professionals were awarded the Master's degree in Business consulting, offered jointly by Management Solutions - ICADE Business School.

The graduation ceremony was held at ICADE's Main Hall and was attended by the Master's first class of graduating students, as well as tutors and teachers in the master's program and friends and family who wanted to accompany students in their graduation. The event was hosted by Antonio Obregón (Vice-rector of Comillas Pontifical University), Alfonso Serrano-Suñer (Chairman and CEO of Management Solutions), Javier San Félix (Managing Director of the Commercial Banking Division at Grupo Santander), Alfredo Arahuetes (Dean of ICADE's Economics and Business Studies Faculty), Robert Robinson (Director of ICADE's Business School) and M^a Josefa Peralta (Director of the Master's degree program).

Before the graduates were handed their diplomas, attendees were addressed by: Javier Echeverría, representing the students; Javier San Félix, acting as honorary mentor for this graduating class; and Alfonso Serrano-Suñer, who represented Management Solutions at the ceremony.

After the diplomas were presented, with a special mention to Leire Apraiz, Beatriz Arana, Raquel Balanzategui and Javier Echeverría for the best four academic records, the ceremony was closed by Antonio Obregón, Vice-rector of Comillas Pontifical University.

Training

Annual training hours

By category

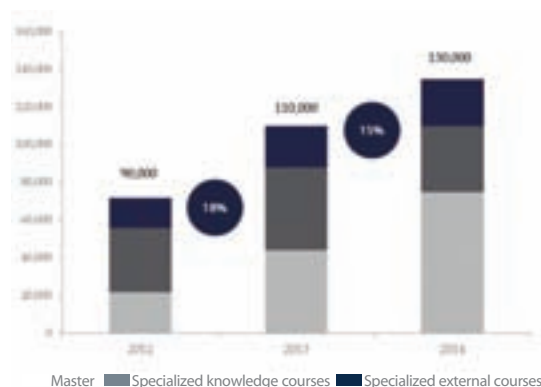
| |
|---|
| Assistant 1 - 400 hours |
| Assistant 2 - 200 hours |
| Senior 1 - 100 + 130 ¹ hours |
| Senior 2 - 100 hours |
| Experienced Senior - 80 + 20 ² + 16 ³ hours |
| Supervisor - 40 hours |
| Manager - 40 hours |

¹FRM

²CFA

³PMP

By type of course



Specialized knowledge courses

On-site courses include an evaluation test that is given by the Firm's Directors, Managers and Supervisors throughout the first years of the professional's career.

Specialized external courses

Specialized courses or seminars for professionals to update knowledge, obtain certifications or receive specialized training in a specific area or for a specific project or R&D&i.

Skills courses

Courses aimed at developing the skills needed for professional practice (team management, leadership, development of lasting customer relationship models, etc.), mostly taught by external leaders in the market, targeting Senior level or above professionals from all our offices.

Language courses

Language courses (including English, Portuguese, Italian, German, Spanish, etc.) are offered depending on the specific needs of our professionals in each of the Firm's units. These can be group courses (for all professionals) or one-on-one private lessons (for Supervisors and above).



Attendees at Management Solutions' welcome session

Management Solutions Training Plan

Knowledge courses

Business

Financial System
Wholesale Banking
Retail Banking
Insurance
Energy
Telecommunications
Economic and Financial Situation Analysis
Financial Ethics
Investment Banking
Asset Management
Private Banking
Collections
Corporate Strategy and Business Risk

Risk Management

Market
Credit
Operational
ALM
Integrated Risk Management
Project Risk Management
Capital and RAROC
Risk-adjusted Return
Liquidity Risk
Counterparty Risk
Market Data Management: Organization and Architecture for Market Data Management
Applied Mathematics
Microfinance

Markets and Products

Fixed Income
Equity Income
Advanced Derivatives
Credit Derivatives
Structured Products
Exotic Options
Commodities
International and domestic financial markets
Project Finance and Corporate Finance

Specialized external courses

Financial Risk Manager de GARP*
PMP Certification
CFA Certification

Organization, Processes and Systems

Organization and Governance
Process redesign and transformation
MIS
Efficiency
Processes
Back Office processes (retail and wholesale)
Settlement and custody
Marketing Management and CRM
Management Control
Information Reporting

Regulatory Framework

Basel II and III
Solvency II
SOX
Payments Directive
MiFID
Bank of Spain Circulars
Financial analysis and corporate management information
Analysis of Financial Statements
Energy industry regulations
Telecommunications industry regulations
Regulatory changes in the banking industry
Internal Control Implementation Principles and Methodologies

Technology/Methodology

Basic Technology
Development
Systems Architecture
Database Design and Modeling
ORACLE
Microstrategy
Business Intelligence
Business Objects
Trading Tools
Workshop on Trading Tools
Methodology for the Design of Informational Systems
PMO Methodology
Statistical and Datamining Tools
Financial Modeling

Skills courses

Effective presentations
Negotiating
Generatin business through the team
Professional Coaching



Marcos Fernández,
Partner at Management Solutions

“We seek to provide the best possible working environment for our professionals to develop their talent”

Management Solutions’ team is unique. We implement a rigorous selection process that targets candidates with a brilliant academic record and sound skills. We closely monitor the career of all our professionals in order to help them develop their talent and support the knowledge and abilities they will need to successfully progress in their career.

Our training plan has earned highest market recognition for its quality and for the diversity of its content, and is the only program that awards a Master’s degree in Business Consulting after the first two years of practice.

We are proud to be able to offer our professionals the best environment in which to develop by combining a career plan based on merit with a model of sustainable growth from the base.

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

Occupational risk prevention and medical service

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. Additionally, 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.

For 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 Psycho-sociology

The Occupational Health Service works in four areas: prevention, care and counseling and predictive medicine.

Prevention targets both the work environment and the workers themselves.

Environment

Studies on environmental hygiene and noise levels are undertaken. A risk evaluation was completed, 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:

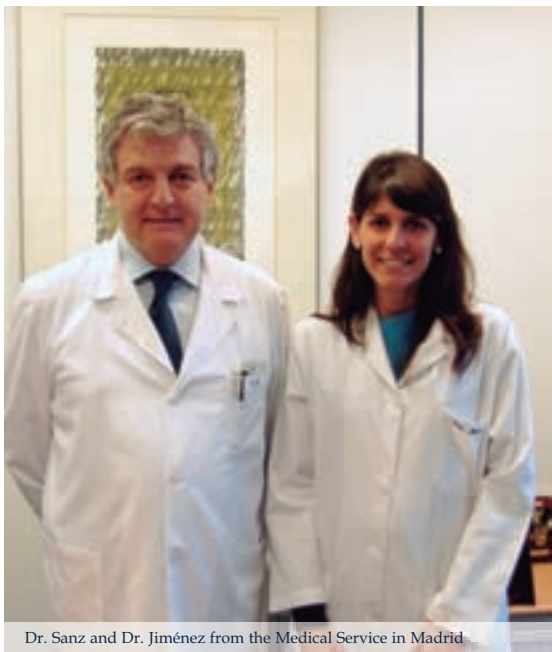
- Indoor air quality, which requires monitoring of airborne bacteria, fungi concentration, and CO and CO₂ levels.
- Fitness of food supplied through the vending machines.
- Thermo-hygienic conditions of office space, by monitoring temperature, relative humidity and light levels.
- Light levels in working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



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

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.

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

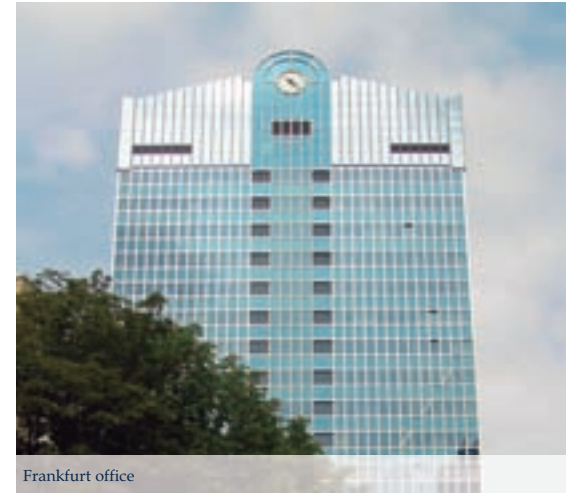
Basic security rules to be followed while using any facilities outside office hours.

