

# 2012 CORPORATE SOCIAL RESPONSIBILITY REPORT



*Generating Trust*

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# Introduction

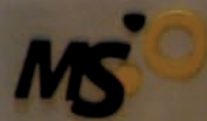
Management Solutions views Corporate Social Responsibility as acting in accordance with corporate principles of trust and commitment to excellence and quality, going beyond legal requirements.

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

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 environment and could substantially influence our stakeholders' perceptions and decisions.



*ManagementSolutions*





# Message from the Chairman



Alfonso Serrano-Suñer, Chairman and CEO of Management Solutions

With the publication of our seventh Corporate Social Responsibility Report, we seek to provide a transparent and detailed account of the progress achieved in 2012 in different areas, particularly our social commitment.

For Management Solutions, 2012 has been a very special year as we have celebrated our tenth anniversary. Looking back, the first thing that comes to mind is a deep gratitude to all who have made these achievements possible over the past ten years. We would like all involved to feel part of what we are today. Starting with our clients and professionals (those who are and those who have been) and continuing with universities, institutions, professional associations, partners and suppliers.

Management Solutions is now 12 times bigger than it was just 10 years ago, with a multidisciplinary team of over 1,200 extremely talented professionals, more than 450 clients that are global and local leaders in regulated industries (banking, energy and telecommunications), 18 offices worldwide, from which we operate in more than 30 countries in Europe, the Americas and Asia, and a differential value proposition supported by cutting-

edge R&D. During these 10 years we have grown consistently, organically and regardless of the economic cycle.

We are convinced that the key to our path lies in a strong corporate culture that unites us and makes us different. A culture founded on principles and values such as commitment and dedication to service, humility, integrity, generosity and solidarity, critical thinking and independence of judgment, promotion based on merit, perseverance in the pursuit of goals and passion for our work, an entrepreneurial spirit, unity and the constant pursuit of excellence, which in turn requires a combination of talent, effort and training.

All this has resulted in some very strong strategic principles, and a clear mission and objectives shared by all our professionals.

*Making things happen* is the best way we have found to synthesize our mission: "to create value propositions for our clients and commit to their effective implementation," with one goal above others: "to become our clients' trusted partners and to seek to always exceed their expectations".

This is how we endeavor to build Management Solutions on a day-to-day basis.

We are very aware of the importance of conveying our culture and values throughout the organization to make them easily identified by those in our environment. We believe that in an economic and social climate as challenging as the one being experienced today by many of the countries in which we operate, these principles and values are an asset that allows us to look to the future with great expectations, in high spirits, generating trust.

Fiscal 2012 has been a very positive year for Management Solutions, having achieved revenue growth and job creation in all our offices, broadened our customer base, attained greater geographic and industry diversification, strengthened our investment in training and R&D, extended our links with universities, increased our sponsorship of cultural and educational projects and substantially promoted charitable activities.

We firmly believe that social responsibility is a strategic element of the management of our organization.

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

Promoting entrepreneurship has been another key focus of our social responsibility policy. First initiated years ago with our support to microfinance projects, we have extended our involvement to the field of education by supporting initiatives aimed at the development of entrepreneurial values, attitudes and skills through education in the formative stages of children and young people.

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

We are acutely aware of the need to work together towards sustainable development and take care to implement policies that contribute to the conservation of the environment, all this despite the environmental impact of our activity being very limited.

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

For yet another year we have exceeded our goals in all geographies in which we have a presence, in all industries in which we operate and in all lines of service we provide. We have a long way to go and the challenges will continue to be enormous, but our performance speaks for us and allows us to face the future with hope and confidence.

Alfonso Serrano-Suñer  
Chairman and CEO of Management Solutions



### Executive Committee



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

# CSR at Management Solutions

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 Management Solutions published its first Corporate Social Responsibility Report.

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

To this end, each year we update the milestones achieved by the Firm throughout the year, both in terms of employment and from an economic, social and

environmental standpoint, in all countries where we operate, setting targets that will serve as guidelines for the coming year.

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

This Corporate Social Responsibility Report details Management Solutions' achievements for the period between January 1 and December 31, 2012 in Europe (Spain, UK, Germany, Poland, Switzerland, Italy and Portugal), the Americas (USA, Mexico, Puerto Rico, Colombia, Brazil, Peru, Chile and Argentina) and Asia (China).

## ***Report preparation process***

Our Report is drafted according to the guidelines and recommendations of relevant international organizations such as the Global Reporting Initiative (GRI), an organization whose mission is to improve the quality, accuracy and usefulness of Corporate Social Responsibility reports. Also, the content structure is intended to facilitate reading, consultation and understanding by all stakeholders.

We believe that our clients, our 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 constitutes a key objective. For this reason, a section is devoted to each of these groups (Commitment to the client, Commitment to our professionals and Commitment to the environment), indicating the manner in which we understand our relationship with them.

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

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

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







Solidarity Film Screening, Madrid



Master's Degree in Business Consultancy, ICADE, Spain



Management Solutions professionals at our Chile office

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

Our CSR policy is based on the Firm's corporate philosophy, which comprises its culture and values (commitment to excellence, client focus, team work and organizational flexibility), as well as ethical conduct principles. Values and principles that become evident in three key areas for the Firm are: clients, team and environment.

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

For this reason, in December 2010, Management Solutions chose to commit to the Millennium Development Goals (MDGs), an international initiative signed by the United Nations' member countries, to be achieved by 2015. The eight goals this initiative seeks to achieve are closely aligned with our business model and how we think as individuals. Through this report, Management Solutions renews its commitment to the MDG initiative and undertakes to uphold and raise awareness of its eight goals on poverty reduction and childhood, education and environment-related issues, which we consider keys to ensuring a better future for the generations to come.

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

## Approach

Management Solutions understands CSR as a commitment that includes how business is conducted on a day-to day basis. Thus, respect for human rights and environmental care are always present in its activity as the Firm channels growth in a way that is compatible with sustainable development principles.

Management Solutions undertakes a commitment to support communities in the countries where it operates. In this respect, we believe that our contribution to society must exceed the purely economic development and job creation aspects inherent in all activities. For this reason, our commitment leads us to participate, as far as possible, in efforts aimed at improving our socio-economic environment through social welfare, sponsorship and patronage activities.

# CSR Road Map



Solidarity Christmas, Colombia



Volunteers during the "Basic House" project activity, Chile



Volunteers during the Solidarity Film Screening, Madrid, Spain

## Goals

For the first time in 2010, we established a series of general CSR commitments for that year and for subsequent years. These goals, which are a true reflection of Management Solutions' business philosophy, allow us to coordinate and further advance our efforts in the area of corporate social responsibility.

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

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

Another key objective is to continue to promote social values. To this end, we plan to further increase the number of solidarity projects, setting a specific target to undertake at least one activity for each of the 8 Millennium Development Goals (MDGs).

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

## Management System

For 2013, we continue to work towards achieving our ambitious goal of improving our internal corporate social responsibility management system, and enhancing CSR area functions. This area, reporting directly to the Firm's Executive Committee, has primary steering and management responsibility for CSR matters and performs the following functions:

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



## The Millennium Development Goals

Management Solutions firmly believes that the Millennium Development Goals should set the agenda of companies. The MDGs can be met if all stakeholders do their part. During 2012 Management Solutions has taken the following action to support these eight objectives:

 <p><b>1</b></p> <p><b>ERADICATE EXTREME POVERTY &amp; HUNGER</b></p>	<ul style="list-style-type: none"> <li>▶ Volunteer program in Bolivia, working with Action Aid, caring for people with intellectual disabilities who have no resources.</li> <li>▶ Collection of food through our Solidarity Film Screening Event (Spain) and solidarity campaigns in support of various shelters in Mexico and Brazil.</li> <li>▶ Fundraising through our Solidarity Concert to finance volunteer activities and cooperation.</li> <li>▶ Participation in races for charitable purposes (in Chile, to raise money for a shelter; in Mexico, to raise funds to build houses for families in need; and in Spain, to support international foundations and NGOs working for social integration and employment of people at risk of social exclusion).</li> <li>▶ Support to microfinance foundations.</li> <li>▶ Support in building a house for a family without resources as part of a Basic House Foundation project (Chile).</li> </ul>
 <p><b>3</b></p> <p><b>PROMOTE GENDER EQUALITY AND EMPOWER WOMEN</b></p>	<ul style="list-style-type: none"> <li>▶ Development and monitoring of the Equality Plan (in all countries in which Management Solutions has a presence).</li> <li>▶ Support to maintain a Home-Health Center for women at high risk of vulnerability, ran by Calcutta Ondoan (India).</li> <li>▶ Collaboration with New Light campaigns to support children and women at risk in Calcutta (India).</li> </ul>
 <p><b>5</b></p> <p><b>IMPROVE MATERNAL HEALTH</b></p>	<ul style="list-style-type: none"> <li>▶ Implementation of advantageous maternal health policies for our professionals.</li> <li>▶ Support to fund the construction and maintenance of a Home-Health Center for women at high risk of vulnerability, ran by Calcutta Ondoan (India).</li> </ul>
 <p><b>7</b></p> <p><b>ENSURE ENVIRONMENTAL SUSTAINABILITY</b></p>	<ul style="list-style-type: none"> <li>▶ Reducing the impact of the Firm's activities on the environment (mainly through implementing energy efficiency, recycling and paper usage reduction policies) in all countries in which Management Solutions has a presence.</li> <li>▶ Collection of office supplies in order to raise funds to plant trees.</li> </ul>
 <p><b>2</b></p> <p><b>ACHIEVE UNIVERSAL PRIMARY EDUCATION</b></p>	<ul style="list-style-type: none"> <li>▶ Support to early education programs ran by UNHCR in Chad, Ethiopia, Uganda, Malaysia, Kenya, Pakistan, Somalia, Sudan, Rwanda, Syria, South Sudan and Iran.</li> <li>▶ Educational activities in collaboration with Action Aid during our Solidary Summer program in Bolivia.</li> <li>▶ Support to the Créate Foundation, which promotes entrepreneurship in schools in Madrid (Spain).</li> </ul>
 <p><b>4</b></p> <p><b>REDUCE CHILD MORTALITY</b></p>	<ul style="list-style-type: none"> <li>▶ Cestinhas de Pascoa campaigns, Dia das Crianças and Sacolinhas de Natal (Brazil) campaigns to collect food, basic goods and gifts for children's centers.</li> <li>▶ Solidarity Christmas Campaign to collect basic goods and gifts for children's centers (Argentina, Brazil, Chile, Colombia, Spain, United States and Peru).</li> <li>▶ Participation in programs to support disadvantaged children in collaboration with Action Aid.</li> </ul>
 <p><b>6</b></p> <p><b>COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES</b></p>	<ul style="list-style-type: none"> <li>▶ Blood donations (Chile, Spain and the United States).</li> <li>▶ Participation in charitable races in USA to support the fight against cancer.</li> <li>▶ Solidarity Christmas cards in partnership with Calcutta Ondoan to support HIV prevention and treatment projects and clinics in villages in India.</li> </ul>
 <p><b>8</b></p> <p><b>DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT</b></p>	<ul style="list-style-type: none"> <li>▶ Donation of computers and cell phones to disadvantaged groups in Spain and Brazil.</li> <li>▶ Cooperation with the World Bank and other supranational organizations in the dissemination of knowledge.</li> </ul>

# Management Solutions, *Making things happen*

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

More than  
**1,200**  
professionals

**18**  
offices

More than  
**600**  
projects



## Values that generate trust

*The key lies in a strong corporate culture that unites us and differentiates us*

### Values and principles

- ▶ Commitment and dedication to service
- ▶ Humility, integrity, generosity, solidarity
- ▶ Questioning attitude, meritocracy
- ▶ Perseverance in the pursuit of our goals, passion
- ▶ Entrepreneurial spirit, unity
- ▶ Constant pursuit of excellence (talent, effort and training)





# Strategic principles

Management Solutions is today a leader in Business Consulting services to regulated industries. This leadership translates into more than 1.5 million hours of consulting delivered each year; a global team of more than 1,200 professionals; 18 fully operational offices in the Americas, Europe and Asia; more than 450 clients, all leaders in their respective industries; and over 600 projects varying in nature and size. The key to our Firm's success lies in our strategic principles, shared by all professionals integrating Management Solutions.

## **Positioning**

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

## **Mission**

Our motto is a perfect summary of our mission as an organization: *Making things happen*. At Management Solutions, we create value propositions for our clients and commit to their effective implementation. We focus far beyond the standard provision of advisory services to partner with our clients in the pursuit of their objectives.

## **Objectives**

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

## **Culture and values**

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

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



### **Commitment to our clients**

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

At Management Solutions we perceive our clients' challenges as our own, and facilitate the best path to meet them, basing our work on a strong culture of commitment, the key characteristic of our services. We are where we are because this is what our clients want.

### **Commitment to our professionals**

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

While ultimately, results and personal achievements go hand in hand, attaining them involves overcoming barriers in which the professional is not alone, but has the support of the entire organization. For this reason, the values of generosity and pride of belonging to a team develop naturally, making it clear that the whole adds more value than the sum of its parts. At Management Solutions, we put the team after the client and before the individual, in this order: client, team, individual.

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

### **Commitment to society and the environment**

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

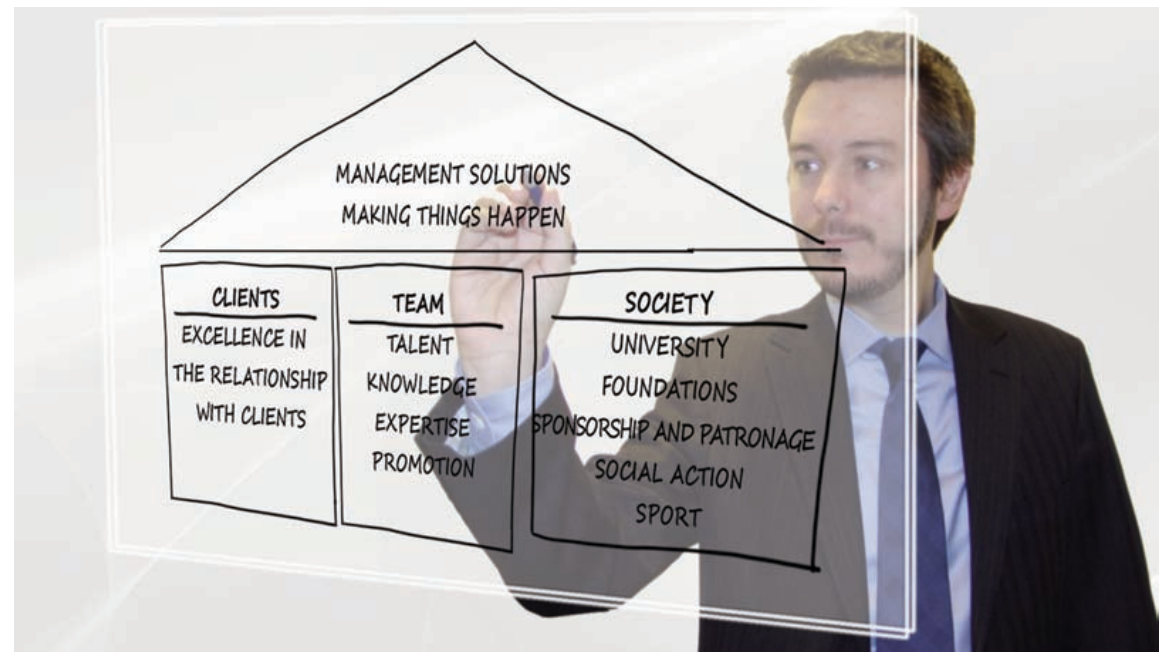
The Firm also organizes other initiatives which are carried out by Social Action, such as sponsorship and patronage activities and internal environmentally-friendly policies.

