

INDRA IMPLEMENTS A NEW INNOVATION MODEL TO STRENGTHEN ITS RELATIONS WITH STARTUPS AND UNIVERSITIES AND TO PROMOTE INTRAPRENEURSHIP

- **More interlinked with the business, open, agile and flexible, the objective of the new model is to identify, generate and incorporate to the company's offering those solutions that are innovative, disruptive and with a high commercial impact for improving the Indra portfolio and strengthening its technological leadership**
- **To develop relations with the ecosystem of entrepreneurs and to facilitate investment, Indra creates the Indraventures unit, which will participate in the development and acceleration of the initiatives through human capital, technology, infrastructures and/or investments**
- **The New Innovation Model is aligned with Indra's transformation process, among its objectives contributing to improve the company portfolio and generating a new, more innovative culture throughout the organization**

Madrid, November 2, 2016.- Indra, one of the world's leading global consulting and technology companies, is implementing a new innovation model for strategically accelerating and extending the ability to generate and capture potentially attractive ideas for its future offers.

The New Innovation Model, more linked to business needs, open, agile and flexible, intends to broaden and reinforce Indra's connection with the technology ecosystems of innovation worldwide. These are: startups, entrepreneurs with ideas, university research groups experimenting with emerging technologies and Indra's professionals themselves, multidisciplinary experts from around the world that may be a valuable source of ideas.

The ultimate goal is to strengthen Indra's technological leadership and identify, generate and include within its offer, for the long term, disruptive innovative solutions with a high commercial potential that will allow the company to continue at the forefront of technological changes with its clients. The New Innovation Model is aligned with Indra's transformation process, by contributing to improve its portfolio and generating a new, more innovative culture throughout the organization, with the objective of achieving a more profitable and sustainable company.

The model will be implemented gradually over several phases, given its focus on the strategy and governance of corporate innovation, as well as on the planning and control of investments; acceleration, incubation, financing and development of the innovative offer; go-to-market; and follow-up and monitoring of the results.

In addition to promoting cultural change, the initial implementation phase considers the creation of an Innovation Committee as the model's governance body, the design of a scorecard for monitoring and analyzing the impact of the different measures and initiatives, as well as the launch of a new unit, Indraventures, for managing intrapreneurship and for embracing and speeding up collaboration with startups, spinoffs, universities and technology centers.

Commitment of Senior Management

The New Innovation Model entails a high content of commitment by the company's Senior Management to ensure its impact on the business.

Indra's New Innovation Committee, comprised of representatives from corporate units and managers from all business units and technology experts, will govern the model and supervise its functioning. This composition ensures the alignment between R&D, strategy and offer, and promotes cooperation and transversality to maximize synergies between markets. With all of this, Indra will drive disruptive innovation through its corporate areas to integrate it with the most evolutionary innovation linked to clients' current needs, which develops through the markets.

The Innovation Committee is the key decision-making body with regards to strategic investment lines (aligned with the needs of the markets and the detected trends), relations with startups, development of entrepreneurship initiatives for Indra employees, and supervision of the management of Indraventures.

Indraventures: driving the entrepreneur ecosystem

In this context, Indra has created Indraventures, configured as a vehicle for strengthening the company's relation with its stakeholders for developing the New Innovation Model and as an instrument for investing in startups, spinoffs, research groups at universities, entrepreneurs and intrapreneurs.

In continuous contact with external agents and with the company's own professionals, Indraventures will channel initiatives, collaboration agreements and incubation and/or acceleration actions, with the objective of identifying, generating and including disruptive innovative solutions with a high commercial potential in Indra's offer. It will participate in developing the initiatives, and for this purpose, depending on the needs, Indra will contribute human capital, technology or infrastructures, as well as its global network of alliances, partners and clients, and its internationalization capacity.

The investment strategy of Indraventures will focus on emerging ideas and initiatives in the development phase that require acceleration, and will respond to the specific needs of each one.

Other objectives of this new unit are also to align and focus collaboration with universities on Indra's strategic and technological priorities, by assessing the emerging technologies and the capacities of the Technology Centers, spinoffs and research groups.

Intrapreneurship: commitment to in-house talent

The professionals of Indra worldwide comprise a unique global network of multidisciplinary experts. To activate, mobilize and channel the talent of these professionals on a global scale and in a structured manner, Indraventures will develop different initiatives to gather ideas on innovative products or services and with a commercial capacity that will allow for generating transversal, disruptive solutions for their development by the business units. For this purpose, it contemplates different mechanisms and actions for promoting entrepreneurship and a culture in which innovation will be one of the key values for each and every one of the company's professionals.

Among other initiatives, Indra plans to regularly launch challenges aimed at responding to specific needs of the markets, create a corporate channel for gathering ideas, develop a community of innovators comprised of professionals with a more proactive and innovative profile, establish a group of visionaries that identify possible new technologies and lines of research or create multidisciplinary, in-house work groups expressly for developing and conceptualizing the new lines of innovation.

To achieve the participation of the company's professionals, Indraventures will also implement an internal development model that will make it possible for employees to participate directly in the idea one proposes, by working part-time on its development and by the allocation of additional resources and structuring it as a project. Likewise, different recognition mechanisms are being designed to award and stimulate participation in the different proposals.

About Indra

Indra is one of the main global consulting and technology companies and the technology partner for core business operations of its clients businesses throughout the world. It offers a comprehensive range of



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proprietary solutions and cutting edge services with a high added value in technology, which adds to a unique culture that is reliable, flexible and adaptable to its client's needs. Indra is a world leader in the development of comprehensive technological solutions in fields such as Defense & Security, Transport & Traffic, Energy & Industry, Telecommunications & Media, Financial Services and Public Administrations & Healthcare. Through its Minsait unit, it provides a response to the challenges of digital transformation. In 2015 it reported revenues of €2,850m, had a workforce of 37,000 professionals, a local presence in 46 countries, and delivered projects in more than 140 countries.