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



Frankfurt office

Support areas

The main purpose of the Resources Function is to generate value for the Firm. This value generation largely focuses on providing efficient administrative and support services to all professionals. Although some of these services have already been described in previous sections, 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, including professionals located at client' sites, with tools that allow for a remote connection.

In 2014, we saw substantial progress in the implementation of the improvements set out in our quality plan. Among other developments, we have completed a project to implement Mobile Device Management (MDM) software for mobile devices, both corporate and Bring Your Own Device (BYOD).

Documentation

Knowledge sharing is very important at Management Solutions. Providing access to information is an essential element of support enabling our professionals to efficiently undertake their projects. The documentation service organizes the information generated, making a distinction between internal and external documentation:

- ▶ 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 carried out by our infrastructures team is necessary to efficiently manage the opening and operation of new offices and to expand existing ones. In 2014, we completed the expansion of our office space in Madrid (currently occupying three floors in Torre Picasso) and set up our new office in Frankfurt, Germany.

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 just about conveying corporate messages, but is an element of cohesion and integration among the Firm's different offices and areas.

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.

Our VPN connection, My Office application and the recently launched MDM software for BYOD mobile devices, enable all Management Solutions professionals to access the corporate intranet from anywhere in the world without having to be physically in the office.

Our Intranet contents, translated into three languages (Spanish, English and Portuguese) encompass a wide range of information.

- 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.



- Social Action website: community and fundraising activities organized selflessly by this group of Management Solutions professionals.
- Sports Club website: general information, schedules, results and standings for the Firm's sports championships.

Global Yearly Meeting

Management Solutions' main internal communication event is its Yearly Meeting. This is an annual global convention that brings together a large part of the Firm's professionals and is held in July in Madrid, marking the close of our fiscal year.

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, R&D innovation, human resources management, communication, and organizational flexibility.

Our Yearly Meeting includes the participation of some of our main clients' CEOs, directors and top executives as well as representatives from the academic world. This gives our professionals the opportunity to listen to different approaches and perspectives on areas related to their activity, delivered by top leaders of great prestige.

Guest speakers at previous Management Solutions Yearly Meetings

Yearly Meeting '13. Royal Theatre

Mr. Emilio Botín, Chairman of Santander Bank
Mr. Antonio Brufau, Chairman of Repsol
Mr. José Ignacio Goirigolzarri, Chairman of Bankia
Mr. Julio L. Martínez, Rector at Comillas Pontifical University

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, Vice President 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

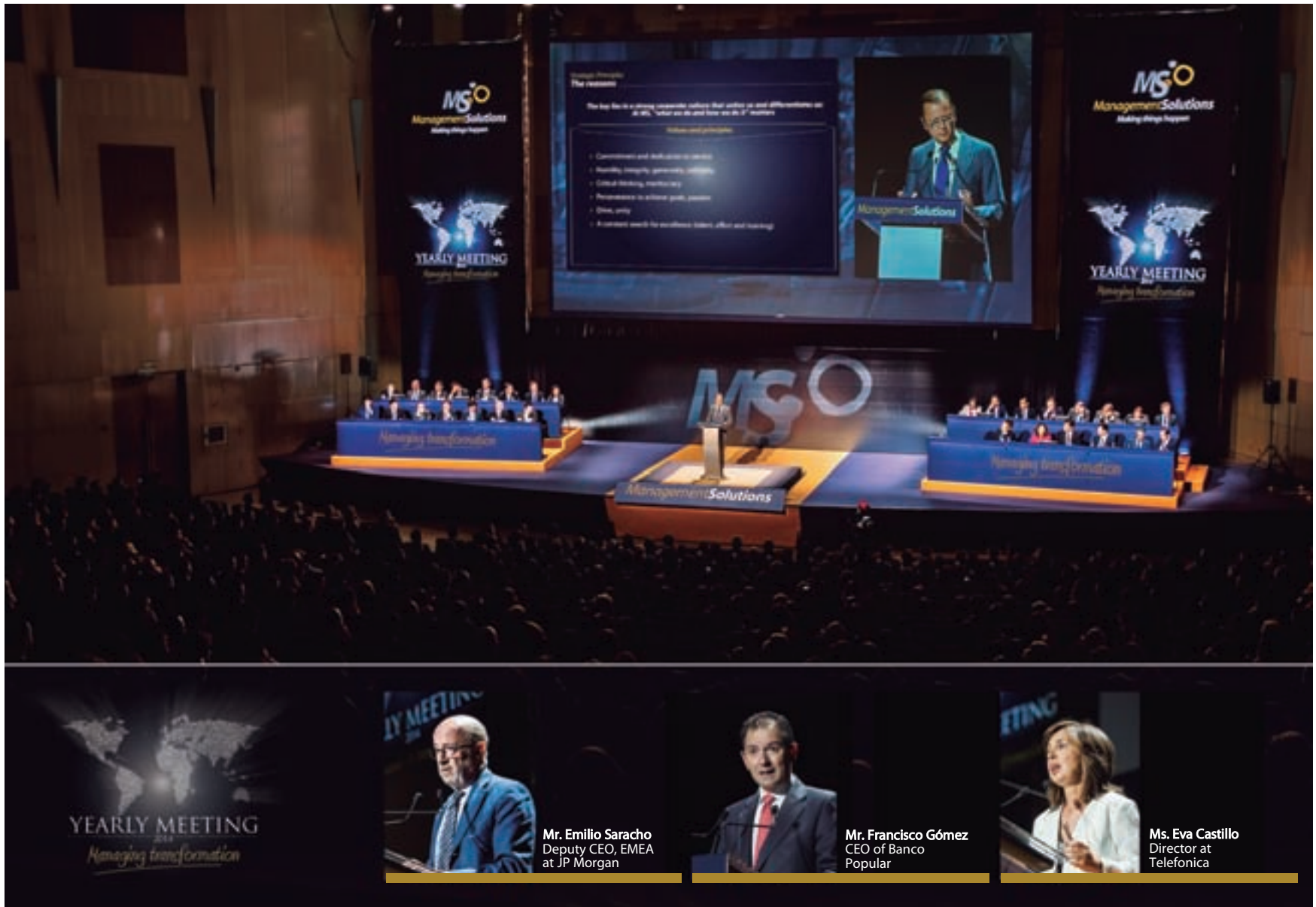
Yearly Meeting '05. Congress Palace Building

Mr. Fernando Ramírez, CFO of Repsol YPF Group
Mr. Ignacio Sánchez-Asiáin 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



Yearly Meeting 2014

Management Solutions' Yearly Meeting 2014 was held on July 18th, bringing together around one thousand professionals from the Firm under the theme "Managing transformation".

As in previous occasions, the event included a review of the Firm's achievements in Fiscal Year 2014 and challenges for the upcoming 2015 Fiscal Year and featured the participation of top executives from some of our main client companies.

The Yearly Meeting, held on this occasion at the Palacio Municipal de Congresos in Madrid, began with a review of the market environment, by Ignacio Layo (Partner at Management Solutions), and continued with a presentation by Alfonso Serrano-Suñer (Chairman and CEO of Management Solutions) which described the progress made by the Firm during the year ending August 2014, and the challenges for the future in terms of diversification, innovation, human resource management, profitable growth, organizational flexibility and communication.