### **Committed to excellence...**

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

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

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



# Ethical principles in our code of conduct

The purpose of the information provided in this section is to disclose the principles that govern the conduct of all our professionals.

## ***Integrity and honesty***

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

Integrity and honesty are the values underlying our trust relationship with our clients and with other people within our Firm.

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

## ***Dedication to excellence***

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

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

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

## ***Commitment***

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

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



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

### **Professionalism**

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

We comply with legal requirements, taking the professional standards and rules established in each case as our guide, and 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, on the one hand, respect for human rights in all our actions and, on the other, the desire to contribute to the personal growth of all those who form part of the Firm.

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

Our success is dependent on our professionals and, accordingly, we select and train employees so that they can provide services of the highest quality in all areas of our professional practice. We evaluate performance through

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

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

### **Confidentiality**

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

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

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

### **Responsibility to society**

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

We set up initiatives to facilitate our employees' participation in different areas of volunteer work.

*"We have a strong corporate culture that fosters integrity, unity and teamwork"*

Nuria Navarro, *Partner at Management Solutions*

Being true to our principles and values is what drives our success.

We are a service oriented team with a professional growth model based strictly on merit, and which encourages generosity and solidarity.

These are undoubtedly some of the keys to the success of our Firm.





# Our brand

Our brand conveys our culture and values to the Firm's stakeholders

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 imbue 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 and events, presentations, business proposals or deliverables.

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

Moreover, brand uniformity becomes particularly significant in the current context of our Firm's international expansion. Our brand plays an integrating role, since it represents those values that are shared by over 1,200 Management Solutions professionals around the world, who, in turn, project it on a daily basis in the relationship they establish with their clients and stakeholders.

## **Management Solutions website**

Our corporate website constitutes our main vehicle for reaching out to society and therefore is the fundamental pillar supporting our external communications.

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





In 2012 we completed the process of redesigning and updating the corporate website with the launch of a more intuitive site that meets accessibility guidelines set by the World Wide Web Consortium (W3C), and a design that conveys an image which is closer to the identity of the Firm. We also reviewed and enhanced the content, creating a new corporate events section and a multimedia area that are constantly updated for improved communication with our stakeholders.

Aware of the growth in Internet browsing via mobile devices and smartphones, we added a new version for mobiles to the website in order to provide access to our corporate information through more channels.

The launch of our new corporate website was coupled, in June 2012, with the use of a unique domain name for the site: [www.managementsolutions.com](http://www.managementsolutions.com).

During 2012 visits to our website, from 136 different countries, increased by 13% compared to 2011.



## Corporate image

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

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

# Geographic coverage

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

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

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

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

During 2012 we continued to expand our range of action, not only in countries that have historically been central to our expansion, and where we have already consolidated offices, but also extending our sphere of action beyond their borders.

The still favorable response from Latin American economies in the face of the global crisis has allowed our offices in Mexico, Brazil, Peru, Chile and Argentina to continue to achieve excellent year-on-year growth rates, with a significant increase in both the number of consulting hours delivered and the number of professionals hired. Also, 2012 saw the opening of our Colombia office (Bogota), in response to the increase in activity our Firm has experienced in recent years in this important South American country. Management Solutions' presence in other markets in the región has also intensified, with a significant number of initiatives undertaken in Venezuela and Central America (Dominican Republic and Panama).

In Europe, despite the difficult economic climate, the Firm's presence on the continent has also increased. Beyond our leadership position in the Spanish market (leveraged on our Madrid, Barcelona and Bilbao offices) in 2012 our presence in the UK increased significantly through our London office, which has achieved excellent results and grown in size by more than 2.5 times in the past year. Central Europe, with Germany and Poland at the top, and southern Europe, with very good performance by our Portugal office, were our other major growth poles within the European continent. Also worthy of note is the fact that, in addition to our activity in other countries where Management Solutions has a permanent presence, such as Switzerland and Italy, the Firm significantly strengthened its presence in France and expanded its activities in the Nordic countries (Denmark, Sweden and Finland, as well as Norway, where Management Solutions has been present for several years now).

As a sign of our commitment to the UK and North American markets, in addition to our growth in the UK, the firm has again increased penetration in a market as competitive as the

United States. During 2012 we intensified activities in New York - our Firm's headquarters in the United States, the North East coast (Massachusetts) and in new areas in the South (Alabama).

Finally, Management Solutions continues to consolidate its presence in key Asian markets. Aware of the enormous weight that Asia is gaining in the global economic landscape and the great opportunities offered by this continent, Asia continues to be a cornerstone of our development and geographic expansion. Proof of this commitment has been the increasing number of consulting hours delivered by our Beijing office, despite the complexity of the Asian market, with projects and promotional activity in China (Hong Kong, Shanghai, Shenzhen and Taiwan in addition to Beijing), Korea and Singapore. Some activity also took place in India and Turkey during the past year.

## Europe

### Permanent presence

Germany  
Italy  
Poland  
Portugal  
Spain  
Switzerland  
United Kingdom

### Regular activity

Andorra  
Austria  
Belgium  
Denmark  
Finland  
France  
Luxembourg  
Netherlands  
Norway  
Sweden

## Asia

### Permanent presence

China

### Regular activity

India  
Turkey

## Americas

### Permanent presence

Argentina  
Brazil  
Chile  
Colombia  
Mexico  
Peru  
Puerto Rico  
United States

### Regular activity

Canada  
Dominican Republic  
Ecuador  
El Salvador  
Guatemala  
Honduras  
Nicaragua  
Panama  
Uruguay  
Venezuela



## Permanent Management Solutions offices

### Europe

#### Madrid

Pza. Pablo Ruiz Picasso, 1  
28020 - Madrid

#### Barcelona

Avda. Diagonal, 654  
08034 - Barcelona

#### Bilbao

C/ Elcano, 9  
48008 - Bilbao

#### London

135 Cannon Street  
EC4N 5BP - London

#### Frankfurt

Schillerstrasse, 20  
60313 - Frankfurt am Main

#### Zurich

Bellerivestrasse, 201  
8034 - Zürich

#### Warsaw

Emilii Plater, 53  
00-113 - Warszawa

#### Milan

Via Agnello, 12  
20121 - Milano

#### Lisbon

Avenida da Liberdade, 245  
1250 - Lisboa

### Asia

#### Beijing

1 Jian Guo Men Wai Avenue  
100004 Beijing

### Americas

#### New York

1120 Avenue of the Americas  
NY 10036 - New York

#### San Juan de Puerto Rico

105 Ponce de León Avenue  
00917 - San Juan

#### Mexico City

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

#### Bogota

Carrera 7, 71-21  
110231 Bogotá

#### Sao Paulo

Rua Samuel Morse, 120  
04576-060 - São Paulo

#### Lima

Avda. Andrés Reyes 437  
Lima 27

#### Santiago de Chile

Enrique Foster Sur, 20  
755-0198 - Santiago

#### Buenos Aires

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



# Industries

Our professionals have in-depth knowledge of the industries in which our clients operate

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

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

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

## **Financial Institutions**

The financial sector is facing a significant increase in regulatory requirements in order to restore the confidence lost in recent years, the emergence of new/potential competitors, and a significant consolidation process to reduce the number of institutions both locally and globally to better manage scarce capacity.

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

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

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

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

## **Energy**

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

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

Additionally, corporations face a transformation challenge (derived from both the global macroeconomic environment and the numerous mergers, acquisitions, business segregations and other processes), with a special focus on improving their efficiency and ability to create value for their customers and shareholders.



In this regard, organizations are focusing on innovative initiatives that will maximize their potential, as well as on identifying growth, organizational, operational and management drivers to achieve competitive advantage.

### **Telecommunications**

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

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

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

### **Other sectors**

#### *Consumer and industry*

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

at which large geographical areas are coming out of recession are uprooting much of the value chain: purchasing, producing, manufacturing and selling now requires "thinking globally and acting locally" and involves permanent transformation of the organizational, operational and technological structures of the companies operating in these markets.

#### *Government*

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

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

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

#### *Construction*

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



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

# Service lines

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

## ***FCRC (Financial and Commodities Risk Consulting)***

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

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

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

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

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

## ***RBC (Retail Business Consulting)***

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

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

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

## ***NT (New Technologies)***

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

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

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

## ***Core competencies***

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

Our teams are able to offer specific solutions and commit to their effective implementation and live production. This capacity to address a project's global requirements constitutes our key differentiating feature. We are able to lead with success throughout the various phases of a project, from the initial strategic analysis through to the go-live stage, covering the functional, organizational and operational phases.

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



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### **Strategy**

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

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### **Risk Management and Control**

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

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### **Organization and Processes**

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



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### **Commercial and Market Effectiveness**

Thanks to our commercial efficiency, multi-channel and business intelligence programs, we support companies in their growth efforts.

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### **Financial and Management information**

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

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### **Applied technology**

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

*"Our services are highly specialized in order to be able to effectively respond to the challenges our clients require us to address"*

*José Ramón Gorrochategui, Partner at Management Solutions*

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At present, the reality of the business world is extremely dynamic and changing. Business models are constantly being reformulated, posing new challenges and giving rise to new opportunities. The Firm has been able to successfully adapt to the new challenges facing our clients, therefore adjusting its value proposition by structuring its core competencies, industry and geographic specialization and through its differential ability to assemble multidisciplinary teams. This, together with rigorous implementation of the projects and a cutting-edge R&D has allowed us to continue to fulfil our mission: "making things happen."





# R&D Area

The R&D area leads innovation and knowledge management in the Firm, combining functions including methodological support, monitoring regulations and analyzing the economic climate

Management Solutions carries out its activity in a changing environment in several respects: economic and financial, due to the difficult economic situation being experienced by many of the countries where we operate; geographic, as a result of the Firm's continued expansion; policy, since the activity is conducted in regulated industries, and methodological, marked by the sophistication and rigor required by our clients.

In all these areas, the Research and Development function drives the Firm's proactivity towards change, reflecting Management Solutions' commitment to staying ahead of the industry and meeting the market's growing demand for innovation.

To do this, Management Solutions' R&D Department focuses on three areas:

At the methodological level, the R&D team serves the Firm's professionals and clients in the quantitative aspects needed to undertake projects with rigor and excellence through the application of best practices and continuous research of the latest analysis and modelling trends.

For this purpose, our R&D department works closely with universities, participates in applied research conferences, directs projects in postgraduate and doctoral programs and professional practices in Mathematics, Statistics and Physics faculties.

In the field of knowledge management, our intranet continues to be promoted as the main channel for knowledge sharing among Management Solutions professionals. To support this, the R&D area has intensified its dissemination role through the Publications and New Regulations section on the intranet's Knowledge Area, by including circulars and documents on regulatory issues, publications and papers on methodology, all issued by reference entities and with a direct impact on the activity of Management Solutions in all industries and markets.

In addition, all major publications and circulars, from the point of view of the activity concerned, have been supplemented by notes and work produced by our R&D team.

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

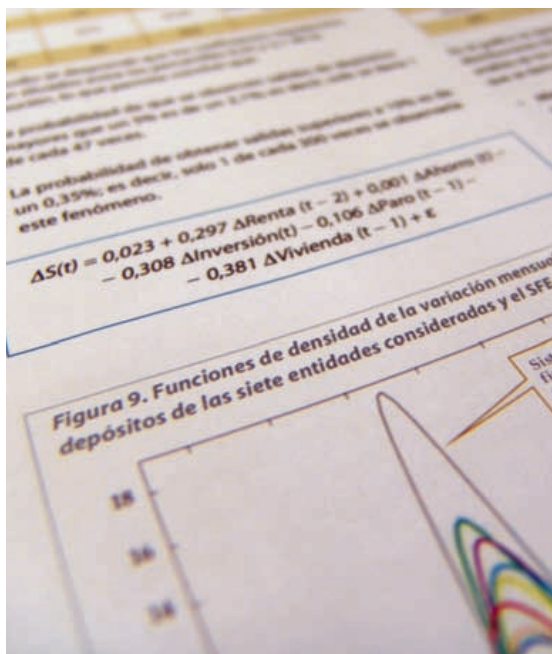
In the field of financial and economic analysis, our R&D department continues to expand the scope of their economic outlook reports. Leveraging this knowledge, R&D also supports comparative analyses using public information from the entities and countries in which the Firm operates.

R&D is one of the internal departments providing services for Management Solutions' professionals and clients, and contributes an innovative and rigorous approach to ongoing projects.

The R&D team sets targets in terms of methodology, knowledge management and research, and undertakes its work following a multi-year plan approved and monitored by the Firm's Executive Committee:

## Methodology (R+D+i)

- ▶ Research: design best practice on regulatory compliance and management for clients/ industries (credit, market and liquidity risk, economic capital, stress test model, etc.).
- ▶ Innovation: through a center specializing in analytical predictive models, models for the detailed analysis of corporate data are developed to facilitate decision-making and optimize performance.





- ▶ Prototypes: development of support tools to verify and demonstrate the correct operation of methodologies developed in real client environments (pilot testing), in order to facilitate the implementation of global corporate solutions.

### Knowledge Management

- ▶ Quality control and methodology consistency throughout the Firm's units.
- ▶ Preparation of regular publications (policy briefs, economic outlook reports, media clips, etc.).
- ▶ Information management (management of regulatory documentation and methodology).

- ▶ Participation in the development and delivery of our in-house training plan.
- ▶ Relationship with universities.
- ▶ Support to projects and drafting of proposals.
- ▶ Review of tools developed in-house.
- ▶ Relationship with scientific software suppliers.

### Research

- ▶ Publication of newsletters: preparation of research, innovation and current knowledge monographs on topics relating to the Firm's business activities of interest to our clients and professionals. The latest newsletters developed

by R&D have dealt with the regulatory framework for liquidity risk and its impact on management, and the opportunities and challenges of cloud computing for members of the value chain.

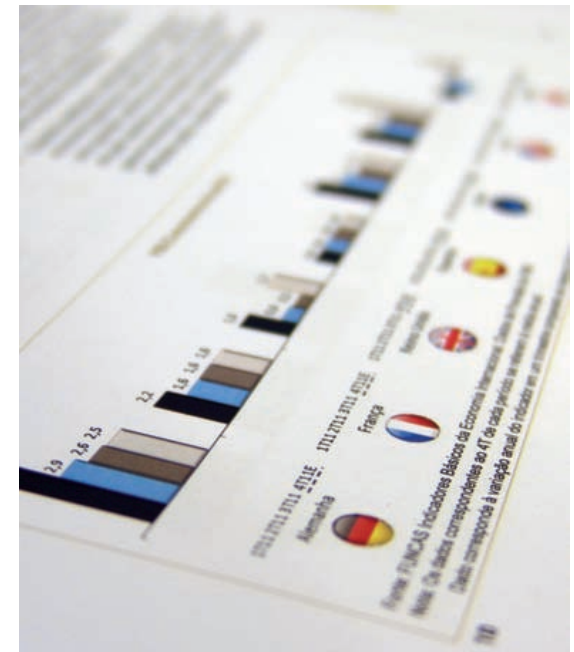
- ▶ Developing and updating quarterly economic outlook reports for Spain, UK, Portugal, Poland, United States, Mexico, Brazil, Argentina, Peru, Chile and China.
- ▶ Conducting studies on demand, especially comparative analysis of the economic and financial information of entities and countries where we work.

