

I Executive Summary

With the implementation of axesor® 360, AENOR has managed to automate the process of admission of commercial operations incorporating customized risk indicators, such as the IRNP (Immediate Risk of Non-Payment) and the PBI (Payment Behaviour Indicator). This improvement in the admission process has enabled AENOR to obtain financial savings through a reduction in default rates, in addition to optimizing its management times.



With the implementation of axesor® 360 solution in 2015, our organization has achieved a qualitative and quantitative improvement in the whole process of credit risk management. axesor® 360 has allowed us to have a series of personalized risk indicators that have made it easier to automate and provide a layer of objectivity to all the credit decisions of the company. This has resulted, on the one hand, in a reduction in the evaluation times of operations, also achieving a greater understanding between the Commercial and Risk Departments, and, on the other hand, a reduction of our non-payments through improvements in the admission process and the debtor management system provided by the axesor® 360 platform. Without doubt for us this collaboration with axesor is proving to be very useful and we would recommend its use to other entities”.



Alberto Latorre Palazón
I Corporate Director of Administration and Finance
I Aenor

I The company

AENOR, through certification and conformity assessment, contributes to improving the quality and competitiveness of companies, their products and services; in this way helping organizations to generate one of the most appreciated values in the current economy: trust. AENOR is the leading certification entity in Spain, as its recognitions are the most valued and it is among the 10 main certification authorities in the world.

Currently, more than 77,000 work centres have some kind of AENOR certifications, which support organizations in areas such as Quality Management, Environmental Management, R&D, Occupational Health and Safety or Energy Efficiency.

The Entity has also carried out 470 environmental checks and validations and more than 8,000 inspections. In the field of Training it develops the best management tools on offer in Spanish, while its editorial action ranges from standards to valued technical works.

AENOR is a global entity, which already operates in 90 countries. This Entity helps companies with external expansion, both in implantation in other markets and in exporting products. In Spain it has a complete network of 20 offices.

I Challenges

Challenge 1

Develop an Advanced Business Admission Policy

Challenge 2

Effective monitoring of a portfolio with more than 60,000 clients

I Solution



Solution 1:

Prior to the implementation of the **axesor**[®] 360 solution, **AENOR** had to evaluate, via commercial reports, the admission of new credit sale transactions. Due to managing a large volume of daily operations made **AENOR decides to redefine its admission process with the aim of optimizing it and achieving greater efficiency** through a reduction in the time of analysis and improvement in decision making based on high power predictive indicators.

During the implementation of the solution, **axesor**[®] 360 consultants focused on the modelling of the **IRNP** (Immediate Risk of Non-payment) and **PBI** (Payment Behaviour Indicator) indicators to be fully aligned with the reality of **AENOR's** business and can therefore be their reference in the decision-making process.

In addition, although the solution has specific Modules for credit risk analysis and management, **AENOR** has an integration through Web Service, which allows it to incorporate all the indicators and parameters needed into its internal systems for its daily management.

Solution 2:

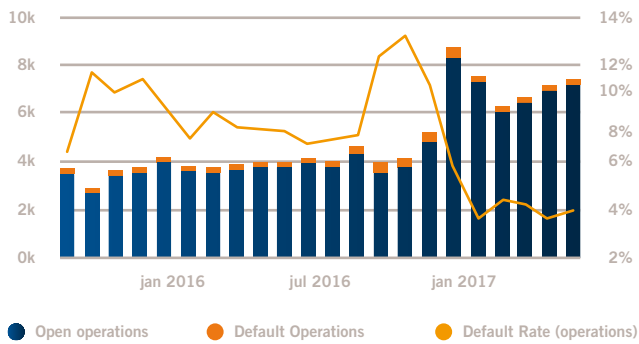
AENOR, with a portfolio of more than 60,000 clients, sought to improve the analysis and monitoring of its client portfolio and, therefore, to carry out an advanced management of its credit risk. The incorporation of the **axesor**[®] 360 solution helped to achieve **complete monitoring and to establish proactive alerts based on the IRNP and its evolution**, which enabled identifying clients that were defaulting and to take proactive actions.

I Benefits

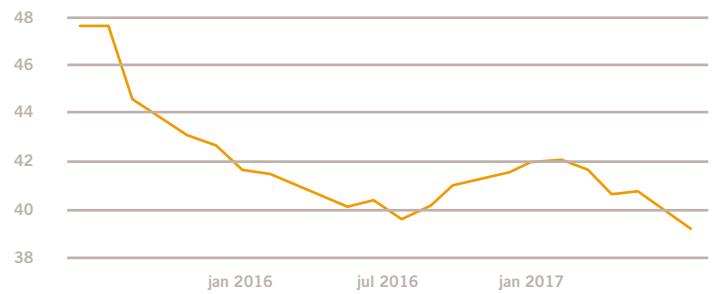
The incorporation in the management of the **axesor**[®] 360 solution has enabled **AENOR** to significantly improve some of the main KPIs of the performance of the portfolio of debtors, especially:

- The incorporation of the RIIM and the ICP into its risk management processes **has enabled AENOR to make the most up-to-date, dynamic information tailored to its needs.**
- Reduction in Non-payments: By having tailor-made indicators in credit risk management, **AENOR** has achieved **greater security in deferred operations**. As a result, a significant reduction in the portfolio's default rate, as well as an **improvement in the evolution of the DSO**.

I Evolution of Default Rate (by operations)

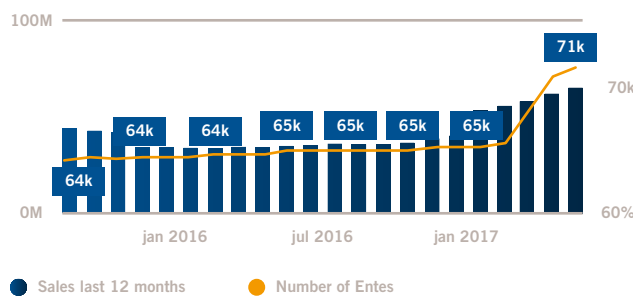


I Evolution DSO (Days Sales Outstanding)



- **Controlled sales growth:** the incorporation of RIIM as a key indicator in the credit concession, together with the increase in the level of sales, guarantee a solid growth of the company through a healthy customer portfolio.

I Evolution of sales



- **Comprehensiveness and Efficiency:** The axesor[®] 360 solution enables the integration of the internal transactional information and the external information of the entire customer portfolio into a single system, further synthesizing it into three key indicators: Credit Limit, IRIM and ICP. This information, together with the management and analysis features provided by the platform for the same, enable optimizing and making the credit risk management more effective.

I Why axesor[®]?

- axesor has more than 20 years of experience in providing advanced services for credit risk management.
- In 2012 the European regulator, European Securities and Markets Authority (ESMA), approves the registration of axesor as a Credit Rating Agency.
- axesor brings value in the management of credit risk to more than 2,000 clients, including the main financial institutions, credit insurers and industrial groups.