On this occasion, Management Solutions professionals had the privilege of listening to presentations from Mr. Francisco Gómez (CEO of Banco Popular), Mr. Emilio Saracho (Deputy CEO, EMEA at JP Morgan), and Ms. Eva Castillo (Director at Telefonica), who in their speeches had generous words of appreciation for Management Solutions' trajectory and the valuable contribution our work has meant for their organizations.



Yearly Meeting United Kingdom

Local Yearly Meetings

In 2014, more than 700 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 professionals from our UK office came together for the Yearly Meeting 2014, held at One George Street Convention Center, to review the Firm's achievements in the UK and the goals for the following year.



Attendees at the Brazil Yearly Meeting

After the presentations, more than 50 professionals who attended the Yearly Meeting closed the day with a dinner at a restaurant located at The Roof Gardens, a well-known London spot.

Yearly Meeting Brazil

Brazil's Yearly Meeting, held at the Blue Tree Hotel in São Paulo, began by reviewing Management Solutions' performance in Brazil in Fiscal Year 2014. Also discussed were the Firm's global and local challenges for FY15. After the presentations, the more than 100 professionals attending the event enjoyed a cocktail in one of the hotel's halls, followed by a dinner held later that day at a well-known events venue, where the Firm's professionals were also able to enjoy a celebration well into the night.

Internal communication



Chile office team



Attendees at the Colombia Yearly Meeting

Yearly Meeting Mexico

Mexico's Yearly Meeting was held at the Marquis Reforma Hotel in Mexico City under the motto "Managing transformation" and was attended by more than 150 Management Solutions professionals.

The first part of the day was spent reviewing the current economic environment, the significant achievements of FY14 and the ambitious challenges for FY15, both at the global level for Management Solutions and specifically for the Mexico office. The Yearly Meeting closed with a gala dinner at one of the halls where the convention was held.

Yearly Meeting Argentina

The Argentina office held its Yearly Meeting at a resort in Ezeiza near Buenos Aires and was attended by professionals from Argentina, as well as by members of other offices on assignment in Buenos Aires.

As usual, the Yearly Meeting reviewed Management Solutions' achievements during the past year as well as the Firm's local and global short-term goals. After the meetings, over 25 Management Solutions professionals who attended the event enjoyed the rest of the day, including a dinner before returning to Buenos Aires.

Yearly Meeting Chile

Chile's Yearly Meeting, held at the Monticello Convention Center on the outskirts of Santiago, was attended by professionals from our Chile office as well as by those on assignment in Santiago from other Management Solutions offices. The more than 50 attendees reviewed the goals achieved by Management Solutions in Chile during the past fiscal year and discussed the Firm's goals for the following year.

As it is tradition at Management Solutions, the Yearly Meeting closed with a dinner that went on until late that night at one of the restaurant in the Convention Center before returning to the Chilean capital.

Yearly Meeting United States

The US Yearly Meeting, held in Boston, was attended by Management Solutions professionals from the New York, Boston and Birmingham offices.

Professionals attending the event had the opportunity to review the goals achieved by Management Solutions during 2014 and to discuss the Firm's challenges for the following year in the US. After the meeting, held at the Omni Parker Hotel in Boston, attendees were able to enjoy the Yearly Meeting's closing dinner at a popular restaurant in Massachusetts's capital city.



Attendees at the Mexico Yearly Meeting

Yearly Meeting Peru

Management Solutions' professionals from our Peru office, as well as professionals from other offices on assignment in Lima, gathered at the Hilton Hotel for Management Solutions Peru's Yearly Meeting 2014, where they reviewed the goals achieved during the past fiscal year and discussed the challenges set for FY15 in Peru.

Later in the day to close the event, a dinner was held at one of Lima's revered restaurants, where attendees enjoyed a pleasant evening.

Yearly Meeting Colombia

Professionals from our Colombia office gathered at Hacienda de San Luis in Chía, a resort located on the outskirts of Bogota, to hold its Yearly Meeting, 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 a popular restaurant in Bogota.



Marcos Izena,
Partner at Management Solutions

"Our internal communication policy has proven to be key to ensuring cohesion and integration of all our professionals"

In little more than a decade, we have built a global Firm that operates in more than thirty countries in Europe, North America, Central America, South America, Asia and Africa. This requires us to pay special attention to internal communication as it is the element that gives cohesion to our principles and values in each and every one of the territories in which we have a presence.

For this reason, we have put together a comprehensive internal communication plan that allows us to convey the Firm's general information, values and principles, strategy and goals, to our professionals wherever they are in a unified way, while at the same time catering for the specific needs of each office.

Sports Club

More than 300 professionals participated in the tournaments and activities organized by the Sports Club in 2014

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

2014 saw the ninth indoor soccer and paddle tennis championships organized by the Madrid office. More than 100 professionals (divided into 10 teams) participated in the indoor soccer championship, which consisted of a preliminary round and play offs for the title, while 72 professionals (36 pairs), divided into two categories, took part in the paddle tournament. Additionally, our Chile office held its fourth paddle tournament, with the participation of 24 professionals from the Firm.

External championship

Inter-company team sports tournaments

For the sixth year, the women's soccer team at Management Solutions Madrid, with a strong tradition in the Firm and composed of more than 20 people, achieved second place in the RC Sport Intercompany Indoor Soccer Tournament organized in Madrid.

The winners of the internal indoor soccer championship at Management Solutions Madrid participated in the sixteenth RC Inter-company championship in Madrid, held from October 2013 to May 2014, finishing in the top eight teams in the tournament.



Mixed soccer team in Birmingham, USA



Winners of the Corporate Run in Madrid, Spain.



Management Solutions' basketball team in Madrid (Spain)



Participants at the fourth paddle tournament in Chile



Participants at the Reading Half Marathon, UK

In the US, a newly created soccer team participated in an inter-company league in Birmingham (Alabama), while, in Mexico, Management Solutions' soccer team participated once again in the inter-company tournament held in the capital city.

Furthermore, Management Solutions' basketball team, which was created in Spain in October 2014, played in the RC Sport Inter-company basketball tournament in Madrid.

Races

In 2014, Management Solutions professionals participated in dozens of races organized in different countries.

In Spain, the Management Solutions team won first place in one of the "Corporate Run" categories (6 kilometers run individually or as a team). The race, held in Madrid for the

sixteenth consecutive year, gathered more than 14,000 runners who ran individually or as part of a team.

Professionals from Management Solutions Brazil had the opportunity to participate for the fourth consecutive time in the "Pão de Açúcar Marathon", Latin America's biggest relay race with more than 35,000 participating runners. Management Solutions participated with 12 runners, divided into two teams, who took turns to run the 42 km relay race.

In the UK, Management Solutions professionals participated in the "Reading Half Marathon". In addition to being a high-profile sporting event in which 15,000 athletes participated, the race donated the cost of registration to the Sue Ryder Charity NGO, which assists people with terminal or incurable diseases by providing palliative care and attention in hospitals around the UK.

Management Solutions professionals also participated in charitable races in several countries, including the runs organized in Spain by: BBVA, Telefónica Foundation, Créate Foundation, Spanish Association Against Cancer and Entreculturas Foundation; Santander and BBVA runs in Chile; the "Wings for Life" race in Chile and Peru; the "Run for Parkinson" in Mexico and the "Somerville Homeless Coalition 5K" race in the US. More information on all these activities is provided in the Social Action section.

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.

More than 150 collaborations with universities

More than 6,000 Social Action volunteers

30 Social Action campaigns





University

University interaction is key to our social responsibility policy

Besides contributing towards the creation of jobs for new graduates and providing them with the opportunity to develop an excellent professional career, Management Solutions maintains close links with universities in many different areas: collaboration agreements to provide internships and work placement programs, teaching of lectures and seminars, cooperation in research programs, presentation of practical case studies, participation in job fairs and support to university foundations and associations.

In September 2012, Management Solutions reinforced its commitment to the university world with the creation of the first Master's degree in Business Consulting in Spain, organized in partnership with Comillas Pontifical

University. 2014 saw the graduation of the Master's first class of students and the beginning of the third class.