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

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

Management Solutions proposed a case entitled "Determining the Influence of macroeconomic factors on the run-off of banking deposits", which involved the participation of a group of students from Complutense University of Madrid, University of Oxford, University of Saratov, Università degli Studi di Firenze, Autonomous University of Madrid, Polytechnic University of Catalonia and University of Vigo.

The Modeling Week, organized by the Faculty of Mathematics of UCM, MOMAT (research group on "Mathematical Models in Science and Technology: development, analysis, numerical simulation and control"), IMI (Institute of Interdisciplinary Mathematics) and Oxford University, has great projection in all mathematics faculties in Spain and the rest of the world. Management Solutions' participation in this new edition reflected the Firm's positioning at university events of Mathematics faculties.



# 10 years “making things happen”

## 10 years making things happen

At the date of publication of this Corporate Social Responsibility Report, Management Solutions will have been incorporated for ten years. For this reason, this Report includes a specific section on this milestone of which all of the Firm’s professionals are especially proud.

What we are, we owe to the trust our clients have placed in us. They are the ones who have made it possible for Management Solutions to be where it is today, 10 years after its incorporation. It is a great pleasure for us to present the achievements listed throughout this publication.

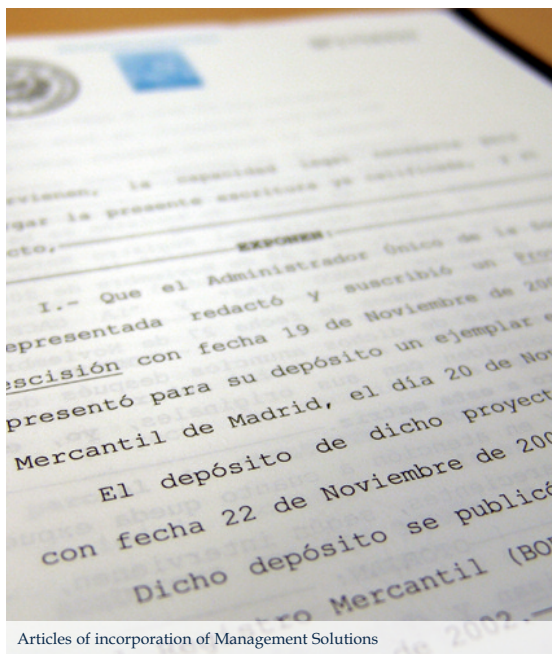
## Summary of a decade

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

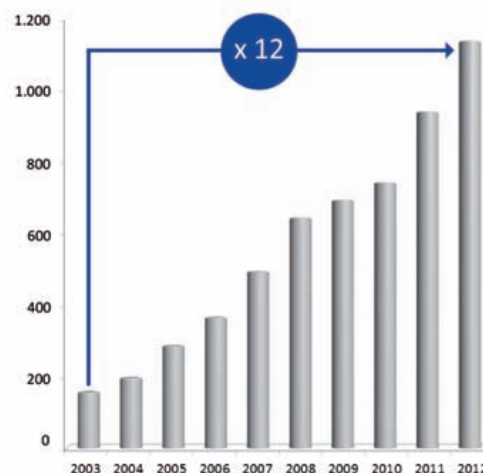
Ten years later, Management Solutions is 12 times larger, with a multidisciplinary team of over 1,200 top professionals, more than 450 clients, all global or local leaders in regulated industries, and 18 offices world-wide from which projects are regularly conducted in more than 30 countries in Europe, the Americas and Asia.

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

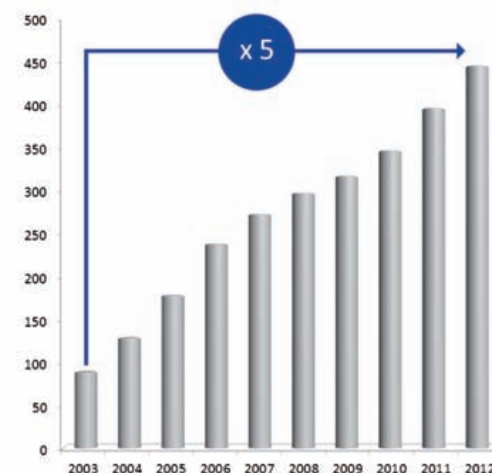
It should be emphasized that these results have been achieved organically, with a model of growth that draws from our own pool of professionals. Therefore, a model based on the organized transmission of a culture, values and principles which we understand to be differential, and that will remain unchanged, regardless of economic cycles, no matter how complex they have been or are still being.



## Growth in the number of professionals and the number of clients



■ Number of professionals



■ Number of clients

This year, the Firm has faced one of the worst macroeconomic scenarios in the last 10 years, but not one of the most complicated situations it has had to face during this decade.

Our beginnings were especially difficult, with reduced critical mass, no brand recognition and unable to respond globally in all geographies where 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 which led to its complete destruction, but served to demonstrate the resilience of our team of professionals, who were able to keep focused on their projects with clients.

Despite these difficulties, the Firm has grown at an extraordinary rate, with two-figure annual growth on average.

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

At Management Solutions we have sought to develop our profession from an in-depth knowledge of the business and 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, has been necessary to get where we are today.

### ***An equally promising future***

Management Solutions looks to the future with the same enthusiasm of the first ten years. We face a complex environment, but if anything has defined Management Solutions throughout its history, it has been our desire to excel and deliver. We intend to continue to achieve our ambitious new goals set 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 ones we look to support.



## Governance model of operations



# 10 years “making things happen”

## **Management Solutions was incorporated on 30 December, 2002**

### *2003, Commitment to excellence*

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

### *2004, Making things happen*

The first fiscal year closed with growth of 18%. Management Solutions won its first projects in Europe (Italy, United Kingdom and Portugal) while consolidating its presence in the Americas with the opening of a new office in Sao Paulo, and went from 80 professionals to over 200 in only one and a half years.

### *2005, A world of solutions*

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

### *2006, The value of a committed team*

With an increasingly consolidated brand, the New York office was enlarged, the milestone of 500,000 consulting hours was exceeded and the Firm threw its weight fully behind the creation of a R&D unit to be at the forefront of knowledge. Social action and sport became part of the Firm's everyday life.

### *2007, One Team*

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



*2008, Passion for the future*

The Firm's strategy going forward included being present in more and more markets and geographies; this fact led to the launch of our first projects in Asia, entry in the Portuguese market and the opening of our London office, and to our expanding the energy and telecommunications practices to other countries and organizing the first regional conventions in Latin America.

*2009, New challenges, same principles*

Despite an increasingly adverse scenario, in 2009 we reached one million consulting hours and started 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 to universities.

*2010, Spirit of achievement*

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

*2011, Values that make the difference*

Despite a market in decline, Management Solutions was able to increase its activity to achieve a growth rate of 19%,

strengthening its commitment to talent, reaching the size of 1,000 professionals and opening new offices in Beijing and Warsaw, as well as enlarging its offices in Lisbon, Lima and Buenos Aires.

*2012, Generating trust*

2012 was another successful fiscal year in which we collaborated with more than 450 clients and expanded our boundaries with the opening of a new office in Bogota and two more offices in the United States (Massachusetts and Alabama). We continued to foster knowledge-sharing with new regional conventions in the Americas. Our commitment to training was consolidated through the launch of the first Master's Degree in Business Consulting, developed jointly with the Comillas Pontifical University (Spain).





## 2012 milestones

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

**19%**  
turnover growth

More than  
**50**  
new clients

**300**  
new projects







# Generating trust

Management Solutions has once again exceeded all its goals, growing strongly in all countries in which it operates, true to its culture and values...

## Generating trust

At Management Solutions, we live each project differently: our commitment to clients, in-depth knowledge of the business in which we operate and excellence in implementation, are values that define our Firm and the reason we add value as an organization.

Our position has been strengthened this year in various respects, providing us with a solid foundation to achieve our future objectives.

As every year, Management Solutions hosted its Annual Convention in July, during which achievements were reviewed and the goals for next year were set. This time, the slogan for the Meeting was "Generating Trust".

2012 has been a year in which Management Solutions has again achieved all qualitative and quantitative objectives set in its 2011 Yearly Meeting, something of exceptional value considering the adverse macroeconomic conditions in many of the economies in which we operate.

We live in an increasingly globalized world, with countries moving at different speeds, with no clear pattern of reference and with large uncertainties; where global growth has been threatened in recent years by, in theory, the more advanced economies, which have entered or may enter into a recession and have a weakened financial system, high debt levels and unsustainable unemployment levels.

It is at times like these that trust is needed most. Trust in people and organizations willing to take action to shape a better reality and do so with high expectations, with optimism, generating trust.

By generating trust we can make things happen. At Management Solutions we build trust day to day with our commitment and dedication to service, by setting clear priorities that put the client first, then the team, then oneself; acting with integrity and solidarity, understanding that the best reward is reaped by generously being of service to others; applying a critical approach so that, from an in-depth knowledge of the business and social reality, we can rethink existing business models, ways of acting and objectives that are not generally evident. At Management Solutions we generate trust by acting with humility, from the understanding of our own limitations, which encourages our professionals to continue to grow in knowledge and skills and allows us to learn from our mistakes, which in turn shows our spirit of excellence; with perseverance, remaining focused on the pursuit of our goals, which we strive to achieve with passion; with an entrepreneurial spirit, creating value propositions that will contribute to our clients' growth and, therefore, to create jobs and opportunities for personal and professional development; striving for excellence, which requires talent, effort and training. This is how we generate trust at Management Solutions.

As a result, Management Solutions has become a team of over 1,200 professionals, who exercise responsible leadership of the consulting business in regulated industries (finance, energy and telecommunications). In 2012 Management Solutions grew above the targets set, again increasing its market share, and achieving diversified, sustainable and profitable growth regardless of economic cycles.

Geographically we continued to expand our sphere of action to enter new markets while maintaining our business in countries that have historically been the focus of our core activity, enhancing our multi-location strategy but above all maintaining a global approach. This dual strategy led us to open new offices during the year, such as in Colombia, and to strengthen our presence in new markets in Europe, Asia and Central America.

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





*"At Management Solutions we have set clear priorities: first the client, then the team and finally ourselves"*

Fernando Castiñeiras, Partner at Management Solutions

Our main goal is to become our clients' trusted partners.

Our clients have to deal with complex problems and know that to solve them they can count on a team of professionals who will own these problems and work with determination to find value-generating solutions.



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

This business growth would not be possible without the extraordinary team of professionals that make up our firm. A talented and committed team that has inherited a strong corporate culture based on values that make the difference, and which are the foundation on which lies the success of Management Solutions. A team that has grown by more than two hundred new staff during the year, despite the unfavorable economic context. We have also significantly strengthened our management capacity and taken the "one team" concept one step ahead. As a result, the Firm currently has a truly global,

multidisciplinary, fully integrated team which gives a differential response to the challenges our clients bring to us.

For yet another year we have exceeded our goals in all geographies in which we have a presence, in all industries in which we operate and in all lines of service we provide. We have a long way to go and the difficulties will be enormous, but our experience speaks for us and allows us to face the future with hope and trust. Trust in ourselves, in our values. Trust that we will be what we decide to be.

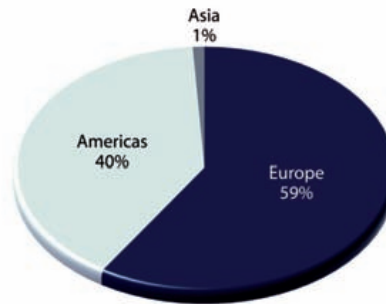
# Diversification



During 2012 we continued to pursue our diversification strategy:

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

## Geographical diversification<sup>1</sup>



### Americas

- ▶ Strong growth in all countries in the Latin American region (+35%)
- ▶ Opening of New Office in Colombia
- ▶ Strong growth in the U.S. with the opening of two new offices (Massachusetts and Alabama)
- ▶ More intense activity in countries without an office: Venezuela and Central America

### Europe

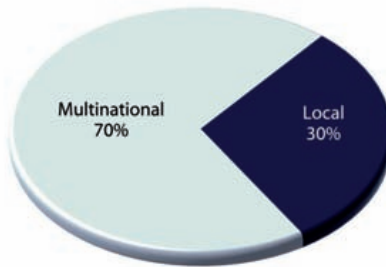
- ▶ Strong growth in UK operations (x 2.5), Germany and Portugal
- ▶ Recurrence in Italy and Switzerland
- ▶ Start of operations in the Warsaw office
- ▶ More intense activity in countries without an office such as France
- ▶ Start of activity in Nordic countries (Denmark, Norway, Sweden and Finland)

### Asia

- ▶ Consolidation of activity in the region covered by the Beijing office (China)

<sup>1</sup>Measured in consulting hours

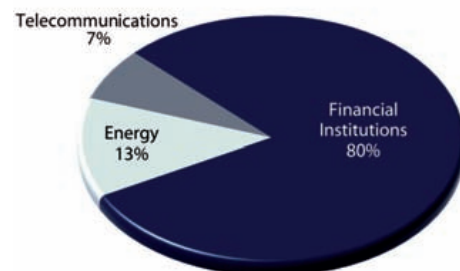
## Client portfolio diversification<sup>1</sup>



- ▶ More than 450 active clients
- ▶ More than 50 new clients (large multinationals and local leaders)
- ▶ Strengthened relationship model with all clients
- ▶ Increased presence in global clients and target clients, and in local leaders of the geographies in which we operate
- ▶ Expanded our relationship model with core clients, with more contribution from our service lines to their main organizational areas
- ▶ Strengthened our relationship with Central Banks, Regulators, Supervisors and supranational bodies, both in Europe and the Americas

<sup>1</sup>Measured in consulting hours

## Industry diversification<sup>1</sup>



### Finance

- ▶ Participation in the industry's main transformation processes
- ▶ Repositioning on the "new map" of financial institutions
- ▶ Collaboration with Banking in the ECB audit process and in stress tests on capital, provisions and liquidity
- ▶ Leadership in the process of compliance to BIS III (2nd Regional Convention), Solvency, Walker, Dodd-Frank, etc., intensifying our relationship with local regulators
- ▶ Contribution to the banking penetration process (microfinance)

### Energy

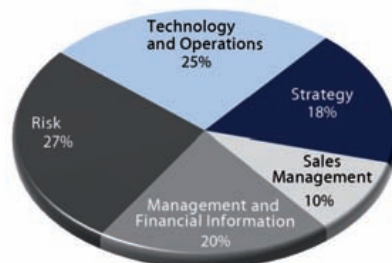
- ▶ Growth of our position in Oil&Gas and Electricity, with a more diversified offering and increased international activity
- ▶ Regular collaboration with new business and support divisions (marketing, energy management, organization)
- ▶ Expansion of our client base
- ▶ Growth of our international activity (United Kingdom, Italy, Portugal, United States, Brazil and Chile)

