

2018 CORPORATE SOCIAL RESPONSIBILITY REPORT

GENERATING VALUE *THROUGH* DIGITAL TRANSFORMATION



© Management Solutions 2019
All rights reserved
www.managementsolutions.com

This publication may not be reproduced, distributed, publicly released or transformed, wholly or in part, freely or onerously, using any means or methods, without the prior written consent of Management Solutions.

The contents of this publication are provided for information purposes only. Management Solutions does not accept any liability for the use that might be made of this information by third parties. The use of this material by anyone without the express authorization of Management Solutions is forbidden.

Credits

Management: Carlos Camps Sinisterra
Miguel Ángel Poblet Capa

Editorial team: Román González Ordóñez
Cristina López Martínez

Design and layout: Laura de Frutos Franco
María Díaz Alonso

Photographs: Management Solutions' picture library
Photograph of Madrid's Royal Theatre © Javier del Real
Photo of the Mexican Banks Association's XIII Annual Risk
Symposium used with ABM's authorization
iStock

We thank all those who, by contributing information, direct experience
accounts and photographs, have made publication of this report possible..

Contents

6 Introduction

Message from the Chairman	/8
CSR Report	/10
CSR Road Map	/11



14 Management Solutions, Making things happen

Strategic principles	/16
Ethical principles in our code of conduct	/18
Our brand	/22
Geography	/24
Industry	/26
Service Lines	/32
R&D	/34
Making things happen	/36



40 2018 milestones

<i>Generating value through digital transformation</i>	/42
Diversification	/44
Growth	/46
Communication	/48



50

Committed to our clients

Client focus	/52
Quality control	/53
Commitment to the industry	/54



64

Committed to our professionals

One team	/66
Human resources policies	/67
Training	/70
Occupational risk prevention and medical services ..	/74
Employee support services	/76
Internal communication	/78
Sports Club	/84



86

Committed to the environment

University	/88
Sponsorship and patronage	/95
Cooperation agreements	/98
Social Action	/100
Environment	/110



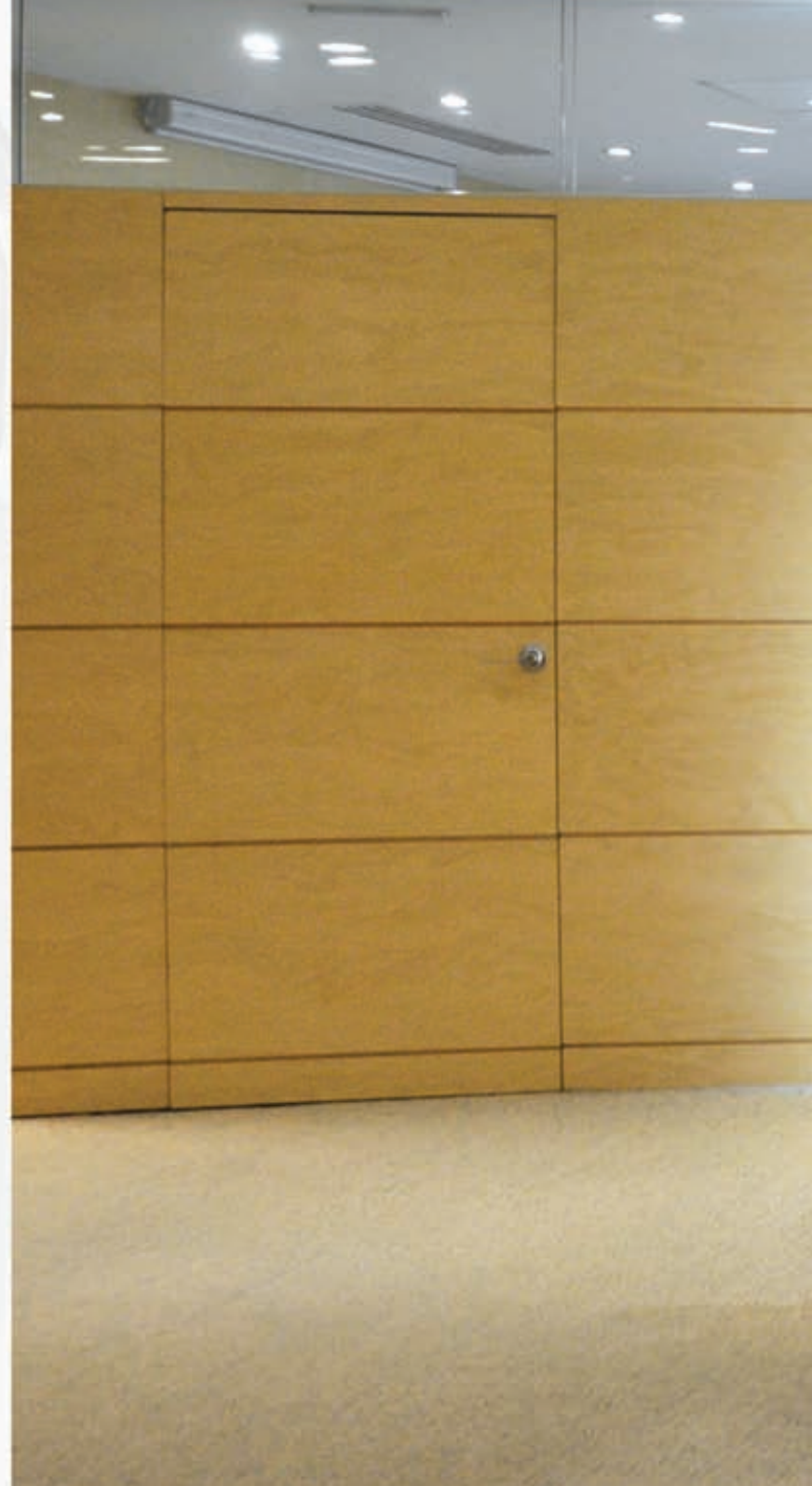


Introduction

Management Solutions views Corporate Social Responsibility as acting in accordance with its 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 takes on a commitment to help 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 the Firm's activities that have a significant impact on its wider environment, and could substantially influence our stakeholders' perceptions and decisions.



ManagementSolutions



Message from the Chairman



Alfonso Serrano-Suñer, Chairman of Management Solutions

It is a known and discussed phenomenon that the world is transforming in all areas at an incredible speed. This transformation is generating value for society as a whole in terms of life expectancy, poverty reduction, eradication of illiteracy, etc.

Some good examples of this transformation are changing consumer habits, expanded connectivity, better access to information, the fact that data is seen as a source of value, the incredible possibilities offered by artificial intelligence, and an exponential increase in IT capabilities that are at the same time becoming more affordable, giving more people access to products and services and thus changing the scale and nature of business.

The digitization phenomenon is configuring virtual space on a global scale, something that has been referred to by some as a fifth dimension that would exist in addition to the traditional four dimensions (three spatial dimensions and a time

dimension), and that helps to remove the restrictions inherent to the physical space, enabling the capture of great efficiencies.

But it is also true that this phenomenon is giving rise to new concerns, such as cybersecurity or ethics in artificial intelligence. Regulations themselves are becoming more and more global as barriers to entry increasingly come down across countries and industries, largely as a result of digitalization.

The consequence of all this, or perhaps the cause, is that business models are also changing. Different studies show that 75% of companies in the S&P 500 will not be there in the next 15 years, when some decades ago companies stayed in the index for an average of 30 years. And while in the year 2000 the world's largest companies were in the energy, pharmaceutical, telecommunications or banking sectors, today the names at the top of the market capitalization charts are not in those industries at all, but are instead directly related to technology.

Digitization drives the emergence of new business models that optimize installed capacity, deploy highly customized products and services, or develop new ways of interacting with customers. At the same time, digitalization creates substantial improvements in existing business models in areas such as segmentation, decision success rate and efficiency or ability to anticipate.

However, digitization does not affect all companies alike, and neither do all companies deal with it in the same way. The majority focus more on operational aspects, while others focus on structural aspects and only some decide to reinvent themselves.

This means that solutions are not the same for all businesses, even though there are some common elements. Some of these elements are levers such as innovation, collaborative economy, technology disruption, new organizational and work culture-related developments, "Agile" process redesign or data modeling, to mention but a few. But in order to be able to create value through these levers, one has to master them.

At Management Solutions we want to continue to help our clients to steer their digital transformation. This requires us to keep our value proposition constantly updated while intensifying our international presence, enhancing our quantitative and technological analysis capabilities, further specializing our industry knowledge, deepening and updating our service lines, committing to research and development as well as to knowledge sharing, and always leveraging our experience, which we acquire by working for the industry leaders.

At Management Solutions we are not just concerned with making things happen, but also with how to do it. Our actions are governed by strict principles and values that have proved to create value for our clients, professionals, collaborators and society as a whole: unending commitment and willingness to be of service, humility, generosity, solidarity, team work, integrity, critical sense and independent judgement, meritocracy, a passion for good work, an entrepreneurial spirit, perseverance in the pursuit of goals and a constant search for excellence, which in turn requires a combination of talent, effort and training.

The year 2018 was very positive for Management Solutions, with growth in business volume and job creation across all our offices, a wider client base and greater industry and geographical diversification. We have also significantly increased our level of investment in research and development, broadened our links with universities, expanded our sponsorship of cultural and educational events, and promoted all our community support projects.

We have an extraordinary team of 2,100 professionals with a strong analytical profile and deep knowledge of the industries for which they work, who support clients in over 40 countries in Europe, the Americas, Asia and Africa through our 24 offices. We provide services to global and local clients that are leaders in their respective industries, and we offer a differentiated value proposition supported by a leading-edge R&D department.



Today we are 25 times bigger than we were 16 years ago - a leading provider of consulting services in business, finance, risk, processes and technology.

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

Our 13th CSR Report seeks to provide a transparent and detailed account of the progress made in different areas in 2018, particularly regarding our social commitment in line with Sustainable Development Goals.

A fundamental area of our social responsibility has always been our links with universities. We work in partnership with over 350 universities through agreements to provide internships and work experience, teach specialized master's degree courses, lectures and seminars, cooperate in research programs,

participate in job fairs, and sponsor and support university foundations and associations.

Promoting entrepreneurship and innovation is another line of action in our social responsibility policy. Initiatives in this area have been expanded to include education through our support to projects that seek to develop entrepreneurship and innovation values, attitudes and skills in children's and young people's formative stages of education.

Management Solutions' social commitment also includes our presence in professional associations related to our activity and in associations that support the development and dissemination of science, as well as in cultural associations through sponsorship and patronage initiatives.

We are especially aware of the fact that we all need to pull our weight towards ensuring sustainable development and we make sure we design policies that contribute to preserving the environment.

Finally, we continue to enthusiastically support and promote all community outreach projects in which our professionals are involved through Management Solutions' Social Action Group, of whom we are extremely proud for their selfless dedication to those most in need.

At Management Solutions we face the future with huge excitement and confidence and with the utmost determination to create value for our clients through their digital transformation, among other things.

Alfonso Serrano-Suñer
Chairman of Management Solutions

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

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

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

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

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

This Corporate Social Responsibility Report details Management Solutions' achievements for the period between January 1 and December 31, 2018 in our offices in Europe (Spain, UK, Germany, France, 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.

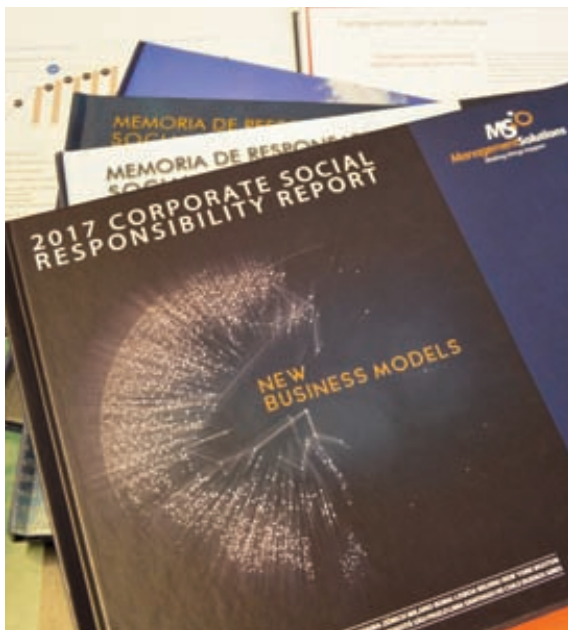
We believe that our clients, professionals and society as a whole are our main stakeholders.

Satisfying these groups occupies a central place in our corporate strategy, therefore establishing an optimal relationship with them is 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), describing how we understand our relationship with them.

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

The information obtained through these communication channels 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 Firm's commitment to its various stakeholders as an organization (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.



Our true commitment to responsible and sustainable practices means we don't just carry out this important task, but also continue our ongoing search for the most appropriate formulas to maximize efficiency.

The Firm's CSR strategy is aligned with the business philosophy, culture and values embedded in its ethical principles of conduct. These values and principles are reflected in three key areas for the Firm: clients, team and environment.

This business philosophy is the basis of our commitment, which we have decided to extend to include some international standards that will provide us with guidelines to steer our CSR and direct our efforts in this area so that we may work towards a common, long-term goal.

For this reason, in December 2010 Management Solutions committed to the United Nations Millennium Development Goals (MDGs) and, after the deadline set by that initiative, with the Sustainable Development Goals (SDG), an initiative also sponsored by the United Nations, which, like the previous one, seeks to contribute to the protection of the planet and the prosperity of all its inhabitants, especially those most at a disadvantage. SDGs are articulated around a set of goals that synthesize our way of thinking as an organization in terms of CSR, particularly in areas such as combating poverty and hunger, promoting health and well-being, fighting against all types of discrimination, protecting the environment, investing in quality global education and contributing to entrepreneurship and quality work.

Also, to show its firm commitment to CSR, Management Solutions abides by the principles of the UN Global Compact, an international initiative that promotes corporate social responsibility (CSR).

As a result of this, Management Solutions will become a partner of the Spanish UN Global Compact Network, committing to integrating the principles endorsed by this Agreement into its business activities:

▶ **Human Resources:** in terms of human rights, Management Solution carries out a number of actions in the area of human rights (see table on the next page). The Firm also has mandatory policies that govern the conduct of all its professionals and ensure everyone commits to these goals.

▶ **Workers' rights:** Management Solutions supports the eradication of child labor and all forms of forced labor or work under coercion. Additionally, the Firm has an Equality Plan and an Anti-Discrimination Policy, and complies with applicable labor regulation in all countries where it operates. All its professionals are covered by the laws and collective agreements that protect their rights.

▶ **Environment:** In addition to a guide to good environmental practices, Management Solutions has an environmental management system that reflects the Firm's effort to preserve the environment. Also, our professionals are actively involved in different initiatives towards the conservation of the environment.

▶ **Anti-corruption:** Management Solutions is firmly committed to rigorous compliance with applicable legislation, and holds the UNE19601 Criminal Compliance Certificate (on best practices to prevent crime, reduce risk and promote an ethical and law compliant corporate culture), putting all its operational processes through continuous auditing.

These two United Nations initiatives are the backbone of our CSR strategy and will mark the main strategic lines of action in these areas for the coming years.

Approach

At Management Solutions we understand CSR as a commitment we undertake in our daily business. Thus, respect for human rights is always present in our activities, guiding our growth in a manner consistent with the principles of sustainable development.

We take on a commitment to support 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. It is precisely because our commitment goes further that we collaborate as far as possible with initiatives aimed at improving our socio-economic environment through social action as well as sponsorship and patronage activities.

Goals

A few years ago, we set a number 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.

Our first commitment is to excellence and quality in all our actions, achieved by minimizing any negative impacts that may arise from our business activity.

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

Another key objective is to continue to promote social values. We therefore intend to continue to increase the number of responsible initiatives we carry out in line with the Sustainable Development Goals and Global Compact principles.

Finally, we will continue to work towards increasing the global reach of our CSR actions by consolidating our partnerships with universities, our social action and other initiatives, in all countries in which we have a presence.

CSR Road Map

Management system

Every year we strive to improve our internal Corporate Social Responsibility management system by enhancing the functions carried out by our CRS area. This area, reporting directly to the Firm's Executive Committee, has primary steering and management responsibility for CSR matters and performs the following functions:

1. Ensuring 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. Promoting programs that meet the SDGs and Global Compact principles, both from a business perspective and from the point of view of the work carried out by our Internal Corporate Departments and Social Action Group.
3. Fostering initiatives that add value to the different stakeholders. This requires integrating the expectations of our clients, professionals and the communities in which we operate.
4. Involving all of the Firm's areas and units in CSR, and instilling the necessary attitudes and procedures.
5. Monitoring and evaluating 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.

Sustainable Development Goals (SDGs)

In 2018 Management Solutions carried out the following actions to reinforce the United Nations' Sustainable Development Goals and the UN Global Compact principles:



Fighting extreme poverty and hunger

- Organized charitable initiatives for the collection of basic goods in the aftermath of natural disasters or emergency situations.
- Collected food and basic necessities to collaborate with shelters and soup kitchens (Missionaries of Charity and Food Bank of Bizkaia in Spain, Clara Moreno and Miramón Foundation in Mexico, Hogar San Ricardo in Chile).
- Donated computer equipment for disadvantaged groups.
- Printed Christmas cards in collaboration with Ayuda en Acción to support the "Enlighten your future" project launched in Nacuta (Mozambique) to help children in the area get out of poverty thanks to quality education.
- Solidarity Christmas campaign to collect basic goods and gifts for children's centers and shelters (Spain, United Kingdom, Portugal, United States, Mexico, Colombia, Brazil, Chile and Argentina).
- Participated in the UNICEF race in Colombia for improving the quality of life of children and adolescents in vulnerable areas of Colombia and protecting their rights.
- Participated in the Somerville Homeless Coalition Race in the United States, in support of local homeless people.
- Organized a charity march in Chile to collect non-perishable foods for Hogar de Cristo, a Chilean public charity institution for people living in extreme poverty.
- Purchased toys, shoes and clothes for the more than 20 children hosted by the Santo Amaro Shelter in Brazil.
- Supported the Marly Cury Home in Brazil, which cares for children without resources in situations of extreme social risk, by raising funds and collecting food.
- Donated shoes to Casa Hogar Yolia Niñas de la Calle, A.C, Mexico, in collaboration with other Mexican organizations.



Fight against all types of discrimination

- Developed and monitored Equality Plans (in all countries in which Management Solutions has a presence).
- Collaboration agreements with Down Madrid and Ilunion Viajes with the aim of facilitating and promoting the social and labor market integration of people with disabilities in ordinary work environments.
- Participated in a Training Program for the Labor Market Inclusion of Young People with some type of disability (Promentor) launched by Fundación Prodis.
- Participated in the "By yourself" race and volunteer days for the integration of people with Down syndrome and other intellectual disabilities.
- Sponsored the pro-Am golf charity tournament organized by the Deporte y Desafío Foundation for the social integration of people with disabilities through sports.



Promote health and well-being

- Organized blood donations in different Management Solutions offices.
- Employee Support Program, in collaboration with AECC, to disseminate health messages and raise awareness about the importance of prevention and early detection.
- In 2018 our Solidarity Summer program took place again in Calcutta with the participation of more than 20 volunteers from our Spain, Portugal, United States and United Kingdom offices.
- During the our Solidarity Summer program in Calcutta (India), we collaborated with two Mother Teresa centers, the Pre Dam center for the terminally and chronically ill, and the Shishu Bhavan orphanage.
- Collected bottle tops to raise funds to fight childhood diseases through the SEUR Foundation.
- Participated in different charity races to support the fight against cancer ("On the move against cancer" in Madrid and Barcelona, "Winter Run" and "JP Morgan Corporate Challenge" in London, etc.) and, together with Santander, to raise funds for the Association for the Care of People with Cerebral Palsy (ATENPACE).
- Participated in the "Wings for Life World Run" in Lima, organized with the aim of raising funds for researching spinal cord injuries.
- Occupational risk prevention policies and internal Medical Services.
- Maintained policies favoring our employees' maternal health.
- Organized various sports activities for our employees.



Contributing to entrepreneurship and quality work

- Participated in the "From code to project" program run by Créate Foundation, which promotes innovation and entrepreneurship among children and young people in Spain, promoting critical thinking, problem resolution and the acquisition of knowledge about programming and robotics.
- Collaboration agreements with schools, giving high school students the opportunity to gain their first experience of a work environment.
- Partnerships with universities and business associations to teach many seminars and courses on entrepreneurship.
- Collaboration with foundations in the promotion of microfinance.



Invest in quality universal education

- Conducted teaching activities in collaboration with New Light during our Solidarity Summer program in Calcutta (India).
- Collaborated with multiple European and American universities to deliver specialized seminars and sponsor end-of-year awards.
- Sponsorship and collaboration with the Royal Academy of Science Foundation of Spain to disseminate scientific content.
- Supported the Créate Foundation, a non-profit organization devoted to researching, developing and implementing experimental methods and tools with the educational community for use in schools and other educational areas.
- Organized the first and second edition of Management Solutions' Charity Race to raise funds exclusively for supporting educational programs and activities.
- Participated in the "Run for a cause" race organized by the Entreculturas Foundation to facilitate access to education for 945 children and young people in Maban (South Sudan), and to provide training in IT and English for 50 teachers.



Protecting the environment

- Reduced the impact of the Firm's activities on the environment (by implementing energy efficiency, carbon footprint reduction, recycling and paper consumption reduction policies) in all countries in which Management Solutions has a presence.
- Participated in the "Carrera Verde" in Bogotá to encourage the recovery of local forests.



Clean water and sanitation

- Collaborated with AUARA, a social enterprise that devotes its profits to promoting projects aimed at providing drinking water to disadvantaged communities, through charity races, soccer and paddle marathons and Management Solutions Golf Tournaments.



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.

2,100
professionals

24
offices

>10%
of capacity
invested in R&D





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 results in more than two and a half million annual consulting hours, a global team of more than 2,100 professionals, 24 fully operational offices in the Americas, Europe and Asia, recurrent activity in Africa, more than 800 clients, all leaders in their respective industries, and more than 1,700 projects of varying nature and scale. 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 main goal is to exceed the expectations of our clients and to become their trusted partners. 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 corporate culture that is result-oriented, merit based, and constantly dedicated to service - a culture and values shared by all of our professionals - while fostering unity and solidarity.

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, however, not alone in this journey, 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.

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.

Commitment 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 professionals' 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



Exercising our profession while staying true to sound principles and values is one of the things that defines who we are. At Management Solutions, we do not only care about what we do, but also how we do it.

Commitment and dedication to service, integrity, humility, solidarity and generosity, critical thinking, meritocracy and focus on results, perseverance in the pursuit of our objectives, an entrepreneurial spirit, passion for a job well done, and the constant search for excellence (which requires talent, effort and training) are principles and values that inspire our code of conduct.