Work experience programs

Management Solutions contributes to a cohesion of knowledge amongst the University and the Firm through agreements with the most prestigious universities to onboard interns who, depending on their merit, may become future Management Solutions professionals. More than 100 professionals completed their Firm internship in 2014.

In any case, internships allow the Firm selected to acquire firsthand experience in the business world.



Commencement ceremony for the first class of graduates from the Master's degree in Business Consulting offered by Management Solutions - ICADE Business School

Management Solutions teaches specific subjects at the MBA in Financial Risk by BM&FBOVESPA in Brazil

In 2014, Management Solutions started a collaboration with the BM&FBOVESPA Educational Institute to teach the subject "*Políticas e Tópicos da Gestão do Risco*" as part of the Master's degree in Financial Risk offered by the Institution and in which Management Solutions professionals were able to share their knowledge of Operational and Liquidity Risk with students studying for the Master's degree.

The BM&FBOVESPA Educational Institute is a business school belonging to the São Paulo Stock Exchange (one of the world's largest and most important exchanges), created in 1997 with the goal of providing benchmark postgraduate training for professionals working in the Brazilian financial industry.

Seminars and expert courses

Through its partners and other members of the management team, Management Solutions has an active and pro bono presence in education within its sphere of action.

In 2014 we continued our work with universities, both in undergraduate and post-graduate studies and in business schools:

- ▶ Universidad Pontificia Comillas (ICADE)
- ▶ Universidad de Deusto
- ▶ ICADE Business School (in collaboration with the Club de Gestión de Riesgos) – Financial Risk Manager, Madrid and Barcelona
- ▶ ESADE Business School
- ▶ Centro de Estudios Garrigues
- ▶ Centro Universitario de Estudios Financieros (CUNEF)
- ▶ Universidad Complutense de Madrid - Facultad de Matemáticas
- ▶ Universidad Politécnica de Madrid
- ▶ Universidad Autónoma de Madrid - Facultad de Matemáticas
- ▶ London School of Economics
- ▶ City University London
- ▶ University College London
- ▶ Instituto Tecnológico Autónomo de México (ITAM)
- ▶ Universidad de las Américas Puebla
- ▶ Instituto de Ensino e Pesquisa de Brasil (Insper)
- ▶ Instituto Educacional BM&FBOVESPA
- ▶ Universidad de Lima
- ▶ Universidad ESAN de Lima
- ▶ Universidad Católica de Chile - Facultad de Matemáticas
- ▶ Universidad de Chile – Facultad de Economía y Negocios
- ▶ Instituto Tecnológico del Norte de Argentina

Cooperation agreements with universities

Europe

| | | | |
|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Centro Universitario Villanueva | Universidad Antonio Nebrija | Universidad de Navarra | Universidad Pontificia Comillas – |
| City University | Universidad Autónoma de | Universidad de Oviedo | ICAÍ |
| CUNEF | Barcelona | Universidad de Salamanca | Universidad Pontificia de |
| EBS | Universidad Autónoma de Madrid | Universidad de Santiago | Salamanca |
| ESADE | Universidad Carlos III | Universidad de Sevilla | Universidad Rey Juan Carlos I |
| ESCP | Universidad Complutense de | Universidad de Valencia | Universidad San Pablo CEU |
| Escuela de Empresa | Madrid | Universidad de Valladolid | Universidade Católica |
| Escuela de Finanzas Aplicadas | Universidad de A Coruña | Universidad de Vigo | de Lisboa |
| Escuela de Ingeniería de Sevilla | Universidad de Alcalá de Henares | Universidad de Zaragoza | Universidade do Coimbra |
| ETEA | Universidad de Alicante | Universidad del País Vasco | Universidade do Minho |
| Frankfurt School of | Universidad de Barcelona | Universidad Europea de Madrid | Universidade do Porto |
| Finance&Management | Universidad de Burgos | Universidad Francisco de Vitoria | Universidade NOVA |
| Fundación San Telmo | Universidad de Cádiz | Universidad Miguel Hernández | de Lisboa |
| Imperial College of London | Universidad de Cantabria | Universidad Pablo de Olavide | Universität Heidelberg |
| ISCTE | Universidad de Castilla-La Mancha | Universidad Politécnica de | Universitat Pompeu Fabra |
| ISEG | Universidad de Córdoba | Cartagena | University College of London |
| IST | Universidad de Deusto | Universidad Politécnica de | University of Cambridge |
| London School of Economics | Universidad de Extremadura | Cataluña | University of Oxford |
| Luigi Bocconi (Milano) | Universidad de Granada | Universidad Politécnica de Madrid | University of Bath |
| Luiss (Guido Carli di Roma) | Universidad de Jaén | Universidad Politécnica de | University of Bristol |
| Technische Universität Berlin | Universidad de León | Valencia | University of Lancaster |
| Technische Universität München | Universidad de Málaga | Universidad Pontificia Comillas – | University of Warwick |
| Universidad Alfonso X El Sabio | Universidad de Murcia | ICADE | WHU |

Americas

| | | | |
|-------------------------------------|-------------------------------------|---------------------------------|------------------------------------|
| Auburn University | ITBA Instituto Tecnológico Buenos | Universidad Anáhuac | Universidad Nacional Agraria La |
| Birmingham Southern College | Aires | Universidad Autónoma del Estado | Molina |
| Columbia University | Mackenzie Massachusetts Institute | de México | Universidad Nacional Autónoma |
| DUOC UC | of Technology (MIT) | Universidad de Chile | de México |
| Escuela Bancaria Comercial | MIT Sloan | Universidad de Finis Terrae | Universidad Nacional de Colombia |
| FAAP (Faculdade Armando Álvares | New York University (NYU) | Universidad de La Salle | Universidad Nacional de Ingeniería |
| Penteado) | Pontificia Universidad Católica de | Universidad de las Américas | Universidad Tecnológica de |
| FEI | Chile | Puebla | México (Unitec) |
| FGV (Fundação Getúlio Vargas) | Pontificia Universidad Católica del | Universidad de Lima | Universidad Torcuato Di Tella |
| Fordham University | Perú | Universidad de los Andes | Universidade Presbiteriana |
| Harvard University | Pontificia Universidad Javeriana | Universidad de San Andrés | Mackenzie |
| Insper | Princeton University | Universidad del CEMA | University of Massachusetts |
| Instituto Politécnico Nacional | PUC (Pontificia Universidade | Universidad del Pacífico | Boston |
| México | Católica de São Paulo) | Universidad Diego Portales | University of Pennsylvania |
| Instituto Tecnológico Autónomo | Stanford University | Universidad Federico | USP (Universidade de São Paulo) |
| de México | The University of Alabama | Santamaría | UTN Universidad Tecnológica |
| Instituto Tecnológico y de Estudios | UBA Universidad de Buenos Aires | Universidad Iberoamericana | Nacional |
| Superiores de Monterrey | Universidad Adolfo Ibáñez | Universidad Madero Puebla | Wharton University |

University

Company presentations and job fairs

Company presentations and jobs fairs constitute a fundamental meeting point for university seniors 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 psychometric tests on site (in order to speed up the selection process), as well as working breakfasts with students and case studies.

Our 2014 selection process in figures



Campus of University of the Americas Puebla (Mexico)

Management Solutions participated in the Fourth Congress on Physics and Mathematics at the University of the Americas Puebla (Mexico)

Management Solutions participated as a guest speaker at the fourth edition of the Congress on Physics and Mathematics at the University of the Americas Puebla (UDLAP), Mexico, which was attended by students and researchers from the Actuarial Science, Physics, Mathematics and Economics departments.

The presentation made by Management Solutions was entitled "Mathematics in Credit Risk – Zooming in on the Credit Risk weighting factors in the Basel III IRB approach" and dealt with the approach of the mathematical methods used to estimate credit risk weight curves for internal models in Basel II and their respective changes in the new Basel III regulations.