### Telecommunications

- ▶ Expanding our presence in global operators
- ▶ Strengthening the international dimension of our practice
- ▶ Renewing strategic projects with large international groups

<sup>1</sup>Measured in consulting hours

## Diversification of solutions<sup>1</sup>



- ▶ Over 600 projects (more than 300 new):

- Integration of entities
- Development of new business models (new distribution channels)
- Transformation of core functions (Risk, Finance, ITOP)
- Adaptation for regulatory compliance (capital and liquidity)
- Risk Modeling (stress testing)
- Efficiency (mainly on the cost side, but also on the revenue side)
- Control (Corporate Governance, Internal Control, Compliance, ALM)
- Redesign of information models (financial and risk)
- Evolution of our proprietary solutions:
  - \* MIR: comprehensive solution for the management and control of credit risk and capital
  - \* SIRO: integral solution for the management and control of operational risk
  - \* Paladín: money laundering solution

<sup>1</sup>Measured in consulting hours

# Growth



## Profitable growth

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

## R&D&innovation

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

## Organizational flexibility

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

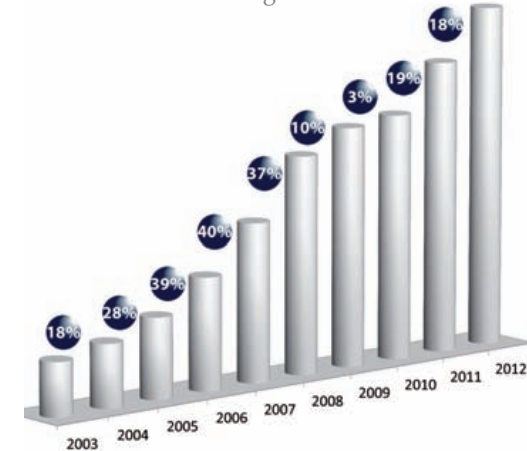
## Human Resources Management

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

## Profitable growth

- ▶ Growth of 18%
- ▶ More than 1.5 million consulting hours
- ▶ Gaining market share
- ▶ Organic and sustained growth:
  - All client types
  - All countries
  - All industries
  - All service lines
- ▶ Actively managing inventory, billing, receivables and liquidity

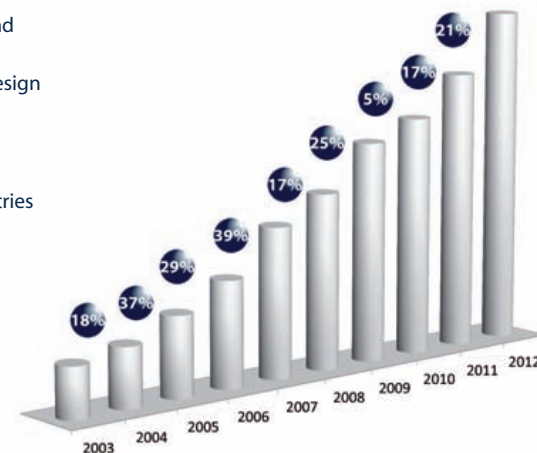
## Turnover growth



## R&D&innovation

## Hours invested in R&D&i

- ▶ 20% increase in investment (10% of capacity is invested in R&D&i)
- ▶ Developments in the overall R&D&i plan:
  - Leadership position at the forefront of the Firm and with global reach
  - Reinforcement of the teams responsible for the design and execution of annual plans
  - Research and development of new products/ methodologies
  - Global knowledge management (all offices, industries and lines):
    - \* Publications (economic outlook reports, newsletters),
    - \* News briefs (technical briefs, press summaries), Knowledge Area
  - Joint Ventures with universities
  - Quantitative training
  - Tool management (quantitative component)





## Organizational flexibility

- ▶ Consolidation of our global Support Services structure:
  - Global roles
  - Regional roles
  - Local roles (HR in Units)
- ▶ Group-wide policies and procedures
- ▶ Process reengineering with a focus on efficiency, effectiveness and control
- ▶ Strengthening of quality plans (comprehensive Quality Assurance plan)
- ▶ Technology renovation plan
- ▶ New office opening in Colombia

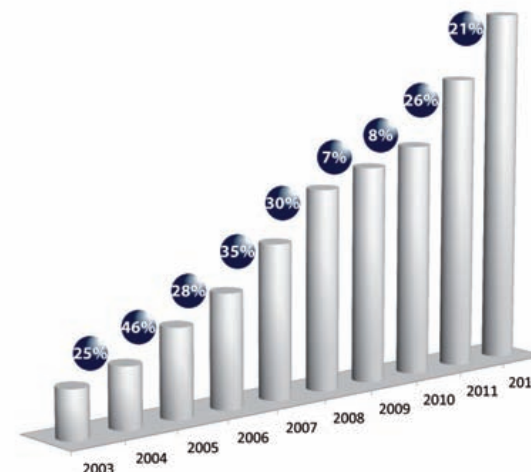
Support Services Structure



## Human Resources Management

- ▶ Growth from the base (over 250 new hires and more than 90 scholarships in 2012)
  - ▶ Optimized global pyramid structure (improved control of needs and mobilization of knowledge and talent)
  - ▶ Increased management capacity (more than 50 new Managers and Supervisors)
  - ▶ Reinforced top management line (4 new partners and four new directors)
  - ▶ New responsibilities assigned to the management team (geography, industry, client)
  - ▶ Promotion based on merit
  - ▶ Excellence in talent recruitment (with greater geographic specialization); 90,000 résumés received
  - ▶ Strengthened mentoring program
  - ▶ Acceptable turnover levels (18%)
  - ▶ Enhancement of variables (focus on talent)
- ▶ Emphasis on training:
    - 270 courses (80 new)
    - 90,000 hours (+30%)
    - Over 600 hours of training by professional for the first two years
    - Training Plan constantly adapted to professional needs
  - ▶ Increased presence in Universities and Post-graduate courses:
    - Present in more than 150 faculties in Europe, the Americas and Asia
    - Members of four foundations
    - More than 70 cooperation agreements and final year projects
    - Mentors to the Economics and Business Studies class of 2012 at ICADE

Annual percentage increase in number of employees



# Communication



Global Yearly Meeting attendees, Spain

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

## Communication

- ▶ Increased web content (new design and new principal domain) and intranet content
- ▶ More publications (6th CSR Report, 6th Financial Newsletter, 5th Telecommunications Newsletter, Newsletter on BIS III Convention)
- ▶ Quarterly economic outlook report (14x4) and technical notes on regulations
- ▶ Increased presence in forums (regulatory and industry) and universities
- ▶ Strengthened Social Action, Sponsorship and Patronage:
  - More than 25 activities: Solidarity Summer, Concert and Film Screening, Basic House, Cestinhas of Pascoa, Magi, Solidarity Races, blood donations to the Red Cross, donations of computer equipment to various organizations, etc.
  - New partnerships with NGOs and foundations
- ▶ More Sports Club activities in all our offices (more than 200 participants in different offices / disciplines)





*"We continue to experience double-figure growth, despite the adverse macroeconomic environment "*

Ignacio Layo, Partner at Management Solutions

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

All this has been possible thanks to the impressive performance of our professionals, who have assumed responsible leadership of the consulting business in regulated industries (finance, energy and telecommunications), have been able to combine a global and a local approach, and today are present in over 30 countries on four continents. A young, highly

trained multidisciplinary team that has grown in skills and knowledge, improving year after year. A team that is united, responsible, caring and committed, not only to their professional activity, but also to the needs of the community.

We have an enviable client base, more than 450 companies, all leaders in their respective areas in the three regulated industries in which we operate.

We have a value proposition that we have developed, perfected and tuned year after year, enhanced by a state-of-the art R&D department.



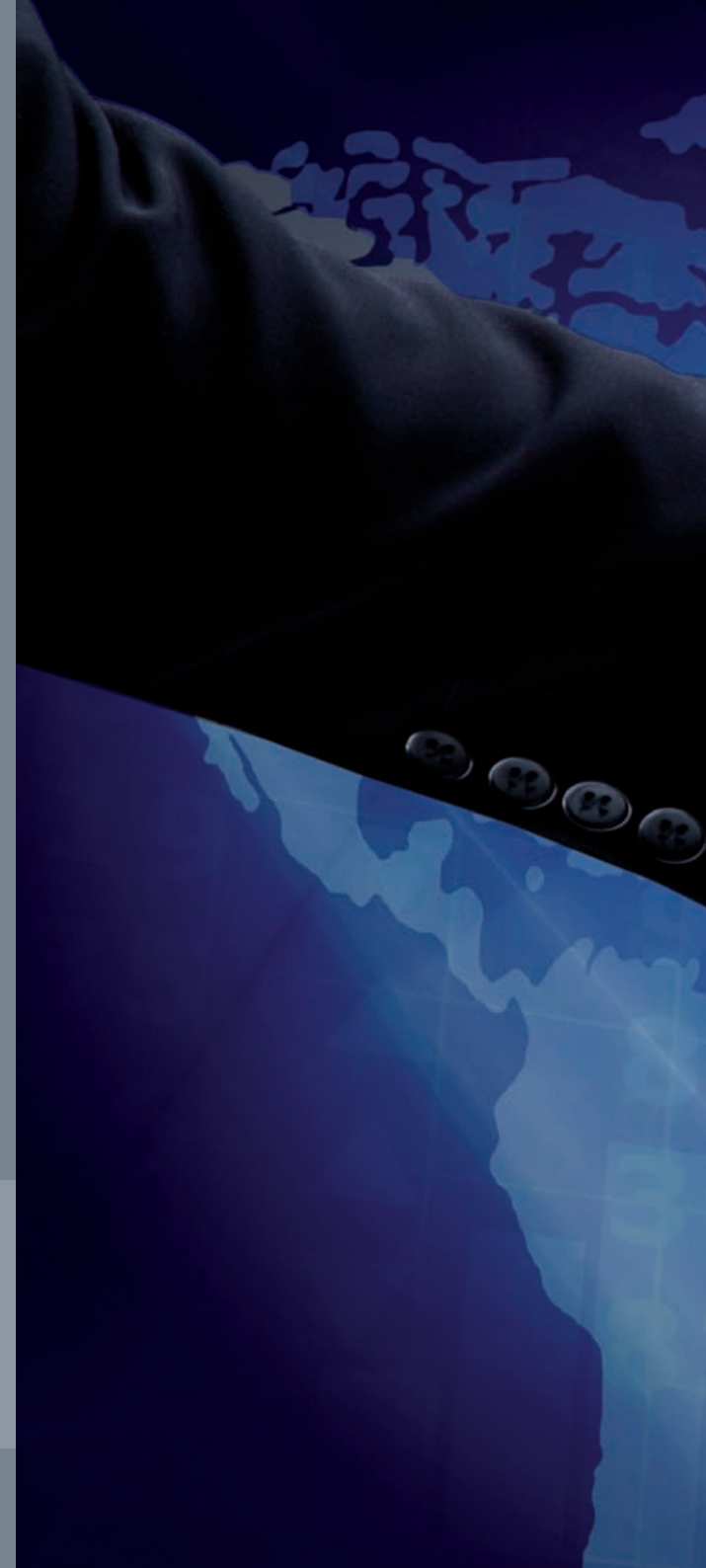
## Committed to our clients

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

More than  
**450**  
clients

More than  
**30**  
countries in  
which we operate

**7**  
specialized  
publications







# Client focus

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

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

## ***Client diversification***

Management Solutions implements a strategy for sustained growth supported by client portfolio diversification and a balance between various client types. At the year end, our portfolio had more than 450 active clients, grouped into three major segments: multinationals of American or European origin, local entities, and national or regional confederations; all leaders in their respective markets. Additionally, Management Solutions has strengthened its relationship model with regulators (central banks, international organizations, supervisors, etc.) of the main industries in which it operates.

## ***Global model***

Management Solutions has a strong presence in local markets, but always proceeds under the guidelines of global corporate policies. We are a single firm with a global model, compared to an association of local firms operating under one brand. Acting as a team and feeling as part of a team, sharing the mission, objectives, culture and values of the Firm, is essential to successfully tackle transformation processes as well as our clients' strategic challenges.



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Management Solutions distinguished as a leading provider in 2012 by one of its main clients in Chile

Within the context of the award to their providers organized by the entity, Management Solutions was awarded for its important work throughout the year. More than 200 regular service providers competed for the award.

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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 a service of the utmost quality, as this is the underlying motive of all our actions and the driving force behind our growth.

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

## Quality control methodology

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

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

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

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

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

## Quality control methodology

### Activities

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

### Deliverables

- Review plan
- Reviews 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 planning and allocation of responsibility for each task
  - List of deliverables
  - Client satisfaction survey

*"We are fully committed to our clients. We owe it to them to give them our best"*

Marcos Izena, Partner at Management Solutions

Exceeding our clients' expectations is a goal that we will not compromise on. We work with enthusiasm to deserve the trust our clients place in the Firm.

We work as a single team that combines talent, knowledge and the skills of all its professionals to offer value-creating solutions to the challenges facing our clients.

All this we endeavour to apply on a day-to-day basis, listening to our clients, understanding their needs, and developing a relationship model that will generate solutions that are of value to them.





# Commitment to the industry

Management Solutions is committed to disseminating the knowledge generated in the organization

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

## **Publication of studies and industry reports**

*Liquidity risk: regulatory framework and impact on management*

The financial crisis and liquidity constraints have led to a profound reflection on the management of liquidity risk by regulators and other bodies, with a view to ensuring financial stability and prevent further stress events. This goal is reflected in new national and supranational regulatory standards, most notably Basel III.

The study published in 2012 has provided an overview of liquidity risk, offering essential insights on the current situation and on policy and management trends with regard to this risk, with four main objectives:

- ▶ Describe the current situation on liquidity standards, with a particular emphasis on the new regulations issued by the Basel Committee (known as Basel III).
- ▶ Describe the impacts of this legislation on both the real economy and the financial industry, and identify points that may generate uncertainty or on which there is still no agreement between the entities and regulators.
- ▶ Analyze a very important aspect of liquidity management: the stability and macroeconomic dependence on the deposits held by financial institutions, through a quantitative study with real data and qualitative analysis of several individual cases, both recent and historical.

- ▶ Describe how financial institutions are adapting their management frameworks to this new reality, with an emphasis on the more advanced practices in the industry and future areas for development.

*The Cloud: Opportunities and Challenges for members of the value chain*

The concept of cloud services or cloud computing is revolutionizing the way in which organizations deploy their Information Technology infrastructure. This change offers opportunities for all parties involved, both for the Internet sector and for systems providers, who in one way or another support the deployment of information technology.

The different uses and services offered under the umbrella of this new paradigm affects, on the one hand, organizations and individuals who observe how the provision of cloud services brings them benefits in terms of efficiency, flexibility and reduced investment effort and, on the other, technology companies and traditional operators who see an opportunity to expand their business.

This revolution is still in its early stages and it is not yet known how it will ultimately create value for all agents involved. The main feature of this change is the transfer of investment and effort in terms of design, construction, implementation and the services supported by this infrastructure they support toward the Cloud service provider.

The publication details some of the implications of the use of the cloud, as well as its advantages and opportunities along with a series of guidelines for action to enable the different stakeholders involved to get the most out of the new situation.