We believe our business culture is essential to achieve a profitable and sustainable business model in the long term. This is why, as soon as they join Management Solutions, all our professionals receive training on the Firm's code of conduct (with the aim of ensuring they know and understand it). In addition to this, training in principles and values accompanies Management Solutions professionals throughout their professional careers.

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 have an ongoing commitment to our clients, our colleagues and society as a whole to deliver excellence in all aspects of our professional performance.

We give our best effort in client relationship management and the provision of services to clients in order to deliver 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

We take on 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.

Management Solutions' management takes on the commitment to create opportunities for all professionals and it is their duty and responsibility to transmit the Firm's values and corporate culture.

Professionalism

Each employee stands out for their high level of 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 generosity of each 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



Ethical principles in our code of conduct

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.

Privacy and confidentiality

Management Solutions complies with the data protection regulations in force in all countries in which the Firm operates.

All members of our organization are prohibited from disclosing confidential client information to third parties and are obliged to keep the Firm's reports and internal documentation confidential, treating all information with particular responsibility, control and protection and without using it for personal gain or for that of third parties.

All of the Firm's strategic information, as well as client and employee data accessed in the course of professional activity, is considered confidential.

Management Solutions applies the strictest security standards to all its IT and communications systems to ensure they do not violate confidentiality protocols.

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. The Firm also promotes initiatives that facilitate employee participation in different volunteering activities (Social Action).



Compliance

Management Solutions is firmly committed to compliance not only with the legislation and regulations applicable in each country in which it operates, but also with all its internal regulations.

At Management Solutions, compliance binds all personnel. Consequently, employees, managers and board members must act in a lawful, ethical and professional manner in the performance of their duties.

Likewise, although the scope of the Compliance function spans all regulations regardless of their subject matter, the main focus falls on Tax, Data Protection, Money Laundering Prevention, Criminal Risk, Occupational Risk Prevention, Social Security, Business/Corporate and Administrative matters.

Criminal Compliance Management System

Management Solutions' Criminal Compliance Management System implements zero tolerance to all types of criminal acts. In particular, in light of their activity, those affecting corruption, money laundering, confidentiality and personal data protection.

As a result, the Spanish Association for Standardization and Certification (AENOR) has recognized that our Criminal Compliance Management System meets the UNE 19601 standard for business consulting activities and related technologies.

The UNE 19601 standard lays down best practices to prevent crime, reduce risk and promote a corporate culture that is ethical and compliant with the Law. In particular, this standard focuses on the analysis of policies and procedures established for:

- ▶ Preventing the commission of crimes that may entail criminal liability for the Company.
- ▶ Disseminating the culture of prevention and compliance in the organization.
- ▶ Establishing adequate surveillance and control measures to prevent crimes and to significantly reduce the risk of committing them.
- ▶ Improving management, helping to reduce criminal risk and providing greater security and trust assurance to government bodies, shareholders and investors, among other stakeholder groups.

Although the scope of the UNE 19601 is limited to the Parent company, the policies and procedures that comply with it in the Firm are global, which once again shows our firm

commitment to strict compliance with the applicable legislation and its extension to other countries in which we provide services.

Internal audit

The internal audit function seeks to support the Firm in the establishment of its control framework and its integration into the management framework (policies and procedures). To this end, it undertakes both recurrent and specific activities to objectively and independently validate the progress made by different areas in terms of compliance with the Firm's control framework.



Our brand

Our brand conveys our culture and values



Corporate image

Our corporate culture is carried through a particular image, covering all areas:

- ▶ The image our professionals convey to the Client.
- ▶ The style of our presentations, proposals, deliverables and any other documents, such as publications, advertisements, campaigns, etc. in any format.
- ▶ How our image is present in society: universities and job fairs as well as foundations, sponsorships and corporate events.
- ▶ How our offices are designed (to facilitate collaborative work)

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

Our name, logo, colors and lettering represent the Firm's identity, convey our values and differentiate us from our competitors. It is therefore essential to protect them, to use them appropriately and to ensure we instill them with our principles, including most notably reliability, trust, leadership and teamwork.

Our logo was reinforced by the inclusion of our motto: *Making things happen*, which summarizes the Firm's mission.

Consequently, all the places where our brand is displayed automatically become a vehicle through which our values are transmitted, whether these are sponsored initiatives,

publications, fairs, events, presentations, social network channels, 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's position in the market place.

Also, brand uniformity is particularly important for an international firm such as Management Solutions. Our brand plays an integrating role, since it represents those values that are shared by more than 2,100 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.



“Our brand is a true reflection of what we are, a Firm with a strong corporate culture that unites us and differentiates us from others”

Our brand reflects our firm commitment to a mission: "making things happen", and to a goal above all others: exceed our clients' expectations, thus becoming their trusted partners.

We are proud to see how our clients know us for our transparency in all countries in which we operate.

And regardless of where in the world we are working (London, São Paulo, Boston, Beijing...), the way we conduct business is always the same, something that is made possible by a strong corporate culture that unites us and differentiates us from others, based on commitment and dedication to service. A culture that fosters teamwork and a spirit of constant improvement.

Tomás Gatti
Management Solutions Partner

Management Solutions website and Social Networks

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), meets the accessibility guidelines set by the World Wide Web Consortium (W3C), and includes general information about Management Solutions, the industries in which we operate and services lines offered, as well as a section on careers targeted at potential candidates, a section on our specialist publications (including macroeconomic outlook reports, relevant industry regulatory developments and technical notes on regulations) and an events section (featuring the Firm's news) related to the university, professional and cultural worlds, as well as news on our community-action campaigns and sports competitions.

The Management Solutions' website has an updated design and new content incorporating responsive technology to improve the mobile browsing experience.

Besides, the Firm's communication strategy has been reinforced in recent years by the creation of two corporate channels in Youtube (in English and Spanish), and the active use of social network profiles (LinkedIn, Facebook, Google Plus and Twitter), created to share the Firm's specialist content (white papers, reports, regulatory alerts, technical notes, etc.) and events with its stakeholders.

In 2018 visits to our website increased by 25% as we had hundreds of thousands of visitors from more than 180 different countries.

Geography

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

Management Solutions' strong international vocation since inception has made its global approach one of its hallmarks. Currently, our presence concentrates in four major geographical areas: Europe, the Americas, Asia and Africa, with 24 offices from where we serve more than 40 countries.

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 2018 we have again expanded our presence not only in the countries that historically have been central to our growth, and where we have consolidated offices, but by extending our scope of action beyond their borders.

In the United States, results have again been excellent, with a more than 20% increase in operations thanks to stronger activity in New York, Alabama and Massachusetts, and to projects carried out in other states such as Texas, Virginia and Florida.

In Latin America, and despite the economic slowdown experienced in the region, all Management Solutions offices have achieved their objectives, with double-digit aggregate growth. This has helped to bolster our leading position in business consulting within regulated industries in the countries in which we operate in the region.

Mexico and Brazil have once again been the main pillars of the Firm's growth in the region, closely followed by Colombia (Bogotá and Medellín), Peru, Chile and Argentina. Our activity

in Ecuador has also been intensified, as well as our presence in the Central American countries in terms of both number of clients and number of projects.

In Europe we have also achieved strong growth in all main economies. Thus, our German office has maintained an excellent performance during the year, increasing penetration in the local market and successfully playing its role as the Firm's regulatory hub by further deepening ties with the European banking supervisor. For its part, the United Kingdom office has again achieved double-digit growth, increasing the number of clients and projects and also strengthening its links with the British banking supervisor.

France has multiplied its size by four, working on important projects for local leaders. In addition, our Spain and Portugal offices continue to strengthen their leadership position in business consulting for regulated industries in their respective markets.

Also to be highlighted are the excellent results achieved by our Italy, Poland and Switzerland offices (with growth of around 30%), as well as our performance in the Nordic countries (Denmark, Sweden, Norway and Finland) and the Netherlands, where the Firm continues to gain a stronger foothold year after year.

Lastly, our Asian operations have seen steady growth, leveraging on our office in China and with a strong momentum in our Turkey activity, and our operations in Africa have increased by over 5%, with an active presence in countries such as Senegal, Equatorial Guinea and Angola.

Permanent Management Solutions offices



Industry

We strive to develop an in-depth understanding 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 solutions to each of their unique problems.

Even more than the particularities of each company, the industry environment in which they do business shapes 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 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 banking business is undergoing a profound transformation driven primarily by three major factors: the macroeconomic environment, regulation/ supervision, and digital transformation. These three factors directly impact banks' profitability by reducing margins, pressuring costs, and lowering ROE. According to the EBA, 30% of European banks expect to make changes to their business models as a result of these factors.

In global terms, the current macroeconomic situation is characterized by moderate growth in a scenario of low inflation and low interest rates. There is however a trend of falling unemployment and default rates, which in the short term has made it possible to maintain asset prices and reinvigorate risk appetite, but over the medium term reduces banking business profitability and makes it more vulnerable.

As for the regulatory and supervisory context, requirements are increasingly more numerous, more demanding and affect more areas (capital, provisions, balance sheet structure, liquidity, leverage, etc.) leading to a system that overall, is more secure and solvent, but which structurally reduces the profitability of banks. The direct costs of adapting to these requirements are proving to be very significant for banks, reaching \$2,000 million a year for the largest financial institutions. But the expectation is for a degree of stability over the medium term, as the process of regulatory and supervisory transformation gradually concludes.

In relation to digital transformation, there is an unprecedented technological revolution with a profound impact on the business model of organizations. This transformation can be broken down even further into three constituent components: an exponential increase in data volume as well as in storage, processing and modeling capabilities, with lower associated costs; a change in customer behavior towards a more digital and informed profile; and the

emergence of new competitors heavily leveraged in technology.

Financial institutions are responding to these challenges by transforming themselves in at least four areas: business models, transformation and efficiency, finance, and risk management.

Insurance

The insurance industry is immersed in profound changes that require making a huge effort to adapt. This is because the technological revolution directly impacts the insurance sector, creating new challenges.

Customer behavior has changed in recent years. Particular importance is given to immediacy, simplicity and accessibility

in services, and increasingly to personalized attention to select coverage. This forces insurance companies to strive to adapt to efficiently meet their customers' new demands.

Also, changes in the Data Protection Regulation (GDPR) or the Insurance Distribution Directive (IDD), require that insurers become even more involved in the management and processing of their customers' data, as well as in the control of their internal processes, and stipulate that regulators and supervisors should focus on reviewing organizations' policies vis-à-vis the customer, as well as their governance and organizational structures.

Energy

Progressive deregulation in the industry has revealed that there is little perceived product/brand differentiation in



Industry

traditional utilities (water, electricity, gas, etc.). Customers are accustomed to contracting utilities from government-designated suppliers and do not associate quality with the supplying brand, as is almost always the case in other industries. This has coincided with the emergence and increasingly widespread use of new technologies and mass data processing capabilities, as well as with a changing environment due to new regulations, 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 while properly monitoring and controlling the various risks and opportunities associated with these activities, and ensuring

best practices are implemented so as to comply with business obligations.

Additionally, corporations are facing the challenge of digital transformation (intelligent use of data as a lever for generating value, sensorization, advanced analytics, etc.) which, together with the global macroeconomic situation and large number of merger, acquisition and business segregation processes, requires focusing on improving efficiency and creating value for clients and shareholders. In this respect, organizations are focusing their attention on innovative actions that maximize their potential.

Telecommunications

The telecommunications sector is at the center of the digital transformation of society, which demands increasing

mobility, immediacy and interaction in services, both in the personal and the professional sphere. These changes are leading to the emergence of new business models, players and services, adding additional complexity to an already competitive industry.

Traditional operators are facing a new investment cycle linked to the deployment of new generation networks to respond to spectacular demand growth from a variety of sources. They are also witnessing how margins from their traditional sources of income (voice and data) decrease rapidly, while new revenues generated by the “new economy” go to new players (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 current changes and future challenges.

Government

The current market is forcing government agencies to optimize their budgets for public sector activities. This necessitates an improvement in the productivity and efficiency of all government agencies, which devote much of their activity to maintaining service quality by optimizing the management of their structural costs.

Furthermore, government agencies are undertaking programs to embed new technologies into the functioning of the public sector. These so called “e-government” programs, seek to increase efficiency, transparency and public involvement through better use of information and communication technologies.



All of this encourages approaches for the transformation of public services through organizational, process and system improvements that incorporate the advantages derived from the digitization of society as a whole.

Other sectors

Distribution: consumer and retail

The current distribution industry environment is marked by changing business models that require the review of some of the key areas of management. This industry sector is evolving its value proposition towards a more customer-centric approach by better managing the huge amount of data available and delivering value on this data through advanced analytics. In the quest for operational efficiency, companies are undergoing a continuous process of improvement and

transformation of their organizational, operational and technological structures that will lead to increased productivity and better use of resources.

In addition, changes in consumer habits and customer behavior, which demand a better service based on greater speed, availability and comfort, and the way in which customers interact with new channels as a result of new technologies and the prevalence of mobile devices.

This make it necessary to have business models capable of making the most of the physical distribution model combined with current ecommerce opportunities.

Finally, the emergence of new risks such as cybersecurity, or the need to better manage existing risks such as supplier risk

management, have become critical elements in this industry's highly competitive environment.

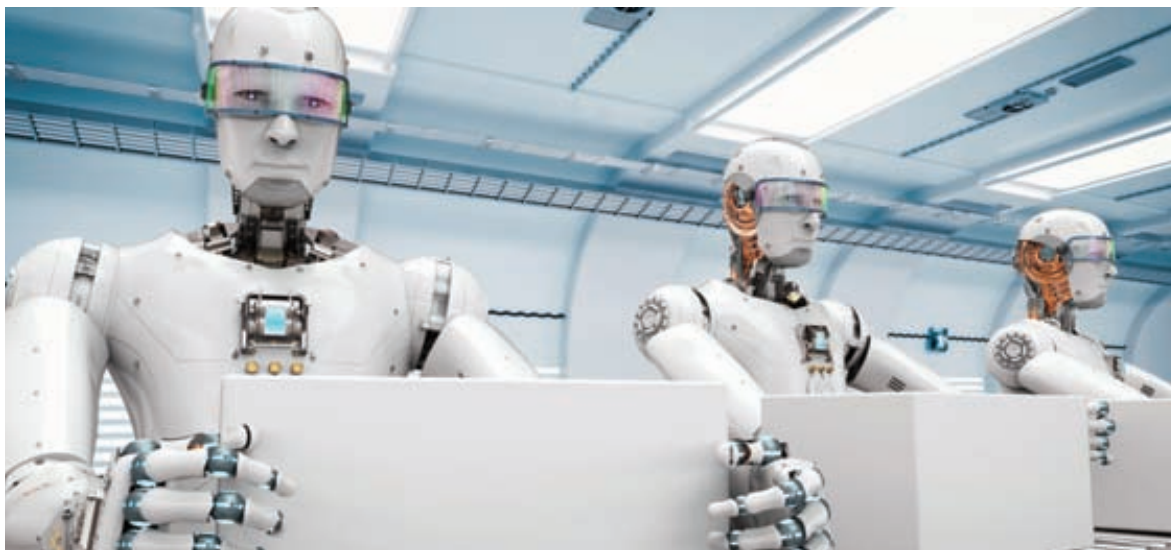
Manufacturing

After years of sharp falls in activity, with its consequent impact on the adequacy of installed production capacity, economic recovery has put the industry on the path towards efficient growth.

Globalization and the differences in the speed of exit from recession by the large geographic areas have led to the delocalization of a large part of the value chain. Buying, producing, manufacturing and selling currently require thinking globally and acting locally, and involve a process of continuous improvement and transformation.



Industry



Also, digital transformation, by which we mean the different forms of data value extraction, automation and robotization, intelligent management and sonorization, new ways of working and new business models, plays a fundamental role in the industry.

Construction

Following the sharp slowdown resulting from the global financial crisis, and the budgetary adjustments of major economies in relation to infrastructure works, the industry as a whole has entered a new growth stage.

Residential construction has once again seen significant growth in most markets. As for non-residential construction, it has also seen positive growth on the back of economic recovery and increased consumption, as shown by figures on new office and shopping mall development, logistics, and, to a lesser extent, industrial construction.

Although civil engineering is the market segment that has taken the longest to recover, the outlook for this field is improving as well thanks to renewed interest from central governments in investing in this activity as a driver of economic growth.

Pharmaceutical industry

The pharmaceutical industry has become a significant engine for growth in major economies that have developed their own business fabric, being, in some cases, the industry with the greatest level of investment in R&D and one that contributes significantly to the creation of employment (both direct and indirect).

Currently, the industry faces major challenges such as ensuring regulatory compliance in a context of intense regulation, competing in a market that operates globally but needs to adapt to local specificities, making the most of new technologies (big data, artificial intelligence, etc.) as well as

adapting to new organizational and work models to increase levels of profitability and efficiency, both operational and commercial, and to carry out comprehensive and adequate risk management (for example, considering risks from a reputational standpoint).

Logistics and transportation

The transportation sector continues to build on the upward trend from recent years. This growth is not without huge challenges including fleet renewal, tough price competition and pressure to improve on punctuality and quality. In this sense, the industry focuses its efforts on improving the traveler's experience, taking advantage of digital transformation and increasing customization, the use of mobile technologies, advanced modeling and data management.

On the other hand, the rise of e-commerce continues to be the lever for growth in the logistics sector, in which the use of new technologies is also totally disruptive. In this sense, trends such as robotic warehouses, flexibility in the distribution phase to meet customer needs, the use of artificial intelligence to optimize routes and, in a less mature state, autonomous transport, will mark an unprecedented business transformation in the industry.

IT industry

The IT industry is currently at the epicenter of the transformation of other industries, being central to the fourth industrial revolution, the source of major economic and social changes. The exponential growth and at the same time lower cost of IT capabilities, the increase in connectivity, universal access to information and the development of artificial intelligence, among other factors, have made technology the engine of the profound changes that are bringing about new business models that take better advantage of installed capacity, are more efficient and promote open innovation.

It is essential for companies in the IT industry to be able to adapt their organizations, orienting talent towards innovation

and addressing the risks the new environment poses (e.g. by improving cybersecurity), facilitating solutions that allow other industries to generate value through digital transformation.

Tourism

The tourism industry has become one of the key areas of growth in developed countries. This is a highly competitive industry in which destinations and operators compete to be the most attractive for customers in a changing environment marked by the entry of new players, the changing needs of customers and the emergence of new business models in the market (such as tourist rental housing).

To effectively operate in this environment, the industry must be able to put the client at the center of strategic planning in order to provide a more personalized offer and increase its efficiency ratios in all areas (operational, management, etc.), leveraging on digitalization and the use of new technologies.

Professional services

In recent years, professional services have sought to adapt to the new reality derived from new technologies and globalization. With the end of the crisis and in an environment of relative economic stability, companies have been adopting medium and long-term strategies to evolve their organizations and governing bodies towards more dynamic, agile and efficient management.

The digital environment both encourages new competitors to enter the market and serves as a lever to enable change (big data, advanced analytical intelligence, digitalization of processes, etc.), forcing companies to adapt their capabilities to the reality of the market and to the new regulatory requirements arising from these changes.

Education industry

Digital transformation, economic impacts, the political situation and constant changes in society are determining factors for the education industry in its role as a key training tool for future generations.

This industry is facing transformation, because although the university demand continues to be strong in traditional sectors (education, health, etc.), for some time now there has been a huge need for specialized profiles in the quantitative and new technology fields (data management and modeling, digitization, robotics, big data, cybersecurity, etc.), making it necessary to review the educational model and its governance.



“We continually refine our value proposition to respond to the new challenges our clients trust us with”

Our clients face complex transformation of their business models. In order to meet their needs, we offer them multidisciplinary teams that bring together functional, quant and IT knowledge and are highly specialized, offering expertise that combines industry and market knowledge with specific competencies.

Specialization by service line means we are able to quickly design value propositions that closely match our clients' needs. For this, we also have the support of a cutting-edge R&D team.

Industry specialization allows us to adapt solutions to the characteristics of the areas of activity in which our clients operate, often highly regulated sectors.

Finally, specialization by geographical area allows us to capture the local or regional reality so that our solutions incorporate regulatory, cultural, sociological and other specificities of the economies in which our clients operate. In short, we strive to ensure that our value proposition reflects our clients' specific and changing needs at all times.

Marta Villafuela
Management Solutions Partner

Service lines

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

To cover client needs, 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, 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, as customers are becoming increasingly demanding, sales margins are getting 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 through to effective implementation of their functional requirements.

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, internet and mobile phones to catch on.

The result is exponential growth in the quantity of available technology 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 too, 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.

From the NT line, we help our clients to enhance the value of technology. 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.

Core competencies



Strategy

We accompany 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.).



Management & financial information

We address information requirements for management by validating, modifying and determining the information sources, defining transformation processes (calculations and metrics), and becoming involved in the implementation of the required technology for its proper deployment.



Sales & marketing management

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



Transformation: organization & processes

We tackle our clients’ transformation projects from three different perspectives: organizational, operational and technological, achieving significant improvements in the effectiveness and control of the tasks performed, increased user and customer satisfaction and appropriate cost reductions.



Risk management & 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 to provide an integrated view of them (and of their impact on capital requirements or provisions).



New technologies

We are specialists in defining and implementing the technologies that are best suited to meeting the needs and potential of each organization, and we design frameworks to strengthen information and data governance.

R&D

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



The current international environment is characterized by weak growth that is expected to slow down, low but growing inflation and low interest rates in mature economies, and a slowdown in emerging economies. Other characteristics are a more demanding regulatory environment and an accelerated transformation of technology, with a special focus on the incorporation of new machine learning techniques and the use of big data in business development. 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.

The R&D department is tasked with analyzing, developing, and disseminating knowledge about methodologies, regulations and the macroeconomic situation, to all of Management Solutions' stakeholders: clients, professionals, collaborators and universities, thus driving the Firm's proactive 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, machine learning, modeling and big data.

With this purpose, the R&D department collaborates closely with different universities, participates in applied research conferences and directs projects in postgraduate and doctoral studies as well as professional practices in Mathematics, Statistics and Physics faculties and Engineering Schools.

R&D's commitment to training is also evident at the internal level, as it constitutes the Leadership of the Firm's Studies, coordinates the Knowledge Chairs (together with those responsible for Management Solutions' different core competencies) and is an active part of the management of postgraduate programs offered by the Firm: Master's degree in Business Consultancy offered jointly by Management

Solutions and the ICADE Business School, and Diploma in Business Consultancy offered jointly by Management Solutions and Instituto Tecnológico de Monterrey (among others).

With regard to knowledge management, the R&D team directs and coordinates Management Solutions' publications system, both external and internal (white papers, alerts on publication of new regulations, macroeconomic outlook reports, briefing papers and implications of new rules, 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 our offices in all countries in which Management Solutions operates. The R&D area monitors new regulatory developments in these countries with support from on-the-ground professionals who collaborate in identifying and analyzing developments.

R&D uses the Knowledge Area on the corporate intranet as the basic channel for sharing much of this knowledge with Management Solutions professionals.

