



Case study of Indra-Gas Natural Fenosa collaboration

**IDC POSITIONS INDRA AS A BENCHMARK IN VALUE CREATION AND THE
DIGITAL TRANSFORMATION OF OUTSOURCING**

- **According to a study by the market intelligence firm, the multinational has positioned itself as an agile technology partner able to respond proactively and on a global scale to changes stemming from new business models, the regulatory framework and digital evolution**
- **The study is based on an analysis of the Gas Natural Fenosa outsourcing model, within the context of its technological priorities, and the approach adopted by Indra to satisfy the energy company's needs**

Madrid, January 19, 2016. The findings of a study undertaken by IDC position Indra as a benchmark in business value creation, efficiency, and the digital transformation of the outsourcing model on a global scale. As the basis for the study, the market intelligence firm analyzed the collaboration between the consulting and technology multinational and Gas Natural Fenosa, specifically as regards Indra's status in this case as the provider of outsourcing services.

As IDC points out, the service delivered by Indra is based on a continuous commitment to innovation, a business orientation that is reflected in the service metrics, a global delivery model designed to meet the needs of multinational companies, and a proprietary outsourcing model that is underpinned by a set of success factors that Indra has identified throughout its vast experience.

For IDC, the case of Gas Natural Fenosa clearly illustrates that Indra's approach to value creation goes far beyond cutting or reconciling staff costs, embracing complete knowledge of the customer's processes. "Becoming a provider of outsourcing services for Gas Natural Fenosa implies taking efficiency and transformation on board as its own challenges and reviewing its service delivery at the same speed that Gas Natural Fenosa reappraises its processes."

From simple outsourcing to value partner

In the opinion of the market intelligence firm, the case of Gas Natural Fenosa is a clear example of how the strategic importance that IT has acquired overall has changed the function of outsourcing, which is less and less about offloading non-essential tasks and increasingly concerned with including a partner in the value chain.

IDC classifies the technological needs and priorities that characterize the Indra service for Gas Natural Fenosa into four groups. The first is the IT function for the business, which implies, for example, the use of business indicators to monitor systems. The second is IT duality, which addresses the

continuity of systems with efficiency, stability and reliability while simultaneously implementing transformation projects on the global scale. This is exemplified by the deployment of platforms like Delta (commercial management of Gas Natural Fenosa's various customer segments) and Zeus (management of the gas and electricity supply business), the platform of corporate systems, and the mobility and business intelligence projects.

Moreover, as IDC indicates, Indra has also been able to adapt with agility to the changes that GNF is introducing in areas like the review of its strategies and the refocus of its business models. The final point refers to Indra's ability to assimilate GNF's multi-provider model and relationships with collaborators and competitors, which stimulate the sustained delivery of a high service level.

Response capacity, proximity and proactivity

According to the IDC study, response capacity, proximity and accessibility, knowledge of its business processes and proactivity are the characteristics that GNF most values in the outsourcing service provided by Indra, above technical capability and quality of delivery.

As the study points out, the energy company not only praises the agility of the response but also the provider's attitude in the event of incidents, when it prioritizes resolution rather than apportioning blame. Proximity is another key element, understood in the sense of a profound knowledge of GNF's priorities and needs, accessibility of the staff (from technicians to senior management), and availability as a provider not just when problems are detected but also when opportunities for improvement are identified.

The robustness of the technological proposals is another characteristic that Gas Natural Fenosa values highly in this study. In this respect, the company underscores the customization of solutions to meet its specific needs, proactivity in making improvements, and valuing GNF as the customer over above the tactical convenience of marketing a particular solution. Finally, it highlights the international coverage, which offers the benefits of centralized mediation and the capacity to offer the same SLAs (service level agreements) and indicators for the entire company.

Technology before business

In the opinion of IDC, Indra's outsourcing model is based on the firm conviction that technology must always take precedence over business, which positions the company as a technology partner that looks out for and identifies opportunities. This business orientation is not only an organizational mindset but also translates into a value proposition based on the sustained delivery of metrics and a profound knowledge of the customer.

The firm also highlights other broad features as the basis of this model. In the first place, continuous innovation supported by two elements: the detection of innovation opportunities by analyzing market trends, emerging technologies and best practices; and investment in R&D to develop new initiatives and create products, processes and services which it then transfers to the customer.

In the second place, its global delivery model, which offers proximity to the customer through its network of more than 75 centers in different countries as well as functional specialization, which combines efficient and industrialized production capabilities with the creation of flexible and ad-hoc teams for the customer. Finally, it points to other elements like technological development, agile methodologies for developing software, a suite of quality control tools, a process for adding new projects to the service, and configuration integration and management.

Leader in outsourcing

Indra is the indisputable leader in the Spanish IT services market, according to the main sector analysts, with vast proven experience in on an international level. The company has been developing comprehensive outsourcing services around the globe for nearly 20 years, bringing its technical, human and material capabilities to its role as a technology partner.

The consulting and technology multinational currently provides IT management and development support services to a large number of customers worldwide in sectors as diverse as banking, energy and industry. Its extensive network of production centers staffed by more than 9,000 highly qualified professionals offer global coverage and enable it to collaborate in the development, administration and operation of technology platforms and implement the latest trends in the sector.

Gas Natural Fenosa

Gas Natural Fenosa is a pioneering company in the integration of natural gas and electricity. It is present in more than 30 countries and services nearly 23 million customers. Regulated and free energy and electricity markets provide the basis of the company's business, with a growing contribution from international activity. Gas Natural Fenosa offers a diversified mix of electricity generation and has an installed power capacity of 14.8 GW.

The company trades on all four Spanish stock markets through the continuous market and forms part of the select Ibex 35 index.

Indra

Indra, overseen by Chairman & CEO Fernando Abril-Martorell, is one of the leading consulting and technology multinationals in Latin America and Europe. The company is the global technology partner for operations in its clients' key businesses. It offers business solutions, IT services and integrated systems for clients around the world. Indra has a standout business model based on proprietary solutions (representing nearly 65% of its total 2014 revenues) that serve leading clients in key industries and regions. In 2014 it reported revenues of 2.938 billion euros (nearly 60% of its sales are on the international market), employed 39,000 professionals, had a local presence in 46 countries, and delivered projects in more than 140 countries. The company develops a range of technological solutions and services for operations in various industries, including Energy & Industry, Financial Services, Telecom & Media, Public Administrations & Healthcare, Transport & Traffic, and Security & Defense.

IDC

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