#### *Economic outlook report*

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

The report tracks the evolution of the main macroeconomic indicators (GDP, unemployment rate, CPI, etc.) using data from the most relevant economies, drawing conclusions about the likely changes in these indicators over the

coming months. The paper also reviews the evolution of key indicators affecting the Financial sector (Banking and Insurance) and the Energy and Telecommunications industries, analyzing their data as well as the figures showing the performance of large multinational organizations.

In 2012 our economic outlook report continued to be produced for all the Firm's units.

*"Our commitment to the industry includes the ability to anticipate clear answers to the main issues of discussion in the industries in which we operate"*

Laura León, Partner at Management Solutions

This requirement is the reason why we favor selective participation in specialized forums and the regular publication of specialist analysis on areas of interest.

This is another way to show our clients that we remain at the forefront of industry knowledge.

These external information activities are a part of our firm commitment to the industries in which we operate.



# Commitment to the industry

We have an ongoing program of information activities and participation at specialized forums



Mr. Carlos Donizeti Macedo Maia (BACEN), BIS III Convention Brazil



Mr. Alan Elizondo (CNBV), BIS III Convention Mexico

## **Organization and participation in specialized conferences and seminars**

### *Impacts of Basel III Convention in Latin America*

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

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

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

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

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

This convention intended to continue the initiative organized by Management Solutions in 2008 on the occasion of the entry into force of Basel II, and thus review the progress made since then.

Conceived from a global perspective, the Convention was held during the month of May at five locations: Argentina, Brazil, Chile, Mexico and Peru, also with the intention of reflecting national differences and thereby enrich the analysis. Having the opinion of the national supervisors, as well as major national and international financial institutions and independent experts, turned the Convention into a unique framework to share experiences on the impact of Basel on the risk management of financial institutions.

The Convention was noted for the high standing of the speakers and attendees, and was very well received in the region.



Mr. Raphael Bergoeing (SBIF), BIS III Convention Chile

*Seminar on Risk Management at the Association of Banks of Mexico*

Management Solutions participated in the delivery of the seminar "Credit Risk Management and its importance for Financial Stability", organized by the Association of Banks of Mexico, which was attended by the President of the National Banking Commission.

Management Solutions presented the paper "The importance of the development and certification of internal credit risk models", prepared with the support of our R&D area, which provided a practical approach to internal risk models, including examples of the treatment of the economic cycle and the management of phenomena such as the housing bubble.



Ms. Verónica Balzarotti (BCRA), BIS III Convention Argentina

*Financial Risk Congress in Colombia organized by Asobancaria*

Management Solutions participated in the XI Financial Risk Congress: "New regulatory standards: Colombia a role model," organized by Asobancaria (Association of Banks of Colombia), held in Cartagena de Indias and which attracted more than 250 participants from across the Colombian financial sector and other countries in the region (Panama, Costa Rica, Ecuador, etc.).

Management Solutions' presentation, entitled "Trends in the design and implementation of a Risk-adjusted Return on Capital (RAROC) scheme", revealed the Firm's international experience in integrated risk management.



Impacts of Basel III Convention in Latin America

*Industry Congress on Operational Risk for Peruvian Insurers*

Management Solutions organized, together with APESEG (Peruvian Insurers' Association) an industry congress on valuation methodologies for Operational Risk, which was attended by Peru's largest insurance companies.

The conference featured a series of papers on Operational Risk, both from the European perspective of "best practices" developed in the financial sector and in relation to the latest regulatory changes at the local level (Circulars 164 and 165).

# Commitment to the industry

*Congress on risk management organized by FEBRABAN in Brazil*

In addition to its role as a sponsor, Management Solutions participated as a speaker in the "2nd International Congress on Risk Management" organized by FEBRABAN (Brazilian Federation of Banks), which included the participation and assistance of the regulator and major financial institutions from Brazil and other parts of the world.

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

Management Solutions' presentation dealt with the impact of Basel III on the management of financial institutions.

*Presentation of "A case study on entrepreneurship" as part of the Executive MBA at Garrigues*

Management Solutions participated as a speaker at the Executive MBA session: "Management of Professional Service Organizations", held at Garrigues Study Center, during which it shared its practical insights on entrepreneurship.

Attendees, professionals with an executive profile from various fields, were provided with a first hand account of an entrepreneurial experience such as Management Solutions', who reviewed the Firm's inception, mission, values and positioning, and gave participants an overview of its management principles.



*Seminar on the technological implications of Solvency II*

Management Solutions, in partnership with Oracle, organized a seminar on the technological implications that compliance with the Solvency II Directive will have for insurance companies when it comes into force in 2014. The convention was attended by the CIOs and CROs of major insurance companies in the market.

The seminar featured speakers from both companies, and also from a large international financial group represented by the Head of Public Policy from the Global Private Banking, Asset Management and Insurance Division.

The seminar reviewed basic business and policy concepts in the Directive, identifying its future impact and consequences on the management of the insurance business, defined the theoretical functional architecture for compliance with Solvency II and detailed the lessons learned and technology implications of the regulations.

*Seminar on market data management in the risk function*

Management Solutions, in collaboration with Asset Control, organized a seminar on the management of market data in the risk function, attended by representatives of leading financial institutions and corporates in the market.

The conference, which featured speakers from both firms, also benefited from the collaboration of representatives from major international and domestic financial groups.

The seminar covered topics such as the importance of the risk function and principles for its organization within the Entities, how quality financial information feeds the business and improves applications and productivity, how efficient data management can result in significant cost savings for the business, how to assume, identify and eliminate risks in the data and data infrastructure, etc.





Seminar on market data management in the risk function, Spain

*"Our firm is at the forefront of industry knowledge"*

David Coca, Partner at Management Solutions

Our value propositions are tailored to the specific needs of the industries in which we operate. We pay particular attention to identifying opportunities for transferring best practice across industries. In this regard, we seek to identify those issues that have been best resolved in a particular industry and can provide a competitive advantage in another. Once identified, we analyze and develop the best way to implement them in the relevant industry, taking into account their specific characteristics.

Our ambition is to be a leader in the transformation of the industries in which we operate.



#### *Seminar on Systemic Risk at the World Bank*

Members of our U.S. office and R&D area delivered a seminar on Systemic Risk to professionals from various World Bank departments in Washington DC.

The seminar, entitled "Systemic Risk: a methodological approach", consisted of a brief overview on the progress of European and Latin American countries in terms of Systemic Risk, followed by a concrete proposal to develop a risk measurement and control framework targeted at national and supranational supervisors.

#### *Master's Degree in Supervision of Credit Institutions in Spain*

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

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

## Committed to our professionals

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

More than **90,000** résumés received  
More than **250** new recruits  
**90,000** training hours



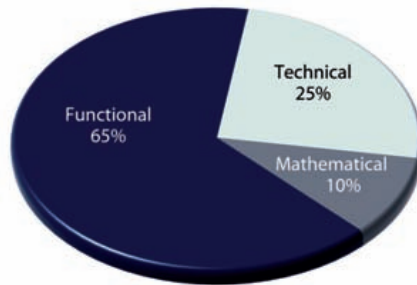




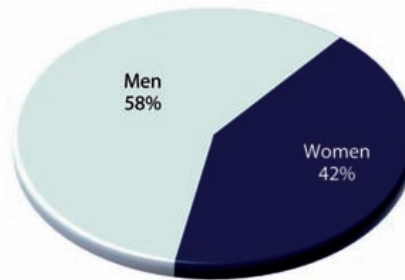
# The human factor at Management Solutions: “one team”

## Distribution of workforce

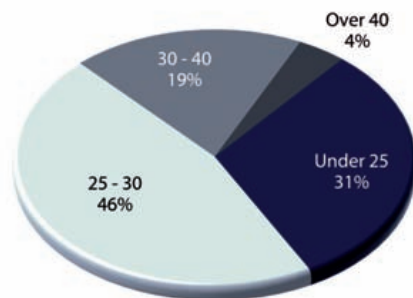
By profile



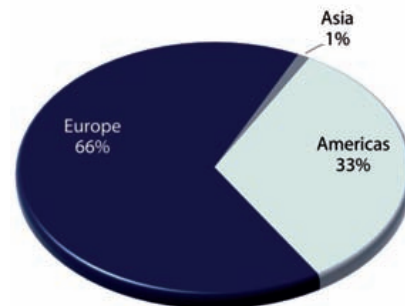
By gender



By age



By nationality



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

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

We are aware that optimum professional development and achieving excellence in our projects require effort and sacrifice; two words that form an undeniable part of our corporate culture.

In our experience, these efforts are rewarded by our clients' recognition and by the significant achievements of our people, which shape their professional experience.

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



# Human Resources policies

Committed to our professionals

During fiscal 2012 we received over 90,000 résumés, more than 4,500 were accepted into the selection process and more than 250 people from different disciplines and with different levels of experience have joined the Firm



Job fair at Universidad Autónoma de Madrid, Spain



Job Fair at Universidade de São Paulo, Brazil

## **Recruitment and selection**

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

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

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

## **Fostering loyalty amongst our professionals: the concept of mentoring**

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

More than 1,000 people participated in the mentoring program in 2012. 200 professionals (Directors, Managers and Supervisors) acted as mentors for over 800 professionals in their first to sixth year, contributing to their professional development within the Firm.

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

# Human Resources policies

## Internal career advancement

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

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

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

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

## Employee benefits

All Management Solutions' employees have a series of optional employee benefits in addition to their salary:

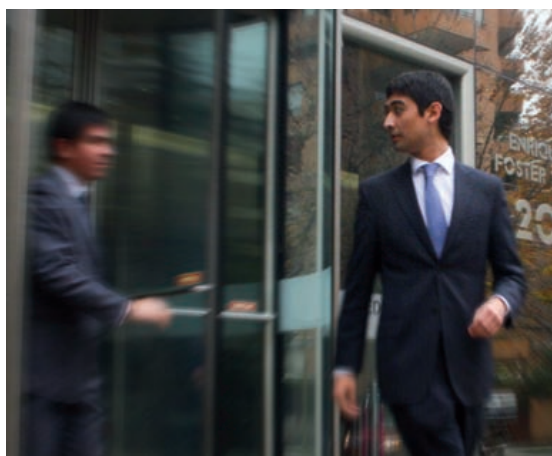
- Health insurance, 50% subsidized by the Firm.
- Accident insurance, subsidized in full by the Firm: sum insured is equal to three times the fixed annual compensation.
- Life insurance, 50% subsidized by the Firm.
- Luncheon vouchers.
- Childcare vouchers.
- Car rental, for managers and above.



## Career plan

Management Solutions guarantees a clearly defined career path, where career development depends exclusively on merit and there is no limit to professional growth. On joining the firm, all consultants begin a professional career throughout which they will be promoted up the corporate ladder, take on new challenges and leave their previous responsibilities to the next generation of consultants. This annual promotion system guarantees continuous development and ensures that all professionals can, over time and according to their merits, become Partners of the Firm.





Professionals coming out of our Santiago de Chile office



Meeting of our Financial Industry specialists in New York

### ***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 and tax advice and procedural formalities.

### ***Equality plan***

Management Solutions' corporate culture establishes equal opportunities, without any form of discrimination, as one of its basic principles. For this reason the Firm, since its inception, 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 and working time arrangements, and the reconciliation of work, personal and family life..

### ***Bonus for referring candidates***

This relates to an incentive offered by the Firm to its professionals as a form of extraordinary economic gratification for referring candidates fitting the profile required by the Firm, provided that these candidates have some previous experience and have not been presented in the past 12 months by a selection company, by another employee, or applied through another channel (website, employment portals, employment fairs, etc.).

This gratification is available to all Management Solutions employees, except those in Human Resources and in Management.

# Training

## Annual training hours (by category)

Assistant 1 .....	400
Assistant 2 .....	200
Senior 1 .....	100+130 <sup>1</sup>
Senior 2 .....	100
Experienced Senior .....	80+20 <sup>2</sup> +16 <sup>3</sup>
Supervisor .....	40
Manager .....	40

<sup>1</sup>FRM

<sup>2</sup>CFA

<sup>3</sup>PMP

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

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

In the case of Spain, the first two years of training have been designed as a Master's Degree, and all professionals joining the Firm are required to enroll in the Master's Degree in Business Consultancy offered jointly by

Universidad Pontificia Comillas and Management Solutions (a total of 600 hours of training taught over two years).

The Master 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.



## Management Solutions and the ICADE Business School launch the first Master's Degree Program in Business Consulting

Management Solutions and Comillas Pontifical University signed an agreement to jointly offer the first Master's Degree Program in Business Consulting, which will be taken at ICADE Business School by all professionals joining our offices in Spain.

The Master's Degree aims to provide the Firm's professionals with the necessary knowledge and competencies to achieve excellence in business consulting. The curriculum has a total of 600 hours (60 ECTS credits) and is developed over two academic years, from September of the first year to July of the second year. Subjects are taught by both professionals of the Firm and University professors.

The degree is divided into nine modules covering: economic environment and business consulting, finance, regulatory framework for finance, energy and telecommunications industries; modeling and basic technology, financial markets and products, risk management and monitoring, organization, processes and systems; specialization by industry (banking, insurance, energy or telecommunications), and the Master's Degree final project.



- ▶ Acquiring advanced expertise on the financial sector, its products, and the management of its risks and processes.
- ▶ Mastering the technological tools necessary for undertaking professional consultancy work, including office automation, statistical software and database design.
- ▶ Applying the skills and knowledge acquired in different contexts and use them to solve a wide range of problems

In addition to the initial training plan, Management Solutions consultants have extensive training opportunities throughout their career, more than 600 hours devoted to training in the first two years, 100 hours at senior and experienced senior level and 40 hours from supervisor level onwards. Through our training courses, programs designed for each professional category and seminars to develop specific capabilities, we aim to provide the best training opportunities to expand knowledge and develop skills.

*“Our career plan, together with sustained organic growth, are the best guarantee for the development of our professionals”*

*María José Leongentis, Partner at Management Solutions*

A career plan based on personal merit is a necessary condition, but not sufficient, to guarantee the continuous development of all professionals who deserve it. We are proud of being able to provide the best environment for professional development thanks to the combination of a career plan with sustained and organic growth in the Firm.

Furthermore, our Training Plan has maximum recognition in the market and is the only one that offers an MBA certification in business consulting.



Representatives from Management Solutions and Universidad Pontificia Comillas, Spain, after signing the agreement



# Training

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

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

- ▶ **Regional courses.** Courses designed for all professionals within a particular region.

## ***Specialized Knowledge courses***

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

## ***External expert courses***

Specialized courses or seminars, required in order to update knowledge and information, obtain certification

or provide targeted training on a specific area, for a specific project or for R&D&i purposes.