An app has also been developed to deliver alerts on the publication of regulatory news and R&D continues to work alongside those responsible for New Technologies in the Firm on projects which leverage big data to maximize value from knowledge management.

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.

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

Methodology (R&D&i)

- ▶ **Research:** compiling and design of client/industry best practices in regulatory adaptation and management (credit, market and liquidity risk, economic capital, stress tests, business models, etc.).
- ▶ **Innovation:** a number of models are developed through a center specializing in data science and machine learning including classification, regression, optimization, simulation models, etc., for different areas in the industries in which the Firm operates.
- ▶ **Prototype:** development of support tools to verify and demonstrate the correct operation of methodologies in real client environments (pilot testing), and the generation of specific tools to respond to new regulatory requirements, 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 produces reports on 19 countries with the support of experts from the Firm's network of offices: Spain, the United Kingdom, Germany, France, Poland, Portugal, Italy, the Nordics (Denmark, Norway, Sweden and Finland), the United States, Mexico, Brazil, Argentina, Peru, Chile, Colombia and China.
- ▶ **Benchmark analysis:** based on the knowledge base generated from these reports and through analysis of alternative information sources, R&D also carries out benchmark analysis from public information on the clients and countries in which the Firm operates.

Commitment to Science

According to Unesco, science is a key tool for the advancement of knowledge, progress, peace and societies, and is at the origin of all economic, social and political development. It is because of its immense value that Management Solutions integrates science into its CSR.

Management Solutions has been fostering the advancement of Science since its incorporation. Our R&D department was established as a platform to promote knowledge and serves, among other things, to promote the continuous training of its employees in various scientific subjects (e.g. Mathematics, Statistics and Algorithms).

Also, as a central component of its patronage activity, Management Solutions collaborates with the RAC (Royal Academy of Exact, Physical and Natural Sciences) and its Foundation through active sponsorship that includes a number of activities in addition to financial support:

- Participating in science outreach actions and events.
- Contributing to the RAC think tank to promote initiatives for the advancement and dissemination of science.
- Pro-bono support to the RAC through our R&D function.
- Working with RAC's Mathematics Area to research the most advanced mathematical algorithms and models for risk management.

With more than 700 scientists among its professionals, Management Solutions is fully committed to constant development and to positioning science as one of the fundamental pillars of its CSR, aimed at both its employees and society.

Regulatory analysis

- ▶ **Regulatory monitoring:** the R&D area has an active system in place to monitor regulations on the Firm's areas of activity, which enables R&D to anticipate and detect regulatory publications at an early stage in geographical areas of influence.
- ▶ **Alerts:** publication alerts allow for immediate knowledge of regulatory changes by our professionals and clients.
- ▶ **Analysis:** on those new regulations with a greater impact on or interest for clients, R&D prepares overviews and analysis of implications, contributing their synthesis and critical thinking capabilities.

Knowledge management

- ▶ **New business models observatory:** the R&D area supports the discovery and analysis of new business models arising in sectors in which the Firm is active, these generally focus on the digital transformation of current businesses.
- ▶ **White papers:** the R&D department produces in-depth, innovative and concise monographic studies on hot topics within the Firm's areas of activity that are of interest for our clients and professionals. An example of this is the last white paper prepared by R&D about Machine Learning as a key component in the transformation of business models.



Making things happen

We have seen organic and sustained growth to 25 times our original size

We owe what we are to the trust that our clients have placed in us. They have made it possible for Management Solutions to be a leading international firm in business consulting just 15 years after it was established. It is a great pleasure for us to present the achievements listed throughout this publication.

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

Sixteen years later, Management Solutions is more than twenty five times larger, with a multi-disciplinary team of more than 2,100 highly talented professionals, and more than 800 clients, all of which are leaders (global or local) in regulated industries, and 24 offices which serve as a base for carrying out recurrent projects in more than 40 countries across Europe, the Americas, Asia and Africa.

The Firm has continued to grow at all times since its inception. In each and every one of our past 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. A model based on the organized transmission of a culture, values and principles that we understand to be differential and that have remained unchanged regardless of economic cycles.

During this fiscal year, the Firm has faced a complex macroeconomic scenario, though far less difficult than other situations it has had to face 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, averaging annual double-digit growth over the years.

At Management Solutions we have remained true to our founding culture: a strong culture that unites us and simultaneously sets us apart from our competitors. A culture based on the principles of commitment and dedication to service, delivered with humility, generosity and integrity.

We have also sought to perform our profession by relying on an in-depth knowledge of the business and the social reality, with the necessary critical 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.

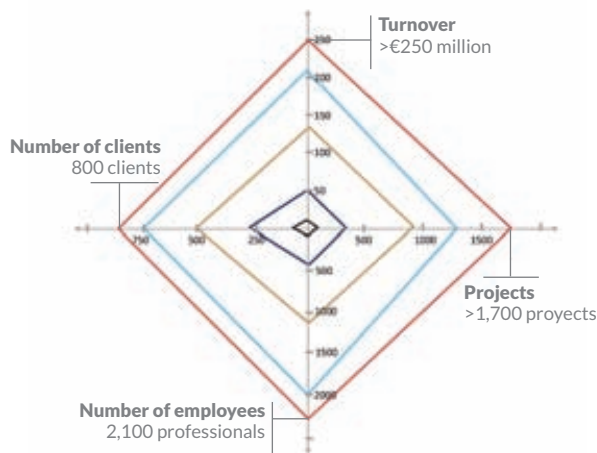
In short, we understand that our constant pursuit of excellence, based on talent, effort and training, is a necessary requirement to meet our goals.

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 geographies in which we operate, always for the benefit of our clients, who are the most important stakeholders we look to support.

The Firm's development





“The customer is our *raison d'être* and is at the center of all our actions”

At Management Solutions we have always defined our priorities clearly: first the client, then the team and finally oneself.

Our main objective is to become our clients' trusted partners. For this we try to be permanently attentive to their needs, thus developing long-term relationship models that will create value for both our clients and the Firm.

Those who place their trust in us have our full commitment. We work wholeheartedly, devoting our talent, knowledge and skills to effectively solve their problems.

We are well aware that, if today we are where we are, it is because our clients have wanted it and we are very mindful of that when planning our future.

José Ramón Gorrochategui
Management Solutions Partner

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. The trust placed by clients 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 expanded 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; 2007 noted the publication of our first Corporate Social Responsibility Report.

2008, Passion for the future

The Firm's strategy going forward included expanding our presence in other markets and geographies. This fact led to the launch of our first projects in Asia, entry into the Portuguese market, the opening of our London office, expansion of our energy and telecommunications practices into other countries, and the organization of the first regional conventions in Latin America.

2009, New challenges, same principles

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

2010, Spirit of achievement

A permanent effort was made to extend and adapt our range of solutions in order to provide the best response to our clients' needs. Also this year, we expanded our horizons by opening new markets such as Switzerland and Peru, and globalizing the social action and the sports clubs with activities in all our offices.

2011, Values that make the difference

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

Making things happen



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 Universidad Pontificia Comillas in Spain.

2013, Focused on our clients

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

2014, Managing transformation

In 2014 Management Solutions saw growth in all 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 was 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).

2015, Innovation for growth

In 2015 we achieved growth above 16% and exceeded two million consulting hours (900 projects were formalized). During that year, Management Solutions France was created, new offices were opened in the United States (Boston, Atlanta and Birmingham), and we expanded our offices in the UK, Germany, Chile and Mexico (a new second office was opened in Mexico City). We also established closer links with regulators (particularly with the European Central Bank) through the creation of a regulatory hub in our Frankfurt office.

2016, Building the digital era

In 2016 Management Solutions once again grew by more than 16%, doing so in all regions (especially in the USA and the main European markets), industries and service lines, adding more than 60 new clients and going over the 2.5 million consultancy hours mark in the delivery of over 1,000 projects. During that year, new offices were opened in Rome, Paris and Birmingham, and the São Paulo headquarters were changed and expanded. Training investment also increased (by more than 30% compared to 2015) and our Master's Degree in Business Consultancy program was extended to Mexico in collaboration with the Instituto Tecnológico de Monterrey.

2017, New Business Models

In 2017, Management Solutions grew particularly strongly in Europe (Germany doubled its size) and the US (by more than 50%), adding more than 750 clients (90 new ones) and carried out over 1,300 projects. There was also increased activity in other industries (with a focus on the retail distribution sectors). A new office was opened in Medellin, and the Madrid, Bilbao, Rome, Warsaw, Boston and São Paulo offices were expanded.

2018, Generating Value through Digital Transformation

In 2018 Management Solutions' turnover exceeded 250 million euros, and grew once again above 10% in an organic and diversified way, increasing its activity in all the geographies and industries in which it operates, and in all its service lines. Also, the Firm's IT Transformation plan was successfully implemented (migration of environments, IT architecture with Big Data technologies, new telecommunications systems, development of management control systems, etc.). A new office was opened in Bilbao and our Bogotá office was expanded.

2003

- First full fiscal year
- Went from 80 to 130 professionals
- 90 clients
- 9 offices: three in Spain (Madrid, Barcelona, Bilbao) and six in the Americas (USA, Puerto Rico, Mexico, Brazil, Chile, Argentina)
- Start of industry events (Spain)

2004

- 200 professionals
- 130 clients
- 10 offices (Italy office opening)
- Regular projects in UK, Italy and Portugal
- First industry publications (newsletters)
- First program to support the university and academic world

2005

- 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

2006

- 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)

2007

- Over 500 professionals
- 270 clients
- 11 offices (UK office opening)
- Publication of our first Corporate Social Responsibility Report (2005/2006)
- Launch of our patronage and sponsorship programs

2008

- 650 professionals
- 300 clients
- 12 offices (Portugal office opening)
- 37% revenue growth
- First projects in Asia
- Energy and Telecommunications practices internationalization
- First regional event in Latin America (conference on Basel II impacts)

2009

- 700 professionals
- 320 clients
- 13 offices (Germany office opening)
- More than one million consulting hours
- Strengthened our relationship with regulators (Europe/Americas)

2010

- 750 professionals
- 350 clients
- 15 offices (Switzerland and Peru offices opened)
- Enhanced core competencies in all industries and geographies
- Globalization of our model of relationship with universities and the academic world

2011

- 1,000 professionals
- 400 clients
- 17 offices (China and Poland offices opened)
- Enhanced our program of seminars with institutions and regulators
- Increased support to the academic world (teaching, scholarships, awards)

2012

- 1,200 professionals
- 450 clients
- 18 offices (Colombia office opening)
- New regional conventions
- In-house training program certified as a "Master's Degree in Business Consulting" (Universidad Pontificia Comillas, Spain)

2013

- 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

2014

- 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

2015

- 1,700 professionals
- Over 600 clients (60 new)
- 22 offices (Paris, Boston, Birmingham and Atlanta offices opened)
- More than 2 million consulting hours
- Creation of a regulatory hub in Frankfurt

2016

- 1,900 professionals
- 660 clients (60 new)
- 23 offices (Rome office opening)
- Extension of the Management Solutions/Instituto Tecnológico de Monterrey's Master's Degree in Business Consultancy

2017

- 2,000 professionals
- 750 clients (90 new)
- 24 offices (Medellin office opening)
- More than 1,300 projects (focus on digital)
- Expanded our services to the retail distribution industry

2018

- 2,100 professionals
- Over 800 clients (close to 100 new clients)
- 24 offices
- 1,700 projects (60% generated within the year)
- Implemented the IT Transformation Plan

Today Management Solutions...

- ✓ Is more than 25 times bigger.
- ✓ Has a multidisciplinary team of over 2,100 professionals with a strong corporate culture.
- ✓ Serves more than 800 global and local clients from regulated industries.

- ✓ Is a global partnership that effectively responds to its clients' needs.
- ✓ Has a presence in more than 40 countries across Europe, the Americas, Asia and Africa, through 24 offices.
- ✓ Has a differentiated value proposition supported by cutting-edge R&D.



2018 milestones

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

10%
growth

>1,700
projects

60%
of them originated
during the year



Generating value through digital transformation

*Digital means we have to
do things differently*



Under the motto “*Generating value through digital transformation*”, Management Solutions organized its Yearly Meeting in July to review the Firm’s achievements after analyzing the international environment, and set goals for the next year. This section sums up some of the ideas expressed during the Meeting.

The world is transforming and doing so at great speed. A transformation that we can definitely say is having a positive impact on society in terms of life expectancy (which has changed from 30 to 80 years in a relatively short time), the

reduction of extreme poverty (which has gone from affecting 90% of the world population to being under 10% in the space of 200 years), the eradication of illiteracy (which has practically been achieved in Europe and the United States and is already below 10% in the rest of the world), the reduction of wars and their lethal impact (from 22 deaths per hundred thousand inhabitants in the 1950’s to 1.2 today), and in many other areas.

Consumer habits are also changing, and the power or at least the perception of consumer power is increasing. Data has

become a strategic source of value (the value of the data economy in the European Union will amount to 4% of GDP by 2020, more than double what it is today).

Artificial intelligence is developing strongly, with deep neural networks that already surpass humans in almost any category. Its capabilities are growing exponentially and at the same time becoming more affordable and thus universal.

Connectivity is increasing dramatically, and as a result in the coming years the number of devices connected to the internet will be more than three times the world's population. Also, access to information is becoming much easier, as evidenced by today's more than 3 billion Internet and 2.3 billion social network users, a figure that is growing at a rate of one million per day.

But new concerns also arise, such as cybersecurity, the protection of personal data and ethics in artificial intelligence, bringing about changes in regulations, which become more demanding and global, as has occurred with the European General Data Protection Regulation (GDPR).

As a consequence of all this, or perhaps as the cause, new technology-based business models are emerging that take better advantage of installed capacity, are more efficient and promote open innovation.

Generating value through digital transformation therefore means questioning the current business models, their viability, sustainability and main vulnerabilities and, based on that analysis, reinventing or transforming them.

Against this backdrop, many companies have relied on Management Solutions to adapt to what some call the experience economy, by which an individual or organization chooses a product or service not only for its quality and price, but also for the experience provided.

At Management Solutions we want to be protagonists of this gigantic change by introducing the digital dimension in

strategic thinking, redesigning governance and organizational structures, particularly those related to data and models, reviewing work culture and techniques to make them more agile and collaborative, promoting a greater focus on results, redefining business processes to improve the customer experience, redesigning operational processes to gain in efficiency and effectiveness, advancing in data management and models to strongly develop artificial intelligence, protecting information and systems from unwanted uses, redesigning systems architectures that incorporate new technologies, and developing mechanisms for monitoring and evaluating business digitalization levels.

All this means we necessarily have to keep our value proposition permanently updated by intensifying our investment in Research and Development (to which we devote more than 10% of our turnover), advancing in industry specialization, further internationalizing our operations, and also reinforcing our commitment to talent, delivering excellence in recruitment (screening of some 150,000 candidates to cover 400 openings), investing in training (over 200,000 hours dedicated to training our professionals), promoting career development based on merit and managing teams under a "one team" vision.

We do this by always staying true to our principles, particularly in times of great change such as now, when science and technology need to walk hand in hand with solid principles in order to discern right from wrong, where right is understood as everything that benefits society, and wrong everything that acts to its detriment.

In 2018 we once again surpassed our qualitative and quantitative objectives for the year, growing in excess of what we had budgeted, once more increasing our market share, and doing so in a way that is organic, diversified and sustained, always outside of economic cycles, applying a management model that maximizes our potential, guarantees professional development for our people and creates the basis for sustained growth in the coming years.

We have continued to widen our scope of activity to cover new markets, as well as to consolidate our presence in countries in which we were already operating (we are now present in more than 40 countries across Europe, the Americas, Asia and Africa). All of our service lines have grown in a balanced way and we have also made important progress in industry diversification.

As a result of all this we have increased our presence in many of the organizations with which we were already collaborating, extending the provision of our services to new areas and business divisions, with industry diversification driven by our expansion into the distribution sector, and have continued to increase our client base. This client base is composed of large multinationals, corporations and leading local entities to which we have added 100 new clients, this client base characterizes a strategic importance in their respective markets. Also during 2018, we further developed our relationship with regulators and supervisors in the markets in which we operate.

Such growth would not have been possible without the extraordinary team of professionals that make up our firm. A talented, committed team that has inherited a strong corporate culture based on a set of values that make a difference. A global, multicultural, multidisciplinary, fully integrated team that has grown from the base. A young, principled and responsible team capable of providing solutions to the challenges our clients bring to us.

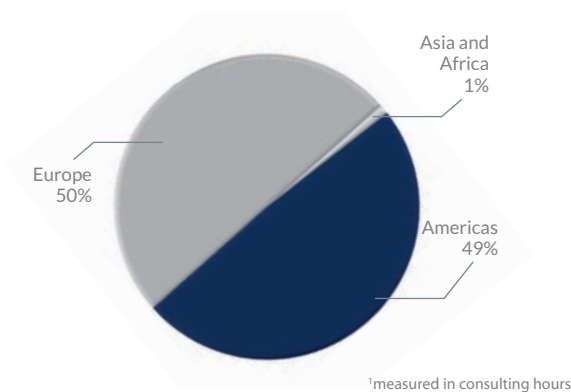
In short, we have again exceeded all of our goals in all of the regions in which we have a presence, in all of the industries in which we operate and in all of our service lines. We look to the future with enthusiasm and confidence, determined to make a key contribution in the creation of value for our clients by helping them achieve digital transformation.

Diversification

During 2018 we continued to pursue our diversification strategy:

- ▶ Achieving consistent growth in the Americas, Europe and Asia, and consolidating our activity in Africa.
- ▶ Intensifying our activity in all regulated industries, maintaining our leadership in Finance, gaining market share in Energy and becoming increasingly active in Telecommunications and Other industries.
- ▶ Expanding our client portfolio.
- ▶ Updating our solutions offer:
 - Strategy
 - Sales and marketing management
 - Management & financial information
 - Risk management and control
 - Governance, organization and processes
 - New technologies

Geographical diversification¹



Americas

- ▶ USA leads growth (+20%)
- ▶ Sustained two-digit growth in Latin America
- ▶ Reinforced presence in 10 countries in the Central American region

Europe

- ▶ Strong activity in the Spanish market
- ▶ UK, Germany and Portugal remain at the lead
- ▶ Excellent performance delivered by our French office (which has multiplied its activity by four)
- ▶ Over 30% growth in Italy, Portugal and Poland
- ▶ Recurring activity in Nordic countries and Switzerland
- ▶ Continued growth in the rest of Europe

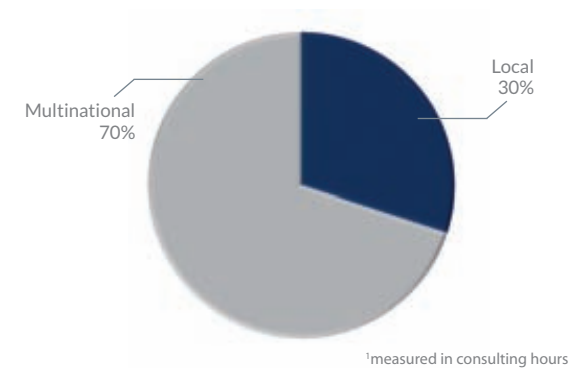
Asia

- ▶ Growth of our operations in Asia with our activity in Turkey and China experiencing a strong momentum

Africa

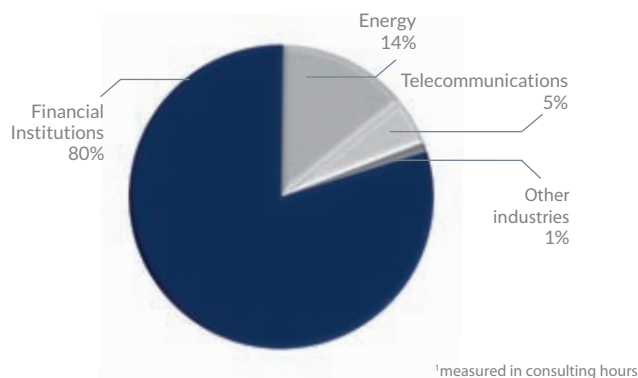
- ▶ Increased presence and activity in Africa

Client diversification¹



- ▶ Over 800 active clients
- ▶ Close to 100 new clients (across industries and geographies)
- ▶ Reinforced presence in leading clients (global and local)
- ▶ Stronger relationship with Regulators, Supervisors and International Organizations
- ▶ Reinforced relationship model with strategic suppliers

Sector diversification¹



Finance

- ▶ Sustained growth (+5%) based on:
 - Greater specialization by business
 - Leadership in regulatory compliance (Basel III, TRIM, IFRS 9, Stress Test, etc.)
 - Leaders in Digital Transformation

Energy

- ▶ Growth of our operations (+20%) as a result of:
 - A broader client base
 - A wider range of services (based on Digital Transformation)
 - Deployment of practice to other countries (especially in the Americas).

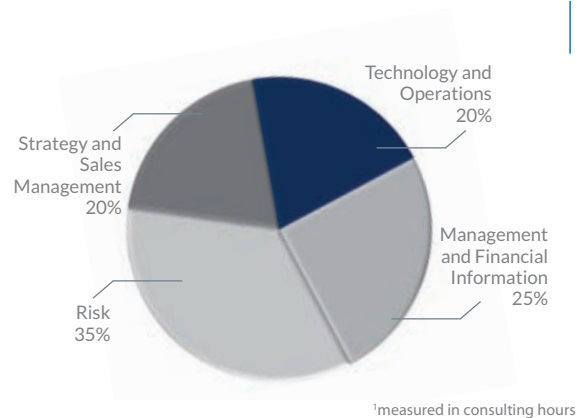
Telecommunications

- ▶ Growth of operations (+20%) based on:
 - The addition of new clients
 - Wider range of services
 - Operations in new geographies (especially in Europe)

Other industries

- ▶ Increased activity in industries such as distribution, aeronautics, manufacturing and services, or education.

Diversification of solutions¹



- ▶ Over 1,700 projects (60% new) in all our core competencies
 - Merger and acquisition integration
 - New business models
 - Machine learning (pricing)
 - Regulatory capital and provisions models (TRIM)
 - Customer journey redesign (customer experience)
 - Operational process digitization (robots, NPL)
 - Data and Model governance
 - Big Data and Blockchain architecture
 - Cybersecurity



“We are determined to generate value for our clients through their digital transformation”

The digital age is speeding up the transformation of our clients' business models. Our Firm is determined to be a protagonist in this new era, developing solutions capable of helping our clients to achieve profitable and sustainable growth in this new environment.

This means we necessarily have to include digital in our strategy, show a deep understanding of the new dynamics of competition, accurately identify the problems our clients are faced with, provide innovative solutions and assist our clients to successfully manage change. All of this with a strong determination to help them generate value through the transformation of their business models, taking advantage of the opportunities offered by the digital dimension.