With this presentation, Management Solutions strengthened its collaboration with UDLAP, one of the leading universities in Mexico and Latin America.

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, concentrating on "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 collaborative opportunity with Universidad Pontificia Comillas, an institution with which the Firm maintains an excellent relationship - receiving ICADE's 50th Anniversary Medal in 2011.

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 examined the sale of portfolio assets using risk adjusted return measures as the selection criterion. The students, all of them in their final years of the Economics degree course, had to solve this problem in the best possible way.

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



María José Leongentis,
Partner at Management Solutions

"Our support to the academic world is one of the pillars of our commitment to the environment"

We have a close relationship with universities, from our collaboration agreements for internships and work experience placements, to teaching specialized classes and seminars, to cooperation in research programs, or even co-sponsoring of university foundations and associations.

All of this is on top of our strong contribution to job creation for young new graduates, offering them the opportunity to develop an excellent career.



Corporate presentation and case study at a job fair

University

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 business professionals, who were former University, and the Dean and Deputy Dean of the Faculty of Economic and Business Sciences at the University of Comillas. The purpose of this collaboration is to work alongside ICADE in its study, teaching and research programs, in its effort to foster entrepreneurship among its students and to strengthen relations between the University and the business world.

So far, the Firm has participated in some of the initiatives that the Club has launched. This includes the first two editions of the Seminar for Entrepreneurs and the Business Project Award, which recognizes the best business project submitted by students in their final years at the University.

Management Solutions also supports the Club by collaborating on the educational programs and by providing support to students of the University (grants, sponsorship of awards, etc.).

Sponsorship of Awards to the best Final Year Project at ICAI

In 2011, Management Solutions joined in sponsoring the best Final Year Project award 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 "Financial and risk management in the energy industry". They did this by making a financial contribution towards the awards and by becoming member of the jury – responsible for the evaluation of submitted projects – created for each area. The jury is 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.

In 2014, 14 ICAI students received awards for the 2012-2013 academic year. Miguel Ángel Poblet, Director of Resources at Management Solutions, delivered the prize the Firm had sponsored at a ceremony chaired by Comillas Pontifical University Rector Mr. Julio L. Martínez, SJ, who was accompanied by the Head of School, Mr. Mariano Ventosa.

Awards for best academic performance of the Faculty of Information Technology, Polytechnic University of Madrid

In 2012 Management Solutions joined the Board of Awards to the best academic records of the Faculty of Information Technology, Polytechnic University of Madrid, which awards a monetary prize to the best students.



During the Degree Graduation Ceremony at the Faculty of Information Technology, Polytechnic University of Madrid, Carlos Lozano received the award for the Faculty's best academic record in the year 2013-2014. The award, sponsored by Management Solutions, was presented by José Manuel Suárez, a partner at the Firm.

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 the School of Engineers' educational and research activities. 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 recognizing outstanding engineering work.

Deusto University Foundation

The Firm works together with the Deusto Foundation (Deustu Fundazioa), affiliated with the 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.

UCLU Business Society

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

Management Solutions professionals awarded at the ICAI End of Year Project Awards



ICAI End of Year Project Awards (2012-2013)

The project "Stress test in financial institutions", developed by Sonsoles Martínez and directed by Javier Calvo, both Management Solutions professionals, was awarded first prize in the "Financial and risk management in the energy sector" category for best final year project 2012-2013 at ICAI's School of Engineering.

The work covered a current and highly relevant topic in the financial and economic field, while simultaneously highlighting its social impact, and divided it into three broad sections: an overview of stress tests, a retrospective analysis and a practical case study.

The project addressed novel elements, such as stress test backtesting, from a global perspective (covering the European, North American and Latin American markets), drawing conclusions that were also useful for energy companies from the risk management standpoint.

Gonzalo Martín, also a Management Solutions professional, was awarded first prize in his category for the project "Development of a strategic business plan for the creation of an MRO center in the aviation market".

Sponsorship and patronage

The Firm keeps an active policy on sponsorship and patronage



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

Royal Theater in Madrid

Management Solutions has strengthened its partnership with the Royal Theatre, changing its status from Collaborator to Sponsor of the institution. With the economic contribution we make towards the Royal Theatre (for the tenth consecutive year), 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.

Mr. Alfonso Serrano-Suñer, Chairman and CEO of Management Solutions, is a member of the Board of Trustees of the Royal Theatre, which organizes the institution's main sponsors under the chairmanship of Mr. Alfredo Sáenz. The Board of Trustees aims to promote the participation of civil society in the smooth running of this emblematic Spanish institution.

Spanish Energy Club (ENERCLUB)

Management Solutions is a member of the Spanish Energy Club (ENERCLUB), which was set up as 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 Spanish Risk Management Club's Board of Trustees 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.

British Bankers' Association

In 2014 Management Solutions became an associate member of the British Bankers' Association (BBA), a leading UK organization that represents the interests of more than 240 financial institutions operating in more than 180 countries.

The BBA promotes and supports policies and initiatives that are favorable to both their members and the wider public, their work being underpinned by three priorities:

- ▶ Ensure the correct relationship between financial institutions and customers, regardless of size.
- ▶ Promote growth in the UK, working towards consolidating it as a global financial center.
- ▶ Raise standards in the banking industry – both professional and ethical.

Membership of the BBA is a step forward in the consolidation of the Management Solutions Brand in the UK.

Institute of Spanish Actuaries

Management Solutions is a supporting member of the Institute of Spanish Actuaries (IAE), 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.

Chambers of Commerce

In 2014, Management Solutions became a supporting member of the Spanish Chamber of Commerce in China and the Brazil Chamber of Commerce in Spain, institutions whose aim is to strengthen ties between companies and organizations.

Our membership of this institution, together with our membership of the British Chamber of Commerce in Spain and the Spanish Chamber of Commerce in the UK, reinforce our ties with leading institutions and organizations in the markets in which 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 and thereby generate 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 “Creating our own company”



“Creating our own company” initiative, Créate Foundation

In 2014, 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.

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.

These activities include attending concerts and solidarity galas, participating in sports events as well as in integration workshops to help groups of disadvantaged people, etc. They are all organized for charitable purposes and have had the participation and involvement of our professionals.

Santander Solidarity Run, Chile

A group of Management Solutions professionals participated in a race organized by Santander in Santiago de Chile with the aim of raising funds for the foundation "A Roof for Chile", a charitable 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 four different courses (2,5, 5, 10 and 21 km), saw the participation of more than 8,000 competitors, and put all funds raised towards the organization's nation-wide campaign.