## ***Skills training courses***

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



## One-day Executive Seminar

A one-day training course for Management Solutions' senior executives was held on June 28, 2012. The opening speech by Alfonso Serrano-Suñer, Chairman and CEO of Management Solutions, gave way to a number of presentations which dealt mainly with the current economic climate and the challenges facing financial institutions and were delivered this year by prominent speakers from the business and academic world:

- ▶ Mr. Juan José Toribio, Professor Emeritus at IESE
- ▶ Mr. Aurelio Velo, Deputy General Manager Corporate Resources Management Area at Santander
- ▶ Mr. Agustín Berasaluce, Director, Innovation and Development at BBVA
- ▶ Ms. Arelis Díaz, Director, HR and Organization at Telefónica Latinoamérica
- ▶ Mr. Luis Lamas, Management Solutions Partner

## Language Courses

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

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



Yearly Meeting attendees, Chile

## Management Solutions Training Plan

### Knowledge courses

#### Business

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

#### Risk Management

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

#### Markets and Products

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

#### Organization, Processes and Systems

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

#### Regulatory Framework

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

#### Technology/Methodology

Basic Technology  
Development  
Architecture  
Data Bases  
ORACLE  
Microstrategy  
Business Intelligence  
Business Objects  
Murex  
Workshop Murex Limits Controller y Colateral Manager  
Methodology for the Design of Informational Systems  
PMO Methodology, Database Design and Modeling  
Statistical and Datamining Tools  
Financial Modeling

### External expert courses

Financial Risk Manager de GARP\*  
PMP Certification  
CFA Certification

### Skill Courses

Effective presentations  
Negotiating  
Generatin business through the team  
Professional Coaching

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

# Occupational risk prevention and medical service

Management Solutions has at its disposal a Work Health and Occupational Risk Prevention Service covering four preventive disciplines:

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

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

Prevention targets both the work environment and the workers themselves:

## *Environment*

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

- Indoor air quality, which requires monitoring of airborne bacteria, fungi concentration, and CO and CO<sub>2</sub> levels.
- Fitness of food supplied through the vending machines.
- Thermohygrometric conditions of office space, by monitoring temperature, relative humidity and light levels.
- Light levels in working areas.
- Average air velocity in the air-conditioning system.

## *Employees*

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

Medical assistance covers work-related accidents and diseases in addition to common illness and non-occupational accidents, as well as vaccines and travel advice. Advice is aimed at employees who engage in international travel for personal and professional reasons, and to Social Action volunteers.

The medical service provides a physiotherapy service from its premises which is available to all Management Solutions employees requiring it.

## **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 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 check-in and regular checkups, following the protocols established by the National Cholesterol Education Program, Adult Treatment Panel III.



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



#### *Cancer Prevention*

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

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

#### *Cervical Cancer Prevention Plan*

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

#### *Anti-smoking treatments*

These are ongoing campaigns according to patients' needs.

#### *Fight against high blood pressure*

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

#### *Vaccines for international travel*

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

#### **Occupational risk prevention**

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



Course on basic fire prevention and handling of fire extinguishers

#### *Directory of risks and preventive measures*

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

#### *Basic rules on fire prevention and handling fire extinguishers*

Prevention is the key to fire safety.

#### *Basic evacuation procedures*

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

#### *Security of facilities outside office hours*

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

#### *Security of clients' facilities*

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

# Employee support services

## **Support areas**

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

### *Information Technology*

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

The Firm's professionals are provided with tools enabling them to work and access information quickly and securely from various environments: Management Solutions' offices, clients' offices, from their own homes and from transit areas (airports, hotels, etc.). Help Desk support is provided on-site at our main offices as well as remotely, even to professionals located at clients' sites, with tools that allow a remote connection.

In 2012 we started the migration of the computer technology platform to Windows 7 and Office 2010 for all of the Firm's professionals, a process that has brought improvements in efficiency and robustness. Also, new functionalities have been added to the Time and Expense corporate tool, thereby facilitating the processing of hours and expenses of the Firm's employees.

### *Documentation*

At Management Solutions, we attach great importance to information as a further means of providing our employees

with support in meeting their project performance and R&D objectives. Documentation needs are covered through various means:

- ▶ Internal documentation: legislation and regulatory documents, training courses, presentations, in-house publications, etc., available via the corporate Intranet.
- ▶ External documentation: books, publications and specialist 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 add value to the work of Management Solutions' professionals.

In particular, the work of the infrastructure team is necessary to efficiently manage the opening and setting up of new offices or the expansion of existing ones. In this regard, 2012 has been a particularly significant year due to the inauguration of our new Colombia office, in Bogota, or the expansion of our office in Madrid.

## **Corporate agreements**

All the Firm's employees are entitled to certain benefits merely because they work for Management Solutions.

### *Virtual Bankinter Office*

The virtual Bankinter office enables Management Solutions' members to benefit from all the advantages and facilities of virtual banking, in addition to the special benefits to which they are entitled (employee share of a percentage of profit, special conditions for salaries paid into Bankinter accounts, cards, loans, etc.).



### *Credit card*

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

### *Travel agent*

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

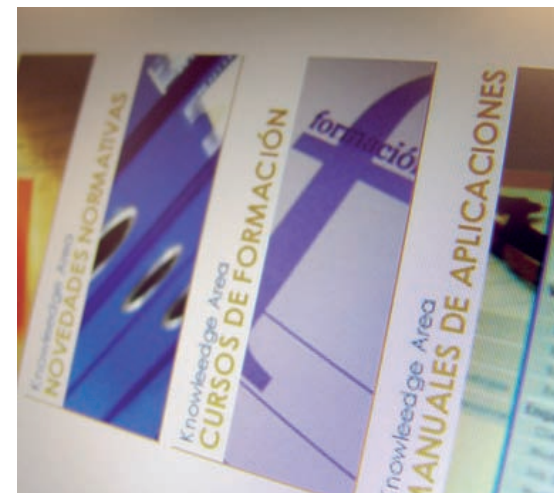
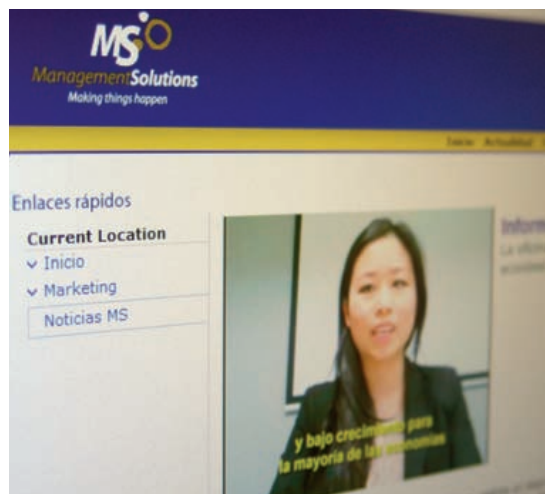
### *Other offers*

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

# Internal communication

Committed to our professionals

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



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

## Corporate Intranet

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

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

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

- 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. As a new feature

this year, a new section under Current news has been created for the R&D Area, where a summary containing the main news directly related to our activity is included.

- Financial information: daily movements of major stock price indexes and daily interest rate and exchange rate data.
- General Services: library, reprographic services and travel.
- Documentation: documents on rules and regulations, training courses, presentations, own publications and reports, etc., classified under the Knowledge Area.
- Access to project management applications.
- Access to personal information: assignment to projects, payslips, etc.
- Marketing: corporate templates, request for merchandising material, audiovisual and photographic files of corporate events.

- Human Resources: training, social benefits, travel and relocation policies, evaluation process, medical service, corporate agreements, etc.
- Leisure website: travel, sports and adventure activities, recipes, new technology and practical advice on caring for the environment.
- Social Action Website: community and fundraising activities organized selflessly by this group of Management Solutions professionals, making it possible for volunteers to include their own suggestions.
- Sports Club website: general information, schedules, results and standings for the Firm's sports championships.



# Internal communication





## Global Yearly Meeting

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

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

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

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

## Guest speakers at previous Management Solutions Yearly Meetings

### 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 Santander Group
- ▶ Mr. José Antonio Olavarrieta, General Manager of CECA
- ▶ Mr. José Luis López, Vicepresident and Director at Banesto

### Yearly Meeting 09. Municipal Congress Palace

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

### 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, Santander Group
- ▶ 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-Asiatn Sanz, CIO of BBVA
- ▶ Mr. Juan Andrés Yanes, Deputy General Manager, Global Risk Division at Santander Group
- ▶ Mr. Francisco Gómez Roldán, CEO of Abbey National PLCD
- ▶ Ms. M<sup>ra</sup>. 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 Santander Group
- ▶ Mr. José María Fuster, CIO of Banesto and Head of Strategic Technology at Grupo Santander
- ▶ Mr. Juan Antonio Hernández Rubio, CFO of Unión FENOSA
- ▶ Mr. Juan Hoyos, Managing Director of McKinsey Spain and Portugal
- ▶ Ms. Susana Rodríguez Vidarte, Director at BBVA Group and Dean of Deusto's Commercial University

# Internal communication

During 2012, more than 500 professionals participated in the Yearly Meetings held in the UK, the US, Brazil, Chile, Argentina, Mexico and Peru

## ***Local Yearly Meetings***

During 2012, more than 500 professionals have participated in the Yearly Meetings held in the UK, the US, Brazil, Chile, Argentina, Mexico and Peru, as they are a key element of the internal communication strategy at each of these units, and an essential vehicle enabling all professionals who were not able to attend the global Yearly Meeting to share the same information and feel part of the achievements and challenges of the Firm.

## ***Yearly Meeting United Kingdom***

UK office professionals gathered at Tower Bridge in London for their 2012 Yearly Meeting. The achievements obtained in the previous fiscal year and the goals for the Fiscal Year 2013 were reviewed both globally and at the UK Unit level.

After the meeting, the Yearly Meeting attendees participated in a kart competition and concluded the day with a dinner on The Georgian, a restaurant boat that took them on a cruise along the Thames.





### ***Yearly Meeting Brazil***

Professionals from the Brazil office, as well as those relocated in Sao Paulo from other offices, held their 2012 Yearly Meeting at the Sheraton Sao Paulo WTC Hotel.

Brazil's Yearly Meeting, which this year took place in a single day, focused on the review of Management Solutions' global performance during Fiscal Year 2012, and more specifically on the activities of the Firm in Brazil.

The Firm's global and local objectives for Fiscal Year 2013 were also reviewed. After the speeches, the attendees enjoyed a cocktail in of the hotel halls.

After the morning session, the Yearly Meeting Brazil dinner was celebrated at Nobre, an event space where the Firm's professionals and their partners could enjoy a gala dinner and a party that continued until late at night.

### ***Yearly Meeting Mexico***

Mexico's Yearly Meeting was celebrated in Queretaro under the motto "Generating trust".

The first part of the day was spent reviewing the current economic background, the important achievements of Fiscal Year 2012 and the ambitious challenges set for Fiscal Year 2013 at both the global level of Management

Solutions and at the level of our Mexico office. As dictated by tradition, the rest of the day was dedicated to shared social activities among all the attendees and finished with a dinner at the same hotel where the convention was held.

### ***Yearly Meeting Argentina***

Professionals from the Argentina office, as well as those relocated in Buenos Aires from other offices, attended the Yearly Meeting of our Argentina office, which took place in Mendoza.

Attendees were able to enjoy the mountain scenery of Mendoza, a town on the slopes of the Andes which is renowned by its vineyards, and practise adventure sports.



Yearly Meeting Mexico

# Internal communication

As on previous occasions, the goals achieved in the past year and the Firm's local and global short-term goals were reviewed during the Yearly Meeting.

After the meeting, attendees enjoyed the excursions and recreational activities planned.

## ***Yearly Meeting Chile***

Chile's Yearly Meeting 2012 was held in Pucon, and brought together professionals from the Chile office, as well as those relocated in Santiago from other offices.

Professionals attending the Yearly Meeting had the opportunity to review Management Solutions' achievements in 2012 and the Firm's goals for the following year.

Also, during the two-day event professionals were able to enjoy the hotel's premises and the tourist town of Pucon, well-known for its hot springs and for its location on the shores of the Villarica Lake, surrounded by forests and volcanos.

## ***Yearly Meeting United States***

United States' Yearly Meeting was held in Boston and gathered professionals from the United States office, as well as those relocated mainly to New York and Boston from other offices.

Professionals attending the event had the opportunity to review Management Solutions' achievements in 2012 and the Firm's goals for the following year. Meetings were combined with a series of recreational events and the closing dinner, which took place in a popular restaurant in Boston.



Yearly Meeting Chile



Yearly Meeting U.S.



### Yearly Meeting Peru

Peru's office celebrated its Yearly Meeting in Santa Clara, in the suburbs of Lima, with the participation of almost twenty professionals from the Firm.

As on previous occasions, the goals achieved in the past Fiscal Year and the Firm's local and global short-term goals were reviewed during the Yearly Meeting.

After the meeting, attendees were able to enjoy the facilities at the resort where the convention was held as well as participate in recreational activities, such as an exciting volley-ball match.



Yearly Meeting Peru

*"Our internal communication model seeks the cohesion and integration of all of the Firm's professionals"*

Diego Leis, Partner at Management Solutions

The Firm's globalization in such a short period of time – less than a decade, requires us to pay special attention to internal communication.

We are a "Global" firm acting "Locally"- and want to remain so- by looking at the existing nuances in each of the countries where we operate (over 30 to date). This is why our internal communication plan conveys general information about our Firm, its values and its principles, to all our professionals alike and wherever they are.



# Sports Club

Around 300 professionals participated in the tournaments and activities organized by the Sports Club in 2012



Paddle tournament finalists, Madrid



Women's 7-a-side soccer team, Madrid

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 competitions.

## **Internal Championships**

The Madrid Office's indoor soccer and paddle tennis championships were held in 2012 for the seventh consecutive year. More than 100 professionals (divided into 9 teams) participated in the indoor soccer championships, playing qualifying games as well as play-offs for the title. As regards the paddle tennis tournament, 60 professionals (30 pairs) participated in the two categories, men and women.

The Chile Office organized its third Paddle Tournament, which involved the participation of 20 professionals. Moreover, the first Triangular Mixed Soccer League was organized in Chile with the participation of over 30 Management Solutions Professionals divided into four mixed

teams. The aim of this event was to collect funds for Teleton, a Chilean aid foundation for children with motor disabilities. On the other hand, the first paddle tennis tournament of the Buenos Aires office was celebrated at the end of this publication, with the participation of 10 professionals from the Firm.

This year, the novelty in our Sports Club's activities was the first badminton tournament in London, in which 20 employees participated.

The chosen sports (indoor soccer, paddle tennis and badminton), were proposed by the professionals themselves, since this activity is intended for their enjoyment.

## **External Championships**

### *Football teams in inter-company tournaments*

The women's soccer team from Management Solutions Madrid, with a long tradition in the Firm and formed of more

than twenty players, ended up in second place at the RC Intercompany Championships organized in Madrid. Moreover, the team participated once again in the indoor soccer championship and won third place.

Also, the winners of the Management Solutions internal indoor soccer championship went on to participate at the Madrid 14th RC Inter-company Championship, held between October 2011 and May 2012, in which our representatives could not keep the previous year's third place, but delivered a good performance. At the time of this publication, both teams are participating in the corresponding indoor soccer championships for the 2012-2013 season.

In Mexico, two teams of Management Solutions professionals participated once again in two inter-company tournaments, one in the North and the other in the South part of the city, thus carrying on with the participation started in 2011.

In Brazil, a team of 15 employees from this unit participated for the first time in a seven-a-side soccer inter-company



tournament in Sao Paulo. The charity aim of this tournament was to donate one kilo of food to people without resources per each yellow card a team had received. It was held in two phases in which Management Solutions representatives ended up fourth.