Laura León
Management Solutions Partner

Growth

Profitable growth

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

R&D&i innovation

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

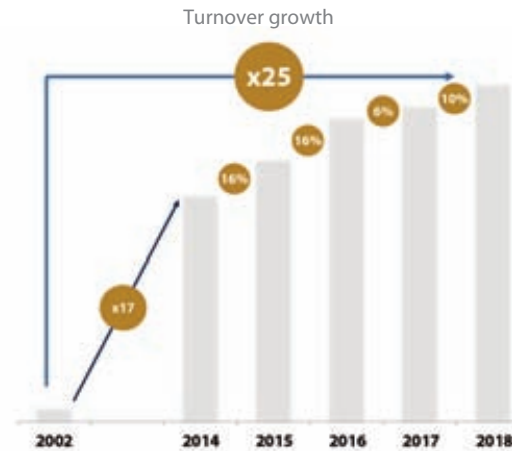
Human Resources Management

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

Organizational flexibility

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

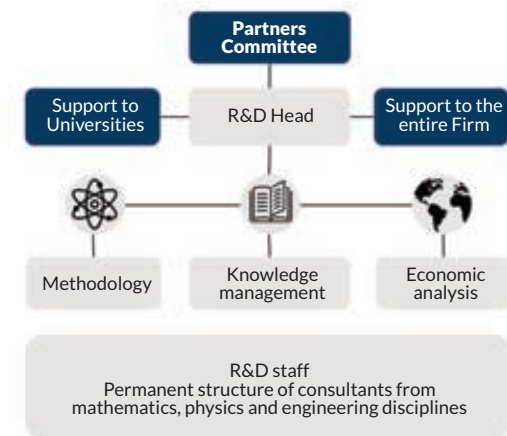
Profitable growth



- ▶ Growth above 10%*
- ▶ More than 2.5 million consultancy hours
- ▶ Increasing share of our key markets
- ▶ Organic and diversified growth
 - All types of clients
 - All countries
 - All industries
 - All service lines
- ▶ Preserving profitability vs volume
- ▶ Proactively managing inventories, billing and accounts receivable
- ▶ Compliance with the Y20 strategic plan

* Exceeding annual revenue of €250 million in consulting hours

R&D&i innovation



- ▶ Investment equivalent to 10% of the Firm's capacity
- ▶ Permanent structure composed of 50 professionals working in teams dealing with:
 - Methodology (Innovation)
 - Knowledge management (core competencies, regulations, benchmarks, publications, training, etc.)
 - Economic analysis
- ▶ Global coverage (all countries, industries and service lines)
- ▶ Regulatory hub in Frankfurt, seat of the ECB
- ▶ "Joint Ventures" with universities
- ▶ Global R&D Plan (more than 200 actions executed):
 - Methodology:
 - Research focused on artificial intelligence (machine learning)
 - Support for project promotion/execution
 - Knowledge management:
 - Refined value propositions
 - Updated training plan (Big Data and Data Science specialization)
 - Regulatory alerts service (via three different channels: App, Web and Social Networks)
 - New Business Models Observatory
 - More than 100 publications (internal and external)
 - Economic analysis on 19 countries

Human Resources Management

Annual percentage increase in number of employees



- ▶ Bottom-up growth with more than 400 recruits and 200 placements during the year
- ▶ Merit-based promotion in the entire pyramid:
 - Enhanced front-line management (12 new Partners and 15 new Directors)
 - Improved leadership capacity (84 new Managers and Supervisors)
 - Organic growth in the senior layer
- ▶ Global pyramid management ("one team")
- ▶ Excellence in talent intake (more than 150,000 candidates screened)
- ▶ Strengthening of University and Postgraduate links:
 - Presence in more than 350 European, American and Asian faculties
 - More than 200 collaboration agreements
 - Provision of training in several of the most prestigious universities in Europe and the Americas
- ▶ Ongoing assessment process (with enhancement of management assessment programs)
- ▶ Biannual mentoring program (aimed at aligning professionals' needs with the opportunities offered by the Firm)

Training hours



- ▶ Emphasis on training:
 - More than 200,000 hours invested in training
 - Over 500 courses taught (50 new)
 - Continuously updated training plan:
 - Fifth intake of students for the Management Solutions – ICADE Business School Master's degree in Business Consulting in Spain
 - Second intake of students for the Monterrey Tech Diploma in Mexico
 - New contents: Agile, Big Data, Data Science, etc..
 - External complement: focusing on the management team (CFA, FRM, PMP, CISA, ICAI-IC, etc.)

Organizational flexibility



- ▶ Enhanced internal corporate departments and functions:
 - Reinforced our corporate departments' international structure (HR IT, Compliance)
 - Stronger financial/tax management and control
 - Implemented IT transformation plan:
 - Migration of systems (infrastructure and telecommunications)
 - New applications for the management of Finance and HR information
 - Big Data Analytics
 - Opening of a new office in Bilbao and expansion of our Bogota offices
- ▶ Internal Audit and Quality Plan:
 - Internal Audit and QA reports (yearly, half-yearly, quarterly and monthly)
 - External Audit of Financial Statements (consolidated and Individual)
 - External Audit on Information Security
 - External Audit on Processes (ISO 9001)
 - Obtained UNE 19601 certification
 - Improved Quality Assurance processes
 - Ongoing staff training on corporate policies

Communication

- ▶ Promoting the Management Solutions brand to our stakeholders.
- ▶ Sharing value-adding content (specialized publications, regulatory analysis, economic outlook reports, etc.).
- ▶ Maintaining a presence in prestigious institutions for all our activity areas.
- ▶ Supporting the academic world through partnerships, internships and specialized courses.
- ▶ Acting as benefactors and sponsors in order to support culture, sports and the arts.
- ▶ Becoming involved with those most in need through community outreach initiatives within our scope of action.

Communication

- ▶ New content on our corporate website and corporate social network channels
- ▶ Launch of the financial regulatory alerts App (FingRegAlert) for mobile devices
- ▶ More specialized publications:
 - Publication of white paper: "Machine learning, a key component in the transformation of business models"
 - Quarterly situational reports (19 countries)
 - Technical Notes and Regulatory Developments
- ▶ Enhanced presence in professional and supervisory forums
- ▶ Founding members of the Alastria consortium for the development of Blockchain technologies
- ▶ More Social Action, patronage and sponsorship:
 - More than 40 community support activities organized by Management Solutions: Solidarity Summer, Solidarity Cinema, Solidarity Christmas, blood donations, IT equipment donations, corporate volunteering, participation in charity sports events, etc.
- ▶ Partnerships with NGO's and foundations
- ▶ More support to our Sports Clubs in in all our offices:
 - Over 500 participants in internal and external sports tournaments
 - Organization of new events: Charity race, MS golf tournament, seven-a-side soccer and paddle marathons, etc.





“We have once again exceeded all the goals that we set for the year, achieving excellent results in each and every one of the geographies and industries in which we operate”

This year has been excellent. We have once again exceeded all our goals, consolidating global growth of 10%.

The credit for this success lies, without a doubt, within the extraordinary team of professionals that form Management Solutions. A talented team that combines a strong analytical profile with a deep knowledge of the business of the industries for which we operate. A team that is multicultural (made up of more than 40 nationalities), young and well trained, ethical, responsible and committed.

As we do every year, we have taken advantage of our strengths, trying to do well what we know best: serving our clients with integrity, humility, generosity and passion, thrilled about our goal of effectively contributing to generating value for our clients through their digital transformation.

In tune with our motto, we have made things happen once again this year.

Ignacio Layo
Management Solutions Partner



Royal Theatre in Madrid, Yearly Meeting 2018



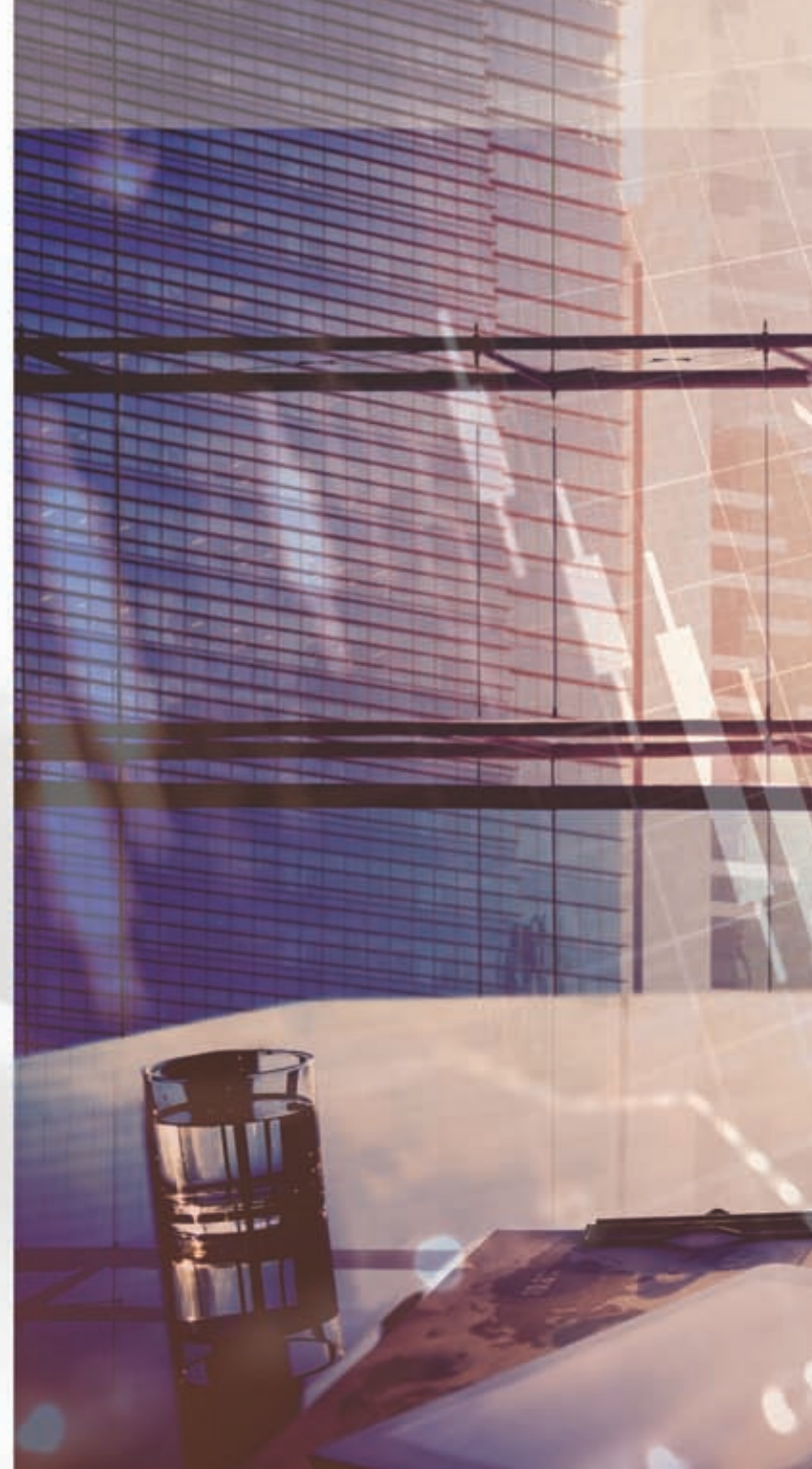
Committed to our clients

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

>800
clients

100
of which are new

>40
countries in which
we operate





Client focus

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

Our success is due to our clear focus on the client, with whom we work closely and whose expectations we strive to exceed in order to become a trusted partner. We implement a client relationship model that allows us to know each client's specific needs and 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 of implementation.

Client diversification

Management Solutions pursues sustained growth supported by client diversification, seeking a balance between large multinationals and national leaders. At year end, Management Solutions had over 800 active clients (100 of them acquired in 2018), grouped into three major segments: multinationals of American or European origin, local entities, and national or regional confederations, all leading organizations in their respective markets.

In addition, Management Solutions has continued to strengthen links with regulators (central banks, international organizations, national regulators and supervisors, etc.) of the main industries in which we operate.

Global Model

Management Solutions has a strong presence in local markets, but always under the umbrella of global corporate policies. The whole of the Management Solutions group operates as a single unit rather than 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 meeting our clients' transformation processes and strategic challenges, wherever they arise.



Línea Directa awards Management Solutions for its service excellence

Management Solutions was awarded in the 8th edition of the Service Excellence Awards for Excellence in Service rendered to Línea Directa, Spain's leading insurance company in the direct selling channel..

The award acknowledged our work as consultants to Línea Directa, and was delivered by Mr. Miguel Ángel Merino, CEO of Línea Directa.



Providing top quality service is at the core of our business

- ▶ There is coherence and consistency between the job to be done and the final product, both being clearly documented.
- ▶ The necessary knowledge and experience have been applied.
- ▶ The specified work has been competently carried out and correctly documented.
- ▶ The final products satisfy the specific requirements and are produced within the agreed upon timescale.

Each project is broken down into different activity stages or groups of activities

The activities to be performed, their order and required techniques are detailed for each project stage, and the resulting deliverables and roles involved in their production are specified for each activity.

We perform quality control from beginning to end on all projects in order to guarantee quality levels both internally and externally (services provided to clients).

Management Solutions has a Quality and Internal Audit Area whose aim is to strengthen the Firm's control framework and to ensure it complies with regulatory requirements (certifications, audits, etc.).

This area is global in scope and covers functions related to business activities as well as to providing support to our professionals across the Firm's units, and is responsible for the following:

- ▶ Corporate policies.
- ▶ Quality (certifications from quality assurance agencies, Quality Assurance process, etc.).
- ▶ Criminal risk management and proposal contract clauses.
- ▶ Internal audit.

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 resource availability, process control and continuous improvement in the provision of services.

Quality Control Methodology

Activities

- ▶ Project scope review
- ▶ 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 expertise of our professionals, for whom there are ongoing training and refresher plans, and on the direct and active participation of more experienced 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:



Commitment to the industry

We share the expert knowledge generated by the Firm

In addition to conducting specific conferences on relevant topics of interest related to the Firm's areas of operation, we have an ongoing schedule of external knowledge sharing activities, some of the most significant being our publications and our presence in professional forums.

Publication of studies and industry reports

"Machine Learning, a key component in business model transformation"

This white paper published by Management Solutions in 2018 analyzes how the digital revolution, driven by increasingly easy-to-access information and the development of new technologies, is producing profound changes in consumer habits, causing companies to thoroughly review their current business models.

A fundamental lever for the transformation of business models is Data Science, which is based on the combined use of automatic learning techniques (machine learning), artificial intelligence, mathematics, statistics, databases and optimization.

There are several factors, mainly originating in technology, that drive the use of these data science techniques in a wide range of industry sectors. These factors can be grouped into four areas: (i) the unprecedented increase in the volume and type of data available, (ii) connectivity and access to data, (iii) improved algorithms and (iv) the increase in the computational capacity of systems.

With regard to data volume, several studies have produced different metrics that give us an indication of the magnitude of such growth. Some of the most relevant are the following:

- ▶ According to recent reports, 90% of the data in the history of humanity were produced during the past year, and annual growth of 40% is estimated for the next decade. Today, the volume of data available is even greater due to major advances in Machine-to-Machine communication technology (M2M), and the development of the so-called Internet of Things (IoT).
- ▶ Some studies published by large telecommunications companies suggest that, in 2021, the number of devices connected to the Internet will be more than 3 times the current world population, and the number of IoT connections will reach 13.7 billion compared to the 5.8 billion registered in 2016.
- ▶ As a result, the total amount of data will reach 44 trillion gigabytes by 2020.
- ▶ Of that, a large amount of data is generated in the digital environment directly, as is the case with Google searches (40,000 searches per second), Facebook messages (31 million messages per minute) or videos and photos (300 million videos uploaded to YouTube every hour).



► It is estimated that by 2020 all mobile devices will include biometric technology, and that at least a third of the data will go through the cloud.

Secondly, improvements in connectivity represent a qualitative leap that enable the development of new services and business models around the production and analysis of real-time data in order to adapt price or services based on usage: data are automatically generated and collected through the sensorization and digitalization of point of sale terminals, which creates a continuous flow of information. Much of this connectivity takes place between machines: once an action is performed, the data generated by the different digital components involved are connected to servers in order to store and analyze the information. This type of M2M connection has increased and amounted to 1.1 billion connections in 2017.

Thirdly, improved algorithms have made it possible to optimize the processing of large data volumes (through scaling techniques, resampling, etc.), to obtain more efficient and robust methods, and to process missing, non-numerical and outlier variables. Despite the fact that most algorithms were developed before the year 2000, it is not until now that companies are investing greater efforts in their implementation, obtaining better results than those achieved by humans. There are numerous examples of this. DeepMind's algorithms AlphaZero and AlphaGo, for instance, play chess at a level of ability that exceeds that of any human. An algorithm based on artificial intelligence is capable of detecting breast cancer 30 times faster than a doctor, and with a reliability of 99%. In the United States, roboadvisors had 25.83 million users in 2018 - a 1.8 penetration rate expected to become 8.3 by 2022.

Lastly, computer capacity, which over the past few decades has increased enormously on the back of improved processors, is now also being driven by other factors such as: greatly evolved programming languages (both generalist languages and those devoted to data processing,



visualization, algorithms, etc.); cloud computing and, above all, the design of new computing architectures specifically aimed at machine learning, data analysis and engineering applications (known as GPUs).

To sum up, over the last two decades the availability of digital data has increased almost 1,000-fold, while algorithms have been known to become 10 times more efficient, and computing speed has increased 100 times. All this has led to a renewed interest in these techniques as a formula for obtaining added-value information in the new business environment.

With all this, Machine learning techniques are experiencing an unprecedented boom in a number of fields, both in the academic and business world, and are an important lever for transformation. While these techniques were known in both these areas, several factors are leading to their use becoming more widespread where it was previously minority based,

and are causing it to extend to other fields where they were hardly used before due to both their high implementation costs and the small initial profit expected from their use.

Machine learning techniques can be defined as a set of methods capable of automatically detecting patterns in the data. Under this definition, the concept of machine learning has existed at least since the 1950's, a period of time in which various statistical methods were developed, redefined and used in machine learning through simple algorithms, though almost exclusively within the academic field. This concept of machine learning has since included the use of identified patterns to make predictions, or to make other types of decisions in uncertainty environments.

In contrast to the results obtained from classical statistical techniques, the use of Machine Learning techniques represents a step ahead from classical statistical techniques in the sense that they enhance the model estimation process,

Commitment to the industry

FinRegAlerts, Management Solutions' financial regulatory alerts app



In 2018, Management Solutions' financial regulatory alerts service was renewed through the launch of FinRegAlerts, an app for mobile devices developed by Management Solutions to monitor financial regulatory alerts issued by international, European and local regulators (United States, United Kingdom or Spain).

FinRegAlerts currently includes access to the following contents:

- ▶ Publication alerts: summaries of documents published by international regulators (BCBS, FSB, etc.) and European regulators (European Commission, ECB, EBA, etc.), as well as summaries of documents published at local level (United States, United Kingdom or Spain).
- ▶ Quarterly and yearly regulatory outlooks: reports that collect publication alerts and anticipate key regulatory changes.
- ▶ Technical notes: summaries containing details of regulations that have a major impact on or hold the greatest interest for the financial industry.

The App is available for free download from major application stores.

not only because they increase predictive power by using new methodologies and techniques for selecting variables, but also because they lead to improved process efficiency through automation

Against this backdrop, the White Paper published by Management Solutions, aims to provide an insight into the digital revolution and its impact on business transformation, with a special focus on machine learning techniques. For that, the document is structured in three sections which respond to three objectives: i) Illustrate the development of the digital revolution and its impact on different fronts; ii) Introduce the discipline of machine learning, describe different approaches and explain current trends in this field; and iii) Present a case study to illustrate the use of Machine Learning techniques in the specific case of the financial industry.

Macroeconomic outlook reports

Management Solutions continuously monitors developments in the key macroeconomic indicators of the economies in which the Firm has a greater presence, and draws conclusions on their expected development over the coming months.

This monitoring activity is reflected in our quarterly "Macroeconomic Outlook Report", a document that also provides insight into the key indicators affecting the industries in which Financial Institutions operate (Banking and Insurance), and the Energy and Telecommunications industries.

Regulatory notes

As a firm providing professional consulting services for regulated industries, Management Solutions specifically monitors the regulatory environment affecting the industries in which it operates. On a weekly and quarterly basis, the Firm tracks major regulatory developments in the industries to which it provides advice, and compiles technical notes on regulatory developments that have the greatest impact on those industries. Regulatory notes seek to summarize the rule, put it into context and explain some of its potential impacts.

During 2018, Management Solutions prepared more than 10 technical briefs on the most relevant regulations published by leading authorities.

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



Organization and participation in specialized conferences and seminars

XVII Annual Risk Conference, Spain

Management Solutions participated in the XVII Annual Risk Conference, organized by CGRE (Risk Management Club of Spain) and attended by members of international regulatory and supervisory bodies, as well as executives from major Spanish financial institutions.

Held at the ICADE Aula Magna in Madrid under the title "The challenge of transformation" and attended by over 150 professionals involved in the risk function, the conference aimed to provide a platform for regulators and financial institutions to share their views on hot industry topics.

Management Solutions, Patron Member of CGRE, actively participated in the event as moderator of one of its plenary sessions, entitled "IFRS 9 versus Basilea III", which featured the participation of BBVA, Santander Group and Bank of Spain representatives. Other participants in the conference were Fernando Fernández, professor at IE Business School, and Ramón Quintana, Directorate General Microprudential Supervision II - European Central Bank, as well as other members of leading global and local financial institutions.

Chief Data Officer Club Spain

Management Solutions participated as a sponsor and speaker at two events held by the CDO Club Spain, in which more than 50 Chief Data Officers from companies in Spain's financial, insurance, energy, telecommunications, and retail industries are involved.

In the first event, entitled "Who is the CDO? A rising role in Spanish companies", the Firm shared its experience and knowledge of how the CDO's role and functions have developed over time, and moderated a debate on the matter. In the second event, on Data Ethics, Management Solutions discussed the main challenges of integrating Data Ethics in decision making and the use of data.

Training sessions with the College of Actuaries of Catalonia, Spain

Management Solutions participated in two training sessions held at the College of Actuaries of Catalonia that were attended by representatives from insurance companies based in Barcelona.

Commitment to the industry

The session on the "Practical implementation of IFRS 17" reviewed general concepts on the new principles for recognition, measurement, presentation and dissemination of insurance contract information, looking into the practical aspects and quantitative impacts in the formulation of the financial statements of organizations under the new standards through the presentation of real valuation examples.

During the course delivered on "The Actuarial Function in insurance companies, the experience of the actuary ", Management Solutions' presentation dealt with the actuarial function's review of the life and non-life technical provisions, describing the type of analysis this function needs to perform in order to submit a well-founded opinion to the Board of Directors about the sufficiency and adequacy of said provisions.