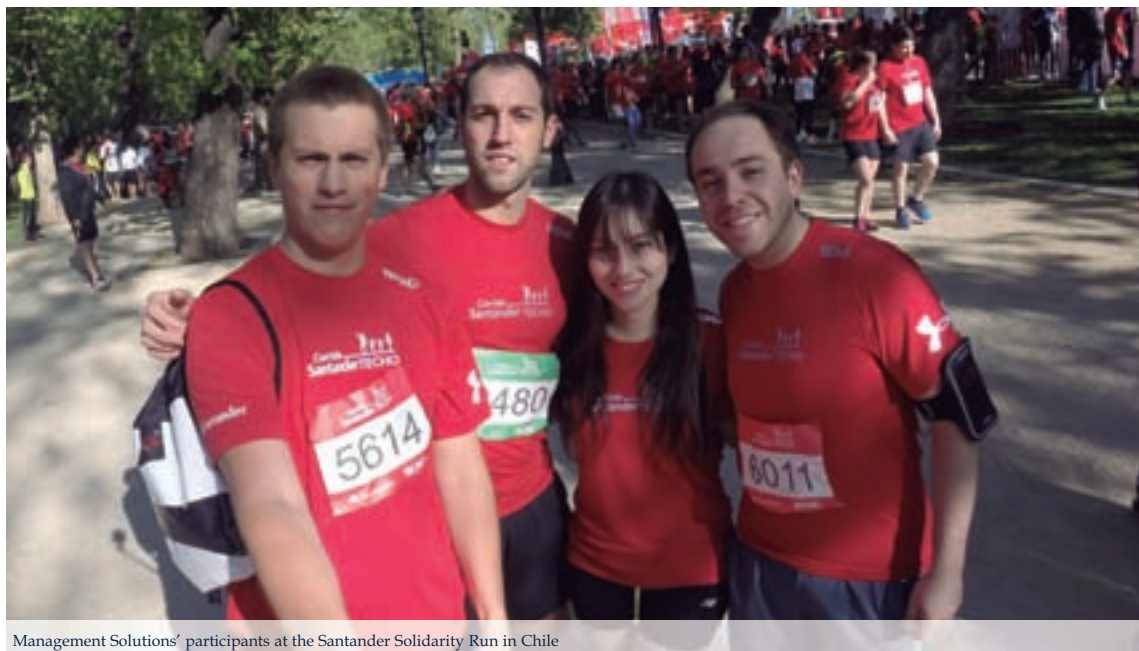
"We Are Santander" week, United States

Management Solutions collaborated with the activities organized by Santander Group in the United States as part of the "We are Santander" week, with the aim of strengthening ties between the Santander professionals working in different geographies and the organization's suppliers.

BBVA Solidarity Run, Spain and Chile

Around 50 Management Solutions professionals participated in the 8th Solidarity Run organized by BBVA Group in Madrid, which brought together more than 8,000 runners who completed either a 5 or a 10 km course. Management Solutions' representation was outstanding, with a particularly brilliant performance by one of its professionals, who came third in the 10 km senior men's category.

The runners' participation and the contributions made by non-runners made it possible to raise 140,000 euros that will go toward the "Caritas Economic Solidarity for Madrid" initiative, launched to help socially vulnerable individuals and families gain access to essential food and hygiene products at lower prices.



Management Solutions' participants at the Santander Solidarity Run in Chile



In addition, a group of Management Solutions professionals participated in the BBVA Solidarity Run Chile, an event that was also held for the eighth consecutive year around the streets of Santiago. The race was organized jointly by BBVA and the Hogar de Cristo Foundation to help more than 4,500 socially disadvantaged children under the age of four whom the Foundation houses.

All funds raised through the runners' registration fees (about 4,000 people participated) were put towards the "Children Ahead Program", which seeks to improve the quality of education of the children in poverty the Foundation houses.

Proniño Run, Spain

A group of Management Solutions professionals participated in the Proniño Solidarity Run, organized by the Telefónica Foundation with the aim of raising funds to eradicate child labor.

On the occasion of World Day Against Child Labour, the Foundation organized this run for the fifth consecutive year. Along with other activities launched by the Foundation as part of the International Week Against Child Labour, the run's aim was to achieve a better future for children in Latin America by supporting quality schooling and protecting children.

The more than 4,000 participants and the non-running supporters' contributions made it possible to collect more than 22,000 euros which was entirely allocated to funding the Proniño project.



Solidarity Program at work in collaboration with AECC

Solidarity Program at work in collaboration with AECC

In March 2012, Management Solutions joined the 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 2014, 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.

Social work partnerships



Management Solutions team members at the fifth PRO-AM "Sport and Challenge Foundation" charity golf tournament

Sport and Challenge charity golf tournament

Management Solutions collaborates annually with the Sports and Challenge Foundation by participating in the Pro-Am golf charity tournament organized to raise funds for the social integration of people with physical, intellectual or sensory disability through sport.

The tournament, in which Management Solutions participated for the fifth time, 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 was made up of José Corral (Santander), Jaime Gorbeña (Bergé Group), Alberto Bergaz (Ruber International), Pedro Cabeza (Bergé) and professional golfer Ángel Matallana (Pedreña).

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 Foundation.

Collaboration agreement with Prodis

Management Solutions collaborates with Promentor, a training program launched by the Prodis Foundation for the inclusion and hiring of young people with disabilities from the Foundation in the workplace.

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 Promentor initiative in 2005 in partnership with the Universidad Autónoma de Madrid. This initiative seeks to

help people with intellectual disabilities: design a Life Project through individualized plans based on PCP (Person-centered planning), the initiative provides occupational training adapted to individual differences that enables them to be placed in ordinary jobs, offers an employment service with ongoing support that fosters equal opportunities in hiring, retention and promotion in the workplace, provides 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 starts with a "Training for Job Inclusion" course (recognized by the Universidad Autónoma de 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.

Collaboration agreement with Ilunion Travel

In 2014, Management Solutions signed a cooperation agreement with Ilunion Travel to reinforce its commitment to facilitating the integration of people with disabilities at work.

Ilunion Travel, belonging to the ONCE Group of companies and their Foundation (National Spanish Organization for the Blind), is qualified as a Special Job Center (for companies whose goal is to provide people with disabilities with productive and remunerative work). Ilunion's commitment is to promote equal opportunities and full inclusion of people with disabilities through job creation and by working towards universal accessibility.

Management Solutions signed an agreement under which Ilunion Travel supplies the Firm with the services usually provided by a travel agent (including everything related to booking tickets in all means of transport, managing hotel reservations for business travel, etc).

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). This is due to the fact that the 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 collaborates with the following aspects related to the risk function, in coordination with the Foundation's Risk Unit:

- ▶ Designing and implementing a risk model for microfinance.
- ▶ Integrating said models in the loan origination process.
- ▶ Designing and implementing a risk management technology platform.

Also undertaken was a project to redesign operational processes in the field of microfinance with a view to increasing commercial and operational efficiency in this area.



Social Action

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



Volunteers at the "Give&Gain Day" in London

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

In 2007 Management Solutions' Social Action Group launched the Firm's first blood donation campaign in collaboration with the Spanish Red Cross. This initiative has since taken place every year and has spread to other offices in the Firm. In 2014 donations were organized in our offices in Spain and Brazil with the participation of more than 50 volunteers.

Donation of computers and cell phones

Management Solutions collaborates on a regular basis with various organizations by donating the computers needing replacement 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 2014, the donated computers were distributed between *Ayuda a la Iglesia Necesitada* and *Proyecto Hombre*.

Similarly, Management Solutions donates cell phones and smartphones that are being replaced. Last year, many devices were donated in support of a campaign that aimed to raise funds to assist the *Entreculturas Foundation*.

Boston Cares Corporate Volunteer Day, United States

In 2013, a group of Management Solutions professionals had the opportunity to participate for the first time in the "Spring in the Schoolyard" 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 in the Massachusetts capital.

Management Solutions participated again in this initiative in 2014. A volunteer team from the Firm helped renovate the Edward Everett School, an underfunded state facility.

Give&Gain Day, UK

Management Solutions participated for the first time in "Give&Gain Day", a corporate volunteer day organized by Business in the Community, an ONG that seeks to establish new ways of relating business and the wider community in order to achieve a more just and sustainable society. The event was held simultaneously in different cities and towns across the UK.

Management Solutions volunteers helped revitalize Ocklands School (London) by refurbishing old benches for the recreation area, building greenhouse chests and wooden arches for the roof garden, painting decorative animals for the vegetable garden and building raised beds for planting.

"Give&Gain Day" was a success thanks to the participation of more than 13,300 volunteers from 186 different companies, which contributed some 93,261 hours of volunteering time worth £1 million, thereby helping hundreds of thousands of people in the UK.

Clothes donation campaign, Mexico

Our Social Action Group in Mexico, in collaboration with Caritas, held a winter clothes collection campaign at Management Solutions' offices in Mexico. Caritas provides social services to vulnerable and excluded people in Mexico City.



"Spring in the Schoolyard" organized by Boston Cares



Participants at the "Spring in the Schoolyard" corporate day of service



A volunteer out on "Give&Gain Day" in London

The collaboration of Management Solutions professionals made it possible to raise almost 100 kilos of clothes including blankets and warm clothing, which were delivered to the Caritas center for hospitality and service in Mexico to be distributed among the organization's most disadvantaged groups.