#### *Runs*

In 2012, a group of professionals from the Brazil Office had the chance to participate once again in the Pão de Açúcar Marathon, the biggest relay race in Latin America with over 35,000 athletes. Management Solutions participated with 2 teams made up of 12 athletes in total, who ran distances of 10 and 5 km depending on the modality.

In Madrid, Management Solutions professionals participated in the Corporate Fun Run for the seventh time. This year, the run had the charity purpose of adding kilometers to the Win4youth Project, a solidarity initiative by Group Adecco launched in 2010 with the goal of collecting funds to support international Foundations and NGOs that work for integration in the workplace and in society of people in a situation of social exclusion. The 10 professionals composing our Firm's team completed the course, which was divided into two distances (6 and 10 km) and, once more, ran along the Paseo de la Castellana.

#### *Corporate Games*

Management Solutions participated for the fifth consecutive year in the Corporate Games, an inter-company competition that takes place in Spain's major cities and brings together around 4,000 athletes from 50 organizations every year. This time, 27 employees from our Firm participated in disciplines such as 7-a-side soccer, swimming, tennis, cross and golf, in which our representative won the gold medal.



7-a-side soccer team, Brazil



Participants at the Pão de Açúcar Marathon, Brazil



## 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 and the Firm's growth is managed so as to be compatible with the principles of sustainable development.

100

collaboration agreements  
with Universities

More than

6,000

Social Action volunteers

30

Social Action  
campaigns







# University

## University, key to our relationship with our environment

For Management Solutions, interaction with universities is at the heart of its relationship with the social environment. Besides contributing towards the creation of jobs for new graduates and providing young people with the opportunity to develop an excellent professional career, Management Solutions maintains close links with universities in many different areas, establishing collaboration agreements to provide scholarships and placement programs, offer expert lectures and seminars, cooperate in research programs, present case studies, participate in job fairs and support university foundations and associations. To this should be added the Master's Degree in Business Consulting offered jointly with ICADE, which was launched in September 2012 in Spain.

### ***Work experience programs***

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

Internships allow students selected by the Firm to acquire a first experience of the business world. Also, in many cases, these internships are decisive for the students' subsequent employment at Management Solutions. In 2012 we provided more than 90 internships.

## Management Solutions sponsored ICADE's class of 2011-2012

Around 1,600 Comillas students attended the 2011-2012 graduation ceremonies, presided by the Rector, Julio L. Martínez, SJ and celebrated between 22 and 24 June at the Cantoblanco campus in Madrid. As a proof of the strong bonds that unite Management Solutions with universities in general and with Universidad Pontificia Comillas in particular, Alfonso Serrano-Suñer, Management Solutions Chairman and CEO, was appointed the sponsor to the 2011-2012 class of the Faculty of Economics and Business Administration

(ICADE) and was in charge of giving the graduation speech to the 560 students that completed the graduate and post-graduate studies in said Faculty during the academic year 2011-2012.





## Seminars and expert courses

Through its partners and other members of the management team, Management Solutions maintains a proactive and ongoing presence in education by designing and teaching courses within its sphere of expertise, which it does on a pro-bono basis. In 2012, the Firm expanded its training program to universities, at both the graduate and post-graduate level:

- Garrigues Study Center
- University Center for Financial Studies (CUNEF)
- CEU (in partnership with the Spanish Risk Management Club) - Financial Risk Manager, Madrid and Barcelona
- ESADE Business School - Executive MBA; Bachelor's and Master's Degree in Business Administration
- Instituto Tecnológico Autónomo de México (ITAM)
- Instituto de Ensino e Pesquisa de Brasil (Insper)
- Instituto Tecnológico del Norte de Argentina
- London School of Economics
- Universidad Autónoma de Madrid - Faculty of Mathematics
- Universidad Católica de Chile – Faculty of Mathematics
- Universidad Complutense de Madrid – Faculty of Mathematics
- Universidad de Deusto
- Universidad Politécnica de Madrid
- Universidad Pontificia Comillas (ICADE)

## Cooperation agreements with universities

### Europe

CEG	Universidad Antonio Nebrija	Universidad de Salamanca
City University	Universidad Autónoma de Barcelona	Universidad del País Vasco
Colegio de Sociólogos y Politólogos	Universidad Autónoma de Madrid	Universidad Europea de Madrid
CUNEF	Universidad Carlos III	Universidad Luigi Bocconi
ESADE	Universidad Católica de Lisboa	Universidad NOVA de Lisboa
Escuela de Empresa	University College of London	Universidad Pablo de Olavide
Escuela de Finanzas Aplicadas	Universidad Complutense de Madrid	Universidad Politécnica de Cataluña
Escuela de Ingeniería de Sevilla	Universidad de Alcalá de Henares	Universidad Politécnica de Madrid
ETEA	Universidad de Burgos	Universidad Politécnica de Valencia
EUDE	Universidad de Cádiz	Universidad Pontificia Comillas – ICADE
Fundación San Telmo	Universidad de Cantabria	Universidad Pontificia Comillas – ICAI
Imperial College of London	Universidad de Castilla la Mancha	Universidad Rey Juan Carlos I
ISCTE (Instituto Superior de Ciências do Trabalho e da Empresa)	Universidad de Deusto	Universitat Pompeu Fabra
Kings College London	Universidad de Granada	Universidad de Valladolid
London School of Economics	Universidad de Navarra	Universidad de Zaragoza
	Universidad de Oviedo	

### Americas

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

# University

## ***Company presentations and job fairs***

Company presentations and jobs fairs constitute a fundamental meeting point between final year students 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.

Management Solutions' added value to its participation 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 and recent graduates who aspire to join our organization.

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

## ***Sponsorships and Collaborations with Foundations***

### *ICADE Business Club*

Management Solutions is a member of the ICADE Business Club, a non-profit association founded by a group of former University students who are now business professionals,

together with the Dean and Deputy Dean of the Faculty of Economic and Business Sciences at the University of Comillas. The purpose of this association is to cooperate with ICADE in its study, teaching and research programs, to foster entrepreneurship among its students and to strengthen relations between the University and the business world.

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

Management Solutions intends to take part in all the main events carried out in the Club's pursuit of its objectives and

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

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

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

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Master's Degree in Business Consultancy, Comillas Pontifical University, Spain

will be particularly involved in the teaching programs and in assisting ICAE professionals, through recruitment or other aid (grants, sponsorship of awards, etc.).

#### *Sponsorship of Awards to the best Final Year Project at ICAI*

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

Organized by subject areas, Management Solutions sponsored the awards for the area of "Financial and risk management in the energy industry" by making a financial

contribution towards the awards and becoming involved in the evaluation of the projects submitted, since a jury created for each area and composed of the Head of the School, a representative of the sponsoring Firm and the professor responsible for the project, is tasked with deciding on the projects awarded (two per category).

In 2012, 22 ICAI students received the awards of the 2010-2011 academic year. In the category sponsored by Management Solutions, Javier Rexach Veiga obtained the first prize for "Bayesian system for extreme event prediction. Application to financial markets". Mikel Ayala Bernaola won the second prize for "Modeling time-dependent demand elasticity in a Probabilistic Production Costing Model. Application to the Spanish electricity market".

*"Our endorsement to the academic world is one of the pillars of our commitment to the wider community"*

*Hernán Enríquez, Partner at Management Solutions*

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



Students awarded prizes for the best Final Year Project 2010-2011 at ICAI, Spain





# University

Miguel Ángel Poblet, Head of the Support Services Area at Management Solutions, gave the awards in an event presided over by the Vice Rector of Research, Development and Innovation, Julio Martínez, SJ (now Rector at Universidad Pontificia Comillas); the school Director, Mariano Ventosa; and the Secretary General of Industry and Small and Medium Enterprise (SME) of the Ministry of Industry, Luis Valero Artola.

## *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.

## *Award to the best academic record of the Faculty of Computer Sciences at the Universidad Politécnica in Madrid, Spain*

In 2012, Management Solutions joined the Board of Trustees of the awards to the best academic records of the Faculty of Computer Sciences at the Polytechnic University in Madrid, which gives an economic prize to graduates with the best academic records.

During the diploma award ceremony of the Faculty of Computer Sciences at the Universidad Politécnica in Madrid, Alexandra Povencio Horcajo received the award to the best academic record of the corresponding Faculty in the 2011-2012 year.

The award, sponsored by Management Solutions, was given by Manfred Nolte, partner from the Firm. An accredited diploma was given by the Rector University, Carlos Conde Lázaro, who presided over the event.

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

Management Solutions organized a seminar on financial institutions for the final year students of the Financial Administration course at the TEC's campus in Ciudad de Mexico. The three-week seminar included the approach and later resolution of a case study by the students on how a bank works.

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

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#### *Deusto University Foundation*

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

### Management Solutions organizes a business consulting case study at the London School of Economics (United Kingdom)

Management Solutions organized a case study attended by final year students from both the degree and the masters degree of the London School of Economics. The case dealt with the selling of an asset portfolio using risk-adjusted return measures as the selection criterion, a problem the students, divided into groups, had to find the best possible solution to.

The result was extraordinary, both for the level of participation and the quality of the students' conclusions, and it involved a new collaboration between Management Solutions and the London School of Economics, one of the most renowned universities in the world.



# Sponsorship and patronage

## ***Royal Theatre of Madrid***

Management Solutions continued to sponsor the Royal Theater in 2012. Having strengthened its relationship with this institution in 2009 as the Firm's status changed from Patron to Collaborator, in 2011 and for the eighth consecutive year, Management Solutions made a donation in support of this institution. With this donation, we contribute to the dissemination, appreciation and knowledge of the lyrical arts, music and dance; to protecting, preserving and promoting the enrichment of our artistic heritage; to the defense, advancement and research of Spain's musical and operatic heritage, and to encouraging the dissemination, appreciation and understanding of these

arts, as well as encouraging attendance by the general public to its performances and other activities.

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

## ***Spanish Energy Club (ENERCLUB)***

Management Solutions is a member of the Spanish Energy Club (ENERCLUB), which was set up as a meeting point and to provide a forum for dialogue and for the exchange of ideas among companies and professionals in the energy industry, with the main aim of fostering new ideas and their dissemination on the rational use of energy, the conservation of the environment and sustainable development.

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



Board for the Protection of the Royal Theatre



### **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 and also 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, and disseminating knowledge through the organization and development of FRM training programs and internet courses.

As a trustee of the Club and with one of its partners sitting on the Board of Directors, Management Solutions contributes to the financing and maintenance of the various activities that are organized.

### **Créate Foundation**

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



## **Educational program "We create our company"**

In 2012 and as a founding trustee of the Create Foundation, Management Solutions fostered the participation of its professionals in the pilot program "We create our company", implemented in 10 schools between January and May 2012. Based on the knowledge of professionals from different areas, the Foundation seeks to boost entrepreneurship among 5th and 6th grade Primary school students through this program, developing skills and competencies such as initiative, creativity, pursuit of opportunities, self-confidence, responsibility, etc.

One of the basic points of the program is the definition and creation, step by step, of a company by the student groups, starting with a business plan, creating a logo, developing the necessary processes, the funding study, etc. and ending up with the presentation and sale of the products/services in a market that closed the program. In one of the phases, once the "companies" were running and with their processes already defined, the students had the opportunity to share a session with Management Solutions professionals that gave them a personalized assessment, defining their activity and conceptualizing their sales targets.

# Social work partnerships



10th Anniversary of PRIAR, Argentina

## ***Management Solutions partners with some of its major clients to support various charitable initiatives***

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

In 2012, Management Solutions participated in the event organized by one of its main clients in Argentina on the occasion of the 10th anniversary of PRIAR, a program that seeks to counteract the effects of poverty by carrying out solidarity projects to assist public good institutions that help covering food, health, education and recreational needs for the most vulnerable. The event, organized in Buenos Aires, tried to raise awareness and collect funds among the collaborators of the institution, clients and suppliers, to



Solidarity Event in Spain

cooperate with four new assistance projects for those in need in the community.

In May 2012, another client from the Firm celebrated its Solidarity Gala, aimed at raising funds to collaborate with the organizations with which it develops solidarity projects (Madrid's Down Syndrome Foundation, John XXIII, Messengers of Peace and Valdeperales Association). The event included the participation of Management Solutions through donations and the presence of around 30 professionals from the Firm at the Gala.

## ***Microfinance project***

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

The Foundation has initially focused its efforts in Latin America (work is already underway in Peru and Colombia), since this region constitutes the network's corporate center, and, in addition to capital, will benefit from shared governance and management systems, a common technological base, facilities to raise finance on international markets and the general advantages derived from economies of scale and from the scope afforded by a network such as this.

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

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





- Designing and implementing a technology platform for risk management.

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

### **Solidarity Program at work in collaboration with AECC**

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

### **Sport and Challenge charity golf tournament**

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

The tournament took place at the Santander Golf course in Boadilla del Monte, and included the participation of 10 teams (all integrated by a professional golfer on the European circuit and four amateurs). The Management Solutions team, which had won the title in 2010, was formed of David Angulo (CEO at AVIVA in Europe), Jaime Gorbeña (President at Bergé Group), Alberto Bergaz

(member of the board at Ruber), Pedro Cabeza (Head of Distribution at Bergé Group) and professional golfer Ángel Matallana, supported by Alfonso Serrano-Suñer, (President and CEO of Management Solutions).

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



Pro-Am fundraising golf tournament, Sports and Challenge Foundation, Spain



# Social Action

Our Social Action group was created in 2005 on the initiative of our professionals and with the full support of the Firm

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

## ***Blood donation campaigns***

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

In 2012, more than 50 volunteers from our Spain, Chile and United States offices donated blood, which reflected the involvement of the Firm and its professionals with campaigns of this nature. The United States office collaborated with the campaign launched by the American Red Cross to mitigate the effects of hurricane Sandy.



## ***Donation of computers and cell phones***

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

In 2012, Management Solutions donated in Spain computers that were distributed to different organizations, including Aid to the Church in Need and Cáritas. In Chile, fully-functioning computers were donated to the Congregation of the Dominican Missionary Sisters of the Holy Family.

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



## ***Collaboration with the Dauverre Home in Mexico***

Volunteers from Management Solutions Mexico had the opportunity to collaborate with the Dauverre Home, a care center for elder people where around 60 elders without resources live, by donating food and gifts and organizing a day of shared activities with them.

With the participation of 35 professionals, the campaign was a huge success, managing to collect almost 100 kilos of food, 20 kilos of detergent and different personal hygiene items used to mitigate the needs of this shelter located in Tlalpan Centro (in the south of Mexico D.F.).

The event was completed with a delightful morning of shared activities in which 16 volunteers from Social Action Mexico organized a breakfast during which all the products collected were delivered, together with warm clothing and books for each of the elders living in the Home.

### ***Dia das Crianças, Brasil***

The *Dia das Crianças* campaign gave a group of Management Solutions Brazil volunteers a new chance to collaborate with the Odila Franco shelter, the home of over 20 children without resources and at extreme social risk in the Sao Paulo region.

The campaign begun with the collection of funds among the professionals from Management Solutions Brazil. Part of the funds raised were used to buy gifts (the bag with chocolates and sweets, as well as personal hygiene items) and all things necessary to organize a party at the shelter. The rest of the funds were used to mitigate other needs of the Odila Franco shelter in Sao Paulo.