Training session on ORSA, Portugal

Together with the Portuguese Insurance Association (APS), Management Solutions organized a training session entitled "ORSA - Own Risk and Solvency Assessment" that was attended by representatives from Finance, Risk, Internal Control and Technical areas at Portuguese insurance companies.

The session reviewed general concepts about the scope of implementation of ORSA, the previous regulatory references, the components of the ORSA exercise and the possible methods for implementation, including the definition of the company's risk appetite and profile and the calculation of its internal risk profile, projections and stress tests necessary to perform the ORSA. Also explained was how the content needed for the ORSA exercise can be used by insurance companies for capital management purposes.

The event was closed with a practical example using the ORSA tool developed by Management Solutions and implemented in different companies.

Seminar on MRM, France

Together with Société Générale, Management Solutions organized a training session on Model Risk Management that was attended by representatives from the business areas as well as by the heads of the Risk, Internal Validation and Internal Audit departments.

During the session, Management Solutions executives, in collaboration with the MRM program director, reviewed the main concepts addressed by the program: model definition, creation of the model owner function and model inventory process, among others. Also, three structured workshops were carried out to promote the implementation of MRM programs.

Also at the seminar was the head of the MRM function at the Royal Bank of Scotland, whose "Building a Model Risk

Framework" presentation discussed RBS's approach to developing its model risk management framework, as well as the main regulatory and organizational challenges encountered throughout the process.

Seminar on Basel III, France

In addition to being one of the sponsoring firms, Management Solutions participated as a speaker at the "Basel III - prudential aspects for 2022" seminar organized in Paris by Revue Banque (leading financial sector editorial group belonging to the French Banking Federation), which was attended by 100 representatives from French banking institutions.

The event, which featured prominent members of the French supervisor and the FBF (Fédération Bancaire Française) as well as executives from local banks, examined the main regulatory



aspects introduced by Basel III, updated in December 2017, and discussed how banks should plan and prioritize the implementation of these regulations so as to exchange good practice.

Conference on Credit Risk Management, IFRS 9 and Basel IV, Poland

In addition to being a sponsoring firm, Management Solutions participated as a speaker at the conference on Credit Risk Management, IFRS 9 and Basel IV organized by Advanced Trainings in Warsaw, which was attended by representatives from nearly 40 banking institutions.

Entitled "IFRS 9 in Revolving Portfolios" and "Integration in the management of the parameters under IFRS 9", Management Solutions' presentations discussed the concepts and practices consistent with prudent risk management to guarantee a solvent financial system where financial resources are commensurate with the risk assumed, with a special focus on those issues in respect of which it is particularly difficult to meet the IFRS 9 requirements.

Unione Bancaria e Basilea 3 - Risk & Supervision 2018, Italy

In addition to sponsoring the event, Management Solutions participated as a speaker at the congress on Banking Union and Basel 3 - Risk and Supervision 2018 organized by the Italian Banking Association (ABI).

The congress, an international benchmark in banking, featured prominent representatives of leading Italian banks, including several academic professors and key people from the Italian financial industry, who were also speakers at the event.

Management Solutions' presentation dealt with the practical aspects of implementing the Fundamental Review of the Trading Book (FRTB) in the current regulatory and supervisory environment.



European Energy Trading CIO Forum, United Kingdom

Management Solutions was for the first time invited to conduct an analysis among conference participants at the European Energy Trading CIO Forum on their Energy Risk Management (ETRM) platforms and service model.

The CIO Forum is an initiative born to advance IT innovation and efficiency in a highly specialized industry, as is the case with energy trading, and to foster technology adaptation for reporting trading activities as part of the implementation of new regulatory requirements.

The event brought together the CIOs of the top energy trading players in Europe (including companies in both the Oil & Gas sector - BP, ENI Trading and Shipping, Shell, TOTAL Trading & Shipping, Statoil and Petrobrás, and the Utilities sector -Endesa, Iberdrola, RWE Supply & Trading GmbH, E.ON Trading and Shipping, Uniper, Engie, EDF Trading, Vattenfall and Statkraft).

Credit Risk Modelling, Validation and Stress Testing Conference, Germany

In addition to being one of the event's sponsoring firms, Management Solutions participated in the Credit Risk Modeling, Validation and Stress Testing Conference organized by TBM Frankfurt, attended by representatives from close to 50 financial institutions.

The congress dealt with credit risk stress testing, modeling and validation-related topics such as the IFRS 9, Basel III and TRIM standards, and was attended by representatives from institutions such as the EBA (European Banking Authority), Credit Suisse and UniCredit, among others.

Management Solutions' presentation was entitled "Model Risk Management in the context of TRIM" and presented the Firm's experience in Model Risk management within the context of the ECB's specific internal models review project (TRIM).

Commitment to the industry

Training session on IFRS 9 & Credit Risk Management, Germany

Management Solutions was invited by Risk.net magazine to give a seminar on internal model validation as part of their specialist training program. The seminar took place in Frankfurt and brought together experts from Austria's Finanzmarktaufsicht (FMA), Deutsche Bank, Raiffeisen and Postbank, among others.

The training focused on aspects relating to the implementation of the IFRS 9 accounting standard, such as governance and organization, impacts on provisions and capital, hedge accounting, the treatment of stress testing under IFRS 9, technical aspects of model development and validation, and the regulatory response to the industry's positioning, among others.

Credit Risk Modelling – European Banking Summit 2018, Germany

Management Solutions sponsored and gave a presentation on credit risk modeling at the European Banking Summit 2018, organized by Informa. The conference, opened by Mr. David Grünberger from the European Central Bank, brought together about 100 representatives from European financial institutions, and featured speakers from Deutsche Bank, Erste Group, Santander, Credit Suisse, DZ Bank, European Investment Bank and Bank of Ireland, as well as Management Solutions.

The congress looked into issues such as the progress made in the implementation of Basel IV and its interactions with IFRS 9, the EBA's new definition of default, the new EBA regulation on LGD, the industry's reaction to the ECB's TRIM, the lessons

learned on modeling in the context of IFRS 9, and the challenges of stress testing under IFRS 9 and CECL.

Data Management Challenges Conference, USA

Management Solutions organized a Data Management Challenges conference in New York that was attended by representatives from leading local and global financial institutions.

The event, entitled "Challenges in data management: the changing role of the Chief Data Officer", dealt with the key aspects of the CDO's role as well as the future challenges faced by this role.



Insurance Day, Peru



Chief Data Officer Club, Spain



Seminar on the compliance function, Colombia

Mexican Banks Association's XIII Annual Risk Symposium, Mexico

In addition to jointly sponsoring the event, Management Solutions gave a presentation on Machine Learning and Digital Transformation at the Mexican Banks Association's Annual Risk Symposium, Mexico's largest annual event on risk. The event was attended by representatives from the Bank of Mexico (Banxico), as well as senior executives from various financial institutions and consulting companies in the industry.

Management Solutions' presentation was entitled "Machine Learning, its classification and methodologies for digital transformation" and, together with the presentations delivered by the authorities and the president of the National Banking and Securities Commission (CNBV), among others, provided a broad view of the challenges and opportunities that digital transformation offers the financial industry.

Training session on IFRS 17, Mexico

Together with the Mexican Association of Insurance Companies (AMIS), Management Solutions organized a training session entitled "Adopting IFRS 17 regulations" that was attended by representatives from Mexico's insurance industry leaders.

The training session examined some general concepts on the new principles for recognition, measurement, reporting and disclosure of information in insurance contracts, and looked into the benefits and the challenges for insurers, which require understanding methodology changes in the calculation of technical reserves and how these changes impact on their business and accounting systems, data, technology and organizational structure.

The event, which was attended by 80 experts from the Finance, Risks, Internal Control and Technical departments at leading insurance companies in the country, was closed with a practical example on the Calculation of Technical Reserves.

Insurance Day, Peru

Management Solutions sponsored the Insurance Day organized by the Peruvian Association of Insurance Companies – APESEG, attended by key representatives from the Peruvian insurance industry

Under the title "Pending challenges. New tools", the conference addressed key areas of national interest from the insurance industry perspective, such as the response to natural disasters, the strengthening of the pensions systems, and the opportunities arising from innovation and the use of emerging technologies in the industry.

Management Solutions participated in the seminar "The Data Analytics muscle in insurance", which dealt with current trends in the use of analytics in the insurance industry at both the international and the local level.

Implications of adopting IFRS 17 in the insurance sector, Colombia

Management Solutions organized an "Informative Breakfast on the Implications of Adopting IFRS 17" in the Colombian insurance sector that featured the participation of teams from 20 different insurance companies.

The Firm shared its experience in the processes involved in adapting to the new accounting standards known as IFRS 17, a challenge for insurance companies that has implications for the business, methodology, data, processes and systems areas.

Seminar on the compliance function, Colombia

Management Solutions and the law firm Brigard Urrutia organized a joint seminar on the compliance function at Management Solutions' offices in Bogotá.

During the event, both Firms presented the critical components of the compliance function (organization,

perimeter, compliance policy, etc.) as well as the keys for its effective deployment, and discussed the main impacts of Colombia's Anti-bribery Law (Law 1778 of 2016), which requires companies to adopt business ethics programs, and how this fits into the global model.

Seminar on Risk Appetite and RAROC, Colombia

Management Solutions organized a Risk Appetite and RAROC seminar in Bogota that was attended by teams from 20 major Colombian entities.

The Firm shared its experience in the implementation of RAF and RAS in geographies that already have this philosophy as a risk management tool, a topic of special relevance in the country due to the consultations launched by the Regulator in order to publish a local standard in this regard.

The seminar was supplemented by a talk about RAROC as a key indicator for measuring the risk-return tradeoff, one of the main KPIs to be monitored in the RAF.

8th Congresso Internacional de Gestão de Riscos, Brazil

Management Solutions participated as a speaker in the international congress on risk organized by FEBRABAN (Brazilian Federation of Banks) that was attended and addressed by representatives from the regulator and from major financial institutions from Brazil as well as other parts of the world.

This congress, in which Management Solutions was present as a sponsoring and participating firm for the eighth year running, is the most important event on Risk Management organized in Brazil. The goal was to share the view of regulators, financial institutions and professional service providers on certain aspects relating to the latest risk management trends and challenges in financial institutions.

Commitment to the industry

Management Solutions' presentation was entitled "Integrated risk overview – Supervisory activity expectations" and aimed to share the Firm's international experience in this area, showcasing best market practices.

International Summit on Operational Risk, Brazil

Management Solutions participated as a speaker in the 3rd Edition of the International Operational Risk Summit organized by FEBRABAN.

Under the title "Quantitative definition of Operational Risk appetite (RAS, tolerance and capital)", the Firm shared its international experience of the importance of defining such appetite, reviewing benchmarking practices in this respect and the benefits these practices bring for risk management.

FEBRABAN Institute of Education's IRRBB Summit, Brazil

Management Solutions participated in a seminar on Interest-Rate Risk in the Banking Book (IRRBB) held by the FEBRABAN Institute of Education (INFI) and attended by representatives from the risk and finance areas of a number of Brazilian institutions. During its presentation, the Firm explained the critical aspects in the calculation of impacts on the financial margin determined by the variation in interest rates.

FEBRABAN's 2nd Internal Validation Commission, Brazil

Management Solutions participated in the 2nd Internal Validation Commission organized by FEBRABAN (Federação Brasileira de Bancos), which was attended by the heads of the Validation and Internal Control teams at some Brazilian banks.

The Firm's presentation, which was included in the "Use of Big Data in management models" panel, dealt with topics such as the main Big Data applications for modeling, strategies and ways of use, and use of machine learning techniques.

FEBRABAN's 3rd Operational Risk and Business Continuity Plans Commission, Brazil

Management Solutions took part in the "Cyberattack Scenarios" panel included in the 3rd Operational Risks and Business Continuity Plans Commission organized by FEBRABAN. During its presentation, the Firm had the opportunity to share its views on the selection and validation of cyberattack scenarios through a case study conducted with those responsible for Operational Risks and Cybersecurity at Brazilian institutions.

ABBC Summit, Brazil

Management Solutions participated in the "IFRS 9 - Implementation Challenges and Market Trends" panel included in the Banking Economy conference organized by ABBC (Associação Brasileira de Bancos), which was targeted at local small and medium-sized banks and aimed to share the main aspects to be taken into account for IFRS 9 implementation, both in terms of segmentation, the use of databases and challenges for modeling and integration into management.

ABBI's Risk Commission, Brazil

Management Solutions had the opportunity to participate in the "Trends on Strategic Risk Management and BMA implementation" panel during the Risk Commission organized by ABBI (Associação Brasileira de Bancos Internacionais), which



Integral risk management congress, Dominican Republic

dealt with the key issues for practical implementation of a Strategic Risk Management system, and the use of Business Model Analysis by international regulators to assess banks' business risk.

The event was attended by the CROs of international banking institutions with a presence in Brazil.

ABBI's Summit, Brazil

Alongside the CROs and CFOs of international banks with a presence in Brazil, Management Solutions participated in the Accounting Commission and Risk Commission meeting organized by ABBI.

Under the title "Challenges and main trends in IFRS 9 implementation", the Firm presented the main aspects to be taken into account for the implementation of IFRS 9, both in terms of segmentation and in the use of databases and challenges for modeling and integration into management.

III Universidad del CEMA Risk Conference, Argentina

Management Solutions participated in the III Risk Conference organized by Universidad del CEMA, where it shared its international experience in IFRS 9 focusing on the challenges and opportunities of implementing regulations.

Addressing an audience that included Risk and Audit Heads from local institutions, Management Solutions took advantage of its international experience in the subject to share its views on the IFRS 9 principles, their impact on the calculation of provisions under an expected loss approach and how IFRS9 is being adapted in Argentina based on the regulations issued by Argentina's Central Bank.

Working breakfast on IFRS 9, Argentina

Management Solutions organized an event on IFRS 9 in Buenos Aires that was attended by a large number of Risk and Finance Heads from over 20 financial institutions in the country.

Following publication by Argentina's Central Bank of an IFRS 9 road map requiring the implementation of the asset impairment-related areas, Management Solutions organized a working breakfast featuring a practical and detailed presentation on the experience of international financial institutions that first implemented IFRS 9 in January 2018.

Integral risk management congress, Dominican Republic

Within its program for the control and dissemination of risk management practices, the Superintendency of Banks of the Dominican Republic invited Management Solutions to give a lecture on the main regulatory trends for 2018/2019 in the field of risks, which was attended by more than 300 top executives from the local financial sector and its international subsidiaries.

Management Solutions' presentation focused on the requirements of local Supervisors in Europe and the Latin American region, and the keys to use the associated efforts in order to improve.



"Being at the forefront of industry knowledge is key to generating value in the new digital environment"

Our industry specialization allows us to anticipate clear answers on the main issues of interest for the different industries in which we work.

In addition, we have always been committed to sharing our industry knowledge. We do this through our presence in key industry forums in the different countries in which we operate, and by publishing specialized studies on relevant topics for each industry.

We also seek to transfer best practices across industries, identifying those issues that are better resolved in one industry over another. This is possible because we work for organizations that are leaders in their respective industries and geographies

Ana Gadea
Management Solutions Partner



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.

>150.000
résumés
received

>400
new recruits
hired

>200.000
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 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 as they face national and international challenges,
- ▶ with an extraordinary team of professionals whose values and corporate culture are a reference in the industry,
- ▶ by following a clearly defined career plan and continuous training.

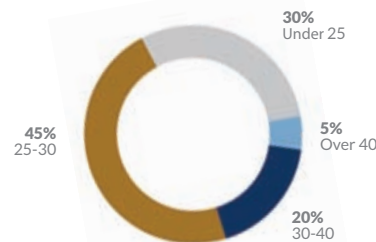
We are aware that both optimum professional development and achieving excellence in our projects require effort and sacrifice, two words that form an undeniable part of our corporate culture. In our experience, this effort is rewarded by our clients' recognition and by the achievements attained by our professionals as they gradually shape their career.

Aside from the rewards our professionals reap through this effort in the professional sphere, we devote special attention to facilitating the best working environment and to supporting them in everything we can: training, IT resources, supporting documentation, accessible internal communication (Intranet), Human Resources policies (employee benefits, mentoring programs, international relocations, evaluations), medical services, etc.

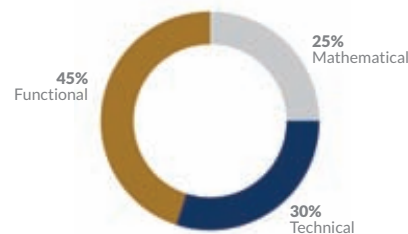


Distribution of workforce

By age



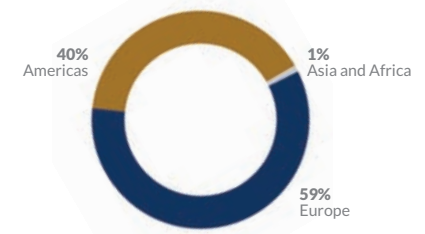
By profile



By gender



By nationality



Human Resources policies

Committed to our professionals

More than 150,000 résumés were received in 2018

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. 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, who are dynamic, have a drive toward self-advancement, have endurance, maturity, responsibility and the ability to integrate themselves into cross-functional teams.

Recruitment is essentially carried out through the following channels: presentations and seminars 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 get to know the Firm, discover our values and become acquainted with our work methodology.

Mentoring program: the mentor's role

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 helping us do our best to align their aspirations with the needs of the Firm.



Human Resources stand at job fairs

Human Resources policies

Mentorship is performed by Partners, 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 2,000 people participated in our mentorship program in 2018. Close to 400 members of our management team (Partners, Directors, Managers and Supervisors) acted as

mentors for over 1,600 professionals in their first to sixth year, contributing to their professional development within the Firm.

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

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.

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 semiannual 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.

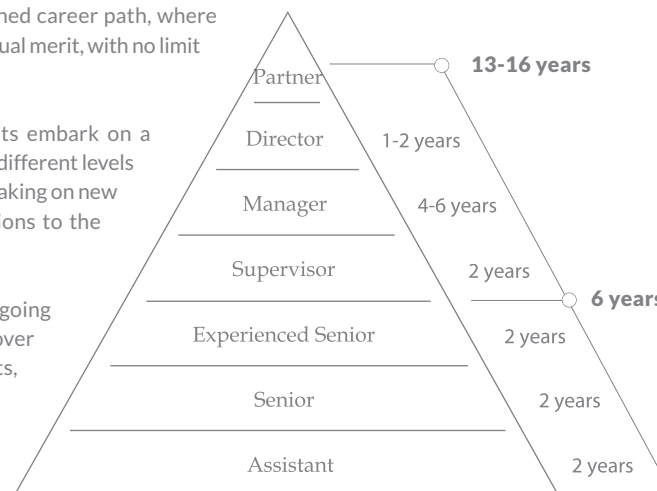


— Career plan

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 depending on their achievements, potentially 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 the 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 and anti-discrimination policy

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.

An Anti-Discrimination Policy was approved in 2016, which served to formalize principles already being applied by Management Solutions to avoid any type of discrimination in the Firm.



Training

Management Solutions places special emphasis on training its professionals, investing more than 200,000 training hours in 2018

Management Solutions pays particular attention to training its professionals, spending more than 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 the first two years, training is provided through our Master's degree or Diploma programs in several offices, meaning that all professionals joining Management Solutions in these offices receive the Master's/Diploma in Business Consultancy, which is jointly provided by Universidad Pontificia Comillas /Instituto Tecnológico de

Monterrey and Management Solutions and comprises around 600 training hours over two years.

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

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

Graduation of the first intake of Diploma in Business Consulting students

The graduation ceremony for the first Management Solutions Diploma in Business Consulting intake of 17 students was held at the Monterrey Tech's Santa Fe Campus.

The event took place at the FEMSA Building in the Santa Fe Campus and was attended by the graduating students as well as their tutors and instructors. The ceremony was chaired by Mr. Daniel Moska Arreola (Regional Director at the Monterrey Institute of Technology - Vice-rectory for Lifelong Education), Mr. Iván Córdoba (Director of Operations for the Mexico City Region - Monterrey Institute of Technology's Vice-rectory for Lifelong Education), Mr. José Manuel Cervantes, (Diploma Course Coordinator), Mr. Carlos Carnicero (Management Solutions Partner) and Mr. Miguel Ángel López (Management Solutions Supervisor).

During the ceremony, the students who had completed the Diploma Course in Business Consulting were awarded their diplomas, and both Mr. Carlos Carnicero, on behalf of Management Solutions, and Mr. Daniel Moska Arreola, on behalf the Monterrey Tech, addressed the participants.



First intake of Diploma in Business Consulting, Mexico

- ▶ 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.

Since 2016, the Management Solutions - ICADE Business School Master's degree in Business Consulting has included a specialization in Data Science targeted at technical and methodological profiles, which provides the necessary tools to put data analysis at the center of the Firm's value proposition. This Data Science specialization aims to enable students to:

- ▶ Effectively manage both traditional and advanced modeling procedures, adapting to the current needs of companies:

predictive and profitability models, data processing, machine learning, process optimization, etc.

- ▶ Look deeper into the use of statistical tools for data analysis and modeling. Receive intensive training in R, Python and SAS.
- ▶ Know about alternative tools and technological resources to be used in Data Science, understanding their advantages and disadvantages as well as work uses.

In addition to the initial training plan, Management Solutions consultants have extensive training opportunities throughout their career, averaging 600 hours devoted to training in the first two years, 100 hours at senior and experienced senior level and 40 hours from supervisor level onwards.

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

Every year we review and update the Firm's global training plan, expanding it and adding new courses in order to provide greater uniformity and consistency among the different countries, as well as improving contents and adapting them to the new environments. In 2018, we continued to reinforce courses in the different subject areas, with a special focus on the New Technologies and Digitalization, Data Science and Agile related fields, and put greater emphasis on training geared towards official certifications.

Graduation of the fifth Master's Degree in Business Consulting intake



Mr. Antonio Lorenzo, honorary sponsor to the fifth Master's Degree in Business Consulting intake, Spain

ICADE's Main Hall provided the location for the Graduation of the 117 students who made up the 5th intake of the Management Solutions - ICADE Business School Master's Degree in Business Consulting.

The graduation ceremony was attended by the Master's fifth graduating class as well as their tutors and teachers, and friends and family who wished to accompany the students in their graduation. The event was presided over by Mrs. Teresa Corzo (Dean of the Economics and Business Studies Faculty at Comillas Pontifical University), Mr. Alfonso Serrano-Suñer (President of Management Solutions), Mr. Antonio Lorenzo (CFO and Member of the Corporate Executive Committee of Repsol), Mr. José M^a Pérez Garrido (Director of ICADE's Business School) and Mr. Tomás Curto (Director of the Master's program).

Before the graduates were handed their diplomas, attendees were addressed by Mr. Eduardo Gil Pérez-Hickman, representing the students; Mr. Antonio Lorenzo, acting as honorary sponsor for the graduating class; and Mr. Alfonso Serrano-Suñer, who represented Management Solutions at the ceremony.