Running against Cancer, Spain

Management Solutions participated in the "Running against Cancer" race, organized by the Spanish Association Against Cancer (AECC) in several Spanish cities to raise funds that will go towards researching this illness.

AECC is a not-for-profit organization that brings together patients, families, volunteers and professionals who work together to prevent, raise awareness, accompany people and fund cancer research projects that will allow better diagnosis and treatment of cancer.

The Madrid race, held at Juan Carlos I Park, had two categories of 4 and 10 kilometers each and saw the participation of over 5,000 runners which included 80 Management Solutions professionals. The Firm's representation was outstanding, with one of its professionals making it to the winners' podium in both races: first place in the 4 km race and third place in the 10 km race.

Run 5K With Me, Peru

Management Solutions professionals from our Lima office participated in the "Run 5K with me" race, an initiative organized for the ninth consecutive year by the Peruvian Down Syndrome Society which aimed to educate the community about the abilities of people with Down syndrome and raise funds for the activities the NGO carries out in Peru.

Third Run for Cause race, Spain

Management Solutions participated for the second consecutive year in the Run for a Cause Solidarity Race, an event organized in several Spanish cities by the Entreculturas Foundation (a not-for-profit Jesuit NGO that promotes education as a tool for development, transformation and dialogue between cultures). On this occasion, the Foundation focused its efforts on improving access to education in the district of Mweso, Masisi Territory, North Kivu Province, Democratic Republic of Congo.

In an atmosphere of good spirits, fifty Management Solutions professionals braved the cold to complete one of two courses (5 or 10 km) in the shortest time possible. The Firm's representation had a high profile thanks to the victory of one of Management Solutions' professionals in the 5 km course.

Social Action

The participation of nearly 10,000 runners (5,000 in the Madrid run) and the contributions from non-runners made it possible to raise more than 110,000 euros destined to build classrooms fitted with school furniture (blackboards, desks, tables, chairs, educational material) as well as with toilet facilities in the region, paying much attention to the struggle for equality for girls and women in Congolese society.

The run also provided the opportunity to organize a collection of school supplies for the NGO Pueblos Unidos, which organizes tutoring classes in La Ventilla (Madrid) for disadvantaged children and young people, among other activities. Management Solutions provided the organization with office material for school use.

Fourth Entrepreneurs Run, Spain

More than 100 people (including Management Solutions professionals and their families) represented the Firm in the fourth 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 disabled.

Management Solutions was one of the sponsors of the run, which brought together around 5,000 people who ran under the slogan "Run, Move Forward, Venture On".

Management Solutions' representation was among the most prominent in both number of participants and results: third place in the senior men's 10-km race and fourth place in the 5 k m race. The team showed a cheerful disposition despite the cold and rain.

Somerville Homeless Coalition 5K Road Race, United States

Management Solutions participated in the nineteenth annual "Somerville Homeless Coalition 5K Road Race", organized by Somerville Homeless Coalition, an NGO in Somerville (Massachusetts) whose mission is to provide individualized support to homeless individuals and families, helping them to access and maintain affordable housing.



Participants at the third "Run for Cause" race, Spain (Entreculturas Foundation)



3rd solidarity race "Run for Cause" (Entreculturas Foundation)



Participants at the "Entrepreneurs Run", Spain

The race, which raised more than \$ 70,000 to finance the NGO's activities, gathered over 1,000 runners. The strong performance of the Management Solutions professionals who participated won the Firm fifth place in the team rankings.

II Run for Parkinson, Mexico

A group of professionals from Management Solutions Mexico participated for the first time in "Run for Parkinson", a global race held on the occasion of World Parkinson's Day that sought to raise funds to support a better quality of life for people suffering from Parkinson through raising awareness and promoting greater understanding of this disease.

The Mexican edition of this run brought together over 1,500 participants who ran either a 5 or a 10 kilometer course.



Participants at the "Wings for Life Run" in Lima

Wings for life, Chile and Peru

Professionals from our Chile and Peru offices participated in the "Wings for Life Run", a competition held simultaneously in 35 countries on five continents, which aimed to raise funds for the Wings for Life Foundation to research spinal cord injuries.

The race had an original system of competition, as there was no defined distance (and therefore no finishing line). Participants were eliminated when reached by the organization's car (which left the starting line 30 minutes after the runners), and the race finished when the car caught up with the last of the competitors still running (which on this occasion was an Ethiopian athlete who ran 78 kilometers before being reached).

Over 3 million euros were raised thanks to the participation of more than 35,000 runners.



The Management Solutions team at the charity race in Somerville

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.

Given the positive response to this initiative by the Firm's professionals, tops continued to be collected during 2014, reaching a total of 60 kilos.

Social Action

Down Syndrome Foundation of Madrid, Spain

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 indoor soccer matches between the Firm's professionals and the children under the Foundation's care.

Also in collaboration with the Foundation, our Social Action Group has organized several single day volunteering events, in which Management Solutions professionals share a fun day of leisure activities (for example, at multi-adventure parks or at the Amusement Park in Madrid) with a group of children with Down's syndrome.

In 2014, 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 Zoo and allowed the group to enjoy visiting the big cats, the birds of prey and a reptiles show among other activities.

Also during 2014, Management Solutions organized the "Sports Evenings with Down Madrid," volunteer activity together with the Foundation's Leisure Department, responsible for arranging leisure and integration activities for the individuals who suffer from this condition. The activities included several indoor soccer matches during

which Management Solutions professionals had the opportunity to share in the sports and fun with a group of 10 to 15 year-olds with Down syndrome.

Sacolinhas de Páscoa, Brazil

Our Social Action Group in Brazil organized for the fourth time the *Sacolinhas de Páscoa* campaign to support the children from the Odila Franco orphanage, which is home to 20 children without resources who are at extreme social risk.

The campaign was launched with funds collected among professionals from Management Solutions Brazil. Treats were bought for the children (sweets, toys, basic hygiene items) as well as everything needed to throw a party for the



Visit to the Madrid Zoo with the Down's syndrome Foundation, Madrid



Volunteers at the Madrid Zoo with the Down's syndrome Foundation, Madrid



Sacolinhas de Páscoa



"My First Four Seasons" performance



Eighth Solidarity Concert

children at the orphanage. During this day of sharing, in which Management Solutions volunteers participated, the children were the true protagonists, allowing them to forget, at least for a day, the difficult situation in which they live.

Solidarity Concert, Spain

In 2007, at the proposal of one of its professionals, Management Solutions decided to promote the organization of a fundraising concert. This was the beginning of our Solidarity Concert, which has become one of the most welcomed events organized by the Social Action Group and is organized every year in Madrid to raise funds for the projects in which our volunteers participate during our Solidarity Summer.

Over the past seven editions our Solidarity Concert has seen the participation of performers of the stature of Isabel Rey, Pilar Jurado or José Manuel Zapata and Ara Malikian with their show The Divine, which combined lyrical recitals with more family-oriented performances.

The eighth edition of Management Solutions' Solidarity Concert was held at the Aula Magna of the College of Physicians, an emblematic venue in central Madrid. The event, organized to raise funds to support the "Street children" project in Santo Domingo, Ecuador, was attended by over 500 people, who enjoyed the performance "My first four seasons" a musical show conceived and performed by Ara Malikian, one of the most brilliant and expressive violinists of his generation, accompanied by Humberto Armas (viola), Dragos Balan (cello), Margarita Sicoeva (violin) and Marisol Rozo (narrator).

During more than an hour, Malikian and the other performers delivered a musical experience for children and adults in a playful and eloquent way, explaining and dramatizing before each movement the sonnets that Vivaldi wrote for these concerts.

Thanks to the participation and solidarity of the audience, which included some of our professionals as well as clients, family and friends, it was possible to raise more than 7,000 euros.

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.