### ***Sembrando Race, Mexico***

Sembrando Valores, the institution that represents and fosters various organizations of young people committed with Mexico and its most disadvantaged groups, organized the Sembrando Race, a charity sports event to collect funds aimed at building houses for families in need.

The first edition of the Sembrando Race included the participation of over 700 people, many Management Solutions professionals among them, who completed the 5 kilometre course.

*“The Firm’s professionals are strongly committed to the communities of the countries where we work”*

*Carlos Vilá, Partner at Management Solutions*

The numerous actions carried out by our Social Action Group with various NGOs and charities make us feel proud of our people’s determination and commitment to improving the environment and the world we live in.

These initiatives reflect the values of solidarity and generosity that are important to all Management Solutions professionals.

The Firm has always supported the initiatives promoted by its people in the sphere of Social Action.



Volunteers at the Dauverre Home in Mexico



# Social Action

## ***BBVA Solidarity Race, Chile and Spain***

The streets of Santiago de Chile became the scene of the BBVA Solidarity Race, a sports competition with charity purposes in which a team representing Management Solutions Chile participated. The competition, with two course modalities (5 and 10 km.) and the participation of a great number of professionals from the Firm, collected almost CLP 25 million used to collaborate with Hogar de Cristo, a shelter for pre-school children living in poverty.

Also in Madrid, around 30 Management Solutions professionals participated in the BBVA Solidarity Race, which involved the participation of around 12,000 runners that completed the 5 or 10 km. course. One of our professionals ended up third in the 10 km. Male Senior category. In this case, the funds raised were donated to the “Educate children” initiative, which aims at collecting funds to take 172,000 boys and girls to primary school in 12 countries. The refugee children are currently living in Chad, Ethiopia, Uganda, Malaysia, Kenya, Pakistan, Somalia, Sudan, Rwanda, Syria, South Sudan and Iran.

## ***Down's Syndrome Foundation of Madrid (FSDM)***

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



Sembrando Race, Mexico



BBVA Solidarity Race, Chile



### **2012 Solidarity Concert, Spain**

Under the proposal of one of its professionals, Management Solutions promoted the organization of a concert for charity purposes in 2007. This is how the Solidarity Concert started; it is one of the most welcomed events organized annually by the Social Action group to raise funds for the projects the volunteers participate in during the Solidarity Summer.

The sixth edition of Management Solutions Solidarity Concert was held at the La Latina theatre, one of the most important stages for comedy performance in the theatre history in Spain.

The event, organized to raise funds to support the volunteer and cooperation activities carried out by Management Solutions' Social Action Group during the Firm's Solidarity Summer Project at the Hogar Teresa de los Andes in Bolivia in 2012, was attended by around 600 people of all ages, who enjoyed the music show Los Divinos (The Divines), a comedy and lyric proposal created and performed by the violinist Ara Malikian and the tenor José Manuel Zapata with the goal of approaching classical music to all types of audience.

For a bit more than an hour, Los Divinos filled the theatre's stage with humor and virtuosity, games and fantasy.

The concert was preceded by a Spanish wine reception in which guests were able to chat to the artists and hear a first-hand account of the various events in which Management Solutions' Social Action Group is involved.



Solidarity Concert, Spain



Solidarity Concert, Spain

# Social Action

## ***Basic House Foundation, Chile***

Volunteers from Management Solutions Chile took part in their third solidarity activity in collaboration with "Basic House" Foundation, a non-profit organization that seeks to improve people's quality of life by building decent housing.

Social Action volunteers were again tasked with assembling a prefabricated home with materials funded by Management Solutions for a family without resources in the area of La Herrera.

This project, gave the ten or so Management Solutions professionals who participated the opportunity to interact

with both the family receiving the home and with the Foundation that organized the assembly.

After a hard day of team work, the volunteers were able to complete the house according to plan, and delivered it to the family with a ribbon-cutting ceremony where the ribbon was cut by the future users of the "basic house".

## ***Cestinhas de Páscoa, Brazil***

Volunteers from Management Solutions Brazil collaborated with the Odila Franco and Livre Ser shelters in Sao Paulo by donating gifts and organizing a day of shared social activities with the group of children living in both centers.

The Páscoa Cestinhas campaign began by raising funds among professionals from Management Solutions Brazil. The funds raised went towards preparing the Cestinhas and purchasing everything necessary for the parties that were held in both shelters.

During the event, which included the participation of several volunteers from Social Action Brazil, the children were the focus of all planned activities and games, as part of which they each received a *Cestinha of Páscoa*, and that were intended to help them forget about their difficult circumstances, at least for one day.



Volunteers from Social Action during the "Basic House" project activity, Chile



Building a prefabricated house in Chile



### **Solidarity Summer**

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

In 2012, 33 professionals from various offices of the Firm decided to take part in the seventh edition of the Solidarity Summer and travelled to Bolivia to participate in a volunteer program at the Teresa de los Andes Shelter, a center located in Cotoca (Santa Cruz) that collaborates with the Spanish NGO Ayuda en Acción and takes care of 200 boys and girls

with mental disabilities of different degrees. This time, the volunteers came from the Spain, UK, Mexico, Brazil, Chile and Argentina Units.

Some of the tasks the volunteers carried out in the center involved feeding the children, helping the center personnel with rehabilitation and physiotherapy activities, organizing motivational and value workshops or collaborating in logistic and maintenance tasks at the shelter (setting up computers, painting pavilions, etc.).

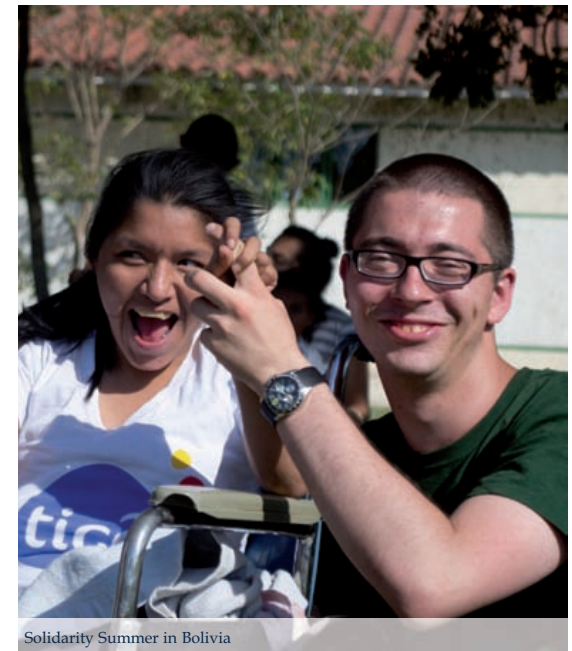
Moreover, the volunteers contributed to the organization of the Special Olympic Games at the shelter, in which they committed themselves actively, and also organized parties and games for the children which ended up with the surprised farewell party.

All volunteers emphasized once again the enriching nature of the Solidarity Summer, an initiative that has given them them "the opportunity to live through a unique experience where culture, climate and environment makes you grow as a human being".

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



Solidarity Summer in Bolivia



Solidarity Summer in Bolivia



# Social Action

## ***Collaboration with the Missionaries of Charity in Mexico***

Mexico Social Action Group organized a campaign in collaboration with the Peace and Happiness Shelter of the Missionaries of Charity, where children and adults without resources live.

The collaboration started with the collection of essential items and funds among the Management Solutions Mexico Unit in order to buy food. Thanks to the interest aroused, a great amount of food, drinking water, hygiene supplies and cleaning items were collected and delivered to the Missionaries of Charity sisters on the occasion of a volunteer date attended by a group of Management Solutions professionals.

During the day, the volunteers had the chance to access the center and cooperate for some hours with the tasks the sisters carry out daily: feeding the children (including babies) that live in the center, organizing activities, dances and games for them and chatting with the adults living there.

## ***CreArte Corporation, Chile***

Management Solutions Chile Social Action Group collaborated for the first time with the CreArte Corporation, a foundation whose main social activity is the Art Education Program aimed at children between 6 and 14 years of age and carried out in basic schools with high vulnerability rates. The program is performed as an extracurricular activity in informal and/or community educational settings in the Metropolitan Region of Santiago de Chile.

The collaboration with CreArte consisted of the organization of a charity morning. The Firm purchased all things necessary for the activity while Social Action volunteers helped the children perform artistic activities, such as transforming the theatre of the school's event hall

so that children could show the works carried out in other workshops, creating and painting murals, etc. The morning ended with a cocktail in which both the children and the volunteers shared laughs and games.

## ***Christmas 2012 with Calcuta Ondoan***

For the sixth consecutive year, Management Solutions partnered with Calcuta Ondoan, an NGO that supports social, health and economic development projects in support of disadvantaged people in India, to produce its Christmas cards.

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

All profits from the Christmas cards went towards charity projects to run the new Home-Health Center for women with high risk of vulnerability that Calcuta Ondoan has established in the outskirts of Calcutta.



Volunteers at the Missionaries of Charity in Mexico

### **Solidarity Film Screening, Spain**

In 2005 Management Solutions launched its Solidarity Film Screening initiative, a family activity to collect food for those in need by taking advantage of the proximity of the Christmas season and using a movie release as a way to encourage participation. In 2012, this event was again held simultaneously in Madrid and Bilbao with a screening of "Wreck-it, Ralph".

The Madrid event, which held its eighth edition in 2012, was celebrated as every year at the Kinepolis cinemas and brought together about 3,000 people, including former members of our Firm and some of our main clients and collaborators, and their families. Thanks to the generosity of all attendees, we were able to collect 5,000 kilos of

nonperishable food and Christmas sweets, in addition to several boxes of toys that were delivered that very morning to the Madrid headquarters of the Missionaries of Charity to be distributed to people in need who visit their charitable dining facilities every day.

In Bilbao, Management Solutions' Solidarity Film Screening event was held at the Artea cinema and almost doubled the number of attendees of the previous year, managing to bring together 700 people in its second edition, including professionals and clients, who contributed more than 1,300 kilos of food. All food collected was delivered to the San Antonio meal center run by the Franciscans in Bilbao, which is open daily to over 200 people without resources.

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



Solidarity Christmas Card drawings exhibition in Madrid, Spain



Solidarity Film Screening, Madrid, Spain



# Social Action

## ***Solidarity Christmas***

Around 300 Management Solutions professionals had once again the opportunity to bring hope to society's most disadvantaged groups through our "Solidarity Christmas" project, which was organized for the fifth consecutive year with the launch of several initiatives in Spain, UK, US, Colombia, Brazil, Peru, Chile and Argentina.

In Spain, the "True Magi" campaign was launched for the fifth consecutive year to collect presents for children in shelters in several Spanish cities who would otherwise not have received presents on Three Kings Day. The campaign was again very well received and, thanks to the participation of around 150 Management Solutions professionals in Madrid, Barcelona and Bilbao, made it possible for disadvantaged

children from these shelters to receive the gifts they had previously requested in a letter addressed to "their" private Magi. Furthermore, Management Solutions professionals participated for the first time as volunteers in the Christmas "posada" celebration organized by "Soñar Despierto", the organization that collects the gifts in Madrid. Volunteers had the opportunity to participate in numerous activities and surprises organized for the children and gave them their gifts.

In the UK, several professionals from the Firm disguised as Santa to participate in the Santa Fun Race, a 5 km charity race aimed at collecting funds for Princess Alice Hospital, a center offering free medical care and support for people without resources. The participants and the rest of professionals made donations to collaborate with this institution.

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

Professionals from the Colombia office had the opportunity to participate in their first solidarity activity, collaborating with a group of 20 children of the Help for Colombia Foundation, which helps to raise children of families without resources. Colombia Social Action volunteers were the Magi of these children, bringing them the toys and sweets they had previously bought.

In Brazil, Management Solutions professionals organized once again the Sacolinhas Natal campaign to buy gifts and essential items for children in one of Sao Paulo's child care



Volunteers at the Jardín Infantil Tai Tai in Chile



Operation Santa in United States



Volunteers at the Odila Franco home in Sao Paulo, Brazil



shelters. Thanks to the participation of most professionals from our Brazil office, around 20 children from the Odila Franco shelter received their Sacolinhos full of toys, sweets, food and clothes from the volunteers.

In Peru, all Management Solutions professionals helped to organize a traditional hot chocolate Christmas party at "Divino Niño Jesús", a school for children between 2 and 5 years of age located in San Juan de Miraflores, one of the poorest districts of Lima. Thanks to the funds raised and with the participation of the Social Action volunteers, a party was organized for the 300 children of the school, with dances, games, surprises, gifts and the participation of a clown that delighted kids and adults. The event ended with the traditional hot chocolate and the typical "paneton".

In Chile, the Viejito Pascuero (Father Christmas) campaign was organized once again in collaboration with the Tai Tai Kindergarten to collect presents for around 50 children between 2 and 5 years in risk of social exclusion. Thanks to the involvement of all professionals in the Chilean unit, a large number of toys, books and wooden jigsaws were collected and delivered to the children by a group of volunteers.

In Argentina, a group of Management Solutions professionals joined efforts to support the children assisted by the Argentine Liver Transplant Foundation. Thanks to the participation of almost all the professionals from the Firm, gifts were collected and delivered by a group of Social Action volunteers to a group of children that had to spend the holidays in hospital.

During 2012, more than 6,000 people worked on solidarity campaigns promoted by our Social Action Group



Solidarity Christmas in Argentina



Hot chocolate at the Divino Niño Jesús school in Lima, Peru



Solidarity Christmas in Colombia

# Environment



While the environmental impact of our activity is very limited (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 practice.

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 a view to promoting sustainable development and environmental preservation.

## ***Reduced consumption of resources***

### *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 2012, the use of paper sheets per person decreased by 10%. This reduction was achieved through initiatives such as setting defaults on printers to double-sided mode, and through growing awareness among professionals of the need to use information in electronic form (such as training courses, available online through the Intranet).

### *Energy*

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

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

These measures are in addition to the energy saving systems of printers and computers. In 2009, our Torre Picasso building in Madrid was granted the AENOR Environmental Management certificate attesting to its environmental compliance and ensuring best practice in environmental matters. In 2013 we plan to further reduce consumption in these areas by promoting responsible use



among our professionals, in addition to other measures. To do this, we propose to include a Good Practice Guide on the Intranet that will include measures for responsible consumption mainly as regards energy, paper and water.

### **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 2012, toner consumption was reduced by 15%.

#### *Paper and packaging*

Paper and packaging subject to be recycled are separated appropriately so they can be recycled by the building management companies. In addition, our Madrid, Bilbao and Barcelona offices have special containers for placing

confidential documents that must be destroyed. An external company is responsible for collecting these containers on a weekly basis as well as destroying and recycling these documents. Thus 7 tons of paper were recycled in 2012, 1,500 kilos more than in 2011.

#### *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. Equipments in a poorer condition are sold for parts to be reused, or if the model is no longer current, it is sent to a company for recycling.

### **Use of paper bags**

In 2010, Management Solutions started replacing plastic bags for paper bags to join the trend for responsible use of recyclable and biodegradable materials whenever possible. In addition, the Firm's bags have the Programme for the

Endorsement of Forest Certification (PEFC) Certificate -a program for recognition of Forest Certification Schemes to ensure that the products used are sourced from sustainably managed forests.

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



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