After the diplomas were presented, with a special mention to Mr. Eduardo Gil Pérez-Hickman, Mrs. Irene Esteban González, Mr. Guillermo Félez Sutherland, Mr. Martín Azcue López and Mr. Manuel Pulido Monroy for having achieved the top five academic results, the ceremony was closed by Mrs. Teresa Corzo.

Training

One-day Executive Seminar

A one-day training course for Management Solutions' senior executives was held on June 13 at the Teatro Real in Madrid (Spain).

After the opening address by Mr. Alfonso Serrano-Suñer, Chairman of Management Solutions, a number of presentations were delivered by outstanding speakers that covered topics such as the current economic situation and the challenges faced by companies in the current context of digital transformation:

- ▶ Mr. Ignacio Layo, Management Solutions Partner.
- ▶ Mr. Juan Gómez-Reino, Insurance & Wealth Transformation & Director of Insurance & Wealth Strategy at Lloyds Banking Group.
- ▶ Mr. Damian Bunyan, Chief Information Officer at Uniper.
- ▶ Mr. José Antonio Sánchez, Director General at ICEA.
- ▶ Mr. Juan García Cascales, Management Solutions Partner.
- ▶ Mr. Javier Rúa, Management Solutions Partner.
- ▶ Mr. José Manuel Suárez, Management Solutions Partner.



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

Specialized Knowledge courses

On-site courses involving an evaluation test and being delivered by the Firm's Partners, 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, for a specific project or for 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 leading outsourcers in the market, targeted at professionals from all our offices who have reached Senior level or above.

Language courses

Language courses - 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).

Online training platform

Management Solutions has an e-learning training portal that complements the online training section available on the corporate Intranet.

The portal makes it easier for the Firm's professionals to follow Management Solutions' training plan, allowing them to access specific training materials (documentation, multimedia support, exercises and case studies) online.

— 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 and Private Banking
Collections
Corporate Strategy and Business Challenges
Quality and Customer Experience
Position Management Tools

Risk Management

Market
Credit
Operational
ALM
Integrated Risk Management
Project Risk Management
Capital and RAROC
Economic capital and Stress Test
Risk-adjusted Return
Liquidity Risk
Counterparty Risk
Market Data Management: Organization and Architecture for Market Data Management
Applied Mathematics
Microfinance
Conduct Risk and Non prudential risks

Specialized external courses

GARP's Financial Risk Manager*
PMP Certification
CFA Certification
CISA (Certified Systems Auditor)
PSM (Professional Scrum Master)
PMI ACP (Agile Certified Practitioner de PMI)
Cloudera Developer training for Apache Spark and Hadoop (CCA Spark and Hadoop Developer Exam)

Skills courses

Interpersonal Skills
Effective presentations
Negotiating
Generating business through the team
Professional Coaching
Code of Conduct

Markets and Products

Fixed Income
Equity Income
Advanced Derivatives
Credit Derivatives
Treasury and financial products
Exotic Options and structured products
Commodities
International and domestic financial markets
Project Finance and Corporate Finance

Organization, Processes and Systems

Organization and Governance
Process redesign and transformation
MIS
Efficiency and Processes
Back Office processes (retail and wholesale)
Settlement and custody
Marketing Management and CRM
Management Control
Management Information System
Cost-transfer ratio

Regulatory Framework

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

Technology/Methodology

Technology aplicada a la empresa
New technologies
Systems Architecture
Database Design and Modeling
Microstrategy
Business Intelligence
Business Objects
Methodology for the Design of Informational Systems
PMO Methodology
Data Science, Statistical and Datamining Tools
Financial Modeling
Big Data (+ BD en Batch)
Agile
Qlik View Developer
Foundations for data analysis in the financial sector
Regression models, time series and clustering
Introduction to SAS and R



“We strive to offer our professionals the best environment in which to develop their talent”

We are proud to be able to say that our professionals are truly unique.

We develop a rigorous selection process that combines a requirement for brilliant academic records with sound personal skills.

We offer a career plan based on merit and backed by organic and sustained growth. And for that we closely monitor our employees' career with the aim of enhancing their talent as well as the knowledge and skills necessary to pursue their profession.

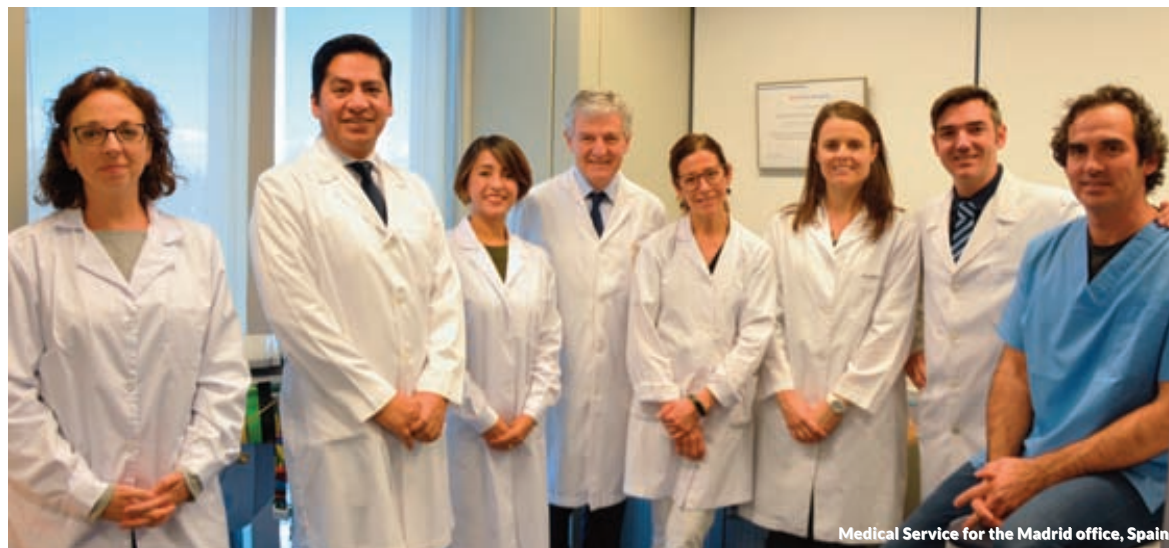
Our training plan has the highest recognition in the market for its quality and diversity.

Sara de Francisco
Management Solutions Partner

* 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 in which the Firm is present. Our professionals are offered private medical assistance programs, as well as access to other services, depending on the country in which they are located.

For example, the following is a description of policies and services applicable to our main office in Spain.

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

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

The Occupational Health Service works in four areas: prevention, care, counseling, and predictive medicine. Management Solutions is one of the first companies in Spain to have used pharmacogenomics and genetics for personalized medical prevention measures and the treatment of serious diseases.

Prevention targets both the work environment and the workers themselves:

Environment

Studies are conducted on environmental hygiene and noise levels. A risk assessment and a prevention plan are regularly updated. Prevention guidelines are issued, and are accessible to employees via the corporate intranet. Additionally, the following environmental controls are monitored on a regular basis:

- ▶ Indoor air quality, determining airborne bacteria and fungi concentration as well as CO and CO2 levels.
- ▶ Food supplied through the vending machines.
- ▶ Thermohygienic conditions of office space by monitoring temperature, relative humidity and light levels as well as air quality.
- ▶ Lighting 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 accidents at work and occupational disease, as well as pathologies due to common illness or non-work related accidents. There is also a procedure for international travel – regardless of whether travel is for professional reasons, volunteering in Social Action programs or personal reasons - consisting of the provision of hygiene-health information on the country of destination as well as information on the necessary vaccines or prophylaxis against diseases such as malaria.

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

Health insurance

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

Health information

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

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

Special campaigns

Influenza vaccine. Prevention of influenza development at the start of autumn.

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

Cancer Prevention.

- ▶ During routine medical check-ups, colon cancer risk stratification tests are carried out and advice is given according to the check-up results and the personal and family history, based on guidelines from the Spanish Gastroenterology Association.
- ▶ For women over 35, the risk of having breast cancer in the next 5 years or later in life has been calculated following models from the American Cancer Society. From a certain age, men are tested for tumor markers of prostate cancer.
- ▶ 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.

General advices and vaccines for international travel. Protection against illnesses on trips to certain countries. These campaigns are carried out on an ongoing basis.

Venous thromboembolism and lung thromboembolism prevention campaign. For women who require certain drugs (e.g. to treat polycystic ovaries) that increase the risk of venous thrombosis, there is a procedure for the study of genetic variables that will make it more likely to establish a thrombotic process so it can be prevented it before it happens

Occupational risk prevention

Annual checks. A risk prevention expert periodically checks the facilities, including the preparation or updating of a safety and security plan, basic safety and security study and risk assessment.

Ergonomic studies. At the request of either the employee or the medical service, ergonomic studies are carried out by a qualified Risk Prevention at Work officer to correctly adapt a workstation to the person.

Training in RP at Work. All professionals take a basic occupational risk prevention course developed by our own risk prevention technicians. Primary intervention teams also take specific courses in centers set up to provide this type of training.

Documentation. A number of useful documents on occupational risk prevention are available on the Medical Services section of the corporate intranet:

- ▶ Directory of risks and preventive measures. This document is a summary of the possible circumstances that may lead to certain risks and preventative measures that can be taken to avoid them.
- ▶ Basic rules on fire prevention and handling fire extinguishers. Prevention is key to fire safety.
- ▶ Basic evacuation procedures. Procedures to be followed should the building's evacuation alarm go off.
- ▶ Safety and Security within facilities. Basic safety and security rules to be followed while using any facilities outside office hours.
- ▶ Basic safety and security rules to be followed while at the clients' facilities. A road safety plan has been designed and as part of annual actions a study has been designed and analyze the level of drowsiness and the potential impact it can have on work-related traffic accidents, applying the Epworth scale.

Employee support services

The main purpose of our Internal Corporate Departments is to generate value for the Firm

Support areas

The main purpose of the Firm's Internal Corporate Departments 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 include 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 developing and supporting the business under four fundamental criteria: security, functionality, mobility and connectivity, all of this is 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 locations: Management Solutions' offices, clients' offices, from their own homes and from transit areas (airports, employee support services hotels, etc.).

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 own and third party documentation:

- ▶ Own documentation: legislation and regulatory documents, training courses, presentations, in-house publications,



macroeconomic outlook reports, etc., available via the corporate Intranet.

- ▶ Third party 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 and are aimed at facilitating the work of Management Solutions' professionals.

The work of the infrastructures team is necessary for efficiently managing the opening and start-up of new offices or the extension of existing ones. An example of this was the launch of our Milan office in 2018.

Corporate agreements

Every Firm employee is entitled to certain benefits through 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, car dealerships, gyms, cultural institutions, 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 (Virtual Private Network) connection and the recently launched MDM (Mobile Device Management) 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) are very wide ranging. Some of the most significant are the following:

- ▶ 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 (selected and summarized by our R&D Department).
- ▶ Financial and macroeconomic information on the main countries in which we operate: data on daily movements of major stock price indices and daily interest rates and exchange rates, GDP, inflation, etc.
- ▶ Documentation: documents on rules and regulations, training courses, presentations, internal publications and reports, corporate policies, etc., classified under the Knowledge Area.
- ▶ Access to corporate applications.
- ▶ Access to personal information: project assignment, payroll, personal account, etc.
- ▶ Information relating to Internal Corporate Departments (Human Resources, Marketing and Communication, General Services and Infrastructure, Technology, etc.).
- ▶ Information, content, photographs, etc. on activities organized by Social Action or the Sports Club.

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.





Yearly Meeting, Spain

ManagementSolutions
Making things happen

Mr. Rafael Miranda
President of Acerinox

ManagementSolutions
Making things happen

Dr. Michael Kemmer
Member of the Board of Directors
of the Association of German
Banks (2010-2017)

Internal communication

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.

Yearly Meeting 2018

Management Solutions' Global Yearly Meeting 2018 was held on July 21th, bringing together around one thousand professionals from the Firm under the theme *"Generating value through digital transformation"*.

As in previous occasions, the event included a review of the Firm's achievements in FY18 and challenges for FY19 and featured the participation of top executives from some of our main client companies.

The Yearly Meeting, held on this occasion at the Teatro Real in Madrid, began with a review of the market environment, by Mr. Ignacio Layo (Partner at Management Solutions), and continued with a presentation by Mr. Alfonso Serrano-Suñer (Chairman of Management Solutions) which described the progress made by the Firm during the year ending August 2018, as well as 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 guest speakers Mr. Rafael Miranda (President of Acerinox) and Dr. Michael Kemmer (Member of the Board of Directors of the Association of German Banks (2010-2017)).

Guest speakers at previous Management Solutions Yearly Meetings

Yearly Meeting 17. Teatro Real

D. Rodrigo Echenique, Vice President of Banco Santander, Chairman of Banco Santander Spain and Chairman of Banco Popular)
D. Gonzalo Gortázar, Managing Director of CaixaBank, First Vice Chairman of Repsol and Chairman of VidaCaixa

Yearly Meeting 16. Municipal Congress Palace

Mr. José María Roldán, Chairman of AEB and Vicepresident of EBF
Mr. Jaime Pérez Renovales, General Secretary and Secretary of the Board – Head of Human Resources at Grupo Santander

Yearly Meeting 15. Royal Theatre

Mr. Teppo Paavola, Sr. EVP, GM of New Digital Businesses at BBVA
Mr. Juan Colombás, Executive director and Chief Risk Officer at Lloyds Banking Group
Mr. Víctor Matarranz, Head of Group Strategy and of the Executive Chairman's Office at Banco Santander

Yearly Meeting 14. Municipal Congress Palace

Mr. Emilio Saracho, Deputy CEO, EMEA at J.P. Morgan
Mr. Francisco Gómez, CEO of Banco Popular
Ms. Eva Castillo, Director at Telefónica

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 Universidad Pontificia Comillas

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-Asiain 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. 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



Local Yearly Meetings

In 2018, more than 1,000 professionals participated in the Yearly Meetings held in the UK, Germany, USA, Brazil, Mexico, Chile, Argentina, Peru, and Colombia. These meetings have served as an effective communication outlet, allowing professionals who have not attended the Global Yearly Meeting in Spain to access the same information and feel as they are a part of the Firm’s achievements and challenges.

Yearly Meeting United Kingdom

Professionals from our UK office gathered at a convention center for their Yearly Meeting 2018, during which they reviewed the Firm’s past year achievements and goals for the next year in the UK. Our professionals were also able to listen to guest speaker Mr Roberto Maranca, Vicepresident of Data Excellence at Schneider Electric.

After the presentations, our professionals attending the event enjoyed a dinner at a well-known venue in London.

Yearly Meeting Germany

Members of our German office met at Frankfurt for their local Yearly Meeting. The meeting reviewed the current economic environment, the achievements of 2018 and the challenges for 2019, both at Management Solutions’ global level and specifically for the German office.

After the presentations, our professionals were able to enjoy a dinner in one of the hotel’s event rooms, closing the day with a small party at a well-known venue in Frankfurt.



“Our internal communication policy is key to the cohesion and integration of all of the Firm’s professionals”

In the space of sixteen years, the Firm has experienced extraordinary growth which has taken us to more than forty countries in Europe, North America, Central America, South America, Asia and Africa.

This has required us to pay special attention to internal communication as the backbone of our principles and values, in each and every one of the geographies in which we are present.

For this reason, we have a comprehensive internal communication plan that allows us to share general information about our Firm, our values and principles, strategy, achievements and challenges with our professionals wherever they are, while also meeting the specific needs of each office.

Sandra Martins
Management Solutions Partner



Internal communication

Yearly Meeting Brazil

Our Brazil yearly meeting, held at an emblematic convention center, began with the review of Management Solutions' 2018 performance in Brazil. Also reviewed were the Firm's global and local goals for the next fiscal year.

After the presentations, more than 200 professionals were able to enjoy a party held at the same venue.

Yearly Meeting Mexico

Our Yearly Meeting in Mexico was held at a downtown hotel in Mexico City and was attended by more than 250 professionals from the Firm. The meeting focused on the current economic environment, the achievements of 2018

and the challenges for 2019, both at the global level within Management Solutions and specifically for the Mexico office.

The conference closed with a gala dinner at one of the conference hotel halls.

Yearly Meeting Argentina

Argentine office professionals gathered at a hotel complex in Buenos Aires for their Yearly Meeting.

The meeting reviewed 2018 achievements as well as the challenges set for 2019, both globally and specifically for the Firm's activity in Argentina. The day closed with a lunch at the same venue where the convention was held.

Yearly Meeting Chile

Our Chile Office Yearly Meeting 2018 was held at a downtown hotel in Santiago and was attended by Chile professionals as well as staff from other offices posted in Santiago. The more than 100 professionals attending the meeting reviewed the Firm's past year achievements in Chile as well as the goals for next year.

The Yearly Meeting in Chile ended with a dinner and party at a well-know city venue.

Yearly Meeting United States

The United States Yearly Meeting was held in Boston and was attended by US professionals from our New York, Boston, Atlanta and Birmingham offices.



Professionals attending the event had the opportunity to review the goals achieved by Management Solutions during the past year and to discuss the Firm's challenges for the following year in the US.

After the meeting, our professionals were able to enjoy a closing dinner held at an emblematic venue in the Massachusetts capital.

Yearly Meeting Peru

Peru office professionals gathered in Lima for their Yearly Meeting, where they reviewed the achievements of the past fiscal year and the challenges set for the next, both globally for the Firm and specifically for the Firm's activity in Peru.

The seminar closed with a dinner at a well-known restaurant in Lima.

Yearly Meeting Colombia

Professionals from our Colombia office met in Bogota for their local Yearly Meeting, in which they reviewed past year achievements as well as the challenges set for 2019, both globally for Management Solutions and in relation to the Colombian office.

The seminar closed with a dinner at a restaurant in Bogota.



Yearly Meeting, United States



Yearly Meeting, Chile

Sports Club

More than 500 professionals participated in the tournaments and activities organized by our Sports Club in 2018

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.

Championships organized by the Firm

During 2018, several events were organized as part of the collaboration agreement signed between Management Solutions and Golf Santander, which allows our professionals to use the sports facilities in the Santander Financial City in Boadilla del Monte (Spain).

First Management Solutions Golf Tournament

In 2018 Management Solutions held its first Golf Tournament at the Santander golf course, where more than 50 players

participated including Management Solutions employees, clients and collaborators.

Golf clinics

Throughout the year, about 30 Management Solutions professionals had the opportunity to participate in two initiation and improvement clinics organized at the Santander Golf Jim Mc Lean School, considered to be number one in the world by the specialized press.

1st Management Solutions 7-a-side Soccer Marathon

Nearly 80 Management Solutions professionals, divided into 8 teams, participated in the 1st Management Solutions 7-a-side Soccer Marathon that took place at the Financial City sports facilities in Boadilla del Monte (Spain).

1st Management Solutions Paddle Marathon

44 Management Solutions professionals participated in the 1st Management Solutions Paddle Marathon held at the Financial City sports facilities in Boadilla del Monte (Spain). The marathon consisted of a qualifying, one-set matches semifinals phase, and finals played in best-of-three set matches for both categories, on a day where a friendly atmosphere prevailed among the participants.

Management Solutions' Charity Races

In 2018 Management Solutions organized two charity races that saw the participation of more than 1,000 people including employees, family members, clients and collaborators. More information about the Management Solutions Charity Race is provided in the Social Action section.



Internal tournaments at the Madrid office, Spain

The Madrid office futsal and paddle tournaments were held for the thirteenth consecutive year in 2018. More than 90 professionals (divided into 9 teams) participated in the futsal tournament, competing in a preliminary phase and play-offs for the title. The paddle tournament brought together a total of 80 players (40 pairs) in its male, female and mixed modalities.

Mixed soccer championship, Chile

Our Chile Sport Club organized a new edition of the internal mixed soccer championship in which more than 40 employees participated, divided into four mixed teams, as they competed on a day marked by fair play.

2nd Paddle Tournament at Management Solutions Portugal

In 2018, our Portuguese office held their 2nd Paddle Tournament at the Clube de Pádel do Campo Grande sports facilities in Lisbon. The day was marked by an atmosphere of competitiveness, camaraderie and friendliness among the participants.

Management Solutions Basketball Championship, Germany

Our German office professionals met in Frankfurt to hold their first basketball championship. The activity began on a Friday with a dinner at a city restaurant, where all professionals were able to meet both their teammates and their rivals for the next day, and continued the following morning with the competition's matches.

External championships

Inter-company team sports tournaments

Management Solutions participated in the 2018 Madrid RC indoor soccer and basketball intercompany championships, both in the men's and women's categories.



The winners of the Firm's internal men's soccer tournament are currently competing in the 2018/2019 edition of this inter-company tournament, as are the women's soccer team (also from our Madrid office) and the male team from our Barcelona office.

Our New York office mixed soccer team came first at the New York Corporate Co-Ed Indoor Soccer League and the Management Solutions Mexico male and female soccer teams participated once again in the inter-company tournaments held in the Mexican capital.

Races

Management Solutions professionals participated in various races organized in different countries during 2018.

In Madrid, 43 of our professionals, divided into 14 teams, participated in the "2018 Corporate Race", a race for teams of 2, 3 and 4 people (running 5 or 10 km routes) that was entered by over 17,000 runners. Besides, some of our professionals

represented Management Solutions at the first edition of the Bilbao Enterprises Race.

Professionals from our São Paulo office had the opportunity to participate in the "Pão Açúcar" marathon, the largest relay race in Latin America, for the tenth consecutive year. 32 runners, divided into five mixed teams, ran the 42 km on behalf of Management Solutions.

In addition, many Management Solutions professionals took part in different charity runs held in various countries, such as a Management Solutions' Charity Race, the Entreculturas Foundation "Run for a cause" race (in Madrid and Barcelona), the Down Madrid "On your own" race, the Santander Analithycs race and the AECC's "On the move against cancer" race, all organized in Spain. Also the "J.P. Morgan Corporate Challenge" and the London Winter Run in the UK, the Somerville Homeless Coalition 5K Road Race in the United States, and the "UNICEF race" and "Bogota's Green race" in Colombia. More information on all these events 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.

>200
collaborations
with universities

>7,000
Social Action
Volunteers

>30
Social Action
campaigns





SOLIDARIA MANAGEMENT SOLUTIONS
Management Solutions
Making things happen
SALIDA

MS
Management Solutions
CARRERA SOLIDARIA
MANAGEMENT SOLUTIONS
EN FAVOR DE

II CARRERA SOLIDARIA
148

II CARRERA SOLIDARIA
20

II CARRERA SOLIDARIA
1

II CARRERA SOLIDARIA

II CARRERA SOLIDARIA
15

II CARRERA SOLIDARIA
59

University

University interaction is key to our social responsibility policy

Interaction with universities is an essential objective for Management Solutions. Management Solutions has always recognized the value in maintaining close relations with universities. Besides contributing towards employment for new graduates, Management Solutions has provided them with the opportunity to develop an excellent professional career. Management Solutions was able to do this through collaborative agreements to provide internships and work placement programs, teaching lectures and seminars, cooperating in research programs, presenting practical case studies, participating in job fairs, and supporting 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 Universidad Pontificia Comillas and taught

over two years. 2018 saw the graduation of the Master's fifth class of students and the start of the seventh class.