Social Action

Management Solutions first organized the Solidarity Summer in partnership with Ayuda en Acción projects in 2012. Both that year and in 2013, our Solidarity Summer took place at the Teresa de los Andes Home in Cotoca, Santa Cruz (Bolivia), a center supported by this Spanish NGO that serves about 200 children with intellectual disabilities in varying degrees.

In 2014 our Solidarity Summer took place in Santo Domingo de los Tsáchilas, Ecuador. This time, 31 volunteers from our offices in Spain, United Kingdom, Mexico, Brazil and Chile, organized into two groups due to the initiative's success among the Firm's professionals, travelled to Santo Domingo de los Tsáchilas in Ecuador, ready to collaborate with "*Chicos de la Calle*" (Street Boys), a

project launched by the Salesian community together with *Ayuda en Acción* with the aim of collaborating towards the education of children and teenagers from underprivileged families in order to refrain them from working in the streets at an early age and thus prevent social exclusion. This project, which currently helps more than 300 families in Santo Domingo (a town with almost half a million inhabitants), has several resource centers from which to educate and tutor children, and in which Management Solutions professionals performed their volunteering activities.

During their stay in Ecuador, the volunteers taught the children (aged between 6 and 14), provided extra support on school subjects and helped them with their homework.

They also had time to become involved in more entertaining aspects such as organizing games, sports tournaments and other leisure activities. The volunteers, accompanied by *Ayuda en Acción* educators, also visited the children's families in their own houses, which gave them the chance to gain a better picture of the country's reality and to receive the parents' gratitude for their committed work with their children.

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 2015 and beyond.



Solidarity Summer in Bolivia



Volunteers with children from Santo Domingo de los Tsáchilas



A volunteer with one of the children participating in the program



Solidarity Film Preview in Mexico City



Solidarity Film Preview in Bilbao



Solidarity Film Preview in Madrid

Christmas with Calcuta Ondoan

For the 8th 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.

The Firm's traditional contest was organized to decide the design of the card, giving more than fifty young artists (children, nieces and nephews and siblings of Management Solutions professionals) the opportunity to show their artistic skills, and produce a winning drawing, made by Michael and Jimena (aged 3 and 1 respectively).

All profits made from the sale of the Christmas cards were used to support the project that the NGO Calcutta Ondoan launched in India to build a computer center for children from the Santal tribes in Jhantipahari (West Bengal).

Solidarity Film Preview

In 2005 Management Solutions launched its Solidarity Film Preview 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 2014, this event was again held simultaneously in Madrid, Bilbao and Mexico with the preview of a children's movie.

The Madrid event, which held its 10th edition in 2014, brought together more than 3,500 people, including our professionals, former members of our Firm and some of our main clients and collaborators together with their families. Thanks to the generosity of all attendees, we were able to collect almost 7,000 kg of non-perishable food and Christmas sweets 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 halls every day.

In Bilbao, the fourth edition of Management Solutions' Solidarity Film Preview event gathered 800 people who together were able to collect around 1,600 kg of food that was given to the Bizkaia Food Bank to be later donated to people who lacked these 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 these charitable institutions.

In 2014 our Solidarity Film Preview Event also spread to Mexico, where 45 Management Solutions professionals took almost a hundred girls cared for by the Margarita and Santa Ines Homes to the cinema (to see the preview of a children's movie). The two centers, which protect disadvantaged girls from broken families without resources, also received gifts and essential items donated by our volunteers.

Social Action



Solidarity Christmas

Over 400 Management Solutions professionals brought hope to some of society's most needy through a Solidarity Christmas, organized for the seventh consecutive year and consisting of several initiatives in Spain, Portugal, United Kingdom, United States, Mexico, Colombia, Brazil, Peru, Chile and Argentina.

In Spain and Portugal, the "True Magi" campaign was organized to raise gifts for children in shelters in several Spanish cities who otherwise would not have received any gifts on Twelfth Night. The activity was again a great success and the participation of over 180 professionals from our Madrid, Barcelona, Bilbao and Lisbon offices made it possible for disadvantaged children in these centers to receive the gifts they had previously requested in a letter to "their" personal Magi. Once again, some Management Solutions professionals participated in the



"Christmas Posada" organized by Daydreaming (the organization that receives the gifts in Madrid). It was a celebration during which volunteers had the opportunity to participate in many activities and surprises organized for the children, in addition to delivering the gifts to the young ones.

In the UK, several Management Solutions professionals dressed up as Santa Claus to participate in the "Santa Fun Race", a charity race that seeks to raise funds for Doctors of the World, an organization that works to make access to health care a right for everyone wherever in the world they are. Participants and other professionals contributed donations to support the institution.

In the United States, the "Letters to Santa" campaign was once again organized, and the participation of some of our professionals made it possible to raise gifts for children who had previously requested them in a letter to Santa Claus.



In Colombia, Management Solutions professionals shared a special morning at the Amar Foundation Center, which cares for children aged between 2 and 17 who are at risk of labor exploitation. Thanks to the contributions obtained by Management Solutions professionals, 80 children from the Amar Center received gifts that were delivered personally by Social Action Group volunteers. The celebration was filled with games, dances and the presentation of the Amar Center Christmas Choir. The event closed with a small ping pong Tournament, utilizing for the first time the table that Management Solutions donated to the Center.

Professionals from Management Solutions Brazil participated in the *Padrinho de Natal* campaign at the Odila São Paulo Franco orphanage. The 21 children in the orphanage received a book and a panettone directly from their sponsor. A party for the children was organized with the donations from Management Solutions Brazil professionals, and material for the center was also donated.

In Peru, Management Solutions professionals collaborated and organized a Christmas hot chocolate party for the "Caja de agua" community in the San Juan de Lurigancho district, one of the poorest neighborhoods in Lima. The contributions obtained made it possible to purchase everything that was needed to organize a children's party for nearly 200 children aged between 4 and 6. Social Action volunteers participated and the event featured games, surprises and gifts that made everyone enjoy themselves.

In Chile, the "Viejito Pascuero" (Father Christmas) campaign was again organized in collaboration with the Tai Tai Kindergarten (a center housing some 56 children between 2 and 5 years of age who are at social risk). The campaign aimed to raise a gift for each child in the center. Thanks to

the participation of all professionals from the Chilean unit, all children received a gift directly from Father Christmas, who attended the center accompanied by a group of volunteers. The day ended with a snack party entertained by a clown-magician who made everyone have a delightful time.

In Argentina, Management Solutions collaborated with the Esteban L. Maradona Home for the first time. This Home houses around 30 families of patients referred from hospitals while they receive treatment. The involvement of most professionals from this unit made it possible for the children to receive a gift for Christmas. Social Action volunteers organized a party with games and songs at the Home to deliver the gifts, and also provided the center with drawing material for the younger children.



Manfred Nolte,
Partner at Management Solutions

"Our professionals are the ones who take the lead in the Firm's commitment to society"

At Management Solutions we support and feel proud of the commitment to society shown by the Firm's professionals.

We have assumed the need to engage with the communities in which we carry out our activity and with society as a whole, an involvement which translates into a wealth of solidarity activities that are channeled by our Social Action Group in partnership with different NGO's and charitable organizations.

These activities are conducted by professionals from all Management Solutions offices who by so doing show their selfless commitment and dedication to those most at a disadvantage.



Solidarity Christmas in Colombia

Environment

We are particularly sensitive to 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 while simultaneously decreasing the environmental impact caused by office activity as a whole and by each individual worker in particular.

Thus, the actions prescribed in the Environmental Good Practices Guide aim 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 each professional's part makes it possible to achieve reduced consumption levels.

In 2014, the use of paper sheets per person decreased by 8%. 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 Madrid headquarters received the AENOR Environmental Management certificate, which is a testament to our commitment to the environment and good environmental practices. In 2015 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 2014, toner consumption was reduced by 6%.

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 9 tons of paper were recycled in 2014, 1,000 kg more than in 2013.

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.

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