The first intake of students for the Business Consulting Diploma developed in partnership with Mexico's Monterrey Tech, which is taught to all new recruits in our Mexico offices, and the start of the third class.

Work experience programs

Management Solutions contributes to the transmission of University-Business knowledge through agreements with the most prestigious universities in the world, onboarding interns that, depending on their merits, may become future Management Solutions professionals.



Master's 5th graduating class students awarded for best results, Spain

In fiscal year 2018 more than 200 students took university internships with the Firm. This work experience allows the students selected by the Firm to have a first contact with the business world.

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 2018 we continued our work with universities, both in undergraduate and post-graduate studies and in business schools:

- BDSU Frankfurt - Bundesverband Deutscher Studentischer Unternehmensberatungen

- Centro Universitario de Estudios Financieros (CUNEF)
- ESADE Business School
- ICADE Business School
- ITEMS Instituto tecnológico de Monterrey
- LSE London School of Economics
- Pontificia Universidad Católica de Chile
- Pontificia Universidad Católica del Perú
- Universitat de Barcelona (UB)
- Universitat Politècnica de València
- Universidad de Zaragoza
- Universidad Anahuac
- Universidad Autónoma de Madrid
- Universidad Autónoma Nacional de México
- Universidad Carlos III
- Universidad Complutense de Madrid
- Universidad de Buenos Aires
- Universidad de Burgos

- Universidad de Castilla-La Mancha
- Universidad de Deusto
- Universidad de Extremadura
- Universidad de León
- Universidad de Lima
- Universidad de los Andes
- Universidad de Santiago de Chile
- Universidad Diego Portales
- Universidad Javeriana
- Universidad Nacional de Colombia
- Universidad Politécnica de Madrid
- Universidad Pontificia Comillas (ICADE)
- Universidad Pontificia Comillas (ICAI)
- Universidad Tecnológica Nacional
- Universidad Torcuato di Tella
- Universidade Nova de Lisboa
- Warwick University

Management Solutions taught a Machine Learning seminar at ICAI España

Management Solutions partnered with Universidad Pontificia Comillas once again to teach a seminar for the “Machine Learning II” subject in the Big Data Master’s degree program, that explored both the use of data science techniques to typify energy customers and the integration of these techniques in the marketing process.

The seminar focused on defining segmentation models for marketing purposes and developing a methodology for integrating these models in the management process as well as measuring their profitability.

Management solutions taught in the advanced “Connected Industry, Leadership and Digital Transformation” program at Universidad Pontificia Comillas, Spain

Management solutions collaborated with Universidad Pontificia Comillas’ Connected Industry subject area by giving a presentation as part of the University’s advanced Connected Industry, Leadership and Digital Transformation program, which involved the participation of professionals from various industries such as energy, manufacturing, aeronautics, professional services, etc.

The presentation, delivered by Mr. Alfonso Serrano-Suñer, President of Management Solutions, with the presence of Mr. Mariano Ventosa, Vice-Rector of Research and Internationalization at Universidad Pontificia Comillas and Mr. Bernardo Villazán, Co-Director of the Connected Industry subject area, reviewed the context of profound transformation in which we are immersed at present in terms of changing consumer habits, greater accessibility to information, hyperconnectivity, technological disruption, etc. as well as the global character of the digital revolution and how it impacts the strategic thinking of companies, their organization, work culture, governance, processes and systems.



University

Company presentations and job fairs

Company presentations and job fairs constitute a fundamental meeting point between University students in their senior year and employers.

Management Solutions maintains a high profile in major job fairs; our stand attracts thousands of university graduates interested in learning more about the consultancy business, our projects and the career opportunities offered by a rapidly expanding firm such as ours.

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

In addition to collecting résumés, Human Resources also conducts psychological tests on-site as well as working breakfasts and case studies with students to speed up the recruitment process.

Sponsorships and Collaborations with Foundations

Management Solutions regularly supports Foundations and University Faculties through sponsoring awards, commencement ceremonies, etc.

ICADE Business Club

The ICADE Business Club is a non-profit association founded by a group of former University students who are now business professionals, together with the Dean and Deputy Dean of the Faculty of Economic and Business Sciences at the University of Comillas. The purpose of this association is to

cooperate with ICADE in its study, teaching and research programs, to foster entrepreneurship among its students and to strengthen relations between the University and the business world.

Through some of the Firm's partners, Management Solutions collaborates with some of the initiatives that the Club has launched, such as 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 University.

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

Management Solutions participates in the closing of Club Empresarial ICADE's Annual General Meeting

The event, sponsored by Management Solutions, was organized by Club Empresarial ICADE, of which several Management Solutions Partners are members, and where Mr. José Ignacio Goirigolzarri, Chairman of Bankia, featured as guest speaker.

The event, which took place after the Club's Annual General Meeting, was held at a central hotel in Madrid and was attended by Mr. Julio Luis Martínez SJ, Rector at Universidad Pontificia Comillas, Ms. Teresa Corzo, Dean of the Faculty of Economics and Business Studies at Universidad Pontificia Comillas, Mr. Jesús Sainz, Chairman of Club Empresarial ICADE, Mr. Jaime Pérez Renovales, General Secretary of the Board of Directors of Santander Group, and Mr. Alfonso Serrano-Suñer, Chairman of Management Solutions, along with more than 120 Club members.

Mr. José Ignacio Goirigolzarri's presentation, entitled "Financial industry challenges and transformation" led to a colloquium moderated by Mr. Jesús Sainz where participants had the opportunity to exchange their views with the speaker as well as with members on the presiding panel over the changes affecting the financial industry.



José Ignacio Goirigolzarri during the closing of the ICADE Business Club Annual Meeting

The Bilbao School of Engineers Foundation

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

Deusto University Foundation, Spain

The Firm works together with the Deusto Foundation (Deustu Fundazioa) of prestigious Deusto University in the Basque Country, Spain, to give significant donations to use on furthering the Foundation's goals. The goals include investing in research, promotion, studies and dissemination projects.

UCLU Business Society, UK

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 to enter the labor market through the organization of networking events, internship programs, case studies, seminars, etc.



Management Solutions organized business cases with several Chilean universities on Blockchain implementation in the financial industry

Management Solutions organized a Business Case on Blockchain implementation in the financial industry, as part of a Computing course for final year students of Civil Engineering. The business case dealt with the definition of Blockchain and its areas of use.

The Business Case was organized at Universidad Diego Portales in Chile, as well as at other universities in the country such as University of Santiago de Chile, Pontifical Catholic University of Chile and Technical University Federico Santa María, where Management Solutions also had the opportunity to organize a number of corporate presentations, case studies and seminars.

Management Solutions organized business cases about biometrics in the financial industry at different Mexican universities

Management Solutions participated in the Engineering Week at Anahuac University by organizing a Business Case on biometrics in the financial industry for students in the final years of computer science and industrial engineering courses. The exercise included an introduction on biometrics, and some examples were given that justify the growing interest in the subject within the financial industry.

During 2018, Management Solutions also had the opportunity to organize corporate presentations, case studies and seminars at other universities in the country such as the National Polytechnic Institute, the National Autonomous University of Mexico and Universidad Iberoamericana.

University

"Datathon", Peru

Management Solutions sponsored one of the prizes awarded during the first Datathon organized in Lima by Interbank, which brought together teams of experts in programming, statistics, big data and machine learning who came from all over the world.

The competition, lasting 18 hours, aimed to challenge participants to conduct predictive analysis, building machine learning and statistical models to solve business cases using real data. The event was attended by 126 people from different countries who were divided into 26 teams and included experts in data analytics, statistics, mathematics, big data and machine learning.



Management Solutions organized a business case at the London School of Economics, United Kingdom

Management Solutions organized a "Risk in Financial Institutions" Business Case at the LSE in which participants worked on the development of a fictitious proposal to support decision making in a financial institution.

The business case was structured in two phases: first, identifying groups of financial assets to be removed from the institution's portfolio, and second, proposing mechanisms to coordinate the restructuring of the portfolio.

Management Solutions taught a seminar on Financial Risks at ICADE, Spain

Management Solutions collaborated once again with Universidad Pontificia Comillas by teaching a seminar on Financial Risks to students in the final years of E-2 and E-6 as part of the "Portfolio Management" subject.

The seminar, which was attended by more than 80 students, was split into two sessions: "Risks in Financial Institutions" and "Credit and Market Risk".

Business Case on Machine Learning at the University of San Andrés, Buenos Aires

Management Solutions organized a Business Case at the University of San Andrés which was attended by final year students and graduates of Finance, Economics and Business Administration.

The event was entitled "Clients scoring in the Big Data Revolution" and looked into the process of digital transformation in which the global financial industry is immersed, focusing on Machine Learning models in Big Data environments for Banking.



“Support to the academic world is one of the pillars of the Firm's commitment to its wider environment”

Developing a close relationship with universities has always been a priority for Management Solutions.

This commitment has materialized through multiple initiatives, from collaboration agreements for scholarships and internships with major universities in the countries where we operate, to the teaching of specialized classes and seminars, to cooperation in research programs, and even through sponsorship of foundations and university associations.

Added to this is the satisfaction that comes from contributing every year to the creation of young employment for recent graduates, offering them the possibility to develop an excellent professional career.

Rubén García
Management Solutions Partner

Awards to Computer Engineering graduates from UPV, Spain

Management Solutions sponsored the diploma award ceremony for graduates of the Technical School of Computer Engineering at the Polytechnic University of Valencia (UPV). The event was attended by around 500 people including students, and their families, UPV teachers and representatives of companies engaged with the University. The diplomas were presented to academic year 2017/2018 students of the Computer Engineering Degree, the Master's Degree in Computer Engineering, and the University-specific Master's Degree in Information Management, graduating from the Technical School of Computer Engineering at UPV, and included an award to the best academic records in each degree category.

The event was chaired by UPV's Vice-Rector Mr. Francisco Mora along with UPV School officials, and was attended by José Manuel Navas, partner of the Firm, on behalf of Management Solutions.

Prizes and awards to the best End of Year Projects and academic results, Spain

During 2018 the Firm reinforced its involvement with university students by sponsoring a number of prizes to the best Final Year Projects and best academic results.

Specifically, Management Solutions sponsored awards to the best Final Year projects from the IT departments at Complutense University of Madrid (UCM), Polytechnic University of Madrid (UPM) and University of the Basque Country/ Euskal Herriko Unibertsitatea (UPV/EHU) for the 2017/18 academic year. The awards, which included a cash prize, sought to recognize the most innovative Final Year Projects within the digital transformation area, placing particular emphasis on the proposed technologies, the possibility to innovate on the solutions provided and their practical use in business.



ETSINF Commencement Ceremony at UPV, Spain

University

Mr. Andrés Herranz González, Mr. Borja Lorenzo Fernández and Mr. Guillermo Rius García won the award to the best Final Year Project at UCM's IT department for their work entitled "Adaptation and calibration of prediction algorithms for the identification of DDoS attacks in fifth generation networks". The award to the best Final Year Project at UPM's IT Engineering department went to Ms Elvira Amador Dominguez for her work entitled "Accurate estimation of human face orientation using neuronal networks". Mr. Mikel Albóniga, author of the work entitled "@myqueridobot, an educational bot with verbal response questions", received the 'Management Solutions' award to the best Final Year Project within the area of "digital transformation" at UPV/EHU's School of Engineering in Bilbao.

Management Solutions also sponsored the award to the best Computer Engineering degree from the University of Barcelona (UB) and the award to the best ICT degree from the Autonomous University of Barcelona (UAB), both including a cash prize.

Ms. Dolça Tellols I Asensi received the award for the best degree in Computer Engineering from the University of Barcelona, during an event presided over by University of Barcelona's Rector Dr. Joan Elías, and by the Dean of the Faculty of Mathematics and Computing, Dr. Carles Casacuberta. For his part, Mr. Jordi Perera was awarded the prize for the best degree in Information and Communication Technologies from the UAB during an event chaired by the Head of the School of Engineering, Dr. Daniel Franco, and the Vice-Rector for Innovation and Strategic Projects, Dr. Javier Lafuente.

Sponsorship of Awards to the best Final Year Project at ICAI, Spain

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

Organized by subject areas, in 2018 Management Solutions sponsored the award to the area of "Integration of artificial intelligence into the management process", by making a financial contribution towards the awards and becoming involved in the evaluation of the projects as a member of the jury created for each area - composed of the Head of the School, a representative of the sponsoring Firm and the professor responsible for the project, who are tasked with deciding which projects are to be awarded.

ICAI Best Final Year Project Awards - 2016-17 class, Spain

The awards ceremony took place at the Universidad Pontificia Comillas Conference Hall and included the participation of Alfonso Serrano-Suñer, President of Management Solutions, as a guest of honor.

The event, which was attended by representatives from the companies and organizations sponsoring the awards as well as by the awarded students, was chaired by Antonio Obregón, Vice Principal for Academic Planning and Faculty, accompanied by Mariano Ventosa, Director of ICAI, and Alfonso Serrano-Suñer, President of Management Solutions, who participated in the event as guest of honor.

Miguel Ángel Poblet, partner at Management Solutions, awarded the prize sponsored by the Firm that went to Diego Martínez Morales for his project "Optimized management of a retail energy supplier's gas portfolio."



Diego Martínez accompanied by Miguel Ángel Poblet, Management Solutions Partner

Sponsorship and patronage

The Firm keeps an active policy on sponsorship and patronage

The sponsorship and patronage of business and cultural activities is always present in Management Solutions business strategy. Thus, the Firm collaborates, to the best of its abilities, with university foundations, cultural institutions and other non-profit associations.

Royal Theater in Madrid, Spain

Management Solutions is a Sponsor of the Royal Theater in Madrid. With the economic contribution we make to the Royal Theatre (for the fourteenth consecutive year now), we help towards 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 promoting 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 of Management Solutions, is a member of the Royal Theater's Board of Trustees, which gathers 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 meeting point as well as to provide a forum for dialogue and for the exchange of ideas among companies and professionals in the energy industry, with the main aim of fostering new ideas and their dissemination on the rational use of energy, the conservation of the environment and sustainable development.

Thanks to the support and financial contribution of its members, this Club has managed to sustain its activity for over 20 years in four broad areas: energy know-how, training, publications and on-line dissemination.

Spanish Risk Management Club

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

The main objectives of this new association are to act as a meeting point and provide a forum for debate on the systems and methods used to manage, monitor, analyze and measure the risks arising from financial activity, as well as to foster the exchange of ideas, experiences and opinions on best practices in this field. Its objectives also include the maintenance of close contact with regulatory authorities and other bodies pursuing the same goals, as well as disseminating knowledge through the organization and development of FRM (Financial Risk Manager) training programs and internet courses.



Board of Trustees of the Royal Theatre of Madrid, Spain

Sponsorship and patronage

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, UK

In 2014 Management Solutions became an associate member of the British Bankers' Association (BBA), a leading UK organization that represents the interest 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, with their work being underpinned by three priorities: i) Ensure the correct relationship between financial institutions and customers, regardless of size; ii) Promote growth in the UK, working towards consolidating it as a global financial center; iii) Raise standards in the banking industry – both professional and ethical.

Bundesverband deutscher Banken, Germany

Since 2015, Management Solutions has been a member of the Bundesverband deutscher Banken (German Banking Association), which represents 200 private commercial banks and eleven regional associations, and aims to serve as a meeting point between the financial industry, the government and the industry's regulatory and supervisory authorities through forums, industry events and specialized publications.

Royal Academy of Exact, Physical and Natural Science, Spain

Management Solutions sponsors the Friends of the Royal Spanish Academy of Sciences Association ARAC as a sign of its social commitment to the academic world and research in general, and to the dissemination and transformation of

scientific knowledge in particular, with the Royal Academy of Exact, Physical and Natural Science (RAC) and its Foundation through active patronage that goes beyond financial support:

The Royal Academy of Exact, Physical and Natural Science is a Spanish public organization devoted to the study and research of mathematics, physics, chemistry, biology, engineering and other science related disciplines.

The RAC's goals are mainly to facilitate RAC's objectives and to facilitate the dissemination of scientific and technological advances and outreach activities.

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, collaborate 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.

Consortio Alastria, Spain

In 2017, Management Solutions, together with Spain's key banking, energy and telecommunications organizations, founded the world's first multi-industry network that uses



Management Solutions, new patron member of the Spanish Chamber of Commerce in Brazil

Blockchain to enable and speed up digital transformation across industry and business.

The Alastria network safeguards the identity of participants and ensures all operations carried out on the network and indelibly recorded, allowing participants to offer and receive services with legal effectiveness in Spain and in accordance with European regulations.

Management Solutions' participation in the consortium will allow the Firm to participate in the design of Spain's first DLT, build projects and offer services on the platform, as well as innovate and contribute to society in Spain by creating a Blockchain products and services platform.

Círculo de Empresarios, Spain

Círculo de Empresarios in Spain is a thought and debate think tank in the service of Spanish society as a whole. It aims to promote the free market and free enterprise, recognition of the social value of entrepreneurs as creators of Jobs, wealth and general wellbeing, and to advance the entrepreneurial spirit.

Through the Firm's chairman, Management Solutions collaborates with this institution and in 2017 took upon itself to manage the Working Group for Digital Transformation promoted by the Círculo with the aim of facilitating the understanding of the implications of digital transformation for business.

Chambers of Commerce

Management Solutions is a supporting member of the Spanish Chamber of Commerce in China and the Brazil Chamber of Commerce in Spain, the Polish-Spanish Chamber of Commerce, the Spanish Chamber of Commerce in Italy, the British Chamber of Commerce in Spain and the Spanish Chamber of Commerce in the UK, institutions whose aim is to strengthen ties between companies and organizations.

Our membership of these chambers of commerce reinforces our ties with leading institutions and organizations in the markets in which Management Solutions operates.

Entrepreneurs Circle Working Group on Digital Transformation, Spain

The Digital Transformation Working Group seeks to compile academic/expert-backed documents with an educational and practical content aimed mainly at organizations, which will facilitate the understanding and implications of digital transformation.

Chaired by Mr. Alfonso Serrano-Suñer, President of Management Solutions, this Working Group currently has more than 30 experts on the subject participating in representation of Spain's most relevant industry sectors.

In 2018 the Working Group published a site on the Entrepreneurs Circle's website where you can find documents and videos on the different areas of action that organizations should consider when evaluating the business opportunities offered by digitization, as well as links of interest, news and publications on digitalization, a section - Digital debates, in which experts on the subject talk about different aspects of the transformation process in organizations, and how the digital revolution forces us to look at things in a different way.



Cooperation agreements

Management Solutions has signed several cooperation agreements with various foundations and organizations that promote charitable, entrepreneurship and social integration causes



"From code to project", Créate Foundation, Spain

Síndrome de Down Madrid Foundation

To strengthen its commitment to facilitating job integration for people with Down syndrome and intellectual disabilities, Management Solutions signed an agreement with the Síndrome de Down Madrid Foundation (Down Madrid) in 2015 as part of the "Stela Aided Employment" program, which aims to facilitate and promote the social and professional integration of people with Down syndrome and intellectual disabilities into ordinary work environments.

Down Madrid is a non-profit organization declared of public usefulness whose mission is to achieve individual autonomy and social inclusion for people with Down syndrome and other intellectual disabilities.

Créate Foundation

Management Solutions is a founding sponsor of Fundación Créate, a non-profit organization established in 2011 in response to the need to train people to adapt to a continuously changing society.

As part of its board of trustees, Management Solutions collaborates with the Foundation's mission: promoting quality and innovation in education to awaken the talent and entrepreneurial spirit of children and young people, through researching, developing and implementing educational methodologies, techniques and innovative tools for use in schools and other learning environments.

In addition to actively participating in events and programs organized by the Foundation, in 2018 Management Solutions sponsored the 2nd Madrid Mini-Marathon, organized by the Créate Foundation with the aim of promoting individual and team sports as a holistic endeavor that develops different dimensions of the human being. The event involved nearly 5,000 young people aged between 10 and 17 from 43 schools in Madrid that had to run 4.2 kilometers, 10% of a marathon.

National Organization of Spanish Blind People

In 2014, Management Solutions signed a cooperation agreement with Ilunion Travel, an agency belonging to the ONCE Group of Companies and their Foundation (National Organization of Spanish Blind People), that strengthened its commitment to employing people with disabilities. Since then, Ilunion Travel has been providing travel agency services to the Firm (including everything related to booking tickets in any means of transport, managing hotel bookings for business trips, etc.).

Ilunion Travel is qualified as a Special Employment 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 for people with disabilities through job creation and to work towards universal accessibility.

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 Puerto Rico, Panama, Peru, Colombia, Chile and Argentina), since this region constitutes the network's corporate center, and, in addition to capital, will benefit from shared governance and management systems, a common technological base, facilities to raise finance on international markets, the general advantages derived from economies of scale and from the scope afforded by a network such as this.

Management Solutions has worked in partnership with the Foundation's Risk Area to design and implement a credit risk model for microfinance, integrate this model in the contracting process, design and implement an IT platform for risk management and improve commercial and operational efficiency.

Solidarity Program at work in collaboration with AECC

In March 2012, Management Solutions joined this initiative launched by Asociación Española Contra el Cáncer (AECC), which consists of spreading monthly health messages targeted to business groups for the prevention and early detection of cancer.

Management Solutions has continued participating with the Solidarity Program in 2018 through distribution of AECC newsletters on healthy eating, the importance of prevention and of following and instilling healthy habits among young people and raising awareness about different types of cancer.

Prodis Foundation

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

Prodis Foundation's aim is to provide people with disabilities with the necessary support to improve their lives and the lives of their families. The Foundation launched the Promentor initiative in 2005 in partnership with Universidad Autónoma de Madrid.

This initiative seeks to help people with intellectual disabilities to design a Life Project through individualized plans based on PCP (Person-centered planning). The Foundation also provides occupational training adapted to individual differences to

"From code to project" educational program

As a member of the Créate Foundation board, in 2018 and for the sixth consecutive year, Management Solutions encouraged its professionals to participate in program "From code to project", a new way of teaching the Technology, Programming and Robotics subject with the aim of promoting the development of an entrepreneurial IT project as well as fostering critical thinking, problem solving and the acquisition of programming and robotics knowledge in secondary school students, leaning for this on the knowledge and skills of professionals from different areas of the Firm.

This program allows curricular content to be taught in an applied and real way. Students had the opportunity to share 45 minute sessions with 15 Management Solutions professionals who provided personalized advice on their project design (project model, mission and values, brand. etc.).

enable people with intellectual disabilities to be placed in ordinary jobs, offers employment services with ongoing support to encourage equal opportunities in hiring, retention and promotion in the workplace, provides intellectually disabled workers who exercise their right to work in ordinary jobs with continuous training throughout their lives and gives them the necessary support so that they are 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 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 agreements with schools

In 2018, Management Solutions signed a Collaboration Agreement with the French Lycée and the Everest School in Madrid to offer their high school students their first work experience. For three days, groups of students from both schools were able to learn about the Firm's operation, mission and goals, the values shared by Management Solutions professionals as well as the industries in which the Firm operates and the lines of service it provides. This was achieved through meeting with different professionals to get a close view of the different types of projects carried out, in addition to participating in a case study on consulting.

Social Action

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

Since the Social Action Group was first created, Management Solutions professionals have conducted numerous activities in association with various NGOs and charities.

Throughout 2018, Management Solutions has organized and sponsored community development projects promoted by the Social Action Group and has endorsed and financially supported many other solidarity activities carried out by staff.

Solidarity projects organized by Management Solutions:

Solidarity Summer

Since 2006, Management Solutions has been facilitating participation by its professionals in a summer volunteer program organized by an NGO, through which those who are interested are given the opportunity to collaborate with a solidarity project that seeks to help the most disadvantaged in

society. That year, a group of fifteen Management Solutions professionals accepted the proposal offered by the Firm - which would cover all travel expenses, to spend their summer vacation collaborating with the Missionaries of Charity in Calcutta, India. This is how our Solidarity Summer was born, an activity that continued in 2007 with Guayaquil, Ecuador, as a destination, and took place again in Calcutta from 2008 to 2011.

Since 2012, our Solidarity Summer involves collaborating with the "Volunteers on the ground" program run by NGO Ayuda en Acción. In 2012 and 2013, our professionals travelled to Hogar Teresa de los Andes in Bolivia, a home supported by this Spanish NGO that looks after 200 children with different levels of intellectual disability. Between 2014 and 2016 the volunteer program took place in Santo Domingo de los Tsáchilas, in Ecuador; while in 2017 the activity was carried out in Waslala (Nicaragua), together with the Madre Tierra Foundation (FUMAT), with the aim of reducing the poverty of rural households.



Solidarity Summer in Calcutta, India



Solidarity Summer in Calcutta, India

In 2018 our Solidarity Summer program took place again in Calcutta with more than 20 volunteers from our offices in Spain, Portugal, the United States and the United Kingdom. Given the good response, volunteers were organized into two groups, the first of them collaborating with two Mother Teresa centers, the Pre Dam center for the terminally and chronically ill and the Shishu Bhavan orphanage, where they performed different tasks such as washing the inmates' clothes and preparing meals, keeping the sick company and spending time with orphans. For their part, volunteers in the second group had the opportunity to teach Spanish, mathematics and science to the children living in the various centers that the NGO New Light has in Calcutta.

The success of our Solidarity Summer again this year, together with the growing interest of our professionals in these types of activities, which have always been unconditionally supported by the Firm, ensures our Solidarity Summer will continue in 2019 and in the coming years.

Solidarity Film Preview

In 2005 Management Solutions launched its Solidarity Cinema 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 2017, this event was again held simultaneously in Madrid and Bilbao.

The Madrid event brought together more than 2,500 people, including our professionals, former members of our Firm and some of our main clients and collaborators and their families. Thanks to the generosity of all attendees, we were able to collect almost 6,500 kg of non-perishable food, baby food and diapers, which 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 sixth edition of Management Solutions' Solidarity Film Preview event gathered 800 people who together were able to collect around 1,500 kg of food that was given to the Bizkaia Food Bank to be later donated to people without resources.

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

The success of this initiative in Spain has gradually taken it to other Management Solutions offices. In 2018, Solidarity Cinema events also took place in Mexico City and Santiago de Chile.



Solidarity Film Preview in Madrid, España



Solidarity Film Preview in Santiago de Chile

Social Action

In Mexico, Solidarity Cinema was held for the third time and brought together close to 300 Management Solutions professionals and clients and their families. Their generosity made it possible to collect 1,000 kilos of nonperishable food that was delivered that same day to Fundación Clara Moreno y Miramón, an institution whose purpose is to transform the lives of girls and adolescents at risk of ending up on the streets through comprehensive care programs.

The Chile office held their second Solidarity Cinema in 2018, bringing together around 200 people including MS professionals and some of our main clients and collaborators along with their families. It was possible to collect nearly 300 kilos of non-perishable food that were delivered to Hogar San Ricardo, a residence for children with severe mental disabilities who are sent there by the National Service for the Protection of Minors when they are in a situation of abandonment, are socially vulnerable and/or do not have a parent or guardian.

1st and 2nd Management Solutions Charity Race

In March 2018 Management Solutions held two Charity Races, organized to raise funds to collaborate with the educational programs and activities that Fundación Créate, of which Management Solutions is a founding patron, undertakes to promote innovation and entrepreneurship among children and young people.

Both races had an added social purpose, since the water that was distributed among the runners was from AUARA, a social enterprise that dedicates 100% of its dividends to a social purpose related to the lack of water in the world and the problems that this can cause.

The first of the two races, designed so that both running enthusiasts and families could enjoy a day of sports with a

charitable purpose in the Financial City Forest at Boadilla del Monte (Spain), was entered by close to 300 people who participated in different runs: 5 and 10 km, 2 km non-competitive walk, and 300, 500 and 1,000 meter children's races depending on age.

After the success of the first edition, in October the Firm organized a second Charity Race, which was attended by close to 600 people, that is, double the participation achieved in the first Charity Race.

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 with more than 30 volunteers participating in the Madrid donation.

Donation of computers and cell phones

Management Solutions regularly collaborates with different organizations by donating used computers and cell phones once they have been replaced. This helps to reduce the Firm's environmental footprint as well as allowing us to meet the need that society's underprivileged groups have for these tools.

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 treatment in addition to getting tons of plastic plugs recycled thus



2nd Management Solutions Charity Race, Spain

avoiding the emission of CO₂, one of the main causes of climate change.

Given the positive response to this initiative by the Firm's professionals, we continued to collect tops during 2018, reaching a total of 50 kilos.

Solidarity projects carried out by Management Solutions professionals and supported by the Firm in cooperation with NGOs and charities

Pro-Am Tournament organized by the Deporte y Desafío Foundation, Spain

Management Solutions sponsored a Pro-Am charity golf tournament organized by Deporte y Desafío to raise funds aimed at the social integration of people with physical, intellectual or sensory disabilities through sport.

The Tournament, in which Management Solutions participated for the ninth year, was held at the Santander golf course in Boadilla del Monte, and included the participation of 10 teams (all integrated by a professional golfer on the European Tour and four *amateur* players). On this occasion, the Management Solutions team managed to win the title of the ninth edition of this Pro-Am golf charity.

Christmas Solidarity

Over 500 Management Solutions professionals brought hope to some of those most in need in society through a Solidarity Christmas campaign, organized for the tenth consecutive year and consisting of several initiatives in Spain, United Kingdom, Portugal, United States, Mexico, Brazil, Colombia, Chile and Argentina.

In Spain, the "True Magi" campaign was organized to raise gifts for children in shelters in several Spanish cities who would otherwise not have received any gifts on Three Kings Day. The campaign was once again a great success and, thanks to the participation of more than 140 Management Solutions professionals from Madrid, Barcelona and Bilbao, it became possible for disadvantaged children in these centers to receive the gifts they had previously asked for in a letter to "their" individual Magi.

Our United Kingdom office collaborated with the "Toy Appeal" campaign to collect gifts for children from families without resources in East London. The campaign was organized by ELBA, a foundation that seeks to combine the efforts and resources of the private sector to offer possibilities for improvement to local communities in need.



2nd Management Solutions Charity Race, Spain



2nd Management Solutions Charity Race, Spain

Social Action

Professionals in the Management Solutions Portugal office joined efforts to give away the toys that the children cared for by Ajuda de Berço had previously requested from Santa. Ajuda de Berço is an organization that takes care of children aged 0-3 in a situation of risk at two different shelters in Lisbon.

Likewise, professionals from our US offices collaborated with St. Jude Children's Research Hospital through collecting gifts for children and teenagers with cancer and other serious illnesses who were in the hospital during the Christmas period.

In Mexico, we organized the "Be a child's Wise Man" campaign in partnership with Fundación Clara Moreno y Miramón, an institution whose purpose is to welcome, protect and educate girls and young people (giving them a home, a balanced diet, primary education and adequate general medical care). By becoming involved, professionals from our Mexico City offices

made it possible for the 32 girls at this shelter to receive the gift they had asked for in their letters to their "personal" Wise Men.

Professionals from Management Solutions Brazil collaborated with Casa da Criança Santo Amaro, a Sao Paulo shelter for 6 to 14 year-olds in need, by organizing a volunteering afternoon during which, in addition to handing the children the toys that had previously been collected, they shared a day of games and activities with them.

In Colombia, Management Solutions professionals shared a special morning with the 50 children cared for by Fundación Niña María, a non-profit institution in the Chía municipality that provides comprehensive care to children and young people with psychosocial mental disabilities who are under the protection of the Colombian Institute for Family

Wellbeing. During this small party, our volunteers had the opportunity to hand in cold weather clothes and gifts bought for the children.

In Chile, the Viejito Pascuero campaign was organized in collaboration with Jardín Infantil Tai Tai, a center that cares for close to 70 children aged between 3 and 5 in the Estación Central community. The aim of the campaign was to get each child in the center a Christmas present. The involvement of professionals from our Chile office meant all children received their present directly from Viejito Pascuero during a celebration organized by the center's volunteers.

The Argentina office once again worked in partnership with Hogar Esteban L. Maradona, which houses the families of sick children while they are in hospital receiving treatment. This time, 22 children from the Home, aged between 18 months and



9 years, received a Christmas present thanks to the involvement of the local Social Action volunteers, who organized a small party at the Home with games and songs, and delivered drawing materials for the younger ones at the center.

Christmas with Ayuda en Acción

For the twelfth year running, Management Solutions' Christmas cards were made in collaboration with an NGO. Ayuda en Acción was the NGO chosen this year and all proceeds from the purchases of Christmas cards went to collaborate with "the Enlighten your future" project that the NGO has launched in Nacuta (Mozambique) to help children in the area get out of poverty thanks to quality education.

To choose the card's design, a now traditional competition was organized in which more than 200 young participants (the children, nephews and nieces as well as brothers and

sisters of Management Solutions professionals) showed their artistic skills, and which produced the winning entry (Miguel, aged 10)

Volunteering with Down 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 2018, our Social Action Group once again organized a volunteering activity in collaboration with Down Madrid, in which 25 volunteers had the opportunity to share a day at Faunia with Down Madrid youngsters.

The day began at the Down Madrid headquarters, where everyone was introduced before riding the bus to Faunia, a nature theme park where the activity took place this time. On arrival, the group played different integration games to get to know each other a little better and then went on to enjoy the sea lion show. After lunch, they all had the opportunity to explore the rest of the park and discover other animals before heading back to downtown Madrid.

Children's Day, Brazil

Volunteers at Management Solutions São Paulo office in Brazil organized a fundraiser to buy toys, shoes and clothes for more



Finalists at the Christmas Card competition in support of Ayuda en Acción



Volunteering with Down Madrid, Spain

Social Action

than 20 children cared for by Casa de Acogida Santo Amaro. Volunteers also participated in a small party in which the children received the gifts.

Volunteering at the Marly Cury Children's Home, Brazil

Management Solutions Brazil's Social Action group organized a Christmas campaign to help the Marly Cury Children's Home, which cares for children without resources and in extreme social risk situations.

The campaign started by raising funds and collecting food among Management Solutions Brazil's staff members in order to support the Home, which cares for 19 children aged 3 to 17.

The funds raised were used to buy "Easter kits" for the children, as well as everything necessary to hold an Easter

celebration at the Home in which Management Solutions' volunteers also participated, sharing a day with the children.

Collaboration with Casa Hogar Yolia Niñas de la Calle, A.C, Mexico

Management Solutions joined the charity campaign organized by Santander México to collaborate with Casa Hogar Yolia Niñas de la Calle, A.C, making a donation of 20 pairs of new shoes for the girls living in the home.

A coat for a smile, Peru

Due to the extreme temperatures that led to an emergency situation in the Peruvian highlands, our Social Action Group organized a collection of coats, food and other essential products to help the Apurimac region in southern Peru, one of the worst affected areas, through NGO "RE".

Charity trekking, Chile

Management Solutions Chile's Social Action Group organized its second charity trekking challenge, this time through Cerro Manquehue, with the aim of collecting food for people from disadvantaged groups.

Thanks to the participation of close to 30 professionals from the Firm, it was possible to collect about 100 kg of non-perishable food which was later delivered to Hogar de Cristo, a Chilean public charity institution for people in extreme poverty.

London Winter Run, UK

A group of Management Solutions professionals met to complete the 10 km run past some of London's most iconic landmarks organized by Cancer Research UK.



Collaboration with Casa Hogar Yolia Niñas de la Calle, A.C, Mexico



A coat for a smile, Peru



“Our professionals are the ones that take the lead in the Firm’s commitment to society”

Management Solutions is actively involved in the communities in which our business takes place, and this translates into many community-support activities that are channeled through our Social Action Group in partnership with different NGO’s and charity organizations.

Actions in solidarity with different groups are carried out by professionals from all our offices, who selflessly give of their time and effort to help those most in need.

The Firm supports and is very proud of the strong commitment to society shown by its professionals.

Cristina López
Management Solutions Partner

The race was part of the "Winter Run Series", a number of events held in different cities across the UK in order to raise funds to support Cancer Research UK in their fight against this illness.

Entreculturas Race, Spain

Management Solutions professionals participated in the Madrid and Barcelona editions of the Fundación Entreculturas charity race "Run for a cause, run through South Sudan", organized with the aim of raising funds to promote access to basic (nursery and primary) education for 1,000 children, and to facilitate and revitalize recreational and sports spaces for 3,000 young people, refugees and internally displaced persons in Maban, South Sudan.

The race, organized by the Entreculturas Foundation (a non-profit Jesuit NGO that focuses on education as a tool for development, transformation and dialogue between cultures) in 13 different Spanish cities, saw a good performance from the Management Solutions team, with one of its professionals winning third place in the 5 km Madrid race, and the other one achieving fourth place in the 10 km Barcelona race.

5th On the move against Cancer race, Spain

Over 75 Management Solutions professionals participated, for the fifth year running, in the 5th "On the move against Cancer" run organized by Asociación Española Contra el Cáncer (AECC) with the aim of raising funds towards research.

The run, held over three distances (2, 4 and 10 km) around the center of Madrid, was completed by 17,000 runners.



A coat for a smile, Peru



Charity trekking, Chile

Social Action



2nd Barcelona race against cancer, Spain

Management Solutions professionals participated in the 2nd “Barcelona en marcha contra el cáncer” race organized by the Spanish Association Against Cancer (AECC) with the aim of raising funds to fight this disease.

With more than 5,000 runners, the event was held at Parque del Fórum over three distances: 5 km, 10 km and 2 km non-competitive walk.

VIII Down Race Madrid, Spain

A group of Management Solutions professionals participated in a race organized by Down Madrid which had Management Solutions as a sponsor with the aim of raising funds to encourage sports and healthy lifestyle habits among people with intellectual disabilities.

Under the motto “On your own”, over 4,000 runners took place at the race held in the Juan Carlos I park in Madrid that gave

participants the option of completing a 2.5 km, 5 km or 10 km run. After the race, Management Solutions, along with other sponsors, received recognition from Down Madrid for its collaboration in this event.

2nd Santander Analytics Charity Race

In addition to Management Solutions being one of the sponsors, some of its professionals participated in the 2nd Santander Analytics Charity Race in support of the Cerebral Palsy Support Network Association (ATENPACE).

Santander Bank professionals met at Bosque Ciudad Financiera in Boadilla del Monte (Madrid) to participate in the second Santander Analytics Race, an initiative sponsored by Management Solutions and organized with the aim of raising funds to support ATENPACE, a non-profit that offers the best possible assistance to people with cerebral palsy, not only in terms of treatments but also at an educational and social integration level.



The race, which had three distance options (8 or 4 km, and non-competitive 2 km walk), also included the participation of runners from sponsoring companies, among which the Management Solutions team stood out with two of its professionals winning first place in both the 8 km and the 4km race.

J.P. Morgan Corporate Challenge, United Kingdom

Management Solutions professionals took part in the “J.P. Morgan Corporate Challenge” runs held in London and Frankfurt, two 5.6 km races that formed part of an initiative organized by J.P. Morgan in thirteen cities across seven different countries to promote values such as team work, a healthy lifestyle and commitment to the environment.

The race, with 30,000 runners from 800 companies participating, also served to raise funds for Cancer Research UK, an organization that Works to save lives through cancer prevention, early detection and development of new and kinder treatments.



Bogotá's Green Race 2017, Colombia

More than 20 Management Solutions professionals met at the Simón Bolívar Park in Bogota for the third time to participate in the "Green Race" initiative organized by Natura Foundation (a civil society organization dedicated to the preservation, use and management of biodiversity to generate social, economic and environmental benefits) together with Fundación Grupo Argos (an organization focused on the preservation, restoration, sustainable use and protection of biodiversity as part of a wider environmental conservation purpose).

Under the slogan "Nature wants you to run", the race aimed to renew local woods, as three native trees will be planted for each runner registered in the race, and to raise awareness of the need to restore local forests and respect the environment.

Thanks to the participation of over 5,000 runners in the Bogota and Medellín races combined, it will be possible to plant close to 15,000 native trees that will grow in Fundación Natura reserves.

Carrera UNICEF, Colombia

A group of Management Solutions professionals participated at the "2018 UNICEF 10K race" in Bogotá, an annual initiative organized by the United Nations International Children's Emergency Fund (UNICEF) to improve the lives of children and adolescents in vulnerable areas of Colombia and safeguard their rights.

Under the slogan "We are all runners", the initiative brought together some 6,000 runners in the Simón Bolívar Park in Bogotá that ran for the country's most vulnerable children and young people.

Wings for Life World Run, Peru

Under the slogan "Run for those who cannot", Management Solutions professionals participated in the fourth edition of the Wings for Life World Run in Lima, organized with the aim of raising funds for researching spinal cord injuries.

The race, organized simultaneously in more than 200 cities in 66 different countries, saw an outstanding performance by the Management Solutions team, with two professionals from the Firm winning first and second place in the women's category respectively.

Somerville Homeless Coalition 5K Road Race, Estados Unidos

For the fifth consecutive year, professionals from the Management Solutions office in Boston gathered in Somerville, Massachusetts, to participate in the 23rd annual "Somerville Homeless Coalition 5K Road Race", organized through the streets of Somerville (Massachusetts) with the aim of raising funds to collaborate with homeless people in that town.

Somerville Homeless Coalition is an innovative non-profit organization which has the mission to provide homeless and near homeless persons and families with individualized supportive services and tailored housing solutions with the goal of obtaining and maintaining affordable housing.

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 and decreasing the environmental impact caused by office activity in general and by each individual worker in particular.

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

- ▶ Improve energy efficiency and optimize the use of natural resources: water, energy, raw materials, etc.
- ▶ Preserve natural resources.

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

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

Reduced resource consumption

Paper

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

In 2018, the use of paper sheets per person decreased by 5%. 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 and our online training platform).

Also, every year we make progress in reducing the number of printed copies of publications and other paper items such as brochures, cards, event invitations, etc., as we promote the

use of digital versions. As an example, in 2018 it was possible to reduce the use of paper for corporate event tickets by 100%, as these tickets were replaced by QR codes.

Energy

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

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

To these measures we must add the energy saving systems of printers and computers. Our headquarters in Madrid were issued the Aenor Environmental Management certificate, which is a testament to our commitment to the environment and good environmental practices. In 2018 we intend to continue to reduce our use of these resources by encouraging responsible use by our professionals in addition to other measures.

Also, the progressive implementation of technologies such as videoconferencing, telepresence, live video streaming or the VPN connection, have meant a significant reduction in the number of trips made by our professionals, allowing for more efficient energy management and contributing to the fight against global warming by reducing our corporate carbon footprint.

In addition, city (and in many cases intercity) journeys made by Management Solutions professionals take place using a transport platform that since 2018 has been emissions-neutral by erasing the carbon footprint caused by their cars as a result of investing in projects that combat deforestation in some parts of the Amazon rainforest.

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 2018, toner consumption was reduced by 5%.

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. During 2018, the amount of recycled paper increased by 10% over the previous year (representing more than ten tons of recycled paper).

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.

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

Marketing and Communication Department

Plaza Pablo Ruiz Picasso 1, Torre Picasso
28020 Madrid, Spain
marketing-comunicacion@managementsolutions.com
Tel. (+34) 91 183 08 00
Fax (+34) 91 183 09 00

Madrid
Plaza Pablo Ruiz Picasso, 1
28020 – Madrid

Barcelona
Avda. Diagonal, 654
08034 – Barcelona

Bilbao
Pza. Euskadi, 5
48009 – Bilbao

London
6 Bevis Marks
EC3A 7BA – London

Frankfurt
Bockenheimer Landstraße, 51-53
60325 – Frankfurt am Main

Paris
14 Avenue D'Eylau
75116 – Paris

Warsaw
Emilii Plater, 53
00-113 – Warszawa

Zurich
Bellerivestraße, 201
8034 – Zürich

Milan
Via Giuseppe Mengoni, 4
20121 Milano

Rome
Via Vincenzo Bellini, 22
00198 - Roma

Lisbon
Avenida da Liberdade, 245
1250-143 – Lisboa

Beijing
1 Jian Guo Men Wai Avenue
100004 – Beijing

New York
1120 Avenue of the Americas
NY 10036 – New York

Boston
21 Custom House Street
MA 02110 – Boston

Birmingham*
420 20th Street North
AL 35203 – Birmingham

San Juan de Puerto Rico
154 Calle Rafael Cordero
PR 00901 – San Juan

Mexico City (Santa Fe)
Prol. Paseo de la Reforma, 1015
01376 – Ciudad de México

Mexico City (Anzures)
Mariano Escobedo, 748
11590 – Ciudad de México

Medellin
Carrera 43 A, 1-50
050021 – Medellín

Bogota
Carrera 7, 71-21
110231 – Bogotá

São Paulo
Rua Funchal, 418
04551-060 – São Paulo

Lima
Av. Coronel Andrés Reyes, 437
San Isidro 27 – Lima

Santiago de Chile
Enrique Foster Norte, 21
755-0163 – Santiago

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

* From wich Atlanta is managed

For more information on the Firm please visit:
www.managementsolutions.com
or at our social network channels



Design and Layout
Marketing and Communication Department
Management Solutions

© Management Solutions, 2018
All rights reserved.

MMSiO

www.managementolutions.com